

Regular Meeting
Tuesday, September 22, 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

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. Seating for members of the public is reduced to allow for social distancing. 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); *please 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) no later than 5:00 p.m. on the day of the meeting, to be read into the record

ZOOM MEETING LINK:

<https://us02web.zoom.us/j/3547251432?pwd=Qkp3UDhqTEIKWVZlbytYWlpCUmhyZz09>

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

UNALASKA CRAB, INC.

Board of Directors Meeting Agenda

1. Call to order
2. Roll call
3. Adoption of agenda
4. Approve minutes of previous meetings
 - a. September 10, 2019 Board of Directors Meeting
 - b. November 26, 2019 Annual Meeting
 - c. November 26, 2019 Board of Directors Meeting
5. Resolution 2020-01, Approving the Regional Landing Requirement Relief Framework Agreement
6. Adjourn

UNALASKA CITY COUNCIL

Regular Meeting Agenda

1. **Call to order**
2. **Roll call**
3. **Pledge of allegiance**
4. **Adoption of agenda**
5. **Awards and Presentations** - Recognize City Employee Anniversaries
 - a. Maricela Rodriguez - 10 years, PCR
 - b. Victor Sabater - 10 years, DPS
 - c. Timoteo Balbarino - 10 years, DPW
6. **Approve minutes of previous meeting** September 8, 2020
7. **City Manager's Report**
8. **Community Input & Announcements** *Members of the public may make announcements of interest to the community.*
9. **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.*
10. **Work session** *Work sessions are for planning purposes, or studying and discussing issues before the Council.*
 - a. Report from Fisheries Consultant Frank Kelty
 - b. **Discuss proposed Utility Credit Program for Unalaska residents**
11. **Regular agenda** *Persons wishing to speak on regular agenda items must sign up with the City Clerk.*
 - a. **Resolution 2020-60: Establishing a Utility Credit Program for PCE eligible utility customers impacted by Stay at Home orders due to COVID-19**
 - b. **Resolution 2020-61: Identifying the City of Unalaska's Federal Priorities**
 - c. **Resolutions 2020-62: Identifying the City of Unalaska's State Priorities**
 - d. **Resolution 2020-63: Continuing Measures to Protect Public Health**
 - e. **Ordinance 2020-15: Budget Amendment #2 to the FY21 budget, recognizing private donation revenue of \$50,000 in the general fund and increasing community support expenditures by \$50,000; request of \$68,121 for FY21 Rolling Stock Replacements for the Department of Public Utilities Wastewater and Water Divisions**
12. **Council Directives to City Manager**
13. **Community Input & Announcements** *Members of the public may make announcements of interest to the community.*
14. **Adjournment**

UNALASKA CRAB, INC.
Board of Directors Meeting
September 10, 2019
Minutes

1. Call to order. The Chair called the Board of directors Meeting of Unalaska Crab Inc. to order at 6:00pm, September 10, 2019 in the Unalaska City Hall Council Chambers.

2. Roll call

Present:

Frank Kelty
Dennis Robinson
Roger Rowland
James Fitch
David Gregory (Via Telephone)
Shari Coleman

Absent:

Alejandro Tungul

3. Adoption of agenda. Robinson made a motion to adopt the agenda; Fitch seconded. No objection. Motion passed by consensus.

4. Approve minutes of previous meetings
- a. July 9, 2019 Annual Meeting
 - b. July 9, 2019 Board of Directors Meeting

Robinson made a motion to adopt the July 9, 2019 Annual Meeting minutes and the July 9, 2019 Board of Directors Meeting minutes as presented; Fitch seconded. No objection. Motion passed by consensus.

5. Resolution 2019-02, approving the Regional Landing Requirement Framework Agreement. Coleman made a motion to adopt Resolution 2019-02; Fitch seconded. Roll Call Vote: Robinson – yes; Fitch – yes; Rowland – yes; Coleman – yes; Gregory – yes. Motion passed 5-0.

6. Adjourn
Robinson made a motion to adjourn the meeting; Fitch seconded. No objection. Motion passed by consensus.

The meeting adjourned at 6:04pm.

Erin Reinders
Secretary

UNALASKA CRAB, INC.
Annual Meeting
November 26, 2019
Minutes

1. Call to order: The Chair called the Annual Meeting of Unalaska Crab, Inc. to order at 6:00 pm on November 26, 2019.

2. Roll Call

Present:

Vincent Tutiakoff, Chair
Dennis Robinson (Via Telephone)
Darin Nicholson (Via Telephone)
James Fitch
Alejandro Tungul
David Gregory

Absent:

Shari Coleman (Excused)

Statement by Chair: A quorum for the annual meeting is 20% of the number of voters in the most recent local election. We do not have a quorum for this meeting. We need a motion and second to adjourn into a Board of Directors meeting.

Fitch made a motion to adjourn Gregory seconded.

No objection.

Motion passed by consensus.

3. The meeting adjourned at 6:02 pm.

Erin Reinders
Secretary

UNALASKA CRAB, INC.
Board of Directors Meeting
November 26, 2019
Minutes

1. Call to Order. The Chair called the Unalaska Crab, Inc. Board of Directors meeting to order at 6:01 pm on November 26, 2019.

2. Roll Call

Present:

Vincent Tutiakoff, Chair
Dennis Robinson (Via Telephone)
Darin Nicholson (Via Telephone)
James Fitch
Alejandro Tungul
David Gregory

Absent:

Shari Coleman (Excused)

3. Adopt Agenda. Fitch made a motion to adopt agenda; Gregory seconded. No objection. Motion passed by consensus.

4. Approve Minutes

- a. Annual Meeting held July 9, 2019
- b. Board of Directors Meeting held July 9, 2019

Tungul made a motion to approve the minutes of the Unalaska Crab, Inc. Annual meeting held on July 9, 2019; Fitch seconded. No objection. Motion passed by consensus.

Fitch made a motion to approve the minutes of the Unalaska Crab, Inc. Board of Directors meeting held on July 9, 2019; Tungul seconded. No objection. Motion passed by consensus.

5. Resolution 2019-02, Election of Officers

Robinson made a motion to adopt Resolution 2019-02; Fitch seconded.

Gregory made a motion to amend Resolution 2019-02 to insert the following names:

Vincent Tutiakoff, Sr. - President
Dennis Robinson - Vice President
Erin Reinders - Secretary/Treasurer

Tungul seconded. No objection to motion to amend Resolution 2019-02. Motion passed by consensus.

Vote on main motion as amended: Gregory – yes; Tungul – yes; Nicholson – yes; Robinson – yes; Fitch – yes. Motion passed 5-0.

6. Adjourn. Fitch made a motion to adjourn; Tungul seconded. No objection. Motion passed by consensus.

The meeting adjourned at 6:14pm.

Erin Reinders
Secretary

**UNALASKA CRAB, INC.
RESOLUTION 2020-01**

A RESOLUTION OF UNALASKA CRAB, INC., APPROVING THE REGIONAL LANDING REQUIREMENT RELIEF FRAMEWORK AGREEMENT

WHEREAS, Unalaska Crab Inc. (the Corporation) is the authorized representative for Unalaska, an Eligible Crab Community (ECC) pursuant to the federal regulations generally known as the Crab Rationalization Program; and

WHEREAS, 50CFR 680.4(p) sets forth a process by which holders of an individual fishing quota (IFQ) or individual processing quota (IPQ) in certain crab fisheries (Exemption Applicants) may request a preseason exemption from otherwise applicable geographical restrictions on the delivery or processing of crab; and

WHEREAS, 50CFR 680.4(p)(4)(ii)(B) requires that Exemption Applicants certify that the Exemption Applicant has entered into a framework agreement signed by representatives of the ECC; and

WHEREAS, the Corporation has participated in the process of negotiating a framework agreement and has reviewed a proposed framework agreement for the 2020-2021 crab fishing season which is intended to comply with 50CFR 680.4(p)(4)(ii) (B); and

WHEREAS, the Corporation finds the terms of the framework agreement acceptable to Unalaska as an ECC.

NOW THEREFORE BE IT RESOLVED (1) that Unalaska Crab, Inc., hereby authorizes the President of the Corporation to sign the framework agreement attached to this Resolution; (2) that any changes to the proposed agreement be subject to further review and approval of the Corporation; (3) that any specific provisions be subject to further review and approval of the Corporation; and (4) that any in-season exemptions required by 50CFR 680.4(p)(4)(ii)(B) be subject to further review and approval of the Corporation.

DULY ADOPTED at a meeting of the Board of Directors of Unalaska Crab, Inc., on September 22, 2020.

UNALASKA CRAB, INC.

Vincent M. Tutiakoff, Sr.
President

ATTEST:

Erin Reinders
Secretary

MEMORANDUM TO COUNCIL

To: Mayor Tutiakoff and City Council Members
From: Frank Kelty, Fisheries Consultant
Through: Erin Reinders, City Manager
Date: September 22, 2020
Re: Unalaska Crab, Inc., Resolution 2020-01, approving the Regional Landing Requirement Framework Agreement

SUMMARY: This is the annual renewal of the Regional Landing Requirement Framework Agreement, which has been approved annually since the 2012-2013 fishing season. This agreement defines the general terms and conditions under which an exemption contract may be negotiated and executed among some or all of the parties; and an in-season Notice of Exemption may be filed with the National Marine Fisheries Service (NMFS) pursuant to 50 CFR 680.4(p)(4)(ii)(B), which upon filing, will result in NMFS re-designating Class A IFQ described in the related affidavit and the IPQ as free of any Regional Landing Requirements. This agreement is entered into to enable the parties to satisfy the affidavit requirements of 50 CFR 680.4(p)(4)(ii)(B).

PREVIOUS COUNCIL ACTION: Unalaska Crab, Inc. has:

1. Passed annual Resolutions since the 2012-2013 fishing season approving Regional Landing Requirement Framework Agreements.
2. Adopted Resolution 2012-01 supporting the waiver of invoking the Right of First Refusal on the sale by Westward Seafood's of a very small amount of St. Matthew Blue King Crab Processor Quota Shares (PQS) to B/N Fisheries Company.
3. Adopted Resolution 2017-02, approving the Right of First Refusal agreements for GKC Holding LLC and Ocean2 Table Alaska LLC with Unalaska Crab Inc.
4. Adopted Resolution 2018-01 supporting the waiver on the Right of First Refusal (ROFR) from Unalaska Crab Inc. supporting the transfer of 163,000 pounds of Brown King Crab to Aleutian Pribilof Island CDQ group.

BACKGROUND: The parties acknowledge that Regional Landing Requirements were included in the Crab Rationalization Program to provide certain Bering Sea and Aleutian Island communities with protection from adverse economic consequences that could result from changes in crab delivery and processing locations made possible by the Crab Rationalization Program. The parties intend that the Regional landing requirements fulfill their purpose under the Crab Rationalization Program, providing the beneficiary communities with crab deliveries and processing activity that promotes stable and healthy fisheries economies. However, the parties acknowledge the circumstances outside of the parties control could impair IFQ holders from making crab deliveries in the designated region within a commercially reasonable period after crab harvest, or could prevent IFQ holders from doing so within the related crab season. The Regional landing Requirements could prevent crab that has been harvested from being delivered

alive, resulting in loss of related product value or could prevent crab from being delivered during the regulatory fishing season.

This would not only result in communities failing to receive the benefits of the intended crab deliveries, but could also result in the loss of the Bering Sea Aleutian Island Crab resources, which would be inconsistent with the Nation Standard 1 of the Magnuson–Stevens Act. Further, in the absence of an exemption to the Regional Landing Requirements, persons harvesting IFQ crab may have incentives to attempt crab deliveries in unsafe conditions to avoid losing the value of their harvest. The parties therefore wish to define certain terms and conditions under which a person harvesting crab IFQ may obtain relief from an otherwise applicable Regional landing Requirement Framework Agreement.

DISCUSSION: The 2020-2021 agreement has no changes and dates have been updated throughout the document. On page three, the word National Marine Fisheries Service has been replaced with just NMFS. Other than the above-mentioned changes, the document is very similar to the prior version of the agreement.

ALTERNATIVES: The Board of Directors can approve Resolution 2020-01, amend it, or choose to not to adopt it or take no action.

FINANCIAL IMPLICATIONS: Declining to be a signatory to the agreement would allow crab deliveries that were exempt from the regional landing requirements being forced to make deliveries to other southern region communities. This would cause a loss of revenue, employment for processors and support sector businesses, and a loss of tax revenue for the City of Unalaska

LEGAL: Brooks Chandler, legal counsel for Unalaska Crab Inc. and the City of Unalaska, reviewed the updated version of the framework agreement and has no issues with the minor changes to the agreement. Mr. Chandler has also reviewed Resolution 2020-01 and has no problem with the resolution.

CONSULTANT RECOMMENDATION: I support the passage of Resolution 2020-01.

PROPOSED MOTION: I move to adopt Resolution 2020-01 of Unalaska Crab, Inc.

ATTACHMENTS:

1. Framework Agreement
2. Redline Framework Agreement
3. Signatories to the Framework agreement
4. NMFS Application for Exemption from CR Crab North or South Region Delivery Requirements

FRAMEWORK AGREEMENT

October 15, 2020

This Regional Landing Requirement Relief Framework Agreement (“Framework Agreement”) is entered into by and among Central Bering Sea Fishermen’s Association, Unalaska Crab, Inc., Aleutian Pribilof Island Community Development Association, Kodiak Fisheries Development Association (“Community Representatives”), 57 Degrees North, LLC, Alyeska Seafoods, Inc., APICDA Joint Ventures, Inc., Arctic Sea Holdings LLC, Blue Dutch, LLC, Coastal Villages Region Fund, Norquest Seafoods, Inc., Peter Pan Seafoods, Inc., Ocean2Table Alaska LLC, RAS II, LLC, Royal Aleutian Seafoods, Inc., Trident Seafoods Corporation, Westward Seafoods, Inc. (“IPQ Holders”), and Aleutian Islands Cooperative, Aleutian Pribilof Island Community Development Association, Coastal Villages Crabbing Cooperative, CPH Association, Dog Boat Cooperative, Inter-Cooperative Exchange, R&B Cooperative and Trident Affiliated Crab Harvesting Corporation (“IFQ Holders”) (each individually, a “Party” and together, the “Parties”) as of October 15, 2020 with respect to the following facts:

RECITALS

A. The Bering Sea and Aleutian Islands Crab Rationalization Program adopted by the North Pacific Fishery Management Council (the “Council”) as Amendments 18 and 19 to the Fisheries Management Plan for the Bering Sea and Aleutian Islands crab fisheries, and implemented through National Marine Fisheries Service (“NMFS”) regulations at 50 C.F.R. 680 (the “Crab Rationalization Program”) includes several regional landing requirements (the “Regional Landing Requirements”). The Regional Landing Requirements stipulate that certain amounts of crab harvested pursuant to Individual Fishing Quota (“IFQ”) issued annually must be delivered in certain regions of the fishery based on historical delivery patterns, and regionally designate “Class A” IFQ and corresponding Individual Processing Quota (“IPQ”) accordingly.

