

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-33

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO SIGN A JOINT TRENCH AGREEMENT WITH UNICOM INC. (GCI)

WHEREAS, the purpose of the Capital Major and Maintenance Plan (CMMP) is to formalize the process of identifying and completing capital projects and major maintenance projects; and

WHEREAS, GCI is bringing fiber optic services to Unalaska and has already applied for the required City permits to begin an island wide trenching project to install fiber throughout Unalaska; and

WHEREAS, the City desires to connect all of its facilities, services and infrastructure as much as possible via an intranet system to improve the safety and security of its systems, as well as plan for increasing demand of bandwidth by all city departments and functions over the coming decade; and

WHEREAS, the Unalaska City Council approved the city intranet project as part of the FY22-31 10 Year CMMP in April 2021; and

WHEREAS, the City will enter into a public-private partnership with GCI via the Joint Trench Agreement and associated Scope of Work that specifies the costs for the work, which is greatly discounted from prior estimates for new conduit installation and significantly less cost to annual leasing for fiber to meet city needs.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the City Manager to enter into a Joint Trench Agreement with Unicom, Inc. (GCI), for the purposes of installing approximately 50,000 lineal feet of new conduit and about 100 new vaults, at locations to be determined, to service the new city intranet system.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 25, 2021.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: William Homka, Planning Director
Through: Erin Reinders, City Manager
Date: May 25, 2021
Re: Joint Trench Agreement between the City of Unalaska and Unicom Inc. (GCI)

SUMMARY: The City has been working with Unicom Inc. (GCI) to develop a Joint Trenching Agreement (JTA) to coordinate a City CMMP project simultaneously with GCI's fiber project. GCI's project will involve digging trenches throughout the island's rights of ways and some easements to lay fiber as part of bringing much improved internet service to Unalaska. The City can work with GCI to install conduit in the same trenches and connect its city facilities, equipment and systems via an intranet system at a fraction of the cost if the City were to undertake this project on its own. The JTA and accompanying Statement of Work represent over six months of negotiations to establish costs and a scope of work.

PREVIOUS COUNCIL ACTION: City Council reviewed the Fiber Install Project as part of the FY22-31 10 Year CMMP. The Planning Department presented the project to City Council in March and April 2021. On April 27, 2021 City Council approved the \$2 million project budget as part of the 10 Year CMMP. The project is divided across the FY22 and FY23 CMMP budget years to coincide with GCI's anticipated project timeline.

Also, 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. As part of the FY22 CMMP review process, City Council approved these funds be transferred for use as part of this project. The funding is as follows:

| | | |
|--------------|---------------------|-----------------------------|
| FY17 | \$ 52,987 | Water Proprietary Fund |
| FY17 | \$ 52,987 | Wastewater Proprietary Fund |
| FY22 | \$ 947,013 | General Fund |
| FY23 | \$ 947,013 | General Fund |
| TOTAL | \$ 2,000,000 | |

BACKGROUND: For many years the City has studied the need for an intranet between its facilities, numerous services such as security cameras, and field equipment operated by the City's Supervisory Control and Data Acquisition System (SCADA). Currently the City relies heavily on wireless communication devices and methods to support its internal communication network. **Figure 1** illustrates City's existing wireless network managed by the Information Services Division.

There are many disadvantages to using wireless equipment, especially in Unalaska. The equipment is highly susceptible to the weather here which interrupts signals, damages equipment, and has significant maintenance costs. The speed and quality of data are limited due to the connectivity problems associated with a wireless network, including signal interruptions, slower performance and limited redundancy. Finally, the equipment is less secure because it's easily accessible rather than buried underground.

GCI's announcement of bringing fiber optic service to Unalaska represents a significant opportunity for the City to partner with the company. As GCI trenches throughout the island to bring fiber to homes and businesses, the City can contract with GCI to install additional conduit for the City while the trenches are open. A partnership with GCI and the City is a more feasible alternative to undertaking the project on its own, both cost savings and project implementation and management.

DISCUSSION: This project was new to Unalaska's CMMP this year. It gained significant priority and consideration because it partners with a private sector project coming to the island in June 2021. 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.

