

**Regular Meeting**  
**Tuesday, May 14, 2024**  
**6:00 p.m.**



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

**Council Members**  
Thomas D. Bell  
Darin Nicholson  
Daneen Looby

**Council Members**  
Anthony Longo  
Alejandro R. Tungul  
Shari Coleman

*To Provide a Sustainable Quality of Life  
Through Excellent Stewardship of Government*

## **UNALASKA CITY COUNCIL**

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

**Mayor:** Vincent M. Tutiakoff, Sr. **City Manager:** William Homka  
**City Clerk:** Estkarlen P. Magdaong, [emagdaong@ci.unalaska.ak.us](mailto:emagdaong@ci.unalaska.ak.us)

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### **COUNCIL MEETING ATTENDANCE**

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

- In person at City Hall
- Online via ZOOM (link, meeting ID & password below)
- 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
- 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 to raise your hand; or you may notify the City Clerk 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, and will be read during the meeting; include your name

**ZOOM MEETING LINK:** <https://us02web.zoom.us/j/83246795029>

**Meeting ID:** 832 4679 5029 / **Passcode:** 630155

**TELEPHONE: Meeting ID:** 832 4679 5029 / **Passcode:** 630155

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

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## **AGENDA**

1. **Call to order**
2. **Roll call**
3. **Pledge of Allegiance**
4. **Recognition of Visitors**
5. **Adoption of Agenda**
6. **Approve Minutes of Previous Meeting** [April 23, 2024](#) and [Special Meeting April 25, 2024](#)
7. **Oath of Office** [Police Officer Britney Hilling](#)

8. [City Manager's Report](#)
9. **Community Input & Announcements** *Members of the public may provide information to council or make announcements of interest to the community. Three-minute time limit per person.*
10. **Public Comment on Agenda Items** *Time for members of the public to provide information to Council regarding items on the agenda. Alternatively, members of the public may speak when the issue comes up on the regular agenda by signing up with the City Clerk. Three-minute time limit per person.*
11. **Work Session** *Work sessions are for planning purposes, or studying and discussing issues before the Council.*
  - a. Proprietary Fund Balance Sheet
  - b. FY25-FY34 Capital and Major Maintenance Plan
12. **Regular Agenda** *Persons wishing to speak on regular agenda items must sign up with the City Clerk. Three-minute time limit per person.*
  - a. [Resolution 2024-19](#): Adopting the FY25-FY34 Capital and Major Maintenance Plan
  - b. [Ordinance 2024-07](#): Creating Budget Amendment #7 to the Fiscal Year 2024 Budget, increasing the Electric Distribution Operating Budget by \$350,000 to cover a financial shortfall for the Professional Services Agreement with Optimera and increasing the Electric Admin Operating Budget by \$130,000 for the EPS Consulting Services Agreement
13. **Council Directives to City Manager**
14. **Community Input & Announcements** *Members of the public may provide information to council or make announcements of interest to the community. Three-minute time limit per person.*
15. **Executive Session** *Executive Session is closed to the public.*
  - a. Discuss PSEA negotiations
  - b. City Manager Annual Evaluation
16. **Adjournment**

