

Regular Meeting
Tuesday, March 23, 2021
6:00 p.m.



Unalaska City Hall
Council Chambers
43 Raven Way

Council Members

Thomas D. Bell
Darin Nicholson
David M. Gregory

Council Members

Dennis M. Robinson
Alejandro R. Tungul
Shari Coleman

UNALASKA CITY COUNCIL

P. O. Box 610 • Unalaska, Alaska 99685
Tel (907) 581-1251 • Fax (907) 581-1417 • www.ci.unalaska.ak.us

Vincent M. Tutiakoff Sr., Mayor
Erin Reinders, City Manager
Marjie Veeder, City Clerk mveeder@ci.unalaska.ak.us

COUNCIL MEETING ATTENDANCE

The community is encouraged to attend meetings of the City Council:

- Attend in person (socially-distanced seating available; coverings over the nose and mouth are required to be worn upon entering City Hall until seated, and again when exiting)
- Participate online via ZOOM (link, meeting ID & password below)
- Participate by telephone (toll and toll free numbers, meeting ID & password below)
- Listen on KUCB TV Channel 8 or Radio Station 89.7

PUBLIC COMMENT

The Mayor and City Council value and encourage community input at meetings of the City Council. There is a time limit of 3 minutes per person, per topic. Options for public comment:

- In person at the meeting
- By telephone or ZOOM - notify the City Clerk if you'd like to provide comment using ZOOM features (chat message or raise your hand); or *9 by telephone; or during regular business hours in advance of the meeting
- Written comment is accepted up to one hour before the meeting begins by email, regular mail, fax or hand delivery to the City Clerk, which will be read during the meeting; include your name

ZOOM MEETING LINK: <https://us02web.zoom.us/j/85203975430>

Meeting ID: 852 0397 5430 / **Passcode:** 977526

TELEPHONE: Meeting ID: 852 0397 5430 / **Passcode:** 977526

Toll Free numbers: (833) 548-0276; or (833) 548-0282; or (877) 853-5247; or (888) 788-0099

Non Toll Free numbers: (253) 215-8782; or (346) 248-7799; or (669) 900-9128

AGENDA

1. **Call to order**
2. **Roll call**
3. **Pledge of allegiance**
4. **Adoption of agenda**
5. **Approve minutes of previous meeting** [March 9, 2021](#)
6. **Reports**
 - a. [City Manager](#)
 - b. [Financials – February 2021](#)

7. **Community Input & Announcements** *Members of the public may provide information to council and make announcements of interest to the community.*
8. **Public comment on agenda items** *Time for members of the public to 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 notifying the City Clerk.*
9. **Public hearing** *Members of the public may testify about any item set for public hearing.*
 - a. [Ordinance 2021-02: Amending Title 6 of the Unalaska Code of Ordinances to adopt a new chapter 6.56 Excise Tax on Tobacco Products](#)
10. **Work session** *Work sessions are for planning purposes, or studying and discussing issues before the Council.*
 - a. [Presentation: Innovative Readiness Training \(IRT\) Program in Unalaska - Summary of the August 2020 Civil Affairs Assessment and Planning for Next Steps - Joint Presentation by the City, Ounalashka Corporation and Qawalangin Tribe](#)
 - b. [Presentation: Proposed FY22 Capital & Major Maintenance Plan \(CMMP\) - Planning Director Bil Homka](#)
 - c. [Presentation: Proposed E911 Surcharge - Police Chief Jay King](#)
11. **Consent Agenda** *Approval of non-controversial and routine items, accomplished without debate and with a single motion and vote. Council members may request an item be moved to the regular agenda for discussion purposes.*
 - a. [Resolution 2021-16: Approving the Mayor's Appointment of Virginia Hatfield to the Planning Commission and Platting Board, and the Historic Preservation Commission](#)
12. **Regular agenda** *Persons wishing to speak on regular agenda items must notify the City Clerk.*
 - a. [Ordinance 2021-02: Amending Title 6 of the Unalaska Code of Ordinances to adopt a new chapter 6.56 Excise Tax on Tobacco Products](#)
 - b. [Resolution 2021-14: Amendment of the Power Purchase Agreement between the City of Unalaska and Ounalashka Chena Power, LLC](#)
 - c. [Resolution 2021-15: Continuing measures to protect public health](#)
13. **Council Directives to City Manager**
14. **Community Input & Announcements** *Members of the public may provide information to council; and make announcements of interest to the community.*
15. **Adjournment**

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MINUTES

1. Call to order

Mayor Tutiakoff called the regular meeting of the Unalaska City Council to order on Tuesday, March 9, 2021 at 6:00 pm.

2. Roll call

<u>Present in chambers:</u>	<u>Present Via Telephone or Zoom:</u>	<u>Absent:</u>
Vincent Tutiakoff, Sr., Mayor	Dennis Robinson	None
Thomas D. Bell	Alejandro Tungul	
Shari Coleman	David Gregory	
	Darin Nicholson	

3. Pledge of allegiance – Council Member Coleman led the Pledge of Allegiance

4. Adoption of agenda

Coleman made a motion to adopt agenda; Bell seconded.

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

Motion passed 6-0.

5. Recognize City Employee Anniversaries

Mayor and Council recognized the following City Employees and thanked them for their service to the city.

- Peter Galaktionoff - 15 years, Unalaska Public Library (PCR)
- Deputy Chief William Simms - 20 years, Unalaska Department of Public Safety
- Trudie Rose-McKeague - 25 years, Supply Division, Department of Public Works

6. Approve minutes: February 23 Regular Meeting & March 3 Special Meeting

Coleman made a motion to approve the February 23 Regular Meeting and March 3, 2021 Special Meeting minutes; Bell seconded.

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

Motion passed 6-0.

7. Reports: City Manager

Report in the packet. City Manager provided Council with an update regarding the FY21 Financial Report.

8. Community Input & Announcements

- 2nd EOC Covid Response Survey available now through April 8, 2021
- IFHS Community Health Needs Assessment Survey 2021 available now
- Unalaska City School Park Grand Opening, March 3, 2021 at 3:00 pm
- Alaska Conference of Mayors Essay Contest, Grades 9-12, "If I Were the Mayor"

9. Public comment on agenda items - None

10. 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. Comprehensive Annual Financial Report (CAFR), Fiscal Year Ended June 30, 2020

Former Interim Finance Director presented the financial statement portion of the CAFR and answered Council question. The compliance portion of the audit will not be completed until late April. No Council action was required.

b. Makushin Geothermal Project Update - OCCP, LLC

John Ziagos and Dave Matthews co-presented an update on the Makushin Geothermal Project and answered Council questions.

c. Electric and Water Utility Rate Increases - Aldrich CPAs + Advisors LLP

James Keen, CDP and Amber Miller, CPA – Aldrich Advisors, co-presented the Electric and Water Utilities Cost of Service Study Results and Recommendations and answered Council questions.

d. Terminal Services Agreements - Peggy McLaughlin, Director of Ports & Harbors

Ports Director presented information on Terminal Services Agreements and answered Council questions. Staff requested Council feedback as to how to move forward regarding future public access, the structuring of requests for proposals, term of agreements and long-range considerations.

11. Regular agenda

Coleman made a motion to adjourn to Regular Session; Bell seconded.

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

Tungul was not present to vote.

Motion passed 5-0.

a. Ordinance 2021-02: Amending Title 6 of the Unalaska Code of Ordinances to Adopt a New Chapter 6.56 Excise Tax on Tobacco Products

Bell made a motion to move Ordinance 2021-02 to Second Reading/Public Hearing on March 23, 2021; Coleman seconded.

Council provided comment.

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

Tungul not present to vote.

Motion passed 4-1.

12. Council Directives to City Manager - None

13. Community Input & Announcements - None

14. Executive Session

Coleman made a motion to adjourn into Executive Session to discuss personnel and financial matters related to the PSEA Contract Negotiations, which if discussed in public might negatively impact the interests of the City; Bell seconded.

- a. Discuss upcoming negotiations with the Public Safety Employee Association (PSEA)

Mayor Tutiakoff announced the Executive Session was complete and no formal action was taken during the Executive Session.

15. Adjournment

Mayor Tutiakoff adjourned the meeting at 11:27 pm.

Marjie Veeder, CMC
City Clerk

rfw

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Erin Reinders, City Manager
Date: March 9, 2021
Re: City Manager Report

Upcoming Deadlines & Events:

- **March 31, 2021** Deadline to apply for Senior Citizen Sales Tax Refund. Applications available on the city website and the vestibule at city hall.
- **March 31, 2021** Property tax assessment notices will be mailed by the Clerk's Department
- **April 30, 2021** Deadline to submit property tax appeals
- **May 11, 2021** Board of Equalization hearing on property tax appeals
- **August 12 & 13, 2021** City Council Strategic Planning Sessions (Thursday, August 12 planned for 9:00-3:30 & Friday, August 13 planned for 9:00-1:00)

Geothermal PPA: OCCP has requested an extension of the deadline to obtain funding. Council is considering the amendment to the PPA providing this extension at tonight's meeting. You will hear some of the challenges that delay creates in the CMMP discussions planned for tonight. As communicated previously, OCCP is working through the permitting process with the Army Corps of Engineers, in hopes to begin access road construction this spring. We were invited by the Corps to be a signatory on a Memorandum of Agreement for the project. The Tribe and OC have also agreed to be signers of the MOA. City staff reviewed the draft MOA that the Corps drafted, and provided comments by the deadline of March 16. Our primary questions and comments focused on Ownership and Consultation Flow, Project Scope and Area Limits, and Right of Way Designation. I shared these comments with the Chris Price, Chris Salts and Natalie Cale as well.

Financial Update & Fisheries Impact: The Finance Director will be presenting the February financials tonight. You will see that year to date (month ending February 2021), the General Fund revenues are just over \$24 million, and we have \$30.7 million budgeted for General Fund revenues -- meaning we have received 78% of our budgeted revenues. We have spent 54% of the General fund budgeted expenses. For context, we are 66% of the way through FY21. The Finance Director and I met our Fisheries Consultant this past week and he has advised us that, at most, we are looking at a about a \$500,000 hit on revenues for FY21 but that we should still meet our budget because of our conservation budgeting approach. He did not see the need to revise the FY22 revenue projections.

Potential Federal Earmarks: As I mentioned in the last Manager's Report, we received word from our Federal Lobbyist that there may be an opportunity for federal support on specific projects through earmarks. Brad Gilman suggested we identify two projects. Specifically that we focus on support for the entrance channel dredging project as well as one of the CAPSIS projects. After considering Brad's suggestions on the second project, we selected Bobby Storrs Boat Harbor A & B Floats. Brad is moving forward and advocating for those projects, with a letter of support signed by the Mayor.

American Rescue Plan: Our Federal Lobbyist sent out a good overview of the plan on March 10 (this was distributed to City Council). AML held an information call on March 16, with several staff member participating. Our Cares Act Committee, now transitioning into more of a Covid Funding Committee, met and reviewed our key takeaways. American Rescue Plan is a federal relief package that includes direct funding for all cities and boroughs, by formula, but there are still unknowns. We are likely looking at between 1 and 2 million dollars over the course of two years, in divided payments. There are plenty of details and opportunities to work through explore. Areas of particular interest to City staff at this point is support infrastructure projects. The Treasury has yet to release guidance on the details of this rescue plan, so it is challenge to develop a plan just yet.

Vaccine Rollout: IFHS Clinic and Unalaska's EMS providers partnered with the Eastern Aleutian Tribes to provide a Community COVID-19 Vaccination events for industry and the community. Wednesday the 17th and Thursday, March 18th were full days. City of Unalaska offered logistical and staff support, and the UCSD provided use of their facility. I do not have the final numbers of those who received the vaccine, but will provide an update when that is known. The Qawalangin Tribe of Unalaska, the City of Unalaska, the Aleutian Pribilof Islands Association, and the Iliuliuk Family Health Services Clinic continue working together with the shared goal of getting vaccines into arms. City staff, primarily PCR and Fire/EMS, is assisting with hosting APIA and IFHS Vaccine Events at the Community Center.

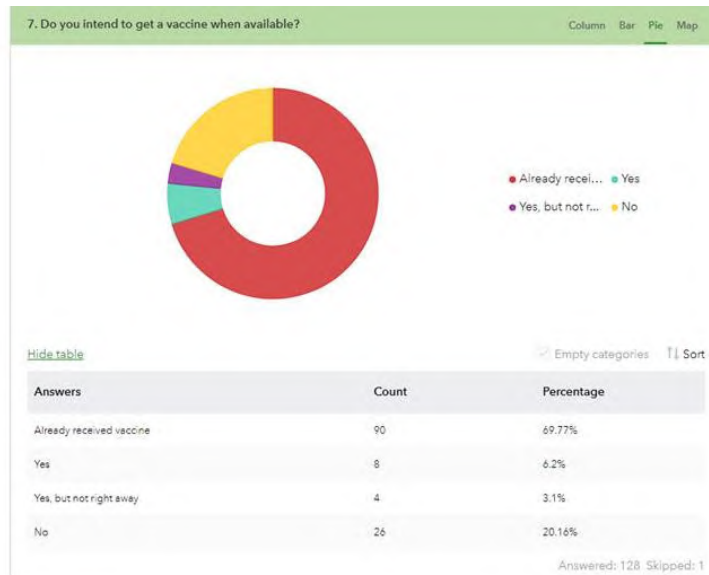
Emergency Operation Survey: City Council requested a follow up online survey and for staff to make stronger efforts to reach more people in the community. The last survey garnered 100 responses and a few of the answers assisted with changes in how the COVID statistics were reported locally. This survey may assist us with understanding the effects of COVID-19 on the community; to examine the impact on people's daily routines; to gauge public perception about local mandates; and finally, to determine what percentage of the community intends to receive the vaccine. The survey is available in English, Spanish, Tagalog and Russian and can be found through this link: <https://survey123.arcgis.com/share/a3fd68a5385b481f8bc347f2bfba8083>.

The survey period is March 8-April 8, 2021. A summary of the responses will be provided to City Council at their regular meeting April 13, 2021. Below is the Planning Department's status update as of the morning of March 18, 2021. As of that date, there were 129 respondents. Response summary is as follows:

- *How likely would you be to visit [bars, restaurants, library, etc.] without mandates in place tomorrow?*
- - *Answers are all strongly bimodal – respondents would either be very likely or not likely to visit*
 - *Generally unlikely to visit bars and more likely to visit the library and City admin buildings.*



- **Contact Tracing**
 - 8% have been notified of a possible COVID exposure
 - Of those, 81% chose to get tested and 90% isolated afterwards.
- **Vaccine**



- *Most are aware of USAFV's programming*
- *Travel*
 - *74% have travelled to/from Unalaska since the start of the pandemic*
 -



- *Most received paperwork and completed contact forms at the airport. Many respondents who did not travelled before those procedures were in place.*
- *Quarantine*
 - *74% have quarantined at some point*
 - *Very few visited public facilities during quarantine*

State Budget Public Testimony: The Senate Finance committee accepted public testimony on the proposed operating budget this past week. I called in on March 18 and spoke about some of Council priorities as well as those factors impacting Unalaska. Several of these points complimented AML's priorities. Namely, support for recapitalizing the Community Assistance Fund, retaining the shared taxes in place for distribution to communities in the proposed budget and PCE payments. The AMHS remains underfunded in the proposed budget, so I did stress the importance of the ferry for Unalaska. I voiced support for the Harbor Facility Matching grant program, as Council has long supported that program. I added a special note about the Unalaska's Bobby Storrs Boat Harbor, which was inherited by the City of Unalaska from the State of Unalaska, supporting funding for that project. I also advocated for support for Community Jails Funding, which have remained flat since 2015, as well as Local Emergency Planning Committee funding.

Amaknak FUDS: 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. These contamination sites hold up construction projects and negatively impact subsistence living. Environmental remediation of these areas has long been on City Council's priority list. The Amaknak FUDS Restoration Advisory Board (RAB) held its initial meeting on March 16. The mission is to establish and maintain a forum with all stakeholders for the exchange of information in an open and interactive dialogue concerning the environmental restoration activities at the Amaknak FUDS. The meeting focused on introductions and setting up the operating procedures, but also included an updated on the project itself and the sites. The next meeting is planned for May.

Directives to the City Manager: There are no outstanding directives.

General Fund Operating Monthly Summary - Month Ending February 2021

	FY2021 Budget	February	FY2021 YTD	% OF BUD	FY2020 YTD	INC/(DEC) Last Year
REVENUES						
Raw Seafood Tax	4,211,165	272,570	2,898,770	69%	3,116,918	(218,148)
AK Fisheries Business	3,480,663	0	3,641,049	105%	3,775,900	(134,851)
AK Fisheries Resource Landing	5,000,000	0	4,094,954	82%	4,601,633	(506,680)
Property Taxes	7,100,000	4,049	7,109,996	100%	7,067,152	42,843
Sales Tax	5,333,333	671,455	4,481,117	84%	5,239,089	(757,972)
Investment Earnings	1,400,000	(77,601)	238,733	17%	3,375,388	(3,136,656)
Other Revenues	2,616,910	33,964	1,625,465	62%	2,124,522	(499,057)
Appropriated Fund Balance	1,557,871	0	0	0%	0	0
Total General Fund Revenues	30,699,942	904,436	24,090,084	78%	29,300,604	(5,210,520)
EXPENDITURES						
Mayor & Council	443,313	28,078	160,865	36%	461,683	(300,818)
City Administration						
City Manager's Office	533,319	16,904	232,591	44%	222,966	9,625
Administration	1,426,451	65,639	964,299	68%	832,883	131,415
Total City Administration	1,959,769	82,542	1,196,890	61%	1,055,850	141,041
City Clerk	574,043	37,810	307,055	53%	313,670	(6,614)
Finance						
Finance	1,151,121	115,228	715,064	62%	550,549	164,515
Information Systems	986,843	23,766	571,916	58%	700,291	(128,376)
Total Finance	2,137,963	138,994	1,286,980	60%	1,250,840	36,140
Planning	735,316	54,625	342,735	47%	363,887	(21,152)
Public Safety						
Police and Admin	3,933,446	208,289	1,775,725	45%	1,686,084	89,641
Police Communications	857,481	70,872	533,667	62%	551,599	(17,932)
Police Corrections	1,080,594	74,748	538,656	50%	580,862	(42,206)
Total Public Safety	5,871,521	353,909	2,848,048	49%	2,818,545	29,503
Fire & EMS						
Fire and Emergency Services	1,622,755	103,020	773,237	48%	1,079,515	(306,278)
Total Fire & EMS	1,622,755	103,020	773,237	48%	1,079,515	(306,278)
Public Works						
DPW Admin & Engineering	860,292	50,225	411,618	48%	389,999	21,618
Streets and Roads	2,387,136	196,737	1,335,121	56%	2,047,390	(712,269)
Receiving and Supply	296,805	19,098	157,701	53%	163,575	(5,874)
Veh & Equip Maintenance	1,241,686	91,243	738,568	59%	616,143	122,426
Facilities Maintenance	1,276,546	100,550	832,997	65%	767,239	65,758
Total Public Works	6,062,465	457,854	3,476,005	57%	3,984,345	(508,340)
Parks, Culture & Recreation						
PCR Administration	255,146	16,299	137,784	54%	153,901	(16,117)
Recreation Programs	776,745	72,666	385,249	50%	426,588	(41,339)
Community Center Operations	1,057,473	62,844	570,559	54%	497,923	72,636
Library	913,132	64,546	509,339	56%	483,763	25,576
Aquatics Center	507,733	34,556	291,277	57%	265,740	25,537
Parks	41,476	549	40,160	97%	31,691	8,469
Total Parks, Culture & Recreation	3,551,705	251,461	1,934,368	54%	1,859,606	74,762
Other Expenses	5,495,882	449,346	3,693,000	67%	4,189,458	(496,458)
XXXXXXXX						
XXXXXXXX	1,000,000	0	0	0%	0	0
Total Operating Expenditures	29,454,733	1,957,640	16,019,184	54%	17,377,399	(1,358,215)
Transfers To General Fund	0	0	0	0%	0	0
Transfers To Special Revenue	0	0	0	0%	0	0
Transfers To Capital Projects	1,604,658	500,000	1,604,658	100%	10,041,891	(8,437,233)
Transfers To Enterprise Funds	0	0	0	0%	0	0
Transfers To Enterprise Capital	0	0	0	0%	1,075,000	(1,075,000)
	1,604,658	500,000	1,604,658	100%	11,116,891	(9,512,233)
	31,059,391	2,457,640	17,623,842	57%	28,494,290	(10,870,448)
Surplus/(Deficit)	(359,449)	(1,553,204)	6,466,242	68%	806,314	5,659,928

	<u>FY2021 Budget</u>	<u>February</u>	<u>FY2021 YTD</u>	<u>% OF BUD</u>	<u>FY2020 YTD</u>	<u>INC/(DEC) Last Year</u>
Electric Proprietary Fund						
REVENUES	15,947,462	1,120,594	7,788,057	49%	12,345,221	(4,557,164)
Electric Line Repair & Maint	1,520,472	36,482	503,417	33%	679,240	(175,823)
Electric Production	10,006,537	675,348	4,231,342	42%	7,329,215	(3,097,873)
Facilities Maintenance	147,063	5,214	37,020	25%	60,272	(23,252)
Utility Administration	6,121,413	353,361	3,574,294	58%	3,317,947	256,347
Veh & Equip Maintenance	64,919	3,025	17,776	27%	29,733	(11,958)
Transfers Out	2,052,338	0	2,052,338	100%	2,927,998	(875,660)
EXPENSES	19,912,743	1,073,430	10,416,186	52%	14,344,405	(3,928,219)
NET EARNINGS/(LOSS)	(3,965,282)	47,164	(2,628,129)		(1,999,183)	(628,946)
Water Proprietary Fund						
REVENUES	2,691,584	294,687	1,786,891	66%	1,738,211	48,680
Transfers Out	259,735	0	259,735	100%	3,009,084	(2,749,349)
Facilities Maintenance	61,134	1,473	50,531	83%	43,047	7,484
Utility Administration	1,824,375	130,734	1,197,188	66%	1,173,160	24,028
Veh & Equip Maintenance	39,850	2,333	16,650	42%	19,309	(2,659)
Water Operations	1,710,763	101,626	805,425	47%	949,399	(143,975)
EXPENSES	3,895,857	236,166	2,329,528	60%	5,193,999	(2,864,471)
NET EARNINGS/(LOSS)	(1,204,273)	58,522	(542,637)		(3,455,788)	2,913,151
Wastewater Proprietary Fund						
REVENUES	2,648,412	219,763	1,754,795	66%	1,599,264	155,531
Facilities Maintenance	61,694	1,328	27,092	44%	52,294	(25,202)
Utility Administration	2,031,204	135,582	1,273,030	63%	1,328,986	(55,956)
Veh & Equip Maintenance	29,960	810	10,584	35%	19,328	(8,743)
Wastewater Operations	2,733,167	122,863	956,526	35%	1,194,309	(237,783)
EXPENSES	4,856,025	260,583	2,267,232	47%	2,594,917	(327,684)
NET EARNINGS/(LOSS)	(2,207,613)	(40,820)	(512,437)		(995,653)	483,216
Transfers In	1,009,265	0	1,009,265	100%	998,248	11,017
Solid Waste Proprietary Fund						
REVENUES	2,600,500	304,916	1,748,731	67%	1,679,815	68,916
Facilities Maintenance	88,323	10,628	36,179	41%	34,182	1,997
Solid Waste Operations	2,156,345	97,748	668,334	31%	1,158,812	(490,478)
Utility Administration	1,707,085	187,455	1,116,799	65%	1,077,161	39,638
Veh & Equip Maintenance	142,935	10,485	34,412	24%	43,132	(8,720)
Transfers Out	100,000	0	100,000	100%	564,211	(464,211)
EXPENSES	4,194,687	306,315	1,955,724	47%	2,877,498	(921,773)
NET EARNINGS/(LOSS)	(1,594,187)	(1,399)	(206,993)		(1,197,683)	990,690
Transfers In	0	0	0	0%	44,622	(44,622)

	<u>FY2021 Budget</u>	<u>February</u>	<u>FY2021 YTD</u>	<u>% OF BUD</u>	<u>FY2020 YTD</u>	<u>INC/(DEC) Last Year</u>
Ports & Harbors Proprietary Fund						
REVENUES	8,713,722	590,421	4,061,281	47%	4,833,458	(772,177)
Bobby Storrs Small Boat Harbor	190,910	10,577	84,297	44%	76,783	7,514
CEM Small Boat Harbor	689,532	50,074	484,454	70%	459,711	24,744
Facilities Maintenance	66,488	9,914	41,142	62%	21,057	20,085
Harbor Office	8,124,639	545,720	4,476,883	55%	4,685,091	(208,207)
Ports Security	73,339	0	5,808	8%	21,598	(15,790)
Spit & Light Cargo Docks	527,369	26,214	375,164	71%	355,443	19,721
Unalaska Marine Center	1,095,321	93,643	695,340	63%	754,123	(58,783)
Veh & Equip Maintenance	63,025	4,240	33,239	53%	30,468	2,771
Transfers Out	0	0	0	0%	659,343	(659,343)
EXPENSES	10,830,622	740,382	6,196,328	57%	7,063,616	(867,288)
NET EARNINGS/(LOSS)	(2,116,900)	(149,961)	(2,135,047)		(2,230,158)	95,111
Airport Proprietary Fund						
REVENUES	560,341	45,225	325,066	58%	325,384	(319)
Airport Admin/Operations	592,175	37,924	396,673	67%	382,649	14,024
Facilities Maintenance	171,669	6,003	61,367	36%	70,288	(8,920)
EXPENSES	763,843	43,927	458,041	60%	452,937	5,104
NET EARNINGS/(LOSS)	(203,503)	1,298	(132,975)		(127,553)	(5,422)
Housing Proprietary Fund						
REVENUES	254,168	22,136	167,056	66%	158,190	8,866
Facilities Maintenance	209,652	10,389	104,227	50%	70,314	33,913
Housing Admin & Operating	369,685	25,207	228,417	62%	232,653	(4,236)
EXPENSES	579,337	35,596	332,644	57%	302,967	29,677
NET EARNINGS/(LOSS)	(325,170)	(13,460)	(165,588)		(144,777)	(20,811)

City of Unalaska
Utility Revenue Report
Summary

02/28/21

FY21 Budget Month	Electric	Water	Waste Water	Solid Waste	Monthly Revenue	FY21 Revenue	FY20YTD Revenue	YTD Inc/(Dec)
Jul-20	820,666	258,832	206,365	227,531	1,513,394	1,513,394	2,841,418	(1,328,024)
Aug-20	1,037,329	277,869	215,427	225,463	1,756,088	3,269,482	5,675,049	(2,405,567)
Sep-20	1,005,891	327,099	241,245	230,619	1,804,854	5,074,336	7,869,071	(2,794,735)
Oct-20	951,878	304,365	225,026	245,747	1,727,016	6,801,353	9,690,027	(2,888,674)
Nov-20	932,051	94,437	189,715	167,850	1,384,053	8,185,405	11,215,662	(3,030,257)
Dec-20	930,600	89,762	228,559	158,789	1,407,710	9,593,115	12,788,402	(3,195,287)
Jan-21	989,048	139,839	228,696	187,816	1,545,399	11,138,514	14,774,692	(3,636,178)
Feb-21	1,120,594	294,687	219,763	304,916	1,939,961	13,078,475	17,362,510	(4,284,035)
Mar-21	0	0	0	0	0	0	20,124,176	0
Apr-21	0	0	0	0	0	0	21,779,149	0
May-21	0	0	0	0	0	0	22,859,302	0
Jun-21	0	0	0	0	0	0	24,093,961	0
YTD Totals	7,788,058	1,786,891	1,754,795	1,748,731	13,078,475			
FY21 Budget	15,780,484	2,610,839	2,607,950	2,562,531	23,561,804			
% to budget	49.4	68.4	67.3	68.2	55.5			

City of Unalaska
Electric Revenue Report
Electric Fund

02/28/21

FY21 Budget Month	Residential	Small General	Large General	Industrial	P.C.E. Assist	Other Revenues	Monthly Revenue	FY21 YTD Revenue	FY20 YTD Revenue	YTD Inc/(Dec)
Jul-20	93,921	67,327	106,770	535,252	14,378	3,018	820,666	820,666	2,041,702	(1,221,036)
Aug-20	94,031	70,430	110,599	736,009	23,014	3,245	1,037,329	1,857,995	4,061,105	(2,203,110)
Sep-20	100,023	75,141	113,511	687,302	24,436	5,479	1,005,891	2,863,886	5,537,536	(2,673,650)
Oct-20	102,288	78,177	112,030	631,652	23,639	4,092	951,878	3,815,764	6,841,205	(3,025,441)
Nov-20	118,995	87,222	125,712	573,144	21,858	5,120	932,051	4,747,815	7,987,449	(3,239,634)
Dec-20	137,542	96,069	125,777	519,650	27,266	24,296	930,600	5,678,415	9,238,174	(3,559,759)
Jan-21	145,402	101,911	131,865	568,854	36,390	4,626	989,048	6,667,464	10,628,356	(3,960,893)
Feb-21	121,623	87,890	125,670	748,252	32,630	4,529	1,120,594	7,788,058	12,345,221	(4,557,163)
Mar-21							0	0	14,164,895	0
Apr-21							0	0	15,225,744	0
May-21							0	0	15,907,052	0
Jun-21							0	0	16,532,508	0
YTD Totals	913,826	664,167	951,935	5,000,114	203,610	54,405	7,788,058			
FY21 Budget	1,219,379	1,371,358	2,766,591	9,734,939	627,396	60,821	15,780,484			
% of Budget	74.9	48.4	34.4	51.4	32.5	89.5	49.4			

Kwh Sold

FY 21 Month	Residential	SM. Gen (Includes Street lights)	Large General	Industrial	Total FY21 Kwh Sold	Total FY20 Kwh Sold	Increase (Decrease)
July	292,131	247,538	386,262	2,092,990	3,018,921	6,090,737	(3,071,816)
August	293,860	251,591	390,951	2,775,095	3,711,497	6,449,784	(2,738,287)
September	308,689	265,870	389,200	2,548,140	3,511,899	4,321,225	(809,326)
October	315,284	277,713	376,437	2,281,300	3,250,734	3,894,864	(644,130)
November	358,816	304,498	420,418	2,032,770	3,116,502	3,326,760	(210,258)
December	407,641	322,446	413,963	1,730,270	2,874,320	3,363,919	(489,599)
January *	426,098	331,287	425,643	1,699,025	2,882,053	3,836,620	(954,567)
February	350,697	280,573	397,594	2,743,860	3,772,724	5,270,248	(1,497,524)
March					0	5,995,767	0
April					0	3,695,463	0
May					0	2,748,043	0
June					0	2,350,030	0
Total	2,753,216	2,281,516	3,200,468	17,903,450	26,138,650	51,343,460	(10,415,507)
Percent Sold	10.5%	8.7%	12.2%	68.5%	100.0%		

Generator Fuel	
FY21 Average Price Fuel	FY20 Average Price Fuel
1.5393	2.2808
1.5469	2.2532
1.4965	2.3070
1.4744	2.3367
1.7177	2.8235
1.8533	2.2705
1.8318	2.2478
1.9500	2.0874
	1.8872
	1.4287
	1.1246
	1.3986
1.6762	2.0372

FY21 Cumulative kwh Sold	FY20 Cumulative kwh Sold
3,018,921	6,090,737
6,730,418	12,540,521
10,242,317	16,861,746
13,493,051	20,756,610
16,609,553	24,083,370
19,483,873	27,447,289
22,365,926	31,283,909
26,138,650	36,554,157
26,138,650	42,549,924
26,138,650	46,245,387
26,138,650	48,993,430
26,138,650	51,343,460

% Change from Prior Year

City of Unalaska
Water Revenue Report
Water Fund

02/28/21

FY21 Month	Unmetered Sales	Metered Sales	Other Revenues	Monthly Revenue	FY21 YTD Revenue	FY20 YTD Revenue	YTD Inc/(Dec)
Jul-20	12,211	246,658	(37)	258,832	258,832	338,385	(79,553)
Aug-20	12,238	265,672	(41)	277,869	536,701	668,362	(131,661)
Sep-20	12,188	314,408	503	327,099	863,801	949,096	(85,295)
Oct-20	12,290	292,119	(45)	304,365	1,168,166	1,055,096	113,070
Nov-20	12,280	82,112	45	94,437	1,262,602	1,124,307	138,295
Dec-20	12,283	77,526	(47)	89,762	1,352,364	1,178,599	173,765
Jan-21	12,281	127,595	(37)	139,839	1,492,203	1,359,317	132,886
Feb-21	11,900	282,751	36	294,687	1,786,891	1,738,211	48,680
Mar-21				0	0	2,151,227	0
Apr-21				0	0	2,348,539	0
May-21				0	0	2,419,188	0
Jun-21				0	0	2,628,208	0
YTD Totals	97,672	1,688,842	377	1,786,891			
FY21 Budget	161,560	2,420,955	28,324	2,610,839			
% of Budget				68.4			

Million Gallons Produced

FY21 Month	FY 21 Produced	FY 20 Produced	Increase (Decrease)
July	112.799	144.933	(32.134)
August	119.327	137.816	(18.489)
September	140.934	119.165	21.769
October	131.744	50.297	81.447
November	42.052	36.136	5.916
December	47.001	28.865	18.136
January	66.272	81.562	(15.290)
February	127.428	160.773	(33.345)
March		165.937	0.000
April		88.002	0.000
May		35.459	0.000
June		94.854	0.000
Total	787.557	1143.799	28.010

FY21 Water Cumulative	FY20 Water Cumulative
112.799	144.933
232.126	282.749
373.060	401.914
504.804	452.211
546.856	488.347
593.857	517.212
660.129	598.774
787.557	759.547
0.000	925.484
0.000	1013.486
0.000	1048.945
0.000	1143.799

City of Unalaska
Wastewater Revenue Report
Wastewater Fund

02/28/21

FY21 Month	Unmetered Sales	Metered Commercial	Metered Industrial	Other Revenues	Monthly Revenue	FY21 YTD Revenue	FY20 YTD Revenue	YTD Inc/(Dec)
Jul-20	38,879	160,980	6,056	451	206,365	206,365	213,747	(7,382)
Aug-20	38,964	169,827	6,191	445	215,427	421,792	424,277	(2,485)
Sep-20	38,804	186,159	8,038	8,244	241,245	663,037	645,588	17,449
Oct-20	39,131	169,697	9,824	6,374	225,026	888,063	844,028	44,035
Nov-20	39,097	142,152	8,358	109	189,715	1,077,778	997,430	80,348
Dec-20	39,109	174,494	4,462	10,494	228,559	1,306,337	1,151,507	154,830
Jan-21	39,101	181,663	7,862	70	228,696	1,535,032	1,369,160	165,872
Feb-21	37,893	157,113	7,919	16,838	219,763	1,754,795	1,599,264	155,531
Mar-21					0	0	1,851,274	0
Apr-21					0	0	2,067,544	0
May-21					0	0	2,247,190	0
Jun-21					0	0	2,465,585	0
YTD Totals	310,978	1,342,084	58,709	43,024	1,754,795			
FY21 Budget	482,570	2,020,704	46,025	58,651	2,607,950			
% of Budget					67.3			

FY21 Month	FY21 Effluent (Gal)	FY20 Effluent (Gal)	Increase (Decrease)
July	10,512,000	10,335,000	177,000
August	11,571,000	10,748,000	823,000
September	12,188,000	10,824,000	1,364,000
October	13,078,000	13,384,000	(306,000)
November	13,433,000	12,123,000	1,310,000
December	16,204,000	11,309,000	4,895,000
January	15,231,000	13,438,000	1,793,000
February	16,331,000	16,992,000	(661,000)
March		15,115,000	0
April		10,517,000	0
May		11,001,000	0
June		11,391,000	0
Total	108,548,000	147,177,000	9,395,000

FY21 Cumulative	FY20 Cumulative
10,512,000	10,335,000
22,083,000	21,083,000
34,271,000	31,907,000
47,349,000	45,291,000
60,782,000	57,414,000
76,986,000	68,723,000
92,217,000	82,161,000
108,548,000	99,153,000
0	114,268,000
0	124,785,000
0	135,786,000
0	147,177,000

City of Unalaska
Solid Waste Revenue Report
Solid Waste Fund

02/28/21

FY21 Month	Residential Fees	Tipping Fees	Other Revenue	Monthly Revenue	FY21 YTD Revenue	FY20 YTD Revenue	YTD Inc/(Dec)
Jul-20	29,320	146,308	51,903	227,531	227,531	247,584	(20,053)
Aug-20	29,444	152,674	43,345	225,463	452,994	521,306	(68,312)
Sep-20	29,479	149,594	51,546	230,619	683,613	736,850	(53,237)
Oct-20	29,521	160,070	56,156	245,747	929,360	949,698	(20,338)
Nov-20	29,430	95,353	43,067	167,850	1,097,210	1,106,475	(9,265)
Dec-20	29,436	95,228	34,126	158,789	1,255,999	1,220,123	35,876
Jan-21	29,454	113,492	44,869	187,816	1,443,815	1,417,860	25,955
Feb-21	28,607	195,217	81,093	304,916	1,748,731	1,679,815	68,916
Mar-21				0	0	1,956,780	0
Apr-21				0	0	2,137,321	0
May-21				0	0	2,285,873	0
Jun-21				0	0	2,467,660	0
YTD Totals	234,691	1,107,936	406,104	1,748,731			
FY21 Budget	273,770	1,966,240	322,521	2,562,531			
% of Budget	85.7	56.3	125.9	68.2			

FY21 Month	FY21 Tons of Waste	FY20 Tons of Waste	Increase (Decrease)
July	615.03	676.37	(61.34)
August	649.09	769.86	(120.77)
September	534.39	640.50	(106.11)
October	763.70	630.93	132.77
November	431.17	465.26	(34.09)
December	399.72	286.49	113.23
January	501.65	551.56	(49.91)
February	788.69	776.63	12.06
March		824.33	0.00
April		569.26	0.00
May		478.41	0.00
June		496.35	0.00
Total	4683.44	7165.95	(114.16)

Cummulative	
FY21 Tons of Waste	FY20 Tons of Waste
615.03	676.37
1264.12	1446.23
1798.51	2086.73
2562.21	2717.66
2993.38	3182.92
3393.10	3469.41
3894.75	4020.97
4683.44	4797.60
0.00	5621.93
0.00	6191.19
0.00	6669.60
0.00	7165.95

**CITY OF UNALASKA
FY21 PORTS REVENUE**

Month	Year	UMC Dock				Spit Dock		Small Boat Harbor		Cargo Dock		CEM			Monthly Revenue	FY21 YTD Revenue	% of Budget	FY20 YTD Revenue	YTD Inc(Dec)	
		Docking/Moorage	Wharfage Fees	Rental Fees	Utility Fees	Docking / Moorage	Utility Fees	Docking / Moorage	Utility Fees	Dockage / Moorage	Wharfage Rental/Util	Docking/Moorage	Utility Fees	Other Rev&Fees						
Jul	2020	91,790	164,026	47,826	13,002	19,795	5,536	11,042	258	2,205	11,423	30,056	7,631	8,369	412,959	412,959	5.3%	652,342	(239,383)	
Aug	2020	110,341	256,924	47,590	25,965	31,046	5,825	5,492	499	4,671	9,412	48,100	12,726	2,318	560,909	973,869	12.5%	1,396,951	(423,083)	
Sept	2020	88,122	214,259	47,352	13,038	57,287	4,304	6,313	453	5,597	16,226	40,625	11,191	777	505,543	1,479,412	19.0%	2,140,999	(661,587)	
Oct	2020	121,086	209,878	47,165	33,487	59,735	7,600	4,602	534	6,395	13,185	66,269	26,585	1,564	598,086	2,077,498	26.7%	2,657,753	(580,255)	
Nov	2020	62,790	57,528	48,707	21,016	98,382	20,315	10,814	537	1,408	17,226	44,964	43,302	1,716	428,704	2,506,202	32.3%	3,122,930	(616,728)	
Dec	2020	68,331	79,433	48,648	33,517	32,291	26,770	13,761	2,192	3,067	3,252	239,140	55,606	404	606,412	3,112,613	40.1%	3,662,689	(550,076)	
Jan	2021	74,222	36,417	48,226	22,406	59,177	22,743	4,715	1,919	10,616	8,515	19,187	49,912	190	358,247	3,470,860	44.7%	4,109,754	(638,893)	
Feb	2021	118,434	220,170	50,298	52,377	37,504	11,267	3,632	1,391	6,147	30,596	19,369	32,039	6,732	589,957	4,060,817	52.3%	4,833,458	(772,641)	
Mar	2021														0	0	0.0%	5,691,373	0	
Apr	2021														0	0	0.0%	6,182,722	0	
May	2021														0	0	0.0%	6,619,140	0	
Jun	2021														0	0	0.0%	6,977,352	0	
Totals		735,117	1,238,635	385,812	214,807	395,218	104,360	60,372	7,783	40,105	109,836	507,711	238,992	22,069	4,060,817					
Loc total		2,574,371				499,578		68,154		149,942		746,703								
Loc percent		63.4%				12.3%		1.7%		3.7%		18.4%								
FY21 Budget		1,735,300	3,125,950	600,000	360,000	434,730	125,000	87,000	14,290	120,000	122,500	635,000	313,500	97,500	7,770,770					
% to Budget		42.4%	39.6%	64.3%	59.7%	90.9%	83.5%	69.4%	54.5%	33.4%	89.7%	80.0%	76.2%	22.6%	52.3%					

PORTS RECEIVABLES

Month	Year	Current	Over 30 Days	Over 60 Days	Over 90 Days	Total Due	% Past Due 90 Days +	Cash Received
Jul	2020	242,334	22,131	30,689	8,613	303,768	2.8%	337,593
Aug	2020	462,416	107,320	6,987	8,062	584,785	1.4%	373,142
Sept	2020	412,582	123,970	28,777	8,682	574,012	1.5%	519,145
Oct	2020	501,186	148,415	3,448	18,726	671,775	2.8%	483,766
Nov	2020	105,063	47,474	2,491	20,879	175,907	11.9%	575,240
Dec	2020	592,139	119,477	26,341	32,083	770,040	4.2%	304,782
Jan	2021	342,400	158,423	52,571	17,241	570,635	3.0%	452,647
Feb	2021	559,372	88,924	34,111	42,644	725,050	5.9%	321,590
Mar	2021					0	0.0%	
Apr	2021					0	0.0%	
May	2021					0	0.0%	
Jun	2021					0	0.0%	
YTD Cash Received								3,367,906

**CITY OF UNALASKA
FY21 AIRPORT REVENUE**

MONTH	YEAR	MONTHLY LEASES	MISC INCOME	LATE FEES	MONTHLY REVENUE	FY21 YTD REVENUE	% OF BUDGET	FY20 YTD REVENUE	YTD INC/(DEC)
JUL	2020	38,918	6	25	38,949	38,949	7.1%	39,873	(924)
AUG	2020	38,917	5	(50)	38,872	77,821	14.1%	79,596	(1,775)
SEP	2020	38,918	8	136	39,061	116,882	21.2%	119,376	(2,494)
OCT	2020	38,931	867	291	40,089	156,971	28.5%	159,020	(2,049)
NOV	2020	38,918	14	(416)	38,516	195,487	35.4%	37,621	157,866
DEC	2020	41,288	5	294	41,587	237,074	43.0%	239,357	(2,284)
JAN	2021	38,918	4,556	(707)	42,767	279,840	50.7%	285,005	(5,165)
FEB	2021	38,023	6,307	0	44,330	324,171	58.8%	324,171	(1)
MAR	2021				0	0	0.0%	364,320	0
APR	2021				0	0	0.0%	403,283	0
MAY	2021				0	0	0.0%	442,461	0
JUN	2021				0	0	0.0%	485,446	0
TOTAL		312,829	11,769	(427)	324,171		0.0%		
FY21 BUDGET		544,000	3,500	4,000	551,500				
% TO BUDGET		57.5%	336.2%	-10.7%	58.8%				

RECEIVABLE BALANCES

MONTH	YEAR	CURRENT	OVER 30 DAYS	OVER 60 DAYS	OVER 90 DAYS	TOTAL DUE	% PAST DUE 90 DAYS +	CASH RECEIVED
JUL	2020	38,993	1,049	3,078	5,556	48,676	11.4%	70,070
AUG	2020	31,407	3,587	913	13,045	48,952	26.6%	25,936
SEP	2020	34,300	17,674	855	12,533	65,361	19.2%	23,579
OCT	2020	39,429	26,174	16,723	12,592	94,918	13.3%	12,131
NOV	2020	11,298	16,647	16,713	27,381	5,780	473.7%	56,889
DEC	2020	21,328	935	967	60,728	83,957	72.3%	32,358
JAN	2021	26,972	2,579		27,380	56,931	48.1%	43,105
FEB	2021	40,002	11,480	2,454	(41,377)	12,558	0.0%	25,385
MAR	2021					0	0.0%	
APR	2021					0	0.0%	
MAY	2021					0	0.0%	
JUN	2021					0	0.0%	
YTD TOTAL								289,452

FY 21 HOUSING RENTAL REVENUE

MONTH	YEAR	HOUSING RENTALS	MISC. REVENUE	MONTHLY REVENUE	FY21 YTD REVENUE	% OF BUDGET	FY20 YTD REVENUE	YTD INC/(DEC)
JUL	2020	20,475		20,475	20,475	8.2%	13,398	7,078
AUG	2020	20,475		20,475	40,950	16.5%	41,553	(603)
SEP	2020	30,303		30,303	71,253	28.7%	68,822	2,431
OCT	2020	15,833		15,833	87,087	35.0%	80,830	6,257
NOV	2020	19,785		19,785	106,872	43.0%	101,070	5,802
DEC	2020	18,224		18,224	125,096	50.3%	127,968	(2,872)
JAN	2021	19,824		19,824	144,920	58.3%	139,408	5,512
FEB	2021	22,136		22,136	167,056	67.2%	158,190	8,866
MAR	2021			0	0	0.0%	175,878	0
APR	2021			0	0	0.0%	192,842	0
MAY	2021			0	0	0.0%	214,260	0
JUN	2021			0	0	0.0%	234,735	0
TOTAL		167,056	0	167,056				
FY21 Budget		248,500	0	248,500				
% TO BUDGET		67.2%		67.2%				



Innovative Readiness Training Program in Unalaska

SUMMARY OF THE AUGUST 2020 CIVIL AFFAIRS ASSESSMENT
AND PLANNING FOR NEXT STEPS



Usugiliĭ Awakun

Unangam Tunuu (Native Aleutian Language)
phrase that means “We are Working Together.”

What is IRT?

Innovative Readiness Training – or IRT - is a U.S. DoD military-training opportunity that delivers joint-training to increase deployment readiness. Simultaneously, IRT provides key services (health care, construction, transportation & cybersecurity) with lasting benefits to American communities.

- In 2015, the Qawalangin Tribe of Unalaska (QTU) began discussions with the DoD re: the IRT program.
- The QTU applied for a Civil Affairs Assessment early in 2020.
- In July 2020, a mission leaders reconnaissance team was deployed to Unalaska to lay the groundwork for a future Civil Affairs Assessment.
- In August 2020, soldiers from the 351st Civil Affairs Command (CACOM) Functional Specialty Team (FxSP) arrived and conducted the Civil Affairs Assessment.
- In September 2020, the Unalaska IRT Report was completed.



Why Unalaska?

There are several key points that were part of the IRT team's decision to assess the communities needs.

- Military & political leaders have long understood the strategic importance of the Arctic and have called attention to the “capabilities gap” in this critical location.
- There are multiple commands involved with Arctic operations, which makes coordination difficult.
- The nearest fleet capable of holding key ocean terrain is in San Diego - too far for a rapid response.
- Foreign entities continue to make incursions into U.S. waters, including military operations & illegal fishing.
- The Arctic Northern Sea Route is an increasingly important route for trade & military functions.
- Russia has invested heavily in its military & commercial operations in the Arctic and is prepared to defend it.



IRT Mission

To execute the IRT Mission, 351st CACOM decided on a 2-phase mission to Unalaska.

The first phase, a Leaders' Reconnaissance, completed 21-26 July when 3 Officers traveled to the Island & engaged key leaders, including participation in a Tribal Council meeting, & reconnaissance of transportation & potable water infrastructure.

During phase 2, these Subject Matter Experts (SMEs) identified critical community members, & contact was made with Iliuliuk Family & Health Services Clinic providers, City Staff including the City Assistant City Manager and City Director of Planning, Q Tribal Operations & Finance Director, Oonalaska Wellness Center personnel, & others.



IRT Mission, cont.

Additionally, IRT Soldiers reviewed reports prepared by consultants hired by the Tribe, Corp, & Muni over the last 25 years. These preparations provided real-world understanding & information to understand the community's needs.

Soldiers attended Unalaska City Council, OC Board & Qawalangin Tribal Council meetings, & met with Officers on the Alex Haley, the largest Medium Endurance Cutter in the U.S. Coast Guard's fleet, currently docked at Dutch Harbor while on a Bering Sea cruise from its home port of Kodiak.



Civil Affairs Assessment

The Civil Affairs Assessment included interviews with key personnel & reconnaissance of existing infrastructure.

This information informed the Subject Matter Experts' (SMEs') professional opinion on a particular component (i.e., public works & utilities, environmental management, or public health).

This information was combined into a document that summarizes the assessment (IRT Report).

In addition, SMEs provided recommendations for enhancing, sustaining, or establishing physical/administrative resources that could be beneficial to the community.



It should be noted that due to the limited (in time and scope) nature of this assessment that it is not comprehensive.

Council Packet Page Number 28

Unalaska IRT Report

The IRT Report contains assessments of the following areas based on the community interviews & work conducted by the team:

- Public safety
- Public health & social wellbeing
- Governance
- Environmental management
- Economic development
- Public communications
- Utility Power
- Waste Disposal
- Water Infrastructure
- Wastewater Management
- Roads
- Public Transportation
- Airport
- Harbor & Ports



Unalaska IRT Group & Tri-Lateral Agreement

Communities receiving IRT support are required to be aligned on activities & projects related to this support.