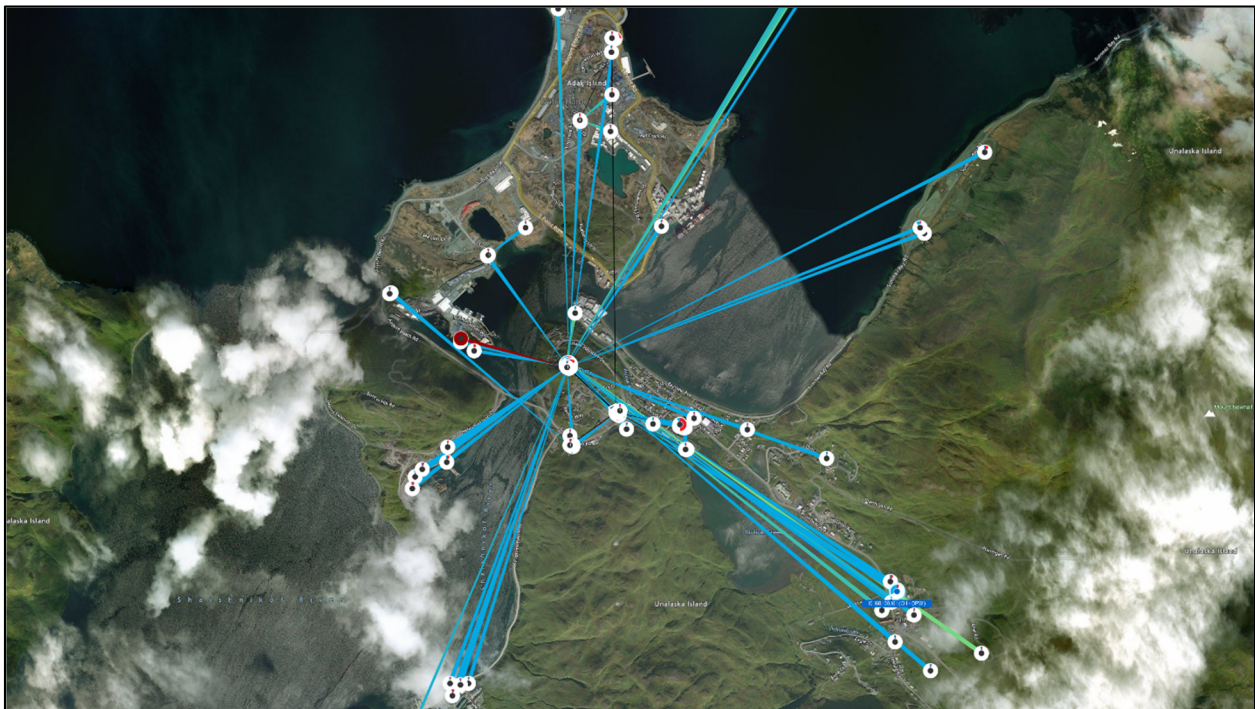


FIGURE 1: CITY'S EXISTING WIRELESS NETWORK

The Planning Department serves as project coordinator and has been working with the Department of Public Works, Department of Public Utilities, Information Systems, City Attorney and GCI representatives to prepare a Joint Trenching Agreement (JTA). The JTA is attached to this report as Exhibit A and the Scope of Work is Exhibit B. The JTA will yield significant project cost savings to the city. If the City paid to trench as a separate project it would cost over \$2.5 million. It would cost the city about \$7 million to lease fiber at a fixed amount of data usage over a 10-year period of time.

The City estimates it needs approximately 62,000 feet of conduit/fiber to connect the majority of City infrastructure and facilities. The City currently has about 12,000 feet of conduit buried in Captains Bay Road (6,000 feet) and Ballyhoo Road (6,000 feet) available for this project. The SOW specifies a cost of \$8 per lineal foot to purchase and install new conduit and \$1,700 to

purchase and install each new vault. The City is contracting with GCI to install about 50,000 feet of new conduit for approximately \$400,000 and about 100 vaults for \$170,000 for an estimated total of about \$570,000.

The City offers spare conduit in the same locations as mentioned above for GCI's use as part of this JTA. The offer is in fair exchange for the cost savings the City receives by contracting with GCI for the simultaneous installation of new conduit for city use. **Figure 2** illustrates the City's project: dashed red lines represent new conduit installed by GCI; and solid red lines represent existing City conduit. Additional conduit in these same locations totaling 12,000 feet is also available for use by GCI and is made available to the company per the JTA.

To complete its new network infrastructure, the City will need to contract with another party to install the fiber and related equipment such as switching gear. After deducting \$570,000 for installing conduit and vaults, the remaining balance of about \$1,430,000 is available to complete this project. The work outlined in the JTA and SOW will be phased over two years to match GCI's phasing. Once complete, the city will have unlimited bandwidth (10 Gbps+) per fiber strand with 24-36 dedicated fiber strands. Also, maintenance of the new underground infrastructure will significantly decrease when compared to the current exposed equipment.

In January GCI applied for City of Unalaska permits to begin the trenching. Staff in the Engineering Division and Planning Department have been coordinating their reviews of the permit application, which is a significantly large one due to the amount of work being proposed throughout the island. GCI divided the project into five areas it refers to as Passive Optical Networking (PON). PONs use fiber optic cabling to provide Ethernet connectivity from a main data source to endpoints. Each PON has numerous scaled professional drawings indicating locations for the trenching and installation plans. To provide examples of the project permit application materials, staff has included two drawings in this report. **Figure 3** is an index drawing of the maps/drawings submitted for PON 2. **Figure 4** is Sheet 8 as identified in Figure 2.

Staff is nearly complete with its review of the PONs. Review includes project construction plans for conformance with city code requirements, installation routes, and conflicts with existing utilities. Staff provides feedback to GCI to insure new work is located in city rights of ways or utility easements. The goal is to avoid installations on private property or the need for acquiring any new public or private utility easements.

As the project moves forward GCI will facilitate public outreach efforts to inform the community about the project. The project calendar, phases, and maps indicating where the new fiber will be installed in relation to private property will be a part of the outreach plan. The City project is a component of the larger GCI project, so the public will be directed to contact GCI representatives for inquiries about the trenching project.