**Regular Meeting**  
**Tuesday, April 23, 2024**  
**6:00 p.m.**



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## **MINUTES**

1. **Call to order.** Mayor Tutiakoff Sr. called the regular meeting of the Unalaska City Council to order on April 23, 2024 at 6:00 pm.  
Council member Coleman read the City's Mission Statement: *To provide a sustainable quality of life through excellent stewardship of government.*
2. **Roll call.** City Clerk called the roll. The Mayor and Council members Bell, Coleman, Longo and Looby were present while Vice Mayor Tungul participated remotely. Council member Nicholson was excused. Mayor announced quorum established.
3. **Pledge of Allegiance.** Longo led the Pledge of Allegiance.
4. **Recognition of Visitors.** No particular recognitions made.
5. **Adoption of Agenda.** Looby made a motion to adopt the agenda, with second by Coleman. Looby made a motion to amend the agenda by moving item 14b Resolution 2024-14 to item 14e instead, to be discussed before Resolution 2024-18, with a second by Bell. Motion passed unanimously.
6. **Mayor's Proclamations.** The Mayor read into record the proclamations declaring May 5 through May 11 as Municipal Clerks Week and Public Service Recognition Week.
7. **Approve Minutes of Previous Meetings.** Looby made a motion to approve the proposed minutes of the council meeting held April 8 and April 9, 2024 as presented, with a second by Bell. Motion adopted by consensus.
8. **Reports**
  - a. March Financial Reports were included in the packet. Acting City Manager provided a brief introduction. Finance Director Patricia Soule presented the March Financials and answered Council question.
  - b. City Manager's Report was also included in the packet and Acting City Manager Veeder was prepared to answer Council questions but no question was asked.
  - c. Board and Commission Minutes (information only, no presentation)
    - i. Parks, Culture and Recreation Advisory Committee Meeting Minutes – March 18, 2024
9. **Community Input & Announcements** were as given as follow:
  - a. Dr. Virginia Hatfield, Executive Director of the Museum of the Aleutians announced events happening for the museum.

- b. Albert Burnham, Acting PCR Director announced several events happening at the PCR namely: Missoula's Children Theater, Community Clean-Up, and the launch of online registration for PCR programs on May 1<sup>st</sup>.
- c. Thomas Roufos, President of Alaska State Firefighter Association, Unalaska Chapter reminded everyone to complete a survey regarding the Firefighter's Ball.
- d. M. Lynn Crane, Executive Director of Unalaskans Against Sexual Assault & Family Violence announced the Interagency Cooperative meeting happening every 4<sup>th</sup> Thursday of the month, and upcoming events for USAFV.
- e. Katherine McGlashan, Executive Director of Unalaska Visitors Bureau informed the public about recent cruise ships cancelation, next scheduled trip as well as upcoming fundraising event, Wine Tasting and gala with the theme of Roaring 20s.
- f. Kim Hanisch, Unalaska City School District Superintendent announced that student government just came back from their trip, while athletes for NYO Games just flew out to compete in Anchorage. Ms. Hanisch also mentioned couple of events happening in May. On May 3<sup>rd</sup>, there will be a Multicultural Day, and graduation will be on May 18<sup>th</sup>.

**10. Public Comment on Agenda Items.** None

- 11. Public Hearing.** The Mayor opened the public hearing on Ordinance 2024-06 Creating Budget Amendment No. 6 to the Fiscal Year 2024 Budget, appropriating \$4,700,000 from the 1% Sales Tax Fund for an increase to the Captains Bay Road Waterline Extension Project (WA22D); and decreasing the budget for the Makushin Geothermal Project (EL22B) by \$1,850,000

There being no testimony, the Mayor closed the public hearing.

- 12. Work Session.** Coleman made a motion to enter into work session, with a second by Longo. There being no objection, work session began at 6:25 pm.

- a. Patricia Soule, Finance Director presented the FY25 Draft Operating Budget to Council and answered Council questions.
- b. Thomas Roufos, Associate Planner provided a time for Council for any follow-up questions regarding Capital and Major Maintenance Plan.

Coleman made a motion to return to regular session, with second by Looby. There being no objection, Council reconvened to regular session at 6:57 pm.

**13. Consent Agenda.**

- a. Resolution 2024-13: Approving scholarships to be awarded to graduating seniors at Unalaska High School

Coleman moved to adopt the Consent Agenda, with second by Longo. Roll call vote: all Council members vote in the affirmative, unanimously adopting the only item on the Consent Agenda.