- To satisfy this need, the Unalaska IRT Group was formed and consisted of the Qawalangin Tribe of Unalaska (QTU), the Ounalashka Corporation (OC), & the City of Unalaska (City).
- The Unalaska IRT Group cemented their commitment to advance this work by signing a Memorandum of Understanding (MOU) on August 27, 2020.
- Since the signing of this agreement, the Unalaska IRT Group or Tri-Lateral Group has been meeting monthly, at minimum, to advance priorities to support future IRT projects in Unalaska.
- The Trilateral group requested a "Military Base Feasibility Study for Unalaska Island" to be conducted September 2021 (an additional study has been requested by the Tri team requesting DoD to write a report on the feasibility of a military base on Unalaska Island, which the Civil Affairs Assessment team has agreed to do).



Proposed Priority Projects

From the IRT report, the Tri-Lateral has identified individual & group priorities. Individual priorities are based on each organization's key strengths, interests & jurisdiction.

Together, we are presenting these proposals to our governing bodies for feedback & alignment.



Qawalangin Tribe

The Tribe has identified the following as proposed priorities for future IRT projects:

- Development of local communications and broadband capabilities.
- Development of a robust cyber security platform to protect Tribal interests & sensitive data.



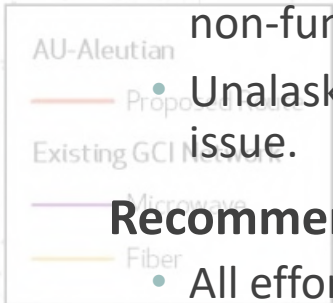
Broadband Infrastructure

Assessment:

- Unalaska does not have a wired connection to the global internet through any available fiber optic infrastructure.
- Island relies on satellite backhaul services that are provided by OptimERA (5.8 GHz), GCI; AT&T utilizing three different C Band satellite dishes.
- QTU has requested from FCC 2.5 GHz bandwidth for the entire island.
- Services so limited that normal communication functions are reduced to non-functional.
- Unalaska's strategic location & lack of reliable internet is a national security issue.

Recommendations:

- All efforts be made to request funding for a subsea cable connecting Unalaska to the mainline fiber optic backbone & help **eliminate the digital divide that currently exists, benefiting the Tribe & the community.**



What is the FCC 2.5ghz Tribal Broadband Window?



- Unassigned channels in the 2.5 GHz band that allow for communications and broadband services.
- Unique opportunity for Tribes in rural areas to directly access unassigned spectrum over their Tribal lands to address communication needs of rural communities.
- Introduced to the Tribal Council Member, Dennis Robinson.

THE “DIGITAL DIVIDE”

IRT Report Pg. 27

“The island of Unalaska is being left behind during this time of global transformation.”

“The Unalaska community will be at a greater economic & national security disadvantage going forward if broadband internet continues to be out of reach.”

“A solid digital foundation is a requirement to stay economically & educationally relevant.”



The Ounalashka Corporation

OC has identified the following as proposed priorities for future IRT projects:

General Road & Utility Projects

- LSA, Strawberry Hill, Pyramid Valley, Tundra Drive, Makushin Valley (MGP)

Residential Construction Projects

- Valley, LSA, Pyramid Valley, Standard Oil Hill, Strawberry Hill, Tundra Drive Including Utilities, Roads, Construction, Civil, etc.

Commercial Construction (warehouses, cold storage, fuel tanks, fish oil tanks, retail, grocery, offices, Government, etc.)

- Valley, Pyramid Valley, LSA, Standard Oil Hill, Strawberry Hill, Tundra Drive, Including Utilities, Roads, Construction, Civil, etc.



Roads & Utility

Development of road & utilities capacity has long been identified as a high-priority need.

Economic development on Unalaska will increase if access & utilities are made available to current & prospective industries that operate on the island.

Utilities Assessment

- Electric utility experiences substantial seasonal variation in demand.
- Demand is nearing the existing infrastructure's maximum capacity.
- Daily/seasonal system load fluctuations will likely continue.
- Local companies & businesses cannot thrive without reliable power.
- The development of OC lands is dependent upon the extension of Mainline utilities. Very expensive for for the Tri-lateral entities to shoulder this very high cost.

Utilities Recommendations:

- An increase in roads, mainline utilities & internet to Unalaska, along with diversification within Unalaska, will help the governing entities further develop their landholdings.

Roads & Utility



Roads Recommendations:

- An increase in roads, mainline utilities & internet to Unalaska, along with diversification within Unalaska, will help the governing entities further develop their landholdings.
- OC's lands hold potential for development by private and non-private entities.
- Ability to construct & maintain roads is limited by local access to materials and equipment.
- Much of OC's lands are not accessible by road. These will be difficult to lease if there is no access. Future Military Development could open up more lands for not only development but for Subsistence Resource use by residents.

The City of Unalaska

The City has identified the following as proposed priorities for future IRT projects:

Pavement Management Plan for Roads

- Assess current pavement conditions & management of surfaces for maximum lifespan, recommendations for maintenance type, frequency, & other considerations.

International Port of Dutch Harbor Development Plan for Iliuliuk Bay & Dutch Harbor Proper

- Address many of the points highlighted the IRT report and would assist in planning for improved port facilities & services into the future.

Projects identified in the CMMP will also serve as a resource in identifying concepts for future IRT applications. Much of this would be based on timing and on the training requirements for the IRT at any particular time. Projects could include:

- Solid Waste: Assistance with the Gasification project.*
- Water Infrastructure: Assistance with the design & reconstruction of the Ice Lake Road.*
- Roads: Assistance in the Captains Bay Road and Utility improvements.*



Pavement Management Plan for Roads – IRT Report Background

- The City of Unalaska has 42 miles of road in the existing roadway network: 6.6 miles of road as paved, with the remaining 35.4 miles unpaved or a class 2 gravel surface.
- Ideally, all the roads in the network should have a finished surface consistent with the flexible pavement design & maintenance life cycles established by DOT&PF.
- Economic development on Unalaska will increase if access & utilities are made available to current & prospective industries that operate on the island.
- Materials and contractor access limited due to remoteness & cost.
- Currently, the City can only perform cold patch asphalt concrete repairs, limited earthwork, rut repairs for unpaved/gravel roads, street sweeping, & snowplow related activities. All other roadway activities above essential maintenance require the support of DOT&PF, the Statewide Pavement Engineering Group, & a qualified contractor.



Pavement Management Plan for Roads

Pavement Management Assessment

- Remoteness of location drastically accelerates costs, stalling all roadway activities.
- Cost savings not likely to be realized due to restrictive conditions & associated costs.
- Lack of dedicated construction inspectors.
- Lacks materials lab.
- Lacks in house design capability.

Pavement Management Recommendations:

Short-term

- Continue to forecast anticipated maintenance cycles
- Consult with Alaska DOT&PF for Flexible Funding Programs for opportunities to leverage appropriate funds for new roadway construction
Ability to construct & maintain roads is limited by local access to materials and equipment.

Long-term

- Seek opportunities to expand RD staff to employ technically trained staff to support in-house materials testing & production capabilities.
- Seek opportunities to purchase a portable asphalt batch plant.
- Seek opportunities to buy an AC paving machine.
- Consider training existing staff or supplement with an experienced AC paving crew.
- Acquire vibratory compactor.



International Port of Dutch Harbor Development Plan for Iliuliuk Bay & Dutch Harbor Proper

Unalaska's Port of Dutch Harbor leads the nation, producing 763 million pounds of seafood, or 14.5%, of the national totals valued at more than USD 180M.

The goals for Harbor & Port Operations moving forward are to continue leading the nation in production, continuing to find opportunities to build and expand operations, & diversify port support services.

Harbor Assessment:

- Limited resources available, including crane operation redundancy.
- Restriction of deep-draft vessels hinders development of fuel and other supplies.
- There is a lack of available dock space to service non-cargo container vessels.

Harbor Recommendations:

- Address the restriction of deep-draft vessels entering Iliuliuk Bay.
- Provide a plan for expanding crane services at UMC.
- Identify additional areas to support a different deep-water Port, and long-term, develop this port.



Opportunities for Collaboration

- Individual IRT Applications with Support of other Tri-Lateral Members
- Military Base Feasibility
- Tsunami Shelters
- Identify Shared Priorities
 - ✓ Port Development
 - ✓ Roads
 - ✓ Utilities
 - ✓ Recreation

Resources for ideas – IRT Community Assessment; Existing plans from Tribe, OC, & City; Feedback from Community, Staff, Councils, & Boards.

Military Base Feasibility

Assessment: Two deep-water inlets for future U.S. Naval basing (strategic location, proximity to Russia, two deep-water inlets, favorable attitude towards the U.S. military)

Within the military/strategic domain, the IRT recommends:

- Increased military presence in Alaska
- Building select military infrastructure in Unalaska to support the Arctic development
- Investing in telecommunications capabilities to facilitate intelligence collection & the projection of soft power throughout the Arctic
- Increased regional missile defenses to protect the homeland from land, air, & sea threats

Projects Associated With Base Development

- ✓ Geothermal resource
- ✓ Airport updates & enhancements
- ✓ Harbor/port updates & enhancements
- ✓ Road & Utilities Enhancements

The IRT Team physically surveyed an ideal site for a joint United States Coast Guard/United States Navy base.



Process for Future IRT Collaboration

The Tri-Lateral group will continue to engage with the IRT program.

Once there is consensus around primary projects, the QTU will submit applications for the priority projects early in 2021.

The Tri-Lateral group members will support the application process by providing staff support & technical information as needed.

The Tri-Lateral group will continue to develop potential projects & submit applications to the IRT; ensures multiple IRT training projects are ready to be paired with the appropriate IRT training team, & that community benefits continue.

Project selected by the IRT will require community commitment & a mechanism to provide the needed material goods to advance the project.

Questions?



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: William Homka, Planning Director
Through: Erin Reinders, City Manager
Date: March 23, 2021
Re: FY22-31 Capital and Major Maintenance Plan (CMMP)

SUMMARY: Staff provided City Council a CMMP draft presentation at the January 11, 2021 City Council meeting. Afterward the administration and department directors continued working on the CMMP project proposals and budgets. The administration and department directors worked together on several occasions to evaluate the ten year FY22 - 31 CMMP portfolio using the metrics of City Council budget goals, project need, compliance requirements, and pressing maintenance needs.

Presently, sixty-nine (69) projects are in the FY22-31 CMMP for a total of \$ 223,531,954. Twenty one (21) projects are proposed in FY22 seeking \$ 45,993,695 using various funding sources such as over \$20 million in grants. The FY22 rolling stock accounts for \$ 1,395,144 and is funded from general and proprietary funds.

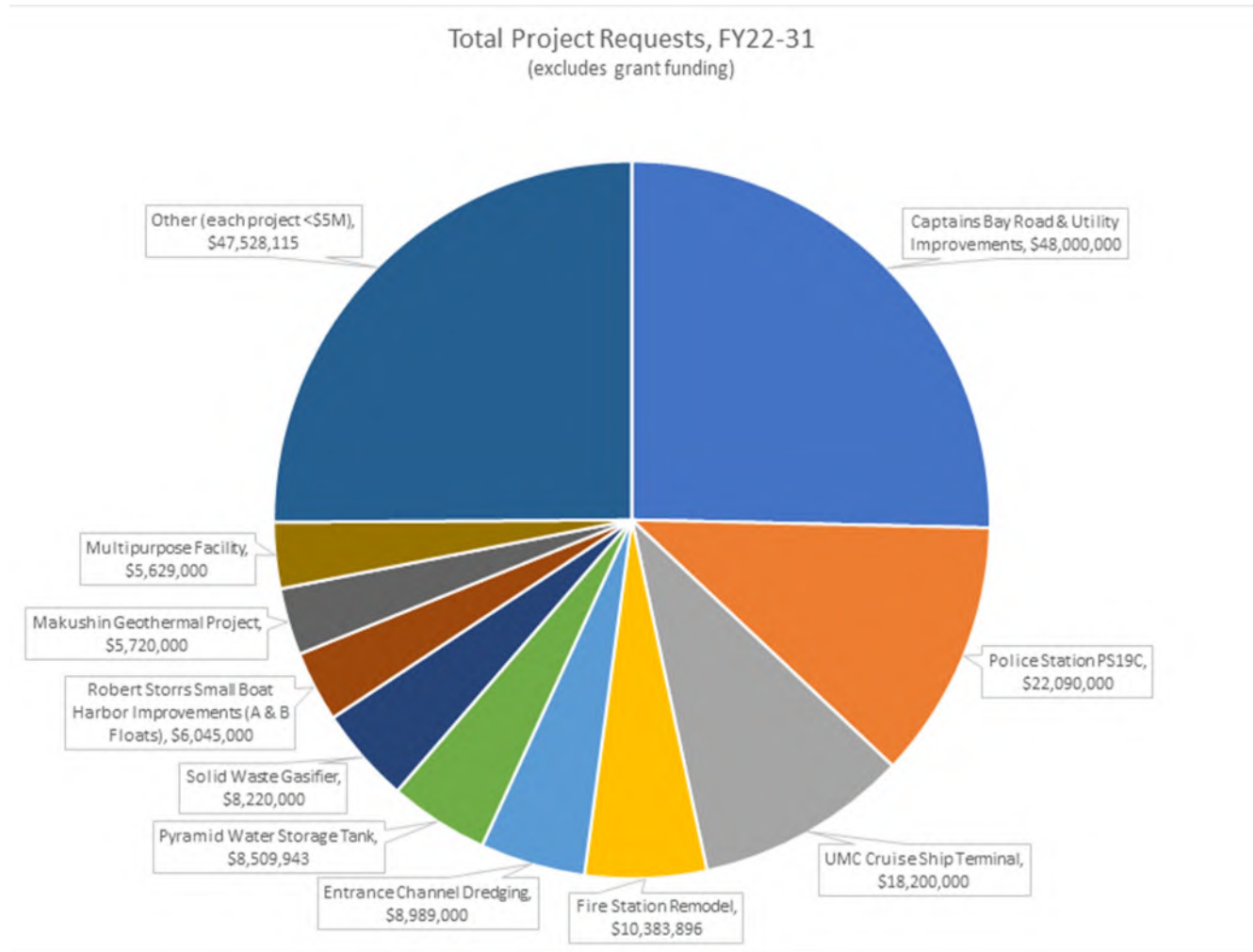
This is the first time a 10 year CMMP is presented to City Council. Unalaska City Code requires only a five year plan. Staff decided the additional five years provide better project planning and budgeting. The City's growing financial concerns promise for more thorough project review and vetting in the coming years. The Planning Department has prepared a larger scale spreadsheet printed on a plotter. This should help see the phasing, budget sources and overall plan for the 10 year CMMP time period.

PREVIOUS COUNCIL ACTION: City Council reviews the CMMP several times each year for an opportunity to have input on projects, priorities and budgeting purposes. It subsequently adopts the CMMP as part of the City's annual budget.

BACKGROUND: Each year City Council is presented opportunities to review the draft CMMP in preparation for adopting the upcoming fiscal year budget. The process invites members to learn and ask questions about the plan's projects. The Planning Department presented Unalaska's first 10 Year Draft FY22-31 CMMP to Council on January 11, 2021. There was significant discussion about several projects, most notably rolling stock as well as the sustainability of Unalaska's annual capital needs and future plans. Council's general consensus was not to increase rolling stock and equipment purchases in FY22. Exceptions were a loader for the Ports Department and a small backup generator to assist the Waste Water Division.

Planning continued its work on the CMMP with department directors about the proposed and ongoing projects. The Technical Advisory Committee met to review proposed changes. One significant change is the timing and phasing for some projects. A 10 year plan presents opportunities to begin project planning farther in advance. In past CMMP documents some projects would ‘hover’ in the fourth and fifth year of the five year plan. The practice kept projects visible, but one unintended consequence was the appearance of a financially aggressive plan in terms of funding, timing and project management.

This year’s CMMP also has two new line items to reflect the Rolling Stock and Major Maintenance plans. The line items summarize the amounts of each while individual tables can be reviewed for specific projects and expenses.



On March 8, 2021 the City Manager emailed Council's budget goals to departments to assist with project evaluation and budgeting. The reminder facilitated a review of CMMP projects using the goals, capacity for project management and project scheduling. The specific council goals used are:

General Fund Surplus/Deficit

1. *The General Fund operations will be budgeted without a deficit. The Council may appropriate additional funds from surplus to cover costs of capital projects.*

Proprietary Funding

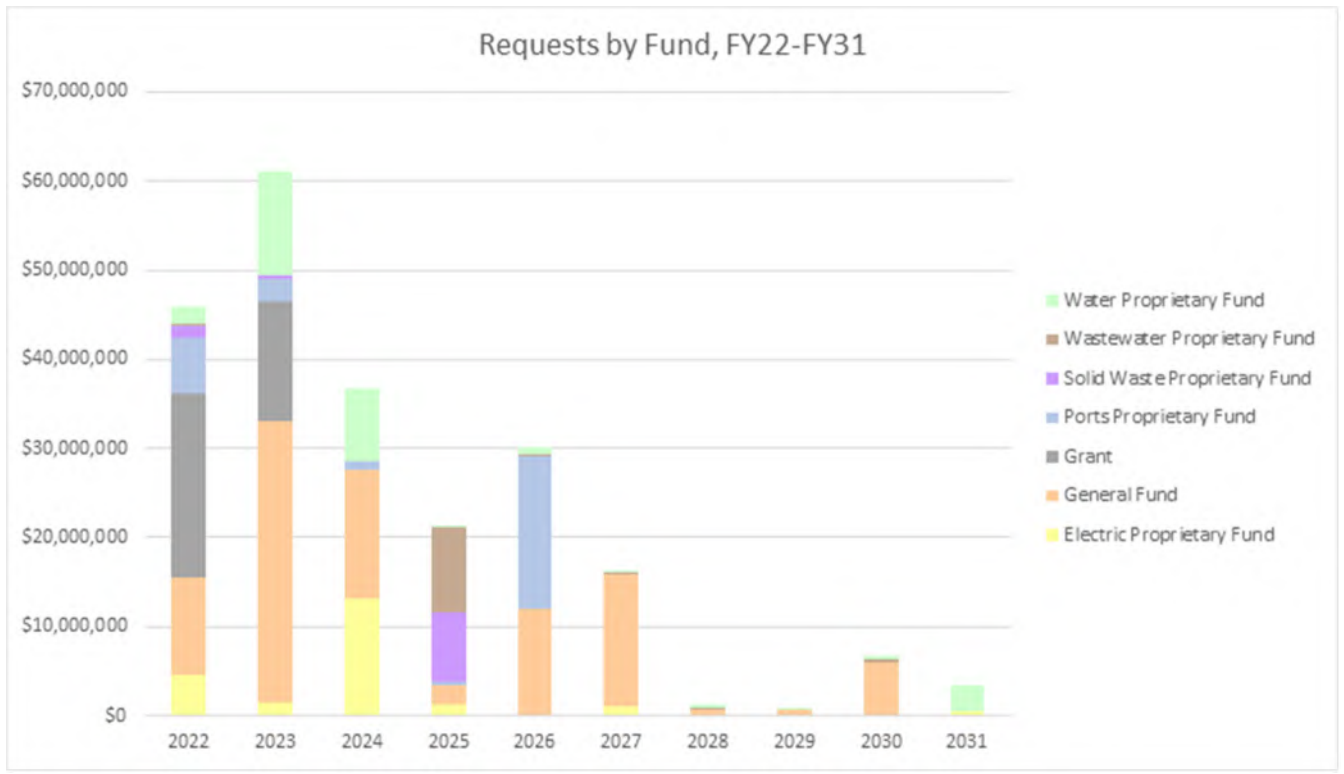
2. *Staff will continue to seek ways to balance budgets in the proprietary funds.*

Operating Expenses

3. *City management shall continue to examine ways to reduce expenditures without significantly impacting the level and quality of services to the public.*
4. *City management shall continue to examine ways to reduce inventory without significantly impacting the level and quality of services to the public.*

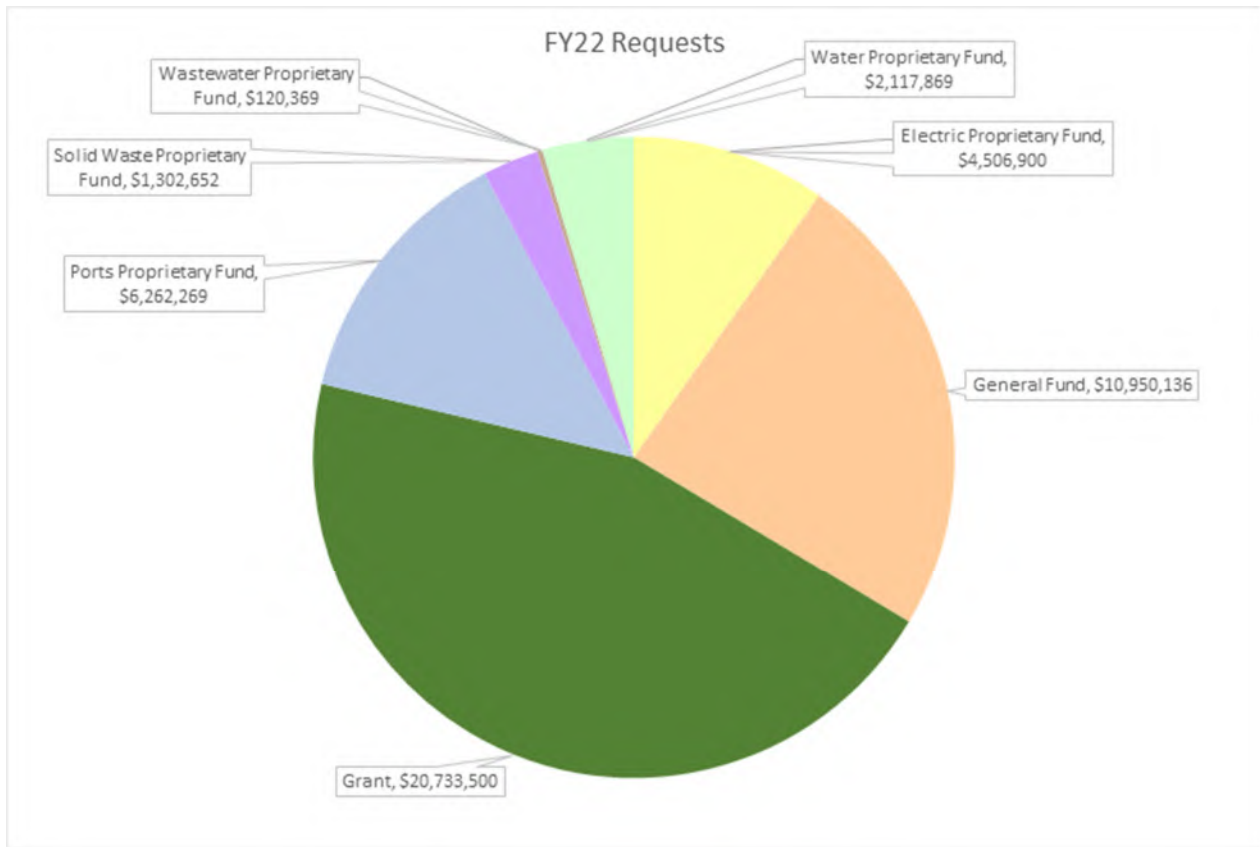
Capital Projects

5. *New capital assets or maintenance of existing capital assets will be limited to projects approved by Council in the CMMP, which will include projects that are mandated or required by statute, projects that maintain our existing infrastructure, and projects that address life, safety, or health issues, and projects that support the economic development of Unalaska.*
6. *The replacement and maintenance plans for all existing capital assets will be reviewed annually.*
7. *The vehicle and heavy equipment fleet requirements will be reviewed annually and reduced where appropriate without significantly impacting services provided to the public.*



DISCUSSION: The 10 year CMMP proposes 69 projects and a budget of \$ 223,531,954. Twenty One (21) projects are proposed in FY22 for \$ 45,993,695 including \$ 1,395,144 for rolling stock. Of the \$ 45,993,695 total, \$ 20,733,500 is anticipated to be covered by grant funding. The following table provides more detail for FY22:

FY22	Amount	Rolling Stock	Total
Electric Proprietary Fund	4,264,938	241,962	4,506,900
General Fund	10,300,513	649,623	10,950,136
Grant	20,733,500	0	20,733,500
Ports Proprietary Fund	6,045,000	217,269	6,262,269
Solid Waste Proprietary Fund	1,171,100	131,552	1,302,652
Wastewater Proprietary Fund	43,000	77,369	120,369
Water Proprietary Fund	2,040,500	77,369	2,117,869
Total	44,598,551	1,395,144	45,993,695



Grants

Grants contribute significantly to the FY22 and FY23 CMMP budget. The FY22 budget of \$ 45,993,695 includes \$ 20,733,500 in grant funding (45.1%). The long planned Entrance Channel Dredging project is scheduled to begin this year at a cost of \$ 38,456,000. Unalaska was awarded a \$ 26,967,000 grant from the US Water Resources Development Act which pays for 75% of the dredging project. The City contribution of \$ 8,989,000 from the General Fund completes the project funding. The project phasing and costs are divided across the FY22-23 fiscal years.

Another project with significant grant funding is the Robert Storrs Small Boat Harbor Improvements. The total project cost of \$ 9,945,000 includes a grant of \$ 3,250,000 from the Alaska Department of Transportation. Currently, this project is specifically mentioned on potential General Obligation Bond being considered by the State legislature. The Ports Proprietary Fund is the source for the project's remaining balance of \$ 6,045,000. The project's grant/local fund ratio is about 35% / 65%.

1% Capital Project Fund

In 1988 City Council passed Ordinance 88-18 to increase the sales and use tax from two to three percent. Proposition 1 was presented the 1% tax increase as a ballot measure on the October, 1998 general election. It was approved by a majority of Unalaska's voters. The additional one percent generates revenues to fund capital improvement projects. The

1% Capital Project fund balance is currently about \$11 million. This fund is available to fund projects in the CMMP.

Project Specifics

Several FY22 projects deserve some attention due to their timing, relationship to other projects, or ongoing efforts to secure grant funding. They include the 34.5 kV Submarine Cable Replacement, Electric Energy Storage System, Captains Bay Road and Utility Project, Makushin Geothermal, Communications Infrastructure and the Pavement Preservation and Sealcoating projects. Together the projects total \$ 68,609,938 or 30.7% of the 10 year CMMP. Also for consideration is the Rolling Stock and Facilities Maintenance Plans.

Electric Upgrades and Makushin Geothermal

Together the 34.5kV Submarine Cable Replacement project (\$ 2,340,000) and the Electric Energy Storage System (\$ 3,549,938) sum to a total of \$ 5,889,938 and are currently needed for safety and power resource reasons. These projects have been on the CMMP for several years in one form or another. However, the Makushin Geothermal project will likely incorporate Electric Energy Storage System as part of that overall project budget and the 34.5kV Submarine Cable Replacement will likely be included in the Integration Plan if it is able to come on line in the next two years, but the cable is becoming an increasing safety concern. In effect, the project is in the FY22 CMMP twice – initial plans were for the improvement to contribute toward the City's \$ 5 million cost share for the Makushin project also budgeted.

On February 23, 2021 OCCP presented reasons to City Council for requesting a one year extension for the City's \$ 500 million power purchase agreement (PPA). The agreement is set to expire on June 30, 2021. OCCP needs additional time to secure project financing, which has delayed the project timeline. If approved, the extension will affect Unalaska's CMMP by potentially delaying the needed cable replacement, installation of an energy storage system, and how the City budgets its \$ 5 million matching commitment to the geothermal project for capital improvements. Staff split that into FY22 and FY23 with a \$ 2.5 million budget each year.

Captains Bay Road

The Captains Bay Road Improvement and Utility Project remains on the CMMP again this year with hopes of earning grant funding from Alaska's Department of Transportation Plan or other sources. The City already approved \$ 2 million toward the project which leaves \$ 52 million to be secured/budgeted before the project can begin. City staff applied to Alaska's CAPSIS (Online Capital Project System) after breaking the project up into smaller phases.

The State of Alaska FY21 budget was \$ 42.5 million for transportation capital projects. Dividing the Captains Bay Road into smaller project phases may increase its chance for a funding award each year. Unalaska has five applications pending with the State of

Alaska CAPSIS and are listed below in order of priority. The amount requested from the State is next to each project.

<u>PROJECT</u>	<u>REQUEST AMOUNT</u>
Captains Bay Road and Utility Improvements	\$4,000,000
Robert Storrs Small Boat Harbor Improvements	\$3,400,000
General Hill Booster Pump	\$318,600
Unalaska Marine Center Cruise Ship Terminal	\$13,000,000
Pyramid Water Treatment Plant Micro Turbines	<u>\$732,000</u>
 TOTAL	 \$21,450,000

Communications Infrastructure

This is a new CMMP project this year and is being considered because it partners with a private sector project. In FY17 City Council approved funding for a small fiber optic infrastructure development project. Two proprietary funds still have the money budgeted for this project and total \$ 105,974. The funds are Wastewater and Water and they equally have \$ 52,987 that can be transferred for use as part of this Communications and Infrastructure project.

GCI has applied to Unalaska for permits to begin a trenching project to install fiber optic cable throughout the City. This may be Unalaska’s last significant opportunity to install conduit and fiber to all of its facilities and save significant cost. The underground infrastructure project offers immediate safety and security improvements, faster and more manageable connectivity between City facilities, will increase the City’s ability to rely on large data uses such as GIS mapping and live stream security cameras, and improve some existing software platforms.

The Planning Department serves as project coordinator and is working with the Department of Public Works, Department of Public Utilities, Information Systems, and City Attorney and GCI representatives to prepare a Joint Trenching Agreement (JTA). The JTA is near completion. The initial cost estimate was \$ 2.5 million but work on the JTA has helped to reduce the cost thus far and the city currently has about 15,000 of the 55,000 linear feet required for a City-wide system. Conduit is available on Captains Bay Road and for about 9,000 feet of Ballyhoo Road.

The JTA offers spare conduit to GCI as a fair exchange for the cost savings it receives by installing conduit simultaneously. If the City had to trench the project as a separate project it would cost over \$ 2.5 million. At this time the cost for conduit installation quoted by GCI is \$ 8/lf and \$ 1,450 for each vault purchased and installed.

Staff has lowered the cost for this project to \$ 2 million because the project still requires a separate contract to install fiber, switches, and other requirements to complete the network. The FY22 CMMP cost should come down and might be phased into two years

to match GCI's phasing. Costs may be lower by the time City Council adopts the FY22 CMMP in April, 2021.

Pavement Preservation and Sealcoating

The City invested significant resources in paving its thoroughfares throughout the community. The pavement is aging and it needs to be sealed again to preserve the investment for future years. This project was originally going to coincide with the airport runway resurfacing/sealing project. The State of Alaska maintains the runway but Unalaska would save significantly by hiring the same contractor while it is already on island for the airport work. The original budget was estimated at \$ 2 million.

In discussions with the Department of Public Works we learned about \$ 1 million could be saved on this project by purchasing a street 'Zamboni' that would allow DPW to complete the project. The machine is about \$ 200,000 and it would be available for future uses and save money in the future. The additional \$ 800,000 is for materials cost. Once the machine is purchased it will be added to the Rolling Stock Plan. Staff decided to highlight this as a CMMP because it explains a new DPU service and the cost savings that is driving the project.

10 Year Rolling Stock and Major Maintenance Plans

In past years the Rolling Stock Plan was prepared separately and presented to City Council apart from the CMMP project summary sheets. The dual process often presented a redundant, unclear budget process. Beginning last year we combined the Rolling Stock Plan into one document as a project summary sheet and a 'line item' in the budget spreadsheets. This year we have begun to develop a 10 year Rolling Stock Plan, however it is not fully developed so is not included in the overall 10 year CMMP budget figure.

This year we also began preparing a 10 year Facilities Maintenance plan to include in the CMMP. We have several years prepared and entered into this CMMP, however the full 10 year outlook is incomplete. We plan to continue developing this section of the CMMP with the anticipation it will be fully developed for next year.

The information herein is as of Friday March 19, 2020. Staff suggests City Council members email questions concerning the CMMP to the City Clerk who will then forward them to the Planning Department for resolution. Comments and concerns will either be incorporated into the CMMP or discussed among the departments and administration to determine the best course of action. The FY22 CMMP document will be presented to City Council for review again on April 13, 2021 and for approval in May, 2021.

ALTERNATIVES: N/A

FINANCIAL IMPLICATIONS: The final draft presented to City Council contains a total of \$ 45,993,695 in funding for FY22. Projects propose using \$ 10,950,136 from the General Fund.

LEGAL: N/A

STAFF RECOMMENDATION: Please provide staff with any comments, suggestions or ideas resulting from the presentation about the CMMP.

PROPOSED MOTION: N/A

CITY MANAGER COMMENTS: I would like to thank staff for taking a close look at these projects, and the Planning Department for their coordination efforts. The FY22 proposals focus on maintaining the city's existing infrastructure and systems, as do the following nine years' worth of projects. The majority of projects included were previously in the CMMP with the need remaining. Additionally, the utility projects are identified in associated Master Plans. Several PCR projects have been added because of the extended 10 year outlook. We will continue to look at how we can improve our planning efforts on capital improvements and will continue explore funding opportunities.

ATTACHMENTS:

- [CMMP Project Summary Sheets \(67 pages\)](#)
- [Rolling Stock Plan](#)
- [Major Maintenance Plan](#)
- [Project Timeline \(2022-2031\)](#)
- CMMP 10 Year Spreadsheet Scroll (document not included in packet hard copy large format print out provided to each council member)

FY22-31 CMMP

34.5 kV Submarine Cable Replacement

Electric

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY23

Purchase/Construction: FY24



Project Description: The Electric Utility relies on the 34.5 kV sub-transmission system to deliver power to major Industrial loads and to the Town Substation. It uses two existing feeders: one crosses Iliuliuk Bay between East Point Road and Bay View Avenue and is near the end of its lifespan. Replacement is required.

Project Need: The submarine cable crossing is approximately 30 years old and was originally installed by the City line-crew. At the East Point Road entrance point, the cable is no longer buried completely and is easily approachable at low tide. Furthermore, large rocks have been moved by waves over the years are now sitting directly on the cable. While undersea cable has a durable outer jacketing and is more protected by its construction than a typical 15 kV cable, the current condition does represent a safety problem.

Development Plan & Status : Once a preliminary design is completed, the Section 10 permit package can be developed and submitted to the Army Corps of Engineers. The project assumes the Corps will determine that the cable project will qualify for a Nationwide permit, a streamlined version of an individual permit. The Corps will coordinate reviews with federal and state resource agencies. The agencies will consider project impacts to endangered species, impaired waterbodies, and fish habitats. The Corps typically issues a Nationwide Section 10 permit within three months of receiving a completed application. It is assumed that the new submarine cable will be installed in the same location and with the same connection points as the existing line. However, the capacity of this line should be upgraded during the engineering planning phase to better serve the current and future loads. Engineering coordination with the express feeder project will be required. Additionally, a cable condition assessment and inspection should occur very soon. The results of this inspection may affect the replacement schedule of the submarine cable. This project will be funded by the Electrical Proprietary Fund.

Cost Assumptions	
Engineering, Design, Const Admin	180,000
Other Professional Services	40,000
Construction Services	1,000,000
Machinery & Equipment	580,000
Subtotal	1,800,000
Contingency (set at 30%)	540,000
TOTAL	2,340,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary		0	60,000	120,000	2,160,000	0	0	0	0	0	0	2,340,000
Total		0	60,000	120,000	2,160,000	0	0	0	0	0	0	2,340,000

Project Description: This project includes the final design, procurement, construction, integration and commissioning of one 1 MW energy storage system.

Project Need: Large equipment, such as ship to shore cranes, demand electrical supply loads that exceed the power supply system's intended loading profile. To smoothly provide a continuous, undiminished power supply under loads that can suddenly spike to 10 to 15% of the total load in seconds, the engines must constantly react to both the rapid increases and decreases of the system load. The engines' reactions decreases efficiency and create undue mechanical and electrical wear on the equipment and distribution system. Additionally, generation dispatch is often significantly affected due to the inability of the facilities to operate in the most efficient configuration possible. The proposed energy storage system will arrest the rapid changes in the electrical load.

Development Plan & Status : Design will be accomplished in FY22. Installation of the energy storage system will be in FY23. Permitting is not anticipated for this project. This project will be funded by the Electrical Proprietary Fund.

FY22-31 CMMP

Electric Energy Storage System

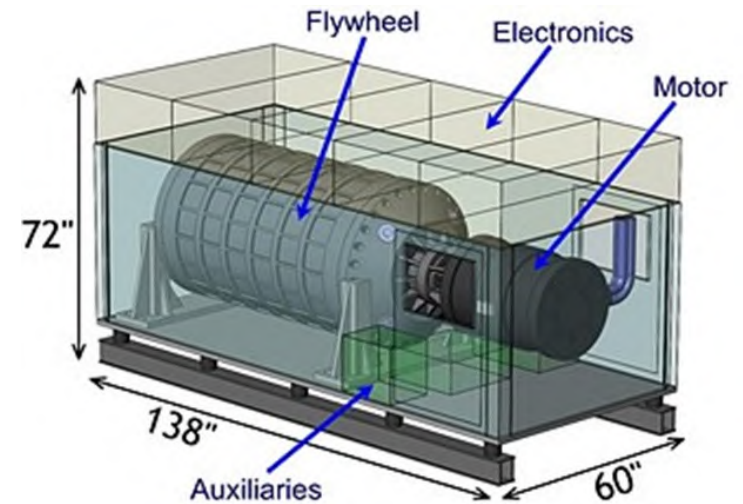
Electric

Estimated Project & Purchase Timeline

Pre Design: FY19

Engineering/Design: FY22

Purchase/Construction: FY23



Cost Assumptions	
Other Professional Services	100,000
Engineering, Design, Construction	271,312.00
Construction Services	1,648,688.00
Machinery & Equipment	1,480,000.00
Subtotal	3,500,000.00
Contingency (20%)	700,000.00
Total Funding Request	4,200,000.00

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary	650,062	3,549,938	0	0	0	0	0	0	0	0	0	4,200,000
Total	650,062	3,549,938	0	0	0	0	0	0	0	0	0	4,200,000

FY22-31 CMMP

Electrical Breakers Maintenance and Service

Electric

Estimated Project & Purchase Timeline

Pre Design: FY27

Engineering/Design: FY27

Purchase/Construction: FY27

Project Description: All Generation and distribution/feeder breakers at the New and Old Powerhouse and Town Substation will be serviced by a qualified industry service company. Breakers will be assessed and serviced. A detailed report indicating condition of the specific breakers will be provided along with recommended service maintenance intervals per the relevant industry codes.

Project Need: The City operates two powerhouses and one substation. Each of these facilities has at least one primary electrical switchgear line-up. Electrical switchgear require maintenance and cleaning to ensure proper operation. Safe operation of switchgear reduces risks of arc-flash issues and improves operator safety. In the last five years, there has been very little major maintenance and testing performed at any of the powerhouses' or Town Substation's switchgear line-ups. Only general visual maintenance has been performed, except during the installation of the Unit 12 (CAT C280) project, when a modification at the Town Substation was made as part of that project. During the modification, the Contractor found that one of the substation breakers would not open/close properly. EPC onsite technicians working with EPC electrical maintenance leads in Anchorage were able to repair the breaker so that it will function properly. However, no other maintenance has been performed on this breaker or others. This project is part of the Electrical master Plan.

Development Plan & Status : This project will be funded by the Electric Proprietary Fund.

Cost Assumptions	
Engineering, Design, Construction Admin	\$150,000
Other Professional Services	
Construction Services	
Machinery & Equipment	\$30,000
Subtotal	\$180,000
Contingency (30%)	\$54,000
Total Funding Request	\$234,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary												
	0	0	0	0	0	0	234,000	0	0	0	0	234,000
Total	0	0	0	0	0	0	234,000	0	0	0	0	234,000

FY22-31 CMMP

Project Description: This project funds the purchase of ongoing replacement equipment for the electrical distribution system. It includes electrical switches, section cans, transformers, and cables. Electrical equipment will also be purchased for new customers and for existing customers who need to upgrade electrical service.

Project Need: Ongoing replacement of the distribution system equipment is necessary to maintain its reliability and protect the assets of the City and ensure the safe distribution of electricity. This project will correctly capture and capitalize the expenditures made to keep the system operational as well as in expand the system where necessary.

Development Plan & Status : Funding for this project will come from the Electrical Proprietary Fund retained earnings.

Electrical Distribution Equipment Replacement

Electric

Estimated Project & Purchase Timeline

Pre Design: NA

Engineering/Design: NA

Purchase/Construction: NA

FY22 Cost Assumptions	
Engineering, Design, Construction Admin	
Other Professional Services	
Construction Services	
Machinery & Equipment	\$100,000
Subtotal	\$100,000
Contingency (15%)	\$15,000
Total Funding Request	\$115,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary Fund	0	115,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,015,000
Total	0	115,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,015,000

FY22-31 CMMP

Electrical Intermediate Level Protection Installation

Electric

Estimated Project & Purchase Timeline

Pre Design: FY26

Engineering/Design: FY27

Purchase/Construction: FY28

Project Description: This project adds protective devices at the major industrial services, including APL and Horizon and at radial taps in the 35 kV system. Vacuum circuit re-closers will be installed to properly coordinate clearing times in the event of a system disturbance. This enables the rest of the system to stay on line and only remove the faulted service or radial feeder. Each location will require one recloser with dedicated relay control. The recloser will also require provisions for communications back to the NPH via radio link or fiber optic cable when available. An updated short circuit study and new protective relay settings will be required in order to properly complete the system coordination work. Engineering and installation of reclosers at five locations are assumed for this project.

Project Need: The 35 kV system does not have any intermediate level protective devices that would minimize power disruptions to customers. The system is only protected from faults via two main 35 kV re-closers at the powerhouse, two main 35 kV town substation breakers, Alyeska Seafoods recloser, Westward Seafoods recloser, Captains Bay Road tap recloser, and four main 12 kV town substation breakers. Other than primary fusing on customer transformers, the system lacks any coordinated protection scheme. Some under frequency and under voltage load shed schemes are currently employed in the system but still are limited in their ability to isolate the system in smaller manageable pieces that would minimize disturbances to as few customers as possible. The lack of adequate coordinated protection schemes and apparatus has caused system wide outages during to a fault or disturbance event most often induced by a single large industrial customer.

Development Plan & Status : Areas where intermediate level protection apparatus should be incorporated are as follows: 1. Ballyhoo Tap 2. APL 3. Horizon 4. Submarine Crossing 5. Bridge Crossing

Cost Assumptions	
Engineering, Design, Construction Admin	\$50,000
Other Professional Services	\$75,000
Construction Services	\$100,000
Machinery & Equipment	\$275,000
Subtotal	\$500,000
Contingency (30%)	\$150,000
Total Funding Request	\$650,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary	0	0	0	0	0	0	650,000	0	0	0	0	650,000
Total	0	0	0	0	0	0	650,000	0	0	0	0	650,000

FY22-31 CMMP

Generator Sets Rebuild

Electric

Estimated Project & Purchase Timeline

Pre Design: NA

Engineering/Design: NA

Purchase/Construction: NA

Project Description: This project consists of inspection, major maintenance, and rebuilds of the primary generator sets in the Unalaska Powerhouse. The maintenance schedule for the generator sets at the Unalaska Powerhouse is determined by engine hours. Engine inspections are also conducted by the manufacturer's mechanics to determine if engine rebuilds are needed or if they can be prolonged according to the hourly schedule.

Project Need: These generator set rebuilds are needed to maintain our equipment and the reliability of our electrical production. Our Certificate of Fitness from the Alaska Energy Authority states that we must keep all electrical generating equipment in good running condition.

Development Plan & Status : Due to the high cost of the engine rebuilds, it has been determined that the cost will be capitalized. Costs for the Generator Sets rebuilds can fluctuate greatly according to what is determined by the maintenance inspections. Costs for these rebuilds has been determined by the worst case scenario according to the history of the engines. Money that is not used for rebuilds by the end of the fiscal year, will be returned to the proprietary fund.



Cost Assumptions	
Repair & Maintenance	\$2,115,385
Other Professional Services	
Construction Services	
Machinery & Equipment	
Subtotal	\$2,115,385
Contingency (30%)	\$634,615
Total Funding Request	\$2,750,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary Fund	0	500,000	750,000	1,000,000	500,000	0	0	0	0	0	0	2,750,000
Total	0	500,000	750,000	1,000,000	500,000	0	0	0	0	0	0	2,750,000

FY22-31 CMMP

Installation of New 4 Way Switch at Town Substation

Electric

Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY25

Purchase/Construction: FY26

Project Description: This project adds a redundant switch for T12 at the substation. It will provide switching to allow transformer T-1 or T-2 to be taken out of service more readily and without causing an outage. The project also includes reworking of the 34.5 kV cable/conduit system within the substation to incorporate a new switch in this location. Switches with remote visibility and operation capabilities should be considered during the planning and engineering stages.

Project Need: The Electric Utility relies on the 34.5 kV sub-transmission system to deliver power to major industrial loads and to the Town Substation. Both feeders that end at Town Substation pass through a single 4 way switch, T12. All of Unalaska's 12 kV loads are fed from Town Substation. Switch T12 is the point where both 34.5 kV feeders can be joined to the substation and is a single point of failure for the sub-transmission system. The loss of this switch results in an outage for all facilities served by the Town Substation, including the school, clinic, and police station, and all residential loads on Unalaska Island.

Development Plan & Status : The Budget for this project was derived from the Electric Master Plan. A more accurate budget will be realized during the design phase of this project. Funding for this project will come from the Electric Proprietary Fund.



Cost Assumptions	
Engineering, Design, Construction Admin	\$50,000
Other Professional Services	\$50,000
Construction Services	\$150,000
Machinery & Equipment	\$250,000
Subtotal	\$500,000
Contingency (30%)	\$150,000
Total Funding Request	\$650,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary		0	0	0	650,000	0	0	0	0	0	0	650,000
Total		0	0	0	650,000	0	0	0	0	0	0	650,000

FY22-31 CMMP

Large Transformer Maintenance and Service

Electric

Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY24

Purchase/Construction: FY24

Project Description: A qualified industry service company who specializes in the maintenance of utility electrical equipment will service all power transformers at the New Power House and Town Substation. Transformers will be assessed and serviced, as required. Transformer assessment includes insulation testing, dissolved gas analysis, sweep frequency response analysis and other tests. After testing is completed, a detailed report indicating condition and test results would be provided along with recommended service maintenance intervals per the relevant industry codes. It is also understood that components on the transformers are failing due to long term exposure to the corrosive environment due to the marine atmosphere. This will necessitate a more thorough repair in order to ensure long term reliability of the power transformers.

Project Need: The City owns four power transformers at the NPH and two at the Town Substation. Three of the NPH transformers are approximately 12 years old, with the fourth only 3 years old. The transformers at the Town Substation are original from the substation construction approximately 20 years ago. While these transformers should have many more years of service, proper and timely maintenance will help prolong their lives. Testing transformers over a period of many years also allows a utility to develop a baseline for each unit, which in turn can identify a developing problem that may not otherwise be discovered until the transformer fails. Replacement of failing monitoring devices is also critical as these are often the utility’s first indication of a problem. The devices can also operate to quickly deenergize a transformer should a more serious condition become present. Without operating protective devices, the utility experiences a higher risk of significant damage if a transformer fails.

Development Plan & Status : Funding for this project will come from the Electric Proprietary Fund.

Cost Assumptions	
Engineering, Design, Construction Admin	
Other Professional Services	\$150,000
Construction Services	
Machinery & Equipment	
Subtotal	\$150,000
Contingency (30%)	\$45,000
Total Funding Request	\$195,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary	0	0	0	195,000	0	0	0	0	0	0	0	195,000
Total	0	0	0	195,000	0	0	0	0	0	0	0	195,000

FY22-31 CMMP

Project Description: This project consists of cleaning the Powerhouse seawater cooling line from the intake to the Powerhouse, and extends the intake into deeper water.

Project Need: The powerhouse seawater cooling line needs to be cleaned out every five years due to marine growth inside the line. Increasing seawater temperatures and congestion from local construction require the cooling water intake to be extended to deeper, colder water. The Electrical Master Plan recommends a depth of 20 feet.

Development Plan & Status : The existing line runs inside a square concrete utilidor that terminates with a concrete gate support structure. The gate was actually a strainer grate that could be raised and lowered from the support structure for maintenance and cleaning. Only the concrete guides for the gate remain of this system. It is suggested that the gate be moved to the end of a new 200 linear foot pipe extension out into Unalaska Bay. The pipe would be 30 inch diameter and terminate at a -20 foot MLLW. The gate would be constructed of 316 stainless steel and the pipe extension would be constructed of SDR 32.5 (.923 inch wall) HDPE pipe to eliminate the need for corrosion maintenance. The extension would be attached to the gate with a 45° elbow to swing the direction of the pipeline to the north, away from the fuel dock and in the shortest direction to deeper water.

Powerhouse Cooling Water Inlet Cleaning and Extension

Electric

Estimated Project & Purchase Timeline

Pre Design: FY20

Engineering/Design: FY22

Purchase/Construction: FY23



Cost Assumptions	
Engineering, Design, Construction Admin	40,000
Other Professional Services	10,000
Construction Services	200,000
Machinery & Equipment	67,432
Subtotal	317,432
Contingency (30%)	95,230
Total Funding Request	412,662

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary		0	40,000	372,662	0	0	0	0	0	0	0	412,662
Total		0	40,000	372,662	0	0	0	0	0	0	0	412,662

FY22-31 CMMP

Town Substation SCADA Upgrade

Electric

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY22

Purchase/Construction: FY23

Project Description: This project updates the SCADA at Town Substation with the following:

- Addition of a station PLC to replace the Real Time Automation Controller (RTAC) and collect SCADA data from all meters and relays. The PLC will calculate metering data.
- Addition of a small server which includes VM Ware for development and interfacing with existing substation equipment controls such that substation operation would not rely on the existing wireless communication system. The server will also run the power plant SCADA system Wonderware Intouch application so the HMI will display data from the power plant.
- Addition of a thin client (HMI) for local connection and system overview. • Adding port servers and network switches for engineering access to relays and meters to reliably collect event reports and settings.