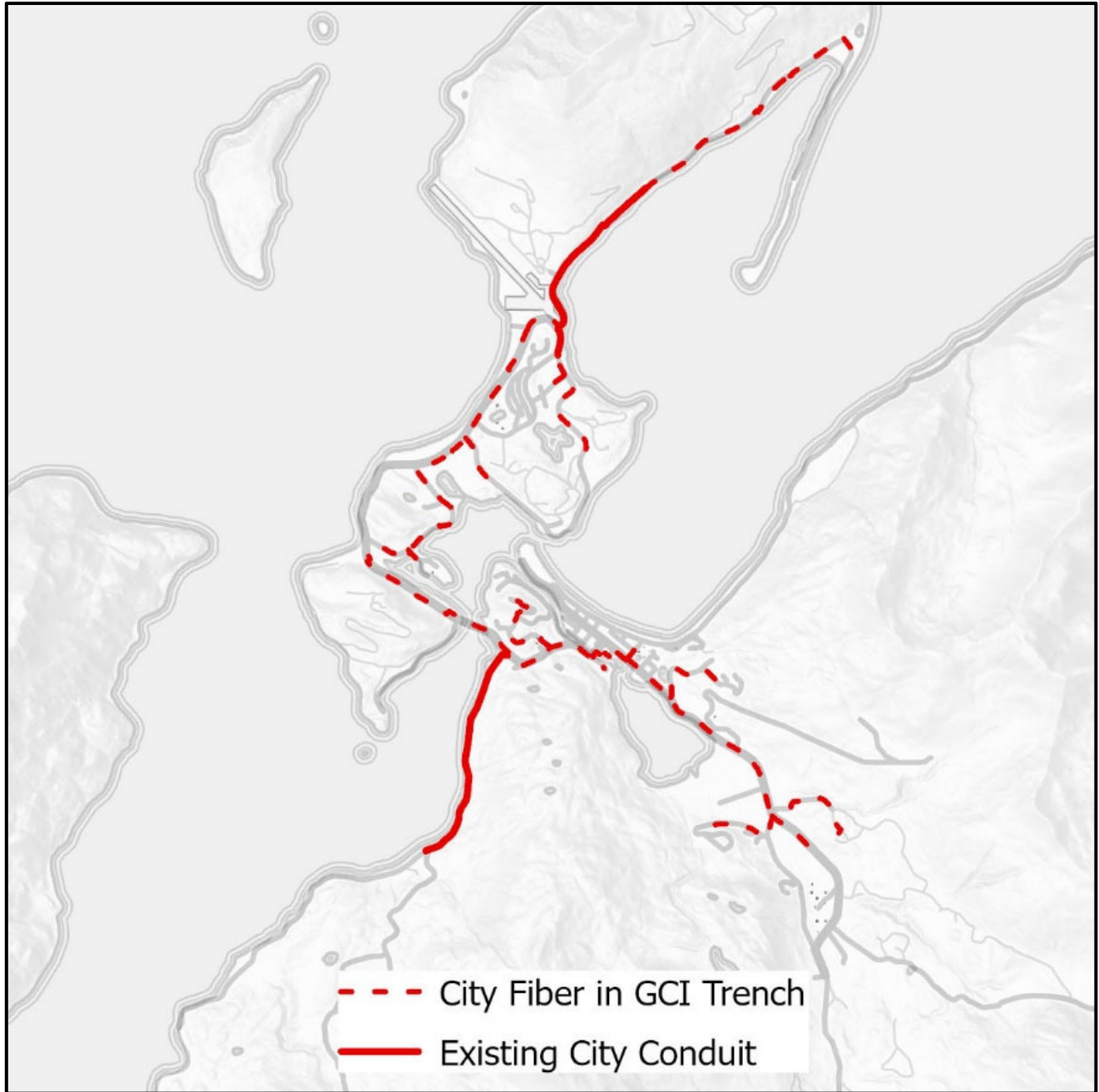


FIGURE 2: EXISTING & PROPOSED CONDUIT

ALTERNATIVES: City Council discussed alternatives during the FY22-31 10-Year CMMP Plan review. The alternatives to the proposed JTA/SOW include forgoing the opportunity to install city conduit, leasing limited fiber capacity for approximately \$700,000 annually, or paying market rate for data using the internet versus installing its own intranet.

FINANCIAL IMPLICATIONS: This project will be funded with \$1,894,026 from the General Fund and \$105,974 from the Water and Wastewater Proprietary Funds.

LEGAL: N/A

STAFF RECOMMENDATION: Recommend approval of Resolution 2021-33 Joint Trench Agreement between the City of Unalaska and Unicom Inc. (GCI)

PROPOSED MOTION: I move to adopt Resolution 2021-33.

CITY MANAGER COMMENTS: I support staff's recommendation. This is a cost effective opportunity to connect city facilities and improve our efficiencies. I thank city staff for their quick response to this opportunity and their hard work getting us to this point.

ATTACHMENTS:

Exhibit A – Joint Trench Agreement (JTA)

Exhibit B – Statement of Work (SOW)

CITY OF UNALASKA PERMIT

VICINITY MAP

CONSTRUCTION NOTES:

All open cut/trench asphalt roadways, driveways, and parking areas shall be repaired per City of Unalaska Department of Public Works Standard Detail 20-1 (Utility Cut - Asphalt Resurfacing).

All open cut/trench concrete roadways, driveways, and parking areas shall be repaired per City of Unalaska Department of Public Works Standard Detail 20-1 (Utility Cut - Concrete Resurfacing).