**14. Regular Agenda**

- a. Ordinance 2024-06: 2<sup>nd</sup> Reading Creating Budget Amendment No. 6 to the Fiscal Year 2024 Budget, appropriating \$4,700,000 from the 1% Sales Tax Fund for an increase to the Captains Bay Road Waterline Extension Project (WA22D); and decreasing the budget for the Makushin Geothermal Project (EL22B) by \$1,850,000

Looby made a motion to adopt Ordinance 2024-06, with a second by Coleman.

Acting City Manager provided an overview followed by Council discussion.

Roll call vote: all Council members voted in the affirmative, unanimously adopting Ordinance 2024-06.

- b. Resolution 2024-15: Establishing the sum to be made available from the City of Unalaska to the Unalaska City School District for Fiscal Year 2025
- Bell moved to adopt Resolution 2024-15, with a second by Looby.
- Acting City Manager provided an overview of the resolution followed by Council discussion.
- Roll call vote: all Council members voted in the affirmative, unanimously adopting Resolution 2024-15.
- c. Resolution 2024-16: Establishing the sums to be made available for Community Support and Capital Grants from the City of Unalaska to the applicants for Community Support for Fiscal Year 2025
- Longo made a motion to adopt Resolution 2024-16, with second by Looby.
- Acting City Manager provided an overview of the resolution.
- Council discussion.
- Roll call vote: all Council members voted in the affirmative, unanimously adopting Resolution 2024-16.
- d. Resolution 2024-17: Adopting the FY25-34 Capital and Major Maintenance Plan
- Looby made a motion to adopt Resolution 2024-17, with second by Longo.
- Acting City Manager provided an overview of the resolution followed by Council discussion.
- Thomas Roufos provided information and answered the question that a Council member asked during Work Session.
- Roll call vote: Bell – no; Tungul – yes; Looby – no; Longo – yes; Coleman – no
- Motion failed with 3 no and 2 yes
- e. Resolution 2024-14: Establishing the rate of levy on assessed property within the City of Unalaska for Fiscal Year 2025
- Looby moved to adopt Resolution 2024-14, with a second by Bell.
- Acting City Manager provided an overview of the resolution, followed by Council discussion.
- Roll call vote: Looby – no; Tungul – yes; Bell – yes; Coleman – yes; Longo – yes
- Motion passed with 4 yes and 1 no
- f. Resolution 2024-18: Supporting the application for the Port Infrastructure Development Program Grant in partnership with Matson Shipping Company, for the modernization of Positions 5-7 at the Unalaska Marine Center
- Bell made a motion to adopt Resolution 2024-18, with a second by Coleman.
- Acting City Manager provided an overview of the resolution, followed by Council discussion.
- Roll call vote: all Council members voted in the affirmative, unanimously adopting Resolution 2024-18.

15. **Council Directives to City Manager.** None

16. **Community Input & Announcements.** None.

17. **Executive Session.** Bell made a motion to move into executive session to discuss matters which, if discussed in public, could harm the reputation of a person; and which if immediately disclosed would tend to adversely affect the finances of the City. Present in executive session will be Vice Mayor Tungul who is remotely participating; Mayor and City Council Members physically present, and HR Manager Amy Stanford; with a second by Looby. Hearing no objection, Council entered into executive session at 8:28 pm.

a. Discuss City Manager Annual Evaluation

Longo made a motion to return to regular session, with second by Looby.

Hearing no objection, the Council returned to regular session at 9:29 pm.

Mayor Tutiakoff announced that no formal action was taken in Executive Session.

18. **Adjournment.** Having completed all items on the agenda, the Mayor adjourned the meeting at 9:30 pm.

These minutes were approved by the Unalaska City Council on May 14, 2024.

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Estkarlen P. Magdaong  
City Clerk



**Special Meeting**  
**Thursday, April 25, 2024**  
**6:00 p.m.**



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

**Council Members**  
Thomas D. Bell  
Darin Nicholson  
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### **MINUTES**

1. **Call to order.** Mayor Tutiakoff, Sr. called the special meeting of the Unalaska City Council on Thursday, April 25, 2024 at 6:00 pm.