Project Need: This project will improve the Town Substation efficiency and reliability. In the past, the Utility has known there have been many issues with the substation communications and moving data, data resolution, lost commands to breakers, and lag in reported data between the powerhouse and the Town Substation. The existing SEL Embedded PC and RTAC at the Town substation are first generation and the PC is running a standalone HMI application displaying the substation breakers and transformer data along with control of the breakers. These components will soon be at the end of their useful life. The upgrade will maintain safe operations, to monitor the condition and status of the entire utility system for accurate reporting.

Development Plan & Status : Funding for this project will come from the electric proprietary fund.



Cost Assumptions	
Engineering, Design, Construction Admin	
Other Professional Services	\$90,000
Construction Services	
Machinery & Equipment	\$10,000
Subtotal	\$100,000
Contingency (30%)	\$30,000
Total Funding Request	\$130,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary Fund	0	0	130,000	0	0	0	0	0	0	0	0	130,000
Total	0	0	130,000	0	0	0	0	0	0	0	0	130,000

FY22-31 CMMP

Wartsila Modicon PLC Replacement

Electric

Estimated Project & Purchase Timeline

Pre Design: FY

Engineering/Design: FY

Purchase/Construction: FY31

Project Description: The Wartsila Modicon PLC will be upgraded to the GE PACS RX3i controllers, which are the majority of the PLCs on the Utility's electrical SCADA system. Having all new PLCs will on the same platform will eliminate the need for new PLC software licenses and additional spare PLC hardware will no longer be necessary. When the PLCs are reprogrammed, all of the logic shall be unlocked and become the property of the Utility so that Utility personnel can make modifications. The SCADA system human machine interface (HMI) screens will be updated with the new screens and points for the generators. All of the drawings provided by Wartsila for the original controllers shall be updated with the new controllers and I/O modules. Wartsila did not provide AutoCAD files of the as-built drawings after the construction of the new power plant. All Wartsila drawings affecting the PLC's will be converted to AutoCAD.

Project Need: Schneider Electric's Modicon Quantum PLCs control the Wartsila generators (Units 10 and 11) at the NPH. The PLC models installed are no longer produced and difficult to find the same replacement parts. The Concept PLC software, used to program the Quantum PLCs, is not supported on newer operating systems and the logic in the PLC programs are proprietary and locked, which makes it very difficult to troubleshoot and modify.

Development Plan & Status : Funding for this project will come from the Electric Proprietary Fund.

Cost Assumptions	
Engineering, Design, Construction Admin	\$50,000
Other Professional Services	\$100,000
Construction Services	
Machinery & Equipment	\$200,000
Subtotal	\$350,000
Contingency (30%)	\$105,000
Total Funding Request	\$455,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary		0	0	0	0	0	0	0	0	0	455,000	455,000
Total		0	0	0	0	0	0	0	0	0	455,000	455,000

FY22-31 CMMP

Makushin Geothermal Project Electric

Project Description: This project is the City of Unalaska’s estimated portion of reliability upgrades for the City electrical distribution system required to accept energy from the Makushin Geothermal Plant. It requires connecting multiple self-generating industrial customers to the current distribution system, installs more robust intermediate level protections, replaces the aging submarine cable at Illiuliuk Bay, upgrades numerous feeder connections and substations, and improvements to the current SCADA system and automated controls. Other funds will be set aside for legal and consulting fees associated with implementing the project.

Project Need: On August 31, 2020, the City entered into a Power Purchase Agreement (PPA) with OCCP. Section 11, Paragraph (c) of the PPA stipulates the City will be responsible for half of the next ten million dollars (\$5,000,000) after the first two million dollar cost of reliability upgrades and distribution additions needed to supply energy from the geothermal plant to Unalaska residents and businesses, and the entirety of the interconnection costs beyond 12 million dollars, if required. This project represents a community partnership to bring renewable energy to Unalaska.

Development Plan & Status : The budget for this project was estimated from required funding commitments outlined in the Power Purchase Agreement. A more accurate budget will be determined upon completion of the Intertie Study currently in progress, and based on Study findings there may be a Phase II project to accomplish the required upgrades. Funding for this project will come from the General Fund.

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY22

Purchase/Construction: FY23



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	2,860,000	2,860,000	0	0	0	0	0	0	0	0	5,720,000
Total	0	2,860,000	2,860,000	0	0	0	0	0	0	0	0	5,720,000

FY22-31 CMMP

Fire Station Remodel

Fire

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY22

Purchase/Construction: FY24

Project Description: Remodel the existing DPS building after a new DPS building is constructed and the Police Department moves to the new facility.

Project Need: Constructed in 1987, the present structure is in need of HVAC, electrical and architectural upgrades. Due to lack of space, the garage for the fire apparatus also houses EMS supplies, turnout gear, the air compressor and gym. The cramped arrangement is unsafe and risks contamination from fumes.

Development Plan & Status : The existing structure will be extensively renovated for use by Fire / EMS. The department will relocate to another facility during the work. Architectural firm JYL produced an initial cost estimate of \$8,970,000 dated February 28, 2020. Funding will come from the General Fund and/or the 1% Capital Projects Fund.



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	10,383,896	0	0	0	0	0	0	0	10,383,896
Total	0	0	0	10,383,896	0	0	0	0	0	0	0	10,383,896

FY22-31 CMMP

Fire Training Center Fire

Estimated Project & Purchase Timeline

Pre Design: FY19

Engineering/Design: FY23

Purchase/Construction: FY24



Project Description: Establish a live fire training facility in Unalaska. The structure will provide residential type response with a burn room, interior stairs leading to multiple stories, an interior fixed ladder, roof-mounted chop-out curbs, and a parapet roof guard with chain opening. The facility offers multiple training exercises including hose advancement, fire attack, search & rescue, rappelling, laddering, confined space maneuvers, and high-angle rescue operations. Currently there are no such facilities for training public or private sector organizations in Unalaska. This facility will also include a “dirty” classroom and a “clean” classroom that will allow personnel to stay out of the elements while they are instructed on the didactic portion of the lesson.

Project Need: Firefighter certification in Alaska requires a live fire training element to ensure experience fighting fires with significant heat and smoke in limited or zero visibility environments. Uncertified volunteers or paid firefighters can respond to fires, but live fire training and certification ensures that they are prepared and don’t panic in real situations. No live fire facility exists in Unalaska, so firefighters travel off-island for training and certification at a cost of approximately \$30,000 per person. The training takes 10-12 weeks and volunteers must take time off from their jobs and live away from their families in order to attend. The proposed training facility can be modified for use by the police department to practice active shooter or other use-of-force situations, and also be used as a confined space rescue training facility by other City departments or private industry, and as as a regional training center for other Aleutian Communities.

Development Plan & Status : Only a concept plan exists at the present time.. The proposed site is in the valley near the old chlorine building, or near the current public safety building pending action on the new proposed police station. The general fund will pay for the project. \$12,000 was previously appropriated for a temporary training structure made from shipping containers. Cost quote for facility in 2018 dollars is \$350,000 plus \$85,000 shipping. Other costs include running electrical and water lines to the site and building construction costs for a total of \$1,513,500.

Cost Assumptions	
Other Professional Services	325,000
Engineering, Design, Construction Admin	0
Construction Services	439,231
Machinery & Equipment	400,000
Subtotal	1,164,231
Contingency (30%)	349,269
Total Funding Request	1,513,500

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	12,000	0	0	1,501,500	0	0	0	0	0	0	0	1,513,500
Total	12,000	0	0	1,501,500	0	0	0	0	0	0	0	1,513,500

FY22-31 CMMP

Lear Road Duplexes Kitchen/Bathroom Renovations

Housing

Estimated Project & Purchase Timeline

Pre Design: NA

Engineering/Design: NA

Purchase/Construction: FY24

Project Description: Full renovation of both kitchens in units 69 & 73 and 81 & 85 (4 kitchens and 6 bathrooms total), replacing all cabinets, countertops, and flooring in both units of both duplexes. This will include some electrical, plumbing, fixtures, and parts as necessary.

Project Need: Labor and maintenance costs of the Lear Road Duplexes are increasing due to their age and condition. Over time, some cabinet doors have been replaced with plywood, and some hinges don't hold well because the screw holes have been stripped. In addition, many drawers in all units do not function properly due to worn out or missing drawer guide parts and finding replacement parts has become quite difficult. The countertops have loose laminate as well as chips and burns, which are difficult to repair and nearly impossible to match. The flooring was replaced in all of the units in 2000; however, these floor coverings now have tears, holes, and stains as a result of twenty years of use since that installation was completed.

If left in their current condition, employee tenants will have countertops, cabinets, and flooring which will be difficult to operate, keep clean and are potentially hazardous. Drawers and doors that will not open or slide properly could cause injury, cracked countertops can harbor dangerous bacteria, and irregular flooring surfaces are a trip hazard. These current issues will remain and new issues will arise as the units age, requiring maintenance costs to increase.

The City will gain serviceable components while reducing maintenance costs. These kitchen renovations will retain the property's value for years to come and increase desirability, which can be important for employee recruiting and retention.

Development Plan & Status : ECI Architecture prepared final plans in July 2018. Regan Engineering assembled the bid package in October 2018 with bids being let on March 8, 2019 due on April 9, 2019. Industrial Resources, Inc (IRI) was the selected contractor. Project scope was reduced from 4 units to 2 units because IRI's bid exceeded available funding.

Cost Assumptions

Engineering, Design, Const Admin	60,000
Other Professional Services	10,000
Construction Services	357,846
Machinery & Equipment	0
Subtotal	427,846
Contingency (set at 30%)	128,354
TOTAL	556,200



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	400,000	0	0	156,200	0	0	0	0	0	0	0	556,200
Total	400,000	0	0	156,200	0	0	0	0	0	0	0	556,200

FY22-31 CMMP

Communications Infrastructure (Citywide)

Other

Estimated Project & Purchase Timeline

Pre Design: FY21

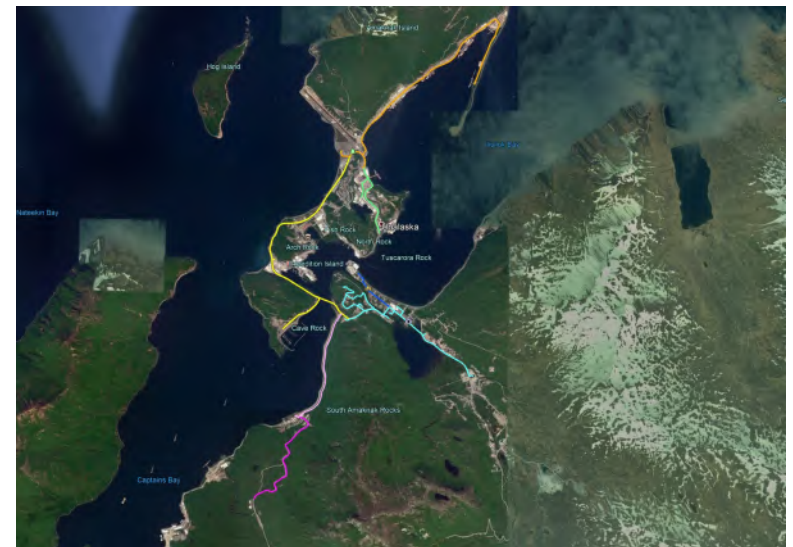
Engineering/Design: FY22

Purchase/Construction: FY22

Project Description: Build a citywide communications infrastructure to connect all City departments, facilities and systems. Currently the Information Systems department networks all facilities using outdoor wireless point to point equipment. The technology is subject to bandwidth limitations, interference, weather, and significant annual maintenance. The GCI fiber optic project presents a rare opportunity to install subsurface conduit alongside the company's trenching project throughout the island. Every facility could be interconnected over the next two years installing the City's own underground cable network while the ground is open. This will result in a significant increase of network quality (bandwidth, decreased latency, etc.), reliability, and reduced security risks. This infrastructure would also alleviate hours of internal labor costs associated with maintaining over 100 existing wireless devices throughout Unalaska. The underground network would serve all City departments, as well as SCADA, VoIP (phone system), Security Camera Systems, Disaster Recovery, Email, GIS, and Network Applications (e.g Munis, Sleuth, Rec-Trac, Cartograph, Meter Reading Systems, RMS, WatchGuard, etc.).

Project Need: All cities are increasingly reliant on network services that require larger amounts of bandwidth. Unalaska needs a viable path forward that will serve its growing demands (e.g. GIS, Security Cameras, Disaster Recovery, etc.), greater reliability (e.g. SCADA monitoring/control systems), and future scalability (services growth). Most local governments have had high-speed underground cable networks for decades, but Unalaska has repeatedly missed opportunities to install its own underground, high-speed network. The GCI proposal will trench miles of underground cabling and could be the last feasible opportunity to install our own network, This project will upgrade city infrastructure and provide significant cost savings for installation and future operations.

Development Plan & Status : This project will be funded by the General Fund. An additional \$105,974 budgeted to the FY17 Fiber Optic Infrastructure Development Project from the Water and Wastewater proprietary funds will be moved to this project.



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	947,013	947,013	0	0	0	0	0	0	0	0	1,894,026
Wastewater Proprietary Fund	52,987	0	0	0	0	0	0	0	0	0	0	52,987
Water Proprietary Fund	52,987	0	0	0	0	0	0	0	0	0	0	52,987
Total	105,974	947,013	947,013	0	0	0	0	0	0	0	0	2,000,000

FY22-31 CMMP

Aquatics Center Mezzanine and Office Space Expansion

PCR

Estimated Project & Purchase Timeline

Pre Design: FY

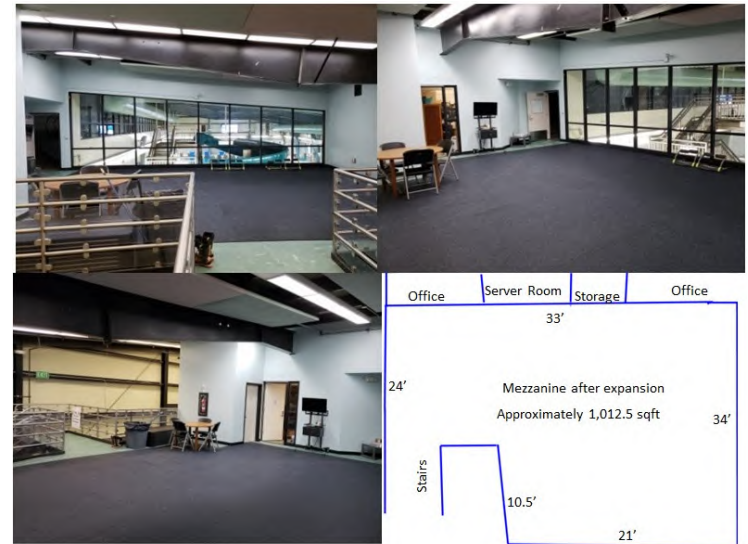
Engineering/Design: FY23

Purchase/Construction: FY24

Project Description: Expand the Aquatics Center Mezzanine and Office space to reach the walls over the loft area in the lobby. The Mezzanine consists of a multi-use open area, one office, a computer server room and janitors closet. The expansion will create about 500 sqft more usable space for use as offices. A bank of windows will improve natural light and air circulation in an otherwise very stuffy and hot room.

Project Need: PCR has added a new Coordinator and Head Lifeguard positions in 2020. The Aquatics Center lacks additional office space and the coordinator currently uses an office across the street at PCR. The head lifeguard uses the main admissions office downstairs during nonoperational hours. Programming has also increased with the new coordinator. The size of our upstairs facility constricts large events such as the Pumpkin Plunge and Youth Swim League's Award Ceremony. They become standing room only with people filtering down the stairs. Also, many requests for more free weights will take up even more space in the Mezzanine.

Development Plan & Status : In October 2018 the City Engineer, Information Systems and Maintenance did a walk through of the Mezzanine and Offices with the Aquatics Manager. A plan was discussed to achieve expansion. There are no physical obstacles to this expansion project.



Cost Assumptions	
Engineering, Design, Construction Admin	80,000
Other Professional Services	
Construction Services	635,385
Machinery & Equipment	
Subtotal	715,385
Contingency (30%)	214,616
Total Funding Request	930,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	80,000	850,000	0	0	0	0	0	930,000
Total	0	0	0	0	80,000	850,000	0	0	0	0	0	930,000

FY22-31 CMMP

Burma Road Chapel Kitchen Improvement PCR

Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY24

Purchase/Construction: FY24



Project Description: Renovate Burma Road Chapel's kitchen into a commercial kitchen.

Project Need: PCR hosts numerous events in Burma Road Chapel. A commercial kitchen would greatly improve the quality and quantity of PCR's programming. The space is frequently rented for patrons to host parties, and a commercial kitchen would also improve their experience in that space.

Development Plan & Status : Funding for this project will come from the General Fund.

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	150,000	0	0	0	0	0	0	0	0	150,000
Total	0	0	150,000	0	0	0	0	0	0	0	0	150,000

FY22-31 CMMP

Project Description: New playground equipment is necessary to replace the outdated playground equipment in front of the Community Center.

Project Need: The current play structures are too close to the railing that encloses the playground from the parking lot and sidewalk.

Development Plan & Status : Planning for the play structure's replacement will be done while the Operations Manager is at the National Parks and Recreation Association Conference in the fall of 2021. The project will be funded in FY23.

Community Center Playground Replacement

PCR

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY22

Purchase/Construction: FY23



Cost Assumptions	
Other Professional Services	
Engineering, Design, Construction Admin	50,000
Construction Services	180,769
Machinery & Equipment	
Subtotal	230,769
Contingency (30%)	69,231
Total Funding Request	300,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	300,000	0	0	0	0	0	0	300,000
Total	0	0	0	0	300,000	0	0	0	0	0	0	300,000

Project Description: Upgrading technology in the Community Center.

Project Need: Advances in technology offer more ways for Unalaska to be better connected via internet access. The Community Center will become a place where residents and visitors will seek to connect to these services. The meeting and exercise spaces need upgrades to meet current technology to accommodate the increasing demand. Examples include: Projectors and display monitors in the conference room and Multipurpose Room along with substantial audio/visual improvements, building-wide WIFI access and technological improvements in the Teen Room.

Development Plan & Status : This project will be funded by the General Fund.

FY22-31 CMMP

Community Center Technology Upgrades PCR

Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY25

Purchase/Construction: FY26

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	80,000	0	0	0	0	0	80,000
Total	0	0	0	0	0	80,000	0	0	0	0	0	80,000

Project Description: Replacing the playground at Community Park.

Project Need: Playgrounds are designed to last between 20 and 30 years. The Community Park playground was built in 1999 and reaches the end of its lifespan in FY28. Several structures have started to show age and the black rubber safety tiles now are easily moved out of place.

Development Plan & Status : This project will be funded by the General Fund.

FY22-31 CMMP

Community Park Replacement Playground

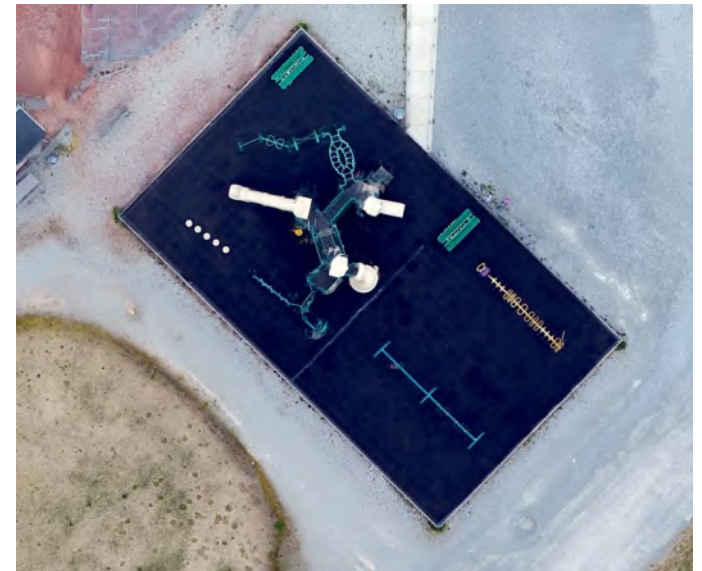
PCR

Estimated Project & Purchase Timeline

Pre Design: FY27

Engineering/Design: FY27

Purchase/Construction: FY28



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	0	0	500,000	0	0	0	500,000
Total	0	0	0	0	0	0	0	500,000	0	0	0	500,000

Project Description: Replacing all the cable machines in the Cybex Room at the Community Center.

Project Need: The equipment in the Cybex Room at the Community Center is as old as the building and is starting to show its age. In many cases, Lifefitness no longer carries replacement parts. When something breaks now the maintenance department frequently has to create something from scratch to make the machine usable.

Development Plan & Status : nan

FY22-31 CMMP

Cybex Room Replacement PCR

Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY24

Purchase/Construction: FY24

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	75,000	0	0	0	0	0	0	0	75,000
Total	0	0	0	75,000	0	0	0	0	0	0	0	75,000

FY22-31 CMMP

Dog Park PCR

Project Description: With the new park at UCSD, Tutiakoff Park could be an ideal place for a dog park. Many community members already bring their dogs to the park for recreation so including some obstacles for dogs to play and jump on would greatly benefit dog owners.

Project Need: There is no dog park on the island and it's a request PCR receives frequently.

Development Plan & Status : The park will be designed in FY25, with construction in FY26.

Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY25

Purchase/Construction: FY26



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	200,000	0	0	0	0	0	200,000
Total	0	0	0	0	0	200,000	0	0	0	0	0	200,000

FY22-31 CMMP

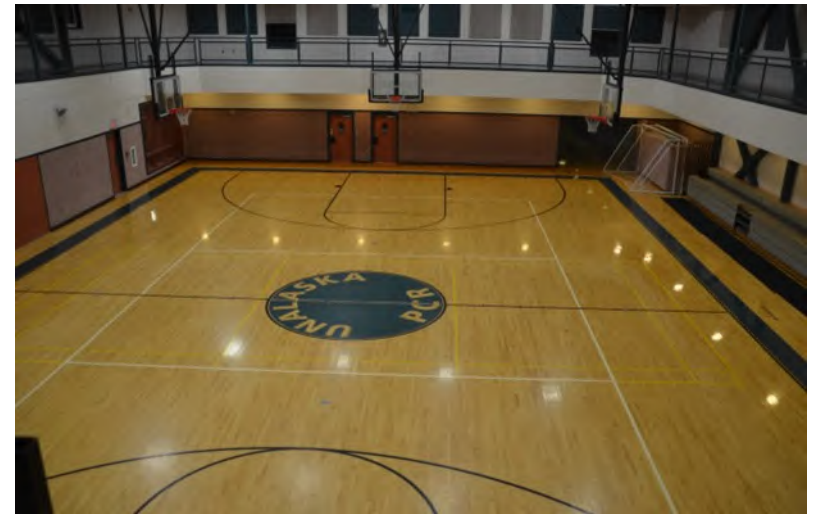
Gymnasium Floor PCR

Estimated Project & Purchase Timeline

Pre Design: FY

Engineering/Design: FY24

Purchase/Construction: FY25



Project Description: The gymnasium floor was installed when the building was built in 1996 and is lined for a full size basketball court, volleyball court and badminton court. A replacement floor would include lines for the same sports. The new floor would be made of a synthetic material so it would no longer need to be protected during special events.

Project Need: The current wooden floor recoated once a year to improve it's appearance and remove scratches. Over the past 20 years scratches have become more significant and the floor is beginning to show its age. A replacement floor will provide a better experience for patrons and greatly improve staff's ability to deliver quality programming. Special events held in the gym require PCR staff to roll out tarps to protect the wood floor. Afterward, they need to be cleaned and mopped which takes a lot of time. The planned replacement floor can be mopped and cared for much like the Multipurpose Room floor.

Development Plan & Status : During FY24 PCR staff will identify the flooring material that best meets the needs for the community. The estimated coast is \$221,000 which means that \$51,000 or 10% is planned to be spent in FY24 for design and scoping. These numbers are estimates and may change as FY24 approaches.

Cost Assumptions	
Engineering, Design, Const Admin	51,000
Other Professional Services	
Construction Services	158,231
Machinery & Equipment	
Subtotal	209,231
Contingency (set at 30%)	62,769
TOTAL	272,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	51,000	221,000	0	0	0	0	0	0	272,000
Total	0	0	0	51,000	221,000	0	0	0	0	0	0	272,000

Project Description: Improving the drainage and infield of the softball field.

Project Need: The outfield no longer drains after a decent amount of rain and is nearly impossible to play softball on. We frequently cancel softball events because the field needs the first summer months to dry as much as possible. Even as late as August and September the field is very damp and unplayable.

Development Plan & Status : nan

FY22-31 CMMP

Kelty Field Improvement Project PCR

Estimated Project & Purchase Timeline

Pre Design: FY23

Engineering/Design: FY23

Purchase/Construction: FY24



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	100,000	0	0	0	0	0	0	0	100,000
Total	0	0	0	100,000	0	0	0	0	0	0	0	100,000

Project Description: Providing access to Community Park from the southwest side.

Project Need: Many children in the neighborhood adjacent to the south side of Kelty Field cross the stream to access the park. This project would create walking access to the park in the southwest side to allow these children to safely cross the stream and gain access to the park.

Development Plan & Status : This project will be funded by the General Fund.

FY22-31 CMMP

Kelty Field SW Access

PCR

Estimated Project & Purchase Timeline

Pre Design: FY28

Engineering/Design: FY29

Purchase/Construction: FY28



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	0	0	0	500,000	0	0	500,000
Total	0	0	0	0	0	0	0	0	500,000	0	0	500,000

Project Description: Turing the area in the Aquatic Center where the slide is into a Kiddie Pool/Splash Pad.

Project Need: The waterslide is the Aquatic Center's only attraction. It is not used often because it requires extra staffing and three swimming lanes are closed when running. Patrons are limited to one at a time and lifejackets are not allowed. If a child cannot reach the bottom of the pool where the slide comes out or they cannot swim to the side they are not able to use the slide. A kiddie pool with fountains and smaller slides will run continuously during open hours and with no additional staffing. Children who are not able to swim will be able to use this facility as a safe introduction to water. This also will be able to be utilized on its own, multiple kids can use it simultaneously and the new improvements can fit in the same space where the slide will be removed.

Development Plan & Status : nan

FY22-31 CMMP

Kiddie Pool/Splash Pad PCR

Estimated Project & Purchase Timeline

Pre Design: FY29

Engineering/Design: FY29

Purchase/Construction: FY30

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	0	0	0	0	500,000	0	500,000
Total	0	0	0	0	0	0	0	0	0	500,000	0	500,000

FY22-31 CMMP

Multipurpose Facility PCR

Project Description: Ounalashka Park was built in 1999 and is located in Unalaska valley. It is the department's largest park and includes a softball field, outdoor basketball/tennis court, and a paved trail with some permanent exercise stations. In addition to the athletic equipment, it also has a playground, pavilion, and a snack shack which is occasionally used during PCR events. This project would build a covered multipurpose facility where the current tennis court is or somewhere close to it.

Project Need: In 2012, the court was resurfaced with plastic tiles in the hopes that they would be an improvement over the worn out court. However, they do not offer a realistic tennis surface and the court measures two feet too short. This project will:

- Improve the quality of the park's amenities.
- Evaluate the current and future facility in an effort to best accommodate Unalaska residents for the next 20 to 30 years.
- Raise Council awareness of the need to bring a facility that can offer more recreational activities such as hockey, tennis, indoor soccer, or an indoor playground.
- Provide a multipurpose covered facility.
- Serve as an emergency shelter for the island, which is very much needed.

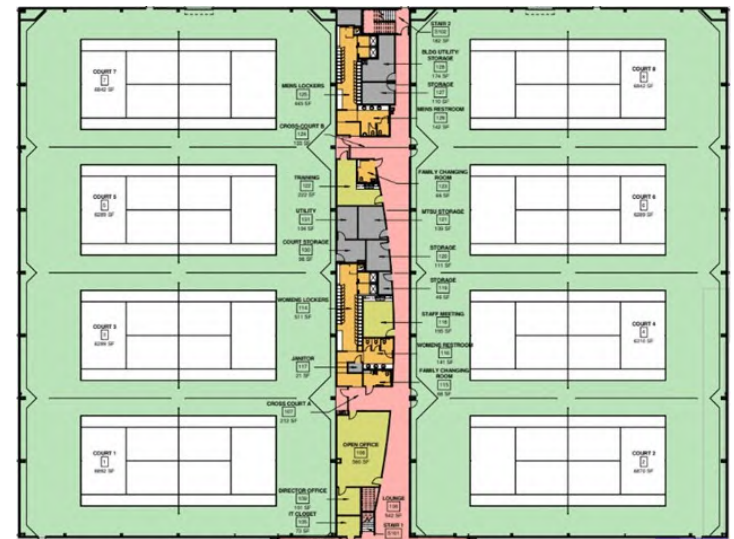
Development Plan & Status : PCR staff and the Advisory Board will gauge public interest in bringing a covered facility with two regulation tennis courts. The estimated cost is \$5,629,000. \$562,000 or 10% will be spent in FY26 for design and scoping. These numbers came from Lose Design. There is grant funding available for emergency related service and the City will also seek a partnership with other island organizations to pursue available resources.

Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY26

Purchase/Construction: FY27



Cost Assumptions		
Engineering, Design, Const Admin		950,000
Other Professional Services		130,000
Construction Services		3,250,000
Machinery & Equipment		
	Subtotal	4,330,000
Contingency (set at 30%)		1,299,000
	TOTAL	5,629,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	562,900	5,066,100	0	0	0	0	5,629,000
Total	0	0	0	0	0	562,900	5,066,100	0	0	0	0	5,629,000

Project Description: Creating a city park in the area above Westward Plant. This area of the community lacks any recreational amenities.

Project Need: Park development on west/southwest area of the city above Westward, build a park on city property. The road system and utilities are already in place reducing the costs of construction. It is a natural place of a park serving an under developed area of the city.

Development Plan & Status : Funding for this project would come from the General Fund.

FY22-31 CMMP

Park Above the Westward Plant

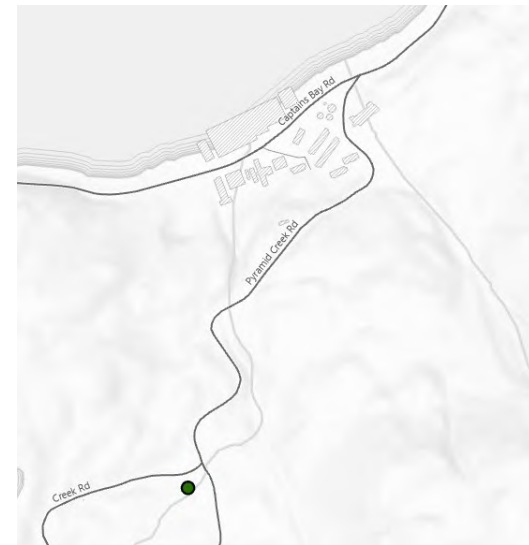
PCR

Estimated Project & Purchase Timeline

Pre Design: FY29

Engineering/Design: FY29

Purchase/Construction: FY30



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	0	0	0	0	3,200,000	0	3,200,000
Total	0	0	0	0	0	0	0	0	0	3,200,000	0	3,200,000

Project Description: Develop a comprehensive parks and recreation plan. We will hire an outside consulting firm to help us better assess the needs of our department for the next ten years and beyond.

Project Need: PCR's management team spent a significant amount of time during the past year developing a plan for future CMMP projects. Bringing in a consultant could help not only with prioritizing those projects, but also with programming, daily operations, and park maintenance.

Development Plan & Status : Funding will come from the General Fund. Studies do not require a contingency.

FY22-31 CMMP

Parks and Recreation Study PCR

Estimated Project & Purchase Timeline

Pre Design: FY23

Engineering/Design: FY23

Purchase/Construction: FY23



Cost Assumptions

Other Professional Services	\$100,000
Engineering, Design, Construction Admin	
Construction Services	
Machinery & Equipment	
Subtotal	\$100,000
Contingency (0%)	\$0
Total Funding Request	\$100,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	100,000	0	0	0	0	0	0	0	0	100,000
Total	0	0	100,000	0	0	0	0	0	0	0	0	100,000

FY22-31 CMMP

Project Description: Expanding the pool towards the road in order to provide space for bleachers.

Project Need: Four years ago we purchased a Colorado Timing System so our Aquatic Center can accommodate larger swim meets. However, the size of our Natatorium is barely able to hold two swim teams as well as spectators comfortably. This project will expand the Aquatic Center on the south side to allow for bleachers for both spectators and teams and expand on the east side to install a small warm-up cool-down, 2 lane, 15 yard, 3 foot deep pool. This will make our pool competition ready and even open up the possibilities to having Regionals.

Development Plan & Status : This project will be funded by the General Fund.

Pool Expansion PCR

Estimated Project & Purchase Timeline

Pre Design: FY29

Engineering/Design: FY29

Purchase/Construction: FY30



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	0	0	0	0	2,000,000	0	2,000,000
Total	0	0	0	0	0	0	0	0	0	2,000,000	0	2,000,000

FY22-31 CMMP

Project Description: Installing a pump track next to Kelty Field.

Project Need: The current Skate Park is old and needs to be replaced. It's had many different paint jobs and rust has made certain areas dangerous. The current location of the Skate Park sits on real estate that can better serve the community, and discussions about various new facilities mention this property. If the site is designated for a new purpose, then the City needs to find a new location for wheeled recreation. Adding a pump track to Community Park would greatly increase what that park can offer and its use. The timing of this project depends on plans for the existing site's redevelopment.

Development Plan & Status : This project will be funded by the General Fund.

Pump Track
PCR

Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY24

Purchase/Construction: FY25



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	100,000	0	0	0	0	0	0	100,000
Total	0	0	0	0	100,000	0	0	0	0	0	0	100,000

Project Description: Repairing and replacing the rebar that has rusted through the bottom of the pool. Then replacing the plaster in order to complete the project.

Project Need: A pool should be re-plastered every 10 years and even sooner with a salt water pool. Our pool has had the same plaster on it for over 20 years. Due to the life of our current plaster and Gunite corrosion the rebar underneath has become corroded and needs restoration.

Development Plan & Status : This project will be funded by the General Fund.

FY22-31 CMMP

Rebar Restoration and Re-plastering PCR

Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY25

Purchase/Construction: FY26

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	250,000	0	0	0	0	0	250,000
Total	0	0	0	0	0	250,000	0	0	0	0	0	250,000

Project Description: Repurpose the existing warming pool into a spa.

Project Need: The warming pool at the Aquatic Center currently has a jet system and filters that go through our filtration system. We could easily build a wall between the jets and the entrance of the pool to create an overflow spa. The only additions that would be required is a wall and a separate heating unit. The pool needs rebar restoration and replastering, building a wall in the warming pool during that project would be easily done. This would provide heated hydrotherapy to our community members who need it.

Development Plan & Status : This project will be funded by the General Fund.

FY22-31 CMMP

Spa
PCR

Estimated Project & Purchase Timeline

Pre Design: **FY29**

Engineering/Design: **FY29**

Purchase/Construction: **FY30**

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	0	0	0	0	200,000	0	200,000
Total	0	0	0	0	0	0	0	0	0	200,000	0	200,000

FY22-31 CMMP

Unalaska Public Transportation Study Planning

Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: NA

Purchase/Construction: NA



Project Description: In 2018 the Planning Department completed a study of the city's transportation and determined there is a need for public transit. The island population of about 4,000 residents increases to 11,000 during processing seasons. The study conducted two bus operation periods to simulate a transit system, surveys were available in multiple languages and the results indicated a high probability of ridership. This project seeks funding for a second study by professional transportation planners and engineers to conduct a more thorough analysis of how a public transportation system in Unalaska, funding sources, service areas and routes and capital equipment needed for the system.

Project Need: A large percentage of island residents and workers lack reliable and affordable transportation. Unalaska's harsh weather further hampers specific populations that would use the system including the elderly, youth, and processors, and the high cost of vehicle ownership and maintenance on the island is another consideration. The 2018 Transportation Study identified several transportation grants that could fund up to 80% of the cost annually. The project should also explore partnerships with the Q-Tribe, OC, and private island corporations to leverage investment and grant opportunities. Furthermore, the project will evaluate whether the system should be operated by a Transit Authority, a one of the major investors, city, tribal department, or otherwise.

Development Plan & Status : The FY25 expenditure is \$200,000 from the General Fund. Studies do not require a contingency budget. Based on the study, the expectation is to identify grants available to further lower the cost, potentially up to 80% with the correct partners taking the wheel.

Cost Assumptions

Other Professional Services	\$200,000
Engineering, Design, Construction Admin	
Construction Services	
Machinery & Equipment	
Subtotal	\$200,000
Contingency (30%)	\$0
Total Funding Request	\$200,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	200,000	0	0	0	0	0	0	200,000
Total	0	0	0	0	200,000	0	0	0	0	0	0	200,000

FY22-31 CMMP

Entrance Channel Dredging Ports

Project Description: This project will remove material from the channel bar that crosses the entrance of Iliuliuk Bay before vessels can enter Dutch Harbor. The dredging will increase the depth of water to accommodate the draft of large vessels transiting the channel and utilizing the Unalaska Marine Center and facilities inside of Dutch Harbor. The City will work with the US Army Corps of Engineers to help fund, design, construct, and maintain this project. This project already completed the biological assessments to gauge the impact of dredging to beachfronts inside of the harbor. The USACE has secured a congressional authorization to fund the dredging. This will allow deeper draft vessels to enter into Dutch Harbor including tankers, container ships and break-bulk vessels. The project will reduce delays of current vessels entering and departing the harbor due to storm surge and swell in the channel. The project estimates removal of 23,400 CY of material.

Project Need: The bar that crosses the entrance channel limits vessels entering the port by their draft rather than need for services in the community. Many vessels passing the community cannot enter our port due to water depth. Depending upon sea conditions the keel depth for vessels currently utilizing the port can be as little as one meter to the bottom according to the Alaska Marine Pilots. Storm conditions, especially northerly wind, undulates the sea height and makes the situation worse by causing vessels to pitch resulting in contact with the sea floor where the bar is located. Dredging the entrance channel to a sufficient depth and width will alleviate the safety concerns and allow more vessel/cargo traffic into the port, increasing Unalaska's economic utility.

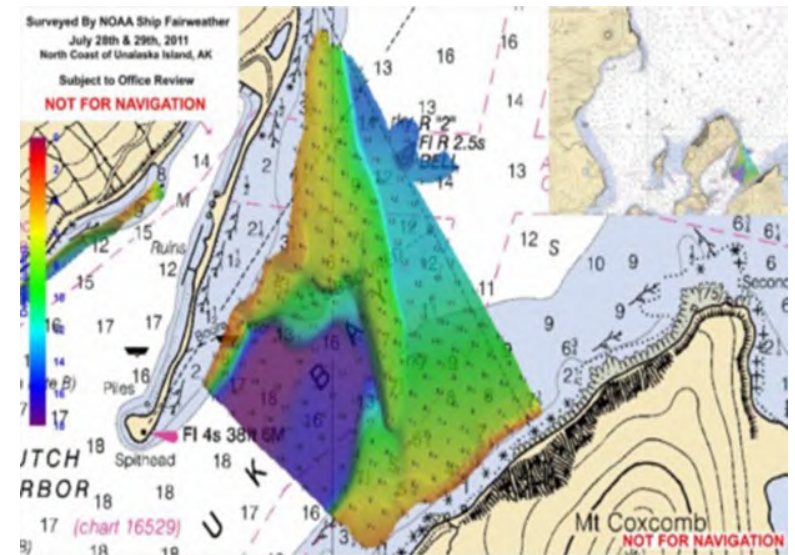
Development Plan & Status : The City conducted a Cost Benefit Analysis of the project to prove its benefit to the nation and that it is worthy of the USACE's and expenses. This project moved steadily forward to assimilate other key pieces, such as the biological assessment, impacts of dredging, and any impacts dredging may have on the inner harbor. In 2020 the US Congress authorized funding to the project with USACE and made available \$27M. The City needs a match of just \$9M, bringing the total cost to \$38.456M. It will be completed in phases over FY22 and FY23.

Estimated Project & Purchase Timeline

Pre Design: FY19

Engineering/Design: FY20

Purchase/Construction: FY22



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	2,500,000	4,494,500	4,494,500	0	0	0	0	0	0	0	0	11,489,000
Grant	0	13,483,500	13,483,500	0	0	0	0	0	0	0	0	26,967,000
Total	2,500,000	17,978,000	17,978,000	0	0	0	0	0	0	0	0	38,456,000

FY22-31 CMMP

Project Description: Construct a new, state of the art Public Safety facility on the Skate Park site between the Clinic and City Hall.

Project Need: Presently, the Department of Public Safety (DPS) structure is outdated and presents safety and operational issues. It does not support all the needs of the department. Issues include:

- Inadequate staff support, office, interview and observation space; and no locker rooms for uniform changes, post-exposure decontamination, etc.
- Building access restrictions required for Police operations constrain volunteer firefighter use.
- Detainee entrance is a narrow passage to parking area that conflicts with emergency response. The undersized booking area is potentially hazardous for staff with unruly prisoners. The remote evidence drop-off/storage raises chain of custody and security issues.
- Crowded dispatch area provides little security from the public lobby, creating a safety and confidentiality issue.
- The fire apparatus garage houses EMS supplies, turnout gear, air compressor and gym. This creates potential contamination hazards from fumes.

Development Plan & Status : Architectural firm, Jensen Yorba Lott (JYL), was retained to conduct a functional assessment of the existing DPS facility with the following goals and objectives:

- Analyze comprehensive space needs for current/future program reqs
- Identify short-comings of the existing facility to meet those requirements
- Analyze building for building codes, conditions, and expansion opportunities
- Provide schematics for bldg expansion or new const that meets DPS program reqs and will serve the City of Unalaska for the next 50 years
- Identify potential sites suitable for consideration for a new DPS complex

Based on Council input and budget amendment, pre-design scope increased to bring new proposed Police Station and renovation of the existing building to a high level pre-design including geotech, schematic drawings, and cost estimates. Results of pre-design will support full design and construction.

Discovery Drilling finished last boring 9-3-19 bringing total drilled length to 500'. Preliminary findings show fill on top of geotextile fabric underlain with soft lakebed material. Bedrock was found between 11.5' deep near Airport Beach Road and 49.5' deep on the opposite (north) side of the Skate Park. The Final Geotech Report for the Skate Park site was received on 12-23-19. Corey Wall with JYW (formerly JYL) presented findings to Council via teleconference during the July 14, 2020 Council meeting wherein Council requested additional sites be evaluated.

DPS Director King and DPW Director Cohenour evaluated 4 additional sites. Corey Wall reviewed findings at November 10, 2020 Council meeting and DPW Director lead discussion on 4 additional sites with input from Director King. No further direction from Council has been given.

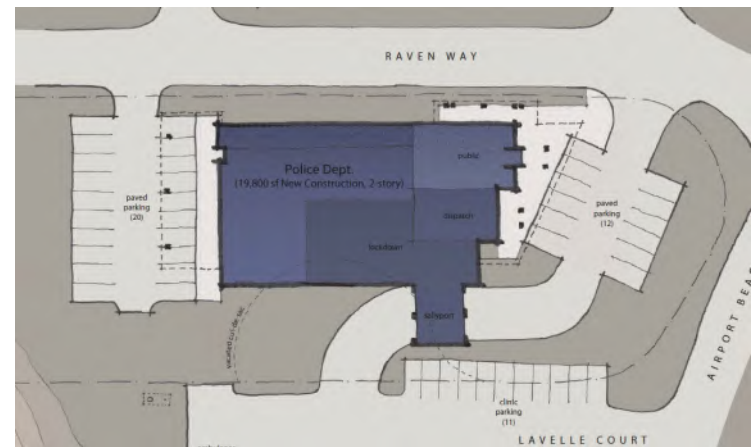
Police Station PS19C Public Safety

Estimated Project & Purchase Timeline

Pre Design: FY20

Engineering/Design: FY21

Purchase/Construction: FY23



Cost Assumptions

Engineering, Design, Const Admin	2,548,250
Other Professional Services	278,250
Construction Services	17,761,000
Machinery & Equipment	1,502,500
Subtotal	22,090,000
Contingency (Incl in Architect's Estimate)	0
TOTAL	22,090,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	22,090,000	0	0	0	0	0	0	0	0	22,090,000
Total	0	0	22,090,000	0	0	0	0	0	0	0	0	22,090,000

FY22-31 CMMP

Burma Road Chapel Upgrades

Public Works

Estimated Project & Purchase Timeline

Pre Design: FY20

Engineering/Design: FY21

Purchase/Construction: FY24



Project Description: In 2019 the PCR side of the Burma Road Chapel showed signs of rotten siding along the lower portions of the exterior wall. Architect Corey Wall, JYL Architects, crawled under the structure and took photos of the rim joists. Evidence of rot was observed below the building. The original scope of this project included removing shingles, roof boards, and damaged insulation, and installing framing for eave soffit ventilation/increased depth for insulation, insulation to R-30, new roof boards, re-roofing the building, and painting the new eaves and trim. Additional roof repairs will be required in the future. An imminent need is the repair of the rotten sill plate, rim joists, and exterior siding on the PCR side of the Burma Rd Chapel.

Project Need: Exterior siding, structural sill plates and rim joists all show signs of rot and need replacement. Also, the facility lacks proper insulation and ventilation, which causes snow melt on the roof that runs down to the eave, freezes and causes ice dams to separate the walls and roof. As ice dams grow larger, the water from the melting snows backs up and leaks between wood shingles into the building causing water damage. In FY08, metal flashing was installed on the eaves over the electric cable system to heat the flashing. A new roof will protect the facility for at least another 30 years.

Development Plan & Status : DPW's Facilities Maintenance budget will replace the metal flashing and heat trace on the eave as an interim solution when the present system fails. The rotten siding along the lower portions of the exterior wall and sill plate repair work began in November 2020 and will be completed by the end of FY21. The major roof repairs will be conducted in the future, possibly as soon as FY24.

Cost Assumptions	
Engineering, Design, Const Admin	70,000
Other Professional Services	10,000
Construction Services	373,077
Machinery & Equipment	-
Subtotal	453,077
Contingency (set at 30%)	135,923
TOTAL	589,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	110,000	0	0	479,000	0	0	0	0	0	0	0	589,000
Total	110,000	0	0	479,000	0	0	0	0	0	0	0	589,000

FY22-31 CMMP

Captains Bay Road & Utility Improvements

Public Works

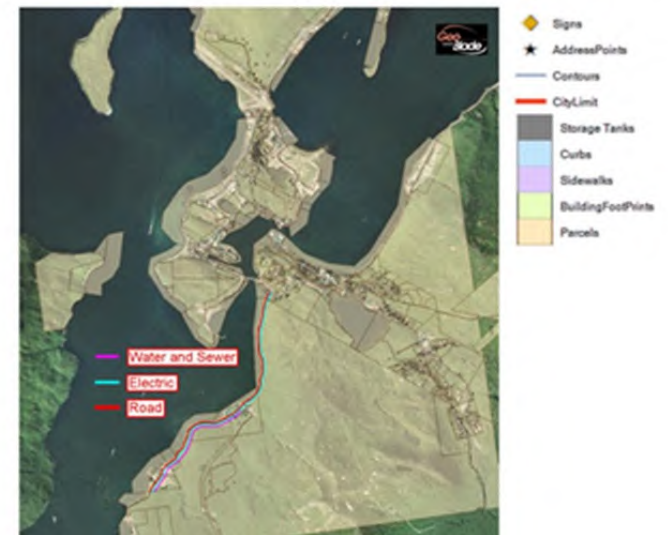
Estimated Project & Purchase Timeline

Pre Design: FY20

Engineering/Design: FY21

Purchase/Construction: FY23

Captains Bay Road and Utilities



Project Description: This major infrastructure improvement project constructs drainage, utilities, and pavement out Captains Bay Road to the entrance of Offshore Systems, Inc. (OSI). The work spans 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.

Project Need: Captains Bay Road is a primary transportation route for Westward Seafoods, North Pacific Fuel, Northland Services, Offshore Systems Inc., and several small businesses as well as residential areas. The road facilitates high traffic for heavy vehicles used by the fishing and support industries vital to the community's economy. In 2011 the City held public meetings regarding the Road Improvement Master Plan. Residents and industry representatives discussed Captains Bay Road and hazards its high road crown creates. The crown is needed for adequate drainage. There was strong support for improvements to Captains Bay Road. Captains Bay Road also presents future growth opportunities for the community as identified in the City's Comprehensive Plan.

Development Plan & Status : This project is grant dependent. Drainage and paving estimates are based on the Ballyhoo Road Drainage & Electrical Upgrades Project. The utility expansion estimate is based on the Henry Swanson Drive Road & Utilities Project's utility construction costs, and other recent materials and equipment costs. These are rough estimates that will be refined as the project commencement approaches. As of April 10, 2020, the State did not award grant funds via the STIP / CTP. Additional grant opportunities will be sought out. A \$4,000,000 Legislative request was submitted via CAPSIS in February 2021. Preliminary Estimate by HDL Engineering for total project costs = \$53,700,000

Cost Assumptions

Engineering, Design, Construction Admin	\$5,370,000
Other Professional Services	\$300,000
Construction Services	\$35,637,692
Machinery & Equipment	
Subtotal	\$41,307,692
Contingency (30%)	\$12,392,308
Total Funding Request	\$53,700,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Electric Proprietary Fund	0	0	0	9,600,000	0	0	0	0	0	0	0	9,600,000
General Fund	2,000,000	0	0	0	0	9,600,000	9,600,000	0	0	0	0	21,200,000
Grant	0	4,000,000	0	0	0	0	0	0	0	0	0	4,000,000
Wastewater Proprietary Fund	0	0	0	0	9,600,000	0	0	0	0	0	0	9,600,000
Water Proprietary Fund	0	0	9,600,000	0	0	0	0	0	0	0	0	9,600,000
Total	2,000,000	4,000,000	9,600,000	9,600,000	9,600,000	9,600,000	9,600,000	0	0	0	0	54,000,000

FY22-31 CMMP

Project Description: Rolling high capacity shelving in the DPW Supply Division will increase warehouse capacity by 50%. The carriage and rails system will enable shelves to move side to side and eliminate idle aisles.