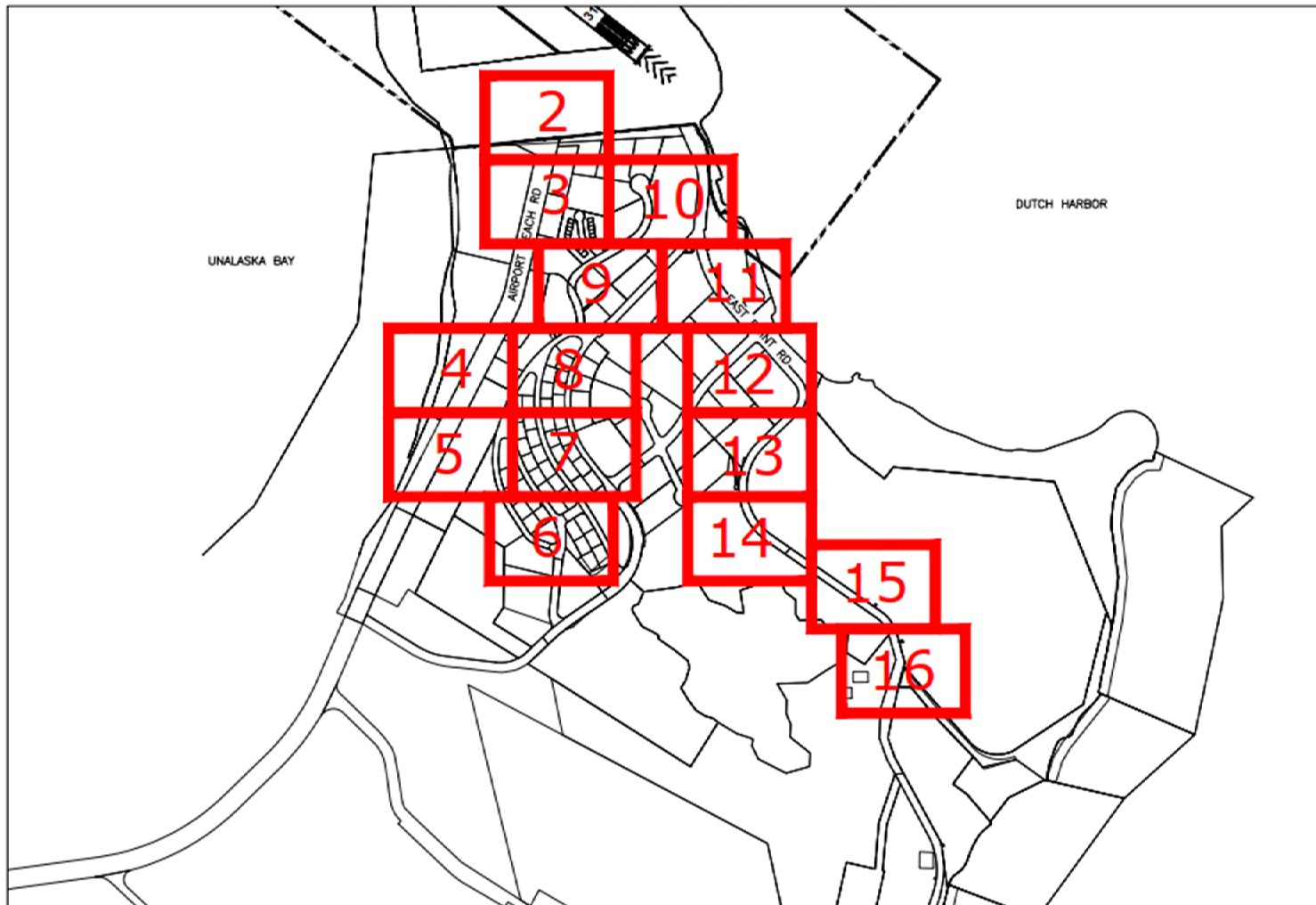
All open cut/trench gravel roadways, driveways, and parking areas shall be repaired per City of Unalaska Department of Public Works Standard Detail 20-1 (Utility Cut - Gravel Resurfacing).

All trenches in proximity to existing water lines shall be constructed per City of Unalaska Department of Public Works Standard Detail 00-8 (Water Service Trenches).

All bollards shall be installed per City of Unalaska Standard Detail 70-2 (High Traffic Area Bollard - Short).

All traffic control operations shall adhere to the MUTCD Chapter 6H Typical Applications.

NOTE: The subsurface utility information in this plan is utility quality level D. This utility quality level was determined according to the guideline of CMAA/SC 38-02. It shall be the contractor's responsibility to locate all utilities prior to excavation.



