

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2025-08

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER to ENTER INTO A THREE-YEAR AGREEMENT WITH OPTIMERA HOLDINGS, INC. FOR ELECTRIC LINEMAN SERVICES

WHEREAS, the City of Unalaska line crew staff has been reduced since 2022; and

WHEREAS, the City plans to rebuild its lineman program and has implemented strategies to rebuild such program; and

WHEREAS, the City needs OptimERA's electrical related services while these lineman positions are vacant, to maintain electrical service to the community; and

WHEREAS, in September 2022 the Unalaska City Council approved Resolution 2022-40 authorizing the City Manager to enter into an agreement with OptimERA Holdings, Inc., formerly OptimERA, Inc., to provide electric lineman services at a cost not to exceed \$1,006,200; and

WHEREAS, the 2022 agreement expired in October of 2023 and a one-year extension was awarded at a cost not to exceed \$1,513,164; and

WHEREAS, the 2023 extension expired December 2024 and OptimERA, Holdings, Inc. proposed a three-year term at a cost not to exceed \$1,876,540.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the City Manager to enter into a continued contract relationship with OptimERA Holdings, Inc. as presented; agrees to fund the three-year agreement from Line Repair & Maintenance Funds not to exceed \$1,876,540; and authorizes the City Manager to sign the attached agreement on behalf of the City of Unalaska.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on January 28, 2025.


Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:


Estkarlen P. Magdaong, CMC
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Erik Hernandez, Acting Utilities Director
Through: William Homka, City Manager
Date: January 28, 2024
Re: Resolution 2025-08: Authorizing the City Manager to enter into a three-year agreement with OptimERA Holdings, Inc for Electric Lineman Services

SUMMARY: OptimERA, Inc has been supplying supplementary staff to the City of Unalaska since February 2022, during which time the city has struggled to fill its open lineman positions and secure alternative coverage for its line crew. This situation prompted the adoption of Resolution 2022-40, which authorized the City Manager to enter into a one-year agreement with OptimERA for lineman services. In November 2023, this contract was extended for an additional year, set to expire in December of 2024. Currently, OptimERA is proposing a three-year contract with the city for which the City Manager is seeking approval. The total cost of this contract is not to exceed \$1,876,540.

PREVIOUS COUNCIL ACTION: Previous Council actions related to the OptimERA contract are outlined below.

- Resolution 2022-40 authorized the City Manager to enter into an agreement with OptimERA.
- Resolution 2023-46 authorized the City Manager to enter into an agreement extension with OptimERA
- Resolution 2022-25 authorized the City Manager to sign the negotiated Collective Bargaining Agreement (CBA) between the City of Unalaska and Public Works and Public Utilities Employees IUOE, Local 302.

BACKGROUND: Employee retention issues within the Line Crew and recruiting challenges led the Department of Public Utilities to lose all its Line Crew staff. In February of 2022, the City started contracting with OptimERA for general operations, electric distribution system maintenance, and essential coverage for Line Crew members who were on leave or unavailable. However, the company has been providing full-time coverage for the Line Crew staff and positions that are currently unfilled.

Furthermore, due to the increased need for their services and the contract amounts exceeding the minimum pay rates set by the Alaska Department of Labor, Laborers' and Mechanics' Minimum Rates of Pay, Title 36 AS 36.05 & AS 36.10, contract pricing increased significantly.

DISCUSSION: OptimERA has presented the City with a request for a three-year contract term. They believe extending the contract duration will not only expand the range of available candidates but also enhance stability in operations. Over the past two years, OptimERA has successfully filled vacant positions, enabling the department to maintain essential services in the Electric Utility.

After entering into the agreement extension in December of 2023, City staff began evaluating and exploring various options to rebuild its line crew. One significant issue identified was the compensation for these positions. To address this concern, the City hired McGrath Consulting to conduct a market study on the lineman position wages. McGrath previously worked with the city to prepare the *Title III Wage and Compensation Study*. McGrath's findings indicated the need to increase the Lineman position wages by 30% to make the salaries competitive and attract qualified candidates.

After receiving these results, we signed an agreement with the union representative agreeing to increase the linemen's pay rates and then posted the positions. Now we are receiving applications from qualified applicants and have begun the hiring process.

OptimERA's contract was \$1,515,165 in 2023. The proposed contract is not to exceed \$1,876,540. The City's budget for three full-time linemen and a lineman chief is estimated at \$1,122,475.

ALTERNATIVES: Council may choose to approve, disapprove, amend the contract, or continue on a month-to-month basis.

FINANCIAL IMPLICATIONS: If approved, the funds will need to be appropriated for Electric Utility staff and Contract staff.

LEGAL: The proposed contract has been reviewed by City Attorney.

STAFF RECOMMENDATION: Staff recommends adoption of Resolution 2025-08.

PROPOSED MOTION: I move to adopt Resolution 2025-08.