Project Need: The DPW Supply Inventory Room is crowded and access to products, inventory, parts, and PPE is inefficient. Overflow is stored in the Warehouse or offsite which is subject to temperature variations and vermin contamination. The rolling bulk shelving will enable us to store double the existing capacity by eliminating static access aisles.

Development Plan & Status : Price proposal includes materials and installation. Supplier will come here to install the units with some assistance from City staff.

DPW Inventory Room - High Capacity Shelving

Public Works

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY22

Purchase/Construction: FY22



Cost Assumptions

Engineering, Design, Const Admin	1,385
Other Professional Services	4,000
Construction Services	0
Machinery & Equipment	110,000
Subtotal	115,385
Contingency (set at 30%)	34,615
TOTAL	150,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	150,000	0	0	0	0	0	0	0	0	0	150,000
Total	0	150,000	0	0	0	0	0	0	0	0	0	150,000

Project Description: Construct paint booth / body shop at DPW to facilitate appropriate repairs on City vehicles.

Project Need: Presently body work is accomplished inside the mechanic shop. Employees are exposed to toxic dust particles and hazardous paint spray. A stand alone bay or building is very much needed to protect the health and well-being of employees in the shop as well as in the rest of the building. Air gets circulated throughout the building exposing all employees and visitors to toxic paint fumes.

Development Plan & Status : General fund. Construct an add-on bay to the existing Wash Bay or construct the equipment storage building and include a body shop.

FY22-31 CMMP

DPW Paint Booth / Body Shop Public Works

Estimated Project & Purchase Timeline

Pre Design: FY23

Engineering/Design: FY24

Purchase/Construction: FY25



Cost Assumptions

Engineering, Design, Const Admin	25,000
Other Professional Services	10,000
Construction Services	750,000
Machinery & Equipment	0
Subtotal	785,000
Contingency (set at 30%)	235,500
TOTAL	1,020,500

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	25,000	995,500	0	0	0	0	0	0	1,020,500
Total	0	0	0	25,000	995,500	0	0	0	0	0	0	1,020,500

FY22-31 CMMP

Equipment Storage Building

Public Works

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY23

Purchase/Construction: FY24

Project Description: Continuous exposure to the elements shortens the useable life of the City's rolling stock (dozers, dump trucks, graders, snow plows) and increases maintenance costs. Winter rain & slush build-up freeze on the equipment and creates excessive morning prep time clearing hubs, hydraulics, windshields, lights, and back-up horns prior to equipment use. This building will maintain an interior temperature at approximately 45F using a heated slab and keep equipment from freezing overnight and ready.

Project Need: A heated building will improve winter emergency response time and increase the capabilities of Public Works. The new storage building will extend the life of trucks, trailers, graders, snow plows, and snow blowers. The building will also decrease maintenance expense.

Development Plan & Status : Land is available on the Public Works site. A building permit and State Fire Marshall approval will need to be obtained. The project will require a new 1.5 inch water service and a new 6 inch sewer drain along with a new electrical service. Funding will come from the General Fund. The project is estimated at \$200 per square feet. Building costs are then expected to be \$1,545,830.



DPW Equipment Storage

Cost Assumptions	
Engineering, Design, Const Admin	195,000
Other Professional Services	34,000
Construction Services	960,000
Machinery & Equipment	100
Subtotal	1,189,100
Contingency (set at 30%)	356,730
TOTAL	1,545,830
Less Other Funding Sources (Grants, etc.)	-
Total Funding Request \$	1,545,830

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	195,000	1,350,830	0	0	0	0	0	0	0	1,545,830
Total	0	0	195,000	1,350,830	0	0	0	0	0	0	0	1,545,830

Project Description: Controls system upgrades to new N4 platform for 11 City owned buildings.

Project Need: New N4 upgrades necessary to stay current with technology.

Development Plan & Status : In FY20, our HVAC controls contractor, Long Building Technologies, gave us an informal no cost quote. In FY22 we will work with Long to refine the scope and get a solid cost estimate. In FY22, Project implementation will occur.

FY22-31 CMMP

HVAC Controls Upgrades - 11 City Buildings

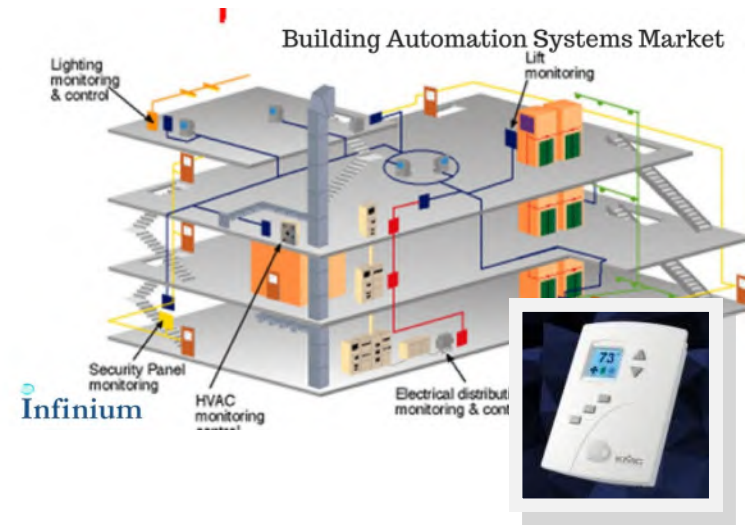
Public Works

Estimated Project & Purchase Timeline

Pre Design: FY23

Engineering/Design: FY23

Purchase/Construction: FY23



Cost Assumptions

Engineering, Design, Const Admin	2,000
Other Professional Services	500
Construction Services	331,213
Machinery & Equipment	0
Subtotal	333,713
Contingency (set at 30%)	100,114
TOTAL	433,827

Less Other Funding Sources

Total Funding Request 433,827

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	433,827	0	0	0	0	0	0	0	0	433,827
Total	0	0	433,827	0	0	0	0	0	0	0	0	433,827

FY22-31 CMMP

Project Description: Preserve asphalt roads with the application of slurry coat, also known as sealcoat. This project would purchase the equipment and materials necessary to sealcoat our primary asphalt roads, such as Airport Beach Road.

Project Need: City roads were paved in 2016 and have not been coated or protected since. The State DOT and AASHTO highly recommend seal coat applications such as slurry seal, chip seal, or some other means to preserve asphalt roads. This maintenance will extend pavement life and protect a major financial investment.

Development Plan & Status : There has not been a paving contractor in Unalaska / Dutch Harbor since 2016. Funding will come from the General Fund.

Pavement Preservation - Sealcoating

Public Works

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY22

Purchase/Construction: FY22



Cost Assumptions		
Other Professional Services		
Engineering, Design, Construction Admin		15,000
General Supplies		554,231
Machinery & Equipment		200,000
	Subtotal	769,231
Contingency (30%)		230,769
	Total Funding Request	1,000,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund		0 1,000,000	0	0	0	0	0	0	0	0	0	1,000,000
Total		0 1,000,000	0	0	0	0	0	0	0	0	0	1,000,000

FY22-31 CMMP

Public Trails System

Public Works

Estimated Project & Purchase Timeline

Pre Design: FY21

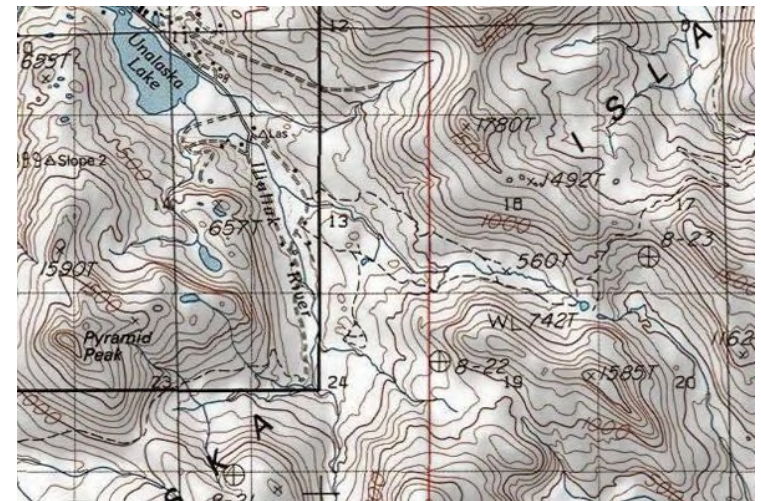
Engineering/Design: FY25

Purchase/Construction: FY

Project Description: Phase 1 Master Plan: This project formally establishes an Unalaska Public Trails System Master Plan by identifying and mapping existing network of sidewalks, trails, paths, former Jeep trails, 17B Easements, and gravel walkways. Consistent signage with community brand can also be designed with project wide plans & specifications. Phase 2 Construction: Provides consistent signage design, wayfinding, improves existing trails network, and establishes trail system maintenance protocols.

Project Need: Unalaska's existing array of walking and biking pathways are haphazard, unmarked, lack maintenance, have no amenities, and could be used better for community activity and attracting tourists.

Development Plan & Status : The Planning Commission held a public meeting on September 19, 2019 in which they reviewed the City of Unalaska's existing Capital and Major Maintenance Plan projects, heard public testimony, and found that a Public Trails System is reasonable and in the public's interest. In conformance with the goals and objectives of the Comprehensive Plan, the Planning Commission recognized the need for a coordinated, well-defined trails system in Unalaska to support health, wellness, quality of life, and recreation and passed Resolution 2019-10. On November 12, 2019, the City Council was presented with the Planning Commission's Resolution 2019-10 and consented to including the Public Trails System Project on the FY21-25 CMMP for their consideration. Collaborative partnership with Ounalaska Corporation (OC), the Qawalangin Tribe (Q-Tribe), and the Bureau of Land Management (BLM) will be key to a successful Public Trails System. Grant opportunities exist through the Alaska Safe Routes to School program; preliminary discussions with the Q-Tribe indicates potential cost sharing opportunities. Additional monies will come from the General Fund.



Cost Assumptions

Engineering, Design, Const Admin	100,000
Other Professional Services	0
Construction Services	0
Machinery & Equipment	0
Subtotal	100,000
Contingency (set at 30%)	0
TOTAL	100,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	100,000	0	0	0	0	0	0	100,000
Total	0	0	0	0	100,000	0	0	0	0	0	0	100,000

Project Description: Remove the UST (underground storage tank) at City Hall and replace with an approved above ground fuel oil tank.

Project Need: UST's are known to rust and begin leaking. UST's are no longer approved and this tank needs to be replaced with an above ground tank with proper leak detection.

Development Plan & Status : This project will be funded by the General Fund.

FY22-31 CMMP

Underground Fuel Tank Removal / Replacement Public Works

Estimated Project & Purchase Timeline

Pre Design: FY28

Engineering/Design: FY28

Purchase/Construction: FY28



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	0	0	0	0	0	0	60,000	0	0	0	60,000
Total	0	0	0	0	0	0	0	60,000	0	0	0	60,000

FY22-31 CMMP

Generals Hill Water Booster Pump Water

Estimated Project & Purchase Timeline

Pre Design: FY18

Engineering/Design: FY19

Purchase/Construction: FY22

Project Description: Install a water booster station on Generals Hill, including underground plumbing, a small building, two pumps with controls, and plumbing to connect a fire engine.

Project Need: This project will increase water service pressure in the upper elevations of the hill. It will greatly reduce the risk of contamination of the water system due to backflow for all utility customers, and decrease the potential for customers to lose water service due to low pressure. Water pressure at the top of Generals Hill does not currently meet the minimum industry standard and in the event of a fire is insufficient to supply a fire engine.

Development Plan & Status : The City has already acquired the land. A contractor will be needed for construction.



Cost Assumptions

Engineering & Architectural	---
Regan Design	\$ 114,900
Regan CA Services	\$ 50,000
Other Professional Services	---
Boreal Panel Fab & VFD	\$ 60,000
Survey Services	\$ 11,500
Construction Services	\$ 892,537
Telephone / Fax / TV	\$ 213
Advertising	\$ 600
Contingency	\$ 25,000
General Supplies	\$ 35,350
Land	\$ 25,900
TOTAL	\$ 1,216,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
General Fund	0	150,000	0	0	0	0	0	0	0	0	0	150,000
Water Proprietary Fund	1,066,000	0	0	0	0	0	0	0	0	0	0	1,066,000
Total	1,066,000	150,000	0	0	0	0	0	0	0	0	0	1,216,000

FY22-31 CMMP

LCD & UMC Dredging Ports

Estimated Project & Purchase Timeline

Pre Design: FY19

Engineering/Design: FY23

Purchase/Construction: FY23

Project Description: This project includes the engineering, permitting, and dredging at the faces of the Light Cargo Dock and the Unalaska Marine Center positions 17. It will complement other capital projects in the Port, namely the dredging of the entrance channel. Larger vessels will be able to enter into Dutch Harbor, and now we need to ensure the depth of the dock face coincides with the new traffic. The depths at the Unalaska Marine Center vary from -32 and -45 at MLLW. Dredging at the face of the Unalaska Marine Center would create a constant -45 from Positions 1-7. This will accommodate deeper draft vessels throughout the facility. The existing sheet pile is driven to approximately -58 . and dredging to -45 will not undermine the existing sheet pile. This project is primarily to accommodate large class vessels. Many of the vessels currently calling the Port must adjust ballast to cross the entrance channel and dock inside the harbor. This project timeline coincides with other dredging projects, including the Light Cargo Dock (LCD). Dredging in front of the Light Cargo Dock will also make this dock more accessible for current customers. Vessels using the Light Cargo Dock that draws more than 22'. must place another vessel between the dock face and their vessel in order to get enough water under the keel.

Project Need: The completion of this dredging will enhance current and future operations by creating usable industrial dock face that is designed for vessels in varying lengths and tonnage

Development Plan & Status : This dredging project supports the recently completed UMC position 3 and 4 Replacement project and the dredging of the entrance channel. The estimates for dredging of the Light Cargo Dock include 6000 CY of dredging and 3100 CY of shot rock slope protection. The dredging material will not be removed; however, it will be relocated on the sea floor. Dredging at UMC estimated to relocate 6000 CY of dredging material and will require approximately 1200 CY of shot rock slope protection.



LIGHT CARGO DOCK, BARGE, TRAMPER
BARGE IS BEING USED AS A "SPACER" TO PROVIDE DEPTH FOR TRAMPER

Cost Assumptions	
Other Professional Services	
Engineering, Design, Construction Admin	109,650
Construction Services	1,932,000
Machinery & Equipment	
Subtotal	2,041,650
Contingency (30%)	612,495
Total Funding Request	2,654,145

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Ports Proprietary		0	2,544,495	0	0	0	0	0	0	0	0	2,654,145
Total	109,650	0	2,544,495	0	0	0	0	0	0	0	0	2,654,145

FY22-31 CMMP

Restroom Unalaska Marine Center

Ports

Estimated Project & Purchase Timeline

Pre Design: FY23

Engineering/Design: FY24

Purchase/Construction: FY25



Project Description: This project is the purchase and installation of a new restroom for the Unalaska Marine Center. Water and Sewer service has been stubbed in at UMC for the purpose of installation of public restrooms for dock workers and passengers. City of Unalaska Code requires connecting to City services where available. These services are available at UMC

Project Need: For many years dock workers have used portable toilets. These outhouses require service from the Wastewater Treatment Staff. This project will provide a minimum of four toilets bring the City into compliance with City Code and EPA regulations. The facilities will improve working conditions for employees and visitors.

Development Plan & Status : This project involves a preexisting design and the restroom will tie into a pre-poured foundation that connects into existing utility services. The current cost assumption is from Public Works, for approximately \$700 per square foot. This would be a from-scratch creation, a worst case scenario for funding. Ports is sourcing pre-designed and built options to lower the cost.

Cost Assumptions	
Engineering, Design, Construction Admin	50,000.00
Other Professional Services	25,000.00
Construction Services	332,815.00
Machinery & Equipment	
Subtotal	407,815.00
Contingency (30%)	122,345.00
Total Funding Request	530,160.00

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Ports Proprietary Fund	0	0	0	50,000	480,160	0	0	0	0	0	0	530,160
Total	0	0	0	50,000	480,160	0	0	0	0	0	0	530,160

FY22-31 CMMP

Project Description: This project will remove the existing A and B Floats at the Harbor and reconfigure the Harbor to accommodate a new float system, ADA gangway and create uplands for parking and a public restroom. It will also include a fire suppression system, electricity and year-round water supply to users and new piling.

Project Need: This project would include replacing the deteriorated floats and reconfiguring the floats and fingers of A and B Floats to include updated electrical systems, lighting, fire suppression, year-round utilities, and an ADA-required gangway. Based on current engineer concepts, the reconfiguration of A and B Floats will create at least 30 additional slips plus linear tie options. This should alleviate some of the 30 vessel waiting list. The reconfiguration will also allow for development of the uplands for required parking and a public restroom. The existing dock arrangement was carried over from a previous location. In order to accommodate the vessel demand at the Robert Storrs Harbor, a new configuration of the floats would allow for better use of the basin based on bathymetry and navigational approaches and also allow for additional vessel slips, with minimal fill and no dredging. It will add a significant number of slips for vessels 60' and under. This is an extension of the Robert Storrs Float Replacement Project. C Float is was completed in FY16. As the Float Replacement Project for Robert Storrs is being constructed in phases it was logical to separate the phases into separate project tracking purposes.

Development Plan & Status : The current estimates place this project at approximately 9.5 million dollars, based on engineers estimates for in kind replacement. We are eligible to apply for a 50% grant through the Alaska Department of Transportation and Public Facilities. 50% of the funding for this is estimated to come out of the Port Net Assets.

Robert Storrs Small Boat Harbor Improvements (A & B Floats)

Ports

Estimated Project & Purchase Timeline

Pre Design: FY19

Engineering/Design: FY20

Purchase/Construction: FY22



Existing Condition (left)
Side Tie: 643 feet
Slips: 6 - 42 foot & 6 - 60 foot



Proposed Concept (right)
Side Tie: 218 feet
Slips: 22—26 foot, 13 - 32 foot, & 20 - 42 foot

Cost Assumptions	
Other Professional Services	
Engineering, Design, Construction Admin	650,000
Construction Services	7,000,000
Machinery & Equipment	
Subtotal	7,650,000
Contingency (30%)	2,295,000
Total Funding Request	9,945,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Grant	0	3,250,000	0	0	0	0	0	0	0	0	0	3,250,000
Ports Proprietary Fund	650,000	6,045,000	0	0	0	0	0	0	0	0	0	6,695,000
Total	650,000	9,295,000	0	0	0	0	0	0	0	0	0	9,945,000

FY22-31 CMMP

UMC Cruise Ship Terminal Ports

Estimated Project & Purchase Timeline

Pre Design: FY20

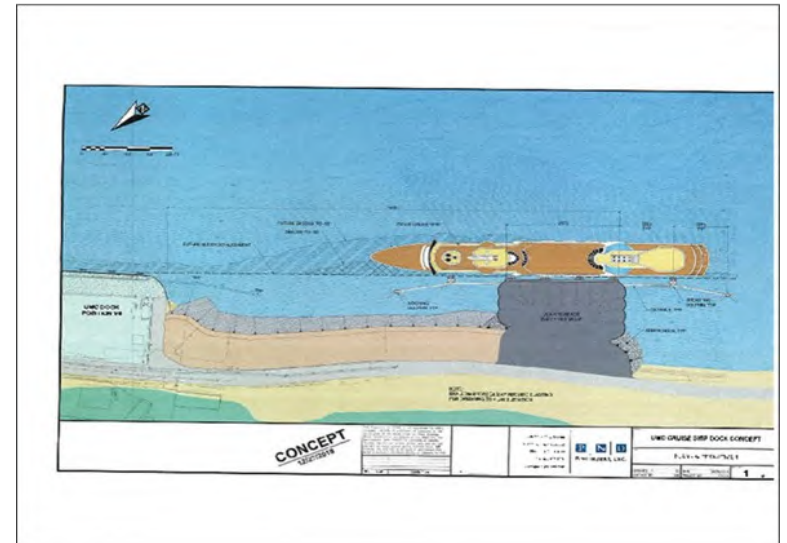
Engineering/Design: FY24

Purchase/Construction: FY26

Project Description: This project will design the Unalaska Marine Center Cruise ship terminal. This Terminal will provide an open sheet pile design dock with mooring dolphins to the South of Unalaska Marine Center Position 7.

Project Need: Cruise ship activity is on the rise in Unalaska and is proving to be a benefit to local commerce. The cruise ships do not have a place to reserve with certainty as the Unalaska Marine Center is designated for industrial cargo and fishing operations. We have been fortunate to be able to accommodate most of the cruise ship activity, but the passenger count and number of vessel calls is on the rise. With this in mind, a cruise ship terminal would allow for dedicated cruise ship berthing. It would eliminate passengers walking through and around cargo operations. During the off season for cruise ships this facility could be used for fishing vessel offloads. This would allow additional revenue opportunity and still bolster commerce through committed berthing for the cruise ship industry.

Development Plan & Status : ROM for geotechnical is about \$300,000 and ROM for design is \$600,000.



Cost Assumptions	
Other Professional Services	
Engineering, Design, Construction Admin	1,300,000
Construction Services	13,000,000
Machinery & Equipment	
Subtotal	14,300,000
Contingency (30%)	4,290,000
Total Funding Request	18,590,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Ports Proprietary Fund	390,000	0	0	910,000	0	17,290,000	0	0	0	0	0	18,590,000
Total	390,000	0	0	910,000	0	17,290,000	0	0	0	0	0	18,590,000

FY22-31 CMMP

Project Description: This project replaces and relocates the oil separator in the underground vault in the Baler Building, upgrades lift station 10.5, replaces associated piping, and upgrades electrical wiring.

Project Need: The Baler Building was constructed in 1997 and included an underground concrete vault to collect water and other liquids. The vault serves as a sump and houses an oil separator. The oil separator has worn and failed. Its underground location makes it exceptionally difficult and unsafe to service and maintain. Drain lines to the sump and oil separator require daily cleaning. The discharge line has failed requiring a temporary sump pump with bypass hose to empty the sump. The oil separator stopped functioning altogether and allows oil (petroleum) to enter the wastewater stream going to the Waste Water Treatment Plant. Petroleum at the WWTP disrupts the chemical and biological processes necessary to properly handle sewage. All catch basins and drainage piping in the Baler building, including the underground sump with oil separator, drain into Lift Station 10.5 located outside of the Baler Building near the Leachate Tank (big white tank at Landfill). Lift Station 10.5 pushes all sewage and leachate from the Landfill to the Waste Water Treatment Plant via a 4" HDPE force main. The lift station pumps are aging and worn requiring replacement. Controls and wiring for lift Station 10.5 are exposed to the weather and need an enclosure placed over them. The existing check valve in the 8" HDPE pipe connecting the Baler floor drain to the lift station has failed and needs to be replaced. High rain events overwhelm the lift station and water backs up past the check valve causing flooding in the Baler. Scope of work includes relocating the backflow preventer vault out of the roadway, replacement of the check valve, installation of a clean-out, concrete pad, and bollards for protection from snow plows.

Development Plan & Status : These needs were identified several months ago and Landfill staff utilized time consuming work-arounds to keep the plant operational while repairs were sought out. In reviewing all the related issues of pumps, drains, wiring, and oil separator, it was deemed serious enough to seek a broader solution instead of individual temporary fixes. The money for this project will come from the Solid Waste Proprietary Fund.

Cost Assumptions	
Engineering, Design, Const Admin	100,000
Other Professional Services	-
Construction Services	647,000
Machinery & Equipment	-
Subtotal	747,000
Contingency (set at 30%)	224,100
TOTAL	971,100
Less Other Funding Sources (Grants, etc.)	-
Total Funding Request \$	971,100

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Solid Waste Proprietary Fund	0	971,100	0	0	0	0	0	0	0	0	0	971,100
Total	0	971,100	0	0	0	0	0	0	0	0	0	971,100

Oil Separator and Lift Station Replacement

Solid Waste

Estimated Project & Purchase Timeline

Pre Design: FY20

Engineering/Design: FY20

Purchase/Construction: FY22



FY22-31 CMMP

Project Description: The pre-design, design, and construction of a Gasifier to incinerate garbage.

Project Need: The Landfill cells are reaching capacity. Unalaska has about five years to come up with alternatives for the City’s garbage or must find a new place to build new cells. Thermal processing of solid waste is the future of Landfills. Gasification is a process that uses a feedstock, often municipal or industrial waste, for a thermo chemical conversion of waste in high heat. This is done in a low oxygen environment and causes material breakdown at the molecular level. Once the molecular breakdown occurs, the gasification process recombines them to form a syngas, a gas similar to natural gas.

Development Plan & Status : Combination of grant funds and Landfill proprietary funds. Future funding is to be determined at a later date.

Solid Waste Gasifier Solid Waste

Estimated Project & Purchase Timeline

Pre Design: FY21
Engineering/Design: FY22
Purchase/Construction: FY25



Cost Assumptions

Engineering, Design, Const	
Admin	800,000
Other Professional Services	100,000
Construction Services	3,000,000
Machinery & Equipment	2,500,000
Subtotal	6,400,000
Contingency (set at 30%)	1,920,000
TOTAL	8,320,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Solid Waste Proprietary Fund	100,000	200,000	400,000	0	7,620,000	0	0	0	0	0	0	8,320,000
Total	100,000	200,000	400,000	0	7,620,000	0	0	0	0	0	0	8,320,000

FY22-31 CMMP

Project Description: This project will evaluate solutions to prevent the grease from entering the scum decant tank. This CMMP item includes the costs for an engineering evaluation and implementation of the improvements.

Project Need: At times, there can be large mats of accumulated grease in the clarifier. While skimming, the water/grease mixture is directed down the clarifier drainpipe to the scum decant tank. The water/grease mixture enters the scum decant tank, and the grease re-suspends in the water, allowing the grease to flow under the baffle with the water into the tank drain to the lift station. The grease then congeals and becomes a maintenance challenge for the lift station.

Development Plan & Status : The budget for this project was estimated from the Water Master Plan. A more accurate budget will be determined during the design phase of the project. Funding for this project will come from the Wastewater Proprietary Fund.

Scum Decant Tank Wet Well Improvements

Wastewater

Estimated Project & Purchase Timeline

Pre Design: FY26

Engineering/Design: FY27

Purchase/Construction: FY28



Cost Assumptions		
	Other Professional Services	
	Engineering, Design, Construction Admin	50,000
	Construction Services	60,000
	Machinery & Equipment	60,000
	Subtotal	170,000
	Contingency (15%)	25,500
	Total Funding Request	195,500

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Wastewater Proprietary Fund	0	0	0	0	0	0	50,000	145,500	0	0	0	195,500
Total	0	0	0	0	0	0	50,000	145,500	0	0	0	195,500

FY22-31 CMMP

Wastewater Clarifier Baffling Improvements

Wastewater

Estimated Project & Purchase Timeline

Pre Design: FY28

Engineering/Design: FY29

Purchase/Construction: FY30

Project Description: This project involves the engineering to evaluate and installing potential improvements to the two WWTP clarifiers. The evaluation should include a review of the record drawings, a site tour of the plant, and an evaluation of alternatives to optimize the configuration of the clarifiers.

Project Need: After screening, the wastewater is rapidly mixed with a coagulant and polymer to improve the settling process in the clarifier. The wastewater in the first clarifier portion is clear and settles well. As the wastewater effluent passes under the clarifier baffle wall at the discharge end, the water quality degrades by becoming turbid. It is presumed that the settled sludge is carried downstream to the chlorine contact tanks, where it settles. This is very inefficient and requires the operators to clean the tank at least twice a month to prevent excessive sludge buildup. The stirred sludge also requires more chlorine for disinfection and, as a result, more sodium bisulfate for dechlorinating. Significant benefit will be realized in both labor and chemical costs if the clarifier's performance is improved.

Development Plan & Status : The budget for this project was estimated from the Wastewater Master Plan and is an estimate at this point in the process. A more accurate budget will be determined during the design phase of the project. Funding for this project will come from the Wastewater Proprietary Fund.



Cost Assumptions	
Engineering, Design, Construction Admin	\$50,000
Other Professional Services	
Construction Services	\$100,000
Machinery & Equipment	\$100,000
Subtotal	\$250,000
Contingency (30%)	\$75,000
Total Funding Request	\$325,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Wastewater Proprietary Fund	0	0	0	0	0	0	0	0	50,000	275,000	0	325,000
Total	0	0	0	0	0	0	0	0	50,000	275,000	0	325,000

FY22-31 CMMP

Project Description: This project would include purchase and installation of back-pressure valves to replace the existing check valves in the system.

Project Need: When the sludge flocculator starts, the discharge valve positions are opened and closed several times, and plant staff verifies that the valve position is closed upon operation. If the valves are left open, the contents of the solids storage tank can drain to the influent pump station. The WWTP staff are careful to set the valves to the appropriate position. Several options were evaluated by the City’s WWTP design consultant and it was determined that replacing the sludge pump check valves with backpressure valves was the best option. This would prevent the sludge from getting past the Penn Valley sludge pumps and exiting the plant if the valve is accidentally left open. Proposed for FY25 – FY26

Development Plan & Status : The budget for this project was estimated from the Wastewater Master Plan and is an estimate at this point in the process. A more accurate budget will be determined during the design phase of the project. Funding for this project will come from the Wastewater Proprietary Fund.

Wastewater Sludge Pump Check Valve Replacement

Wastewater

Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY25

Purchase/Construction: FY26



Cost Assumptions		
Engineering, Design, Construction Admin		\$20,000
Other Professional Services		
Construction Services		\$30,000
Machinery & Equipment		\$20,000
Subtotal		\$70,000
Contingency (30%)		\$21,000
Total Funding Request		\$91,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Wastewater Proprietary Fund	0	0	0	0	20,000	71,000	0	0	0	0	0	91,000
Total	0	0	0	0	20,000	71,000	0	0	0	0	0	91,000

FY22-31 CMMP

Project Description: This project will replace approximately 600 linear feet of cast iron pipe segment under Biorka Drive with ductile iron. The replacement of this pipe was designed already by Regan Engineering, but the project was dropped when paving of Biorka Drive, which was the driving factor, was shelved.

Project Need: This section of water pipe was installed in the 1940's with cast iron pipe, the last section of cast iron pipe in Unalaska's water system. This line has been repaired in the past and has been in service longer than its life expectancy. Cast iron is a brittle material that is also susceptible to corrosion. Cast iron pipe often fails catastrophically when subjected to excessive pressure surge or ground movement. Pipe failure becomes more frequent with a cast iron pipe as it ages and loses wall thickness to corrosion. Emergency repairs after an unexpected catastrophic pipe failure are usually many times more expensive than proactive pipe replacement due to incidental damage, overtime, lack of in-stock repair materials, and general disruption of utility operations. Preventative replacement of pipes with high failure risks is a good practice in order to avoid the more costly emergency repair situation brought by a pipe failure.

Development Plan & Status : The budget for this project was estimated from the Water Master Plan. A more accurate budget will be determined during the design phase of the project. Funding for this project will come from the Water Proprietary Fund. Total cost for this project is estimated at \$396,500.

Biorka Drive Cast Iron Waterline Replacement

Water

Estimated Project & Purchase Timeline

Pre Design: FY28

Engineering/Design: FY28

Purchase/Construction: FY29



Cost Assumptions		
Engineering, Design, Construction Admin		\$30,000
Other Professional Services		
Construction Services		
Machinery & Equipment		\$275,000
Subtotal		\$305,000
Contingency (30%)		\$91,000
Total Funding Request		\$396,500

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	0	0	0	0	0	0	0	396,500	0	0	0	396,500
Total	0	0	0	0	0	0	0	396,500	0	0	0	396,500

FY22-31 CMMP

CT Tank Interior Maintenance and Painting

Water

Estimated Project & Purchase Timeline

Pre Design: FY20

Engineering/Design: FY20

Purchase/Construction: FY22

Project Description: This project will paint and perform other maintenance to the inside of the Pyramid CT Tank. Work will be performed in two phases. The coatings on the ceiling are deteriorating at a rate to meet its predicted life span of 20-25 years. Small sections of coatings are beginning to drop into the water in the tank. The floor has problems with pitting that needs to be dealt with immediately. In some locations the pitting is believed to exceed ½ of the thickness of the steel plate. If left in its current condition, the tank floor will likely be leaking in 2-3 years. In 5-7 years, large sections of the ceiling coatings will be dropping into the water and could plug the tank discharge holes or break up and travel through the distribution system and into customers’ services. Shortly after, structural damage will begin to occur. This tank can be kept in good reasonable service for many years to come, with the proper maintenance including painting, for a fraction of the cost of a new tank. Adding a new CT Tank may however, be the best option to provide for the ability to maintain this existing CT Tank

Project Need: The Pyramid CT Tank was originally constructed in 1993. The tank has been drained every 3-5 years for cleaning and/or inspection over the past 10 years. It takes from 200-300 man hours over a 7-10 day period to drain, clean and inspect the tank. The tank has never been completely de-watered, because it is a lengthy process, tank configuration and the equipment available. Historically, water tanks in this area have exteriors re-coated every 15-25 years. In 2008 the CT Tank roof was painted with a finish coat after a failed attempt to replace the wind damaged foam insulation in 2000. In 2004 anodes were added to help slow the rate of corrosion to the inside of the tank. Total cost for maintenance has averaged about \$25,000.00-\$30,000.00 per year.

Development Plan & Status : Building a second CT Tank was the designed and intended path to take when the original CT Tank was built. It provides the redundancy required in the treatment process to maintain Filtration Avoidance status. It also directly addresses the operational function issues associated with maintaining each tank



Cost Assumptions	
Engineering, Design, Const Admin	75,000
Other Professional Services	-
Construction Services	735,000
Machinery & Equipment	-
Subtotal	810,000
Contingency (set at 30%)	243,000
TOTAL	1,053,000
Less Other Funding Sources (Grants, etc.)	-
Total Funding Request \$	1,053,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	100,000	953,000	0	0	0	0	0	0	0	0	0	1,053,000
Total	100,000	953,000	0	0	0	0	0	0	0	0	0	1,053,000

FY22-31 CMMP

East Point Crossing Water Line Inspection

Water

Estimated Project & Purchase Timeline

Pre Design: FY23

Engineering/Design: FY23

Purchase/Construction: FY23

Project Description: This project consists of the inspection of the water line crossing from East Point Road to West Broadway Avenue. This underwater pipe crossing to Amaknak Island at East Point is a 12-inch ductile iron pipe installed in 1977. HDR recommends conducting a “See Snake” system inspection for this water line due to its invasive approach to pipe inspections. PICA Corporation’s See Snake system is the only insertion type tool that HDR was able to identify that offers pipe wall condition assessment capability in a 12-inch pipe application. See Snake is a device that uses an electromagnetic Remote Field Technology to measure wall thickness and detect internal and external flaws as it moves through a pipe. See Snake can also detect and locate external stress on a pipe due to soil movement, bridging, inadequate support, rippling, or denting.

Project Need: The East Point Crossing pipe is one of only two water system connections to Amaknak Island. Should this pipe ever fail, the consequences could be a shutdown of all water service to Amaknak Island until the break can be located and isolated. This would be especially devastating during processing season. Flow of water to Amaknak Island could be restricted for a period of at least several weeks while waiting for the pipe to be repaired by divers or a new pipe installed. If the break occurs under the Alyeska Seafoods facility the washout from the flow could cause structural damage to buildings. Given the criticality, age, and seawater exposure of this pipe, action is recommended to perform condition assessment and/or replace the pipe.

Development Plan & Status : The budget for this project was estimated from the Water Master Plan. A more accurate budget will be determined during the design phase of the project. Funding will come from the Water proprietary Fund.



Cost Assumptions		
Engineering, Design, Construction Admin		
Other Professional Services		\$50,000
Construction Services		\$75,000
Machinery & Equipment		
Subtotal		\$125,000
Contingency (30%)		\$37,500
Total Funding Request		\$162,500

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	0	0	162,500	0	0	0	0	0	0	0	0	162,500
Total	0	0	162,500	0	0	0	0	0	0	0	0	162,500

FY22-31 CMMP

Icy Lake Capacity Increase & Snow Basin Diversion Water

Estimated Project & Purchase Timeline

Pre Design: FY31

Engineering/Design:

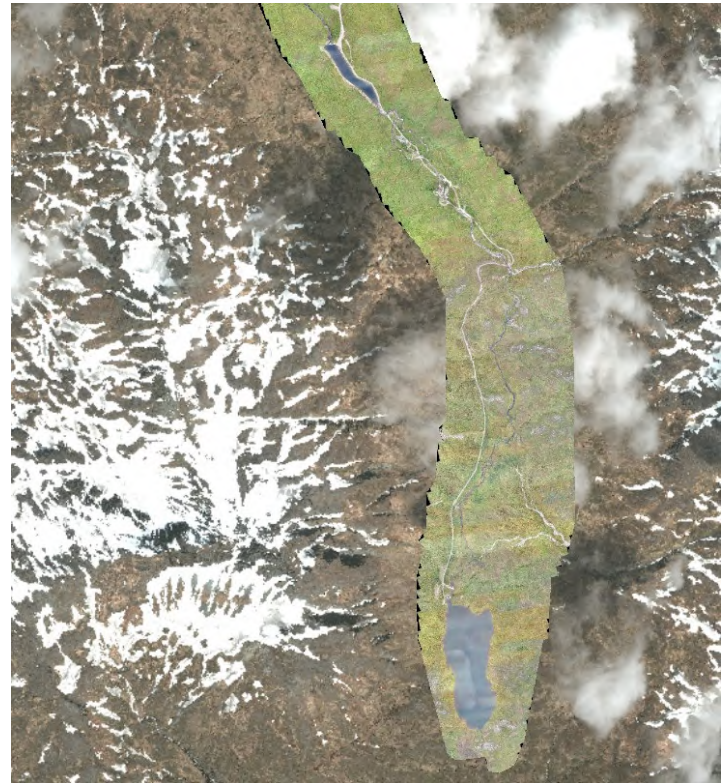
Purchase/Construction:

Project Description: This project will increase the height of the existing dam on the north side of Icy Lake and construct a new dam on the south end of Icy Lake. The 2006 Golder-letter describes the project as follows:

- The existing sheet pile dam at the north end of the lake would be raised 5 feet and the dam length increased from 67 to 98 feet.
- A new sheet pile dam, approximately 6 feet tall by 193 feet long would be built at the south end of the lake.
- Additional grading and riprap would be required for a larger spillway apron at the north dam.
- Riprap would be required for wave erosion protection of the south dam.
- Grouting at the north and south dams would be required to seal fractured bedrock.

Project Need: Additional capacity for raw water storage at Icy Lake would be beneficial to help span processing seasons that occur during the more prolonged and frequent dry weather periods. Water system operators use the lake to “bank” surplus water between processing seasons when demand is low, so that by the beginning of a processing season the utility is starting out with a full lake. During heavy processing the lake level gradually drops as demands exceed the combined capacity of Icy Creek and the wells, and operators release lake water into Icy Creek. This operational strategy has been stressed in recent years when dry weather coincides with processing seasons and the lake is drawn nearly empty. If the lake is run empty and the water system is not able to meet demands, water rationing and reducing fish processing throughput or diverting fish to processors in other communities would be required.

Development Plan & Status : The budget for this project was estimated from the Water Master Plan. A more accurate budget will be determined during the design phase of the project. Funding for this project will come from the Proprietary Fund and State Grants.



Cost Assumptions	
Engineering, Design, Construction Admin	\$150,000
Other Professional Services	\$30,000
Construction Services	\$2,020,000
Machinery & Equipment	
Subtotal	2,200,000
Contingency (30%)	\$660,000
Total Funding Request	2,860,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	0	0	0	0	0	0	0	0	0	0	2,860,000	2,860,000
Total	0	0	0	0	0	0	0	0	0	0	2,860,000	2,860,000

FY22-31 CMMP

Icy Lake Hydrographic Survey

Water

Estimated Project & Purchase Timeline

Pre Design: FY24

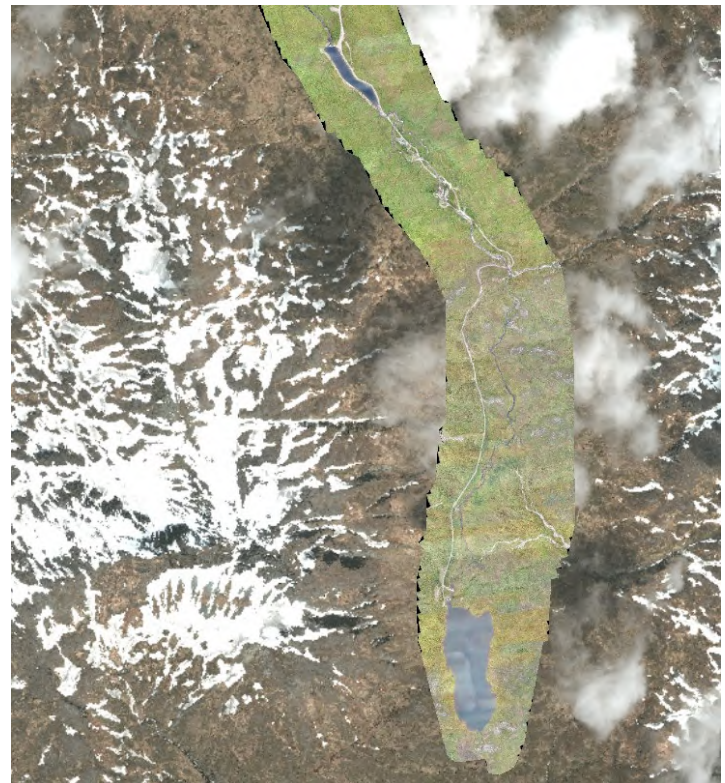
Engineering/Design: FY24

Purchase/Construction: FY24

Project Description: This project will survey Icy Lake reservoir consisting of a topographic survey of the shoreline and shallow areas around the lake. A water resources engineer will determine the precise stage-storage (Depth and Volume) relationship and curve would analyze the hydrographic and topographic survey results. The stage-storage curve should allow operators to quickly determine the exact volume of available water at various water surface elevations. The stage-storage relationship could also be added to the utility SCADA system so the SCADA system automatically calculates and displays the lake's volume of available water in real-time.

Project Need: Icy Lake provides impounded raw water storage for Unalaska and is used during periods of low water and/or significant demand. The Lake is impounded behind a sheet pile dam at its outlet. Water from the lake is released using a remote controlled valve at the sheet pile dam to fill the Icy Creek Reservoir. The exact volume of the lake is unknown but estimates range from between 52 MG and 61 MG, with a volume of 57 MG at the spillway elevation. Without accurate bathymetry of the lake bottom, the Utility must estimate stage-storage of the lake in order to know how much available water remains in the lake at any given water surface elevation. If the Utility's estimate of remaining water is overly conservative, the result could be premature water rationing, impacting utility customers, especially the fish processors. If the Utility overestimates the remaining water, then it could run out of water faster than expected. An accurate hydrographic survey of the lake would enable precise determinations of the available water and more effectively manage water supplies.

Development Plan & Status : The budget for this project was estimated from the Water Master Plan. A more accurate budget will be determined during the design phase of the project. The funding for this project will come from the Proprietary Fund.



Cost Assumptions		
Engineering, Design, Construction Admin		\$5,000
Other Professional Services		\$41,000
Construction Services		
Machinery & Equipment		\$10,000
Subtotal		\$56,000
Contingency (30%)		\$16,800
Total Funding Request		\$72,800

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	0	0	0	72,800	0	0	0	0	0	0	0	72,800
Total	0	0	0	72,800	0	0	0	0	0	0	0	72,800

FY22-31 CMMP

Icy Lake Road Reconstruction

Water

Estimated Project & Purchase Timeline

Pre Design: FY22

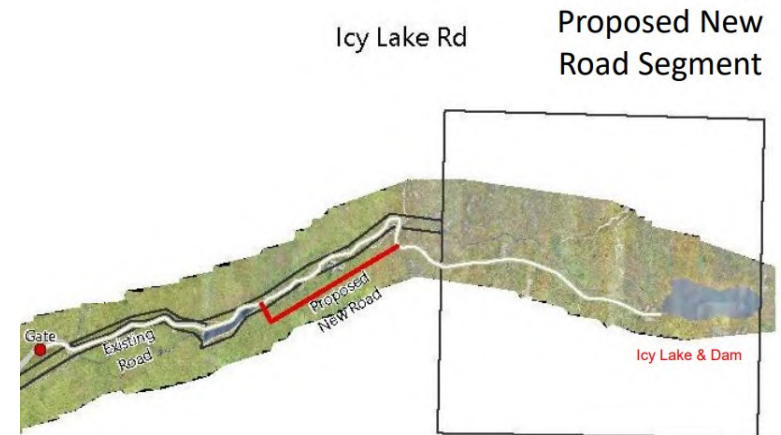
Engineering/Design: FY22

Purchase/Construction: FY23

Project Description: Phase 1 Site Survey: This project will hire a land surveyor to conduct a site survey of the Icy Creek Valley from the existing Icy Creek Reservoir to Icy Lake & Dam. A civil engineer will be hired to put together plans and specifications to design a service road crossing over Icy Creek near Icy Creek Reservoir and going along the west side of Icy Creek. Permitting and land acquisition initiation are also part of this phase. Phase 2 Construction: This project will construct a new service road over Icy Creek going along the west side of Icy Creek joining the existing road. The existing road will also be improved.

Project Need: The existing road from the reservoir follows the Icy Creek and requires driving in the creek to cross it in 5 locations. The road frequently requires repairs due to wash outs and storm event damage. Driving in the creek to Icy Lake & Dam and back again causes siltation which creates water quality issues at the Pyramid Water Treatment Plant.

Development Plan & Status : This project has been discussed for several years. A site survey and engineered plans will determine the best course of a new road segment. Monies will come from the Water Proprietary Fund. Grant opportunities will be sought out once plans and specs are in place.



Cost Assumptions

Engineering, Design, Const Admin	100,000
Other Professional Services	0
Construction Services	900,000
Machinery & Equipment	0
Subtotal	1,000,000
Contingency (set at 30%)	300,000
TOTAL	1,300,000
Total Funding Request	1,300,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	0	100,000	1,200,000	0	0	0	0	0	0	0	0	1,300,000
Total	0	100,000	1,200,000	0	0	0	0	0	0	0	0	1,300,000

FY22-31 CMMP

Installation of Meter and Booster Pump at Agnes Beach PRV Station

Water

Estimated Project & Purchase Timeline

Pre Design: FY28

Engineering/Design: FY29

Purchase/Construction: FY30

Project Description: This recommended project would add water metering and a booster pump system at the Agnes Beach PRV station. The water metering will aid in leak detection, and utility management and understanding of where water is being used and when. The booster pump will provide water supply redundancy to Westward Seafoods, one of the largest customers in the water system, as well as redundancy to any further development along Captain’s Bay Road.

Project Need: The Agnes Beach PRV station drops the pressure of water from Pressure Zone 2 (Captains Bay Road) to Pressure Zone 3 (Town) hydraulic grade. The station also allows for water to flow to the higher elevation areas of Haystack Hill with an option to allow external boosting in the event of a fire demand on Haystack Hill. The current PRV set up does not allow any method of measuring water flow through the station and severely limits the ability to reverse flow from the wells in the lower pressure Zone 3 to higher pressure Zone 2 (Westward Seafoods). A booster pump will allow for the pumping of water from the lower pressure zone to the higher pressure zone in the event of a shut-down of the Pyramid Water Treatment Plant due to, for example, high turbidity.

Development Plan & Status : The budget for this project was estimated from the Water Master Plan. A more accurate budget will be determined during the design phase of the project. Funding for the project will come from the Water proprietary Fund.

Cost Assumptions	
Engineering, Design, Construction Admin	\$50,000
Other Professional Services	\$20,000
Construction Services	\$160,000
Machinery & Equipment	\$70,000
Subtotal	\$300,000
Contingency (30%)	\$90,000
Total Funding Request	\$390,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	0	0	0	0	0	0	0	0	70,000	320,000	0	390,000
Total	0	0	0	0	0	0	0	0	70,000	320,000	0	390,000

FY22-31 CMMP

Project Description: This project will include the location, repair and as-needed replacement of water Service Valves (SV's) and Mainline Valves (MLV's) which are used to control water throughout the City's Water Distribution (WD) system.

Project Need: There are about 600 SV's and at least 240 MLV's in the City of Unalaska. These valves range in size from 3/4" through 24". The valves are used to isolate structures, services and mainlines from the rest of the Water Distribution system due to leaks, to facilitate repairs, service installations, customer requests, mainline flushing and for non-payment. Although specifics vary, the general recommendation among SV and MLV manufacturers is that valves should be maintained once a year by turning (exercising) them. Since valves are usually buried out of sight underground and they require a certain amount of manpower to maintain, it is common for them to be done so with a frequency which is much less than recommended or none at all. Unfortunately this results in a percentage of valves that become inaccessible or inoperable as the years pass. Currently, we operate valves on an as-needed basis. This means that while some valves have been operated several times since they were installed, others have been exercised infrequently or not at all since they were installed over 30 years ago. We want to ensure that our valves remain both accessible and operable so that routine operations are feasible and so that emergency situations such as house flooding and road washouts due to broken lines can be addressed as quickly as possible. Based off our experience and those of other water operators from around Alaska, the consensus is that valves should at a minimum be operated once every few years to ensure they remain accessible and operational. We want to maintain one-fifth of the valves on an annually rotating basis so that the valves are accessed and exercised in an ongoing five year cycle. To accomplish this we are planning to work with a contractor. The contractor will coordinate the necessary utility locates, provide traffic control, ensure that the valves are accessible as well as perform excavating, repairs and replacements as needed. The Water Division would provide the water portion of the utility locates, assist with locating the valves, operate the valves, assist with some of the repairs as well as obtain data from each valve and valve location for our records. Any necessary materials would be sourced from either the City or the contractor depending on what is needed and the availability.

Development Plan & Status : The contractor will be required to submit an Excavation Permit with the associated Traffic Control Plan and utility locates per City of Unalaska policy. Cost & Financing Data: An annual ROM for this project would be \$100,000 with a 10% contingency. We intend to re-submit this CMMP on an annually recurring basis so that we have adequate, ongoing funds with which to maintain the City's water valves.