Council Member Longo read the City's Mission Statement: *To provide a sustainable quality of life through excellent stewardship of government.*

2. **Roll call.** City Clerk called the roll. The Mayor and all Council Members were present, while Vice Mayor Tungul attended remotely. Quorum established.
3. **Pledge of Allegiance.** Nicholson led the Pledge of Allegiance.
4. **Adoption of Agenda.** Longo made a motion to adopt the agenda, with second by Nicholson. Motion passed by consensus.
5. **Executive Session.** Bell made a motion to enter into executive session to discuss matters which, if discussed in public, could harm the reputation of a person; and which if immediately disclosed would tend to adversely affect the finances of the city. Present in the executive session will be Vice Mayor Tungul who is remotely participating; Mayor and City Council Members and HR Manager Amy Stanford; with a second by Nicholson. Hearing no objection, the Council entered executive session at 6:02 pm.

- a. Discuss City Manager Evaluation

Council member Bell moved to return to regular session, with a second by Looby. Hearing no objection, Council returned to regular session at 8:08 pm.

Mayor announce that no formal action was taken in executive session.

6. **Adjournment.** Having completed all items on the agenda, the Mayor adjourned the meeting at 8:09 pm.

These minutes were approved by the Unalaska City Council on May 14, 2024.

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Estkarlen P. Magdaong  
City Clerk

**CITY OF UNALASKA**

P.O. BOX 610  
UNALASKA, ALASKA 99685-0610  
(907) 581-1251 FAX (907) 581-1417



***POLICE OFFICER'S OATH OF OFFICE***

I ***DO*** SOLEMNLY SWEAR TO OBEY THE LAWFUL ORDERS OF MY SUPERIOR OFFICER, TO ABIDE BY THE LAW ENFORCEMENT PROFESSIONAL CODE OF ETHICS, TO SUPPORT AND DEFEND THE CONSTITUTION OF THE UNITED STATES AND THE STATE OF ALASKA; AND TO OBSERVE AND UPHOLD THE LAWS OF THE UNITED STATES, THE STATE OF ALASKA, AND THE CITY OF UNALASKA.

I ***ACCEPT*** AS A CONDITION OF CONTINUED EMPLOYMENT AS A POLICE OFFICER THE REQUIREMENT TO AT ALL TIMES ABIDE BY THE RULES AND REGULATIONS OF THE CITY OF UNALASKA AND THE UNALASKA DEPARTMENT OF PUBLIC SAFETY.

I ***AFFIRM*** MY ALLEGIANCE TO THE PEOPLE OF THE CITY OF UNALASKA WHO HAVE APPOINTED ME AS GUARDIAN OF THEIR LIVES AND PROPERTY.

I ***TAKE*** THIS OATH KNOWING FULL WELL THE RESPONSIBILITY OF MY OFFICE, AND I PROMISE TO ACT AT ALL TIMES WITH INTEGRITY, HONESTY, AND HONOR AS A LAW ENFORCEMENT OFFICER, SO HELP ME GOD.

\_\_\_\_\_  
BRITNEY HILLING

\_\_\_\_\_  
DATE

ATTEST:

\_\_\_\_\_  
ESTKARLEN P. MAGDAONG  
CITY CLERK



## CITY MANAGER'S REPORT

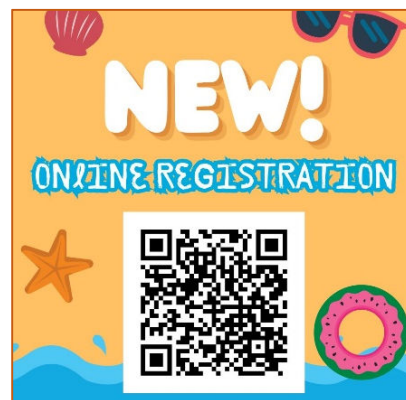
TO: Mayor Tutiakoff and City Council Members  
FROM: William Homka, City Manager  
DATE: May 14, 2024