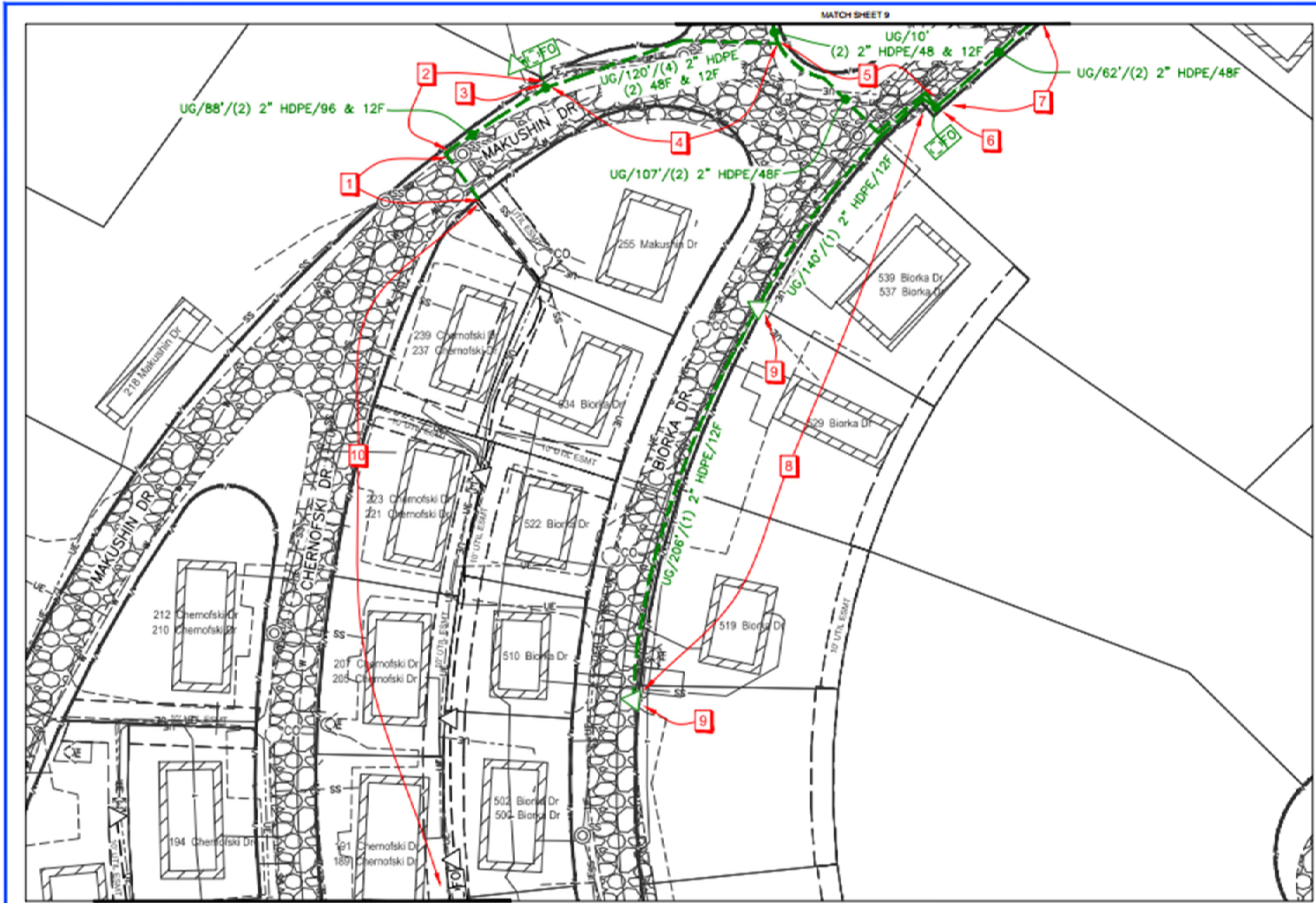
| | | | |
|-------------------|--------------------------------------|-------------|--------------------|
| DRAWN BY: | HOWARD TSCHECHNER | DATE: | SEPTEMBER 25, 2020 |
| PROJECT ENGINEER: | NICK WILLIAMS | ACCT: | 109031.17 |
| NO. | DESIGN/CONSTRUCTION/ASBUILT REVISION | OWN BY/DATE | |
| 1 | | 07/11/2021 | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |



| | | | | |
|----------|--------------|-----------------|--------------------|----------------|
| BUILDING | WATER | TRANSFORMER PAD | CULVERT | GCI ALIGNMENT |
| ASPHALT | SEWER | LUMINAIRE | TELEPHONE PED | GCI BOLLARD |
| GRAVEL | ELECTRIC | SEWER HANDLE | BOLLARD | GCI PEDESTAL |
| WATER | FENCE | WATER VALVE | AIRPORT BOUNDARY | GCI FIBER WALL |
| | GUARD RAIL | FIRE HYDRANT | AIRPORT LEASED LOT | |
| | RIGHT-OF-WAY | SIGNAL GATE | | |

| | |
|---------------|--|
| PROJECT NAME: | WO# 21-0345-03 PON 2 - UNALASKA |
| DATE: | SEPTEMBER 25, 2020 |
| SCALE: | NO SCALE |
| FILE NO: | 20-0345-Pon2-Unalaska FTH_V01.dwg |
| SHEET: | 1 of 16 |

FIGURE 3: GCI PON 2 INDEX



CITY OF UNALASKA PERMIT

- 1.) Trench and install (2) 2" HDPE ducts, (1) 96 count fiber optic cable, and (1) 12 count fiber optic cable. Open cut/trench gravel roadway crossing. Installation will require road closure.
- 2.) Trench and install (2) 2" HDPE ducts, (1) 96 count fiber optic cable, and (1) 12 count fiber optic cable.
- 3.) Install underground vault and leave 150' fiber tails. Place new pedestal next to vault and place (1) 2" conduit & (1) 12 count fiber optic cable between vault & pedestal.
- 4.) Trench and install (4) 2" HDPE ducts, (2) 48 count fiber optic cables, and (1) 12 count fiber optic cable. Open cut/trench gravel roadway crossing. Installation will require road closure.
- 5.) Trench and install (2) 2" HDPE ducts and (1) 48 count fiber optic cable. Open cut/trench gravel roadway crossing. Installation will require road closure.
- 6.) Install underground vault and leave 150' fiber slack loop.
- 7.) Trench and install (2) 2" HDPE ducts and (1) 48 count fiber optic cable.
- 8.) Trench and install (1) 2" HDPE duct and (1) 12 count fiber optic cable. Open cut/trench gravel roadway and driveway crossings. Installation will require road closure.
- 9.) Install new pedestal.
- 10.) Work In Utility Easement.