Mainline and Service Valve Maintenance Program

Water

Estimated Project & Purchase Timeline

Pre Design: FY22

Engineering/Design: FY22

Purchase/Construction: FY22



Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Total	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000

FY22-31 CMMP

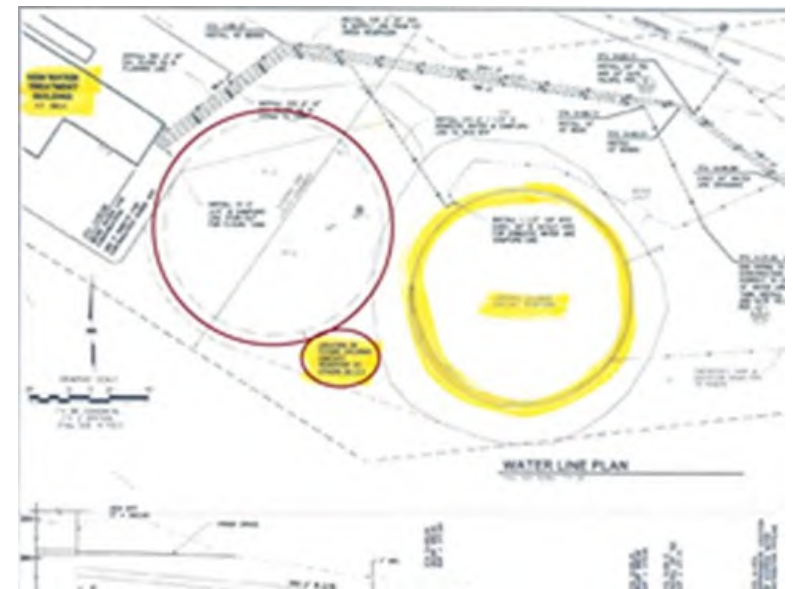
Pyramid Water Storage Tank Water

Estimated Project & Purchase Timeline

Pre Design: FY14

Engineering/Design: FY23

Purchase/Construction: FY24



Project Description: This project will construct a second 2.6 million gallon Chlorine Contact Tank (CT Tank) next to the existing CT Tank. It will provide much needed clear water storage and enable maintenance to be done on the interior of either tank regardless of process seasons or weather. The project will require the installation of approximately 200 ft. of 16" DI water main, 200 ft. of 8" DI drain line, and 100 ft. each of 1" sample line and control wiring

Project Need: Additional storage provided by this tank will help to meet many of the issues mentioned in the 2004 Water Master Plan. Even in the Water Distribution System's current configuration, this new tank will provide an additional 960,000 gallons of the additional 4 MG of finished water storage recommended in the Master Plan. When planned future development is completed on Captain's Bay Road, over 2.2 MG of water storage will be available at the maximum Pyramid Water Treatment Plant capacity of 9 MGD. The additional storage will provide a much needed buffer, allowing time to troubleshoot and repair problems in the event of an equipment failure or system malfunction. It will reduce the likelihood of water shortages and/or outages during the Pollock Processing seasons. Additional benefits include:

- ☐ Reduce service interruption, boil water notices, and risk of system contamination during maintenance.
- ☐ Allow routine maintenance to be done on the interior or exterior of either tank during any season, prolonging the life of these tanks.
- ☐ Expand and upgrade both the water treatment and distribution systems, using the full 9 MGD design capacity of the new water treatment plant will be possible.
- ☐ Improve the flow characteristics of the new Pyramid Water Treatment Plant. Plant operators will be able to allow the tanks to absorb the high and low flows, maintaining a more stabilized treatment process and allowing the new Ultra Violate treatment process to operate more efficiently.

Development Plan & Status : A "Certificate to Construct" and a "Certificate to Operate" are required from ADEC, obtained through application by the designing engineer.

Engineering, Design, Const Admin	647,000
Other Professional Services	-
Construction Services	6,379,879
Machinery & Equipment	-
Subtotal	7,026,879
Contingency (set at 30%)	2,108,064
TOTAL	9,134,943
Less Other Funding Sources (Grants, etc.)	-

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	625,000	0	603,750	7,906,193	0	0	0	0	0	0	0	9,134,943
Total	625,000	0	603,750	7,906,193	0	0	0	0	0	0	0	9,134,943

FY22-31 CMMP

Pyramid Water Treatment Plant Chlorine Upgrade Water

Estimated Project & Purchase Timeline

Pre Design: FY21

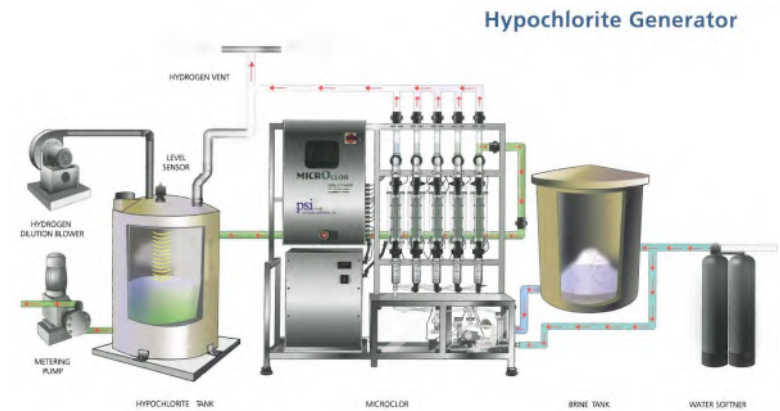
Engineering/Design: FY21

Purchase/Construction: FY22

Project Description: This project in the Pyramid Water Treatment Plant (PWTP) will include the removal of the existing Chlorine Gas system and the installation of an on-site system which generates liquid Chlorine (Sodium Hypochlorite) using salt and electricity.

Project Need: Using stringent regulations, the EPA is doing away with Chlorine Gas as the primary method of disinfecting potable water. Vendors for Chlorine Gas are becoming scarce as most Water Treatment Plants and other users have already changed over to an alternative. There are only two remaining Chlorine Gas vendors located on or near the west coast which will ship to Alaska. We are currently using the vendor who is located on the coast. We have experienced issues with their product. If we continue to have issues with Chlorine Gas from them or they quit carrying Chlorine Gas altogether, the remaining vendor is twice the price due to the extra cost involved in shipping the Chlorine Gas to the coast. In addition, potable water treated with Chlorine Gas is more acidic than Sodium Hypochlorite. Combined with the rise in EPA's standards, there is a very high possibility that we will be required to perform a corrosion control study and begin adding a corrosion control inhibitor to our potable water. Switching to Sodium Hypochlorite will help lower the acid index of our drinking water. This will lessen the possibility of having to perform the study or add an inhibitor. In addition, the multiple safety items associated with Chlorine Gas that we are required to own are very expensive, highly regulated and take a significant amount of time to maintain.

Development Plan & Status : This project will require a consultant for design and engineering to obtain Alaska Department of Environmental Conservation (ADEC) approval. A contractor will be needed for construction. A ROM for this project would be \$500,000 – \$750,000. This number could be reduced if the existing crane, Chlorine Gas Bay, etc. in the PWTP can be utilized with the new system. The existing PWTP Chlorine Gas Bay is believed to be of sufficient size to house the new Sodium Hypochlorite equipment. However, a heated area for salt storage will be required. It would be most efficient to have the salt storage area as part of the existing PWTP structure. Doing so would require an addition to the current building.



Cost Assumptions		
	Other Professional Services	\$ 25,000.00
	Engineering, Design, Construction Admin	\$ 80,000.00
	Construction Services	\$ 250,000.00
	Machinery & Equipment	\$ 400,000.00
	Subtotal	\$ 755,000.00
	Contingency (30%)	\$ 226,500.00
	Total Funding Request	\$ 981,500.00

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	100,000	881,500	0	0	0	0	0	0	0	0	0	981,500
Total	100,000	881,500	0	0	0	0	0	0	0	0	0	981,500

FY22-31 CMMP

Sediment Traps Between Icy Lake and Icy Creek Reservoir Water

Estimated Project & Purchase Timeline

Pre Design: FY26

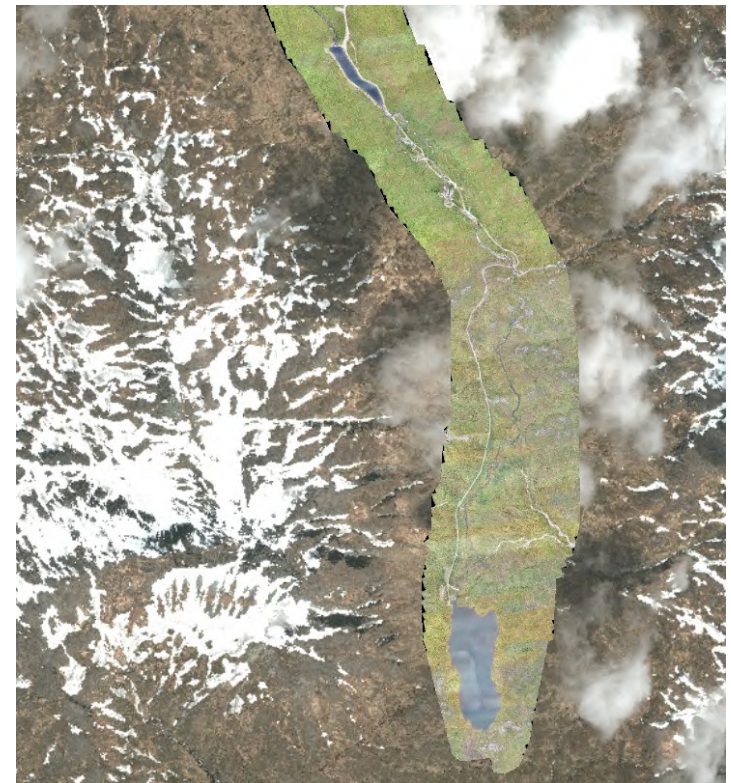
Engineering/Design: FY26

Purchase/Construction: FY27

Project Description: This project consists of constructing one or more sediment traps in Icy Creek upstream of the reservoir. The sediment trap system should essentially be a series of deep, wide step pools with rock check dams along the creek that decrease the flow velocity and allow rocks and sediment to settle out. The sediment traps should also create a location for rocks and sediment to accumulate that would be easier for heavy equipment to access, easier to clean out, and potentially allow the reservoir and Pyramid WTP to remain in service while the upstream sediment traps are being cleaned. Although the sediment traps will not eliminate shutdown of the Pyramid WTP due to turbidity spikes during high flow events, it could reduce the occurrence and duration of shutdowns.

Project Need: Large amounts of rock and sediment move downstream along Icy Creek during high flow events. The rocks accumulate at the inlet end of the Icy Creek Reservoir as seen in Figure 30 and heavier sediment accumulates behind the dam. The rocks and sediment reduce the capacity of the reservoir. Draining of the reservoir and removal of rocks and sediment is a challenging exercise that is required periodically and also requires a lengthy shutdown of the Pyramid WTP. Turbidity issues due to suspended fine-grained sediments during high flow events also regularly cause shutdown of the Pyramid Water Treatment Plant.

Development Plan & Status : The budget for this project was estimated from the Water Master Plan. A more accurate budget will be determined during the design phase of the project. Funding for this Project will come from the Water Proprietary Fund.



Cost Assumptions	
Engineering, Design, Construction Admin	\$50,000
Other Professional Services	\$50,000
Construction Services	\$400,000
Machinery & Equipment	
Subtotal	\$500,000
Contingency (30%)	\$150,000
Total Funding Request	\$650,000

Source	Appropriated	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Water Proprietary Fund	0	0	0	0	0	650,000	0	0	0	0	0	650,000
Total	0	0	0	0	0	650,000	0	0	0	0	0	650,000

FY22 Rolling Stock Replacement Plan Summary

By Department

As of 03-18-21

Vehicle #	Dept	Primary Driver	Description	Year	Life Cycle	Replace Date	Replace With	Miles	Hours	Description of New Vehicle	Transfer Old Vehicle To	FY22 \$\$\$	Est or Quote
UPD9826	DPS	Chief	4x4 Explorer	2012	7	2019	New	26,331		Replaced in FY21 waiting for new to arrive	Finance	-	n/a
CH7413	City Hall	Finance	Red 4x4 Ford Explorer	2003	15	2018	UPD9826	86,063		Ford Expedition - Police Chief	City Hall - Floater	-	n/a
CH3710	City Hall	Floater	Blue Ford Ranger PU	1996	15	2011	CH7413	49,694		Red Ford Explorer	Surplus Sale	-	n/a
UPD5563	DPS	Patrol	4x4 Ford Expedition	2014	7	2021	New	52,315		4x4 Chevy Tahoe	PCR Floater	\$ 62,187	Quote
PW1992	DPW	Roads	4x2 F250 Flatbed	1995	15	2010	New	53,097		4x4, Chevy/GMC Rollback Car Hauler	Surplus Sale	\$ 128,249	Quote
PW6372	DPW	Roads	4x4 F350 Flatbed w/plow	2003	15	2018	New	43,291		4x4 Chevy/GMC 1-Ton	Surplus Sale	\$ 60,000	Est
DT7	DPW	Roads	Volvo 12 CY Dump Truck	1996	18	2014	New		17,714	Sterling 12 CY Dump Truck	Surplus Sale	\$ 148,941	Quote
HS1	DPW	Roads	Hydro-Seeder/Mulcher	1997	20	2017	DNR		8,892	DNR - Hire Locally	Surplus Sale	-	n/a
L1	DPW	Roads	IT28G CAT Loader	2001	18	2019	New		13,652	CAT 930 Loader	Landfill	\$ 250,246	Quote
L4	DPU	Landfill	IT28B CAT Loader	1991	18	2009	L1		19,889	IT28G CAT Loader	Surplus Sale	-	n/a
LF1	DPU	Landfill	L20B-P Volvo Loader	2007	18	2025	New	-	16,038	908 CAT Loader	Surplus Sale	\$ 131,552	Quote
E1214	DPU	Line Crew	Ford F800 Crane Truck	1986	20	2006	New	-	1,377	2 TON Chevy/GMC Crane Truck	Surplus Sale	\$ 241,962	Quote
New	Ports	Ports	New to Fleet	-	-	-	New	-		920 CAT Loader w/forks, 2 buckets,broom	n/a	\$ 217,269	Quote
New	DPU	WW	New to Fleet	-	-	-	New	-		100 KVA Backup Genset - Lift Stations	n/a	\$ 77,369	Quote
GS13	DPU	W	Kato Genset	1994	20	2014	New	-	8,277	100 KVA Backup Genset - Water Wells	Surplus Sale	\$ 77,369	Quote

TOTAL **\$ 1,395,145**

By Fund

GENERAL FUND	\$ 649,623
ELECTRIC FUND	\$ 241,962
WATER FUND	\$ 77,369
WASTEWATER FUND	\$ 77,369
SOLID WASTE FUND	\$ 131,552
PORTS / HARBOR FUND	\$ 217,269

TOTAL **\$ 1,395,145**

FY22-31 Rolling Stock and Equipment Replacement Plan

Legend:

Salmon	= General Fund
Pink	= Electric Fund
Green	= Solid Waste Fund
Blue	= Ports Fund
Ivory	= Wastewater Fund
Purple	= Water Fund
White	= FY22 Proposed New to Fleet
Yellow	= FY22 Replacements

Abbreviations:		Department of Public Works		Department of Public Utilities		City Hall		Department of Public Safety	
Engineering	DPW	Water	DPU	City Manager	CH	Police	DPS		
Roads	E	Wastewater	W	Assistant City Manager	CM	Fire/EMS	UPD		
Facilities Maintenance	Roads	Line Crew	WW	Planning	ACM	Animal Control Officer	UFD		
Supply	FM	Powerhouse	LC	Finance	C	Do Not Replace	ACO		
Vehicle/Equipment Maintenance	S	Solid Waste/Landfill	P	Information Systems	Plan		PCR		
Director	VM	Floater	LDF		Fin		Port		
Deputy Director	DIR		Float		IS		DNR		
	DEP								

As of 03-18-21

Vehicle #	Class	Primary User	Make	Function / Description	Year	Life Cycle	Replace Date	FY22 Replace Priority	Miles / Hours	Replace With	Transfer To	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
CH3710	GP	CH-Floater	Ford	4x4, Blue Ranger w/ Topper	1996	15	2011	1	49,694	CH7413	Surplus Sale			\$0									
E1214	HE	P	Ford	Crane Truck	1986	20	2006	2	1,377	New	Surplus Sale			\$241,962									
HS1	EQ	Roads	Hydro-Mulcher	Hydro-seeder on wheels	1997	15	2012	3	8,892	DNR	Surplus Sale			\$0									
L4	HE	LDF	CAT	Loader, IT28	1991	18	2009	4	19,889	L1	Surplus Sale			\$0									
PW1992	GP	Roads	Ford	F250 Flatbed 2WD Q-Tribe	1995	15	2010	5	53,097	New	Surplus Sale			\$128,249									
DT7	HE	Roads	Autocar/Volvo	Dump Truck	1996	18	2014	6	17,714	New	Surplus Sale			\$148,941									
GS13	EQ	W	Kato/John Deere	Gen Set - Well House #1 by DPW	2000	20	2020	7	8,277	New	Surplus Sale			\$77,369									
PW6372	GP	Roads	Ford	F350 Flatbed plow-salt spreader	2008	15	2023	8	43,291	New	Surplus Sale			\$60,000	Estimate								
LF1	HE	LDF	Volvo	Loader	2007	18	2025	9	16,038	New	Surplus Sale			\$131,552									
CH7413	GP	Fin	Ford	4x4 Explorer - Red	2003	15	2018	10	86,063	UPD9826	CH Floater			\$0									
L1	HE	Roads	CAT	Loader, IT28	2001	18	2019	11	13,652	New	LDF			\$250,246									
UPD5563	GP	DPS	Ford	4x4 Expedition	2014	7	2021	12	52,315	New	PCR/Floater			\$62,188									
n/a	EQ	WW	Generac	Trailer mounted genset 100KVA	Proposed New to Fleet			15	-					\$77,369									
n/a	EQ	Ports	CAT	920 Loader w/attachments	Proposed New to Fleet			19	-					\$217,269									
PUMP5780	EQ	UFD	Darley	Fire Pump - Trailer Mounted	1992	15	2007	20	n/a					\$50,000									
GW1	EQ	VM	Miller	Welder	1992	15	2007	21	n/a					\$25,000									
FL2	EQ	VM	Hyster	Forklift - Electric	1988	20	2008	22	10,119					\$80,000									
CL1	EQ	W	John Deere	Generator	1988	20	2008	23	7,020					\$65,000									
BD5	HE	Roads	CAT	D7 Dozer	1989	20	2009	24	8,716												\$400,000		
PW5954	HE	S	Ford	F700 4x4, Flatbed	1996	15	2011	25	7,143						\$65,000								
AC2	EQ	Roads	Ingersol Rand	Air Compressor - Portable	1994	20	2014	26	201							\$20,000							
PW8586	GP	VM	Ford	F350 4x4 Flatbed w/air compress	1996	15	2011	27	23,979	E5629	Surplus Sale			\$60,000									
AC3	EQ	LC	Ingersol Rand	Air Compressor - Portable	1994	20	2014	28	579											\$20,000			
TR2	EQ	FM	Trailmax	Trailer (Scissor lift)	1992	20	2012	29	7,817						\$50,000								
AC4	EQ	VM	Ingersol Rand	Air Compressor	1994	20	2014	30	9,705						\$35,000								
S3	EQ	Roads	Swenson	Gravel / Salt Spreader 12ft	1997	15	2012	31	8,450					\$15,000									
BH1	HE	LC	Case	590 Backhoe 4X4	2000	15	2015	32	3,792											\$250,000			
DT6	HE	Roads	GMC/Volvo	Dump Truck	1994	18	2012	33	12,547											\$150,000			
UFD0592	HE	UFD	Pierce	Fire Engine #2	1997	18	2015	34	8,500											\$1,000,000			
ST1	HE	Roads	Autocar/Volvo	Sand Truck Dump Truck	1998	15	2013	35	1,995							\$160,000							
WT2	HE	Roads	Autocar/Volvo	Water Tanker 4000 gal	1996	20	2016	36	8,221											\$100,000			
BH2	HE	WW	Case	580 Backhoe 4X4	1999	15	2014	37	3,449					\$150,000									
HB1	EQ	Roads	United	Asphalt Hot Box	2001	15	2016	38	6,950							\$150,000							
SS1	HE	Roads	International	Elgin Street Sweeper Crosswind J	2002	15	2017	39	1,619											\$300,000			
PW9623	GP	Eng	Ford	4x4 Explorer	2002	15	2017	40	117,616						\$50,000								
TR21	EQ	Roads	A-1 Welding	Shoring Trailer	1997	20	2017	41	8,754						\$25,000								
E6	HE	LC	Autocar/Volvo	Boom Truck	1997	20	2017	42	3,923											\$100,000			
LF6065	GP	LDF	Ford	F250 Pickup 4x4	2003	15	2018	43	50,297					\$45,000									
TR8	EQ	UFD	Foster Rescue	Trailer - Rescue-SCBA Refill	2005	13	2018	44	5,833											\$25,000			
VT2	HE	WW	Volvo	Factor Truck	1998	20	2018	45	8,604	Replaced in FY21													
LF0750	HE	LDF	Ford	F-750 Flatbed with Lift	2003	15	2018	46	9,326							\$80,000							
PS1	EQ	Roads	Graco	Road Lazer - Strip Painter	2003	15	2018	47	6,487											\$35,000			
PW4751	HE	S	Ford	Flatbed F550 with Box	2004	15	2019	48	76,492							\$80,000							
GM2	EQ	FM	Toro	Riding Lawn Mower	2009	10	2019	49	4,169					\$20,000									
GS18	EQ	DPS	Generac	Stationary Backup Generator	1999	20	2019	50	7,717											\$80,000			
PS2	EQ	Roads	Etnyre	Asphalt Distributor	2004	15	2019	51	5,744											\$65,000			
BD6	HE	Roads	CAT	D4 Dozer	1992	20	2012	52	5,492											\$350,000			
AC1	EQ	VM	Ingersol Rand	Air Compressor in DPW	1999	20	2019	53	23,622					\$35,000									
BD7	HE	LC	CAT	D3 Dozer	1996	20	2016	54	6,196											\$350,000			
TR17	EQ	LC	Trail King	Utility Trailer	1995	20	2015	56	9,277							\$50,000							
BH3	HE	Roads	CAT	307C Mini Excavator	2005	15	2020	57	6,951												\$200,000		
TR18	EQ	FM	Big Tex	Utility Trailer	1995	20	2015	58	5,804											\$50,000			
CH4087	GP	ACM	Ford	4x4, Explorer	2005	15	2020	59	58,181					\$35,000									
BD8	HE	LDF	CAT	D6 Dozer	1996	20	2016	60	4,118											\$350,000			
CH7954	GP	C	Ford	4x4 Explorer - Red	2005	15	2020	61	55,573					\$35,000									
T2	HE	Roads	Autocar/Volvo	Tractor, 5th Wheel	1998	20	2018	62	3,542							\$100,000							

FY22-31 Rolling Stock and Equipment Replacement Plan

Legend:

Salmon = General Fund
Pink = Electric Fund
Green = Solid Waste Fund
Blue = Ports Fund
Ivory = Wastewater Fund
Purple = Water Fund
White = FY22 Proposed New to Fleet
Yellow = FY22 Replacements

Abbreviations:		Department of Public Works		Department of Public Utilities		City Hall		Department of Public Safety	
Department of Public Works	DPW	Department of Public Utilities	DPU	City Hall	CH	Department of Public Safety	DPS		
Engineering	E	Water	W	City Manager	CM	Police	UPD		
Roads	Roads	Wastewater	WW	Assistant City Manager	ACM	Fire/EMS	UFD		
Facilities Maintenance	FM	Line Crew	LC	Clerks	C	Animal Control Officer	ACO		
Supply	S	Powerhouse	P	Planning	Plan	PCR	PCR		
Vehicle/Equipment Maintenance	VM	Solid Waste/Landfill	LDF	Finance	Fin	Ports	Port		
Director	DIR	Floater	Float	Information Systems	IS	Do Not Replace	DNR		
Deputy Director	DEP								

As of 03-18-21

Vehicle #	Class	Primary User	Make	Function / Description	Year	Life Cycle	Replace Date	FY22 Replace Priority	Miles / Hours	Replace With	Transfer To	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
DT2	HE	Roads	GMC/Volvo	Dump Truck w/ Plow/Salt Spreader	2000	18	2018	63	13,450										\$100,000				
GS15	EQ	WW	Northern Lights	Gen Set - Diesel - On Trailer	2000	20	2020	64	12,993										\$90,000				
GS17	EQ	WW	Onan	Gen Set - Inside plant	2000	20	2020	65	7,553												\$90,000		
SP1	EQ	WW	Pioneer Prime	Trailer Mounted Diesel Pump	2005	15	2020	66	5,726												\$50,000		
UPD8407	GP	DPS/ACO	Ford	4x4, Explorer	2005	15	2020	66	47,322				\$0										
PW4572	GP	FM	GMC	One Ton Service Truck	2006	15	2021	67	63,404					\$60,000									
CC2	HE	Roads	CAT	Compactor	2001	20	2021	68	923												\$250,000		
HM9290	GP	Ports-DIR	Ford	4x4, Explorer XLT	2007	15	2022	69	85,842					\$40,000									
UPD5565	GP	DPS	Ford	4x4 Expedition	2015	7	2022	70	40,374					\$45,000									
S2878	HE	VM	GMC	C5500 Service Truck	2007	15	2022	71	35,208										\$85,000				
RG2	HE	Roads	CAT	Grader 14H	2004	18	2022	72	30,620													\$600,000	
HML1	HE	Ports	CAT	908 Loader	2004	18	2022	73	7,504					\$250,000									
CH9633	GP	Plan	Ford	4x4, Explorer	2008	15	2023	74	119,136					\$35,000									
L3	HE	Roads	CAT	Loader, 902 small	2005	18	2023	75	3,919						\$150,000								
UFD3535	HE	UFD	Kenworth	Pumper/Tender #3	2005	18	2023	76	5,927					\$250,000									
DPU9546	GP	DPU-DEP	Ford	4x4 Explorer	2008	15	2023	77	50,942					\$35,000									
UFD6859	GP	UFD	Ford	F350 Ambulance	2016	7	2023	78	5,314					\$100,000									
UPD9114	GP	DPS	Ford	4x4, Expedition	2016	7	2023	79	53,542					\$45,000									
W7587	GP	W	Ford	F150 4x4	2008	15	2023	80	37,736						\$40,000								
FL4	HE	Ports	Manitou	Forklift	2003	20	2023	81	774						\$75,000								
BH10	HE	Roads	Volvo	210 Excavator	2009	15	2024	82	3,460											\$500,000			
FL5	EQ	S	Manitou	Forklift	2004	20	2024	83	1,195							\$75,000							
ML4	EQ	P	Genie	JLG Electric Man Lift	2009	15	2024	84							\$40,000								
TR4	EQ	Roads	Load King	Lowboy Equipment Trailer	2004	20	2024	85	6,208										\$75,000				
TR7	EQ	UFD	Wells Fargo	Trailer - HAZMAT	2004	20	2024	86	5,956										\$35,000				
UPD1438	GP	DPS	Ford	4x4 Expedition	2017	7	2024	87	20,569					\$45,000									
UPD2891	GP	DPS	Ford	4x4 Expedition	2017	7	2024	88	50,537					\$45,000									
UPD4552	GP	DPS	Ford	4x4 Explorer	2017	7	2024	89	5,075					\$45,000									
UPD7430	GP	DPS	Ford	4x4, Expedition	2017	7	2024	90	47,444					\$45,000									
UPD5150	GP	DPS	Ford	4x4 Expedition	2017	7	2024	91	39,497					\$45,000									
UPD5153	GP	DPS	Ford	4x4 Expedition	2017	7	2024	92	51,879					\$45,000									
PW4397	GP	FM	Ford	4x4, Pickup Super Cab	2009	15	2024	93	44,260					\$50,000									
L9	HE	Roads	Volvo	Loader	2007	18	2025	94	21,910									\$300,000					
PW1765	GP	FM	Ford	Flatbed, F350 salt bin	2010	15	2025	95	34,742									\$50,000					
UFD3503	GP	UFD	Ford	Ambulance North Star Box	2012	13	2025	96	3,112									\$250,000					
HM2	EQ	Ports	Almar	Rescue Boat 34.6'	2005	20	2025	97	5,659									\$300,000					
TR9	EQ	Ports	EZLoad	Trailer (HM2 Rescue Boat)	2005	20	2025	98	5,622									\$65,000					
HM3672	GP	Ports	Ford	4x4 Expedition XLT	2010	15	2025	99	84,720	COP								\$0					
SB2	EQ	Roads	Snocrete	Snow Blower fits IT28	2000	25	2025	100	555									\$45,000					
WSM3	EQ	W	Ski Doo	Snow Machine	2010	15	2025	101	3,790									\$20,000					
TR19	EQ	W	Snow Sport	Trailer for Snow Machines	1995	20	2015	102	9,283										\$10,000				
WSM4	EQ	W	Ski Doo	Snow Machine	2010	15	2025	102	3,790										\$20,000				
HM8025	GP	Ports	Ford	4x4 Expedition XLT	2011	15	2026	103	105,282									\$40,000					
DT4	HE	Roads	Volvo	Multifunction Rock/Water/Plow	2009	18	2027	104	6,686										\$250,000				
EST1	EQ	PCR	Cargo Mate	Emergency Response Trailer	2012	15	2027	105	n/a										\$35,000				
GS12	EQ	WW	Marathon	Kato Generator Lift Station #4	2007	20	2027	106	4,837												\$50,000		
ML2	EQ	FM	Genie	Scissor Lift - Electric	2012	15	2027	107	3,004										\$25,000				
PWATV	GP	FM	Honda	Honda ATV 4x4	2012	15	2027	108	3,364								\$15,000						
RC5818	HE	PCR	Ford	14 Passenger Van	2012	15	2027	109	44,296										\$45,000				
S7	EQ	Ports	Buyers	Salt Dogg Electric Plastic	2012	15	2027	110	2,918										\$25,000				
TR11	EQ	Roads	Trailmax	Tilt-bed hauls D4, etc	2007	20	2027	111	5,852									\$75,000					
RG8	HE	Roads	Volvo	Grader G990	2010	18	2028	112	12,734													\$650,000	
CH5249	GP	CM	Ford	4x4 Expedition	2013	15	2028	113	31,999												\$45,000		
AC6	EQ	UFD	Bauer	Air Compressor-SCBA	2015	13	2028	114	1,779												\$50,000		
S5	EQ	Roads	Buyers	Salt Dogg Electric Stainless Steel	2013	15	2028	115	2,828												\$25,000		
CC3	HE	Roads	Ingersol Rand	Compactor	2009	20	2029	116	2,248														\$250,000

FY22-31 Rolling Stock and Equipment Replacement Plan

Legend:

Salmon	= General Fund
Pink	= Electric Fund
Green	= Solid Waste Fund
Blue	= Ports Fund
Ivory	= Wastewater Fund
Purple	= Water Fund
White	= FY22 Proposed New to Fleet
Yellow	= FY22 Replacements

Abbreviations:		Department of Public Works		Department of Public Utilities		City Hall		Department of Public Safety	
Department of Public Works	DPW	Department of Public Utilities	DPU	City Hall	CH	Department of Public Safety	DPS		
Engineering	E	Water	W	City Manager	CM	Police	UPD		
Roads	Roads	Wastewater	WW	Assistant City Manager	ACM	Fire/EMS	UFD		
Facilities Maintenance	FM	Line Crew	LC	Clerks	C	Animal Control Officer	ACO		
Supply	S	Powerhouse	P	Planning	Plan	PCR	PCR		
Vehicle/Equipment Maintenance	VM	Solid Waste/Landfill	LDF	Finance	Fin	Ports	Port		
Director	DIR	Floater	Float	Information Systems	IS	Do Not Replace	DNR		
Deputy Director	DEP								

As of 03-18-21

Vehicle #	Class	Primary User	Make	Function / Description	Year	Life Cycle	Replace Date	FY22 Replace Priority	Miles / Hours	Replace With	Transfer To	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
GM3	EQ	FM	Toro	Riding Lawn Mower	2019	10	2029	117	222													\$25,000		
RC2682	GP	PCR-DIR	Ford	F250 4x4 Crewcab	2014	15	2029	118	26,921													\$60,000		
FL6	HE	P	CAT	Forklift - Propane	2009	20	2029	119	4,132													\$65,000		
PW2683	GP	Roads	Ford	F350 4x4 Super Cab salt spreader	2014	15	2029	120	13,910														\$35,000	
PW3479	GP	FM	Ford	Transit Cargo Van - Carps	2015	15	2030	121	15,742															\$50,000
PW7213	GP	FM	Ford	F250 4x4 Super Cab Lift Gate	2015	15	2030	122	22,409															\$60,000
LF4839	GP	LDF	Ford	4x4 PU Crew Cab F250 XL	2015	15	2030	123	10,639															\$60,000
CV1	GP	LDF	Madvac	Compact Vacuum	2015	15	2030	124	1,881														\$30,000	
S4	EQ	Roads	Buyers	Salt Dogg Electric Stainless Steel	2015	15	2030	125	1,822														\$35,000	
BH11	HE	W	JCB	4x4 Backhoe	2016	15	2031	126	1,049															\$200,000
AR1	EQ	Roads	Bagela	Asphalt Recycler	2011	20	2031	127	3,452															\$100,000
SD2920	GP	WW	Ford	F150 Pickup 4x4	2016	15	2031	128	11,659															\$50,000
SD4363	HE	WW	Ford	F450 4x4 Flatbed	2016	15	2031	129	1,959															\$65,000
BG1	EQ	DPW-E	Generac	Generator - LDF - Soil Aeration	2012	20	2032	130	2,697															
E3653	GP	LC	Ford	F250 4x4 Ext Cab w/Stahl box	2017	15	2032	131	18,392															
E8466	GP	LC	Ford	F150 4x4 Crew Cab	2017	15	2032	132	20,170															
E9076	GP	P	Ford	F250 4x4 Crew Cab w/Space Kap	2017	15	2032	133	9,538															
HM2309	GP	Ports	Ford	F250 Regular Cab XL	2017	15	2032	134	84,022															
HM2310	GP	Ports	Ford	F250 Regular Cab XL	2017	15	2032	135	45,902															
HM3659	GP	Ports	Ford	F350 Regular Cab Flatbed	2017	15	2032	136	41,084															
TR10	EQ	Roads	Gilson	Trailer (Cement Mixer)	1978	20	1998	137														\$50,000		
PW2653	GP	Roads	Ford	F350 Flatbed 4x4	2017	15	2032	138	21,736															\$200,000
PW3438	GP	Roads	Ford	F750 w/Dump Box	2017	15	2032	139	1,440															\$200,000
PW3660	GP	Roads	Ford	F350 Regular Cab Flatbed	2017	15	2032	140	18,548															\$150,000
S6	EQ	Roads	Buyers	Salt Dogg Electric	2017	15	2032	141	1,581															\$25,000
UFD1436	GP	UFD	Ford	4x4 Expedition	2017	15	2032	143	9,275															
UFD5149	GP	UFD	Ford	4x4 Expedition	2017	15	2032	144	12,154															
TR40	EQ	FM	Interstate	Ramp Trailer - School Loan	2000	20	2020	145	6,358															
W2312	GP	W	Ford	F250 Ext Cab w/Utility Box	2017	15	2032	146	33,597															
W6000	GP	W	Ford	F250 Ext Cab w/Utility Box	2017	15	2032	147	11,400															
UFD8364	GP	UFD	Pierce	Pumper Truck	2018	15	2033	148	4,383															
FL8	HE	WW	Manitou	Forklift	2014	20	2034	149	2,254															
CH4098	GP	IS	Ford	F250 4x4 Crew Cab w/Space Kap	2019	15	2034	150	1,420															
CH4106	GP	IS	Ford	F250 4x4 Extended Cab	2019	15	2034	151	1,011															
DPU7380	GP	DPU-DIR	Ford	4x4 Explorer	2019	15	2034	152	17,922															
E4126	GP	P	Ford	F250 4x4 Ext Cab w/Flatbed	2019	15	2034	153	5,726															
PW0466	GP	FM	Ford	F250 4x4 Super Cab w/rack	2019	15	2034	154	2,628															
PW0467	GP	VM	Ford	F250 4x4 Super Cab Tommy Lift	2019	15	2034	155	2,661															
PW0533	GP	FM	Ford	F250	2019	15	2034	156	3,767															
PW7379	GP	Eng	Ford	4x4 Explorer	2019	15	2034	157	4,053															
S8	EQ	Roads	Buyers	Salt Dogg Electric	2019	15	2034	158																
S9	EQ	Roads	Buyers	Salt Dogg Electric Stainless Steel	2019	15	2034	159	717															
UFD0465	GP	UFD	Ford	F250 4x4 Supercab Snow Plow	2019	15	2034	160	6,604															
UFD5247	GP	UFD	Ford	F150 Vaults	2019	15	2034	161	6,040															
W9802	GP	W	Ford	F350 Crew Cab Flatbed	2019	15	2034	162	6,517															
FL7	HE	WW	Toyota	Forklift - Electric	2015	20	2035	163	2,267															
FL9	HE	WW	Toyota	Forklift - Electric - Stand Up	2015	20	2035	164	2,030															
FL10	HE	S	Toyota	Forklift - Electric	2015	20	2035	165	1,655															
RG9	HE	Roads	CAT	Grader 14M3	2017	18	2035	166	2,981															
SD6223	GP	WW	Ford	4x4 Explorer	2020	15	2035	167	1,901															
TR3	EQ	DPS	Mirage	Response / Evidence Trailer	2015	20	2035	168	2,106															
TB1	HE	LDF	International	Tire Baler	2016	20	2036	169	1,738															
DT9	HE	Roads	International	Dump Truck International	2020	18	2038	170	1,311															
LF2	HE	LDF	CAT	950M Cat Loader	2018	20	2038	171	2,144															
L10	HE	Roads	CAT	930M Loader	2019	20	2039	172	1,203															
E7257	GP	LC	Ford	F550 Bucket Truck	2020	20	2040	173	84															

FY22-31 Rolling Stock and Equipment Replacement Plan

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Abbreviations:			
Department of Public Works	DPW	Department of Public Utilities	DPU
Engineering	E	Water	W
Roads	Roads	Wastewater	WW
Facilities Maintenance	FM	Line Crew	LC
Supply	S	Powerhouse	P
Vehicle/Equipment Maintenance	VM	Solid Waste/Landfill	LDF
Director	DIR	Floater	Float
Deputy Director	DEP		

City Hall	CH	Department of Public Safety	DPS
City Manager	CM	Police	UPD
Assistant City Manager	ACM	Fire/EMS	UFD
Clerks	C	Animal Control Officer	ACO
Planning	Plan	PCR	PCR
Finance	Fin	Ports	Port
Information Systems	IS	Do Not Replace	DNR

As of 03-18-21

Vehicle #	Class	Primary User	Make	Function / Description	Year	Life Cycle	Replace Date	FY22 Replace Priority	Miles / Hours	Replace With	Transfer To	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
WX1	HE	Roads	CAT	Wheeled Excavator M314F	2020	20	2040	174	31														
GS19	EQ	W	CAT	Generator - Pyramid WTP	2016	25	2041	175	2,012														
BL1	HE	LDF	Mosley	Baler	1996	25	2021	DNR	9,051	Gasifier													
FL3	HE	P	Nissan	Forklift - Propane	1985	20	2005	DNR	8,979		Surplus Sale												
LF7211	GP	LDF	Ford	F250 Pickup 4x4	2002	15	2017	DNR	114,572		Surplus Sale												
PW0688	GP	VM	Ford	F150 4x4, Pickup Super Cab	2003	15	2018	DNR	65,722		Surplus Sale												
RH1	HE	LDF	Terex	Rock Hauler 33-05	1981	25	2006	DNR	3,657														
BH12	EQ	FM	Kubota	Tractor-Backhoe	2011	15	2026	New FY21	205				\$12,500										
ML3	EQ	FM	Genie	Telescoping Man Lift	2020	15	2035	New FY21	8				\$14,400										
Unknown	GP	W	Ford	F250 Ext Cab w/Utility Box	2020	15	2035	New FY21					\$52,032										
RG3	HE	Roads	Volvo	Grader G976	2006	18	2024	Replaced FY18	10,117	RG9	Surplus Sale												
BH9	HE	WW	Case	580 Backhoe 4x4	1996	15	2011	Replaced FY20	8,703	BH2	Surplus Sale												
DT5	HE	Roads	GMC/Volvo	Dump Truck	1994	18	2012	Replaced FY20	19,420	New	Surplus Sale												
E4117	HE	LC	Ford	Bucket Truck	2001	20	2021	Replaced FY20	2,166	New	Surplus Sale	\$185,000											
PW3448	GP	FM	Ford	F250 Supercab 4x4	2000	15	2015	Replaced FY20	97,028	New	Surplus Sale	\$34,500											
SD5542	GP	WW	Ford	F150 4x4 Pickup	2004	15	2019	Replaced FY20	78,028		Surplus Sale												
UFD0118	GP	UFD	Ford	F350 4x4 Supercab	2003	13	2016	Replaced FY20	47,396		Surplus Sale	\$40,000											
UFD5555	GP	UFD	Ford	F350 4x4 Equip Truck - Amaknak	1997	13	2010	Replaced FY20	8,520		VM												
CH7414	GP	CH/Float	Ford	4x4 Explorer	2003	15	2018	Replaced FY21	173,369	CH3710	Surplus Sale												
E5629	GP	LC	GMC	1 Ton Pickup w/Service Box	2008	15	2023	Replaced FY21	100,781	New	Surplus Sale		\$65,145										
ML1	EQ	FM	Genie	Telescoping Man Lift	1992	15	2007	Replaced FY21	4,190	ML3	Surplus Sale												
PW4212	GP	Roads	Ford	F350 4x4, Flatbed w/snow plow	2003	15	2018	Replaced FY21	49,449	New	Surplus Sale		\$34,543										
PW7449	GP	DPW-DIR	Ford	F150 4x4 Pickup	2000	15	2015	Replaced FY21	55,441	New	Surplus Sale		\$37,047										
SD5275	GP	WW	Ford	F350 Flatbed	2004	15	2019	Replaced FY21	47,124		Surplus Sale		\$42,017										
UPD0232	GP	DPS/ACO	Ford	4x4, Explorer	2005	15	2020	Replaced FY21	158,736	UPD8407	Surplus Sale		\$0										
UPD9826	GP	DPS/DIR	Ford	4x4, Expedition - waiting for new	2012	7	2019	Replaced FY21	26,331				\$34,307										
VT3	HE	Roads	Mack	Vactor Truck	2020	20	2040	Replaced FY21	362				\$435,296										
												\$1,259,000	\$727,287	\$1,395,145	\$1,430,000	\$1,430,000	\$1,405,000	\$1,465,000	\$1,490,000	\$1,500,000	\$1,335,000	\$1,375,000	\$1,410,000

FY22 Facilities Maintenance Plan Summary

By Department

As of 03-07-21

Building	Address	Fund	SF	YR Built	Description of Proposed Maintenance Work	FY22 \$\$\$	Est or Quote
City Hall	43 Raven Way	General			Paint Exterior Including Shingle Clean & Preserve	\$ 220,000	Quote
Aquatics Center	55 East Broadway	General			Repair & Replace Roof	\$ 445,000	Quote
Lear Rd Duplexes	69 & 73 Lear Road	General			Repairs & Paint Exterior	\$ 17,000	Quote
Lear Rd Duplexes	81 & 85 Lear Road	General			Repairs & Paint Exterior	\$ 17,000	Quote
Water Controls House	1057 E Broadway	Water			Repairs & Paint Exterior	\$ 6,000	Quote
Wastewater Treatment Plant	19 Gilman Road	Wastewater			Install Air Intake Hoods / Touch-Up Painting	\$ 43,000	Quote
						\$ 748,000	

By Fund

GENERAL FUND	\$ 699,000
ELECTRIC FUND	\$ -
WATER FUND	\$ 6,000
WASTEWATER FUND	\$ 43,000
SOLID WASTE FUND	\$ -
PORTS / HARBOR FUND	\$ -
	\$ 748,000

Facilities Maintenance Plan - 10 Year Look Ahead (Major Maintenance Only)

Building	Address	SF	Year Built	Description of Proposed Maintenance Work	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
GENERAL FUND														
Department of Public Safety	29 Safety Way	8,464		Repairs & Paint Exterior		\$13,000								
Haystack Repeater Building	417 Trapper Dr	200		Repairs & Paint Exterior			\$2,000							
Amaknak Fire Hall	2713 Airport beach Rd	3,600		Repairs & Paint Exterior		\$22,000								
Isolation Center Cleaners Quarters	263 East Point Rd	3,888		Not City owned - Covid 19 use only										
Isolation Center Bunkhouse	256 East Point Rd	11,664		Not City owned - Covid 19 use only										
City Hall	43 Raven Way	14,448		Paint exterior incl roof shingles	\$220,000									
Unalaska High School & Wood Shop	55 East Broadway	27,000		Repairs & Paint Exterior			\$30,000							
Eagle View Elementary School	501 E. Broadway	27,505		Repairs & Paint Exterior			\$17,000							
Fuel Island	1035 E. Broadway	48		Repairs & Paint Exterior										
DPW Main Building	1035 E. Broadway	25,040		Roof Replacement		\$21,375								
DPW Wash Building	997 E. Broadway	2,821		Replace Boiler				\$85,000						
DPW Supply Warehouse	995 E. Broadway	9,256		Replace Roof					\$300,000					
DPW Salt/Sand Storage Building	1077 E. Broadway	1,815		Repair Rusted North Wall				\$12,000						
DPW Hazmat Building	999 E. Broadway	183		Repairs & Paint Exterior										
Museum - Painting	314 Salmon Way	9,256		Repairs & Paint Exterior		\$73,000								
Museum - Replace HVAC System	314 Salmon Way			Replace HVAC System			\$100,000							
Library	64 Eleanor Dr	9,632		Repairs & Paint Exterior			\$5,000							
Aquatics Center - Painting	55 East Broadway			Repairs & Paint Exterior			\$1,040							
Aquatics Center - Roof Replacement	55 East Broadway			Replace Roof	\$445,000									
Community Center - PCR	37 S. 5th	23,747		Repairs & Paint Exterior			\$15,000							
Burma Road Chapel	28 East Broadway	5,521		Replace Roof		\$26,000								
Ounalashka Park Concess Bldg	1588 East Broadway	863		Repairs & Paint Exterior			\$4,224							
Ounalashka Park Equip Bldg	1588 East Broadway	480		Repairs & Paint Exterior				\$3,500						
Memorial Park	1 Bayview	N/A		Misc Maintenance Painting			\$2,112							
Sitka Spruce Park	180 Biorka Dr	216		Repairs & Paint Exterior			\$1,500							
Skate Park	40 Raven Way	N/A		Repairs & Paint Equipment				\$4,000						
Tanaadakuchax Park	Ptarmigan & Loop Rd	N/A		Repairs & Paint Equipment			\$1,056							
Town Park	15 S. 3rd	100		Repairs & Paint Gazebo			\$18,400							
Tutiakoff Field	33 King	778		Repairs & Paint Exterior		\$1,056								
Expedition Park	75 S. Pacer Way	100		Paint Gazebo			\$60,000							
Henry Swanson House	149 W. Broadway	576		Repairs & Paint Exterior				\$18,000						
8-Plex Housing	18 Ptarmigan Rd	9,204		Repairs & Paint Exterior			\$54,000							
4-Plex Housing - Painting	63 Loop Rd	4,548		Repairs & Paint Exterior		\$37,000								
4-Plex Housing - Roof Replacement	63 Loop Rd			Replace Roof					\$300,000					
69 & 73 Lear Rd Housing	69/73 Lear Rd	2,394		Repairs & Paint Exterior	\$17,000									

Facilities Maintenance Plan - 10 Year Look Ahead (Major Maintenance Only)

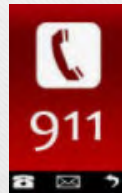
Building	Address	SF	Year Built	Description of Proposed Maintenance Work	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
81 & 85 Lear Rd Housing	81/85 Lear Rd	2,040		Repairs & Paint Exterior	\$17,000									
GENERAL FUND TOTALS					\$699,000	\$193,431	\$311,332	\$122,500	\$300,000	\$300,000	\$0	\$0	\$0	\$0
ELECTRIC FUND														
New Powerhouse	1700 East Point Rd	33,750		Repairs & Paint Touch-up Exterior			\$13,375							
Old Powerhouse	1732 East Point Rd	14,833		Repair Roof Cracks		\$43,530								
Power Substation	176 Airport Beach Rd	1,600		Repairs & Paint Touch-up Exterior			\$8,000							
ELECTRIC FUND TOTALS					\$0	\$43,530	\$21,375	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WATER FUND														
Pyramid Water Treatment Plant	1200 Pyramid Creek Rd	4,519		Repairs & Paint Exterior				\$4,000						
Icy Lake Building	3151 Icy Lake Rd	350		Repairs & Paint Exterior				\$1,000						
Icy Dam Building	2500 Pyramid Creek Rd	350		Repairs & Paint Exterior										
Unalaska Control House	1057 E. Broadway	400		Repairs & Paint Exterior	\$6,000		\$339							
Well House 1	1062 E. Broadway	318		Repairs & Paint Exterior			\$3,168							
Well House 2	1354 E. Broadway	288		Repairs & Paint Exterior			\$2,112							
Well House 3	1352 E. Broadway	144		Repairs & Paint Exterior			\$1,584							
E.O.D. Building	2642 Ballyhoo Rd	300		Repairs & Paint Exterior				\$12,000						
Nirvana Building	346 Dutton Rd	132		Repairs & Paint Exterior			\$2,112							
Agnes Beach Building	411 Airport Beach Rd	640		Repairs & Paint Exterior			\$3,900							
Old Chorine Plant	2486 Upper E. Broadway	560		Repairs & Paint Exterior				\$15,000						
Old Water Plant	1400 Pyramid Creek Rd	400		Repairs & Paint Exterior			\$23,550							
WATER FUND TOTALS					\$6,000	\$0	\$36,765	\$32,000	\$0	\$0	\$0	\$0	\$0	\$0
WASTEWATER FUND														
Wastewater Treatment Plant	19 Gillman Rd	9,072		Install Air Intake Hoods	\$43,000									
Liquid Stream Building	17 Gilman Rd	9,000		Repairs & Paint Touch-Up Exterior				\$5,000						
Unalaska PO Pumping Station	82 Airport Beach Rd	80		Repairs & Paint Touch-Up Exterior				\$1,000						
WASTEWATER FUND TOTALS					\$43,000	\$0	\$0	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0
SOLID WASTE FUND														
Baler Building	1156 Summer Bay Rd	12,240					\$29,000							
Leachate Building	1156 Summer Bay Rd	590		Repairs & Paint Exterior				\$3,000						
Leachage Tank	1156 Summer Bay Rd	N/A		Repairs & Paint Exterior										
SOLID WASTE FUND TOTALS					\$0	\$0	\$29,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0

Facilities Maintenance Plan - 10 Year Look Ahead (Major Maintenance Only)

Building	Address	SF	Year Built	Description of Proposed Maintenance Work	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
PORTS FUND														
Carl E. Moses Harbor Office	570 Henry Swanson Dr	1,380		Repairs & Paint Exterior			\$5,000							
Carl E. Moses Harbor Waste Oil Bldg	562 Henry Swanson Dr	680		Repairs & Paint Exterior			\$5,000							
Robert Storrs Boat Harbor	22 Pacesetter Way	N/A					\$30,000							
Expedition Boat Dock	75 S Pacesetter Way	N/A												
Unalaska Marine Center Warehouse	731 Ballyhoo Rd	6,000				\$33,000								
USCG Dock Building	941 Ballyhoo Rd	450		Repairs & Paint Exterior			\$15,000							
Spit Dock	2633 Ballyhoo Rd	N/A												
Airport	105 Terminal Dr	27,360		Repairs & Paint Exterior				\$45,000						
					\$0	\$33,000	\$55,000	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0
	Total SF	330,823												
					\$748,000	\$269,961	\$453,472	\$208,500	\$300,000	\$300,000	\$0	\$0	\$0	\$0
FY Totals By Fund					FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
GENERAL FUND					\$699,000	\$193,431	\$311,332	\$122,500	\$300,000	\$300,000	\$0	\$0	\$0	\$0
ELECTRIC FUND					\$0	\$43,530	\$21,375	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WATER FUND					\$6,000	\$0	\$36,765	\$32,000	\$0	\$0	\$0	\$0	\$0	\$0
WASTEWATER FUND					\$43,000	\$0	\$0	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0
SOLID WASTE FUND					\$0	\$0	\$29,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0
PORTS / HARBOR FUND					\$0	\$33,000	\$55,000	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0
					\$748,000	\$269,961	\$453,472	\$208,500	\$300,000	\$300,000	\$0	\$0	\$0	\$0

Department	Name	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Electric	34.5 kV Submarine Cable Replacement	█	█	█							
	Electric Energy Storage System	█	█								
	Electrical Breakers Maintenance and Service						█				
	Electrical Distribution Equipment Replacement										
	Electrical Intermediate Level Protection Installation						█	█			
	Generator Sets Rebuild										
	Installation of New 4 Way Switch at Town Substation			█	█	█					
	Large Transformer Maintenance and Service			█							
	Makushin Geothermal Project	█	█								
	Powerhouse Cooling Water Inlet Cleaning and Extension	█	█								
	Town Substation SCADA Upgrade	█	█								
Wartsila Modicon PLC Replacement										█	
Fire	Fire Station Remodel	█		█							
	Fire Training Center		█	█							
Housing	Lear Road Duplexes Kitchen/Bathroom Renovations			█							
Other	Communications Infrastructure (Citywide)	█									
PCR	Aquatics Center Mezzanine and Office Space Expansion		█	█							
	Burma Road Chapel Kitchen Improvement			█							
	Community Center Playground Replacement	█	█								
	Community Center Technology Upgrades				█	█					
	Community Park Replacement Playground						█	█			
	Cybex Room Replacement			█							
	Dog Park				█	█					
	Gymnasium Floor			█	█						
	Kelty Field Improvement Project		█	█							
	Kelty Field SW Access							█	█		
	Kiddie Pool/Splash Pad							█	█		
	Multipurpose Facility				█	█	█				
	Park Above the Westward Plant								█	█	
	Parks and Recreation Study		█								
	Pool Expansion								█	█	
	Pump Track			█	█						
	Rebar Restoration and Re-plastering				█	█					
	Spa								█	█	
Planning	Unalaska Public Transportation Study				█						
Ports	Entrance Channel Dredging	█									
	LCD & UMC Dredging		█								
	Restroom Unalaska Marine Center		█	█	█						
	Robert Storrs Small Boat Harbor Improvements (A & B Floats)	█									
	UMC Cruise Ship Terminal			█		█					
Public Safety	Police Station PS19C		█								
Public Works	Burma Road Chapel Upgrades			█							
	Captains Bay Road & Utility Improvements		█								
	DPW Inventory Room - High Capacity Shelving	█									
	DPW Paint Booth / Body Shop		█	█	█						
	Equipment Storage Building	█	█	█							
	Facilities Maintenance Plan										
	HVAC Controls Upgrades - 11 City Buildings		█								
	Pavement Preservation - Sealcoating	█									
	Public Trails System				█						
	Rolling Stock Replacement Plan	█									
	Underground Fuel Tank Removal / Replacement							█			
Solid Waste	Oil Separator and Lift Station Replacement	█									
	Solid Waste Gasifier	█			█						
Wastewater	Scum Decant Tank Wet Well Improvements					█	█	█			
	Wastewater Clarifier Baffling Improvements						█	█	█		
	Wastewater Sludge Pump Check Valve Replacement				█	█					
Water	Biorka Drive Cast Iron Waterline Replacement							█	█		
	CT Tank Interior Maintenance and Painting	█									
	East Point Crossing Water Line Inspection		█								
	Generals Hill Water Booster Pump	█									
	Icy Lake Capacity Increase & Snow Basin Diversion										█
	Icy Lake Hydrographic Survey			█							
	Icy Lake Road Reconstruction	█	█								
	Installation of Meter and Booster Pump at Agnes Beach PRV Station							█	█	█	
	Mainline and Service Valve Maintenance Program	█									
	Pyramid Water Storage Tank		█	█							
	Pyramid Water Treatment Plant Chlorine Upgrade	█									
Sediment Traps Between Icy Lake and Icy Creek Reservoir					█	█					
Totals	Pre-Design	2	2	1	2	1		2			1
	Engineering	8	6	5	6	2	3	1	7		
	Construction	11	12	13	5	6	3	5	1	6	1
	Grand Total	21	20	19	13	9	6	8	8	6	2

Enhanced 9-1-1





What is 9-1-1

- The first 911 system was installed in Haleyville, Alabama, in February 1968, as a way to quickly connect a subscriber to the local police station.
- It was not until 1999 that the United States Congress directed the FCC to make 911 the universal emergency number in the United States for all telephone services.
- The 911 network is now a vital part of our nation's emergency response and disaster preparedness system.
- Emergency personnel and others often learn about emergencies through 911 calls.