B. The Parties acknowledge that the Regional Landing Requirements were included in the Crab Rationalization Program to provide certain Bering Sea and Aleutian Islands communities with protection from adverse economic consequences that could result from changes in crab delivery and processing locations made possible by the Crab Rationalization Program.

C. The Parties intend that the Regional Landing Requirements fulfill their purpose under the Crab Rationalization Program, i.e., providing the beneficiary communities with crab deliveries and processing activity that promotes stable and healthy fisheries economies. However, the Parties acknowledge that circumstances outside of the Parties’ control could impair IFQ holders from making crab deliveries in the designated region within a commercially reasonable period of time after crab harvests, or could prevent IFQ holders from doing so within the related crab fishing season. Under these circumstances, the Regional Landing Requirements could prevent crab that has been harvested from being delivered alive, resulting in loss of the related product value, or could prevent crab from being delivered during the regulatory fishing season. This

would not only result in communities failing to receive the benefit of the intended crab deliveries, but could also result in waste of Bering Sea and Aleutian Islands crab resources, which would be inconsistent with the Crab Rationalization Program's purposes and National Standard 1 of the Magnuson-Stevens Fishery Conservation and Management Act.

D. Further, in the absence of an exemption to the Regional Landing Requirements, persons harvesting IFQ crab may have incentives to attempt crab deliveries under unsafe or marginally safe conditions, to avoid losing the value of their harvests.

E. The Parties therefore wish to define certain terms and conditions under which a person harvesting crab IFQ may obtain relief from an otherwise applicable Regional Landing Requirement.

AGREEMENT

The Parties agree as follows:

1. Purpose of Agreement. This Agreement defines the general terms and conditions under which an exemption contract may be negotiated and executed among some or all of the Parties and an "Inseason Notice of Exemption" may be filed with NMFS pursuant to 50 CFR 680.4(p)(4)(iii), which, upon filing, will result in NMFS re-designating the Class A IFQ described in the related affidavit and the IPQ with which it is matched as free of any Regional Landing Requirements. This Agreement is entered into to enable the Parties to satisfy the affidavit requirement of 50 CFR 680.4(p)(4)(ii)(B).

2. Eligible Applicants. To be eligible to apply for a regional landing requirement exemption by filing an Inseason Notice of Exemption, a Party must be one of the following, and must have been conducting and be conducting its harvesting and processing operations in a manner consistent with the Fishery Guidelines and Reserve Pool approach (as defined in Section 4, below) then in effect for the Fishery or Fisheries (as defined in Section 2.1, below) for which the exemption is sought, unless the Fishery Guidelines and/or the Reserve Pool Agreement's terms have been waived in accordance with the applicable conditions of Section 5, below:

2.1 IFQ Holders. A person holding regionally designated IFQ for Bristol Bay red King crab ("BBRKC"), Bering Sea snow crab ("BSS"), St. Matthew blue King crab ("SMB"), Eastern Aleutian Islands golden King crab, Western Aleutian Islands red King crab, Pribilof Island blue King crab or Pribilof Island red King crab (each, a "Fishery," and together, the "Fisheries").

2.2 IPQ Holders. A person holding regionally designated IPQ for one or more of the Fisheries.

2.3 Community Representatives.

2.3.1 For communities that hold or formerly held the right of first refusal (“ROFR”) pursuant to 50 CFR 680.41(l), the Eligible Crab Community entity, as defined at 50 CFR 680.2.

2.3.2 For North Region SMB crab processor quota shares (“PQS”) and North Region BSS PQS that was issued without a ROFR, the community representatives for the communities of St. Paul and St. George shall be both the Aleutian Pribilof Island Community Development Association (“APICDA”) and the Central Bering Sea Fishermen’s Association (“CBSFA”), in accordance with 50 CFR 680.4(p)(2)(iii)(B)(2)(i).

3. Fisheries Subject to Agreement. This Agreement establishes the conditions for filing an exemption notice for each of the Fisheries.

4. Actions Taken to Reduce the Need for and Amount of an Exemption. To reduce the need for and amount of a BSS Regional Landing Requirement exemption, the Parties shall adopt annual fishery operational guidelines per Section 4.1, below (the “Fishery Guidelines”) and shall operate under the reserve pool approach described in Section 4.2, below (the “Reserve Pool”). The actions taken to reduce the need for and amount of a Regional Landing Requirement exemption for the crab Fisheries other than the BSS Fisheries shall be developed by the Coordinating Committee (as defined in Section 7, below) from time to time.

4.1 Fishery Guidelines. The Parties holding North region BSS IFQ and IPQ will develop proposed Fishery Guidelines for the BSS Fishery, and will submit them to the Coordinating Committee for review and approval. The Fishery Guidelines will provide general guidance concerning the delivery period for the North region of the BSS Fishery and the types and amounts of harvesting and processing capacity to be employed in the North region of the BSS Fishery, which, absent circumstances outside of the Fishery participants’ control, should enable the Fishery to be conducted without a Regional Landing Requirement exemption being necessary. The Fishery Guidelines will be consistent with the delivery periods and harvesting and processing capacity employed during the 2015-2016 through 2019-2020 seasons of the BSS Fishery, as adjusted to take into account the total allowable catch (“TAC”) for the 2020-2021 BSS Fishery and 2020-2021 BSS market factors.

4.2 Reserve Pool. The Reserve Pool approach set forth in this Section 4.2 establishes a procedure under which North region BSS deliveries are scheduled and made on a basis that reduces the risk that North region ice conditions cause BSS IFQ and IPQ to be stranded, and certain amounts of South Region IFQ and IPQ are reserved to cover frustrated North region deliveries, as set forth below.

4.2.1 As long as the risks associated with delivering in the North region remain acceptable (as determined by vessel masters), on an IPQ holder by IPQ holder basis, reserve pool participants will give North region deliveries priority over South region deliveries.

4.2.2 If the risks associated with delivering in the North region become unacceptable (as determined by vessel masters), South region IFQ will be used first to cover any frustrated North region deliveries, and then used as follows:

4.2.2.1 Immediately following the suspension of North Region deliveries due to adverse conditions, on an IPQ holder by IPQ holder basis, the affected IFQ holder(s) will assign South region IFQ in amounts approximating the remaining balance to be delivered to that IPQ holder (or on its account) in the North region to a “reserve pool.” When all South region IFQ in excess of an IPQ holder’s share of the reserve pool has been delivered, if the North region is still closed to deliveries, the affected IFQ holder(s) and each IPQ holder with whom they are matched may, by mutual agreement, either (i) use such IPQ holder’s share of the South region reserve pool until it has been exhausted or the North region has been re-opened for deliveries, and/or (ii) initiate a request for a Regional Landing Requirement exemption in accordance with Section 5, below, and if it is approved, may deliver North region designated IFQ to the South region for processing.

4.2.2.2 If the North region re-opens during the BSS season, such that there is a reasonable likelihood of delivering a substantial amount of IFQ in the North region prior to season closure, the IFQ holder(s) with remaining North region IFQ will (in consultation with North region IPQ holders) prioritize North region deliveries over South region deliveries. If IFQ holder(s) and an IPQ holder with whom the IFQ holder(s) are matched have been delivering North region IFQ in the South region under an exemption pending such re-opening, they may initiate compensatory landings in the North region.

4.2.2.3 If at any point in time a North region IPQ holder and the North region IFQ holder(s) with whom it is matched conclude in their reasonable discretion that it will not be feasible to make additional landings in the North region in the same crab fishing season, then any remaining balance of such IPQ holder’s and IFQ holder(s)’ compensatory landing obligation will roll over to the following year.

5. Inseason Notice of Exemption Procedure. One or more share-matched IFQ holder(s) and IPQ holder(s) may initiate the request for a Regional Landing Requirement exemption. The determination whether any specific set of circumstances justifies filing an Inseason Notice of Exemption shall be made by the authorized representatives of the “Affected Parties.” For purposes of this Agreement, “Affected Parties” shall mean (i) the community or communities to which the exempted crab would normally be delivered under the regional landing requirements; (ii) the community or communities from which compensatory deliveries would originate; (iii) the IFQ holder(s) whose IFQ would be exempted from otherwise applicable regional landing requirements; and (iv) the IPQ holder(s) whose IPQ would be exempted from otherwise applicable regional landing requirements. No Inseason Notice of Exemption may be filed without the approval of all Affected Parties.

An Inseason Notice of Exemption may not be filed unless and until the Affected Parties determine that each of the following conditions is satisfied or (if permissible) is waived by all Affected Parties.

5.1 Circumstances outside of the Parties' control have resulted in essential crab processing capacity within a designated region becoming inaccessible or unavailable such that there is a risk that the affected IFQ holder(s) will not be able to land all regionally designated crab in such region prior to the end of the crab fishing season.

5.2 If a Regional Landing Requirement exemption is requested for the BSS Fishery, the Fishery Guidelines referenced in Section 4.1, above have been approved by the Coordinating Committee, and the IFQ holder(s) and IPQ holder(s) requesting an exemption have conducted and are conducting their harvesting and processing operations in a manner consistent with such Fishery Guidelines and the Reserve Pool approach described in Section 4.2, above. If a Regional Landing Requirement exemption is requested for a Fishery other than the BSS Fishery, the actions taken to reduce the need for and amount of a Regional Landing Requirement exemption for the Fishery at issue shall be those developed by the Coordinating Committee from time to time, if any.

5.3 The Affected Parties on a processor/IPQ holder by processor/IPQ holder basis have entered into an exemption contract on a processor/IPQ holder by processor/IPQ holder basis that:

5.3.1 Identifies the IFQ amount and IPQ amount, by Fishery, that is subject to the exemption contract;

5.3.2 Describes the circumstances under which the exemption is being exercised;

5.3.3 Specifies the action that the Parties must take to mitigate the effects of the exemption;

5.3.4 Specifies the compensation, if any, that any Party must make to any other Party; and

5.3.5 Specifies any arrangements for compensatory deliveries in that crab fishing year or the following fishing year.

5.4 The Affected Parties may waive one or more of the conditions set forth in Sections 5.1 and 5.2 for good cause shown. If a Party is seeking a waiver of one or more such conditions because it was prevented from satisfying such condition(s) by circumstances outside of its control, such Party must have notified the Affected Parties of such circumstances within ten (10) days of their occurrence. The Affected Parties may not waive the exemption contract requirement set forth in Section 5.3.

6. Mitigating the Effects of an Exemption. The Parties shall take the following actions to mitigate the effects of a Regional Landing Requirement exemption.

6.1 In connection with circumstances involving a BSS Regional Landing Requirement exemption for up to five (5) million pounds of crab, the IFQ and IPQ holders shall

make compensatory landings, which for IPQ holders shall be calculated on a processor/IPQ holder by processor/IPQ holder basis by a qualified independent third-party data collector which will yield a ratio of regionally designated shares for each processor/IPQ holder (regional ratio), in an amount equal, so long as each processor/IPQ holder has the opportunity to seek a portion of the exemption up to its regional ratio, to the amount of crab delivered outside of its originally designated region. Such compensatory landings shall be made during the same crab fishing year that the exemption was obtained and used, or during the following crab fishing year.

6.2 In connection with events involving a BSS Regional Landing Requirement exemption for five (5) million or more pounds of crab, the type and amount of compensation shall be negotiated as part of each individual exemption contract. The compensation may include, but is not limited to, compensatory landings and monetary relief.

6.3 The Coordinating Committee may amend the BSS thresholds set forth in Sections 6.1 and 6.2, above, in particular based on the changing size of the TAC, and may adopt compensation thresholds for other Fisheries from time to time.

7. Coordinating Committee. On or before October 15, 2020, the Parties shall form a “Coordinating Committee,” composed of the Parties or their designees, which shall, before the start of the BSS Fishery: (i) approve the BSS Fishery Guidelines per Section 4.1, above; and (ii) amend the thresholds set forth in Sections 6.2 and 6.3, above, as needed; and may, from time to time: (i) specify the actions to be taken by IFQ and IPQ holders to reduce the need for and amount of a Regional Landing Requirement exemption for one or more of the Fisheries other than the BSS Fishery, and (ii) develop compensation thresholds for Fisheries other than the BSS Fishery. Decisions of the Coordinating Committee at any given meeting shall require the consent of all Coordinating Committee members present either in person or on the telephone conference line. The Coordinating Committee may appoint Fishery subcommittees from time to time, and may delegate its authority to such sub-committee(s) as it deems appropriate.

8. Season Extension. If the re-opening of the North region is delayed such that a season closure could prevent additional landings from being made in the North region in the same crab fishing season, the Affected Parties may seek a season extension from the Alaska Department of Fish and Game if the extension could make it feasible to deliver a substantial amount of IFQ in the North region prior to the extended season’s closure. A decision to seek a season extension shall require the consent of all Affected Parties.

9. Reporting Requirements. Each IFQ holder that is a party to this Agreement shall prepare a “Regional Delivery Exemption Report” (the “Report”) as required under the Crab Rationalization Program regulations. Each IFQ holder shall deliver a copy of its Report to the IPQ holders and community representatives who are party to this Agreement on or before July 15, 2021, and shall deliver a copy of its Report to NMFS on or before July 30, 2021, but no Report shall be submitted to NMFS less than fifteen (15) days after it was delivered to the IPQ holders and community representatives. The Report shall contain all information required by the Crab Rationalization Program regulations, including but not limited to explanations of:

9.1 The amount of IFQ, if any, set aside to reduce the need for, and the amount of, an exemption;

9.2 The mitigation measures employed before submitting an Inseason Notice;

9.3 The number of times an exemption was requested and used;

9.4 The arrangements for any compensatory deliveries, including all compensatory deliveries made during the crab fishing year and any outstanding compensatory delivery obligations for the following crab fishing year;

9.5 Whether the exemption was necessary; and

9.6 Any impacts resulting from the exemption on fishery participants and communities that signed the preseason application.

10. Term and Termination. This Agreement shall take effect as of the date set forth above and shall expire as of midnight, June 30, 2021.

11. Miscellaneous.

11.1 No amendment to this Agreement shall be effective against a Party hereto unless in writing and duly executed by such Party. The Parties agree to amend this Agreement as reasonably necessary to comply with changes in law, and policies and regulations implementing Regional Landing Requirement relief.

11.2 This Agreement shall be governed by and construed in accordance with applicable federal law and the laws of the State of Alaska.

11.3 This Agreement may be executed in counterparts which, when taken together, shall have the same effect as a fully executed original. Delivery of a signed copy of this Agreement by electronic transmission shall have the same effect as delivering a signed original.

11.4 The Parties agree to execute any documents necessary or convenient to give effect to the intents and purposes of this Agreement.