NOTE: The subsurface utility information in this plan is utility quality level D. This utility quality level was determined according to the guideline of CI/ASCE 38-02. It shall be the contractor's responsibility to locate all utilities prior to excavation.

| | | | |
|---------------------------------|--------------------------------------|--------------------------|--|
| DRAWN BY: HOWARD TSOEDNER | | DATE: SEPTEMBER 25, 2020 | |
| PROJECT ENGINEER: NICK WILLIAMS | | ACCT: 100931.17 | |
| NO. | DESIGN/CONSTRUCTION/ASBUILT REVISION | OWN BY/DATE | |
| 1 | DESIGN | WW - 1/22/2021 | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |



| | | | | | | | | | |
|--|----------|--|--------------|--|-----------------|--|--------------------|--|-----------------|
| | BUILDING | | WATER | | TRANSFORMER PAD | | CULVERT | | GCI ALIGNMENT |
| | ASPHALT | | SEWER | | LUMINAIRE | | TELEPHONE PED | | GCI BOLLARD |
| | GRAVEL | | ELECTRIC | | SEWER MANHOLE | | BOLLARD | | GCI PEDESTAL |
| | WATER | | FENCE | | WATER VALVE | | AIRPORT BOUNDARY | | GCI FIBER VAULT |
| | | | GUARD RAIL | | FIRE HYDRANT | | AIRPORT LEASED LOT | | |
| | | | RIGHT-OF-WAY | | SIGNAL GATE | | | | |

LEGEND

PROJECT NAME:
**WO# 21-0345-03
PON 2 - UNALASKA**

SCALE: 1/8" = 1'-0"
DATE: 10/08/2020
DRAWN BY: FTTH_WJL

SHEET 8 OF 16

FIGURE 4: GCI PON 2 DETAIL SHEET 8

EXHIBIT A

JOINT TRENCH AGREEMENT BETWEEN UNICOM, INC. AND CITY OF UNALASKA

This agreement is made effective as of June 1, 2021 (“Effective Date”), between Unicom, Inc., with its offices located at 2550 Denali Street, Suite 1000, Anchorage, AK 99503-2751, an Alaska corporation, on its own behalf and on behalf of its telecommunications affiliates, (collectively, “GCI”) and the City of Unalaska (“City”) (each a “Party” and collectively, the “Parties”).

Whereas GCI and the City wish initially to cooperate in a Citywide GCI-Unalaska Fiber Optic Project, with GCI serving as the project manager for such project.

Whereas GCI and the City desire to cooperate in the joint use of their respective trenches within the City of Unalaska, both parties agree it is in their best interest to jointly place facilities. Each party then agrees to make a reasonable effort to inform the other of the joint trench opportunities.

A. Statement of Work (“SOW”).

Initially City wishes to install about 50,000 lineal feet of main line conduit as well as associated and shared vaults in conjunction with GCI’s City-wide Unalaska Fiber Optic Project, and GCI is willing cooperate with the City in accordance with this Agreement and a project SOW. The specific terms , including the sharing of excess City and Ballyhoo Road conduit and the provision of materials , applicable to such project are set forth in SOW No. 1, as attached to this Agreement. Subsequently, each Party may perform projects for the benefit of other as set forth in further SOW(s) during the term of this Agreement. The Parties may enter into additional SOWs to supplement this Agreement for such specific projects to be defined and more fully described in the respective SOWs. In the event requirements of a SOW conflict with the terms of this Agreement, the SOW shall take precedence unless specifically set forth otherwise in a SOW. PARTIES AGREE TO FULLY EXECUTE AN SOW PRIOR TO ANY PROJECTS BEING PERFORMED.

B. Main Line Joint Trench Projects

1. Projects that involve mainline joint trenches between the City and GCI shall be designated as either an internal or a contract project. Internal projects are defined as those using the internal labor force of either party. Contract project shall be those using contractual labor forces.
2. The Utility which is placing facilities in the joint trench shall provide labor to install its facilities unless it is agreed upon by the parties that labor is not needed. Each Utility shall provide materials to install its facilities.
3. Each Utility shall allow free access to the prospective work sites for inspection and coordination of work. Each party agrees to make a reasonable effort to inform the other of work in common areas that could affect the other party’s quiet enjoyment of their facilities.

4. Each Utility shall meet all applicable NESC, NEC, OSHA, and/or State of Alaska, City of Unalaska, and, Federal, construction permit and safety requirements. All work performed shall meet industry standards.
5. Neither party is mandated to place facilities and may elect not to participate in any joint trench opportunity, without penalty.
6. The base rate for joint internal projects shall be \$16 per linear foot as defined by each Utility's representative. Unless it is agreed by the Parties otherwise, the Utility providing the trench shall provide all equipment and materials needed to open the trench, provide bedding materials, and backfill the trench.
7. The base rate for joint contract projects shall be set on a project by project basis as defined in the applicable SOW. Unless it is agreed by the Parties otherwise, the Utility providing the trench shall open the trench, provide bedding materials, and backfill the trench. Projects shall include a "not to exceed" amount.
8. Each party agrees to make reasonable efforts to complete all work in a timely manner and will provide updates on any delays that may hinder the completion of the project.