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- **USACE CHANNEL DREDGING PROJECT:** The bidding process has begun for the USACE Entrance Channel Dredging project, with final bids due May 8, 2024. Evaluation for source selection and review will begin May 9 and the initial evaluation is anticipated to be completed May 15. Votes for the selected contractor will be cast on May 16 and the winning bidder will proceed through the next phase of the review process including congressional approval. The target award date is no later than July 29, 2024. The USACE has extended the construction completion date by 425 days, the new completion date is now September 27, 2025. This extension is to allow reasonable time to develop preconstruction plans and mobilize equipment to Alaska during optimum weather months. This was at the request of the bidders and granted by the USACE. The USACE Project Manager stated that he is confident the bid process is competitive.
- **PROPERTY TAX:** There will be no Board of Equalization meeting this year as the two appeals received were settled to the satisfaction of the taxpayer and the assessor. The Council will be asked to certify the tax roll at the May 28<sup>th</sup> Council meeting. Property tax bills will be mailed on June 28, 2024.
- **LEPC FUNDING REQUEST:** Unalaska's Local Emergency Planning Committee submitted a sponsorship request to City Council seeking \$15,000 to advance the committee's initiatives. The letter is [attached](#).
- **GIRL SCOUT TOURS OF UTILITY DIVISIONS:** On May 1<sup>st</sup> and 3<sup>rd</sup> the Unalaska Girl Scouts visited the City Powerhouse and Pyramid Water Treatment Plant. Tours were administered by Water Supervisor McKenzie Berry and Powerhouse Operator Marichu Miller. Girl Scouts learned about the City's water treatment process, reservoirs, and power production in efforts of earning a badge.



- MATSON / CITY GRANT APPLICATION:** Ports & Harbors and Matson successfully negotiated an MOU for the application for funding from the Department of Transportation Maritime Administration Port Infrastructure Program (PIDP). Matson and the Port Department teamed up to jointly prepare the grant application for the City, and the grant was successfully submitted May 9. The total project cost is estimated at \$47M, the funding request is for \$25,211,000 for construction and upgrades to the dock, crane stowage system and the back reach. The total project costs includes \$22 Million matching funds contributed by Matson through the purchase of their new crane. The crane purchase will serve as the match to the grant request and is no cost to the City and the purchase is not supported by the requested grant funds.
- PCR ROLLS OUT ONLINE REGISTRATION FOR PROGRAMS:** PCR is excited to announce the launch of their online registration platform for programs and events, officially made available to the community on May 1, just in time for summer programming. Patrons with existing PCR accounts can effortlessly access the online registration portal via a QR code or links shared across social media platforms and the PCR website. This convenient portal allows individuals to register for upcoming activities from the comfort of their own computer or smart device, removing barriers to participation and enhancing accessibility for our community. For new patrons, please contact the Community Center at 581-1297 to get started. Patrons can also utilize the platform to explore PCR's rental facilities.
- TRILATERAL:** The Trilateral met on Monday May 6, 2024. Topics discussed include the EPA's CPRG grant and related follow up work, and project updates of interest to the group.
- HEALTH INSURANCE RENEWAL:** The annual health insurance renewal process has been concluded for the upcoming fiscal year. The initial renewal from Cigna was an increase of 8.4%. The City's broker then negotiated the renewal to 5.5%. The Administration team reviewed various plan design options to further reduce the impact of increased healthcare costs to the City. An area of focus was increasing the deductible and out-of-pocket maximums to be paid by employees. Ultimately, the cost-benefit analysis showed that the savings were not sufficient to make changes and reduce the overall health insurance benefit at this time.
- BROWNFIELDS UPDATE:** Phase 1 environmental assessments for Strawberry Hill and Pyramid Valley have been submitted to the EPA for review and approval. The next work includes selecting specific sites within those areas for Phase II assessments. Eligibility is being considered for Unalaska Lake bathymetry and testing for contaminants. If approved, that work will proceed this summer. The Planning Department meets every two weeks with OC's and the Tribe's brownfields teams to coordinate efforts together.
- CITY MANAGER TRAVEL:** I will be attending the Alaska Sustainable Energy Conference in Anchorage from starting Monday May 20, 2024 and will return Saturday May 25, 2024. I have meetings with consultants scheduled for Friday the 24<sup>th</sup>.