CITY MANAGER COMMENTS: It has been our goal to fill our linemen positions. The city team has worked diligently to understand why we were no longer able to attract qualified candidates and it came down to wages, primarily. I support the staff recommendation.

ATTACHMENTS:

- Resolution 2023-46
- Proposed Contract
- Wage rates - letter agreement with union

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2023-46

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT EXTENSION WITH OPTIMERA HOLDINGS, INC. FOR ELECTRIC LINEMAN SERVICES

WHEREAS, the City of Unalaska Line Crew has been reduced to one employee due to resignations and inability to recruit new employees in a very tight labor market; and

WHEREAS, the remaining employee is an Apprentice who requires continuous supervision by a Journeyman Lineman per the City's Standards of Apprenticeship; and

WHEREAS, in September, 2022 the City of Unalaska approved Resolution 2022-40 authorizing the City Manager to enter into an agreement with OptimERA Holdings, Inc., formerly OptimERA, Inc., to provide supervision, outage recovery, and all aspects of repairs and maintenance of the electrical distribution system at a cost not to exceed \$1,006,200; and

WHEREAS, the 2022 agreement expired in October, 2023 and this extension is proposed for one additional year at a cost not to exceed \$1,514,164; and

WHEREAS, the City needs OptimERA's electrical related services to maintain electrical service to the community and to provide it additional time to prepares a strategy for rebuilding its linemen program; and

WHEREAS, the City intends to issue a request for proposals (RFP) seeking these services in about April, 2024 for intervals ranging three to five years.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves a continued contract relationship between the City of Unalaska and OptimERA Holdings, Inc. as presented; agrees to fund the one-year agreement from Line Repair & Maintenance Operating Funds not to exceed 1,514,164; and authorizes the City Manager to sign the attached contract amendment on behalf of the City of Unalaska.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 28, 2023.


Alejandro Tungut
Vice Mayor

ATTEST:


Estkarlen P. Magdaong
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: William Homka, City Manager
Date: November 28, 2023
Re: Resolution 2023-46: Authorizing the City Manager to enter into an agreement extension with OptimERA Holdings Inc. for Electric Lineman Services

SUMMARY: OptimERA Inc. first supplemented the City of Unalaska Line Crew in February, 2022, when Acting Lineman Chief Davlin Hall left on a 30-day vacation. Mr. Hall resigned in August, 2022 and the City needed to staff the position with qualified services to maintain the island's electric service. In October, 2022 Council adopted Resolution 2022-40 authorizing the City Manager to enter into an agreement with OptimERA for a period of one year or until such time the City hires a Utility Lineman Chief and at least one Utility Linemen to supplement the existing Lineman Apprentice. The one year expired in October, 2023 and the City Manager seeks approval to extend the contract period one year at a cost of \$1,514,164.

PREVIOUS COUNCIL ACTION: Resolution 2022-40 authorized the City Manager to enter into an agreement with OptimERA. Resolution 2022-25 authorized the City Manager to sign the negotiated Collective Bargaining Agreement (CBA) between the City of Unalaska and Public Works and Public Utilities Employees IUOE, Local 302.

BACKGROUND: Employee attrition in the Line Crew combined with unsuccessful recruitment has resulted in just an Apprentice remaining in the division. Starting in August, 2019, the Department of Public Utilities began losing Line Crew. By 2022 four linemen resigned and the vacancies were never filled. When the last lineman left in August, 2022 the City had no resources available internally to maintain the electric distribution system.

In February, 2022 the City learned it can supplement the Line Crew when necessary to maintain essential operations. We hired OptimERA to cover the Line Chief's vacation and provide continuous journeyman supervision of the apprentice per the City's Standards of Apprenticeship developed together with the U.S. Department of Labor. Additionally, the contract included On-Call/Standby to provide 24-hour coverage on outage recovery.

In May, 2022 the lineman resigned so the City again retained OptimERA to staff the Line Crew division and oversee the apprentice. The pricing increased significantly as any work exceeding \$25,000 had to comply with Laborers' and Mechanics' Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor. The contract was paid by transferring funds within the Line Repair & Maintenance Division FY22 Budget Salaries & Wages to Other Professional Services.

DISCUSSION: Over the past few months the City has been successful in filling many vacant positions. However, we have had no success in filling the Line Crew positions. The OptimERA contract provides the required services and assists the Department of Public Utilities with maintaining the electric distribution system. Two of OptimERA's employees are former City linemen employees.

Discussions to negotiate a new contract were initiated in August, 2022. At that time Matt Scott presented the City administration with OptimERA's request for a five-year contract period. OptimERA is having difficulty filling the positions due to the short contract period because most many do not want to travel so far to work for just 12 months or less. A longer contract term would widen the pool of candidates.

In response to OptimERA's five-year proposal, the City Manager proposed to extend the one-year contract that expired in October. We are on a month to month basis per that contract. The City desires to acquire Line Men services through the public bidding process. The 2022 contract was sole sourced due to the short notice caused from the Line Men resignation in August, 2022. We have not completed an assessment necessary to form a City rebuild plan for the Line Crew division.