11.5 All notices required to be given under this Agreement shall be deemed given five (5) days following deposit in certified first class U.S. mail, postage prepaid, with the correct address, or upon the first business day following confirmed electronic transmission to the recipient. **Each Party agrees to provide all other Parties with the name, postal address, email address and fax number of its representative(s) for purposes of receiving notices under this Agreement within three (3) days of executing this Agreement.**

11.6 In the event that any provision of this Agreement is held to be invalid or unenforceable, such provision shall be deemed to be severed from this Agreement, and such holding shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

EXECUTED as of the date set forth above.

Community Representatives

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION By: _____ Its: _____	UNALASKA CRAB, INC. By: _____ Its: _____
ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____	KODIAK FISHERIES DEVELOPMENT ASSOCIATION By: _____ Its: _____

Community Representatives for Non-ROFR IPO

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION By: _____ Its: _____	ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____
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IPO Holders

57 DEGREES NORTH, LLC By: _____ Its: _____	ALYESKA SEAFOODS, INC. By: _____ Its: _____
APICDA JOINT VENTURES, INC. By: _____ Its: _____	ARCTIC SEA HOLDINGS LLC By: _____ Its: _____

IPO Holders Continued

BLUE DUTCH, LLC By: _____ Its: _____	COASTAL VILLAGES REGION FUND By: _____ Its: _____
NORQUEST SEAFOODS, INC. By: _____ Its: _____	PETER PAN SEAFOODS, INC. By: _____ Its: _____
OCEAN2TABLE ALASKA LLC By: _____ Its: _____	RAS II, LLC By: _____ Its: _____
ROYAL ALEUTIAN SEAFOODS, INC. By: _____ Its: _____	TRIDENT SEAFOODS CORPORATION By: _____ Its: _____

WESTWARD SEAFOODS, INC. By: _____ Its: _____
--

IFQ Holders

ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____	ALEUTIAN ISLANDS COOPERATIVE By: _____ Its: _____
COASTAL VILLAGES CRABBING COOPERATIVE By: _____ Its: _____	CPH ASSOCIATION By: _____ Its: _____

IFQ Holders Continued

DOG BOAT COOPERATIVE By: _____ Its: _____	INTER-COOPERATIVE EXCHANGE By: _____ Its: _____
R&B COOPERATIVE By: _____ Its: _____	TRIDENT AFFILIATED CRAB HARVESTING CORPORATION By: _____ Its: _____

FRAMEWORK AGREEMENT

October 15, 20~~19~~

This Regional Landing Requirement Relief Framework Agreement (“Framework Agreement”) is entered into by and among Central Bering Sea Fishermen’s Association, Unalaska Crab, Inc., Aleutian Pribilof Island Community Development Association, Kodiak Fisheries Development Association (“Community Representatives”), 57 Degrees North, LLC, Alyeska Seafoods, Inc., APICDA Joint Ventures, Inc., Arctic Sea Holdings LLC, Blue Dutch, LLC, Coastal Villages Region Fund, Norquest Seafoods, Inc., Peter Pan Seafoods, Inc., ~~Quota Share Leasing Ocean 2 Table Alaska~~ LLC, RAS II, LLC, Royal Aleutian Seafoods, Inc., Trident Seafoods Corporation, Westward Seafoods, Inc. (“IPQ Holders”), and Aleutian Islands Cooperative, Aleutian Pribilof Island Community Development Association, Coastal Villages Crabbing Cooperative, CPH Association, Dog Boat Cooperative, Inter-Cooperative Exchange, R&B Cooperative and Trident Affiliated Crab Harvesting Corporation (“IFQ Holders”) (each individually, a “Party” and together, the “Parties”) as of October 15, 20~~19~~ with respect to the following facts:

RECITALS

A. The Bering Sea and Aleutian Islands Crab Rationalization Program adopted by the North Pacific Fishery Management Council (the “Council”) as Amendments 18 and 19 to the Fisheries Management Plan for the Bering Sea and Aleutian Islands crab fisheries, and implemented through National Marine Fisheries Service (“NMFS”) regulations at 50 C.F.R. 680 (the “Crab Rationalization Program”) includes several regional landing requirements (the “Regional Landing Requirements”). The Regional Landing Requirements stipulate that certain amounts of crab harvested pursuant to Individual Fishing Quota (“IFQ”) issued annually must be delivered in certain regions of the fishery based on historical delivery patterns, and regionally designate “Class A” IFQ and corresponding Individual Processing Quota (“IPQ”) accordingly.

B. The Parties acknowledge that the Regional Landing Requirements were included in the Crab Rationalization Program to provide certain Bering Sea and Aleutian Islands communities with protection from adverse economic consequences that could result from changes in crab delivery and processing locations made possible by the Crab Rationalization Program.

C. The Parties intend that the Regional Landing Requirements fulfill their purpose under the Crab Rationalization Program, i.e., providing the beneficiary communities with crab deliveries and processing activity that promotes stable and healthy fisheries economies. However, the Parties acknowledge that circumstances outside of the Parties’ control could impair IFQ holders from making crab deliveries in the designated region within a commercially reasonable period of time after crab harvests, or could prevent IFQ holders from doing so within the related crab fishing season. Under these circumstances, the Regional Landing Requirements could prevent crab that has been harvested from being delivered alive, resulting in loss of the related product value, or could prevent crab from being delivered during the regulatory fishing season. This

would not only result in communities failing to receive the benefit of the intended crab deliveries, but could also result in waste of Bering Sea and Aleutian Islands crab resources, which would be inconsistent with the Crab Rationalization Program’s purposes and National Standard 1 of the Magnuson-Stevens Fishery Conservation and Management Act.

D. Further, in the absence of an exemption to the Regional Landing Requirements, persons harvesting IFQ crab may have incentives to attempt crab deliveries under unsafe or marginally safe conditions, to avoid losing the value of their harvests.

E. The Parties therefore wish to define certain terms and conditions under which a person harvesting crab IFQ may obtain relief from an otherwise applicable Regional Landing Requirement.

AGREEMENT

The Parties agree as follows:

1. Purpose of Agreement. This Agreement defines the general terms and conditions under which an exemption contract may be negotiated and executed among some or all of the Parties and an “Inseason Notice of Exemption” may be filed with NMFS pursuant to 50 CFR 680.4(p)(4)(iii), which, upon filing, will result in NMFS re-designating the Class A IFQ described in the related affidavit and the IPQ with which it is matched as free of any Regional Landing Requirements. This Agreement is entered into to enable the Parties to satisfy the affidavit requirement of 50 CFR 680.4(p)(4)(ii)(B).

2. Eligible Applicants. To be eligible to apply for a regional landing requirement exemption by filing an Inseason Notice of Exemption, a Party must be one of the following, and must have been conducting and be conducting its harvesting and processing operations in a manner consistent with the Fishery Guidelines and Reserve Pool approach (as defined in Section 4, below) then in effect for the Fishery or Fisheries (as defined in Section 2.1, below) for which the exemption is sought, unless the Fishery Guidelines and/or the Reserve Pool Agreement’s terms have been waived in accordance with the applicable conditions of Section 5, below:

2.1 IFQ Holders. A person holding regionally designated IFQ for Bristol Bay red King crab (“BBRKC”), Bering Sea snow crab (“BSS”), St. Matthew blue King crab (“SMB”), Eastern Aleutian Islands golden King crab, Western Aleutian Islands red King crab, Pribilof Island blue King crab or Pribilof Island red King crab (each, a “Fishery,” and together, the “Fisheries”).

2.2 IPQ Holders. A person holding regionally designated IPQ for one or more of the Fisheries.

2.3 Community Representatives.

2.3.1 For communities that hold or formerly held the right of first refusal (“ROFR”) pursuant to 50 CFR 680.41(l), the Eligible Crab Community entity, as defined at 50 CFR 680.2.

2.3.2 For North Region SMB crab processor quota shares (“PQS”) and North Region BSS PQS that was issued without a ROFR, the community representatives for the communities of St. Paul and St. George shall be both the Aleutian Pribilof Island Community Development Association (“APICDA”) and the Central Bering Sea Fishermen’s Association (“CBSFA”), in accordance with 50 CFR 680.4(p)(2)(iii)(B)(2)(i).

3. Fisheries Subject to Agreement. This Agreement establishes the conditions for filing an exemption notice for each of the Fisheries.

4. Actions Taken to Reduce the Need for and Amount of an Exemption. To reduce the need for and amount of a BSS Regional Landing Requirement exemption, the Parties shall adopt annual fishery operational guidelines per Section 4.1, below (the “Fishery Guidelines”) and shall operate under the reserve pool approach described in Section 4.2, below (the “Reserve Pool”). The actions taken to reduce the need for and amount of a Regional Landing Requirement exemption for the crab Fisheries other than the BSS Fisheries shall be developed by the Coordinating Committee (as defined in Section 7, below) from time to time.

4.1 Fishery Guidelines. The Parties holding North region BSS IFQ and IPQ will develop proposed Fishery Guidelines for the BSS Fishery, and will submit them to the Coordinating Committee for review and approval. The Fishery Guidelines will provide general guidance concerning the delivery period for the North region of the BSS Fishery and the types and amounts of harvesting and processing capacity to be employed in the North region of the BSS Fishery, which, absent circumstances outside of the Fishery participants’ control, should enable the Fishery to be conducted without a Regional Landing Requirement exemption being necessary. The Fishery Guidelines will be consistent with the delivery periods and harvesting and processing capacity employed during the ~~2014-2015-2016~~ through ~~2018-2019-2020~~ seasons of the BSS Fishery, as adjusted to take into account the total allowable catch (“TAC”) for the ~~2019-2020-2021~~ BSS Fishery and ~~2019-2020-2021~~ BSS market factors.

4.2 Reserve Pool. The Reserve Pool approach set forth in this Section 4.2 establishes a procedure under which North region BSS deliveries are scheduled and made on a basis that reduces the risk that North region ice conditions cause BSS IFQ and IPQ to be stranded, and certain amounts of South Region IFQ and IPQ are reserved to cover frustrated North region deliveries, as set forth below.

4.2.1 As long as the risks associated with delivering in the North region remain acceptable (as determined by vessel masters), on an IPQ holder by IPQ holder basis, reserve pool participants will give North region deliveries priority over South region deliveries.

4.2.2 If the risks associated with delivering in the North region become unacceptable (as determined by vessel masters), South region IFQ will be used first to cover any frustrated North region deliveries, and then used as follows:

4.2.2.1 Immediately following the suspension of North Region deliveries due to adverse conditions, on an IPQ holder by IPQ holder basis, the affected IFQ holder(s) will assign South region IFQ in amounts approximating the remaining balance to be delivered to that IPQ holder (or on its account) in the North region to a “reserve pool.” When all South region IFQ in excess of an IPQ holder’s share of the reserve pool has been delivered, if the North region is still closed to deliveries, the affected IFQ holder(s) and each IPQ holder with whom they are matched may, by mutual agreement, either (i) use such IPQ holder’s share of the South region reserve pool until it has been exhausted or the North region has been re-opened for deliveries, and/or (ii) initiate a request for a Regional Landing Requirement exemption in accordance with Section 5, below, and if it is approved, may deliver North region designated IFQ to the South region for processing.

4.2.2.2 If the North region re-opens during the BSS season, such that there is a reasonable likelihood of delivering a substantial amount of IFQ in the North region prior to season closure, the IFQ holder(s) with remaining North region IFQ will (in consultation with North region IPQ holders) prioritize North region deliveries over South region deliveries. If IFQ holder(s) and an IPQ holder with whom the IFQ holder(s) are matched have been delivering North region IFQ in the South region under an exemption pending such re-opening, they may initiate compensatory landings in the North region.

4.2.2.3 If at any point in time a North region IPQ holder and the North region IFQ holder(s) with whom it is matched conclude in their reasonable discretion that it will not be feasible to make additional landings in the North region in the same crab fishing season, then any remaining balance of such IPQ holder’s and IFQ holder(s)’ compensatory landing obligation will roll over to the following year.

5. Inseason Notice of Exemption Procedure. One or more share-matched IFQ holder(s) and IPQ holder(s) may initiate the request for a Regional Landing Requirement exemption. The determination whether any specific set of circumstances justifies filing an Inseason Notice of Exemption shall be made by the authorized representatives of the “Affected Parties.” For purposes of this Agreement, “Affected Parties” shall mean (i) the community or communities to which the exempted crab would normally be delivered under the regional landing requirements; (ii) the community or communities from which compensatory deliveries would originate; (iii) the IFQ holder(s) whose IFQ would be exempted from otherwise applicable regional landing requirements; and (iv) the IPQ holder(s) whose IPQ would be exempted from otherwise applicable regional landing requirements. No Inseason Notice of Exemption may be filed without the approval of all Affected Parties.

An Inseason Notice of Exemption may not be filed unless and until the Affected Parties determine that each of the following conditions is satisfied or (if permissible) is waived by all Affected Parties.

5.1 Circumstances outside of the Parties' control have resulted in essential crab processing capacity within a designated region becoming inaccessible or unavailable such that there is a risk that the affected IFQ holder(s) will not be able to land all regionally designated crab in such region prior to the end of the crab fishing season.

5.2 If a Regional Landing Requirement exemption is requested for the BSS Fishery, the Fishery Guidelines referenced in Section 4.1, above have been approved by the Coordinating Committee, and the IFQ holder(s) and IPQ holder(s) requesting an exemption have conducted and are conducting their harvesting and processing operations in a manner consistent with such Fishery Guidelines and the Reserve Pool approach described in Section 4.2, above. If a Regional Landing Requirement exemption is requested for a Fishery other than the BSS Fishery, the actions taken to reduce the need for and amount of a Regional Landing Requirement exemption for the Fishery at issue shall be those developed by the Coordinating Committee from time to time, if any.

5.3 The Affected Parties on a processor/IPQ holder by processor/IPQ holder basis have entered into an exemption contract on a processor/IPQ holder by processor/IPQ holder basis that:

5.3.1 Identifies the IFQ amount and IPQ amount, by Fishery, that is subject to the exemption contract;

5.3.2 Describes the circumstances under which the exemption is being exercised;

5.3.3 Specifies the action that the Parties must take to mitigate the effects of the exemption;

5.3.4 Specifies the compensation, if any, that any Party must make to any other Party; and

5.3.5 Specifies any arrangements for compensatory deliveries in that crab fishing year or the following fishing year.

5.4 The Affected Parties may waive one or more of the conditions set forth in Sections 5.1 and 5.2 for good cause shown. If a Party is seeking a waiver of one or more such conditions because it was prevented from satisfying such condition(s) by circumstances outside of its control, such Party must have notified the Affected Parties of such circumstances within ten (10) days of their occurrence. The Affected Parties may not waive the exemption contract requirement set forth in Section 5.3.

6. Mitigating the Effects of an Exemption. The Parties shall take the following actions to mitigate the effects of a Regional Landing Requirement exemption.

6.1 In connection with circumstances involving a BSS Regional Landing Requirement exemption for up to five (5) million pounds of crab, the IFQ and IPQ holders shall make compensatory landings, which for IPQ holders shall be calculated on a processor/IPQ holder by processor/IPQ holder basis by a qualified independent third-party data collector which will yield a ratio of regionally

designated shares for each processor/IPQ holder (regional ratio), in an amount equal, so long as each processor/IPQ holder has the opportunity to seek a portion of the exemption up to its regional ratio, to the amount of crab delivered outside of its originally designated region. Such compensatory landings shall be made during the same crab fishing year that the exemption was obtained and used, or during the following crab fishing year.