What is 9-1-1



- Dialing 911 quickly connects a caller to a nearby Public Safety Answering Point (PSAP), which is a call center operated by the local government
- At the PSAP, the call is answered by a specially trained official known as a 9-1-1 dispatcher, who routes your call to local emergency medical, fire, and law enforcement agencies.
- 911 lines are designated for emergency calls, such as reporting a crime in progress, reporting a fire, or requesting an ambulance.



What is Enhanced 9-1-1



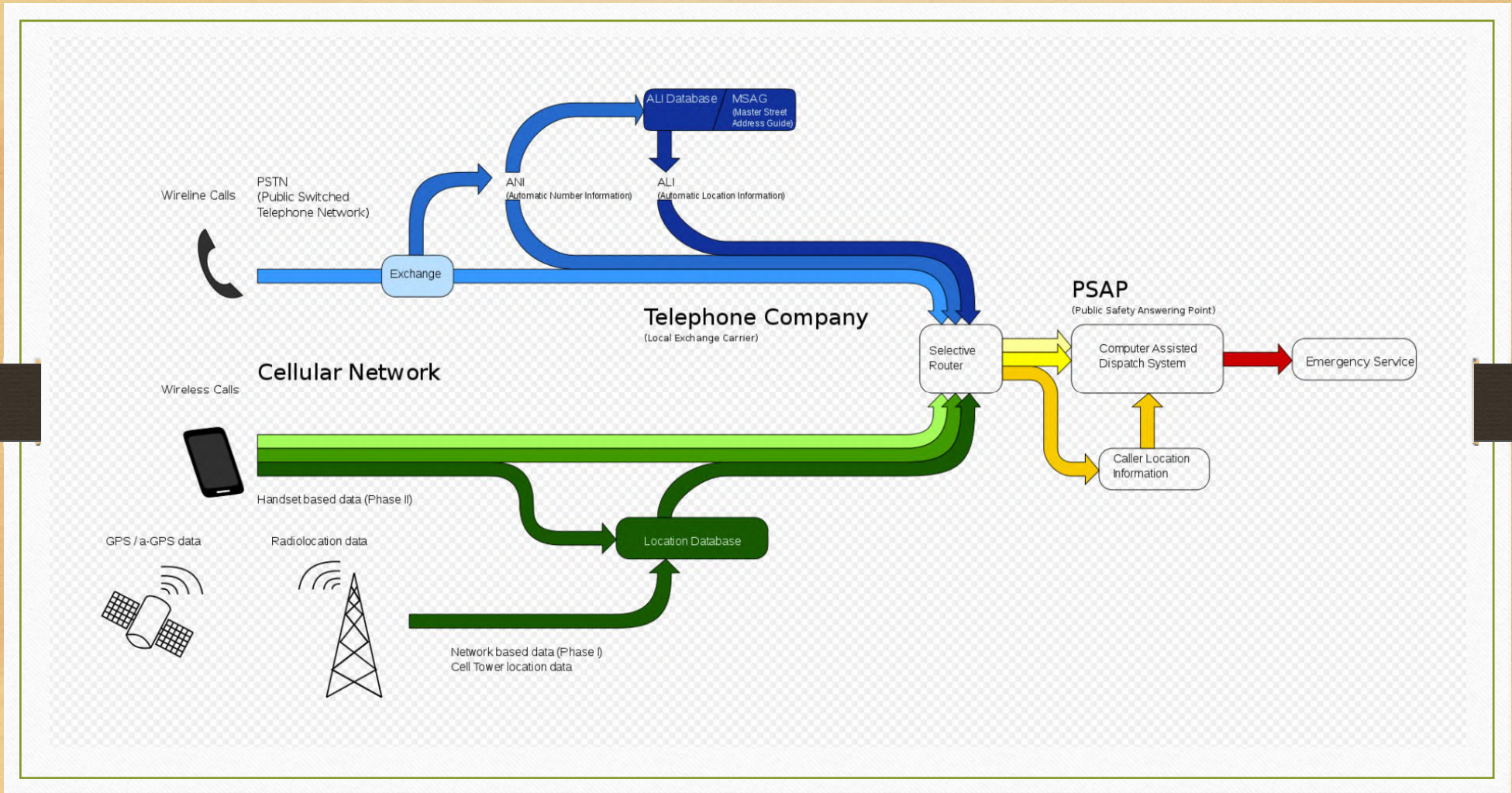
- Enhanced 911, E-911 or E911 is a system used in North America to automatically provide the caller's location to 911 dispatchers.
- A pioneering system was in place in Chicago by the mid-1970s, providing both police and fire departments access to the source location of emergency calls.
- The dispatcher's computer receives information from the telephone company about the physical address (for landlines) or geographic coordinates (for wireless) of the caller.
- This information is used to dispatch police, fire, medical, and other services as needed.

Call Routing

- **Landline routing**
- Calls to 911 over the public switched telephone network (PSTN) are routed to a special router (known as Selective Router, or 9-1-1 Tandem).
- The router looks for the address associated with the caller's telephone number in a database. The caller's phone number is known as an ANI.
- The database relating ANIs to addresses is known as ALI (Automatic Location Identification).
- The router then uses the address to search in the Master Street Address Guide (MSAG) for the Emergency Service Number (ESN) of the appropriate PSAP for that area, and connects the call to it.

Call Routing

- **Wireless routing**
- Calls from cellular phones are received via cell towers by mobile switching centers (MSC).
- The switching center automatically assigns a unique identifier to each cellular 911 call, known as a "pseudo ANI".
- The Selective Router connects the call to a PSAP based on the cell tower's location.



Why ?



- Automated Location Information is crucial in situations
 - When a person is suffering a medical emergency and is unable to speak
 - When a person needs assistance but cant hold the phone because they are rendering CPR
 - When a person is the victim of an assault (such as Domestic Violence) and needs help but cannot risk the call being known
 - When a criminal act (Burglary, Robbery, etc.) is taking place and help is needed but the caller cannot risk the call being known

Federal Communications Commission

- The U.S. Federal Communications Commission (FCC) has made several requirements applicable to 911
 - Basic 911: All 911 calls must be relayed to a call center, regardless of whether or not the mobile phone user is already a customer of the network being used.
 - In 1996, the FCC issued an order requiring wireless carriers to determine and transmit the location of callers who dial 911 in two Phases.
 - The Wireless Communications and Public Safety Act of 1999, also known as the 911 Act, mandated the use of E911 and designated 911 as the universal emergency number, including both wireline and wireless phone devices.

Federal Communications Commission

- E911 Phase 1
 - Phase I involved sending the location of the receiving antenna for 911 calls
 - Wireless network operators must identify the phone number and cell phone tower used by callers, within six minutes of a request by a PSAP

Federal Communications Commission

- E911 Phase 2
 - Phase II involved sending the location of the calling telephone for 911 calls
 - 95% of a network operator's in-service phones must be E911 compliant ("location capable") by December 31, 2005. (Numerous carriers missed this deadline and were fined by the FCC).
 - Wireless network operators were to provide the latitude and longitude of callers within 300 meters, within six minutes of a request by a PSAP.
 - Accuracy rates were to meet FCC standards on average within any given participating PSAP service area by 11 September 2012 (deferred from 11 September 2008).

Kari's Law & Ray Baum's Act

August 2019



- Under the provisions outlined in KARI'S LAW, new and upgraded MLTS systems after February 17, 2020 must:
 - Enable the public to dial 911 from MLTS directly, without having to dial additional numbers, such as a “9,” to reach an outside line.
 - Require MLTS to send a notification to a location where someone is likely to hear or see it when a 911 call has been made.
 - Establish dispatchable location information requirements for 911 calls from MLTS, fixed telephone services, interconnected Voice over Internet Protocol (VoIP) services, mobile text, and Internet-based Telecommunications Relay Services (TRS)

Official Letter of Notification

TeleCom

- Verbal Communications have been ongoing with local TeleCom providers
- Letters have been drafted for
 - TelAlaska
 - GCI
 - Optimera

Multi-Line Telephone Systems

- Private Telecommunications Networks
 - Business (i.e. Hotels etc.) with internal switchboard
- **Dispatchable location is defined as:**
 - The street address of the calling party
Information such as room number, floor number, or similar information necessary to adequately identify the location of the calling party.

E911 Fund

- Annual Report on the Collection and Use of 911 Fees
 - The New and Emerging Technologies 911 Improvement Act of 2008 (NET 911 Act) requires the Commission to submit an annual report to Congress on the collection and distribution of 911 and Enhanced 911 fees and charges by the states, the District of Columbia, U.S. territories, and Tribal Nations (states and other reporting entities).
 - NET 911 Act requires the Commission to report whether 911 fees and charges collected by states and other reporting entities are being used for any purpose other than to support 911 and Enhanced 911 (E911) services

Why?

- Funding is crucial for:
 - Personnel
 - Training
 - Equipment (hardware & software)
- The implementation and maintenance of the program

Address signage standards

- In addition to upgrading communications systems, most counties and communities in the United States have established ordinances (e.g. IRC section [R319.1](#)) requiring property owners to standardize the display of house numbers on buildings and along streets and roadways, to allow emergency personnel to more easily identify a given address day or night, even in poor weather.
- These are normally composed of reflective characters, at least 3 to 6 inches high, on a contrasting reflective background.
- It is necessary for the address number to be affixed to the building or to a separate structure such as a post, wall, fence, or mailbox, provided that such separate structure is located in front of the building and on the building's side of the street.
- Compliant signage systems are often advertised as being "E911 compliant".

International Residential Code for One- and Two-Family Dwellings

- **R319.1 Address numbers.**
- Buildings shall have *approved* address numbers, building numbers or *approved* building identification placed in a position that is plainly legible and visible from the street or road fronting the property.
- These numbers shall contrast with their background.
- Address numbers shall be Arabic numbers or alphabetical letters.
- Numbers shall be a minimum of 4 inches (102 mm) high with a minimum stroke width of $\frac{1}{2}$ inch (12.7 mm).
- Where access is by means of a private road and the building address cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure.

[Alaska Statutes.](#)

[Title 29.](#) Municipal Government

[Chapter 35.](#) Municipal Powers and Duties

Section 131. 911 Surcharge.

previous: [Section 130.](#) Emergency Services Communications Centers.

next: [Section 133.](#) Immunity For 911 Systems.

AS 29.35.131. 911 Surcharge.

(a) A municipality may, **by resolution or ordinance**, elect to provide an enhanced 911 system at public safety answering points and may purchase or lease the enhanced 911 equipment or service required to establish or maintain an enhanced 911 system at public safety answering points from a local exchange telephone company or other qualified vendor. The municipality **may impose an enhanced 911 surcharge within the enhanced 911 service area.** An enhanced 911 surcharge **may not exceed \$2 per month for each wireless telephone number and \$2 per month for each local exchange access line for wireline telephones.** The maximum surcharge amount of \$2 provided for in this subsection **may be increased above that level if the surcharge amount is approved by the voters of the enhanced 911 service area.** The amount of surcharge imposed for each wireless telephone number **must equal the amount imposed for each local exchange access line for a wireline telephone.** An enhanced 911 service area may be all of a city, all of a unified municipality, or all or part of the area within a borough and may include the extraterritorial jurisdiction of a municipality in accordance with AS [29.35.020](#) . The **governing body of a municipality shall review an enhanced 911 surcharge annually to determine whether the current level of the surcharge is adequate, excessive, or insufficient to meet anticipated enhanced 911 system needs.** When a municipality imposes an enhanced 911 surcharge or the amount of the surcharge is changed, the municipality shall notify in writing the telephone customers subject to the surcharge and provide an explanation of what the surcharge will be used for.

(b) A local exchange telephone company providing service in a municipality that has imposed an enhanced 911 surcharge shall bill each month and collect the surcharge from customers in the enhanced 911 service area. A wireless telephone company that provides telephone service to wireless telephone customers with billing addresses within the enhanced 911 service area shall impose an enhanced 911 surcharge each month and collect the surcharge from customers in the enhanced 911 service area. A local exchange telephone customer may not be subject to more than one enhanced 911 surcharge on a local exchange access line for a wireline telephone. A wireless telephone customer may not be subject to more than one enhanced 911 surcharge for each wireless telephone number. A customer that has more than 100 local exchange access lines from a local exchange telephone company in the municipality is liable for the enhanced 911 surcharge only on 100 local exchange access lines.

(c) A local exchange telephone company or wireless telephone company shall include the appropriate enhanced 911 surcharge, stated separately and included in the total amount owed, in the bills delivered to its customers. The Regulatory Commission of Alaska may not consider the enhanced 911 surcharge as revenue of the telephone company and has no jurisdiction over an enhanced 911 system. A customer is liable for payment of the enhanced 911 surcharge in the amounts billed by the telephone company until the amounts have been paid to the telephone company.

(d) A local exchange telephone company or wireless telephone company that has collected the enhanced 911 surcharge shall remit the amounts collected to the municipality no later than 60 days after the end of the month in which the amount was collected. From each remittance made in a timely manner under this subsection, the telephone company is entitled to deduct and retain the greater of one percent of the collected amount or \$150 as the cost of administration for collecting the enhanced 911 surcharge. In addition, a wireless telephone company is entitled to full recovery of the recurring and nonrecurring costs associated with implementation and operation of Phase I E911 service as allowed under Federal Communications Commission proceedings entitled "Revision of the Commission's Rules to Ensure Compatibility with Enhanced 9-1-1 Emergency Calling Systems" (CC Docket No. 94-102; RM-8143).

(e) A local exchange telephone company or wireless telephone company is not obligated to take legal action to enforce collection of the enhanced 911 surcharge. However, if a telephone company is attempting to collect an unpaid debt from a customer, the telephone company shall also attempt to collect any unpaid enhanced 911 surcharge that the customer owes. If a customer pays a portion of a bill that includes an enhanced 911 surcharge, the amount paid shall be prorated between the telephone company and the enhanced 911 surcharge. The telephone company shall annually provide the municipality with a list of the amounts due for the nonpayment of enhanced 911 surcharges, together with the names and addresses of those customers who carry a balance that can be determined by the telephone company to be for the nonpayment of the enhanced 911 surcharges. The telephone company is not liable for uncollected amounts.

(f) The municipality may, at its own expense, require an annual audit of a local exchange telephone company's or wireless telephone company's books and records concerning the collection and remittance of the enhanced 911 surcharge.

(g) A village, as defined in AS [09.65.070](#) (e), or a public corporation established by a municipality has the powers granted to a municipality under this section.

(h) [Repealed, Sec. 6 Ch 55 SLA 2005].

(i) A municipality may only use the enhanced 911 surcharge revenue for those costs of the enhanced 911 system that are authorized in this subsection. The surcharge revenue may not be used for any capital or operational costs for emergency responses that occur after the call is dispatched to the emergency responder. The surcharge revenue may not be used for constructing buildings, leasing buildings, maintaining buildings, or renovating buildings, except for the modification of an existing building to the extent that is necessary to maintain the security and

environmental integrity of the public safety answering point and equipment rooms. The surcharge revenue may be used for the following costs to the extent the costs are directly attributable to the establishment, maintenance, and operation of an enhanced 911 system:

- (1)** the acquisition, implementation, and maintenance of public safety answering point equipment and 911 service features;
- (2)** the acquisition, installation, and maintenance of other equipment, including call answering equipment, call transfer equipment, automatic number identification controllers and displays, automatic location identification controllers and displays, station instruments, 911 telecommunications systems, teleprinters, logging recorders, instant playback recorders, telephone devices for the deaf, public safety answering point backup power systems, consoles, automatic call distributors, and hardware and software interfaces for computer-aided dispatch systems;
- (3)** the salaries and associated expenses for 911 call takers for that portion of time spent taking and transferring 911 calls;
- (4)** training costs for public safety answering point call takers in the proper methods and techniques used in taking and transferring 911 calls;
- (5)** expenses required to develop and maintain all information necessary to properly inform call takers as to location address, type of emergency, and other information directly relevant to the 911 call-taking and transferring function, including automatic location identification and automatic number identification databases.

(j) If a city in an enhanced 911 service area established by a borough incurs costs described under (i) of this section for the enhanced 911 system, before the borough may use revenue from an enhanced 911 surcharge, the borough and city must execute an agreement addressing the duties and responsibilities of each for the enhanced 911 system and establishing priorities for the use of the surcharge revenue. If the Department of Public Safety also provides services as part of the enhanced 911 system or uses the enhanced 911 system in that enhanced 911 service area, the department must be a party to the agreement.

(k) For purposes of (i) of this section, "call taker" means a person employed in a primary or secondary answering point whose duties include the initial answering of 911 or enhanced 911 calls and routing the calls to the agency or dispatch center responsible for dispatching appropriate emergency services and a person in a primary or secondary answering point whose duties include receiving a 911 or enhanced 911 call either directly or routed from another answering point and dispatching appropriate emergency services in response to the call; the term "call taker" is synonymous with the term "dispatcher" in that it is inclusive of the functions of both answering the 911 or enhanced 911 calls and dispatching emergency services in response to the calls.

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Note to HTML Version:

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This page has been updated: 04/23/2015 13:25:50

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2021-__

AN ORDINANCE OF THE UNALASKA CITY COUNCIL ESTABLISHING § 13.29.01 THE SERVICES OF THE ENHANCED 911 SYSTEM AND § 13.29.02 ENHANCED 911 CUSTOMER SURCHARGES.

BE IT ENACTED BY THE UNALASKA CITY COUNCIL, as follows:

Section 1: Classification. This Ordinance is a Code Ordinance.

Section 2: Effective Date. This ordinance shall take effect on 1 July 2021

Section 3: § 13.29.01 ENHANCED 911 SERVICES, § 13.29.02 ENHANCED 911 CUSTOMER SURCHARGE AND REMITTANCE

Section 13.29.01 of the Unalaska Code of Ordinances is hereby created to read as follows: [New language is underlined; and deleted language is ~~overstruck~~.]

(A) ENHANCED 911 EMERGENCY REPORTING SYSTEM

Pursuant to A.S. [29.35.131](#) through [29.35.137](#), any wireline or wireless telephone company providing service within the borough shall, together with the City of Unalaska Department of Public Safety, the City of Unalaska Office of Information Technology, and other emergency service providers using the system, cooperate in the establishment of an enhanced 911 emergency reporting system to serve the entire City of Unalaska.

(B) DESIGNATION OF SELECTIVE ROUTER DEMARCATION POINTS

The City of Unalaska hereby designates 29 Safety Way in the City of Unalaska as the 911 PSAP selective router demarcation point solely for the purposes of 911 call delivery by telecommunications carriers.

(C) ENHANCED EMERGENCY REPORTING EQUIPMENT OR SERVICES

City of Unalaska Department of Public Safety may purchase, lease or contract for any enhanced 911 equipment or services reasonably necessary to further enhance the existing 911 system at public safety answering points from either a local exchange telephone company or other qualified vendors of enhanced 911 systems.

If the enhanced 911 system is to be provided for an area that is included in more than one telephone company service area, the City of Unalaska Department of Public Safety, with the approval of the City Manager, may enter into agreements necessary to establish and operate the system.

Section 13.29.02 of the Unalaska Code of Ordinances is hereby created to read as follows: [New language is underlined; and deleted language is ~~overstruck~~.]

(A) ENHANCED 911 CUSTOMER SURCHARGE

1. Pursuant to A.S. 29.35.131 a surcharge in the amount of \$2.00 per month, shall be levied per local access line and for each wireless telephone number that is billed or sold to a customer with an address within the City of Unalaska shall be collected only to fund the enhanced 911 system. The City of Unalaska's Finance Director or his/her designee shall annually review this surcharge to determine whether the level of surcharge is adequate, excessive or insufficient to meet the anticipated enhanced 911 system needs. A wireline telephone or wireless telephone customer may not be subject to more than one 911 surcharge per local exchange access line and wireless telephone. A customer that has more than 100 wireline access lines from a wireline telephone company in the City of Unalaska is liable for the 911 surcharge only on 100 wireline access lines.
2. The telephone companies shall bill and collect the 911 surcharge from its wireline and wireless customers. The 911 surcharge billed shall be accounted for separately from other charges.
3. The telephone companies shall remit that portion of the surcharge receipts allocable to the City of Unalaska no later than 60 days after the end of the month in which the amount was collected. From each remittance made in a timely manner, the telephone company is entitled to deduct the greater of one percent of the amount collected or a total of \$150 per month as the cost of administration for collecting the 911 surcharge. The telephone company shall annually furnish a complete list of amounts due for nonpayment of surcharges, together with the names and addresses of those customers who carry a balance of what can be determined by the company to be for nonpayment of the surcharge.
4. The City of Unalaska may, at its own expense, require an annual audit of a telephone company's books and records concerning collection and remittance of the surcharge.
5. A wireline or wireless telephone customer is liable for payment of the enhanced 911 surcharge in the amounts billed by the telephone company until the amounts have been paid to the telephone company.

(B) REMITTANCE

1. On or before 60 days following the end of the month in which the surcharge was billed, the telephone company shall submit to the City of Unalaska Finance Director a return, upon forms provided by the City of Unalaska Finance Director, and submit payment for the surcharge due the City of Unalaska.

2. The return shall be signed by the agent of the telephone company and include:
 - a. the name and address of the telephone company;
 - b. the name and title of the person preparing the return;
 - c. the month being reported for which the surcharges were billed;
 - d. the amount of gross surcharges billed for the month of the return;
 - e. the deduction claimed for the surcharges previously billed and remitted to the Finance Director, but charged off as uncollectible during the month being reported;
 - f. the prorated recoveries representing the month's collection of surcharges previously written off as uncollectible;
 - g. the amount of deduction claimed for the telephone company's administrative costs to collect the surcharges, which may be the greater of \$150 or one percent of amounts collected;
 - h. the net amount of remittance due to the City of Unalaska; and
 - i. other information and supporting documentation which may be required by the City of Unalaska.

Section 4: Definitions

(A) For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

- “911 service area” or “enhanced 911 service area” means the entire borough has been designated to receive an enhanced 911 system. An area designated to receive an enhanced 911 system is not a “service area” under Article X, Section 5 of the Alaska Constitution.
- “Enhanced 911 equipment” means any equipment dedicated to the operation of, or use in, the establishment, operation or maintenance of an enhanced 911 system, including customer premises equipment, automatic number identification or automatic location identification controllers and display units, printers, cathode ray tubes, recorders, software, and other essential communication equipment.
- “Enhanced 911 system” or “system” means a telephone system consisting of network, database and enhanced 911 equipment that uses the single three-digit number, 911, for reporting a medical, fire, police, or other emergency situation, and which enables the users of a public telephone system to reach a public safety answering point to report emergencies by dialing 911. An enhanced 911 system includes the personnel required to acquire, install, operate, and maintain the system.

- “Local exchange access line” means a telephone line that connects a local exchange service customer to the wireline telephone company switching office and that has the capability of reaching local public safety agencies, but does not include a line used by a carrier to provide inter-exchange services. However, the local exchange access lines shall not include public pay phones, inter-office trunks, toll trunks, and direct inward dialing trunks.
- “Local exchange service” means the transmission of two-way interactive switched voice communications furnished by a local exchange telephone company within the City of Unalaska including access to enhanced 911 systems.
- “Local exchange telephone company” or “wireline telephone company” means the any telephone utility certified to provide local exchange service or wireline telephone service in the City of Unalaska by the Regulatory Commission of Alaska.
- “Public safety answering point” means a 24-hour local jurisdiction communications facility that receives 911 service calls and directly dispatches emergency response services or that relays calls to the appropriate public or private safety agency.
- “Surcharge” means an enhanced 911 system surcharge imposed on wireline and wireless telephones for support of an enhanced 911 system.
- “Wireless telephone company” means any telephone company that provides wireless telephone service through cellular, satellite, broadband, radio-based telephone or data transport service, and bills or sells wireless telephone service to a customer with an address within the City of Unalaska.
- “Wireless telephone” means any telephone that is not a wireline telephone that is capable of communication with another device by use of radio waves or satellite signal, which includes cellular, mobile, radio-based, and broadband telephones. Each wireless telephone number is considered a separate wireless telephone for purposes of the surcharge.
- “Wireline telephone” means any telephone that uses a local exchange access line.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on Month DD, YYYY.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-16

A RESOLUTION OF THE UNALASKA CITY COUNCIL APPROVING THE MAYOR'S APPOINTMENT OF VIRGINIA HATFIELD TO THE PLANNING COMMISSION AND PLATTING BOARD, AND THE HISTORIC PRESERVATION COMMISSION

WHEREAS, due to the resignation of Jason Gates, there is a vacancy on the Planning Commission and Platting Board, and the Historic Preservation Commission; and

WHEREAS, Unalaska City Code § 2.60.040 states that board members shall be appointed by the Mayor, subject to approval of the City Council; and

WHEREAS, Mayor Tutiakoff appointed VIRGINIA HATFIELD to the vacant seat on the Planning Commission and Platting Board, and the Historic Preservation Commission, to complete the term ending February 14, 2023, and submits the appointment to the City Council for approval.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the appointment of Virginia Hatfield.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on March 23, 2021.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk



BOARD, COMMITTEE & COMMISSION APPLICATION

APPLYING FOR (check one):

- Planning Commission, Platting Board and Historic Preservation Commission
- Parks, Culture & Recreation Committee
- Library Advisory Committee
- Museum of the Aleutians Board of Directors
- Iliuliuk Family & Health Services Clinic Board

Name: Virginia Hatfield

Mailing Address: PO Box 648, Unalaska, AK 99685

Telephone: 907-359-8000

Email: virginiahatfield@aleutians.org

Occupation: Executive Director/Archaeologist

Employer: Museum of the Aleutians

Previous Board/Committee/Commission Experience (attach additional pages if necessary):

current service: Library Advisory Council, IFHS Clinic board

Past Service: Aleutian Arts Council, Hearts and Hands project;

Lubbock County Historic Preservation board

Check the primary reason(s) for your interest:

- I am a returning board, committee or commission member whose term recently expired.
- I have expertise I want to contribute.
- I am interested in the activities the board, committee or commission handles.
- I want to participate in local government.
- I want to make sure my segment of the community is represented.
- Other _____

Please explain in greater detail the reasons you checked above: _____

As a professional archaeologist and as the director of the Museum, I am very interested in the historic preservation committee activities. I am also interested in the development of this community and hope I can be of service

It is suggested you attach an outline of your education, work and volunteer experience, and other interests.

How did you learn of this vacancy (please check one):

- Media
- Word of Mouth
- Solicitation
- Other _____

Date: 9 May 2021

Signature: _____

THANK YOU FOR YOUR INTEREST IN SERVING

Applications expire one year from date received by City Clerk

Please return completed Application to the City Clerk's Office in City Hall, 43 Raven Way, Unalaska
Or mail to City Clerk, City of Unalaska, P. O. Box 610, Unalaska, AK 99685

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Marjie Veeder, City Clerk
Through: Erin Reinders, City Manager
Date: March 23, 2021
Re: Ordinance 2021-02 Amending Title 6 of the Unalaska Code of Ordinances to Adopt a New Chapter 6.56 Excise Tax on Tobacco Products

SUMMARY: On March 9, council voted to schedule Ordinance 2021-02 for public hearing and second reading on March 23, with several council members voicing concerns, summarized below, but providing no specific direction nor offering amendments to the ordinance. No changes have been made to the ordinance presented on March 9.

PREVIOUS COUNCIL ACTION: See the staff memo from March 9 for full list of previous council action and discussion of this topic. Comments from council members from the March 9 meeting are summarized below:

- Council member Gregory voiced full support of the ordinance as written and urged fellow council members to move the ordinance forward
- Council member Bell voiced support of the ordinance and rate of levy, but felt the voters should have the opportunity to approve the tax on the October general election ballot; he stated since it was voted on in 2017 and voted down bringing it back two years later doesn't seem like the right process (*see clarifying information in discussion below*)
- Council member Coleman stated she does not support excise tax as a revenue generator; feels the revenue must have a specific dedication to a smoking cessation program; and does not support city council having the ability to dedicate the revenue each budget cycle and feels the intended dedication would be forgotten in future years (*see information provided in discussion below*)
- Council member Robinson supports an intended purpose of excise tax to discourage use of tobacco; wants specific dedication of revenue to tobacco education or the medical field in general; suggested a three year "phase in"; and doesn't want the revenue to go to the general fund
- Council member Nicholson said he would support the ordinance if the revenue were specifically dedicated
- Council member Tungul left the meeting before this item was addressed

DISCUSSION:

FOLLOW UP TO COUNCIL COMMENTS

In 2017, Council approved Ordinance 2017-04, amending the code of ordinances to increase the rate of sales tax on alcohol, marijuana and tobacco from 3% to 6%. The driving factor was the legalization of marijuana in Alaska. Excise tax was not included. As a requirement of law, sales tax increases must be ratified by voters. This sales tax increase was not approved by voters. The timing of this tobacco excise tax ordinance has nothing to do with the 2017 ordinance or the related ballot measure. The tobacco excise tax ordinance was prepared and presented by staff and the city attorney as directed by council, at the urging of APIA, and has no relationship to the previous ordinance in 2017. Council has the authority to levy excise tax without voter approval. Similarly, council sets the rate of levy for property tax each year, which also is not approved by voters.

Council member Coleman voiced concern about the intended dedication of funds being forgotten in future years. This point is well taken because research was required in the not too distant past to find ballot dedication language for the bed tax and the 1% sales tax fund. It was for this specific reason that the dedication language for the tobacco excise tax was included in the ordinance, to be codified for ease of reference.

Additionally, Council has the authority, as pointed out by the city attorney, to amend this or any other ordinance: "As a general principle, a council cannot pass an ordinance that it is unable to amend or repeal at a future date. An ordinance dedicating funds to a specific purpose can be revised by the council the same as any other ordinance." (Memo from Charles Cacciola dated 9/23/2019.)

EXISTING TOBACCO EDUCATION PROGRAMS IN UNALASKA

I spoke with UCSD Superintendent John Conwell, who indicated that tobacco education is provided to students once at the junior high level and once at the senior high level as part of the existing health curriculum. Additionally, if a student is found smoking, they are assigned a tobacco self-study program through the school counseling department. The school district includes these programs as part of their normal curriculum and there is no specific cost associated with the educational programs. Mr. Conwell added that tobacco use by students is presently not a pervasive problem in the student body at UCSD.

According to Mr. Conwell, APIA typically provides tobacco education programs to UCSD students on an annual basis; brings speakers to the school; and in the past provided custom-made signs discouraging use of tobacco and tobacco products. Due to COVID-19, these programs haven't been offered in the last year.

Unalaska's Department of Parks, Culture & Recreation does not provide their own tobacco education or cessation programs, as this is somewhat outside their scope. However, PCR has worked with APIA in the past to provide program space for APIA's tobacco education and cessation programs. Again, due to COVID-19, these programs haven't been offered in the last year.

Information about potential dedication of the excise tax revenue follows, in no particular order:

REVENUE GENERATION

Though the tobacco excise tax does not appear to have the support of council as a revenue generator, that purpose is a valid consideration given the present budget climate in the City and the State.

DEDICATION TO APIA

APIA provided information about their Tobacco Prevention & Control Program, why it's important to invest in tobacco prevention, the associated cost of their program, and how Unalaska might invest in tobacco cessation services and other health initiatives using the tobacco excise tax revenue. [See attached](#). Funding for these existing programs is provided, in part, by the City of Unalaska through the community grant program. APIA has also detailed the benefit of a dedicated tobacco cessation clinician for our region and the related cost.

APIA Current Tobacco Cessation Program Cost

Salary	\$102,808
Training	\$45,000
Travel	\$12,000
Supplies	\$10,000
NRT	\$5,000
Advertising	<u>\$6,000</u>
Total	\$180,808

Cost Estimate for dedicated Tobacco Treatment Specialist

Salary (excluding benefits)	\$45,000
Training	<u>\$1,500</u>
Total	\$46,500

City funding of APIA through the Community Support Grant Program, for behavioral health programs, for the last three years (note, grants not restricted to tobacco cessation treatment):

- FY19 \$120,500
- FY20 \$205,350
- FY21 \$145,000

DEDICATION TO IFHS

The City provides monetary support to the IFHS Clinic, both through the community support grant program and other support:

Community Support Grants to IFHS

- FY19 \$180,000
- FY20 \$180,000
- FY21 \$161,260

Additional Support

- April 2019 (emergency loan) \$500,000
- April 2020 (emergency grant)..... \$500,000

- July 2020 (CARES)..... \$500,000
- November 2020 (CARES)..... \$400,000

DEDICATION TO THE
COMMUNITY SUPPORT GRANT PROGRAM

The existing City of Unalaska Community Support Grant Program provides funding to 10-12 entities each year. The total support provided for the last three years was:

Community Support Grants

- FY19 \$1,273,752
- FY20 \$1,469,236
- FY21 \$1,311,608

The present target funding level for the grant program is 3.5% of the average revenue for the General Fund for the five most recently completed fiscal years, plus the Bed Tax amount for the most recently completed fiscal year.

Council could consider using the excise tax revenue to help fund the existing grant program, freeing up general fund monies in an amount equal to the excise tax revenue.

Alternatively, the excise tax revenue could be added to the grant program formula with an earmark for public health or tobacco program, thereby increasing the overall amount available for community grants. With this option, council could restrict the excise tax revenue amount to grants for the benefit of public health or tobacco cessation and education programs. APIA, IFHS or other entities would then apply for that funding through the existing grant program.

COUNCIL ACTION ALTERNATIVES:

Council may choose to:

- Vote tonight on the ordinance as presented - “I move to adopt Ordinance 2021-02.”
- Amend the ordinance before final vote - see suggested language below
- Refer the matter to a committee for further study - “I move to refer Ordinance 2021-02 to a committee to consist of no more than three council members, the Mayor and the City Clerk *{or others}*, to further study potential dedication of revenue generated by the proposed Tobacco Excise Tax and present the committee’s findings, recommendations and a proposed ordinance at a future meeting of the City Council.”

AMENDMENT: If council wants to amend the ordinance this evening, council may consider the following language, or variations of it:

TO AMEND THE PURPOSE

I move to amend Ordinance 2021-02, at section **6.56.010 PURPOSE**, paragraph (A), to strike the words “generate revenue and” from the first line.

(A) The tax levied by this chapter is intended to ~~generate revenue and~~ improve public health by reducing consumption of cigarettes and tobacco products in the City of Unalaska.

TO AMEND REVENUE DEDICATION

The revenue dedication language at 6.56.010(B), as presented, reads:

(B) Each annual budget shall determine what portion of the tax levied by this chapter shall be dedicated to smoking cessation or related public health programs

(1) Dedicate to the IFHS Clinic: I move to amend Ordinance 2021-02, at section 6.56.010(B), striking the language of paragraph (B) and replacing it with:

(B) The revenue generated by the tax levied under this chapter is dedicated for the benefit of public health in Unalaska, and is to be remitted to the **Iliuliuk Family & Health Services Clinic of Unalaska** on an annual basis to be used for public health or tobacco cessation programs in Unalaska

OR

(2) Dedicate to APIA: I move to amend Ordinance 2021-02, at section 6.56.010(B), striking the language of paragraph (B) and replacing it with:

(B) The revenue generated by the tax levied under this chapter is dedicated for the benefit of public health in Unalaska, and is to be remitted to the **Aleutian Pribilof Islands Association** on an annual basis to be used for public health or tobacco cessation programs in Unalaska

OR

(3) Dedicate to the Community Support Grant Program: I move to amend Ordinance 2021-02, at section 6.56.010(B), striking the language of paragraph (B) and replacing it with:

(B) The revenue generated by the tax levied under this chapter is dedicated to the **City of Unalaska Community Support Grant Program** for the benefit of public health programs or tobacco education and cessation programs in Unalaska

If Council chooses to dedicate the excise tax revenue to a particular entity, it may be wise to consider whether the entities would need to request the funds on yearly basis; whether any justification or accounting will be required; and whether any conditions on the use of the funds will be imposed.

Please also keep in mind that it is inadvisable to dedicate particular dollar amounts in the ordinance. If the excise tax successfully reduces consumption of the related products, the revenue would be expected to decrease over time.

FINANCIAL IMPLICATIONS:

- At the rate of levy presently contained in the ordinance, the City may realize up to \$835,000 annually from tobacco excise tax based on estimates provided by vendors.
- Depending on how council chooses to proceed, there may be financial implications to the general fund or the community grant program.
- The cost of implementation to the City is not known, but those costs will be absorbed within the departmental budgets, primarily Clerks and Finance.
- Additionally, the city has incurred attorney fees in the development of this ordinance, which was directed by council. Attorney fees have been paid out of existing budgets.

STAFF RECOMMENDATION / PROPOSED MOTION: This is a Council decision and staff makes no recommendation.

ATTACHMENTS: [March 9 council packet materials](#); and [information provided by APIA](#).

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2021-02

AN ORDINANCE AMENDING TITLE 6 OF THE UNALASKA CODE OF ORDINANCES TO ADOPT A NEW CHAPTER 6.56 EXCISE TAX ON TOBACCO PRODUCTS

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

Section 1: Form. This is a code ordinance.

Section 2: Amendment to Title 6. Title 6 of the Unalaska Code of Ordinances is hereby amended by adding a new Chapter, numbered 6.56, to read as follows:

CHAPTER 6.56 EXCISE TAX ON TOBACCO

§ 6.56.010	Purpose
§ 6.56.020	Definitions
§ 6.56.030	Levy of excise tax on tobacco
§ 6.56.040	Exemptions
§ 6.56.050	Registration
§ 6.56.060	Application for tax refund
§ 6.56.070	Remittance of tax levied
§ 6.56.080	Form of return
§ 6.56.090	Returns and information confidential; exceptions
§ 6.56.100	Amended returns
§ 6.56.110	Extension of time to file return
§ 6.56.120	Cessation or transfer of business
§ 6.56.130	Procedures on delinquency
§ 6.56.140	Repayment plans
§ 6.56.150	Period of limitation
§ 6.56.160	Recordkeeping
§ 6.56.170	Withholding of personal property of distributor failing to withhold
§ 6.56.180	Tax rulings

§6.56.010 PURPOSE.

(A) The tax levied by this chapter is intended to generate revenue and improve public health by reducing consumption of cigarettes and tobacco products in the City of Unalaska.

(B) Each annual budget shall determine what portion of the tax levied by this chapter shall be dedicated to smoking cessation or related public health programs

(C) The tax imposed by this chapter is an excise tax on the privilege of bringing cigarettes or tobacco products into the City of Unalaska for commercial purposes. It is the intent and purpose of this chapter to provide for the collection of the excise tax from a distributor who brings, or causes to be brought, cigarettes or tobacco products into the City of Unalaska. The excise tax is levied when a distributor brings, or causes to be brought, cigarettes or tobacco products into the City of Unalaska from outside the City of Unalaska.

§6.56.020 DEFINITIONS.

For the purposes of this chapter, unless the context otherwise requires, the following words and phrases shall have the meanings defined herein.

(A) Cigarette means a roll for smoking of any size or shape, made wholly or partly of tobacco, whether the tobacco is flavored, adulterated, or mixed with another ingredient, if the wrapper or cover of the roll is made of paper or a material other than tobacco.

(B) Distributor means a person who brings cigarettes or tobacco products, or causes them to be brought, into the City of Unalaska, and who sells or distributes them to others in the City of Unalaska.

(C) Electronic smoking product means, without including marijuana as defined in AS 11.71.900,

(1) any product containing or delivering nicotine or any other substance intended for human consumption that can be used by a person through inhalation of vapor or aerosol from the product, of any size or shape, whether the product is manufactured, distributed, marketed, or sold as an e-cigarette, e-cigar, e-pipe, e-hookah, vape pen, or any other product name or descriptor; or

(2) a component, solution, alternative tobacco product, e-liquid, e-juice, vapor product, flavoring, or other related product of an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or other similar device of any size or shape used for, or to assist with, aerosolizing and inhaling chemical substances that may cause an adverse effect on human health.

(D) In transit means passing through the City of Unalaska while solely in the possession of a common carrier, shipping, cargo, or freight operator or private carrier, other than a distributor, and where title to the goods does pass not while in the City of Unalaska.

(E) Tobacco product means:

(1) A cigar;

(2) A cheroot;

(3) A stogie;

(4) A perique;

(5) Snuff and snuff flour;

(6) Smoking tobacco, including granulated, plug-cut, crimp-cut, ready-rubbed, and any form of tobacco suitable for smoking in a pipe or cigarette;

(7) Chewing tobacco, including cavendish, twist, plug, scrap, and tobacco suitable for chewing;

(8) An article or product made wholly or in part of tobacco or a tobacco substitute or otherwise containing nicotine, other than a cigarette, that is expected or intended for human consumption, but not including a product prescribed by a licensed physician or a product that has been approved by the United States Food and Drug Administration for sale as a tobacco use cessation product or for other medical purposes and which is being marketed and sold solely for that approved purpose; and

- (9) An electronic smoking product.
- (F) Wholesale price means the price the distributor pays for a tobacco product, after deduction of a discount or other reduction received by the distributor for quantity or cash.

§ 6.56.040 EXEMPTIONS.

The tax imposed under this chapter does not apply to:

- (A) Cigarettes or tobacco products brought into the City of Unalaska by an exchange, commissary, or ship's stores operated by one of the uniformed services of the United States as defined in 5 U.S.C. § 2101, nor shall such exchange, commissary, or ship's stores be considered a distributor.
- (B) Cigarettes or tobacco products if the United States Constitution, the Alaska Constitution, or other federal or state laws prohibit the levying of the tax on the product by the city.
- (C) Cigarettes or tobacco products in transit.

§ 6.56.050 REGISTRATION.

- (A) No person may sell, purchase, possess or bring cigarettes or tobacco products into the City of Unalaska as a distributor without first registering with the city. All business in the city holding a business license endorsement required by AS 43.70.075 shall register. The registration shall be on a form provided by the city and must include the information requested by the city.
- (B) The registration required by this chapter is in addition to any other registration or license required by law.

§ 6.56.060 APPLICATION FOR TAX REFUND.

If a distributor has remitted tobacco products tax in excess of what is due to the city, the distributor may apply to the city for a refund within one year of the date the overpayment was made. The city shall audit the distributor's account and may request any additional information the city requires to determine that a refund is due. If the city determines that a refund is due, the distributor may take a credit on the next tobacco products tax report, or the city shall pay the refund of the tax paid with interest at 3.5% per annum beginning 30 days from the date of the application for refund, with all documentation and information necessary to determine a refund is due, is received. A claim for refund not filed within one year of the date the tax was remitted to the city is forever barred. A distributor may claim a refund only where the distributor has filed a timely tobacco products tax return and therewith remitted the tobacco products taxes due under that return.

§ 6.56.070 REMITTANCE OF TAX LEVIED.

Distributors shall complete and file required returns and remit the tax levied in accordance with the following schedule:

- (A) QUARTERLY. Unless otherwise provided for in this chapter, distributors shall on or before the last day of the month succeeding the end of each quarter year ending March

31, June 30, September 30, and December 31, prepare a return for the preceding quarter year upon forms furnished by the city. Returns shall be filed personally at city hall by 5:00 p.m. or postmarked on the last day of the month following the end of each quarter year. In the event the last day of the month falls on a legal holiday or weekend, the return may be filed on the first business day following.

(B) **FILINGS TO BE CONTINUOUS.** A distributor which has filed a tobacco products tax return will be presumed to be a distributor in successive quarters unless that distributor files a return showing termination or sale of the business.

§ 6.56.080 FORM OF RETURN.