C. Residential Joint Trench Projects

1. Projects that only involve residential joint trenches between the City and GCI shall be designated as those that provide service from the nearest service attachment to a residence.
2. For the term of this agreement, the parties agree to an average residential service length of 100' (one hundred feet), with a base rate of \$800.00 for each service. This shall apply to all trenches up to 100'. When trenches exceed 100' a linear foot charge of \$8.00 shall be applied in addition to the base rate.
3. The Utility providing the trench shall provide all equipment and materials needed to open the trench, provide bedding materials (if needed), and backfill the trench. Unless it is agreed by the Parties otherwise, each Utility shall provide materials to install its facilities.

D. Billing

1. Unless it is agreed by the Parties otherwise, billing for mainline joint trenches shall be submitted on a project by project basis within 60 (sixty) days after project completion. Payment shall be processed within 30 (thirty) days of receipt. Billing shall include all applicable project ID's.
2. Billing of residential joint trench projects shall be on a yearly basis and mutually agreed upon by each Utility's representative.

3. The City's invoices for services are to be directed to GCI via email to apinvoices@gci.com or mailed to GCI at the following address:

Unicom, Inc.
2550 Denali Street Suite 1000
Anchorage, AK 99503

4. GCI's invoices for services are to be directed to the City via email to apinv@ci.unalaska.ak.us or mailed to the City at the following address:

City of Unalaska
Dept. of Public Works and Utilities
P O Box 610
Unalaska, AK 99685

E. Term

This Agreement covers the period June 1, 2021 through December 31, 2024. However, that any SOWs then in effect shall survive such termination and continue to be governed by the terms hereunder until their expiration or earlier termination. Further provided however, that expiration of this agreement will not excuse either party from obligation to pay for service rendered during the agreement term. This agreement may be extended by mutual agreement.

F. Insurance

1. Parties shall carry and maintain throughout the life of this agreement, at their own expense, insurance not less than the amounts and coverage herein specified. In order to protect one another's interests, each party shall name the other as an additional insured under the General Commercial and Automobile Liability policies, with respect to the performance of the work. Each party shall have no right of subrogation against the other and this waiver of subrogation shall be endorsed upon all the policies.
2. Prior to commencement of work, the parties shall furnish certificates of insurance to one another evidencing that the insurance policy provisions required hereunder are in force. Acceptance by either party of deficient evidence does not constitute a waiver of contract requirements.
3. Certified copies of full policies shall be provided at the request of either party. The minimum coverages and limits required for both parties are as follows:
 - a. Commercial General Liability with limits not less than \$1,000,000 per Occurrence and \$2,000,000 Aggregate for bodily injury and property damage including coverage for Premises and Operations Liability Products and Completed Operations Liability, Contractual Liability, Broad Form Property Damage Liability and Personal Injury Liability. Coverage shall not contain any exclusion of Explosion, Collapse, or Underground. Coverage is to be endorsed to include a per project aggregate.

- b. Commercial Automobile Liability on all owned, non-owned, hired and rented vehicles with limits of liability of not less than \$1,000,000 Combined Single Limit for Bodily Injury and Property Damage per each accident or loss.
- c. Workers' Compensation insurance in accordance with statutory coverages required by the State of Alaska and Employers Liability insurance with limits not less than \$1,000,000, and where applicable, insurance in compliance with any other statutory obligations, whether State or Federal, pertaining to the compensation of injured employees assigned to the work.
- d. If the parties employ subcontractors to perform any work hereunder, the parties shall require such subcontractors and their subcontractors to obtain, carry, maintain and keep in force during the time in which they are engaged in performing any work, at minimum, policies of insurance coverage which comply with the requirements as set forth in this section. This requirement is applicable to subcontractors of any tier. Additional insurance may be required of subcontractors depending upon the scope of the project.

G. Liability for Damaged Utility and Service Lines

If one party inflicts damage upon the other's utility or service line(s), that Party shall pay for repair or replacement of the damaged utility or service line.

H. Indemnification:

Each party shall defend, indemnify and hold the other party, its officers, officials, employees and agents harmless from any and all claims, injuries, damages, losses or suits including all legal costs and attorney fees to the extent they arise from or in connection with: (a) fault, willful misconduct, or negligence, in connection with performance of this agreement, of the indemnifying Party, its officers, employees, agents subcontractors and/or representatives; (b) any product, liability claims relating to any material supplied by the indemnifying party under this agreement; (c) failure of the indemnifying party, its officers, employees, agents, subcontractors and/or representatives to comply with any item of this agreement or any applicable local, state or federal law; (d) claims under workers' compensation or similar employee benefit acts by the indemnifying party or its employees agents, subcontractors or subcontractors' employees or agents.

I. Relationship

Nothing contained in this Agreement shall be construed to create a partnership, employee/employer relationship, or joint enterprise or venture with the other party. Each party will be responsible for the direction, management, supervision, and safety of its own employees, agents, officers, or representatives at any common trench work site. Neither party shall have the power or authority to act for the other in any manner to create obligations or debts which would be binding upon the other party.

UNICOM, INC.

By: _____

Name

Title

STATE OF ALASKA)
) ss.
Third Judicial District)

The foregoing instrument was acknowledged before me on the ____ day of _____, 2021, by _____, the _____ of Unicom, Inc., an Alaska Corporation, on behalf of the corporation.