The proposed contract price has increased \$508,564, from \$1,006,200 to \$1,514,165. The increased costs are associated with travel and housing for the employees as well as anticipated wage increases. OptimERA has experienced difficulty sourcing coverage for some of the same reasons the City experiences in recruiting, including the remote location and the weather. Other factors identified per OptimERA include:

- Filling positions has been difficult nationally, statewide, and particularly locally.
- Full staffing was achieved for only 1.5 months.
- Efforts to introduce rotational schedules increased administrative overheads.
- Short employment term creates doubt with potential candidates.

The City would like the one-year extension to allow more time to prepare an analysis of factors we need to overcome in order to rebuild its Line Crew. The results should help plan a strategy to lead us out of this situation. Information from the plan will assist our future recruiting efforts. The City will issue a Request for Proposals for three (3) and five (5) year terms to continue supplementing the Line Men division with external, professional services. During that time the City intends to rebuild the Line Man division.

ALTERNATIVE:

1. The City could disband the Line Crew Division and engage in long term contracting to deliver power distribution services to Unalaska. This is not recommended due to mandatory PERS contributions on behalf of the displaced employees.

FINANCIAL IMPLICATIONS: A fully staffed Line Crew Division under the new 302 Contract requires approximately \$1 million in annual funding. This contract extension will cost \$1,514,164.

LEGAL: Contract and Extension have been reviewed by the City Attorney.

STAFF RECOMMENDATION: Staff recommends Council pass and adopt Resolution 2023-46, authorizing the City Manager to enter into an agreement extension with OptimERA, Inc. for continued electric lineman services.

PROPOSED MOTION: I move to adopt Resolution 2023-46.

CITY MANAGER COMMENTS: I request approval of this resolution.

ATTACHMENTS:

Proposed Contract

OptimERA's Proposal

JOURNEYMAN LINEMAN/CHIEF CONSTRUCTION ASSISTANCE AGREEMENT

This Journeyman Lineman/Chief Construction Assistance Agreement (“Contract”) is entered into by and between the City of Unalaska (“Utility” or “City”) and OptimERA Holdings, Inc. (“Contractor”), effective as of the last date signed below (“Effective Date”).

This Contract supersedes any prior agreements for services covered under the Terms of DOL contract # 22-05-60304A, upon adoption. The terms and conditions outlined herein represent the new agreement between the parties for services related to Journeyman Lineman/Chief Construction Assistance and other services as outlined herein.

1. **Article 1** - Definitions

- 1.1. “*Additional Staffing*” means staffing requested by addendum at any time during the Term, at the contract rate, either for the Term or for a negotiated period at the time of addendum.
- 1.2. “*Call-Out*” means Contract Staff’s performance of unscheduled work outside of normal work hours that is requested by Utility. Being On-Call does not constitute work for the purpose of this definition.
- 1.3. “*Contract Staff*” means each Line Chief, Lineman, and Apprentice provided by Contractor pursuant to this Contract, full-time or Rotational, NOT including Additional Staffing requested.
- 1.4. “*Day*” as used to define travel days, means midnight to midnight
- 1.5. “*Direct Travel Expense*” means airfare, hotel, baggage fees, local lodging and expenses, and per diem for direct expenses incurred for Rotating Staff’s travel from an airport near their place of residence to Unalaska and return to same.
- 1.6. “*Full-time*” means 40 hours per work week.
- 1.7. “*Per diem*” flat daily fee, per employee, paid for travel and work days, including travel from the place of resident to Unalaska, stay in Unalaska and return to same point of residence. Contract per diem wage shall be paid per Rate sheet “Appendix – A”. Negotiated rate shall not eliminate Contractors responsibility to fulfill any State or Federal wage or pay obligations for per-diem compensation to employees.
- 1.8. “*Rotating Staff*” means each Line Chief, Lineman, and Apprentice provided by Contractor not scheduled by the contractor for Full-Time annual employee under this Contract.
- 1.9. “*Utility Staff*” means Line Chief, Linemen, and Apprentices, a total of *four (4)* positions, managed and employed by the City.

- 1.10. “Travel Expense - Wage” means hourly billable rate applicable for Rotating Staff travel time, not to exceed 8 hours in a day, or actual hours traveled in a day, whichever is less for time traveled from their place of residence to Unalaska and return to same point of residence.
- 1.11. “Live-work” shall work includes tasks performed on or near electric circuits, parts, or equipment that are energized, meaning they are still carrying electrical current or have not been de-energized or grounded, including operation of dead front switchgear switches, transformer taps, primary disconnects and MV breakers exceeding 600, or as otherwise defined by 29 CFR 1910.269 for general industry and 29 CFR 1926 Subpart V.