On forms furnished by the city and available at city hall, the distributor shall furnish the required information, sign the form and certify that the form correctly states the information set forth therein.

§ 6.56.090 RETURNS AND INFORMATION CONFIDENTIAL; EXEMPTIONS.

Returns filed with the city for the purpose of complying with the terms of this chapter and all data obtained from such returns are confidential, and such returns, and data obtained shall be kept from inspection by all private persons, except as necessary to investigate violations of and to enforce this chapter. Nothing contained in this section shall be construed to prohibit the delivery to a person, or their duly authorized representative, of a copy of any return or report filed by them, nor to prohibit the publication of statistics, nor to prohibit the furnishing of information on the reciprocal basis to other agencies of the State of Alaska or the United States concerned with the enforcement of tax laws.

§ 6.56.100 AMENDED RETURNS.

(A) A distributor may file an amended return, with supporting documentation, and the city may accept the amended return, but only in the following circumstances:

- (1) The amended return is filed within one year of the original due date for the return;
- (2) The distributor provides a written justification for requesting approval of the amended return; and
- (3) The distributor agrees to submit to an audit upon request of the city.

(B) The city shall notify the distributor in writing (by email or otherwise) whether the city accepts or rejects an amended return, including the reasons for any rejection.

(C) The city may adjust a return for a distributor if, after investigation, the city determines the figure included in the original returns are incorrect, and the city adjusts the return within two years of the original due date for the return.

(D) A distributor may file a supplemental tobacco products tax return, with supporting documentation, and the city may accept the supplemental return, but only in the following circumstances:

- (1) The distributor provides a written justification for requesting approval of the supplemental return;
- (2) The distributor agrees to submit to an audit upon request of the city.

§ 6.56.110 EXTENSION OF TIME TO FILE RETURN.

Upon written application of a distributor, stating the reasons therefor, the city may extend the time to file a tobacco products tax return but only if the city finds each of the following:

- (A) For reasons beyond the distributor's control, the distributor has been unable to maintain in a current condition the books and records that contain the information required to complete the return;
- (B) Such extension is a dire necessity for bookkeeping reasons and would avert undue hardship upon the distributor;
- (C) The distributor has a plan to cure the problem that caused the distributor to apply for an extension and the distributor agrees to proceed with diligence to cure the problem;
- (D) At the time of the application, the distributor is not delinquent in filing any other tobacco products tax return, in remitting tobacco products tax to the city or otherwise in violation of this chapter; and
- (E) No such extension shall be made retroactively to cover existing delinquencies.

§ 6.56.120 CESSATION OR TRANSFER OF BUSINESS.

(A) A distributor who sells, leases, conveys, forfeits, transfers or assigns the majority of their business interest, including to a creditor or secured party, shall make a final tobacco products tax return within 30 days after the date of such conveyance.

(B) At least ten business days before any such sale is completed, the distributor shall send to the city clerk, by approved communication (email confirmation, certified first-class mail, postage prepaid) a notice that the distributor's interest is to be conveyed and shall include the name, address and telephone number of the person or entity to whom the interest is to be conveyed.

(C) Upon notice of sale and disclosure of buyer, the city shall be authorized to disclose the status of the distributor's tobacco products tax account to the named buyer or assignee.

(D) Upon receipt of notice of a sale or transfer, the city shall send the transferee a copy of this code with this section highlighted.

(E) Neither the city's failure to give the notice nor the transferee's failure to receive the notice shall relieve the transferee of any obligations under this section.

(F) Following receipt of the notice, the city shall have 60 days in which to perform a final tobacco products tax audit and assess tobacco products tax liability against the seller of the business. If the notice is not mailed at least ten business days before the sale is completed, the city shall have 12 months from the date of the completion of the sale or the city's knowledge of the completion of the sale within which to begin a final tobacco products tax audit and assess tobacco products tax liability against the seller of the business. The city may also initiate an estimated assessment if the requirements for such an assessment exist.

(G) A person acquiring any interest of a distributor in a business required to remit the tax under this chapter assumes the liability of the distributor for all taxes due the city,

whether current or delinquent, whether known to the city or discovered later, and for all interest, penalties, costs and charges on such taxes.

(H) Before the effective date of the transfer, the transferee of a business shall obtain from the city an estimate of the delinquent tobacco products tax, penalty and interest, if any, owed by the distributor as of the date of the transfer, and shall withhold that amount from the consideration payable for the transfer, until the distributor has produced a receipt from the city showing that all tax obligations imposed by this chapter have been paid. A transferee that fails to withhold the amount required under this subsection shall be liable to the city for the lesser of the amount of delinquent tobacco products tax, penalty and interest due from the distributor as of the date of transfer, and the amount that the transferee was required to withhold.

(I) In this section, the term "transfer" includes the following:

- (1) A change in voting control, or in more than 50% of the ownership interest in a distributor that is a corporation, limited liability company or partnership; or
- (2) A sale of all or substantially all the assets used in the business of the distributor; or
- (3) The initiation of a lease, management agreement or other arrangement under which another person becomes entitled to the remote distributor's or marketplace facilitator's gross receipts from sales, rentals or services.

(J) A distributor who terminates the business without the benefit of a purchaser, successor or assign shall make a final tax return and settlement of tax obligations within 30 days after such termination. If a final return and settlement are not received within 30 days of the termination, the distributor shall pay a penalty of \$500, plus an additional penalty of \$25 for each additional 30 day period, or part of such a period, during which the final return and settlement have not been made, for a maximum of six additional periods.

§ 6.56.130 PROCEDURES ON DELINQUENCIES.

(A) **PENALTY.** A penalty equal to 5% of the delinquent tax shall be added to the tax for the first month, or any part thereof, and an additional 5% shall be added to the tax due for each month, or fraction thereof, of delinquency until a total penalty of 20% of the tobacco products tax due has accrued. The penalty shall be assessed and collected in the same manner as the tax is assessed and collected. The penalty does not bear interest.

(B) **INTEREST.** In addition to the penalty provided in subsection (A) above, interest assessed on delinquent tax shall accrue at the rate of 15% per annum. Interest shall accrue from the date of delinquency until paid in full and shall be collected in the same manner as the delinquent tax is collected.

(C) **PRIORITY FOR CREDITING PAYMENTS.** All payments received shall be applied in the following order:

- (1) Penalties due, beginning with the oldest penalty;
- (2) Interest due, beginning with the interest due on the oldest month; and
- (3) Taxes due, beginning with the taxes due from the oldest month.

(D) **WRITTEN DEMAND AND ADDITIONAL PROCEDURES.** If a distributor fails to file the return or make the remittance in accordance with § 6.56.070 or § 6.56.080, the city may do any or all of the following things:

- (1) Cite the offender for a violation of this chapter. Any person, firm, or entity violating any provision of this chapter is guilty of a minor offense and shall be subject to a penalty as provided in § 1.24.040 or if no fine is there established, in an amount not to exceed \$500 for each violation or day a violation exists. In all cases where a person is found to have violated this chapter, the court shall order the person to file an accurate tobacco products tax return within 15 days, in addition to any fine that may be imposed as a result of the violation. Prosecution under this subsection does not limit the ability of the city to recover any amount of unpaid taxes through civil action or as otherwise provided by this chapter.
 - (2) File a civil complaint against the distributor for violation of any obligation in this chapter.
 - (3) Make a tobacco products tax assessment against the distributor, with the assessment based upon an estimate of tax levied and owed by the distributor during the period and institute civil action to recover the amount of the tobacco products tax, interest, and penalty due and to request injunctive relief. The estimate of tax may all be derived from past tobacco products tax returns of the distributor or their predecessor, the general economic level of the business community, information from tobacco products tax audits conducted by the city, if available, returns of comparable businesses and any other information believed to be reliable or helpful to the city in making an estimate of the tobacco products tax due. Notice of the estimated assessment of tobacco products taxes due shall be furnished the distributor by the city via first-class mail to the last known address of the distributor or via hand-delivery to the distributor and the estimated assessment shall become final for the purposes of determining liability of the distributor to the city after 30 days of the date of mailing or hand-delivery of the estimated assessment to the distributor unless the distributor earlier files with the city an accurate tobacco products tax return, supported by satisfactory records or documentation indicating a lesser liability.
 - (4) The tax, interest and penalty imposed under this chapter shall constitute a lien in favor of the city upon all the property of the distributor whether tangible or intangible and wherever located. The lien arises upon delinquency and continues until the liability is satisfied or the lien is foreclosed. The lien is not valid as against a mortgagee, pledgee, purchaser or judgment lien creditor until notice of the lien is filed in the office of the recorder for the Aleutian Islands or Anchorage recording district. The manner provided for Federal tax liens under AS 40.19.010 et seq. are by this reference incorporated herein as if set forth in full.
- (E) WAIVER. A penalty assessed under this section for the delinquent remittance of tobacco products tax or failure to file a tobacco products tax return may be waived by the city manager, upon written application of the distributor accompanied by a payment of all delinquent tobacco products tax, interest and penalty otherwise owed by the distributor, within 45 calendar days after the date of delinquency. A distributor may not be granted more than one waiver of penalty under this subsection in any one calendar year. The city manager shall report such waivers of penalty to the city council, in writing.

§ 6.56.140 REPAYMENT PLANS.

- (A) The city may agree to enter into a repayment plan with a delinquent distributor. No repayment plan shall be valid unless agreed to by both parties in writing.

(B) A distributor shall not be eligible to enter into a repayment plan with the city if the distributor has defaulted on a repayment plan in the previous two calendar years.

(C) The repayment plan shall include a secured promissory note that substantially complies with the following terms:

- (1) The distributor agrees to pay a minimum of 10% down payment on the tax, interest and penalty amount due. The down payment shall be applied first to penalty, then to accumulated interest, and then to the tax owed.
- (2) The distributor agrees to pay the balance of the tax, penalty and interest owed in monthly installments over a period not to exceed two years.
- (3) Interest at a rate of 15% per annum shall accrue on the principal sum due. Interest shall not apply to penalties owed or to interest accrued at the time the repayment plan is executed or accruing during the term of the repayment plan.
- (4) If the distributor is a corporation or a limited liability entity the distributor agrees to provide a personal guarantee of the obligations under the repayment plan.
- (5) The distributor agrees to pay all future tax bills in accordance with the provisions of this chapter.
- (6) The distributor agrees to provide a security interest in the form of a tobacco products tax lien for the entire unpaid balance of the promissory note to be recorded by the city at the time the repayment plan is signed. The distributor shall be responsible for the cost of recording the tax lien.

(D) If a distributor fails to pay two or more payments as required by the repayment plan agreement, the distributor shall be in default and the entire amount owed at the time of default shall become immediately due. The city will send the distributor a notice of default. The city may immediately foreclose on the tobacco products tax lien or take any other remedy available under the law.

§ 6.56.150 PERIOD OF LIMITATION.

(A) The amount of any tobacco products tax imposed under this chapter may be determined and assessed at any time within a period of six years after the tax became due and payable. The period shall begin on the date when a return is required to be filed. Where no tobacco products tax return has been filed, or where a fraudulent return has been filed, then the period of limitation does not begin to run until discovery of the delinquency or fraud occurs. No proceeding for the collection of the tobacco products tax shall be begun after the expiration of this period.

(B) No obligation to remit tax established by § 6.56.030 shall be applied retroactively.

§ 6.56.160 RECORDKEEPING.

(A) Every distributor shall retain for a period of six years all of the tobacco products tax returns, reports, forms, records and supporting schedules as may be necessary to determine the amount of tax required to be remitted.

(B) All such records and documentation required to be retained shall be made available for examination at reasonable times by the city or agents of the city, for the

purpose of ascertaining the correctness of a return for the purpose of determining the amount of tax levied.

§ 6.56.170 WITHHOLDING OF PERSONAL PROPERTY OF DISTRIBUTOR FAILING TO WITHHOLD.

(A) The city manager may by notice, served personally or by first-class mail, require any employer, person, officer or department of the state, political subdivision or agency of the state, having in their possession, or under their control, any credits or other personal property or other things of value, belonging to a distributor, to withhold, from the credits or other personal property or other things of value, the amount of any tax, interest, or penalties due from the distributor or the amount of any liability incurred by that person for failure to withhold and transmit amounts due from a distributor and to transmit the amount withheld to the city at the times that the city manager may designate. However, in the case of a depository institution, as defined in § 19(b) of the Federal Reserve Act (12 U.S.C.A. § 461(b)(1)(A)), amounts due from a distributor under this section shall be transmitted to the city not less than ten business days from receipt of the notice. To be effective, the notice shall state the amount due from the distributor and shall be delivered or mailed to any branch or office where the city manager reasonably believes credits or other property is held.

(B) When the city, pursuant to this section issues a levy upon, or requires by notice, any person, or financial institution, as applicable, to withhold all, or a portion of, a financial asset for the purpose of collecting a delinquent tax liability, the person, or financial institution, that maintains, administers, or manages that asset on behalf of the distributor, or has the legal authority to accept instructions from the distributor as to the disposition of that asset, shall liquidate the financial asset in a commercially reasonable manner within 90 days of the issuance of the order to withhold. Within five days of liquidation, the person, or financial institution, as applicable, shall remit to the city the proceeds of the liquidation, less any reasonable commissions or fees, or both, which are charged in the normal course of business.

(C) If the value of the financial assets to be liquidated exceeds the tax liability, the distributor may, within 60 days after the service of the order to withhold upon the person, or financial institution, instruct the person, or financial institution, as to which financial assets are to be sold to satisfy the tax liability. If the distributor does not provide instructions for liquidation, the person, financial institution, or securities intermediary shall liquidate the financial assets in a commercially reasonable manner and in an amount sufficient to cover the tax liability, and any reasonable commissions or fees, or both, which are charged in the normal course of business, beginning with the financial assets purchased most recently.

(D) Any corporation or person failing to withhold the amounts due from any distributor and transmit them to the city after service of the notice shall be liable for those amounts. However, in the case of a depository institution, if a notice to withhold is mailed to the branch where the account is located or principal banking office, the depository institution shall be liable for a failure to withhold only to the extent that the accounts can be identified in information normally maintained at that location in the ordinary course of business.

§ 6.56.180 TAX RULINGS.

(A) The city manager or designee shall adopt and amend procedures and forms for the administration of this chapter, and shall adopt guidelines for the determination of the taxability of transactions.

(B) The city manager or their designee shall take all steps necessary and appropriate to administer this chapter which includes the authority to enter into payment plans for delinquent tobacco products taxes, penalties and interest.

Section 3: Amendment to Title 6. Title 6, Chapter 56 of the Unalaska Code of Ordinances is hereby amended by adding a new Section, numbered 6.56.030, to read as follows:

§ 6.56.030 LEVY OF EXCISE TAX ON TOBACCO.

(A) An excise tax of \$3.00 per pack of cigarettes brought into the City of Unalaska is hereby levied.

(B) An excise tax on tobacco products at the rate of 75% of the wholesale price of tobacco products brought into the City of Unalaska is hereby levied.

Section 4: Effective Date. Section 2 of this ordinance shall be effective ninety days after passage. Section 3 of this ordinance shall be effective of October 1, 2021.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on _____, 2021.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Marjie Veeder, City Clerk
Through: Erin Reinders, City Manager
Date: March 9, 2021
Re: Ordinance 2021-02 Amending Title 6 of the Unalaska Code of Ordinances to Adopt a New Chapter 6.56 Excise Tax on Tobacco Products

SUMMARY: On November 10, 2020, Council last discussed tobacco excise tax, with a proposed ordinance included in the council packet. Staff requested direction from council as to the rate of levy and potential dedication of revenue. The proposed ordinance is presented this evening for council's consideration and first reading, with public hearing and adoption anticipated on March 23, 2021.

PREVIOUS COUNCIL ACTION:

- 2017: Council approved Ordinance 2017-07, amending the code of ordinances to increase the rate of sales tax on alcohol, marijuana and tobacco from 3% to 6%. Voters struck down the proposed sales tax increase by 35 votes: 263 yes votes and 298 no votes.
- November 2018: APIA presented to Council about tobacco tax, requesting the city increase tax on tobacco with the goal of deterring use, especially by young people. Council directed the City Manager to bring back information on a tax increase for tobacco products.
- July 2019: Council again discussed tobacco tax during the work session and asked the city manager to bring back further information on Tobacco Excise Tax; a combination Tobacco Excise Tax with increased sales tax on alcohol and marijuana; fund dedication options; and potential rates.
- November 2020: Council discussed tobacco excise tax and provided general direction to proceed with an ordinance levying excise tax on tobacco. The rate of levy in Ordinance 2021-02 is \$3 per pack, and 75% of the wholesale price on other tobacco products. As to dedication, no clear direction was provided, so the dedication language provided in the proposed ordinance at paragraph 6.56.010(B) is: "Each annual budget shall determine what portion of the tax levied by this chapter shall be dedicated to smoking cessation or related public health programs."

DISCUSSION:

Taxing Rationale. Rationale used for considering tax increases includes changing behavior to curb the use of the associated products due to cost increase. Another purpose might be to help fund the response to the public health impacts and societal costs related to these products. Additionally, the tax increase can be viewed as a revenue generator.

Decision Making Authority. City Council may impose excise tax without voter ratification.

Dedicated Revenue Use. Council may dedicate tax revenue. The impact is that dedicated funding may reduce spending from the general fund or free up that dollar amount in the general fund to support other expenses.

Funds can be dedicated “generally”, such as “to mitigate the public health consequences of tobacco use”; or a specific dedication, such as “to the Iliuliuk Family & Health Services Clinic for the benefit of community health”. This is a policy choice for council, each with pros and cons. A broader purpose provides greater flexibility, but would require budget appropriation annually. A more specific dedication may eliminate the need to revisit the appropriation each year, but results in inflexibility if circumstances change. Council can also include an “escape” valve in the event circumstances change in the future by making the dedication subject to annual appropriation, as we have done with the proposed ordinance language.

Council may choose not to dedicate the revenue, in which case the revenue would go to the general fund to support city operations. In light of decreased funding from the state, this is a valid consideration.

Potential Taxing Rates. Discussion this evening is limited to excise tax. The rate of levy is Council’s decision, with the draft ordinance using \$3 per pack and 75% of wholesale price on other tobacco products. Past discussions included a range of \$1 to \$4 per pack of cigarettes and 50% on other tobacco products (OTP).

In the State’s model tax policy they recommend a minimum of \$2 per pack so that the price increase is significant enough to reach the desired behavioral change (decreased consumption of tobacco) and that it increases the overall price at least 10% from the current price. They claim a tobacco price increase that is too low or insignificant will not deliver those results over time, especially if coupons and tobacco sales take place at retail stores. Since much work goes into passing a single increase it is also recommend to try for the mid-rate (\$2/pack) or higher when possible. The recommended 75% of the wholesale price on OTP (other tobacco products) is to ensure price parity to cigarettes, because they don’t want people to be influenced by the lower price and switch to a cheaper product that still delivers nicotine. The average tobacco excise around the State of Alaska is about \$2.46 per pack and 64% for other tobacco products. Examples of tobacco excise tax levies from other Alaska communities are:

	Cigarettes per Pack	Other Tobacco Products
Sitka	\$2.46	90%
Juneau	\$3.00	45%
Ketchikan	\$2.00	75%
Bethel	\$2.21	45%

In discussion with five top sellers to tobacco in Unalaska, it appears that \$9 is the going rate for a pack of cigarettes. These sellers also provided their estimated annual sales of tobacco. Dividing their annual sales by 9 gave an estimated number of packs sold per year (leaving other tobacco products out of the calculation for discussion purposes). Using the number of packs per year, we were able to estimate potential excise tax revenue at \$1, \$2, \$3 and \$4 per pack:

POTENTIAL EXCISE TAX REVENUE

	Est Annual Sales	Packs Per Year at \$9/pack	Tax Rate: \$1/Pack	Tax Rate: \$2/Pack	Tax Rate: \$3/Pack	Tax Rate: \$4/Pack
Vendor 1	\$ 1,620,000	180,000	\$ 180,000	\$ 360,000	\$ 540,000	\$ 720,000
Vendor 2	\$ 676,000	75,111	\$ 75,111	\$ 150,222	\$ 225,333	\$ 300,444
Vendor 3	\$ 150,000	16,667	\$ 16,667	\$ 33,333	\$ 50,000	\$ 66,667
Vendor 4	\$ 20,000	2,222	\$ 2,222	\$ 4,444	\$ 6,667	\$ 8,889
Vendor 5	\$ 40,000	4,444	\$ 4,444	\$ 8,889	\$ 13,333	\$ 17,778
Total	\$ 2,506,000		\$ 278,444	\$ 556,889	\$ 835,333	\$ 1,113,778

These are only estimates, and not every seller of tobacco products was contacted. However, this data will provide council an estimate of potential revenue from a tobacco excise tax at various rates.

Effective Date. If Council chooses to impose an excise tax on tobacco, the draft ordinance provides an effective date 90 days after adoption, but the tax is suspended until October 1, 2021. That time lapse will allow staff to work with vendors, develop forms and processes to administer the tax and allow for the vendors to register with the City.

Timing of Sales Tax Increase. If Council chooses to proceed with increasing sales tax, Council would take action through an ordinance, which could be put to the voters for ratification in October 2021.

ALTERNATIVES:

1. Take no action
2. Modify the language of the Ordinance
3. Schedule the Ordinance in the present form for public hearing and second reading on March 23, 2021 or a later regular meeting date selected by Council

FINANCIAL IMPLICATIONS: At the rate of levy presently contained in the ordinance, the City may realize up to \$835,000 annually from tobacco excise tax. The cost of implementation to the City is not clear, but those costs will be absorbed within the departmental budgets, primarily Clerks and Finance.

LEGAL: Staff has worked closely with the City Attorney on this issue, and Charles Cacciola has provided a memorandum reviewing the changes made to the ordinance since November 2020. Mr. Cacciola is available by telephone to respond to council inquiries.

STAFF RECOMMENDATION: This is a Council decision.

PROPOSED MOTION: If council chooses to proceed, it would be appropriate to move to schedule Ordinance 2021-02 for public hearing and second reading on March 23, 2021.

ATTACHMENTS: Three memos from the City Attorney

1. [March 3, 2021 discussing the proposed ordinance;](#)
2. [September 23, 2019 reviewing dedication of tax proceeds to a specific purpose \(both excise tax and sales tax\); and](#)
3. [January 28, 2019: Taxing Tobacco – Sales and Excise](#)

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MEMORANDUM

To: Mayor Tutiakoff, Sr.
City Council

From: Charles A. Cacciola

Date: March 3, 2021

Re: Tobacco Excise Tax Ordinance 2021-02

Ordinance 2021-02 follows from a draft tobacco excise tax ordinance the council discussed at its November 10, 2020 work session. This memo summarizes the intent and effect Ordinance 2021-02 and changes from the November work session draft.

1. Summary of Ordinance 2021-02

Ordinance 2021-02 amends the city code with a new Chapter 6.56 to levy an excise tax on cigarettes and tobacco products brought into the City of Unalaska. The levy is \$3.00 per pack of cigarettes and 75% of the wholesale price on other tobacco products. The tobacco distributor is directly responsible for paying the tax, unlike a sales tax where the tax falls directly on the consumer but is collected by the seller. (Of course, the consumer pays a higher price for the tobacco product to cover the distributor's tax obligation.) Also distinct from a new sales tax, an excise tax does not require voter ratification.

Ordinance 2021-02 has a staggered effective date. All sections of the proposed excise tax chapter *except for the levy* are effective 90 days from the date the ordinance is adopted. The levy is effective as of October 1, 2021. The staggered effective date is intended to provide the city administration and tobacco distributors sufficient time to establish the registration system, register distributors, and adopt necessary policies and practices before needing to pay and remit the tax, which will not occur until October 2021.

Though the tobacco excise tax is distinct from the city's sales tax, many administrative and collections provisions of the proposed Chapter 6.56 mirror provisions found in the city's sales tax code. Tobacco distributors are also "sellers" under the sales tax code. Distributors will be able to file and remit excise tax returns together with the distributor's sales tax returns, minimizing the administrative burden on distributors and the clerk's office.

Remote sales into the City of Unalaska, and application of the tax to remote distributors, were discussed at the November work session. Alaska Statute 43.50.105 declares the shipping of cigarettes direct to consumers to be a criminal offense. Thus, the city does not need to impose the tax on remote distributors of cigarettes. This state statute does not, however, prohibit direct to consumer shipping of other tobacco products. For the same reasons the city could not effectively impose sales tax on remote sellers prior to the Alaska Remote Seller Sales Tax Commission and adoption of the remote sellers sales tax code, it cannot effectively enforce the excise tax on remote distributors shipping non-cigarette tobacco products direct to consumers in the City of Unalaska. Unfortunately, the proposed excise tax cannot be collected through the ARSSTC sales tax system. The city's sales tax *will* be collected on remote sales of other tobacco products, but the city cannot effectively collect the tobacco excise tax from such distributors.

Finally, Ordinance 2021-02 contemplates an annual dedication of some portion of the excise tax to smoking cessation and related public health programs.

2. Changes from November 10 Draft Ordinance

Ordinance 2021-02 addresses concerns expressed at the November work session and also includes changes to facilitate administration of the tax and clarify the ordinance's intent and effect.

i. Effective Date.

The most significant change to the form of the ordinance is that the code section levying the tax (UCO § 6.56.030) now appears in a separate ordinance section (Section 3), while the remainder of the proposed Chapter 6.56 appears in Section 2 of the ordinance. This change is to facilitate the staggered effective date of the registration aspects of the chapter and the obligation to pay and remit the tax. The effective date of the tax levy has also been pushed out to October 1 instead of July 1.

ii. *Purpose - § 6.56.010.*

The proposed Chapter 6.56 now begins with a section codifying the purpose of the tax, generating revenue and improving public health by reducing tobacco consumption. This section also provides that with each annual budget the city shall determine what portion of the tax proceeds will be dedicated to smoking cessation and related public health programs.

iii. *Definitions - § 6.56.020.*

The definition section has been significantly revised with formal and substantive changes, including the addition of several defined terms. Foremost, *tobacco product* now includes *electronic smoking product*, which is given a separate definition that did not appear in the earlier draft. *Electronic smoking product* is defined using a definition from existing state statute. *In transit* is now defined, which was done to clarify an exemption to the tax.

iv. *Exemptions - § 6.56.040.*

This section is changed to clarify the exemption for US Armed Forces ship's commissaries. The section is also changed to simplify the in-transit exemption through use of the defined term.

Private fishing and commercial vessels are not exempt. If such a vessel has a store that distributes cigarettes or tobacco products, it must either refrain from distributing such products while in the City of Unalaska or register as distributor and remit the tax to the city.


We will be attending the March 9, 2021 council meeting to assist the council in its consideration of this ordinance.

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MEMORANDUM

To: Erin Reinders
City Manager

From: Charles A. Cacciola 

Date: September 23, 2019

Re: Dedicating Tax Proceeds to a Specific Purpose – Excise and Sales

The council has expressed interest in establishing a tobacco excise tax and/or an additional sales tax levy on marijuana and alcohol. It is also interested in dedicating the proceeds from these taxes to a specific purpose. This memo explains the council’s authority to dedicate tax proceeds to a specific purpose and provides examples of different approaches to dedication.

A. Dedication of Tax Proceeds by Ordinance is Lawful

Article IX, ¶ 7 of the state constitution provides that the “proceeds of any state tax or license shall not be dedicated to any special purpose”. Based on the text, legislative history,¹ existing municipal practice within the state,² and judicial precedent,³ this restriction applies to the state only, not to municipalities.

¹ See e.g., *State v. Alex*, 646 P.2d 203 (Alaska 1982); *State v. Ketchikan Gateway Borough*, 366 P. 3d 86 (Alaska 2016).

² E.g., Anchorage Code of Ordinances §12.20.220; Fairbanks General Code §74-117; City and Borough of Juneau Code Ordinance No 2017—22(am); Haines Borough Code § 3.80.220; Homer City Code § 9.16.010; Kodiak City Code § 3.08.025.

³ E.g., *State v. Ketchikan Gateway Borough*, 366 P. 3d 86 (Alaska 2016).

Alaska Statute Title 29 does not prohibit a council from dedicating tax proceeds to a specific purpose.⁴ Accordingly, the council is authorized to adopt such ordinances.⁵ Nor do the City's ordinances prohibit an ordinance dedicating certain tax proceeds to a particular purpose, although any appropriation remains subject to budget procedure.⁶

Whether the council wishes to pursue a general use (e.g., “to mitigate the public health consequences of tobacco use”) or a specific one (“subject to appropriation, to the Iliuliuk Family & Health Services Clinic for the benefit of community health”)⁷ is a policy choice, each with benefits and drawbacks: A broader purpose allows for greater flexibility in the future, but requires more work, potentially each year, to determine precisely how the funds are to be used in furtherance of the purpose. A more specific use may reduce or eliminate the need to revisit the question each year, but can also result in inflexibility should circumstances change.

B. Challenges of Dedication of Sales Tax Proceeds by Ordinance

As a general principle, a council cannot pass an ordinance that it is unable to amend or repeal at a future date. An ordinance dedicating funds to a specific purpose can be revised by the council the same as any other ordinance, though, as explained below, this can become a more complicated question if proposed dedication is put before the voters in the same ballot proposition that ratifies the increase in the sales tax rate.

An ordinance levying a tobacco excise tax is effective without voter ratification. (As a practical concern, an ordinance adopting such a tax should have an effective date that provides City and business administrators sufficient time to adopt implementing policies.) Because the council can adopt a tobacco excise tax the same as it would any other code ordinance, it can adopt an

⁴ See AS 29.35.100(a).

⁵ See AS 29.35.260(a). Moreover, AS 29.35.010(9) grants all municipalities authority “to expend money for a community purpose, facility, or service for the good of the municipality to the extent the municipality is otherwise authorized by law to exercise power necessary to accomplish the purpose or provide the facility or service”.

⁶ See UCO Chap. 6.12; see also AS 29.35.100(a).

⁷ Dedication to a use outside of municipal government draws closer to constitutional limitations and requires careful scrutiny. We nevertheless believe that dedicating certain tax proceeds to the clinic, subject to annual appropriation, is a constitutionally valid “public purpose” as required by Art. IX, Sec. 6 of the Alaska Constitution and further authorized by AS 29.35.010(9).

ordinance that dedicates some or all of the proceeds of the tax to a particular purpose in the same manner.⁸

On the other hand, “an increase in the rate of levy of a sales tax approved by ordinance does not take effect until ratified by the majority of the voters at an election.”⁹ If voters are asked to approve a rate increase on the same ballot proposition containing a dedication of the proposed tax’s proceeds, the proposition may garner additional public support and votes; other voters may support the rate increase but not the dedication thereof, eroding support for the rate increase proposition if the increase and dedication are put forth as a single ballot proposition.

The fundamental challenge with including a dedication as an express and absolute condition in the ballot proposition authorizing the rate increase is that the council’s authority to later amend the dedication is uncertain. This question is complicated by the fact that a dedication cannot be the subject of an initiative ordinance,¹⁰ so the two-year moratorium on council repeal of an initiative does not serve to impose a time limitation the council amending the dedication.¹¹ Most likely, a sales tax rate increase ballot proposition that includes an unconditional dedication would permanently prohibit the council from amending the dedication without also repealing the rate increase.¹² (Alternatively though unlikely, the entire ballot proposition could be seen as an unlawful delegation of the council’s responsibility for the budget.)¹³

⁸ Historically, excise taxes have served dual purposes – raising revenue and shaping consumer conduct. In particular, Tobacco excise taxes seek to reduce tobacco consumption owing to the public health costs associated with tobacco use. Dedicating proceeds of an excise tax to mitigate such costs is a natural complement to the tax’s purpose.

⁹ AS 29.45.670.

¹⁰ Dedication by initiative ordinance would run afoul of art. XI, § 7 of the state constitution and AS 29.26.100, which provide that “The initiative shall not be used to dedicate revenues, make or repeal appropriations, create courts, define the jurisdiction of courts or prescribe their rules, or enact local or special legislation.” *See Alliance of Concerned Taxpayers, Inc. v. Kenai Peninsula Borough*, 273 P.3d 1128, 1136-1138 (Alaska 2012); *see also City of Fairbanks v. Fairbanks Convention and Visitors Bureau*, 818 P.2d 1153 (Alaska 1991).

¹¹ *See* AS 29.26190(a).

¹² *See City of St. Mary’s v. St. Mary’s Native Corporation*, 9 P.3d 1002 (Alaska 2000) (“when a local government grants an exemption by ordinance and the exemption is not subjected to a public vote, it may repeal that exception by ordinance without a public vote”).

¹³ *See* AS 29.35.100(a); *City of Fairbanks v. Fairbanks Convention and Visitors Bureau*, 818 P.2d 1153, 1158 (Alaska 1991).

C. Examples of Dedication of Tax Proceeds

Including a dedication in the same ballot proposition that authorizes an increase in the sales tax rate poses complicated and uncertain questions as to the effect of the dedication and how it may be amended. Most municipal dedications of sales taxes avoid these problems, entirely or in part, by (i) not putting the dedication before the voters, (ii) posing the dedication as a separate ballot proposition, (iii) stating the dedication as a non-binding expression of intent,¹⁴ (iv) limiting the duration of the tax increase conditioned upon the dedication, or (v) providing an “escape valve” in the dedication.

(i) *Non-Binding Expression of Intent*

Juneau has a permanent 1%, a temporary 1%, and a temporary 3% sales tax rate.¹⁵ These temporary levies were scheduled to be automatically repealed in 2017 and 2018, respectively. In 2016¹⁶ and 2017,¹⁷ the Juneau assembly put the question of five-year extensions of these temporary levies to the voters. The ballots stated the *intent* of the assembly to use the proceeds of the temporary levies, if extended, for a specific purpose.¹⁸ However, the Juneau code and ballot propositions do not specifically *require* the proceeds to be used for the specified purposes. The assembly could, through the budget process, appropriate the proceeds for other use. This authority is also established in Juneau’s charter.¹⁹

Juneau’s approach ultimately leaves appropriation to the assembly’s discretion. The decision to appropriate proceeds contrary to the intended dedication erects a political, rather than legal, protection for the dedication.

(ii) *Code Dedication Not Put Before Voters*

¹⁴ No ordinance dedicates any portion of Unalaska’s bed tax to a specific use. The City’s Community Support Program Guidelines consider funding of the program to be provided by bed tax proceeds, but these guidelines do not create a dedication of the proceeds.

¹⁵ CBJC §69.50.020.

¹⁶ City and Borough of Juneau Ord. No. 2016-19.

¹⁷ City and Borough of Juneau Ord. No. 2017-22(am).

¹⁸ City and Borough of Juneau Ord. No. 2016-19; City and Borough of Juneau Ord. No. 2017-22(am).

¹⁹ City and Borough of Juneau Charter, § 9.11 – 9.13.

The City of Kodiak has an ordinance separate from the levying ordinance that dedicates use of sales tax proceeds.²⁰ Voter approval of the tax rate increase was not conditioned on the dedication.²¹ Moreover, Kodiak’s charter clarifies that its council may, by motion, resolution, or ordinance transfer appropriations to any other item of appropriation, whether or not such other items are within the same department, office, or agency.²² The Haines Borough follows a similar structure.²³

By codifying the dedication separate from the ballot proposition, the council would need to introduce and have a public hearing on any ordinance that would alter the dedication, at which time City residents can be heard on the matter. Similar to a non-binding intent, dedicating tax proceeds by council code ordinance erects a political, rather than legal, barrier to amending or repealing the dedication.

(iii) Posing the dedication as a separate ballot proposition

One solution to the problems of putting the question of dedication of certain tax proceeds before the voters in connection with required voter ratification of the increased rate is to have two separate ballot propositions:

1. Should the City of Unalaska levy an additional 5%, for a total levy of 8%, on all retail sales of marijuana and alcoholic beverages?
2. If proposition 1 is approved, shall the City use the proceeds of the increased rate to mitigate impacts on public health related to alcohol and marijuana use?

By having two different propositions appear on the same ballot, the increased rate on alcohol and marijuana is permanently authorized, independent of the dedication. The council could, in the future, amend the dedication without losing authorization for the increased rate. Once again, altering the dedication approved by the voters becomes a political question, not a legal one.

The City of Homer took this approach, in part, in 2006 when it extended a temporary 3/4% additional levy.²⁴ The ballot had separate propositions. The first asked voters to authorize

²⁰ Kodiak City Code § 3.08.025.

²¹ See City of Kodiak Ordinance No. 1155 (2003).

²² City of Kodiak Charter, § V-6.

²³ Haines Borough Code § 3.80.220; Haines Borough Charter § 9.02.

²⁴ City of Homer Ordinance No. 06-42.

an extension of the additional levy. The second (and third) proposition authorized the use of the proceeds for new local roads and new local non-motorized trails.

(iv) Limiting the duration of the rate increase conditioned upon a dedication

Like Juneau, Homer dedicates sales tax proceeds that accrue from a *temporary* levy. Unlike Juneau, the duration of the additional levy is not limited by a number of years, but by the dedication itself: The supplemental levies are dedicated to the payment of specific debt incurred for capital projects.²⁵ The supplemental levy terminates when the debt is retired.²⁶

The Homer city council has sought voter approval to suspend²⁷ and modify dedications,²⁸ although it is unclear if Homer believes it is legally obligated to obtain voter approval or “that it is in the best interest of the community to ask the voters if they will authorize amendments to” the dedications.²⁹ In any case, by limiting the levy to paying down specific debts, Homer avoided the problem of having a permanent dedication where the increased rate would continue even if the purpose of the dedication becomes outdated.

If the council wishes the dedication to appear in the same ballot proposition that authorizes the rate increase, one option is to place a time limit on the dedication. *E.g.*:

Should the City of Unalaska levy an additional 5%, for a total levy of 8%, on all retail sales of marijuana and alcoholic beverages with the proceeds of such tax use, *for a period of not less than two years*, to mitigate impacts on public health related to alcohol and marijuana use?

(v) Including an “escape valve” in the dedication

Fairbanks dedicates use of its hotel/motel tax revenue to a specific purpose “unless the city council votes otherwise.”³⁰ The dedication is “subject to annual appropriation.”³¹ In short, dedication is the default, but the council retains ultimate control of the funds and can deviate

²⁵ Homer City Code §9.16.010(b)-(d).

²⁶ Homer City Code §9.16.010(d).

²⁷ City of Homer Ordinance No. 15-36(A-2).

²⁸ City of Homer Ordinance No. 06-42.

²⁹ City of Homer Ordinance No. 06-42.

³⁰ *City of Fairbanks v. Fairbanks Convention and Visitors Bureau*, 818 P.2d 1153, 1154 (Alaska 1991).

³¹ Fairbanks Code of Ordinances §74-117(c).

from the dedication by affirmative council action. The ultimate effect is, as with Juneau, that altering the use of the dedicated tax proceeds is a political question.

Anchorage follows a hybrid approach for the dedication of its bed tax. One-third is dedicated to financing a new civic center and the Egan Civic and Convention Center.³² However, “If all or a portion of the taxes levied and dedicated to the purposes in subsection C. are no longer needed for the purposes described in subsection C., including repayment of bonded indebtedness, *the assembly shall consider* whether the tax increase levied pursuant to AO 2005-17, approved by the voters as ballot proposition 2 on April 5, 2005, shall be eliminated or reduced.”³³ Again, this approach makes amending the dedication into a political question, on which the voters can be heard at public hearing the ordinance that would amend the dedication, rather than instituting a legal barrier.

CONCLUSION

The council may dedicate certain tax proceeds to a specific purpose provided that the proceeds are used for a public purpose. Should the council wish to dedicate any tax proceeds, it should first consider the use to which the proceeds will be dedicated. If the dedicated proceeds arise from an increased sales tax rate, which must be ratified by the voter before the increase takes effect, the council must consider a second policy question – how closely it wants to tie the dedication to voter ratification of the rate increase.

Please let us know if you have any further questions on this matter.

³² Anchorage Municipal Charter, § 14.05.

³³ ACO § 12.20.020(D) (emphasis added).

BOYD, CHANDLER & FALCONER, LLP

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MEMORANDUM

To: Thomas Thomas
City Manager

From: Charles A. Cacciola

Date: January 28, 2019

Re: Taxing Tobacco – Sales and Excise

The council is interested in imposing additional taxes on tobacco. You asked for an overview of the merits of doing so by an excise tax or by a supplemental sales tax levy.

Excise Tax Overview

An excise tax is a tax imposed on the performance of an act, the engaging in an occupation, or the enjoyment of a privilege.¹ The power to levy an excise tax, though not explicitly provided by statute, is enjoyed by all Alaska municipalities.²

Common features distinguish excise taxes from sales taxes, but the line is not always clear. Sales taxes tend to be imposed at the final sale to the consumer. Excise taxes are imposed at other points in the commercial cycle, for example, at the time of production,³ or importation into a city.⁴ As a result, the cost to the consumer is indirect: A

¹ 16 Eugene McQuillan, *The Law of Municipal Corporations* § 44.190 (3rd ed.2003).

² See e.g. *Fannon v. Matanuska-Susitna Borough*, 192 P. 3d 982 (Alaska 2008).

³ For example, the state levies a \$50-per-ounce excise tax on any part of the bud and flower and \$15 an ounce for the remainder of the plant that is due at the time the marijuana is harvested.

municipality levies the tax on the producer or merchant, who passes it onto the consumer by including it in the product's price, distinguishing excise taxes from a sales tax that is added at the time the consumer purchases the product.

Excise taxes target specific good or acts, unlike broad-based sales taxes. They are often customized to the major industries of the taxing jurisdiction. (The state's Commercial Passenger Vessel Excise Tax - \$34.50 per cruise ship passenger per voyage and paid by the operator - is a paradigmatic example.) Another common, though not defining, distinction is that excise taxes are often assessed at a flat rate (*e.g.*, \$50 per ounce on marijuana; \$2 per pack of cigarettes).

Finally, excise taxes often have a goal beyond generating revenue. Because an excise tax is imposed on a specific industry or product, they are used to influence behavior, such as deterring smoking, drinking (although municipalities cannot impose an excise tax on alcohol, the state can and does⁵), and fuel consumption,⁶ often with consideration given to the significant social costs resulting from the activity.

For Alaska municipalities, excise taxes offer collection opportunities superior to sales taxes and can capture transactions that a retail sales tax cannot (such as production, importation, etc.). But a major reason Alaska municipalities levy excise taxes (and almost only on tobacco) is that sales tax increases require voter approval in most municipalities, including Unalaska.⁷ No ballot question is required for excise taxes. Excise taxes also have favorable optics because the tax is included in list prices consumers see: People are more accepting of a \$2-a-pack cigarette excise tax than of a 30% sales tax added at the register, even if the total cost is the same.

⁴ Importation of tobacco products into a municipality is often the "privilege" that invokes tobacco excise taxes. *E.g.* Juneau City and Borough Code 69.08.20(a) "The City and Borough hereby levies an excise tax of \$3.00 per pack of cigarettes brought into the City and Borough after April 1, 2015."

⁵ State alcohol excise rates depend upon the beverage that is distributed. *See* <http://www.tax.alaska.gov/programs/documentviewer/viewer.aspx?2>

⁶ The federal excise tax on gasoline is 18.4 cents per gallon and 24.4 cents per gallon for diesel fuel.

⁷ *See* AS 29.45.670. Home-rule municipalities are exempt from the statutory voter requirement, but many home-rule charters nevertheless require sales tax increases be put on the ballot.

Tobacco Sales Tax

Imposing higher taxes on tobacco by way of a supplemental sales tax levy has two distinct advantages. First, required code changes are minimal. So too is the administrative burden resulting from collection of the additional taxes. Second, a supplemental sales tax levy on tobacco also enables a municipality to impose that same sales tax rate on sales of alcoholic beverages. (Municipalities are prohibited from imposing excise tax on alcohol and can impose a sales tax no higher than it imposes on other goods or services.⁸)

The disadvantages to using a supplemental sales tax levy are varied. First, as with any sales tax increase, the rate would not be effective until it is ratified by the voters.⁹ Second, to achieve a levy similar to common excise taxes (i.e., \$2-\$3 dollars a pack), the additional levy would exceed 20% of the selling price. Though this is not a legal barrier, practical considerations – including public perception – militate against such high sales tax rates. A sales tax is also likely less convenient for merchants as they will need to apply multiple tax rates to different items and are likely to have customers that are upset that a pack of cigarettes advertised as \$8 rings up as \$10 with tax.

Tobacco Excise Tax

An excise tax is the common method of imposing significant tax burdens on tobacco. The federal government imposes a \$1 per pack excise tax.¹⁰ The State of Alaska imposes \$2.00 a pack and numerous municipalities impose \$2-\$3 a pack.¹¹ The advantages of an excise tax are essentially the inverse of the disadvantages to a sales tax: Voter ratification is not required. The tax is imposed upon the merchant and is therefore included in the advertised selling price, not added at the register. Similarly, none of the City's sales tax exemptions would be applicable to an excise tax.

The disadvantages are also the inverse of a supplemental sales tax: A new code chapter would be required and implementing the tax would impose some additional

⁸ AS 04.21.010.

⁹ AS 29.45.670.

¹⁰ Technically \$1.0066 as the actual levy is \$50.33 per thousand cigarettes.

¹¹ *E.g.*, Juneau - \$3; Anchorage \$2.46; Bethel \$2.21; Haines \$2.00; Ketchikan \$2.00; Kotzebue \$2. The Fairbanks North Star Borough stands out at an 8% levy on the wholesale price.

burdens on the city administration. But these burdens are not extreme. As noted, many Alaska municipalities have tobacco excise taxes, providing strong models on which to base the necessary ordinances. While excise tax registration and collection would be separate from sales tax procedures, the two are similar in practice. Initial implementation will impose moderate administrative burdens, but once underway processing a tobacco excise tax is no more resource consuming than processing a sales tax return.

Excise taxes on cigarettes are often set on a per-pack basis. Because other tobacco products (cigars, loose tobacco, etc.) are not distributed in standardized packaging, they tend to be taxed at a percentage of the wholesale price. In Alaska, such levies range from a low of 8% in the Fairbanks North Star Borough to the state's 75% rate. Most municipal levies appear to be clustered around 50%.

Conclusion

Tobacco taxes are used to raise revenue¹² and deter tobacco consumption. The preferred method of Alaska municipalities appears to be excise taxes, but supplemental sales taxes are possible. If the council wishes to pursue a tax on tobacco products, it should first determine whether it wishes to do so as an excise or sales tax and, following that determination, the appropriate rate of levy.

Please let us know if you have any further questions.

¹² The Ketchikan Gateway Borough collected \$1,074,563 in tobacco taxes in 2017.

Marjorie Veeder

From: Caroline Nevak <carolinen@apiai.org>
Sent: Tuesday, March 16, 2021 5:51 PM
To: Marjorie Veeder
Cc: Sue Unger
Subject: Cost of APIAs Tobacco Cessation Program
Attachments: Costs of APIA Tobacco Cessation Program.docx

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Marjorie,

I hope you are doing well.

I want to share our APIA Wellness Program website to support your presentation, which includes our Tobacco Prevention & Control Program (TCP) and our tobacco cessation services in the region. Here is the link: <https://www.apiai.org/tobacco-prevention-intervention-program/>

In addition, please find below information to share with your community as you continue to educate others about the importance of the proposed tobacco tax increase.

Why invest in tobacco prevention?

Smoking is the leading preventable cause of death, with an estimated 700 Alaska adults dying from tobacco-related disease each year. Per the FY2020 Alaska Tobacco Prevention and Control Regional Profile Report for Southwest region, ([FY20 Alaska Southwest Regional Profile Tobacco Report](#)) 27% of adults are current smokers, 22% of adults currently use smokeless tobacco, and 14% report using e-cigarettes or electronic nicotine delivery products. Additionally, 3% of adults smoked cigars or cigarillos or used a hookah. The burden of tobacco use includes the cost of medical care for tobacco-related disease and lost productivity for employers. Investing in tobacco prevention supports the health of the community, and increasing the price of tobacco is proven to be effective in decreasing smoking among adults and preventing youth from using tobacco. That said, adults reported as “Never Smokers” is at 48.2% and for former smokers is at 23.9% from the FY19 Annual Report.

What are the costs of APIA’s Tobacco Cessation Program?

APIA’s Tobacco Cessation Program includes Anchorage, Atka, Nikolski, St. George, and Unalaska. We have estimated that APIA’s Tobacco Cessation Program costs approximately **\$102,808 per year in salary alone**. The majority of this amount is directed towards services in Unalaska. In addition, the cost of training our current staff as Tobacco Treatment Specialists (TTS) has cost an **additional \$45,000**. *Please see the detailed attachment for a specific breakdown of these costs.*

How could Unalaska invest in tobacco cessation services and other health initiatives using tax revenue from tobacco sales?

Dedicating a proportion of tax revenue from tobacco sales to local public health initiatives, including tobacco cessation, is a strong strategy to improve individual and community health in Unalaska. One recommendation

to consider with the tax revenue would be to support a full-time TTS to serve both clinics (APIA and IFHS) in Unalaska.

Currently, APIA's tobacco cessation efforts are accomplished through staff at our clinics, such as behavioral health clinicians, CHAPs, and other providers. Nine providers in our region have received tobacco treatment specialist training and a percentage of their time is allocated to tobacco cessation efforts, although none of our providers are exclusively TTS. We have reached out to IFHS to find out more about their tobacco cessation services, however, we have not been able to connect. So, at this time, we are not aware of the tobacco services that IFHS provides.

If Unalaska had a staff person entirely dedicated to tobacco cessation efforts, this could potentially have a significant impact on reducing tobacco use in Unalaska. The local TTS can offer support to individuals in a consistent manner that also reflects the cultural and social values of the community. Furthermore, the focused position can support health systems coordination to improve screening for tobacco use and supporting cessation in treatment work plans. Having a TTS dedicated solely to tobacco cessation efforts would not only take some burden off of providers but it would also provide a specialist who can focus entirely on tobacco cessation, which can include outreach and education efforts. In Southwest Public Health Region, the average salary for supporting a full-time employee is \$45,000 per year (excluding fringe benefits). The fees to obtain/maintain TTS certification and registration for ongoing training is not expected to exceed \$1,500 per year plus travel expenses.

By directing a set proportion of funds to support a TTS position in Unalaska, the community would be able to receive cessation support that is recommended to include a combination of counseling and FDA-approved nicotine replacement therapy to support quit attempts.