- **DPU DIRECTOR RECRUITMENT:** The Director of Public Utilities Candidate chose not to accept the City's offer of employment. We are working to update the recruitment brochure with the new salary information. I believe there is some work to be done before we move forward.
- **STAFFING UPDATE:** The tables below summarize HR actions and position openings. I'm please to point out the number of open positions is down to 12 at this time.

**Semi-Monthly HR Statistics  
April 16, 2024 – May 7, 2024**

Type of Action	Number Of	Internal	External
Hires	6	1	5
Pending Hires	0	0	0
Pending Offers	1	NA	NA
Resignations	1	NA	NA
Separations	0	NA	NA

**Position Openings**

Department	# Of Openings	Notes
DPS	4	Police Sergeant (3), Corrections Officer
DPU	6	Director of Public Utilities, Water Operator, Util Lineman (2), Util Lineman Chief, Apprentice Lineman
Finance	1	Controller
PCR	1	PT Rec Assistant
<b>TOTAL</b>	<b>12</b>	



Dear Members of the Unalaska City Council,

I am writing to request the sponsorship of the Unalaska City Council for the Aleutian and Pribilof Islands Local Emergency Planning Committee (LEPC). Our committee comprises 30 emergency preparedness stakeholders from our area, dedicated to fostering a partnership between local government and industries to enhance all-hazards preparedness. The LEPC is a requirement by [Federal Law](#) and [Alaska Statute](#) due to an industrial accident that took place in [Bhopal, India](#) in 1984.

Currently, our LEPC operates without funding and faces limitations in obtaining resources to effectively achieve our objectives. With your support, we aim to bolster our community outreach efforts and strengthen our contribution to our areas emergency preparedness framework.

The proposed sponsorship in the form of \$15,000 would be instrumental in advancing various initiatives within our committee. Specifically, we intend to utilize any funding received for the following purposes:

- Enhancing our recently built [Ready, Set, Go! LEPC website](#) by expanding its features and usability. This website is designed to be a one stop shop for emergency preparedness information in our area.
- Developing a mobile application to complement our website, providing residents with accessible emergency preparedness resources.
- Implementing a house numbering project to improve emergency response efficiency.
- Developing a Community Emergency Response Team (CERT) certified through FEMA to respond to disaster events within our community. This is particularly important due to the isolation of our area.
- Providing emergency kits to students at local schools as part of our school outreach program.
- Coordinating training sessions in collaboration with the State of Alaska Division of Homeland Security and Emergency Management, US National Oceanic and Atmospheric Administration/National Weather Service (NOAA/NWS), State of Alaska Department of Environmental Conservation (DEC), and other relevant entities.
- Successfully completing a hazardous materials emergency plan for Unalaska involving local industry, local government, and all necessary stakeholders.

These initiatives represent critical steps in fortifying our community's resilience against various hazards and disasters. By investing in these efforts, we aim to enhance public safety and preparedness across Unalaska.

We sincerely appreciate your consideration of our request and believe that the sponsorship of our committee aligns with the city's interests in bolstering emergency preparedness efforts. If you were to sponsor the Aleutian and Pribilof Islands LEPC we would proudly list you as a sponsor on our website, social media, and other platforms.

Thank you for your attention to this matter. We look forward to the opportunity to collaborate with Unalaska City Council in enhancing emergency preparedness within our community.