2. Services to be performed

- 2.1. Subject to the terms of the Contract, Contractor shall provide its best efforts to provide Utility with up to a total of *three (3)* full-time Linemen (*i.e.*, the total of full-time Contracted Linemen provided by Contractor, including Linemen or Apprentices shall not exceed a total of three). Contractor may provide multiple part-time contracted positions to equal a full-time lineman or apprentice, such that annual staffing does not exceed 3 positions, on average.
- 2.2. Staffing shall only be subject to reduction during contract term, in accordance with Article 13.
- 2.3. Full-time is defined as forty (40) scheduled straight time hours a week for each Contracted Lineman. Overtime must be approved and directed by Utility.
- 2.4. Except as otherwise required by context, “Lineman” and “Linemen” shall include Line Chief, Lineman, and/or Apprentices.
- 2.5. Additional staffing may be added by addendum at any time during the Term, at the contract rate, either for the Term or for a negotiated period at the time of addition.
- 2.6. For all services performed under this Contract, the Contractor shall comply with Laborers’ and Mechanics’ Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor. Including all hourly wage, fringe, and per-diem.
- 2.7. Live Work
 - 2.7.1. No live work shall be performed by less than one Journeyman.
 - 2.7.2. Live work shall only be performed by an Apprentice at the discretion of the active supervising Journeyman.

3. Term and Renewal

- 3.1. *Initial Term.* The Term of the Contract shall begin on the last date signed below and extend for 3 years thereafter unless earlier terminated.

- 3.2. *Renewal.* Utility may extend the Term by two year by giving Contractor notice not less than 60 days prior to the end of the initial Term.
- 3.3. *Month-to-Month.* Upon expiration of the current Term the contract shall remain in effect on a month-to-month basis, until an amended contract is put into place, or either party terminates their participation in the contract. Notice to terminate or renew after the initial Term, shall be given no less than 60 days in advance for any termination or renewal of the contract by either party.
- 3.4. Additional billables shall be in addition to the Total Compensation of the Current Term.
- 3.5. Renewal of the Contract after the initial term shall be by signed amendment by both parties, outlining any changes to terms or rates or contract positions.
- 3.6. Month to Month Rates – Upon Expiration of the current Contract Term all hourly rates, per Exhibit A, shall increase by 5% for work performed in the first month proceeding the contract term expiration. Each proceeding month the rate shall increase an additional 2%, not to exceed a total increase from current Contract rates of 8%

4. Compensation

- 4.1. *Hourly Fees.* In consideration for the services to be performed by Contractor, City agrees to pay Contractor hourly wages and fees per Exhibit – A Rates, attached hereto and incorporated by reference, with charges determined by the actual hours Contractor’s Linemen perform work for Utility in addition to approved and documented Direct Travel Expense and Travel Expense - Wage.
- 4.2. Fees: Additional Flat or hourly Fees
 - 4.2.1. On-Call work - See Exhibit - A,
 - 4.2.2. Call-Outs shall incur charges for a minimum of two hours or actual hours worked, whichever is greater.
 - 4.2.3. Per-diem – See Exhibit - A
 - 4.2.4. Certified payroll Fees - See Exhibit - A
 - 4.2.5. Consulting and Technical Services - See Exhibit - A
- 4.3. *Travel Expense Reimbursement.* Utility shall reimburse Contractor for all Direct Travel Expense and Wage for any Contract Staff that do not permanently reside in Unalaska at the actual cost as further specified in this section
 - 4.3.1. All requests for reimbursement of Travel Expense shall be accompanied by receipts, or other documentation sufficient to demonstrate payment to the vendor, demonstrating to the Utility that the amount for which reimbursement is sought is a valid expense and note were applicable the individual Contract Linemen for whom the expense was incurred.
 - 4.3.2. Reimbursable Travel Expense incurred in any calendar month for each Contract Linemen position filled by Rotating Staff, shall not exceed an average monthly cost of \$7,050.
 - 4.3.3. The City may elect to provide lodging to Contract Staff at the City’s direct expense, per mutual terms agreed to in a fully executed lease with the contractor.

4.4. DOL Mandated Wage Increases

- 4.4.1. Contract Rates shall be adjusted if the mandated DOL increase of THR (Total hourly Rate), as defined by Title 36 AS 36.05 & AS 36.10, is greater than 5% annum. Adjustment shall not exceed the actual dollar value in excess of 5%, from the previous period.
- 4.4.2. For the purposes of this clause, the current and immediately proceeding September 1st Pamphlet 600 shall be used to calculate Mandated wage increase percentages.