Notary Public, State of Alaska
My Commission Expires: _____

CITY OF UNALASKA, ALASKA

By: _____

Erin Reinders, City Manager

STATE OF ALASKA)
) ss.
Third Judicial District)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by ERIN RENDERS, City Manager for the City of Unalaska, a First Class Alaska Municipal Corporation, on behalf of the City of Unalaska.

Notary Public, State of Alaska
My Commission expires _____

EXHIBIT B

STATEMENT OF WORK No. 1

(Joint Trench)

This Statement of Work (“SOW”) is made effective as of June 1, 2021 (“Effective Date”), between Unicom, Inc., with its offices located at 2550 Denali Street, Suite 1000, Anchorage, AK 99503-2751, an Alaska corporation, on its own behalf and on behalf of its telecommunications affiliates, (collectively, “GCI”) and the City of Unalaska (“City”) (each a “Party” and collectively, the “Parties”). This SOW is subject to the terms and conditions of the Joint Trench Agreement Between Unicom, Inc. and City of Unalaska, dated June 1, 2021 (“Agreement”) and upon execution by the Parties becomes a part of such Agreement. Notwithstanding anything to the contrary in the Agreement, wherever terms and conditions of the SOW and the Agreement may conflict, then the terms of the SOW shall prevail.

PERIOD OF PERFORMANCE

This SOW shall become effective on the Effective Date and shall continue until December 31, 2023 (the “Term”) unless extended or terminated in accordance with the Agreement and this SOW.

OBJECTIVES

This SOW covers the cooperation between GCI and City as to the sharing of joint mainline trench opened by GCI and its contractors as part of the GCI-Unalaska Fiber Optic Project within the City of Unalaska, as well as allowing GCI access to existing excess City conduit facilities along Ballyhoo Road (approximately 6,000’) and Captains Bay Road (approximately 6,000’). The total existing excess City conduit to which GCI shall have use shall be later determined by the parties. GCI will work with the City to install about 50,000 lineal feet of City conduit for the City’s own non-competitive use within the City’s fiber network, along the mainline route(s) of GCI’s new fiber optic network, as well as associated and shared vaults. In addition to the joint trenching GCI will furnish conduit and vaults on the mainline route(s) for the City. GCI will also facilitate the connection between such installed conduit/vaults by the City or its contractor(s) to service additional, not on the mainline, route(s) on the City’s own non-competitive fiber network.

SCOPE OF WORK

GCI will work with City to prepare final route maps and engineering design, including the desired location of the City’s conduit and associated/shared vaults. City will make available to GCI existing excess conduit in its network, conduit along Ballyhoo Road, and, subject to permitting, will authorize new conduit on any City controlled bridges. GCI’s contractor will open the shared trenches, and install the conduit, associated and vaults, and GCI fiber pursuant to the GCI-Unalaska Fiber Optic Project, as well as install the conduit on the mainline routes (and some associated vaults) on behalf of the City. GCI’s contractor shall also provide bedding materials and backfill the trench. GCI and its contractor(s) shall work with City to coordinate the scheduling of the City’s contractor(s) for the installation of interconnecting City conduit, as well as the City’s installation of its fiber throughout the system, subsequent to GCI’s project phasing timeline. GCI will cooperate with City on the procurement of materials, and facilitate contact with GCI’s contractor(s).

SUBCONTRACTORS

City hereby consents to the use of subcontractors by GCI under this SOW.

SCHEDULE/MILESTONES

Pending final route maps and engineering design, it is anticipated that the GCI-Unalaska Fiber Optic Project will start in June 2021, and construction will be completed by December 31, 2023.

CHANGE MANAGEMENT PROCESS

Any changes to the SOW will be made using a Change Order (“CO”) or Amendment at GCIC’s discretion. No change to the SOW will be done before such document is executed by both Parties.

SCHEDULE OF PAYMENT & INVOICE SCHEDULE

In the performance of this SOW, GCI shall provide the materials and work within the time period as set forth above. Services will be performed on a per foot installation cost for conduit, which includes conduit, and vault price basis (in accordance with the quantities and prices detailed below).

GCI will submit invoices to City on a quarterly basis based on the rates established below, with the final invoice due to City within 30 days of City’s written acceptance of the installed conduit and associated/shared vaults under this SOW.

Equipment, Product & Other Expense Cost:

| Material/Product/Expense | Quantity | Unit Cost | Total Cost |
|--|-----------------|------------------|-------------------|
| Price per lineal foot of installed conduit | Approx. 50,000 | \$8.00 | Approx. \$400,000 |
| <u>Price per installed vault</u> | 100 | \$1,700.00 | Approx. \$170,000 |

COUNTERPARTS

The Parties may execute this SOW in separate counterparts, each of which when so executed shall be deemed to be an original and both of which taken together shall constitute the same SOW. Delivery of an executed counterpart by electronic transmission shall be equally effective as physical delivery of an executed counterpart.

ENTIRE AGREEMENT

This SOW, including any and all exhibits and amendments thereto, together with the Agreement including any and all exhibits and amendments thereto, constitute the entire agreement between the Parties hereto and cancels and supersedes all prior negotiations, bids, proposals, work orders, representations or agreements whether written or oral with respect to the subject matter hereof. No changes, alterations, or modifications to this SOW shall be effective unless in writing and signed by both Parties hereto.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties execute this SOW as of the latest signature date below.

City of Unalaska

Unicom, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____