6.2 In connection with events involving a BSS Regional Landing Requirement exemption for five (5) million or more pounds of crab, the type and amount of compensation shall be negotiated as part of each individual exemption contract. The compensation may include, but is not limited to, compensatory landings and monetary relief.

6.3 The Coordinating Committee may amend the BSS thresholds set forth in Sections 6.1 and 6.2, above, in particular based on the changing size of the TAC, and may adopt compensation thresholds for other Fisheries from time to time.

7. Coordinating Committee. On or before October 15, 2020~~19~~, the Parties shall form a "Coordinating Committee," composed of the Parties or their designees, which shall, before the start of the BSS Fishery: (i) approve the BSS Fishery Guidelines per Section 4.1, above; and (ii) amend the thresholds set forth in Sections 6.2 and 6.3, above, as needed; and may, from time to time: (i) specify the actions to be taken by IFQ and IPQ holders to reduce the need for and amount of a Regional Landing Requirement exemption for one or more of the Fisheries other than the BSS Fishery, and (ii) develop compensation thresholds for Fisheries other than the BSS Fishery. Decisions of the Coordinating Committee at any given meeting shall require the consent of all Coordinating Committee members present either in person or on the telephone conference line. The Coordinating Committee may appoint Fishery subcommittees from time to time, and may delegate its authority to such sub-committee(s) as it deems appropriate.

8. Season Extension. If the re-opening of the North region is delayed such that a season closure could prevent additional landings from being made in the North region in the same crab fishing season, the Affected Parties may seek a season extension from the Alaska Department of Fish and Game if the extension could make it feasible to deliver a substantial amount of IFQ in the North region prior to the extended season's closure. A decision to seek a season extension shall require the consent of all Affected Parties.

9. Reporting Requirements. Each IFQ holder that is a party to this Agreement shall prepare a "Regional Delivery Exemption Report" (the "Report") as required under the Crab Rationalization Program regulations. Each IFQ holder shall deliver a copy of its Report to the IPQ holders and community representatives who are party to this Agreement on or before July 15, 2021~~10~~, and shall deliver a copy of its Report to NMFS on or before July 30, 2021~~10~~, but no Report shall be submitted to NMFS less than fifteen (15) days after it was delivered to the IPQ holders and community representatives. The Report shall contain all information required by the Crab Rationalization Program regulations, including but not limited to explanations of:

9.1 The amount of IFQ, if any, set aside to reduce the need for, and the amount of, an exemption;

9.2 The mitigation measures employed before submitting an Inseason Notice;

9.3 The number of times an exemption was requested and used;

9.4 The arrangements for any compensatory deliveries, including all compensatory deliveries made during the crab fishing year and any outstanding compensatory delivery obligations for the following crab fishing year;

9.5 Whether the exemption was necessary; and

9.6 Any impacts resulting from the exemption on fishery participants and communities that signed the preseason application.

10. Term and Termination. This Agreement shall take effect as of the date set forth above and shall expire as of midnight, June 30, 202~~1~~0.

11. Miscellaneous.

11.1 No amendment to this Agreement shall be effective against a Party hereto unless in writing and duly executed by such Party. The Parties agree to amend this Agreement as reasonably necessary to comply with changes in law, and policies and regulations implementing Regional Landing Requirement relief.

11.2 This Agreement shall be governed by and construed in accordance with applicable federal law and the laws of the State of Alaska.

11.3 This Agreement may be executed in counterparts which, when taken together, shall have the same effect as a fully executed original. Delivery of a signed copy of this Agreement by electronic transmission shall have the same effect as delivering a signed original.

11.4 The Parties agree to execute any documents necessary or convenient to give effect to the intents and purposes of this Agreement.

11.5 All notices required to be given under this Agreement shall be deemed given five (5) days following deposit in certified first class U.S. mail, postage prepaid, with the correct address, or upon the first business day following confirmed electronic transmission to the recipient. **Each Party agrees to provide all other Parties with the name, postal address, email address and fax number of its representative(s) for purposes of receiving notices under this Agreement within three (3) days of executing this Agreement.**

11.6 In the event that any provision of this Agreement is held to be invalid or unenforceable, such provision shall be deemed to be severed from this Agreement, and such holding shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

EXECUTED as of the date set forth above.

Community Representatives

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION By: _____ Its: _____	UNALASKA CRAB, INC. By: _____ Its: _____
ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____	KODIAK FISHERIES DEVELOPMENT ASSOCIATION By: _____ Its: _____

Community Representatives for Non-ROFR IPQ

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION By: _____ Its: _____	ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____
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IPQ Holders

57 DEGREES NORTH, LLC By: _____ Its: _____	ALYESKA SEAFOODS, INC. By: _____ Its: _____
APICDA JOINT VENTURES, INC. By: _____ Its: _____	ARCTIC SEA HOLDINGS LLC By: _____ Its: _____

REDLINE - DO NOT SIGN

IPQ Holders Continued

BLUE DUTCH, LLC By: _____ Its: _____	COASTAL VILLAGES REGION FUND By: _____ Its: _____
NORQUEST SEAFOODS, INC. By: _____ Its: _____	PETER PAN SEAFOODS, INC. By: _____ Its: _____
QUOTA SHARE LEASING, OCEAN2TABLE ALASKA LLC By: _____ Its: _____	RAS II, LLC By: _____ Its: _____
ROYAL ALEUTIAN SEAFOODS, INC. By: _____ Its: _____	TRIDENT SEAFOODS CORPORATION By: _____ Its: _____
WESTWARD SEAFOODS, INC. By: _____ Its: _____	

IFQ Holders

ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION By: _____ Its: _____	ALEUTIAN ISLANDS COOPERATIVE By: _____ Its: _____
COASTAL VILLAGES CRABBING COOPERATIVE By: _____ Its: _____	CPH ASSOCIATION By: _____ Its: _____

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IFQ Holders Continued

DOG BOAT COOPERATIVE By: _____ Its: _____	INTER-COOPERATIVE EXCHANGE By: _____ Its: _____
R&B COOPERATIVE By: _____ Its: _____	TRIDENT AFFILIATED CRAB HARVESTING CORPORATION By: _____ Its: _____

REDLINE - DO NOT SIGN

SIGNATORIES TO 2020-2021 FRAMEWORK AGREEMENT

As of September 4, 2020

Community Representatives

Framework Agreement Party	Signed Agreement	Signed Exemption Application	Designated Representative
Central Bering Sea Fishermen's Association			Heather McCarty
Unalaska Crab, Inc.			Vincent M. Tutiakoff, Sr.
Aleutian Pribilof Island Community Development Association			Angel Drobnica ¹
Kodiak Fisheries Development Association			Jerry Bongen ²

IPQ Holders

Framework Agreement Party	Signed Agreement	Signed Exemption Application	Designated Representative
57 Degrees North, LLC			Ray Melovidov
Alyeska Seafoods, Inc.			Sinclair Wilt
APICDA Joint Ventures, Inc.			Angel Drobnica ³
Arctic Sea Holdings LLC			Eric Deakin ⁴
Blue Dutch, LLC			Eric Deakin
Coastal Villages Region Fund			Eric Deakin
Norquest Seafoods, Inc.			Stefanie Moreland ⁵
Peter Pan Seafoods, Inc.			Mike Simpson ⁶
Ocean2Table Alaska LLC			Steven K. Minor
RAS II, LLC			Kristian Poulsen ⁷
Royal Aleutian Seafoods, Inc.			Brett Reasor ⁸
Trident Seafoods Corporation			Stefanie Moreland
Westward Seafoods, Inc.			Sinclair Wilt

¹ With a copy to Luke Fanning at lfanning@apicda.com.

² With a copy to D. McIntosh at Mundt MacGregor L.L.P. dmcintosh@mundtmac.com.

³ With a copy to Luke Fanning at lfanning@apicda.com.

⁴ Email to eric_d@coastalvillages.org with a copy to Paul Wilkins at paul_w@coastalvillages.org.

⁵ With a copy to Kaitlyn Knight, Dean Fasnacht and Ray Nomura.

⁶ Email to mikes@ppsf.com with a copy to Glenn Guffey at glenn@ppsf.com.

⁷ We have no email address for K. Poulsen; email to Edward Poulsen at edpoulsen@hotmail.com and Edwardpoulsen@gmail.com.

⁸ With a copy to Al Mendoza at al.mendoza@unisea.com.

SIGNATORIES TO 2020-2021 FRAMEWORK AGREEMENT

IFQ Holders

Framework Agreement Party	Signed Agreement	Signed Exemption Application	Designated Representative
Aleutian Islands Cooperative	X	X	Heidi A. Eriksen-Yocom
Aleutian Pribilof Island Community Development Association	X	X	Angel Drobnica ⁹
Coastal Villages Crabbing Cooperative	X	X	Lorena Rosenberger ¹⁰
CPH Association	X	X	Kari Toivola ¹¹
Dog Boat Cooperative	X	X	Edward Poulsen ¹²
Inter-Cooperative Exchange	X	X	Jake Jacobsen ¹³
R&B Cooperative	X	X	Mary Mezich ¹⁴
Trident Affiliated Crab Harvesting Corporation	X	X	Stefanie Moreland

⁹ With a copy to Luke Fanning at lfanning@apicda.com.



¹⁰ With a copy to Paul Wilkins at paul_w@coastalvillages.org.

¹¹ Send email to Brenda Clutter at brenda.clutter@frontier.com; do not copy Kari Toivola.

¹² With a copy to CaitlinY@alaskaboatcompany.com.

¹³ With a copy to Jamie Goen at absc.jamie@gmail.com.

¹⁴ Email to rmezich@comcast.net

	Application for Exemption from CR Crab North or South Region Delivery Requirements	U.S. Department of Commerce NOAA Fisheries Service, Alaska Region Restricted Access Management (RAM) Post Office Box 21668 Juneau, Alaska 99802-1668 (800) 304-4846 toll free / 586-7202 in Juneau (907) 586-7354 fax	
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ALL persons applying for an exemption from regional delivery requirements must submit both Part I and Part II of this application to receive an exemption.

PART I – PRESEASON APPLICATION FOR EXEMPTION

NMFS must receive the Preseason Application no later than **October 15**.
 Submit Part I as a single package with a completed, signed, and dated application from each IFQ Permit Holder, IPQ Permit Holder, and Community Representative that signed the framework agreement.

Total number of applicants who have signed the Preseason Application: _____

IDENTIFY EACH APPLICANT
 Duplicate this form as needed for each applicant.
 If this application is completed by an authorized representative, attach documentation.

1. Print Name of Applicant <i>UNA Alaska Crab Inc</i>	2. NMFS Person ID <i>N/A</i>
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3. Indicate Type of Applicant (select only one):
 IFQ Permit Holder IPQ Permit Holder Community Representative

4. Identify the CR crab fishery, IFQ amount, and IPQ amount subject to the framework agreement:

<input checked="" type="checkbox"/> Bering Sea snow crab	Total Amount of IFQ _____	Total Amount of IPQ <u>100%</u>
<input checked="" type="checkbox"/> Bristol Bay red king crab	Total Amount of IFQ _____	Total Amount of IPQ <u>100%</u>
<input checked="" type="checkbox"/> Pribilof red king and blue king crab	Total Amount of IFQ _____	Total Amount of IPQ <u>100%</u>
<input checked="" type="checkbox"/> St. Matthew blue king crab	Total Amount of IFQ _____	Total Amount of IPQ <u>100%</u>
<input checked="" type="checkbox"/> Western Aleutian Islands red king crab	Total Amount of IFQ _____	Total Amount of IPQ <u>100%</u>
<input checked="" type="checkbox"/> Eastern Aleutian Islands golden king crab	Total Amount of IFQ _____	Total Amount of IPQ <u>100%</u>

AFFIDAVIT

Under penalty of perjury, I certify and affirm that—

I have signed a **Framework Agreement** that specifies all elements required at 50 CFR 680.4(p)(4)(ii)(B).

I have examined the information and the claims provided on this application and, to the best of my knowledge and belief, the information and claims presented here are true, correct, and complete.

5. Signature of Applicant 	6. Date Signed
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Regular Meeting
Tuesday, September 8, 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

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, September 8, 2020 at 6:00 pm in the Unalaska city council chambers.
2. **Roll call**

<u>Present in Chambers:</u>	<u>Present Via Telephone or Zoom:</u>	<u>Absent:</u>
Vincent Tutiakoff, Sr., Mayor	Dennis Robinson, Vice Mayor	None
Thomas D. Bell	Darin Nicholson	
David Gregory	Alejandro Tungul	
Shari Coleman		
3. **Pledge of allegiance** - Coleman led the Pledge of Allegiance
4. **Recognition of visitors** - Bryan Stafford
5. **Adoption of agenda**
Coleman made a motion to adopt agenda; Gregory seconded.
Roll Call Vote: Gregory – yes; Coleman – yes; Tungul – yes; Nicholson – yes; Robinson – yes; Bell – yes.
Motion passed 6-0.
6. **Awards and Presentations:** Bryan Stafford, Celebrate 30 Years with the City and Retirement
Mayor and Council presented Bryan Stafford a plaque commemorating his 30 tenure with the City of Unalaska and congratulated him upon his retirement. Current and past co-workers and community members expressed well wishes and a fond farewell.
7. **Approve minutes of previous meeting:** August 25, 2020
Gregory made a motion to approve August 25, 2020 meeting minutes; Coleman seconded.
Roll Call Vote: Tungul – yes; Gregory – yes; Robinson – yes; Bell – yes; Nicholson – yes; Coleman – yes.
Motion passed 6-0.
8. **City Manager's Report**
 - City Manager provided additional comments and answered Council questions about:

- City's CARES Act Committee – the development of a proposal for consideration at next council meeting regarding remaining funds identified by Council to be dedicated for community grant and financial support
- State's Airport Master Plan - Stakeholder Advisory Group
- Ports Director provided an update and answered Council questions regarding the new startup date for commercial flight service in Unalaska with the new Raven Group
- Public Utilities Director provided an update and answered Council questions about recent power outage
- IFHS Director answered Council questions regarding test kit supplies

9. Community Input & Announcements - None

10. Public testimony on agenda items - None

11. Work session

Coleman made a motion to enter 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. Review Federal and State Legislative Priorities: City Manager Erin Reinders with Federal Lobbyist Brad Gilman and State Lobbyist Dianne Blumer

City Manager gave a brief review of previous Council action taken in February 2020, refining the Federal and State priorities that included adding air transportation to both lists.

Brad Gilman, Federal Lobbyist and Dianne Blumer, State Lobbyist, provided input by telephone regarding existing Federal and State legislative priorities and answered Council questions regarding potential new priorities.