4.5. Total Compensation.

- 4.5.1. The total annual compensation for lineman Services paid to Contractor annually under this Agreement is estimated at \$1,689,340.55—1,876,540.55 based on full staffing, at proposed term rates.
- 4.5.2. Estimate uses actual *Direct Travel Expense & Travel Expense – Wage* expenses billed during 2024 for estimation.
- 4.5.3. The estimate does not include additional services listed in Article 4.2.5

5. Invoicing and Payment

- 5.1. Contractor shall regularly submit invoicing for any calendar month in which Contractor provides services. For each date services were furnished, an invoice shall describe the services furnished, the amount of time for which Contractor seeks compensation for services furnished on such date, and the amount of compensation sought for such services and receipts for any requested reimbursement. Copies of the Certified Payroll for the period for which Contractor is claiming compensation shall be provided no less than Bi-weekly.
- 5.2. Utility shall pay an invoice that complies with this section within 30 days of receipt. If Utility objects to any charge, Utility shall notify Contractor with a notice that sets forth the basis of the objection and contractor shall correct and/or reissue invoices as applicable. Payments for invoices shall be made in full and disputed charges, if required shall be moved to a separate invoice and re-issued to Utility until the dispute can be remedied. Payment of any invoice or amount shall not constitute waiver of any requirement of this Contract

6. Vehicles and Equipment

- 6.1. Utility shall provide Contractor with access to vehicles, equipment, tools and materials necessary for the performance of this Contract (collectively “Utility Equipment”).
- 6.2. Utility warrants that at the time provided to Contractor, Utility Equipment is good working condition, compliant with all applicable safety standards, and suitable for the intended use.
- 6.3. Contractor shall use all Utility Equipment solely to provide services under this Contract. Any personal use or use outside the scope of this Contract is strictly prohibited unless prior written consent is obtained from the City’s manager.

- 6.4. Contractor shall exercise reasonable care in the operation of all vehicles and equipment provided.
- 6.5. Contractor must notify Utility of any damage, malfunction, or incidents involving any Utility Equipment within 24 hours of occurrence.

7. Contractor Staffing Qualifications & Restrictions.

7.1. *Line Chief* - Contract Staff shall consist of a maximum of one full-time Line Chief, who shall meet or exceed the following requirements:

- 7.1.1. Must hold a current Journeyman Certificate of Fitness in the State of Alaska.
- 7.1.2. Hold a current Alaska Class B CDL with approved DOT physical or the ability to obtain within (8) weeks of first rotation and actually do so;
- 7.1.3. Minimum 3 years supervisor role.
- 7.1.4. Extensive experience or the ability to demonstrate experience with installation, maintenance, and troubleshooting of municipal distribution systems; and
- 7.1.5. Ability to gain competence to be On-Call per Contract.

7.1. *Lineman* - Contract Staff shall consist of a maximum of three full-time Linemen, who shall meet or exceed the following requirements:

- 7.1.1. Must hold a current Journeyman Certificate of Fitness in the State of Alaska.
- 7.1.2. Hold a current Alaska Class B CDL with approved DOT physical or the ability to obtain within (8) weeks of first rotation and actually do so;
- 7.1.3. Experience with install, maintenance, and troubleshooting of municipal distribution systems; and
- 7.1.4. Ability to gain competence to be On-Call per Contract.

7.2. *Apprentices* - Utility shall consider Apprentices proposed by Contractor if Lineman positions cannot be filled with Journeyman Lineman. A maximum one full-time position or two-part time positions shall be allowed without utility written permission for Apprentice positions.

- 7.2.1. Available Linemen and apprenticeship program(s) shall dictate maximum allowable apprentice staffing levels at all times.
- 7.2.2. Minimum Journeyman Apprentice ratio of 1:1 shall apply for all Apprentices.
- 7.2.3. Must hold a current Apprentice Certificate of Fitness in the State of Alaska.
- 7.2.4. Apprentice must maintain in good program standing, as dictated by program administrators.

7.3. Contractor shall ensure that Contractor's Linemen comply with applicable City policies and procedures while such persons are performing services under this Contract

7.4. Contract Staff shall not be satisfied by any person who or would be ineligible to be hired into Linemen positions under the City's personal policies and procedures except

for issues outside of the Contract employees' control and such that it would not directly affect day to day operations and with written waiver from the City's manager.

- 7.5. All contract staffing qualifications shall be submitted to the City upon hiring by contractor. In cases where exception to the established qualifications are required, the contractor may submit a request for a waiver, this request must be directed to the City's manager and must include justifications why the waiver is necessary for the specific employee in question. All current contract employees, under employment at the time of this renewal, shall be considered Qualified.