Sincerely,

Peter Gurney  
Aleutian and Pribilof Islands LEPC  
[chairperson@api-lepc.org](mailto:chairperson@api-lepc.org)

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Patricia Soule, Finance Director  
Through: William Homka, City Manager  
Date: May 14, 2024  
Re: Proprietary Fund Balance

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**SUMMARY:** Attached for City Council review is the draft balance sheets for the Proprietary Funds. I have also attached a summary of the two key accounts in each draft Balance Sheet, the Cash in the fund (Equity in Central Treasury) and the Unrestricted Fund Balance (Net Assets) in the fund. There is also a full description of what Unrestricted Fund Balance (Net Assets) means.

**PREVIOUS COUNCIL ACTION:** City Council requested information on the fund balance in the proprietary funds before they took action on the CMMP request.

**BACKGROUND:** The Balance Sheets are not final as we are still in the audit for 2023 and there are entries that will be made to change the final numbers. Until all entries are made the Balance Sheets are considered in Draft form.

Equity in Central Treasury is the combination of citywide cash and investments and segregated into each fund. That is reconciled monthly and is only in draft form until all entries from the audit are input into the system and the audit is finalized.

**DISCUSSION:** The attached information should provide Council with the necessary information to make a decision on the CMMP requests.

**STAFF RECOMMENDATION:** No recommendation.

**PROPOSED MOTION:** Not applicable.

**CITY MANAGER COMMENTS:** No action requested at this time.

**ATTACHMENTS:** Summary sheet to the Proprietary Balance Sheets, the Proprietary Balance Sheets as of 4.2024, and memo defining “Unrestricted Fund Balance”.



Proprietary Fund

Draft 4/24 Balance Sheet

Equity in Central Treasury      Unrestricted - Fund Balance

Electric	14,059,416.67	46,470,293.11
Water	4,233,776.46	20,322,871.44
WasteWater	4,344,919.91	30,692,286.17
Solid Waste	9,791,251.91	13,799,030.67
Ports & Harbors	1,463,312.00	72,800,379.87
Airport	1,589,460.20	3,157,674.60
Housing	312,132.23	3,504,430.96

Equity in Central Treasury -Funds portion of the Citywide Cash & Investments

Unrestricted Fund Balance - represents the amount of net assets that is not restricted or investing in capital assets, net of related debt