12. Regular agenda

Gregory 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. Resolution 2020-57: Appointing Judges and Clerks for the Regular Municipal Election on October 6, 2020 and Judges to Serve on the Canvass Committee

Gregory made a motion to adopt Resolution 2020-57; Coleman seconded.

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

Motion passed 6-0.

- b. Resolution 2020-58: Continuing Measures to Protect Public Health

Coleman made a motion to adopt Resolution 2020-58; Gregory seconded.

City Clerk read an email submitted for public comment from Monica Henning.

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

Motion passed 6-0.

- c. Resolution 2020-59: Approving reallocation of FY20 unexpended grant funds – USAFV

Coleman made a motion to adopt Resolution 2020-59; Gregory seconded.

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

Motion passed 6-0.

13. **Council Directives to City Manager** - None

14. **Community Input & Announcements** - None

15. **Adjournment** – Mayor Tutiakoff, Sr. adjourned the meeting at 7:56 pm.

Marjie Veeder, CMC
City Clerk

rfw

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Erin Reinders, City Manager
Date: September 22, 2020
Re: City Manager Report

Essential Air Service: I do not have any update, but continue to reach out to USDOT contacts for updates. Our lobbyists are in the loop as well. That last I heard at the end of the August was that the Fitness Division was weighing in on the certification status for both carriers.

RAVN Update: Our Port Director remains in regular communication with Ravn. They continue their efforts with going through FAA's certification process. As of September 17th the target launch date is September 28th.

Fireworks: Historically, the City of Unalaska has provided fireworks show to celebrate Independence Day and to welcome in the New Year. For funding limitations due to the increased cost of shows, COVID-19 restrictions and travel uncertainties we did not proceed with the Independence Day Fireworks show in July. COVID-19 related challenges and travel uncertainties remain today. Additionally, at this point there are only enough funds budgeted for one show a year, based on the most recent costs. After conversations with the Mayor, staff will not proceed with efforts for a New Year's Eve Fireworks show. We will work on plans for a show for Independence Day of July 2021 (paid for in advance with the FY21 Budget) and are developing some cost saving options for future shows.

Strategic Planning Session: I have initiated discussions with a facilitator to lead a Strategic Planning Session with Council. A strategic planning session will help Council set goals and focus areas for the coming year to best address community needs and your vision for the future. With added focus, this will help us to use our resources more effectively.

Geothermal PPA: The PPA became effective on August 31, 2020. The PPA indicates that the City is to commission an interconnection and integration study, and that OCCP will ultimately be financially responsible for the study. In accordance with the PPA, the City has entered into an agreement Electrical Power Systems (EPS) to conduct the study. We remain in contact with OCCP on this subject.

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 team's ultimate goal is to build relationships with local stakeholders, to assess community needs and identify potential solutions. Chris Price from the Tribe informed me that the Assessment Report, which is the final deliverable, is in the final editing stage and is on track to be completed by the end of September.

Tsunami Sirens Update: Given staff changes in permanent executive leadership positions, responsibility for the tsunami sirens has found its rightful home with the Fire and EMS Department. Fire/EMS will work in partnership with DPS moving forward on testing and operations. The Fire Chief has provided the following update regarding the sirens.

There are currently 4 operational sirens on the island (CEM Harbor, Bobby Storrs Harbor, Amaknak Fire Hall, and Ballyhoo Road). Aleutian Electric has found all 7 sirens viable but believes, along with City staff, that our current sirens have reached the end of their serviceable life. In the meantime, City staff is attempting to get the remaining sirens operational. Going forward with the project we are obtaining quotes and plans to repair or replace the sirens. We expect to have quotes by September 25. Our present tsunami warning system has only two ways to activate the sirens: by 2-way radio and manually. The recommended replacement system will consist of no less than four ways to activate: (1) 2-way radio; (2) hard wire (telephone); (3) Wi-Fi; and (4) manually.

CARES Act Disbursements: The Finance Department continues to submit monthly reports as required. We have now requested our third and final payment disbursement. There has still been no extension on the federal level to the end of the year deadline for the expenditure of funds. Although there is bipartisan support for the extension, this issue is tied to broader relief packages where disagreements do exist. Our federal lobbyists are monitoring this issue. They noted a promising development on September 15 but there is still a ways to go.

Airport Tenants: Given that the airport was closed this past spring due to COVID, the Port Director proposes to suspend the tenants' rent and a percentage of utilities for that time period. I support this measure. The Port Director will be working up information for Council to consider at a future meeting.

State Lobbyist: Dianne Blumer plans to provide an annual update and overview of the state legislature make up for Council in December through Zoom. She anticipates a number of changes by then and this will be an informative discussion.

Finance Director: 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 issued an RFP for an executive search firm to assist in our recruitment efforts. Staff is currently reviewing proposals, and is scheduling follow up calls next week. Jim Sharpe continues to serve as Interim Finance Director, and is participating in meetings telephonically and remains available for staff even while off island. Plans are in the works to have Jim on island for the month of October. We look forward to seeing him in person.

Directives to the City Manager: Two 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 November.
- *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 and current work load of the Finance Department.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2020-60

A RESOLUTION OF THE UNALASKA CITY COUNCIL ESTABLISHING A UTILITY CREDIT PROGRAM FOR PCE ELIGIBLE UTILITY CUSTOMERS IMPACTED BY STAY AT HOME ORDERS DUE TO COVID-19

WHEREAS, on March 18, 2020, the 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, on March 24, 2020, the City Council passed Resolution 2020-17 requiring certain quarantine measures, closure of non-essential businesses and requiring residents to “hunker down” and stay at home as much as possible; and

WHEREAS, similar measures protecting public health have remained in effect; and

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

WHEREAS, due to stay and home and hunker down orders, City residents’ need for utility usage has most likely increased.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves a utility credit to PCE eligible utility customers in the amount of \$1,035, to be issued to eligible utility customers through monthly credits of \$345 in September, October and November 2020.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on September 22, 2020.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Jim Sharpe, Interim Finance Director
Through: Erin Reinders, City Manager
Date: September 22, 2020
Re: Resolution 2020-60: Establishing a Utility Credit Program for PCE eligible utility customers impacted by Stay at Home orders due to COVID-19

SUMMARY: City of Unalaska residents were negatively impacted financially by stay at home and hunker down orders from March through May 2020 and could potentially be further impacted should the City issue similar orders at some point during the remainder of 2020. This Resolution provides a utility credit to certain customers in an effort to at least partially mitigate the additional financial burden.

PREVIOUS COUNCIL ACTION: On March 18, 2020, Council passed Resolution 2020-16 declaring a local emergency, instructing City residents to stay home and hunker down. These orders were in place through May 2020 through continuing resolutions.

On May 26, 2020, Council 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.

On July 14, 2020, Council approved Resolution 2020-47 establishing allocations of CARES Act spending as follows:

- 40% Grants to support Businesses and Non-Profit Organizations (\$5,381,581)
- 50% City's Response and Prevention (\$6,726,976)
- 10% Potential grant usage, if the need arises; if not used for grant purposes prior to September 30, 2020, this amount becomes available to address any other of the City's response and prevention efforts (\$1,345,395)

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 assistance to local businesses and residents.

DISCUSSION: As of August 31, 2020, the City’s contribution to local businesses and non-profit organizations totaled \$5,048,444, leaving \$333,137 available, of the original 40% allocated, for Community contributions.

Staff has met regularly to discuss how best to utilize CARES Act monies received by the City. As a result of these discussions, staff has determined that a proper use of these monies would be to provide a utility credit to certain utility customers. The premise behind the credit is that City residents have incurred increased utility costs as a result of the stay at home and hunker down orders issued by Council. Furthermore, there is a chance that, should there be community spread of the coronavirus in the fall of 2020, additional utility costs will be incurred by City residents. As a result, the calculation of the utility credit will cover a nine-month period from March through December 2020.

It was determined that the most appropriate method by which to distribute funds was to provide credits to Price Cost Equalization (PCE) Eligible customers only. PCE is a program established by the Alaska Energy Authority (AEA) in 1985 to provide economic assistance to communities and residents in rural areas of Alaska where, in many instances, the kilowatt hour charge for electricity can be three to five times higher than the average kWh rate. Only residential and community facility customers are eligible for PCE credits and only one PCE credit is allowed per customer. The PCE credit applies only the first 500 kWh consumed. Based on experience, if an electric bill is in the name of a business AEA will not provide PCE credit for that location even though it is a residential service. Furthermore, the ‘one credit per customer’ rule prevents landlords from receiving PCE credit for rental units billed in their names.

As noted above, PCE customers represent residents that are responsible for their electricity bill. While other methods are available, we determined this method provides an avenue by which to provide assistance to community residents that have been negatively impacted by COVID-19. Currently, there are 449 PCE eligible customers in the City of Unalaska.

During our staff discussions, we also determined that implementing a stimulus program for residents would be time consuming to determine eligibility and impose a tremendous burden on staff to administer. The approach included in this memo represented the most cost-efficient method by which we could provide a benefit to residents.

Staff was able to determine that the average monthly residential utility bill is \$230. Based on that, we are presenting three options to Council: issue a utility credit at 50%, 62.5% or 75% of the average monthly residential utility bill. The credit will be issued to eligible customers in equal amounts in each of the remaining 2020 utility bills.

Each option is presented below:

Percentage of average monthly bill	Amount	Total credit provided per eligible customer	Total Cost	Use remaining amount allocated for City contributions?	Amount remaining in contingency
50%	\$115.00	\$1,035.00	\$464,715.00	Y	\$1,213,817
62.5%	\$143.75	\$1,293.75	\$580,893.75	Y	\$1,097,638
75%	\$172.50	\$1,552.50	\$697,072.50	Y	\$981,460

ALTERNATIVES: City Council can choose one of the options above, elect to support residents at a different amount or disapprove the resolution.

FINANCIAL IMPLICATIONS: Each option presented above would allow Council to extinguish the amount allocated for contributions to the City. Additionally, it indicates the amount remaining within the contingency portion of the spending plan.

STAFF RECOMMENDATION: Staff recommends approval of Resolution 2020-60 at an amount equivalent to 50% of the average utility bill for PCE Eligible customers only.

PROPOSED MOTION: I move to adopt Resolution 2020-60.

CITY MANAGER COMMENTS: I support staff's recommendation and appreciate the creative efforts required to bring this proposal forward.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2020-61

A RESOLUTION OF THE UNALASKA CITY COUNCIL IDENTIFYING THE CITY OF UNALASKA'S FEDERAL PRIORITIES

WHEREAS, the Alaska Department of Transportation, US Department of Transportation, and Federal Aviation Administration are responsible for supporting safe and efficient transportation systems and infrastructure; and

WHEREAS, air travel is the only way to reasonably access our island community. Direct, safe, reliable and affordable flights meeting regular and peak season demand is critical; and

WHEREAS, the City of Unalaska calls upon federal delegations and agencies to assist in creating an environment that allows for redundancy in aircraft in order to safely and reliably meet the transportation needs of our island community; and

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

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

WHEREAS, removal of this navigational restriction helps accommodate deep draft vessels, benefits commerce, and considers best practices of navigation and safety margins; and

WHEREAS, authorization and funding support is needed in order for the U. S. Army Corps of Engineers to continue moving forward with the project; and

WHEREAS, Unalaska has several sites that were subject to the Department of Defense's Formerly Utilized Defense Sites environmental program due to contamination which occurred during WWII activities, as well as WWII related contamination that is discovered during construction projects today; and

WHEREAS, the City of Unalaska supports the creation of a federal funding mechanism that would allow reimbursement to land owners who remediate contaminated sites or the identification of an accessible funding source to allow for a timely response to contamination sites that are holding up construction projects and negatively impacting subsistence living; and

WHEREAS, the absence of adjoining electrical systems forces the Utility to cover contingency planning and react to unplanned outages without relying on help from an expansive utility grid; and

WHEREAS, the City of Unalaska continues to support reliable and cost effective alternate energy sources, including geothermal and wind; and

WHEREAS, Unalaska's internet connection speeds thwart business growth, medical services, education, and overall quality of life; and

WHEREAS, the City of Unalaska continues to support programs and activities to bridge this digital divide; and

WHEREAS, as marine transportation increases in our region, the Coast Guard's presence in our community is more valued than ever; and

WHEREAS, the City of Unalaska encourages the Coast Guard to allow for Unalaska to become an accompanied duty station or to stagger the rotation schedule of the Marine Safety Division to help maintain continuity and established synergies needed to best perform in Unalaska; and

WHEREAS, Captains Bay Road is a heavily used commercial corridor vital to the community's economic welfare; and

WHEREAS, this corridor has safety concerns and growth potential which require road improvements, water, sewer and electric utilities.

NOW THEREFORE BE IT RESOLVED that the City of Unalaska hereby identifies its federal legislative priorities as:

Federal Legislative Priorities
<i>Critical Needs Support</i>
Stabilization of Commercial Flights at Tom Madsen Airport
Unalaska Bay Entrance Channel Dredging Support
Alternative Energy Support
Reliable and High Speed Internet
Environmental Remediation
United States Coast Guard Presence
<i>Capital Project Funding Support</i>
Captains Bay Road and Utility Improvements Project - \$52 Million Total Estimated Cost

BE IT FURTHER RESOLVED that the City of Unalaska hereby identifies its top critical need is the support for the stabilization of commercial flights at Tom Madsen Airport.

BE IT FURTHER RESOLVED that the City of Unalaska hereby identifies its top capital project funding priority the Captains Bay Road and Utility Improvement Project.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on September 22, 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: September 22, 2020
Re: Resolution 2020-61 (Federal Priorities)

SUMMARY: City Council identifies legislative priorities on an annual basis, typically in the fall. This memo provides an outline of Council's existing priorities and highlights changes to the updated priorities based on feedback from the lobbyists. Staff recommends approval of resolution 2020-61.

PREVIOUS COUNCIL ACTION: Identifying State and Federal priorities is a recurring Council action to express our support for certain initiatives, seek support for capital projects, and in preparation for Lobbying Trips.

On April 9, 2019, City Council approved Resolution 2019-15 identifying the Captains Bay Road and Utility Improvement Project as the City's number one State funding priority.

City Council discussed both State and Federal priorities at the August 27, 2019 work session. Council then approved Resolution 2019-52 identifying Federal priorities on September 10, 2019. After further discussion, Council approved Resolution 2019-51 identifying State priorities on September 24, 2019.

Council approved Resolution 2019-59 on November 12, 2019 amending the previously established State and Federal Priorities to include the stabilization of commercial flights between Dutch Harbor (DUT) and Anchorage (ANC) at the Tom Madsen Airport.

On January 14, 2020, at the Mayor's request, Council reviewed their priority statements and considered necessary adjustments. Council then approved Resolution 2020-10 identifying Federal priorities and Resolution 2020-09 identifying State priorities on February 11, 2020.

Council discussed existing priorities with both the State and Federal Lobbyist at the September 8, 2020 City Council meeting.