If you have any questions or want more information, please let me know.

Thank you,
Caroline Nevak

Quyana,

Caroline Nevak

Tobacco Prevention Coordinator

Aleutian Pribilof Islands Association HEALTH DEPARTMENT | 1131 E. Int'l Airport Rd | Anchorage, AK 99518-1408

Direct: 907-222-4237 | Fax: 907-279-4351 | Email: carolinen@apia.org



With Spirit and Strength

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Costs of APIA's Tobacco Cessation Program

Staff time - Currently, there are **12 staff** at APIA (Anchorage, Nikolski, Atka, Unalaska, and St. George) who are involved in tobacco cessation efforts at different levels. Some staff provide direct client services as Tobacco Treatment Specialists, while others work on tobacco prevention, systematic improvements to screening and referral, and educational purposes. The percentage of each person's time devoted to tobacco cessation efforts ranges from 5%-40%. Collectively, we estimate that these 12 staff **cost the Tobacco Cessation Program approximately \$102,808 in salary alone per year (excluding indirect costs)**. The majority of this amount is directed towards services in Unalaska. With the generous support of the City of Unalaska Support Grant funds, APIA funds at least one Behavioral Health Clinician. This Clinician is a trained Tobacco Treatment Specialist, which has overlap with these efforts.

Staff trained as Tobacco Treatment Specialists (TTS) - 9 staff from APIA have been trained as TTS over the past 5 years. This training is recommended for staff every two years. The training is generally for one week and registration through ANTHC costs approximately \$1,200. In addition to registration, staff must travel into Anchorage for a minimum of 5-nights to attend this training. Thus, travel for this training from staff in the region is approximately \$3,800 per person. In addition, there are the costs of staff time to attend this training as it takes 5 full days to complete the training.

- Registration 9 staff trained as TTS= \$10,800
- Travel/per diem for 9 staff to attend TTS Training in Anchorage= \$34,200
- **\$45,000 Total cost to train 9 staff as TTS (excluding salary)**

Travel/per diem - The APIA Tobacco Prevention Coordinator travels out to the region to attend health fairs, to support tax increase initiatives, school presentation, and other events throughout the year. Approximately 4 trips on average are taken each year for these efforts. **A total of approximately \$12,000 per year is spent on travel and per diem by the Tobacco Prevention Coordinator.**

Supplies -APIA has funds to purchase program supplies for the Tobacco Cessation Program, such as quit tobacco pouches filled with items such as gum, mints, fidgets, stress balls, etc. In addition, resources are supplied for special events, health fairs, and school-related functions. **A total of approximately \$10,000 per year is spent on supplies for the Tobacco Cessation Program.**

Nicotine Replacement Therapies (NRTs) - NRTs, such as gum, patches, lozenges, etc. are helpful when quitting tobacco use. The goal is to have these supplies available to people who are enrolled in the tobacco cessation program and would otherwise have to wait for their first NRTs to be sent from Anchorage after their first appointment. There is often a delay in getting these NRTs to people who are motivated to quit. **APIA spends approximately \$5,000 per year for the convenience of NRTs in our local clinics.**

Advertising - **Approximately \$6,000 of the Tobacco Cessation Program budget at APIA has been dedicated to advertising,** to include radio announcements, newspaper ads, and development of ads.

There are additional costs to the Tobacco Cessation Program that are not listed or quantified above. These include: tobacco free campus signage, clinic signage with tobacco free messaging, postage, consulting with other entities for Tobacco Prevention educational efforts (i.e., Rural Cap).

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-14

A RESOLUTION OF THE UNALASKA CITY COUNCIL APPROVING AMENDMENT 1 TO THE POWER PURCHASE AGREEMENT WITH OUNALASHKA/CHENA POWER, LLC AND AUTHORIZING THE CITY MANAGER TO SIGN THE AMENDMENT

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

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

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

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

WHEREAS, City representatives negotiated a PPA with OCCP on behalf of the City of Unalaska in a manner consistent with City Council Directives; and

WHEREAS, the Unalaska City Council approved the PPA, and authorized the City Manager to enter into the agreement on August 25, 2020 through Resolution 2020-55; and

WHEREAS, OCCP will be unable to obtain financing by the required deadline of June 10, 2021 as outlined in the PPA; and

WHEREAS, OCCP has requested an amendment to the PPA, extending the deadline outlined in the PPA to obtain financing to June 10, 2022.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves Amendment Number 1 to the PPA, and authorizes the City Manager to sign the amendment.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on March 23, 2021.

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: March 23, 2021
Re: Resolution 2021-14: OCCP PPA Amendment

SUMMARY: Ounalashka/Chena Power, LLC (OCCP) required a Power Purchase Agreement (PPA) with the City of Unalaska to obtain financing for their Geothermal Project. In August of 2020, City Council approved Resolution 2020-55, and authorized entering into the PPA with OCCP. OCCP has requested an amendment to the PPA, extending the deadline outlined in the PPA to obtain financing. Resolution 2021-14 approves the Amendment to the PPA and authorizes the City Manager to sign the amendment.

PREVIOUS COUNCIL ACTION: The City continues to support efforts and programs for reliable and cost effective alternate energy sources, including geothermal. City Council has identified this support as a federal priority. To this end, during the fall lobby trip to Washington DC in 2019, City representatives sat alongside representatives from the Q-tribe and OC in a meeting with the Department of Energy demonstrating support for a geothermal project on our island. In August of 2020, City Council approved Resolution 2020-55 and authorized entering into the PPA with OCCP.

November 26, 2019

- Work Session, Presentation from OCCP regarding their Geothermal Project

January 30, 2020

- Special Meeting for a Work Session for an update on OCCP geothermal project (standalone meeting)

February 25, 2020

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

March 10, 2020

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

May 26, 2020

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

June 23, 2020

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

July 21, 2020

- Special Meeting for Work Session & Executive Session, Discussion of PPA with OCCP

August 11, 2020

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

August 25, 2020

- Regular Meeting, City Council approves Resolution 2020-55: Approving the PPA with OCCP and authorizing the City Manager to enter into the agreement

March 23, 2021

- Work Session, OCCP provided City Council with an update on the project in preparation of considering an amendment to the PPA at the March 23, 2021 meeting. OCCP has requested an amendment to the PPA, extending the deadline outlined in the PPA to obtain financing.

BACKGROUND: City staff began working with the OCCP team in late 2019 to address project planning and development questions and to draft a PPA. On January 15 and 16, 2020, the City team met with OCCP representatives for a working meeting in Anchorage. The focus of the meeting was developing framework of general concepts that OCCP can take to its potential lenders to determine if financing can be obtained.

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

City staff met and talked with processors throughout March and April, striving to ensure they had an understanding of the overall concept of the project and potential agreements. Processors were unwilling to make a long term commitment at that time. The City team held a conference call with OCCP on April 24, 2020 and communicated the feedback we received from the processors. This was not done in person due COVID related challenges. The next step was for OCCP, along with the City, to meet with the processors. While those meetings were never organized, OCCP did

provide a detailed document outlining several concepts to the City for consideration on May 19, 2020. We responded with some initial thoughts and questions in a timely fashion.

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

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

City Council participated in a follow-up Executive Session on August 11, 2020. The City Team provided an update on the continued negotiations. City Council then issued a formal directive for continued negotiation. The PPA was then finalized consistent with Council Directives to the City Manager. At their August 25, 2020 meeting, City Council approved Resolution 2020-55 and authorized entering into the PPA.

DISCUSSION: A copy of the PPA is attached. Since the signing of the PPA, the City Team has been regularly communicating with OCCP and are now meeting on a monthly basis. We have also welcomed Anchorage based consultant, Thomas Lovas of Energy & Resource Economics to the City's team. In accordance with the PPA, the City contracted with Electrical Power Systems (EPS) to conduct the Interconnection and Integration Study. Much of the details and results will depend on the final design of OCCP's project itself, which is not yet completed. We have also worked to support OCCP's efforts in the Air Source Heat Pump Study, as outlined in the PPA.

Council heard an update from OCCP at the March 9, 2021 meeting. In that update OCCP requested an amending the PPA to extend by one year their deadline to obtain written commitment for project financing. The letter requesting this extension is included in the packet. The June 10, 2021 deadline for OCCP to secure financing commitment was identified in the original PPA as a key conditional precedent and a term factor that allows for the City to terminate the agreement. This amendment extends the deadline for OCCP to obtain project financing by a year at the request of OCCP. It also adjusts the deadline for the Interconnection / Integration Plan accordingly, as requested by the City. As of the drafting of this memo, we have not yet received final acceptance by OCCP of our request, but do not anticipate any issues. The Amendment is attached.

The challenge with this delay is the uncertainty it creates around the Geothermal Project as the City plans for and invests in Capital Projects to support our electrical system. This is mentioned in the CMMP discussion this evening. The Draft CMMP includes funding support necessary for integration and interconnection (which have not been fully identified), and projects necessary for the existing system which may or may not be necessary if the Geothermal project proceeds. Whether or not such improvements will be necessary depend on the design of the Geothermal project (which is not yet completed), the findings of the integration and interconnection study (which can't be done until the design is finalized), and significant timing and safety considerations present now. We continue to evaluate how best to proceed given what we know at this point.

FINANCIAL IMPLICATIONS: Primary financial implications of the PPA relate to the City's cost of purchasing power and the related financial impacts. The 30 year PPA required the City pay a fixed \$16.3 million annually (with 1% annual increases), for a total of just under \$567 million, to purchase up to 100 million kWh/yr. Our base power currently is estimated at 40 million kWh/yr. Ultimately, these costs will be passed along to the rate payers. Various scenarios were prepared analyzing these financial implications created from the PPA, regarding the base load and the potential increase sales and were provided to the City Council during the negotiation process.

Additionally, the PPA contains known expenses the City agreed to, including up to \$5 million for upgrading the City distribution system, with OCCP committing up to \$7 million. The City agreed to initially fund the integration and interconnection study, but will be reimbursed from OCCP after the fact.

ALTERNATIVES: Council has two primary options on how to proceed with the Resolution 2021-14 and the PPA amendment. These include:

1. Approve Resolution 2021-14, thereby approving the Amendment to the PPA and authorizing the City Manager to sign the Amendment.
2. Disapprove Resolution 2021-14, thereby disapproving the Amendment to the PPA.

LEGAL: City Attorney Brooks Chandler has been engaged in discussions with OCCP from the beginning and remains so. He drafted the PPA Amendment, and has provided a memo. Both the Amendment and memo are attached.

STAFF RECOMMENDATION: We remain supportive of this project and are excited about what it might mean for the future of our community. The existing 2020 PPA was prepared in accordance with City Council Directives. The proposed amendment shifts some of the deadlines but leaves the underlying agreement intact. So long as Council supports the underlying PPA, I recommend that Council approve this amendment.

However, as your City Manager, I still caution Council that the PPA requires 30 years of annual payments of \$16.3 million annually (with 1% annual increases) to purchase up to 100 million kWh/yr. This purchases 60 million kWh/yr more power than is currently sold by the City annually, currently estimated to be 40 million kWh. We have no commitments in place from existing business to cover this gap. Nor are we aware of any future development that is committed to locating in Unalaska and purchasing available power. Without more specifics about the geothermal project and its completion, it is unlikely we will be able to successfully market and sell more power. This condition precedent and term factor that allows for the City to terminate the agreement was included in the PPA to allow for this sort of deliberation at the Council level. If Council has concerns about the impacts of the underlying PPA and wishes not to move forward, I recommend disapproval of this amendment.

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

PROPOSED MOTION: I move to approve 2021-14.

ATTACHMENTS:

- PPA between OCCP and City of Unalaska
- Letter from OCCP Requesting Extension
- Memo from City Attorney Regarding Extension Request
- PPA Amendment

POWER PURCHASE AGREEMENT

BETWEEN

CITY OF UNALASKA, a first-class Alaska municipal corporation

AND

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

Parties

This POWER PURCHASE AGREEMENT, dated August 31, 2020 (Agreement) is made between the City of Unalaska, a first-class Alaska municipal corporation (Purchaser) and Ounalashka Corporation/Chena Power, LLC (Seller) a licensed Alaska limited liability company duly organized under the laws of the State of Alaska.

Recitals

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

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

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

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

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

Terms and Conditions

1. DEFINITIONS

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

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

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

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

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

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

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

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

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

2. GENERAL

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

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

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

3. FACILITY CONSTRUCTION AND COMMERCIAL OPERATION

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

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

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

4. TERM

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

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

5. FIXED PAYMENT

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

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

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

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

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

6. METERING AND PAYMENT OF INVOICES

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

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

7. METER AND SUBSTATION LOCATION AND PROCEDURES

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

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

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

8. HEATING SYSTEM

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

9. DISPATCH, OPERATIONS AND MAINTAINENCE.

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

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

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

Scheduled Outage	Expected Duration	Advance Notice to Purchaser
(1)	Less than 2 days	At least 24 hours
(2)	2 to 5 days	At least 7 days
(3)	Major overhauls (over 5 days)	At least 30 days

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

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

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

10. OPERATING COMMITTEE AND OPERATING PROCEDURES

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

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

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

11. SYSTEMS INTERCONNECTION AND INTEGRATION

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

12. TAXES

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

13. COMPLIANCE WITH APPLICABLE LAW

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

14. RIGHT OF ACCESS

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

15. DEFAULT

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

- (i) Purchaser shall fail to make payments for undisputed amounts due under this Agreement to Seller within ten (10) days after notice from Seller that such payment is unpaid when due;
 - (ii) Purchaser shall fail to comply with any material provision of this Agreement (other than the obligation to pay money when due), and such failure shall continue uncured for thirty (30) days after notice thereof by Seller, provided that if such failure is not capable of being cured within such period of thirty (30) days with the exercise of reasonable diligence, then such cure period shall be extended for an additional reasonable period of time (not to exceed one hundred and eighty (180) days) so long as Purchaser is exercising reasonable diligence to cure such failure.

- (c) With Respect to Either Party. The following shall constitute events of default on the part of either Party under this Agreement: 1) a Party assigns this Agreement or any of its rights hereunder for the benefit of creditors other than a collateral assignment by Seller with respect to the financing of the Facility; 2) a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state if filed against a Party and is not dismissed within sixty (60) days of such filing, or the Party voluntarily taking advantage of any such law or act by answer; or 3) a Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party;

- (d) Remedies for Default. If an event of Default occurs there will be no opportunity for cure except as specified in Sections 15 (a) and 15(b). The Party claiming Default may, for so long as the Event of Default is continuing, (i) deliver a written notice which establishes a date (which date shall be no earlier than thirty (30) days after the Non-Defaulting Party delivers notice) on which this Agreement shall be terminated (Termination Date), (ii) withhold any payments due under this Agreement, (iii) seek recovery of liquidated damages to the extent allowed under Section 16; and (iv) pursue any other remedies available at law or in equity, except to the extent such remedies are expressly limited by this Agreement.

- (e) Survival. Expiration or termination of this Agreement shall not affect any rights or obligations which have arisen or accrued prior to such expiration or termination. In addition, all rights and obligations for indemnity under Section 17 shall survive termination of this Agreement.

16. LIQUIDATED DAMAGES

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

17. INDEMNIFICATION

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

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

18. INSURANCE

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

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

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

19. REPRESENTATIONS and WARRANTIES

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

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

obligations under this Agreement;

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

20. CONDITIONS PRECEDENT

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

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

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

21. Dispute Resolution

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

22. GENERAL PROVISIONS.

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

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

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

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

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

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

23. NOTICES AND DEMANDS

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

24. MAILING ADDRESSES/POINTS OF CONTACT

OC/CP, LLC:

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

City:

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

with a copy to:

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

Formation

In witness whereof, Seller and Purchaser have duly executed, delivered and formed this Agreement through their authorized representatives, the effective date of which is August 31, 2020 ("Effective Date").

OC/CP, LLC:

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

Dated: August 31, 2020

By Christopher P. Salts, Sr.
Christopher P. Salts
Its Chief Executive Officer

Dated: 8.31, 2020

By Margaret A. Lekanoff
Margaret A. Lekanoff
Its Secretary

CITY OF UNALASKA:

Dated: 9/3, 2020

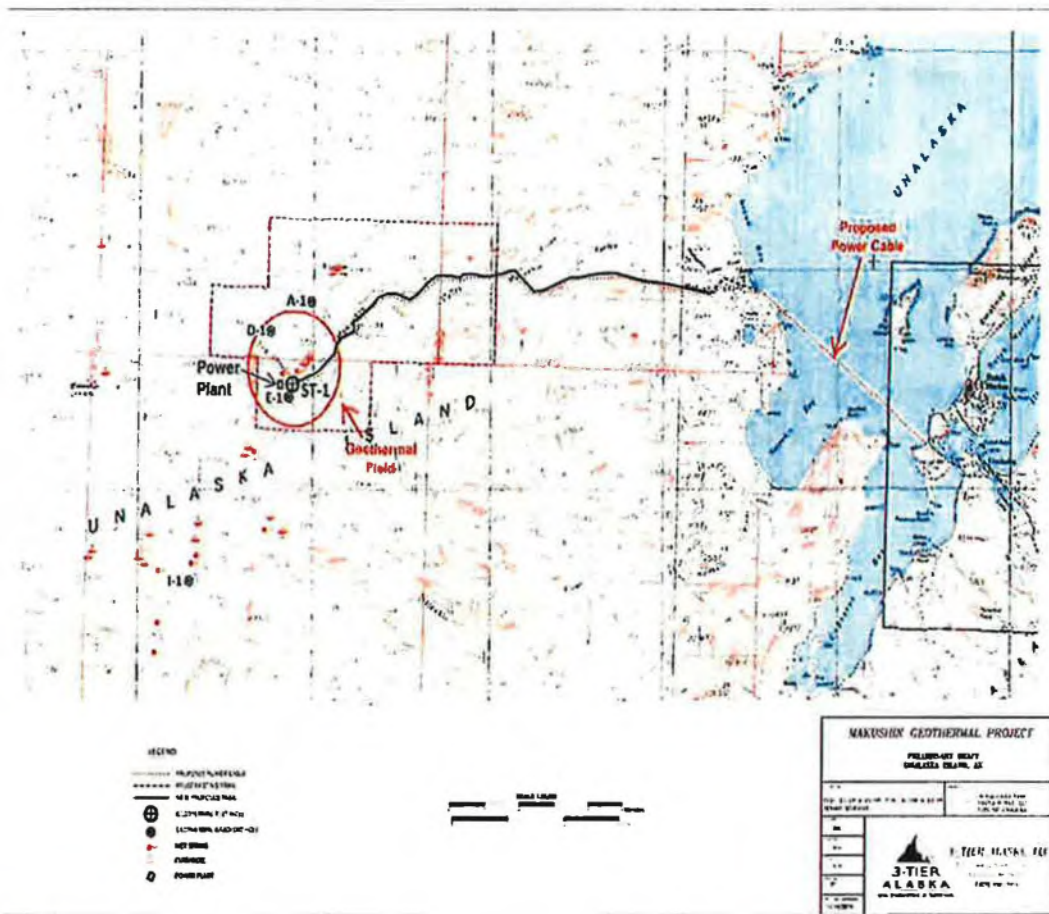
By [Signature]
Erin Reinders
Its City Manager

Exhibit A

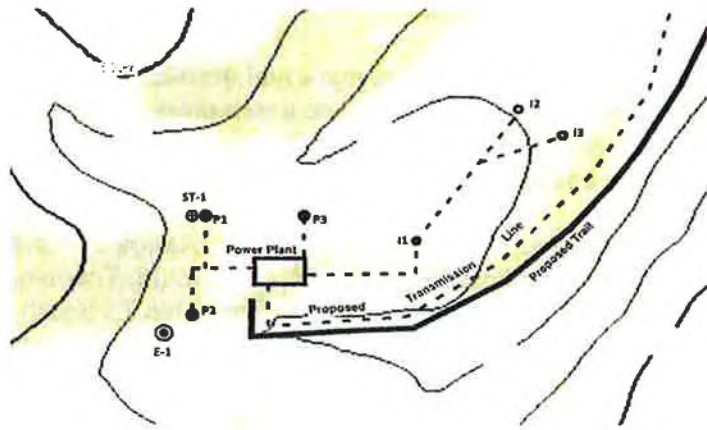
Project Site

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

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

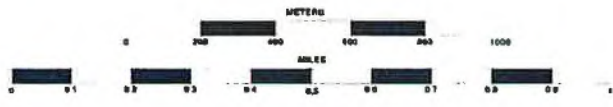


Power Purchase Agreement – Exhibit A- between City of Unalaska and OCCP, LLC



1. ...
 2. ...
 3. ...
 4. ...
 5. ...

- LEGEND
 ***** COUNTY
 ----- METRO/LOCAL
 ○ ELEVATION 100 FT
 ● EXISTING BUILDINGS
 ○ WELLS
 ○ CANNED
 ○ WELLS



MAKCHIK GOVERNMENT ENGINEERS ENGINEERS AND ARCHITECTS 1000 ... JUNEAU, ALASKA	
PROJECT NO. ... SHEET NO. ...	DATE ... DRAWN BY ... CHECKED BY ...

Gov Lot 9, Section 3, T735, R118W, S4M



This parcel's legal description is:
 Government Lot 9, Section 3,
 T735, R118W, S4M.



Power Purchase Agreement – Exhibit A- between City of Unalaska and OCCP, LLC

Exhibit B

Interconnection / Integration Plan

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

Exhibit C

Insurance Requirements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

\$5,000,000 General Liability

\$10,000,000 Aggregate Liability

\$1,000,000 Automobile Liability

Statutory Worker's Compensation

Exhibit D

Equivalent Availability Factor

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

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

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

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

It is agreed for illustrative purposes that:

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

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

Then EAF (%) = $1.0 - (\text{THU}/\text{TEHA}) * 100$

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

Exhibit E

Member Guaranty

THIS GUARANTEE (this "Guarantee") is made and entered into this 31st day of August, 2020, by and among Ounalashka Corporation, an Alaska Native Claims Act corporation organized under the laws of the State of Alaska, Chena Power LLC, an Alaska limited liability corporation (collectively the "Guarantor"), and the City of Unalaska an Alaska municipal corporation ("Purchaser"). Guarantor and Purchaser are each referred to herein as a "Party" and collectively as the "Parties." Capitalized terms used but not defined in this Guaranty shall have the meanings ascribed to them in the PPA (as defined below).

RECITALS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[Signature page follows]

GUARANTOR:

OUNALASHKA CORPORATION

By: /s/ Christopher P. Salts, Jr.

Name: Christopher P. Salts

Title: Chief Executive Officer

GUARANTOR:

CHENA POWER, LLC

By: /s/ Bernie Karl

Name: Bernie Karl

Title: Chief Executive Officer

PURCHASER:

CITY OF UNALASKA

By: /s/ Erin Reinders

Name: Erin Reinders

Title: City Manager

Exhibit F

Additional Payment

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

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

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

EXAMPLE

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

kWh through meter = 125,000,000

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

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

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

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

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

Additional Payment is 2,037,500



February 25, 2021

Ms. Erin Reinders
City Manager
City of Unalaska
43 Raven Way
PO Box 610
Unalaska, AK 99685

Dear Erin:

On behalf of OCCP, LLC, I am submitting written intent to amend the PPA by extending the project financing deadline by one (1) year, from 6/10/2021 to 6/10/2022.

We did not anticipate the pandemic's effect on travel to Washington D.C. and elsewhere lasting as long as it has. This has directly impacted our ability to seek financing from Federal agencies. Changes of personnel in departmental posts at the DOE and other agencies have also made it difficult to interact without being physically present in Washington D.C. Since Biden's inauguration, additional changes in personnel have, and continue to, occur. These are among the reasons we are seeking an extension in the financing deadline.

Per Article 22(c), this amendment must be in writing and include resolutions from the OCCP Board of Directors and by the City Council. OCCP's resolution will specifically state:

We hereby resolve to amend the Power Purchase Agreement, executed on August 31, 2020 between the City of Unalaska and Ounalashka Corporation/Chena Power, in order to extend the date to obtain project financing by one (1) year, from 6/10/21 to 6/10/22 in Article 4 (c) and 20 (a).

OCCP's resolution is attached to this letter.



Extending the project financing deadline from 6/10/2021 to 6/10/2022 will **not** impact the project completion schedule, as OCCP, LLC is self-financing the 2021 project construction budget, pushing ahead with the road to the geothermal area during the 2021 construction season , which has always been the plan.

Thank you for your time and attention to this matter, and please let us know when to expect this before the City Council. If there is additional information or clarity around this request, do not hesitate to reach out to me and OCCP will promptly respond.

Sincerely,

Christopher P. Salts, Sr.
Director – OCCP, LLC

Attachments – OCCP, LLC Resolution to Extend Project Financing

**RESOLUTION 21-02-01
OF THE BOARD OF DIRECTORS
OF
OUNALASHKA CORPORATION/CHENA POWER**

NOW THEREFORE BE IT RESOLVED, that the Ounalashka Corporation/Chena Power of Directors hereby resolve to amend the Power Purchase Agreement, executed on August 31, 2020 between the City of Unalaska and Ounalashka Corporation/Chena Power, in order to extend the date to obtain project financing by one (1) year, from 6/10/21 to 6/10/22 in Article 4 (c) and 20 (a).

This resolution read and approved at a duly convened meeting of the Ounalashka Corporation/Chena Power Board of Directors held on Thursday, February 25, 2021, at which time a quorum was present.

Thursday, February 25, 2021
Date

Bernie Karl, President


Natalie A. Cale, Secretary/Treasurer

BOYD, CHANDLER, FALCONER, & MUNSON, LLP

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

MEMORANDUM

TO: Unalaska City Council



FROM: Brooks Chandler

DATE: March 8, 2021

RE: OCCP Request to Extend Deadline to Obtain Financing

After receiving OCCP's letter requesting an extension of the PPA deadline to obtain financing the City and OCCP teams met on Friday February 26. That meeting provided additional information about the difficulty encountered in achieving the initial goal of having the project funded by the Department of Energy through a program supporting innovative technology commonly referred to as Title 17. I followed up with OCCP in a phone call on March 3 to gain additional understanding. The memorandum shares this additional information.

There is no legal obligation requiring the City to agree to the requested one year extension to obtain financing. But unless the council has changed its mind about the project from last August it makes sense to agree to the OCCP request as long as another deadline is also extended.

By way of background, pre- COVID versions of the PPA did not set a deadline for project financing. The first time a project financing deadline appeared in a draft of the PPA was in April of 2020. The financing deadline was initially proposed for May 10, 2021. As negotiations extended the deadline was changed. First to June 1, 2021 and finally to June 10.

The PPA specifically includes the Department of Energy in the definition of “Project Finance”. There were significant and unexpected difficulties independent of COVID that have prevented OCCP from obtaining DOE financing. These include DOE officials originally expressing support of financing (and with whom City, Qawalangin Tribe and OC representatives met in 2019) being transferred out of the group working with OCCP and learning of significant (\$10,000,000-12,000,000) financing fees associated with a potential Title 17 loan. OCCP was not aware of this cost and was not informed of the amount of fees in initial contacts with DOE. This resulted in OCCP pivoting to USDA which has a loan project for completed power plants administered through its Rural Utilities Office. The USDA also does not move very swiftly even in normal times.

OCCP was and is hoping to overcome these difficulties in part through face to face meetings facilitated by the Congressional delegation. However, Brad Gilman recently informed OCCP that in person meetings are not planned to resume as part of day to day federal government operations until the third quarter of 2021.

In the meantime, OCCP is also investigating obtaining bond or loan financing through the Alaska Energy Authority (“AEA”) and the Alaska Industrial Development and Export Authority (AIDEA). In addition, there is hope that the new administration will advance legislation creating new federal financing options for renewable energy projects. But passing any legislation in this Congress is challenging and whether these opportunities become reality unknown.

The other components of the PPA included in the proposed amendment relate to completion of an Interconnection/Integration Plan. This plan sets out the technical details of connecting the new power source to the city’s existing electrical distribution system and will identify any upgrades need for that system to accept Makushin power. The PPA requires the plan to be agreed to by the City and OCCP by May of 2022 (20 months after the PPA was signed). But putting the plan in place itself is dependent on project financing. Without financing it does not make sense for either the City or OCCP to devote significant time and effort to developing this plan. So, the proposed amendment extends the date for finalizing the integration plan by twelve months also. This will change the deadline from May of 2022 to May of 2023.

AMENDMENT NO. 1

to

POWER PURCHASE AGREEMENT

BETWEEN

CITY OF UNALASKA, a first-class Alaska municipal corporation

AND

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

For good and valuable consideration the receipt of which is hereby acknowledged, the City of Unalaska, a first-class Alaska municipal corporation (Purchaser) and Ounalashka Corporation/Chena Power, LLC (Seller) a licensed Alaska limited liability company duly organized under the laws of the State of Alaska agree to amend that certain POWER PURCHASE AGREEMENT, dated August 31, 2020(Agreement) as follows:

1. Paragraph 20(a) is hereby amended to read as follows:

(a) Seller shall obtain a written commitment for Project Financing, by 6/10/2022.

2. Paragraph 4(c) is hereby amended to read as follows:

(c) Seller and Purchaser agree that the purpose and intent of this Agreement is dependent on the successful completion of the construction of the Facility/Facilities and the related achievement of the Commercial Operation Date by the Commercial Operation Deadline. As such, in the event that either; 1) Seller fails to obtain Project Financing by June 10 2022; or 2) construction of the Facility/Facilities is at any time discontinued, abandoned or otherwise terminated by Seller in its sole discretion , or 3) Seller fails to provide written assurances to Purchaser that the Commercial Operation Deadline will be achieved in a form consistent with Prudent Utilities Practices, or 4) the Project fails to reach Commercial Operation by the Commercial Operation Deadline, then either Party may terminate this Agreement upon thirty (30) day’s prior written notice to the other party. In the event that a party elects to terminate this Agreement pursuant to this Section 4 (c), neither Seller nor Purchaser shall have any further liability and/or obligations to the other

hereunder after the termination date, except for obligations, liabilities and/or duties that accrued prior to such termination or that survive such termination by the terms of this Agreement

3. Paragraph 20(b) is hereby amended to read as follows:

(b) The Parties shall negotiate in good faith to establish the Interconnection / Integration Plan” no later than 32 months after contract execution. The Interconnection/Integration Plan shall include but not be limited to; 1) a mutually acceptable Delivery Point; 2) a location for new distribution and transmission equipment required to connect to the Purchasers existing City Distribution System at Project Capacity, and 3) locations for metering equipment.

4. Paragraph 20(c) is hereby amended to read as follows:

(c) Seller shall have provided Purchaser a utility easement allowing placement, maintenance and operation of all equipment and connections at 1) the Delivery Point and 2) a location for new distribution and transmission equipment required to connect to the Purchasers existing City Distribution System at Project Capacity in a form reasonably satisfactory to Purchaser at no cost to Purchaser by 32 months after contract execution.

5. Paragraph 11(a) is hereby amended to read as follows:

(a) Within thirty-two months (32) of executing this Agreement, the Parties shall agree to the Interconnection/Integration Plan a copy of which shall be attached to this Agreement by reference as Exhibit B.

6. Exhibit B is hereby amended to read as follows:

Interconnection / Integration Plan
[to be provided by the Parties within 32 months of Agreement]

7. No other provisions in the Agreement are altered by this amendment.

In witness whereof, Seller and Purchaser have duly executed, delivered, and formed this Amendment No. 1 through their authorized representatives, the effective date of which is _____, 2021 (“Effective Date”).

OC/CP, LLC:

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

Dated: _____, 2021

By _____
Christopher P. Salts
Its Chief Executive Officer

Dated: _____, 2021

By _____
Margaret A. Lekanoff
Its Secretary

CITY:

CITY OF UNALASKA, a first-class
municipal corporation

Dated: _____, 2021

By _____
Erin Reinders
Its City Manager

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-15

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 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, on November 10, 2020, the Unalaska City Council passed Resolution 2020-71, extending the local emergency declaration through June 30, 2021, to allow the City to continue to take necessary actions to reduce the impact and spread of the coronavirus known as COVID-19 in the City of Unalaska; and

WHEREAS, on February 14, 2021, Governor Dunleavy issued four Health Advisories with guidance and recommendations on general safety and best practices, international and interstate travel, intrastate travel, and critical infrastructure; and

WHEREAS, the Centers for Disease Control and Prevention (CDC) have issued public health guidance, including 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 individuals 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 because the majority of our community's businesses are designated as essential, critical or support critical infrastructure; and

WHEREAS, the State of Alaska has specifically recommended communities with limited health care infrastructure or high-risk populations should consider limiting all non-essential travel;

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 March 17, 2021, there were 60,931 (residents and non-residents) cumulative known COVID-19 cases in the state, including travel-related cases in geographically isolated and remote communities; and

WHEREAS, as of March 17, 2021, 726 persons have tested positive for the virus in Unalaska; and

WHEREAS, Unalaska has been able to keep multiple cases or outbreaks limited and isolated, and has been successful in stopping community transmission of the virus in the past; and

WHEREAS, as of March 1, 2021, Unalaska's Local Risk Level was changed to Medium in accordance with Unalaska's COVID-19 Response Plan; 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, as of March 12, 2021, 515 persons are known to have been fully vaccinated for the virus by IFHS and APIA in Unalaska; and

WHEREAS, although the COVID-19 vaccine serves as a vital tool in our efforts to slow the spread of the virus and keep our schools and businesses open, the vaccine rollout will take time and it is important that communities remain vigilant in practicing mitigation strategies and safety measures; 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. State Health Advisories. Everyone in the City of Unalaska (the City) must follow all current Health Advisories issued by the State of Alaska related to COVID-19. Review this resolution carefully, as some local requirements are more restrictive than state regulations.

2. Face Coverings. All customers and visitors of businesses and organizations that are open and operating must wear face coverings over their nose and mouth to provide additional protection for employees and customers. Additionally, employees and volunteers of open businesses and organizations must wear face coverings when interacting with customers and visitors. The face coverings need not be medical-grade masks or N95 respirators, but can be cloth face coverings. Face coverings 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. Reserved.

4. Traveler Quarantine. A person traveling into the City by vessel or airplane, from another community or port, must self-quarantine for 10 days upon arriving at their destination and monitor for symptoms of illness. A quarantine period of 7 days is permitted with a negative PCR test result. Under the 7-day option, the test must be taken no sooner than the 6th day of quarantine. A person may not exit quarantine until results are known. The self-quarantine period of 10 days or 7 days and a negative test is referred to as the traveler quarantine period.

No quarantine is required for travelers who have tested positive for COVID-19 within the past 3 months and who have recovered, as long as no new symptoms develop.

No quarantine is required for travelers who have been fully vaccinated for at least 14 days prior to the date of travel.

People traveling for critical business purposes are required to follow their approved plan according to State Health Advisory No. 4 and Section 5 of this Resolution.

- a. Employees of businesses engaged in Essential Services or Critical Infrastructure industries, traveling to Unalaska to provide such services, must self-quarantine immediately upon arrival, but may work during the traveler quarantine period, subject to the requirements in this section.

If their employer has filed the required protocol with the City as required at Section 5, critical workforce employees may work during their self-quarantine period in accordance with that protocol.

For essential workers in the fishing industry who are covered by Health Advisory No. 4, Appendix 01 (Seafood Processing Workers), Appendix 02 (Independent Commercial Fishing Vessels) or Appendix 03 (Independent Commercial Harvesters) the worker's Entry Quarantine must meet or exceed the recommendations of Health Advisory No. 4 and any related appendices.

All workers under this critical workforce exception are required to self-quarantine during non-work hours within the traveler quarantine period. During the traveler quarantine period, workers are not permitted to have contact with City residents that is not strictly necessary to perform their work, must follow the self-quarantine requirements at section d., below, and are otherwise restricted to the campus, bunkhouse, or vessel where they reside.

- 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 traveler quarantine 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 traveler quarantine period. The time at sea is counted from the time of departure from the last port of call, provided that no one has embarked or disembarked since that time. Commercial fishing vessel captains shall maintain a ship's log or equivalent record demonstrating compliance with State Health Advisories, including on board protective measures, and detailing all activities for which they seek credit for time at sea. For vessels subject to Health Advisory 4 and appendices, the Entry Quarantine standards must have been met in order to qualify for credit for time spent at sea.

For vessels that have been at sea over 10 days and no one has disembarked or boarded the vessel, no additional 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 10 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 10 days.

A positive COVID-19 test result from any crew member will negate any previously acquired at-sea credit, and all crew will be required to quarantine again if returning to Unalaska.

- d. Anyone who is required to self-quarantine must adhere to the following:
 - 1) A person in self-quarantine may leave the designated quarantine location for:
 - i. medical emergencies or to seek medical care;
 - ii. to travel in the person's personal vehicle or vessel, individually or with members of the person's household, without contacting others, so long as the person goes 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 the person's household, without contacting others, so long as the person goes directly from the quarantine location to the recreational activity and directly back to the quarantine location.
 - 2) A person in self-quarantine may not visit any public spaces, including, but not limited to stores, pools, meeting rooms, fitness centers or restaurants.
 - 3) Visitors are not allowed in or out of the 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 a person is required to self-quarantine and there are other individuals in their residence, hotel room, or rented lodging, all persons in the quarantine location must comply with social distancing guidelines, sanitize regularly touched surfaces, and follow CDC best practices for hand washing.

- e. Travelers from other Alaskan communities, traveling to Unalaska on the Alaska Marine Highway System for critical personal needs, are exempt from the requirements of Section 4(d)(2) in that they may enter stores or businesses for critical personal needs. When not engaged in meeting critical personal needs, ferry travelers are required to follow self-quarantine requirements. Critical personal need is defined in State Health Advisory No. 3, issued February 14, 2021.

5. Essential Services/Critical Infrastructure Safety Plans and Protocols. Businesses identified as “essential services” or as “critical infrastructure” that are recommended to submit plans or protocols to the State under Health Advisory No. 4 are required to submit COVID-19 plans directly to the City if they are operating in Unalaska. The plans shall be in a format substantially similar to that recommended by State Health Advisory No. 4, or in a format approved by the City. Such businesses shall submit their plans, protocols, or relevant notifications to the City by email to COVID19PLANS@ci.unalaska.ak.us.

The City has adopted by reference the Alaska Essential Services and Critical Workforce Order, Amended May 5, 2020 for purposes of defining “Critical Workforce,” “Essential Services,” and “Critical Infrastructure.” The definitions in the May 5 Order apply regardless of the revocations of the State Health Mandates 10, 10.1 and 18. The definition of Essential Services and Critical Infrastructure in Resolution 2020-73, § 4 is extended and remains effective as long as the local emergency declaration is in place.

6. 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 Advisories. By remaining open during the COVID-19 pandemic, organizations and businesses are expressly granting consent for entry during business hours under Unalaska Code of Ordinances § 1.16.010. This consent is limited to inspections of the public portions of the business and is for the limited purpose of enforcing state and local laws related to COVID-19. It does not alter UCO § 1.16.010 with regard to other violations or investigations.

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.

7. Marine Tourism. Marine tourism includes travel to Unalaska for non-essential purposes by state ferry, a cruise ship of any kind, or private vessel. Marine tourism passengers and providers are required to adhere to resolutions, ordinances, orders of the City Manager, or any other local mandates related to public safety during the COVID-19 pandemic. Such mandates include, but are not limited to, the face covering requirement, traveler self-quarantine requirements, gathering size limitations, and industry safety protocol requirements. Local requirements are in addition to any laws, regulations, agreements or plans that apply to travelers, vessels, or businesses through the State of Alaska, the Center for Disease Control and Prevention (CDC), or the US Department of Homeland Security.

8. 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.

9. Effective Date; Expiration. This resolution shall be effective at noon on Wednesday, March 24, 2021, and expires at noon on Wednesday, April 7, 2021. 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 2020-71. This resolution repeals and replaces any other inconsistent resolution or ordinance.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on March 23, 2021.

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: March 23, 2021
Re: Resolution 2021-15: Continuing measures to protect public health

SUMMARY: On March 1, 2021 the local Risk Level was reduced to Medium. Focus remains on what we can do to protect the health of our community and not overwhelm our health care system. By doing so, we also protect our local economy. We have demonstrated that mitigation strategies work, and it is important that we remain diligent in our efforts. Additionally the vaccine availability is on the rise, and now all those over the age of 16 are eligible for the vaccine. This resolution removes the three month time limitation for fully vaccinated individuals in the traveler quarantine section, based on updated guidance. It also removed the passenger limit in taxi, consistent with the opening up of other business and gatherings.

PREVIOUS COUNCIL ACTION: 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.

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.

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.

Council approved Resolution 2020-25 on April 28, extending the orders in Resolution 2020-19. This resolution expired May 13, 2020.

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. 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.

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.

Council approved Resolution 2020-41 on June 23, extending the orders in Resolution 2020-38 and 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.

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 day traveler self-quarantine time period. This resolution expired July 29, 2020.

Council approved Resolution 2020-49 on July 28, extending the orders in Resolution 2020-45, and removed a number of the “whereas” background statements to focus on the mitigation strategies and reduce the length of the document. This resolution expired August 12, 2020.

Council approved Resolution 2020-51 on August 11, extending the orders in Resolution 2020-49. This resolution expired August 26, 2020.

Council approved Resolution 2020-54 on August 25, extending the orders in Resolution 2020-51. This resolution expired September 9, 2020.

Council approved Resolution 2020-58 on September 8, extending the orders in Resolution 2020-54. This resolution expired September 23, 2020.

Council approved Resolution 2020-63 on September 22, extending the orders in Resolution 2020-58. This resolution expired October 14, 2020.

Council approved Resolution 2020-66 on October 13, extending the orders in Resolution 2020-63. This resolution expired October 28, 2020.

Council approved Resolution 2020-70 on October 27, extending the orders in Resolution 2020-66. This resolution expired November 11, 2020.

Council approved Resolution 2020-71 on November 10, 2020 extending the local declaration of the public health emergency through June 30, 2021. On that same date, Council approved Resolution 2020-72, extending the orders in Resolution 2020-70 and revising it to provide additional clarity if there is a change the State’s declaration of emergency. This resolution expired November 25, 2020.

Council approved Resolution 2020-73 on November 24, 2020, extending and further clarifying the orders in Resolution 2020-72. This resolution was set to expire on December 9 so that Council could reconsider the action at the December 8 Council Meeting.

In response to the change in the local risk level, Council approved Resolution 2020-74 at a Special meeting on December 1, 2020 extending the orders in Resolution 2020-73 and adding sections addressing a hunker down order, limits to public gatherings, and temporarily closing in person service at bars and restaurants.

Council approved Resolution 2020-77 on December 15, 2020 extending the orders in Resolution 2020-73 and revising it to provide additional clarity if there is a change the State’s declaration of emergency. This resolution was set to expire on January 13, 2021. Council decided it would call a Special Meeting to reconsider the restrictions if the local risk level was changed before then. The allowance for time spent at sea to count toward the local traveler self-quarantine was removed.

In response to the change in the local risk level, Council approved Resolution 2020-79 at a Special meeting on December 30, 2020. This resolution removed the hunker down order and public gathering size restriction, allowed for in person service at bars and restaurants to open to 50% capacity, and added back in the allotment for time at sea to count toward the local traveler self-quarantine. Additional clarification was also included for critical infrastructure industries in the traveler quarantine section.

In response to the increase in the local risk level to High, Council approved Resolution 2021-01 at a Special meeting on January 8, 2021. This resolution reinstated the hunker down order and the limit to public gathering size, and temporarily stopped in person service at bars and restaurants.

Council approved Resolution 2021-04 at their regular meeting on January 12, 2021. This resolution removed the hunker down order; removed the temporary closure of in-person dining, allowed for exceptions to the public gather size for schools, places of worship, and bars/restaurants.

Council approved Resolution 2021-05 at their regular meeting on January 26, 2021. The resolution clarified that police and other city employee may enter businesses for the purposes of monitoring compliance with the resolution or state health orders.

Council approved Resolution 2021-09 at their regular meeting on February 9, 2021. The resolution addressed marine tourism and Alaskan residents traveling on the Ferry to access critical needs. This was set to expire February 24, 2021 and will be revisited at the Council Meeting on February 23, 2021.

On February 10, 2021 the local Risk Level was reduced to Medium from High. A special meeting was scheduled for Council to consider Resolution 2021-10 removing the capacity restrictions currently in place. Council voted that resolution down given new information that would likely result in an increased risk level once again.

On February 23, 2021, Council approved Resolution 2021-11 extending previous protective measures, updating references to State Health Advisories and treating them as requirements, and updating Traveler Self Quarantine requirements to align with CDC guidance.

On March 3, 2021, Council approved Resolution 2021-13 at a Special Meeting extending many of the protective measures, removing limit to public gatherings because in response to the decreased Local Risk level, and updating Traveler Self Quarantine requirements to align with CDC guidance

BACKGROUND: The COVID-19 pandemic continues. Since November, the City has anticipated the state emergency declaration and regulations may lapse and has drafted its resolutions with this in mind. The resolution is currently designed to protect the City similarly if the state has no COVID-19 protections in place. There may be unforeseen consequences borne out through experience. Those variables will continue to be assessed and appropriate changes will be made in local regulations.

On November 10, the City Council declared a local state of emergency through June 30, 2021, and has continued passing resolutions addressing local public health protective measures for the community.

The State of Alaska's COVID-19 disaster declaration was allowed to expire on February 14, 2021. However, the support infrastructure of the State's Unified Command remains.

The State issued four health advisories, listed below, addressing general safety, travel and critical infrastructure, with appendices focusing on the seafood industry. The advisories are based on the latest epidemiological data and expertise within the Alaska Department of Health and Social Services and outline best practices to continue mitigating the spread of COVID-19.

Health Advisory 1 – Recommendations to Keep Alaskans Safe – Addresses the safety measures Alaskans can take to mitigate the spread of COVID-19.

Health Advisory 2 – International and Interstate Travel – While Alaska resident and nonresident travelers will no longer be required to have pre-travel negative tests upon arrival, it is still considered one of the best mechanisms to track the virus and prevent community spread. The existing airport testing infrastructure will remain in place to protect Alaskans and visitors alike.

Health Advisory 3 – Intrastate Travel – Outlines expectations of communities for allowing travel Critical Infrastructure personnel, as well as for community members and Critical Personal needs. The advisory recommends COVID testing three days prior to travel to locations on the road system and the Alaska Marine Highway System. For locations off the road system and the Alaska Marine Highway System, a test is recommended for trips lasting longer than 72 hours before returning to a rural community. Without a test, strict social distancing should be followed.

Health Advisory 4 – Critical Infrastructure – The advisory provides clear guidance for Critical Infrastructure businesses operating in Alaska to protect both communities and industries. There are appendices for Seafood Processing Workers; Independent Commercial Fishing Vessels; and Independent Commercial Harvesters

On March 1, 2021 the local Risk Level was reduced to Medium. Since the pandemic began the risk level and the community wide protective measures have been addressed in a two-step process. Risk level is determined by Unified Command based on cases and related information. The community wide protective measures are approved by City Council resolution. Ultimately, the decisions on what is contained in the resolutions and when those details change are policy decisions made by Council.

Together, Unalaska has been able to keep multiple cases or outbreaks limited and isolated since the beginning of this pandemic. We have demonstrated that mitigation strategies work. No single tool is enough. Hand washing, face coverings, getting the flu shot, keeping social circles small, and social distancing measures are effective strategies and things we can all do to help. These strategies are further complimented by other tools such as testing and contract tracing. The mitigation strategies outlined in local resolutions (face coverings, quarantine, and safety protocols) are other tools aimed to help us keep our community and economy healthy. As exposure to this virus increases locally, additional mitigation strategies (hunkering down, limits to gathering sizes, and closure of in person service at bars and restaurants) are also warranted and effective. All of these are further strengthened by statewide Health Advisories and the local protective measures instituted by other municipalities throughout the state.

We remain optimistic about the COVID-19 vaccine rollout and cooperative efforts that are underway. The vaccine is a game changing tool in our efforts to slow the spread of the virus, and

keep our schools and businesses open. The vaccine rollout takes time, however, and it is important that we remain vigilant in practicing other mitigation strategies and safety measures.

DISCUSSION: As of the drafting of this memo and resolution, the local Risk Level remains at Medium. Resolution 2021-15 is set to expire April 7, 2021 and will be revisited at the Council Meeting on April 6, 2021. The following protective measures from Resolution 2021-13, approved March 3, remain in this resolution, with the revisions noted:

- **State Health Advisories** - This section references and requires everyone in the City to follow the State's Health Advisories. This section has not changed.
- **Face Coverings** - Customers and visitors of businesses and organizations must wear a covering over their nose and mouth. Additionally, employees or volunteers of businesses and organizations to wear a face covering when interacting with customers or visitors. This section has not changed.
- **Traveler Self Quarantine** - Individuals traveling into the City by vessel or airplane must self-quarantine, with limited exceptions.

City Staff and Local Health Care Professionals continue monitoring CDC and State guidance on this topic. As more is understood about reinfection and the vaccinations, this time period is anticipated to be adjusted accordingly.

This resolution removes the three month time limitation for fully vaccinated individuals, based on updated guidance. No traveler self-quarantine is required for individuals who are fully vaccinated for at least 14 days prior to the date of travel.

- **Essential Services/Critical Infrastructure Safety Plans** - Businesses that are recommended to submit plans to the State as a result of Health Advisory 4, are required to submit those to the City if they are operating in Unalaska. This section has not changed.
- **Protective Protocols** - All business open to the public must post their basic measures to protect the public health on their doors. This section has been revised to remove subsection "f" formerly stating, "*Shuttles, van services and taxis shall clearly state that the total number of passengers shall be limited to three.*" There are no longer gathering limits in place, so it is reasonable to remove this limit as well. As with other business, masks would still be required.
- **Marine Tourism** – This section provides guidance for those traveling for non-essential purposes on the state ferry, cruise ships or private vessels and clarifies that local safety protocols in this resolution do apply. This section has not changed.

ALTERNATIVES: Council may choose to approve, amend or disapprove this resolution. Ultimately, the decisions on what is contained in the resolutions addressing community wide protective measures – regardless of risk level – are policy decisions made by Council.

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: The City Manager recommends approval of the form of this resolution, as it has been developed based on Council discussions. Council may wish to alter some of the details based on further discussion.

PROPOSED MOTION: I move to approve Resolution 2021-15.