8. Work Week/Hours

- 8.1. *Work Week.* The work week shall begin on Monday of each week through Sunday the same week.
- 8.2. *Normal Work Hours.* Normal Work Hours are defined as Monday through Friday, 8:00 AM through 5:00 PM, not including holidays or scheduled hours outside this time, but not exceeding 40 hours work week.
- 8.3. *Call-Out & On-Call.* Unscheduled work performed outside of Normal Work Hours shall be classified as Call-Out and/or On-Call work, charged accordingly and subject to the following:
 - 8.3.1. On-Call service shall be provided on a weekly basis, consisting of the work week
 - 8.3.2. Utility shall request On-Call service no later than 48 hours before the start of the work week for which it is sought. On-Call service is not guaranteed until confirmed by Contractor.
 - 8.3.3. Call-Out requests shall be made by Utility's POC to Contractor's POC, Line Chief or On-Call Contract Employee, with exception during an emergency outage or to restore services to normal operation.
 - 8.3.4. On-Call Contract Staff shall be available for Call-Outs and reachable at a telephone number provided to Utility at all times when On-Call. Within 30 minutes of Utility calling On-Call Contract Staff, said Contract Staff shall report to 1035 East Broadway Avenue ready for work, collect appropriate tools as needed and dispatch to requested location.
- 8.4. Except as provide for in this section for Call-Outs, Contract Staff shall not work outside of Normal Work Hours unless requested in writing by Utility.
- 8.5. *Leave.* Holidays, sick leave, vacation, and other time off shall be in accordance with the policies of the Lineman's employer. The POCs shall communicate all known Lineman requests for leave and time off at their soonest convenience, including requests prior to approval, sick leave, and emergency leaves of absence.

- 8.6. *Overtime.* Overtime shall be approved by both parties, at their discretion, prior to work being performed with such approval acknowledged by both parties by written exchange, (e-mail) prior to work being performed.

9. Procurement and Approval Procedures.

- 9.1. Contracted Linemen shall not act as agents of City for any approval or procurement process, outside of the normal scope and job description for the position in which they are fulfilling, including but not limited to:
- 9.1.1. Request or approval of Local Purchase Orders);
 - 9.1.2. Requests for procurement of services or materials and/or approval of requisition in process;
 - 9.1.3. Direct ordering of supplies or materials; or
 - 9.1.4. Approval of any City permits, applications, or other documents requiring City authority.
 - 9.1.5. Review of applicable budgets and finances related to General Accounts or Capital Projects

10. Chain of Command

- 10.1. All normal day-to-day work direction and scheduling shall be at the direction of the City’s POC or on-site designee, or contract employee’s direct employer, through Line Chief or Acting Line Chief to Contract Employees.
- 10.2. Notice of POC change shall be given no less that forty-eight (48) hours in advance of a change, under normal circumstances, excluding unforeseen staffing changes.
- 10.3. POC’s shall be named at the time of adoption of this Amendment and changed as required from time to time, via e-mail and acknowledge by both parties.
- 10.4. Except to prevent imminent injury to persons or property, neither party shall request direction or give direction outside of these channels.
- 10.5. This does not include discussions or direction regarding individual contract employee(s), Human Resource Discussions, Wage, Invoicing and/or other contractual obligations outside of normal day to day operations.

Point of Contact (“POC”):

For Utility:

For Contractor:

Title:_____

Title:_____

Name:_____

Name:_____

11. Staff Supervision

- 11.1. City of Unalaska employees, including but not limited to Utility Line Employees shall only be supervised or directed by the Contract employees under the normal scope and job description for the position in which each employee(s) are fulfilling.
- 11.2. Contract employees shall only be directed by a City of Unalaska employee under the normal scope and job description for the position in which they are fulfilling.

12. Contract Employee Approval

- 12.1. The City has the right to review and disallow contract employees who are not eligible, with cause, in alignment with current policies and procedures in place.
- 12.2. The Contractor has the right to refuse supervision by or give supervision to Utility employees who are not eligible, with cause, in alignment with current policies and procedures in place.

13. Reduction of Staffing

- 13.1. Utility shall continue to recruit and onboard new Utility employees during the Term. It is Utility's goal to have a total of four full-time Linemen, with preference for Lineman employed by Utility over Contracted Linemen, for each Lineman hired as an employee of Utility that meets minimum employment requirement, a Contract Staffing position, if vacant, may be eliminated, if requested.
- 13.2. Reduction in position shall end no later than the twenty-fourth work week following the work week of the Renewal agreement Date and extend into the renewal period as applicable
- 13.3. If during the normal term of the contract, the combination of Contract Staff and Fully qualified Utility Staff exceeds 4 positions, as defined by this contract, both parties agree to mutually discuss the Contractor's continual hiring or re-hiring of vacant positions such that is in the best interest of the Utility to permanently re-staff.
- 13.4. Fully qualified Utility Staff shall be defined as current Unalaska Lineman with more than 6 months of current full-time employment with the Utility, not including past employment.

14. Non-solicitation

- 14.1. During the term of the Contract and for a period extending for one (1) year thereafter, the City, its employees and representatives shall not directly or indirectly encourage or solicit any employee, vendor or client of the Contractor to leave or terminate their relationship with Contractor. This section shall not prohibit any Contractor employee, at their own accord, from applying to any publicly noticed opening with the City nor prohibit City from hiring such person, provided however, that the City shall not satisfy any of its obligations under this Contract

with services performed by a Lineman who was a Contractor employee at any time during the term of this Contract.