BACKGROUND: Taking the time to identify Council's legislative priorities allows for Council members, lobbyists, consultants and City staff to more effectively focus efforts and resources. Current Council legislative priorities are listed below. Council discussed these priorities on September 8, 2020.

STATE PRIORITIES	FEDERAL PRIORITIES
Stabilization of Commercial Flight at Tom Madsen Airport	
Captains Bay Road and Utility Improvements Project - \$52 Million	
Environmental Remediation Support	
Reliable and High Speed Internet Support	

Habitat Restoration for Salmon Stock Improvement Support	Unalaska Bay Entrance Channel Dredging Support
State Ferry System Support	Alternative Energy Support
Community Assistance Program and Shared Fisheries Tax Program Support	United States Coast Guard Presence
Robert Storrs Boat Harbor Improvements \$9.5 Million	Outer Continental Shelf (OCS) Revenue Sharing Support

DISCUSSION: Based on feedback from our Federal Lobbyist, the city manager suggests removing **OCS Revenue Sharing Support** as a priority, and has removed it from the Federal Priority list. This has seen little movement for several years and it does not appear this will be moving forward anytime soon. Lobbyists will continue to advocate for the staging area language whenever the issue arises. Again, the City of Unalaska’s planning and zoning policies as well as our Comprehensive Plan now help the community mitigate some of the significant growing pains associated with any future Arctic oil and gas development. For years, the City of Unalaska has been following the Offshore Production and Energizing National Security Alaska Act (“OPENS Act”). “The Conservation of America’s Shoreline Terrain and Aquatic Life Act” or the “COASTAL Act” includes “the significant staging area” language that would qualify Unalaska to receive a portion of the OCS revenue-sharing payments.

Below is an updated priority list based on the discussions at the September 8, 2020 City Council meeting and follow-up discussion with our lobbyists.

FEDERAL LEGISLATIVE PRIORITIES
<i>Critical Needs Support</i>
Stabilization of Commercial Flight at Tom Madsen Airport*
Unalaska Bay Entrance Channel Dredging
Alternative Energy
Reliable and High Speed Internet
Environmental Remediation
United States Coast Guard Presence
<i>Capital Project Funding Support</i>
Captains Bay Road and Utility Improvements Project - \$52 Million Total Estimated Cost
*Bold indicates that Priority is also identified as a State Priority

These legislative priorities are described in more detail below.

Critical Needs

1. **Stabilization of Commercial Flights at Tom Madsen Airport.** This item is City Council’s top critical need.

Air travel is the only way to reasonably access our island community. Direct, safe, reliable, and affordable flights meeting regular and peak seasonal demands of our community is critical. The airport and runway are owned and managed by the Alaska Department of Transportation. Furthermore, the Alaska Department of Transportation, US Department of Transportation, and the Federal Aviation Administration are responsible for supporting safe and efficient transportation systems and infrastructure. The grounding of the Saab 2000 for the DUT-ANC route, in the aftermath of the crash of Flight 3296, highlighted the risk of having only one airline with one commercial aircraft authorized to fly passengers directly between

Anchorage and Unalaska. This was again recognized with Ravn Air declared bankruptcy and stopped all air service in April of 2020. We call upon state and federal delegations and agencies to assist in creating an environment that allows for redundancy in aircraft in order to meet the transportation needs of our island community. We support the efforts of State of Alaska as they update their Airport Master Plan for the Tom Madsen Airport to address runway improvements. We support the Essential Air Service program as a critical tool to ensure the long term viability of air a travel to and from Unalaska.

2. **Unalaska Bay Entrance Channel Dredging.** The City of Unalaska was the non-federal sponsor of the cost-shared feasibility study, led by the Army Corps of Engineers, evaluating the effects of the removal of a navigation restriction that currently severely impacts our ports. The removal of this navigational restriction helps us accommodate deep draft vessels, benefits commerce, and considers best practices of navigation and safety margins. The Army Corps submitted a Chief of Engineers report to the Congress recommending approval of the project. Both the House and Senate versions of the biennial Water Resources Development Act legislation includes authorization for the Army Corps to move forward with the project. Our federal lobbyists believe that the legislation has decent prospects for enactment prior to the end of this year. Once authorized in law, our lobbyists will begin their advocacy for funding the project through the annual appropriations process. We still have a few years before the City Council is required to commit additional resources to pay for the Unalaska share of the design and construction costs.
3. **Alternative Energy.** The absence of adjoining electrical systems forces the City of Unalaska to cover contingency planning and react to unplanned outages without relying on help from an adjoining utility grid. The City continues to look for support with reliable and cost effective alternate energy sources, including geothermal and wind. The City also supports measures that might encourage other alternate energy opportunities to become viable options for our community. Most recently, in August of 2020, the City Council approved entering into a Power Purchase Agreement with OCCP for geothermal power. OCCP will use this to support their efforts in obtaining financing support.

The City is also involved in a wind energy project. The City installed 3 MET towers (Hog Island 60 meter, Veronica Lake in Pyramid Valley 60 meter, and Bunker Hill 10 meter) to monitor wind for 18-24 months. A 4th MET tower was installed at Icy Lake but damage to the tower, sensors, and difficulty with regular maintenance access made it impractical and the tower was removed. Wind monitoring includes speed, force, direction, temperature, pressure, wind shear, turbulence, and icing. There are two primary uses of wind data for wind power development. First is classification of sites. The second is use of wind data for calculation of annual energy production for wind turbines. Both sets of data are combined to determine optimum wind turbine design. Collection of wind data is anticipated to be complete in October 2020 at which time a final report will be published. With the successful collection of data thus far, a draft report has been received from our consultant, V3 Energy. The conclusion of this data collection phase in October 2020 will signal the end of our current project scope and budget authorization.

4. **Reliable and High Speed Internet.** Unalaska's internet connection speeds impede business growth, medical services, post-secondary education, and overall quality of life. Residents are unable to fully utilize cloud-based systems to improve efficiencies and effectiveness in personal, educational, medical, and business processes. Improving internet services remains a long standing priority, and the City supports programs and activities that help to bridge this digital divide.

5. **Environmental Remediation.** Unalaska has several sites that are subject to the Department of Defense's Formerly Utilized Defense Sites environmental program due to contamination, which occurred during WWII activities, as well as WWII related contamination that is discovered during construction projects today. The creation of a federal funding mechanism that would allow reimbursement to land owners who remediate contaminated sites or the identification of an accessible funding source to allow for a timely response to contamination sites that are holding up construction projects and negatively impact subsistence living would be of benefit to the community as a whole. Assistance and support from the state and federal levels is critical to managing these contaminated areas.
6. **U.S. Coast Guard Presence in Unalaska.** Unalaska appreciates the Coast Guard's long time presence in our community. As marine transportation increases in our region, this presence is valued more than ever. We encourage the USCG to allow for Unalaska to become an accompanied duty station. Short of that, USCG might also consider offsetting the rotation of the Marine Safety Detachment so that half the team rotates in summer and half the team rotates in winter. We believe this rotation will maintain continuity and established relationships needed to best perform in Unalaska.

Capital Project Funding Support

1. **\$52 Million for Captains Bay Road and Utility Improvements.** This item is City Council's number one project funding priority. Staff is working to get this project in on the STIP on the state level for potential funding support with a phased approach. We are exploring potential federal funding opportunities as well.

Captains Bay Road serves as a primary transportation route for Westward Seafoods, North Pacific Fuel, Northland Services, Offshore Systems Inc., and several smaller businesses as well as residential homes. The section of road making up this project is a high traffic area of heavy vehicles which are used by the fishing and support industries which are vital to the community's economic welfare. In September 2011 residents and industry representatives discussed the hazards at public meetings about the Road Improvement Master Plan. Although the road's high crown is needed for adequate drainage, it also creates a safety hazard for the large trucks and school buses traveling the road. The public expressed strong support for improvements to Captains Bay Road. The area of Captains Bay Road is also an area of potential growth in the community as identified in the Comprehensive Plan.

This project will construct drainage, utilities, and pavement out Captains Bay Road to the entrance of the Offshore Systems, Inc. (OSI). This will involve approximately 2.5 miles of drainage improvements from Airport Beach Road to OSI, 2.5 miles of road realignment/paving/walkways/lighting from Airport Beach Road to OSI, and 1.3 miles of water/sewer/electric utility extensions from Westward to OSI.

ALTERNATIVES: City Council can add to or delete from this listing of priorities.

FINANCIAL IMPLICATIONS: No direct financial impact is associated with this action.

LEGAL: None needed.

PROPOSED MOTION: I recommend approval of Resolution 2020-61.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2020-62

A RESOLUTION OF THE UNALASKA CITY COUNCIL IDENTIFYING THE CITY OF UNALASKA'S STATE PRIORITIES

WHEREAS, the Alaska Department of Transportation, US Department of Transportation, and Federal Aviation Administration are responsible for supporting safe and efficient transportation systems and infrastructure; and

WHEREAS, air travel is the only way to reasonably access our island community. Direct, safe, reliable and affordable flights meeting regular and peak season demand is critical; and

WHEREAS, the Tom Madsen Airport in Unalaska, Alaska is owned and managed by the Alaska Department of Transportation; and

WHEREAS, the City of Unalaska calls upon state delegations and agencies to assist in creating an environment that allows for redundancy in aircraft in order to meet the transportation needs of our island community. Specifically, we request that the Alaska Department of Transportation continue with their Airport Master Plan for the Tom Madsen Airport and work to address runway improvements; and

WHEREAS, the Alaska Marine Highway System provides an essential service to Unalaska and is necessary for our community health, safety, economic and social wellbeing; and

WHEREAS, regular ferry service provides a cost-effective way for community members, visitors, and businesses to travel and ship equipment and materials to and from our remote island; and

WHEREAS, the City of Unalaska's ability to fulfill the obligations of a local government is limited by available resources including State funding, specifically funding through the Community Assistance Program and the Shared Fisheries Tax Program, offsetting burdens that might otherwise be felt by the local tax base; and

WHEREAS, Unalaska's internet connection speeds thwart business growth, medical service, education, and overall quality of life; and

WHEREAS, the City of Unalaska continues to support programs and activities to bridge this digital divide; and

WHEREAS, Unalaska has several sites that were subject to the Department of Defense's Formerly Utilized Defense Sites environmental program due to contamination which occurred during WWII activities, as well as WWII related contamination that is discovered during construction projects today; and

WHEREAS, the City of Unalaska supports the creation of a federal funding mechanism that would allow reimbursement to land owners who remediate contaminated sites or the identification of an accessible funding source to allow for a timely response to contamination sites that are holding up construction projects and negatively impacting subsistence living; and

WHEREAS, support from the Alaska Department of Environmental Conservation is critical to managing these contaminated areas and ensuring Federal assistance and support; and

WHEREAS, habitat restoration on the local road system for Summer Bay Lake and Watershed, Morris Cove Lake and Watershed, and Unalaska Lake and Watershed will help to improve depressed salmon stocks; and

WHEREAS, Captains Bay Road is heavily used commercial corridor vital to the community's economic welfare; and

WHEREAS, this corridor has safety concerns and growth potential which require road improvements, water, sewer and electric utilities; and

WHEREAS, the Robert Storrs Boat Harbor A and B Floats have served the community for well over 30 years and in order to ensure the safety of those who use the dock and the vessels that moor at the Storrs Boat Harbor, the floats must be replaced and the dock redesigned.

NOW THEREFORE BE IT RESOLVED that the City of Unalaska hereby identifies its state legislative priorities as:

State Legislative Priorities
<i>Critical Needs</i>
Stabilization of Commercial Flights at Tom Madsen Airport
State Ferry System
Community Assistance Program and Shared Fisheries Tax Program
Reliable and High Speed Internet
Environmental Remediation
Habitat Restoration for Salmon Stock Improvement
<i>Capital Project Funding Support</i>
Captains Bay Road and Utility Improvements Project - \$52 Million Total Estimated Cost
Robert Storrs Boat Harbor Improvements - \$9.5 Million

BE IT FURTHER RESOLVED that the City of Unalaska hereby identifies its top critical need is the support for the stabilization of commercial flights at Tom Madsen Airport.

BE IT FURTHER RESOLVED that the City of Unalaska hereby identifies its top capital project funding priority the Captains Bay Road and Utility Improvement Project.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on September 22, 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: September 22, 2020
Re: Resolution 2020-62 (State Priorities)

SUMMARY: City Council identifies legislative priorities on an annual basis, typically in the fall. This memo provides an outline of Council's existing priorities and highlights changes to the updated priorities based on feedback from the lobbyists. Staff recommends approval of resolution 2020-62.

PREVIOUS COUNCIL ACTION: Identifying State and Federal priorities is a recurring Council action to express our support for certain initiatives, seek support for capital projects, and in preparation for Lobbying Trips.

On April 9, 2019, City Council approved Resolution 2019-15 identifying the Captains Bay Road and Utility Improvement Project as the City's number one State funding priority.

City Council discussed both State and Federal priorities at the August 27, 2019 work session. Council then approved Resolution 2019-52 identifying Federal priorities on September 10, 2019. After further discussion, Council approved Resolution 2019-51 identifying State priorities on September 24, 2019.

Council approved Resolution 2019-59 on November 12, 2019 amending the previously established State and Federal Priorities to include the stabilization of commercial flights between Dutch Harbor (DUT) and Anchorage (ANC) at the Tom Madsen Airport.

On January 14, 2020, at the Mayor's request, Council reviewed their priority statements and considered necessary adjustments. Council then approved Resolution 2020-10 identifying Federal priorities and Resolution 2020-09 identifying State priorities on February 11, 2020.

Council discussed existing priorities with both the State and Federal Lobbyist at the September 8, 2020 City Council meeting.

BACKGROUND: Taking the time to identify Council's legislative priorities allows for Council members, lobbyists, consultants and City staff to more effectively focus efforts and resources. Current Council legislative priorities are listed below. Council discussed these priorities on September 8, 2020.

STATE PRIORITIES	FEDERAL PRIORITIES
Stabilization of Commercial Flight at Tom Madsen Airport	
Captains Bay Road and Utility Improvements Project - \$52 Million	
Environmental Remediation Support	
Reliable and High Speed Internet Support	

Habitat Restoration for Salmon Stock Improvement Support	Unalaska Bay Entrance Channel Dredging Support
State Ferry System Support	Alternative Energy Support
Community Assistance Program and Shared Fisheries Tax Program Support	United States Coast Guard Presence
Robert Storrs Boat Harbor Improvements \$9.5 Million	Outer Continental Shelf (OCS) Revenue Sharing Support

DISCUSSION: Below is an updated priority list based on the discussions at the September 8, 2020 City Council meeting and follow-up discussion with our lobbyists.

STATE LEGISLATIVE PRIORITIES	
<i>Critical Needs</i>	
Stabilization of Commercial Flight at Tom Madsen Airport*	
State Ferry System	
Community Assistance Program and Shared Fisheries Tax Program	
Reliable and High Speed Internet	
Environmental Remediation	
Habitat Restoration for Salmon Stock Improvement	
<i>Capital Project Funding Support</i>	
Captains Bay Road and Utility Improvements Project - \$52 Million Total Estimated Cost	
Robert Storrs Boat Harbor Improvements - \$9.5 Million	
*Bold indicates that Priority is also identified as a Federal Priority	

These legislative priorities are described in more detail below.

Critical Needs

1. **Stabilization of Commercial Flights at Tom Madsen Airport.** This item is City Council’s top critical need.

Air travel is the only way to reasonably access our island community. Direct, safe, reliable, and affordable flights meeting regular and peak seasonal demands of our community is critical. The airport and runway are owned and managed by the Alaska Department of Transportation. Furthermore, the Alaska Department of Transportation, US Department of Transportation, and the Federal Aviation Administration are responsible for supporting safe and efficient transportation systems and infrastructure. The grounding of the Saab 2000 for the DUT-ANC route in the aftermath of the crash of Flight 3296 highlighted the risk of having only one airline with one commercial aircraft authorized to fly passengers directly between Anchorage and Unalaska. This was again recognized when Ravn Air declared bankruptcy and stopped all air service in April of 2020. We call upon state and federal delegations and agencies to assist in creating an environment that allows for redundancy in aircraft in order to meet the transportation needs of our island community. We support the efforts of State of Alaska as they update their Airport Master Plan for the Tom Madsen Airport to address runway improvements. We support the Essential Air Service program as a critical tool to ensure the long term viability of air travel to and from Unalaska.

2. **Ferry System.** Ferry service to and from our remote island community is identified in the City’s Comprehensive plan as a community priority, stressing the importance of advocating for regular and consistent service to meet the needs of residents, businesses and visitors. Alaska

Marine Highway System provides a cost-effective way for community members and businesses to travel and ship equipment and materials. The Ferry is how teachers move to this island, this is how our Aleutian Island neighbors access critical stores and services, this is how large families can travel off the island to visit loved ones, this is how the mobile mammogram van comes to our community to provide life altering healthcare. The Alaska Marine Highway System provides an essential service to Unalaska and is necessary for our community health, safety, economic and social wellbeing.

3. **Community Assistance Program and Shared Fisheries Tax Program.** The City of Unalaska works hard to fulfill its obligations as a local government. Our ability to do so is limited by statute, public interest and available resources. Traditionally those resources have included State and Federal funding, which offset the burdens that might otherwise be felt by a local tax base.
4. **Reliable and High Speed Internet.** Unalaska's internet connection speeds impede business growth, medical services, post-secondary education, and overall quality of life. Residents are unable to fully utilize cloud-based systems to improve efficiencies and effectiveness in personal, educational, medical, and business processes. Improving internet services remains a long standing priority, and the City supports programs and activities that help to bridge this digital divide.
5. **Environmental Remediation.** Unalaska has several sites that are subject to the Department of Defense's Formerly Utilized Defense Sites environmental program due to contamination, which occurred during WWII activities, as well as WWII related contamination that is discovered during construction projects today. The creation of a federal funding mechanism that would allow reimbursement to land owners who remediate contaminated sites or the identification of an accessible funding source to allow for a timely response to contamination sites that are holding up construction projects and negatively impact subsistence living would be of benefit to the community as a whole. Assistance and support from the state and federal levels is critical to managing these contaminated areas.
6. **Habitat Restoration for Salmon Stock Improvement.** Habitat restoration on the local road system for Summer Bay Lake and Watershed, Morris Cove Lake and Watershed, and Unalaska Lake and Watershed will help to improve depressed salmon stocks.

Capital Project Funding Support

1. **\$52 Million for Captains Bay Road and Utility Improvements.** This item is City Council's number one project funding priority. Staff is working to get this project on the State Transportation Improvement Plan (STIP) for potential funding support, with a phased approach. We are exploring potential federal funding opportunities as well.

Captains Bay Road serves as a primary transportation route for Westward Seafoods, North Pacific Fuel, Northland Services, Offshore Systems Inc., and several smaller businesses as well as residential homes. The section of road making up this project is a high traffic area of heavy vehicles which are used by the fishing and support industries which are vital to the community's economic welfare. In September 2011 residents and industry representatives discussed the hazards at public meetings about the Road Improvement Master Plan. Although the road's high crown is needed for adequate drainage, it also creates a safety hazard for the large trucks and school buses traveling the road. The public expressed strong support for

improvements to Captains Bay Road. The area of Captains Bay Road is also an area of potential growth in the community as identified in the Comprehensive Plan.

This project will construct drainage, utilities, and pavement out Captains Bay Road to the entrance of the Offshore Systems, Inc. (OSI). This will involve approximately 2.5 miles of drainage improvements from Airport Beach Road to OSI, 2.5 miles of road realignment/paving/walkways/lighting from Airport Beach Road to OSI, and 1.3 miles of water/sewer/electric utility extensions from Westward to OSI.

2. **\$9.5 Million for Robert Storrs Boat Harbor Improvements.** The Robert Storrs Boat Harbor was inherited by the City of Unalaska from the State of Alaska. It has served the community well for over 30 years and in order to ensure the safety of those who use the dock and the vessels that moor at the Storrs Boat Harbor, the floats must be replaced and the dock redesigned. This is an existing Capital Project for the City of Unalaska. This project qualifies to be a part of State of Alaska's Harbor Facility Grant Program for funding support. This is a program that the City of Unalaska has long supported.

ALTERNATIVES: City Council can add to or delete from this listing of priorities.

FINANCIAL IMPLICATIONS: No direct financial impact is associated with this action.

LEGAL: None needed.

PROPOSED MOTION: I recommend approval of Resolution 2020-62.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2020-63

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 September 16, 2020, there were 7,365 (residents and non-residents) 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 September 16, 2020, there were 103 patients 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. 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 September 23, 2020 and expires at noon on October 14, 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 September 22, 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: September 22, 2020
Re: Resolution 2020-63: 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 expired August 26, 2020. The date was set so that Council could reconsider the action at the August 25 Council Meeting.

Council approved Resolution 2020-54 on August 25, extending the orders in Resolution 2020-51. This resolution expired September 9, 2020. The date was set so that Council could reconsider the action at the September 8 Council Meeting.

Council approved Resolution 2020-58 on September 8, extending the orders in Resolution 2020-54. This resolution expires September 23, 2020. The date was set so that Council could reconsider the action at the September 22 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 October 14, 2020 but may be amended or extended as necessary, and will be revisited at the Council Meeting on October 13, 2020.

The following protective measures from previous resolutions remain in Resolution 2020-63, 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 2020-63.

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2020-15

CREATING BUDGET AMENDMENT #2 TO THE FISCAL YEAR 2021 BUDGET, RECOGNIZING PRIVATE DONATION REVENUE OF \$50,000 IN THE GENERAL FUND AND INCREASING COMMUNITY SUPPORT EXPENDITURES BY \$50,000, AND INCREASING THE WATER FUND OPERATING BUDGET BY \$7,295 AND THE WASTEWATER FUND OPERATING BUDGET BY \$60,826 FOR ROLLING STOCK REPLACEMENTS

BE IT ENACTED BY THE UNALASKA CITY COUNCIL

Section 1. Classification: This is a non-code ordinance.
Section 2. Effective Date: This ordinance becomes effective upon adoption.
Section 3. Content: The City of Unalaska FY21 Budget is amended as follows:

- A. That the following sums of money are hereby accepted and the following sums of money are hereby authorized for expenditure.
- B. The following are the changes by account line item:

Amendment No. 2 to Ordinance 2020-10

	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
I. OPERATING BUDGETS			
A. General Fund			
Sources:			
Private Contributions - Rasmuson Foundation	\$ -	\$ 50,000	\$ 50,000
Uses:			
Community Support - KUCB & Museum	\$ 424,163	\$ 50,000	\$ 474,163
 B. Proprietary Funds			
WATER FUND			
Sources:			
Water Fund - Budgeted Use of Unrestricted Net Position	\$ 1,152,793	\$ 7,295	\$ 1,160,088
Uses:			
Water Fund - Machinery & Equipment	\$ 45,000	\$ 7,295	\$ 52,295
WASTEWATER FUND			
Sources:			
Wastewater Fund - Budgeted Use of Unrestricted Net Position	\$ 1,090,941	\$ 60,826	\$ 1,151,767
Uses:			
Wastewater Fund - Machinery & Equipment	\$ 430,000	\$ 60,826	\$ 490,826

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on October 13, 2020.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

City of Unalaska
Summary of Budget Amendment and Schedule of Proposed Accounts
Ordinance 202015 - Budget Amendment 2 to the FY21 Budget

1) General Fund - Operating Budget

Add \$50,000 to Private Contributions revenue to recognize a municipal arts and culture matching grant from the Rasmuson Foundation
Add \$50,000 to Community Support for KUCB and the Museum

2) Water Fund - Operating Budget

Add \$7,295 to Budgeted Use of Unrestricted Net Position and to Machinery and Equipment to cover budget shortfall for new pickup truck with utility box

3) Wastewater Fund - Operating Budget

Add \$60,826 to Budgeted Use of Unrestricted Net Position and to Machinery and Equipment to cover budget shortfall for vector truck

	<u>Org</u>	<u>Object</u>	<u>Project</u>	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
1) <u>General Fund - Operating Budget</u>						
Sources:						
Private Contributions	01010047	47400		\$ -	\$ 50,000.00	\$ 50,000.00
Uses:						
Community Support - KUCB	01029154	58450		\$ 106,350.00	\$ 20,000.00	\$ 126,350.00
Community Support - Museum of the Aleutians	01029154	58460		\$ 317,813.00	\$ 30,000.00	\$ 347,813.00
2) <u>Water Proprietary Fund</u>						
Sources:						
Budgeted Use of Unrestricted Net Position	51015549	49910		\$ 1,152,793.00	\$ 7,295.00	\$ 1,160,088.00
Uses:						
Machinery & Equipment	51024353	57400		\$ 45,000.00	\$ 7,295.00	\$ 52,295.00
3) <u>Wastewater Proprietary Fund</u>						
Sources:						
Budgeted Use of Unrestricted Net Position	52016049	49910		\$ 1,090,941.00	\$ 60,826.00	\$ 1,151,767.00
Uses:						
Machinery & Equipment	52024553	57400		\$ 430,000.00	\$ 60,826.00	\$ 490,826.00

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: James Sharpe, Interim Finance Director and
Tom Cohenour, Public Works Director
Through: Erin Reinders, City Manager
Date: September 22, 2020
Re: Ordinance 2020-15: Budget Amendment #2 to the FY21 budget, recognizing private donation revenue of \$50,000 in the general fund and increasing community support expenditures by \$50,000; request of \$68,121 for FY21 Rolling Stock Replacements for the Department of Public Utilities Wastewater and Water Divisions

SUMMARY: This ordinance will create a budget amendment to recognize a \$50,000 municipal arts and culture matching grant received from the Rasmuson Foundation and the required disbursement of the grant funds to KUCB and the Museum of the Aleutians.

Additionally, staff requests an additional \$68,121 to cover budgeting shortfalls for the purchase of a Vactor truck for the Wastewater Utility and a new pickup for the Water Division.

PREVIOUS COUNCIL ACTION: Council passed Resolution 2020-37 on May 26, 2020 accepting Alaska CARES Act funds. Council passed Resolution 2020-46 on July 14, 2020 establishing formulas to be used in awarding CARES Act funds to local businesses and non-profit organizations.

Council funded the FY21 Capital and Operating budget via Ordinance 2020-10 adopted June 9, 2020, which included the Rolling Stock Replacement Plan for FY21, a copy of which is attached to this Memorandum.

BACKGROUND: The Municipal Arts & Culture Matching Grant Program was instituted by the Rasmuson Foundation to increase municipal allocation of Alaska CARES Act "Direct Municipal Relief" funds to arts and culture organizations within Alaska communities.

The funds requested via the FY21 CMMP and budgeting process for these two vehicle purchases were based upon historical cost estimates for similar purchases. Solid price quotations from vendors were delayed and difficult to obtain during the CMMP process due to vendor employees working from home. This total request of \$68,121.00 will cover the shortfall on two vehicles broken down as follows:

DPU - Water Division Pickup Truck w/ Utility Box	\$7,295.00
<u>DPU - Wastewater Division Vactor Truck</u>	<u>\$60,826.00</u>
Total Budget Shortfall	\$68,121.00

DISCUSSION: In July of 2020 the City applied for a Municipal Arts & Culture Matching Grant from the Rasmuson Foundation to request a \$50,000 match of Unalaska CARES Act funds that had already been allocated by the City to KUCB and the Museum of the Aleutians. The application was approved and the City received the funds September 1st.

Per the Rasmuson Foundation funding formula the City will be required to pass through \$20,000 to KUCB and \$30,000 to the Museum of the Aleutians.

As the FY21 Rolling Stock purchases began to be made, Staff realized that the estimated amounts budgeted for these two vehicles were insufficient. Both vendors have agreed to hold their costs while these additional funds are requested. No alterations to the types of vehicles and specified accessories have been made.

ALTERNATIVES: Return the grant to the Rasmuson Foundation.

Alternatives to funding this request include delaying the two vehicle purchases and submitting updated CMMP nominations for the FY22 budget cycle; however, waiting another year will likely come with increased costs.

FINANCIAL IMPLICATIONS: There is no net financial impact to the City; this is a pass-through of grant funds.

The amounts requested from the unrestricted revenue of the two proprietary funds will be added to the existing appropriations.

LEGAL: N/A

STAFF RECOMMENDATION: Staff recommends adoption of this Budget Amendment.

Staff recommends fully funding this Budget Amendment Request. The increased level of staffing in the Water Division, combined with COVID-19 distancing measures necessitate the purchase of the pickup truck. The Vactor truck currently in use by the Wastewater Utility is outdated and internal systems are failing, and this truck is vital to maintaining the waste water collection system.

PROPOSED MOTION: I move to schedule Ordinance 2020-15 for second reading and public hearing on October 13, 2020.

CITY MANAGER COMMENTS: I support staff's recommendation.

ATTACHMENTS:

- Municipal Arts & Culture Matching Grant Program Application
- Municipal Arts & Culture Matching Grant Program Description
- Signed Grant Agreement
- FY21 Rolling Stock Replacement Plan

Municipal Arts & Culture Matching Grant Program Application

The *Municipal Arts & Culture Matching Grant Program* is a partnership between Rasmuson Foundation and municipalities designed to increase municipal allocation of Alaska's CARES Act "Direct Municipal Relief" funds to arts and culture organizations. Rasmuson Foundation will match municipal allocation of municipal relief funds. Assuring grantee eligibility and compliance with federal guidelines released by the US Treasury on April 22, 2020 are the responsibility of the municipality. See Program Description for more information.


HOW TO APPLY: Municipalities apply for Rasmuson Foundation matching funds on this form and email to grants@rasmuson.org. Type "Municipal Arts & Culture" in the Subject line.