- 14.2. During the term of the Contract and for a period extending for one (1) year thereafter, Contractor, its employees or representatives shall not encourage or solicit any active line employees to leave or terminate their relationship with the City. This section shall not prohibit any City employee, at their own accord, from applying to any publicly noticed opening with the Contractor nor prohibit Contractor from hiring such person; provided, however, that Contractor shall not satisfy any of its obligations under this Contract with services performed by a Lineman who was a City employee at any time during the term of this Contract.
- 14.3. The provisions in this Article shall remain enforceable to the extent permitted by applicable law for one (1) year after the Contract's termination.
- 14.4. Any breach of this Article by the contractor shall be considered a breach of contract, subject to Article 21.2 - *Termination for Cause*. Any breach of this Article by the City shall be considered a breach of contract, subject to Article 21.2 - *Termination for Convenience*.

15. Access to City Facilities.

- 15.1. City shall provide access to City equipment, facilities and systems to allow for the successful implementations of work as directed by the City POC, including but not limited to, keys, access badges, ACAD, ArcGIS, shared network folders, e-mail or file structures and buildings access during normal and unscheduled times, as needed to perform day to day tasks as directed.
- 15.2. Other than is authorized for all members of the public or City Employees per current policies in place, Contractor's employees shall not use City premises or property for any purpose other than those to furnish the Contract Services.

16. Relationship

- 16.1. The City and Contractor are and shall be independent contractors in their relationship with each other and neither is nor shall be considered an agent or legal representative of the other for any purpose whatsoever, nor shall the employee of one be considered an employee of the other.

17. Resolving Disputes.

- 17.1. Any dispute arising under this Contract shall be brought in the Superior Court at Unalaska, Alaska and the parties waive any right to removal. This Contract shall

be governed by the laws of the State of Alaska, without giving effect to conflict of laws principles.

18. Entire Agreement & Waiver

- 18.1. This is the entire agreement between Contractor and City. No provision of this Contract may be modified, waived, or discharged unless agreed to in writing.

19. Force Majeure

- 19.1. Neither party shall be liable for any delay or failure in performing its obligations under this Agreement due to causes beyond its reasonable control, including acts of God, natural disasters, war, or government actions.

20. Insurance and Indemnification

- 20.1. Contractor shall comply with the insurance requirements set forth in Exhibit B: Insurance Requirements, attached hereto and incorporated by reference.
- 20.2. Contractor shall indemnify and hold harmless the City, its employees, and agents from and against all claims, damages, losses, and expenses arising out of or resulting from the Contractor's performance under this Contract, except to the extent caused by the negligence or willful misconduct of the City or its employees.

21. Breach, Remedies, and Termination for Convenience

- 21.1. *Notice of Breach.* A party shall give written notice of any breach of this Contract within 30 days of the party becoming aware of such breach. If the party intends to terminate the Contract if such breach is not cured, the notice shall so specify.
- 21.2. *Termination for cause.* In the event that the breach continues for 30 days, or persistently reoccurs, after notice is given, the non-breaching party may terminate this Contract for cause, provided, however, that good-faith disputes regarding payments to Contractor shall not be grounds for termination.
- 21.3. *Termination for Convenience.* If the City terminates this Contract for convenience (without cause), the Contractor shall be entitled to compensation for the following.
- 21.3.1. Payment for all services rendered and accepted by the Customer up to the date of termination.

21.3.2. An amount equal to the total amount paid or payable to Contractor for all Contractor Staff Worked Hours for the three full calendar months immediately preceding termination.

21.3.3. An amount equal to the average monthly amount paid or payable to Contractor for all Contractor Staff Worked Hours for the three full calendar months immediately preceding termination x .20 x the remaining length of the term, calculated starting 90 days after the date of Termination extending to the end of the current Contract Term.

21.3.4. *Non-wage Reimbursement.* Reimbursement for any reasonable costs associated with terminating the Contractor's ongoing operations for this Contract, such as but not limited to administrative costs, personnel reassignments, travel, utilities and housing leases.

21.3.5. Lease expenses shall not exceed the lesser of the value of the term of lease(s) in place at the date of Termination, or Contract Term, including any cancellation fee, if applicable.

21.3.6. All Hourly full-time, Rotational Lineman positions including current supplemental staffing covered under this Contract shall be protected under this Article.

21.3.7. Documentation. The Contractor shall provide documentation of all cost billed or requested to be compensated.

21.4. *Remedies.* The non-breaching party shall have all rights and remedies provided by law that are not inconsistent with this Contract and may pursue such rights or remedies whether or not the Contract is terminated.

21.5. Notices. Any notice given under this Article shall be by U.S. Mail, return receipt requested (provided that failure to obtain return receipt shall not prejudice any notice actually received) as follows:

To City:
City Manager
City of Unalaska
P.O. Box 610
Unalaska, AK 99685

To Contractor:
Matthew Scott
OptimERA Holdings, Inc.
P.O. Box 921134
Dutch Harbor, AK 99692

With a copy to:
Charles Cacciola
Munson, Cacciola & Severin, LLP
1029 W. 3rd Ave, Suite 402
Anchorage, AK 99501

22. Severability

22.1. If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall continue in full force and effect.

23. Counterparts

23.1. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment on the dates below written.