Applicant Municipality: City of Unalaska

Address to send check (or preferred method of payment): PO Box 610
Unalaska, AK 99685

Municipal Representative: Bil Homka Title: Planning Director
 phone: 907-581-3100 Email: bhomka@ci.unalaska.ak.us

Certification: I certify that the applicant municipality has made an allocation of municipal direct relief (CARES Act) funds to the beneficiaries listed below, and that I am authorized to submit to Rasmuson Foundation this application for funds to match the allocations, and that upon receipt of Rasmuson Foundation Funds, the total award will be distributed to the named beneficiaries.

Signature:  Date: 7-8-2020

A	B	C	D	E
Name of Beneficiary	Municipal Allocation	Rasmuson Match 1:1*	Rasmuson Match 1:2*	Total Match
Museum of the Aleutians	40,000	\$20,000	\$10,000	\$30,000
KUCB - Unalaska Community Broadcasting	71,820	\$20,000	0	\$20,000
List additional beneficiaries on separate page and insert total here:				
TOTALS	\$110,820	\$40,000	\$10,000	\$50,000

* Column C: Match 1:1 up to and including \$20,000 of municipal allocation per beneficiary;
 Column D: Match 1:2 for allocations in excess of \$20,000 to that beneficiary.
 Column E : Total C + D - may not exceed \$50,000. See Program Description.

For use by Rasmuson Foundation: Total Matching Funds Approved: _____ Program Officer Signature _____ Date _____

Municipal Arts & Culture Matching Grant Program

A partnership between Municipal Governments and Rasmuson Foundation

Program Description. The *Municipal Arts and Culture Matching Grant Program* is a partnership between Rasmuson Foundation and Alaska municipalities in cooperation with the Alaska Municipal League. It is designed to fund arts and culture organizations whose local revenue sources are disrupted by the COVID-19 pandemic. Municipal allocations of Direct Municipal Relief (a category of CARES Act funds) to local arts and culture organizations are matched by Rasmuson Foundation.

Program Need. Government mandates in response to the COVID-19 pandemic have caused cancellation of performances, festivals and traditional fundraising activities that local arts and culture organizations depend on for revenue. Additionally, loss of personal income has resulted in less revenue from memberships and donations. Through allocation of CARES Act funds, municipal governments can help sustain arts and culture infrastructure.

Eligibility. The matching grant program is intended to support arts and cultural organizations whose revenue sources have been negatively impacted by the COVID-19 pandemic. Municipalities may set their own criteria for allocation of Direct Municipal Relief funds, however, to receive *Municipal Arts & Culture Matching funds*, beneficiaries should be able to demonstrate real and projected revenue decline due to COVID-19 mandates. It is the responsibility of the municipality to ensure compliance with US Treasury guidelines for use of CARES Act funds.

Additionally, beneficiaries must:

- have been a viable nonprofit entity within the municipality on March 1, 2020; and
- have a mission to advance, support, educate or celebrate arts and culture.

Examples of qualifying entities include arts and culture camps, arts councils, dance organizations, theatre and performing arts organizations; symphonies, choral groups and other music entities; language and literary arts organizations; museums and arts-focused festivals and workshops.

Municipal Guidelines. Rasmuson Foundation will match a municipality's allocation of CARES Act funds to arts and culture organizations. The match ratio is 1:1 up to \$20,000 to any entity and 1:2 for allocated municipal funds in excess of \$20,000 to that entity.

Example: Municipality allocates \$40,000 of Direct Municipal Relief funds to the local theatre organization. Rasmuson Foundation will match \$20,000 @ 1:1 and remaining \$20,000 @ 1:2 (\$20,000 + \$10,000 = \$30,000). The theatre organization will receive a \$70,000 *Municipal Arts and Culture Matching Grant* (\$40,000 municipal + \$30,000 Rasmuson Foundation).

Rasmuson Foundation limits the match to \$50,000 per municipality and \$250,000 statewide.

The municipal allocation of CARES Act funds may not replace or supplant historical or budgeted municipal support.

Municipal Arts & Culture Matching Grant Program

A partnership between Municipal Governments and Rasmuson Foundation

How to Apply. A municipality may administer the *Municipal Arts and Culture Matching Grant Program* directly or delegate it to a local organization tasked with administering municipal CARES Act funds. After making its allocation determinations, an authorized representative of the municipality applies to Rasmuson Foundation using the designated form. Rasmuson Foundation distributes funds to the municipality. The municipal award and the Rasmuson match may be distributed separately or as one award to arts and culture organizations within their community.

Use of Funds. *Municipal Arts and Culture Matching Grant* funds may be used for any legitimate operating or program expense incurred by the organization from March 1 through December 15, 2020 in accordance with CARES Act funding guidelines. Entities that have received funds through another CARES Act program such as PPP or EIDL are eligible for funding through the Direct Municipal Relief providing the use of funds does not duplicate or supplant those other funds.

Reporting. The municipality may require benefitted entities to report the use or expenditure of *Municipal Arts & Culture Matching* funds in accordance with CARES Act funding guidelines. The municipality shall verify to Rasmuson Foundation distribution program funds to organizations within 30 days of receipt of Rasmuson funds.



301 W. Northern Lights Blvd.
Suite 601
Anchorage, AK 99503

907.297.2700 *tel*
907.297.2770 *fax*
877.366.2700 *toll-free in Alaska*
info@rasmuson.org *email*
www.rasmuson.org

August 20, 2020

Ms. Erin Reinders
City Manager
City of Unalaska
P.O. Box 610
Unalaska, AK 99685-0610

Dear Ms. Reinders:

It is my great pleasure to inform you that City of Unalaska has been awarded a \$50,000 grant to match your investment of CARES Act Funding to support local arts and culture organizations.

Please have two officials from your organization acknowledge receipt of this grant, agreement, and the \$50,000 payment with its terms by signing the attached grant agreement and returning it by September 30, 2020. Please refer to the grant number 14908 in all correspondence regarding this award.

If you have any questions, please contact Jeff Baird by email at jbaird@rasmuson.org, or by phone at (907) 334-0511, or toll-free in Alaska (877) 366-2700.

Congratulations on your award.

Best regards,

Diane Kaplan
President

Enclosures

BOARD of
DIRECTORS
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Chairman
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Judy Rasmuson
Marilyn Romano
Natasha von Imhof

PRESIDENT
Diane Kaplan

RF grant number 14908



GRANT AGREEMENT

Grantee: City of Unalaska
Total Award Amount: \$50,000.00
Project Title: Arts and culture CARES Act matching grant program
Date Awarded: July 28, 2020
Grant Number: 14908
Grant Type: COVID-19 Relief Fund
Award Detail and Conditions: \$50,000 outright grant to match your investment of CARES Act Funding to support local arts and culture organizations.
Program Staff: Jeff Baird

By signing this document, the grantee agrees to accept all conditions of this grant award and to comply with the requirements of the Rasmuson Foundation. Please provide signatures from two officials who are authorized to sign contracts on behalf of the organization, i.e., the Executive Director and Chair of the Board of Directors; the Mayor and City Manager; IRA Council President and Tribal Administrator; or Chancellor and Dean or Director.

By:

CITY OF UNALASKA

Typed or printed Legal Name of Organization

[Signature]
Signature

9/8/20
Date

ERIN REINDERS, CITY MANAGER

Typed or Printed Name and Title

[Signature]
Signature

9/8/20
Date

Vincent M. Tutuakoppa, Mayor
Typed or Printed Name and Title

Please sign this Agreement and return it to the Foundation by email to grants@rasmuson.org by the date indicated in the award letter. Retain a copy for your records.

Rasmuson Foundation Grant Award and Conditions

Grant Number

The Grant Number for this award is 14908. Please refer to this number in all correspondence related to this award.

Challenge or Contingencies

If a grant has a challenge component of contingency(ies), these must be met before that portion of the grant is requested for payment. The form titled Certification of Meeting Grant Conditions is to be used to explain how the conditions were met. Contingencies and challenges must be met by the grant end date.

Expenditure of Funds

This grant is made based upon a specific proposal that contains a project budget. It is expected that the entire amount of this grant will be applied to the budget and not used for any other purposes. Should it become advantageous to the grantee to slightly modify the project and/or make any changes to the project budget or timeframe, permission to do so must be requested per this Grant Agreement (see Budget Reallocation or Project Revision). Approval by the Foundation in writing must be received before making any revisions or incurring any expenses. If at the end of the grant period, a reallocation of unspent funds or an extension has not been requested, the balance of the grant funds must be returned to the Foundation.

Grant Duration

As agreed during the grant proposal review process, the project has the following begin and end dates:

Project begin date: July 28, 2020

Project end date: July 31, 2021

Reporting Requirements

For grants greater than \$25,000:

The Foundation expects to be kept fully informed of progress on this project. To this end, each grantee is required to submit progress reports annually, and a final report at the end of the project.

Your **reports are due** on the following schedule:

Report Type	Reporting Period	Due Date
Final Report	07/28/2020 – 07/31/2021	08/31/2021

- The Foundation forms titled **Tier 2 Grant Progress Report**, and **Tier 2 Financial Report** are to be submitted every year with or without a grant Payment Request until the end of the project. The Foundation form titled **Tier 2 Grant Final Report** is to be submitted no later than 30 days after the project end. If all Rasmuson funds are expended, but the project is not complete, the organization will continue to send progress reports until the project is complete.

Extension

Extensions may be granted by the Foundation upon request of the grantee at the sole discretion of the Foundation. An extension assumes that the grant award will be fully expended for the purpose described in the Grant Agreement, but more time is needed to complete the project. To extend the end date of the grant award, send a letter clearly stating the following:

- Describe why the project will not be completed during the grant period.
- Identify the proposed new end-date for the project.
- Outline plans to complete the project and a timeline of activities to be undertaken during the extension period.

Budget Reallocation or Project Revision

Grant awards are made based upon the project budget and description as presented in the application. Grant funds may only be used for the specific purpose as stated in the Grant Agreement. Grant award reallocation or revision may be requested if the revision is within the scope of the award. Requests to substantially revise the scope of an award for activities not originally proposed, or inconsistent with the award's intent, are not permitted. If a reallocation is necessary to complete the project intent, it must be approved before funds are spent. The Foundation will not retroactively "back-fund," so these expenses must not yet have been incurred.

Budget revisions and grant extensions are not granted automatically. They are reviewed for both financial and programmatic propriety.

To request a budget reallocation or project revision, submit a Reallocation Request Form, with an attached narrative detailing how reallocated funds will enhance the project.

Unspent Funds

It is the policy of the Foundation that unspent funds are returned with the final report. A request to use unspent grant funds may be submitted if there is a balance of funds after all components of the project plan have been accomplished. Requests to use unspent grant funds for project expenses not initially proposed, yet consistent with the award intent, may be permitted, but only if approval is received in advance. Budget revisions may not include pre-award expenses or expenses incurred before approval.

To request the use of unspent funds, submit a Reallocation Request Form, with an attached narrative detailing how reallocated funds will enhance the project.

Certification of IRS Status

By signing this document, the grantee certifies that it is a tax-exempt agency under Section 501 (c) (3) of the Internal Revenue Code and is classified as not a private foundation under Section 509 (a) (1) or 509 (a) (2) of the Code or, in selected cases, a unit of government, or an officially recognized tribal organization if the project has a broad community impact.

If the organization is required to file form 990 or any version thereof, the grantee certifies that these have been filed for the last three tax years (the most recent tax year may be on an unexpired extension).

Any change in IRS tax-exempt status must be promptly reported to the Foundation.

Change in Key Personnel

Please notify your Program Officer in writing if the officials who sign this document leave office or position and provide the contact information for the replacements.

Any change in key personnel must be reported to the Foundation.

Termination of Award

Failure to fulfill the terms of this agreement may result in termination of the grant. If the grant is terminated, the Foundation may ask for the return of grant funds. Also, the organization may be ineligible to apply for future funding from the Rasmuson Foundation.

Forms

All forms mentioned in this document are available on the Foundation's web site at www.rasmuson.org under "resources/forms/reporting and payment request forms." Please use the most current version of the forms from the website, as they may have changed. If you do not have access to the Internet, please contact us for the forms.

If you have questions, please call or email:

Program Officer: Jeff Baird
Phone: (907) 334-0511, or toll-free in Alaska (877) 366-2700
Email: jbaird@rasmuson.org

FY21 Rolling Stock Replacement Plan Summary

By Department

Vehicle #	Dept	Primary Driver	Description	Year	Life Cycle	Replace Date	Replace With	Description of New Vehicle	Transfer Old Vehicle To	FY21 \$\$\$	Estimate or Quote	Actual	Shortage	10%	Total Request
PW4212	DPW	Roads	4x4, F350 Pickup	2003	15	2018	New	4x4, F150 Crew Cab	Surplus Sale	\$ 40,000	Estimate				
PW0688	DPW	Vehicle Maint	4x4, F150 Pickup	2003	15	2018	DNR	DNR	Surplus Sale	\$ -	n/a				
PW7449	DPW	Admin	4x4, F150 Pickup	2000	15	2015	New	4x4, F150 Dbl Cab w/ Canopy	Surplus Sale	\$ 45,000	Estimate				
CH7414	City Hall	Floater	4x4, Explorer	2003	15	2018	CH3710	Blue Ranger is CH Floater	Surplus Sale		n/a				
VT2	DPU	Wastewater	Volvo Vactor Truck	1998	20	2018	New	Mack Vactor Truck	DPU - Landfill	\$ 380,000	Estimate	\$435,296	\$55,296	\$5,530	\$60,826
SD5275	DPU	Wastewater	4x4, F350, Flat Bed	2004	15	2019	New	4x4, F350 Flatbed	Surplus Sale	\$ 50,000	Estimate				
New	DPU	Water	New to Fleet	-	-	-	New	4x4, F250 Ext w/Utility Box	n/a	\$ 45,000	Estimate	\$51,632	\$6,632	\$663	\$7,295
E5629	DPU	Elec Line Crew	GMC 1-Ton w/Util Box	2008	15	2023	New	4x4, F350 Gas w/Util Box & Winch	Surplus Sale	\$ 65,000	Estimate				
UPD9826	UPD	Chief	4x4, Explorer	2012	7	2019	New	4x4 Interceptor	UPD - ACO	\$ 65,000	Estimate				
UPD0232	UPD	ACO	4x4, Explorer	1999	15	2014	UPD9826	4x4 Explorer (UPD Chief)	Surplus Sale		n/a				
Unknown	DPW	Facility Maint	Genie Man Lift	1992	20	2012	New	Genie Man-Lift 30' Reach	Surplus Sale	\$ 14,000	Estimate				
New	DPW	Facility Maint	New to Fleet	2019	15	2034	New	Kubota	n/a	\$ 12,500	Estimate				
TOTAL										\$ 716,500					\$68,121

By Fund

GENERAL FUND	\$ 176,500
ELECTRIC FUND	\$ 65,000
WATER FUND	\$ 45,000
WASTEWATER FUND	\$ 430,000
SOLID WASTE FUND	\$ -
PORTS / HARBOR FUND	\$ -
TOTAL	\$ 716,500