OptimERA Holdings, Inc.

City of Unalaska, Alaska

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Exhibit – A

Rates

TERM	Effective Date	2nd Year	3rd Year	4th Year	5th Year	
3 Year w/ option to renew for 2 years	\$210.00	\$214.00	\$218.00	\$222.00	\$226.00	Line Man /hr.
(3%-3%-2%-2% Annual Increase)	\$255.00	\$260.00	\$265.00	\$270.00	\$275.00	Line Chief /hr.
	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	Per diem /day
	\$185.00	\$192.00	\$198.00	\$205.00	\$212.00	Travel /hr.
	\$800.00/wk.	\$800.00/wk.	\$800.00/wk.	\$800.00/wk.	\$800.00/wk.	DOL-Payroll
	\$225.00	\$225.00	\$225.00	\$225.00	\$225.00	Consulting /hr.

Exhibit – B – Insurance Requirements

- 1) Contractor shall provide insurance coverage for not less than the following amounts, or greater where required by Laws and Regulations:
 - a) Commercial General Liability Insurance: \$1,000,000 per occurrence with a \$2,000,000 aggregate, including completed products and operations and personal liability insurance.
 - b) Automobile Liability Insurance: \$1,000,000 Combined Single Limit Including owned, hired, and non-owned coverage.
 - c) Statutory Workers' Compensation and Employer's Liability Insurance: \$1,000,000 Each Accident/Each Employee/Policy Limit.
 - d) A Waiver of Subrogation on the Commercial General Liability Insurance, Automobile Liability Insurance, Statutory Workers Compensation and Employers Liability Insurance, Insurance: Contractor will hold the city harmless and provide a Waiver of Subrogation in favor of the Owner.
 - e) Additional Coverages are required if they are within the scope of the Work:
 - i) Asbestos/Lead Abatement Insurance Coverage: If a Contractor is contracting for asbestos and/or lead abatement work. Insurance with coverage for the services rendered for the City including, but not limited to removal, replacement enclosure, encapsulation, and/or disposal of asbestos, or any other hazardous material, along with any related pollution events, including coverage for third-party liability claims for bodily injury, property damage, and clean-up costs.
 - ii) Environmental/Pollution Liability Coverage: If Automobiles Are to Be Used for Transporting Hazardous Material: Pollution liability broadened coverage (ISO endorsement CA 9948) and proof of MCS 90. Other environmental hazards associated with the scope of work.
 - iii) Property: For New Construction or Installation Projects All Risk coverage using an Installation Floater or Builders Risk form with a total value of the construction cost. Name the city as Loss Payee. Provide Transit coverage in the amount of the value of the load. Property at Temporary Location in the amount of property at the temporary location, if applicable.
 - f) The Contractor is required to provide the Owner with a Certificate of Insurance naming the Owner as Additional Insured prior to the commencement of any Work or use of Owner facilities. The failure to object to contents of the Certificate of Insurance or the absence of same shall not be deemed a waiver of any and all rights held by the Owner. Additional Insured status on the Commercial General Liability shall be through ISO Additional Insured Endorsement CG2010 11/04 or equivalent.
 - g) In the event the Contractor utilizes a Subcontractor for any portion of the services outlined within the scope of its activities, the Subcontractor shall provide insurance of the same type or types and to the same extent of coverage as that provided by the Contractor. All insurance required of the Subcontractor shall also name the Owner as an Additional Insured for all those activities performed within its contracted activities for the contract executed.
 - h) The Contractor acknowledges that failure to obtain such insurance on behalf of the City constitutes a material breach of Contract and subjects it to liability for damages, indemnification, and all other legal remedies available to the Owner.

LETTER OF AGREEMENT

Between

City of Unalaska and International Union of Operating Engineers Local 302
Regarding Wages for Lineman and Lineman Chief

The following exception is made to Article 17.1 of the 2022-2025 Public Works & Public Utilities Collective Bargaining Agreement. All other provisions of the CBA, including overtime and premiums, remain in effect for the job classifications below:

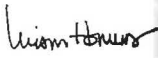
The wage for a Utility Lineman will be paid \$86.10 per hour, regardless of years of service

The wage for Utility Lineman Chief will be \$94.39 per hour, regardless of years of service

This is the complete and final agreement on the subject above. The above change is effective upon signing and remains in effect until modified by the mutual written agreement of both parties, either by a new letter of agreement or in the subsequent collective bargaining agreement.

SO AGREED:

CITY OF UNALASKA



Digitally signed by William Homka
DN: OU=City Manager, O=City of
Unalaska, CN=William Homka,
E=bhomka@ci.unalaska.ak.us
Date: 2025.01.09 14:25:39-09'00'

William Homka
City Manager

IUOE LOCAL 302



William T. Sims
Business Representative