BALANCE SHEET FOR 2024 10

FUND: 5000 Electric			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
5000	11500	General Rec	341,032.91	1,893,739.94
5000	12210	Allow - Accts Rec Del	.00	-10,000.00
5000	12620	State of AK - PCE Rec	-75,994.28	.00
5000	13100	Equity in Central Treasury	-157,320.61	14,059,416.67
5000	14100	Inventory - Material/Supplies	21,910.21	1,352,663.78
5000	14130	Inventory - Power House	.00	584,358.29
5000	14300	Prepaid Expenses	.00	700.00
5000	14803	Restricted Assets-PH Debt Svc	.00	2,384,783.10
5000	16100	Land	.00	212,598.00
5000	16200	Buildings	.00	36,897,750.98
5000	16210	Accum Depreciation - Bldg	-73,014.04	-13,401,140.43
5000	16300	Improvements & Infrastructure	.00	16,587,676.67
5000	16310	Accum Depr - Imp & Infr	-44,391.00	-11,348,349.95
5000	16400	Machinery & equipment	.00	34,825,310.73
5000	16410	Accum Depr - Mach & Equip	-145,374.37	-20,228,295.49
5000	17700	Deferred Pension Assets	.00	277,400.00
5000	17701	OPEB Deferred outflows	.00	42,354.00
TOTAL ASSETS			-133,151.18	64,130,966.29
<b>LIABILITIES</b>				
5000	20200	Accounts Payable - General	.00	514,961.16
5000	20300	Personal Leave	.00	-144,062.83
5000	20301	Floating Holidays	.00	-30,929.38
5000	20310	Accrued Payroll	.00	-91,606.56
5000	20330	AES - withheld and match	3,405.05	-1,691.31
5000	21400	Accrued Interest Payable	.00	-192,732.00
5000	22530	Revenue Bonds - Cur	.00	1,380,000.00
5000	22531	Unamortized Premium(Rev Bonds)	.00	-139,197.00
5000	22800	Customer Deposits	-200.00	-138,962.72
5000	23000	Advance from other funds - GF	.00	-240,000.00
5000	23130	Revenue Bonds - LT	.00	-18,160,000.00
5000	23131	Unamort Premium - LT	.00	-1,731,120.30
5000	23500	Notes Payable - LT	.00	-1,350,000.00
5000	23700	Pension Obligations - LT	.00	-1,961,876.00
5000	23701	Net OPEB Liability	.00	1,432,769.00
5000	23710	Deferred Pension Liability	.00	-782,353.00
5000	23711	OPEB Deferred Inflows	.00	-773,326.00
5000	24200	Deferred Charge on refunding	.00	1,606,210.36
TOTAL LIABILITIES			3,205.05	-20,803,916.58
<b>FUND BALANCE</b>				
5000	38150	Estimated Revenue	.00	21,902,976.76
5000	38300	Appropriations	.00	-21,912,411.91
5000	38800	Budgetary Fund Bal-Unreserved	.00	9,435.15
5000	39100	Revenue Control	-1,529,446.23	-16,193,917.02
5000	39300	Expenditure Control	1,659,392.36	17,151,872.42
5000	39400	Encumbrance Control	88,240.51	208,987.26
5000	39450	Budgetary Fund Bal-Res for Enc	-88,240.51	-208,987.26
5000	39700	GASB68 Net Position Restatemen	.00	2,185,288.00

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**BALANCE SHEET FOR 2024 10**

FUND: 5000 Electric		NET CHANGE	ACCOUNT
		FOR PERIOD	BALANCE
FUND BALANCE			
5000	39800	Net Assets - Unrestricted	.00
			-46,470,293.11
		TOTAL FUND BALANCE	129,946.13
			-43,327,049.71
		TOTAL LIABILITIES + FUND BALANCE	133,151.18
			-68,130,966.29

BALANCE SHEET FOR 2024 10

FUND: 5100 water			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
5100	11500	General Rec	-42,301.09	238,734.47
5100	11599	Allow - Accounts Receivable	.00	-10,000.00
5100	13100	Equity in Central Treasury	164,496.22	4,233,776.46
5100	14100	Inventory - Material/Supplies	6,517.66	449,008.55
5100	16100	Land	.00	125,074.00
5100	16200	Buildings	.00	16,044,495.72
5100	16210	Accum Depreciation - Bldg	-34,357.43	-3,837,396.21
5100	16300	Improvements & Infrastructure	.00	28,416,574.18
5100	16310	Accum Depr - Imp & Infr	-41,233.70	-23,717,683.00
5100	16400	Machinery & equipment	.00	488,841.16
5100	16410	Accum Depr - Mach & Equip	-3,920.98	-379,588.13
5100	17700	Deferred Pension Assets	.00	126,090.00
5100	17701	OPEB Deferred outflows	.00	19,250.00
TOTAL ASSETS			49,200.68	22,197,177.20
<b>LIABILITIES</b>				
5100	20300	Personal Leave	.00	-37,498.02
5100	20301	Floating Holidays	.00	-7,968.10
5100	20310	Accrued Payroll	.00	-28,679.93
5100	20330	AES - withheld and match	1,563.69	-849.33
5100	21400	Accrued Interest Payable	.00	-37,014.00
5100	22400	Notes Payable - Cur	.00	-179,462.70
5100	22800	Customer Deposits	.00	-21,952.88
5100	23500	Notes Payable - LT	.00	-2,153,552.32
5100	23700	Pension Obligations - LT	.00	-891,761.00
5100	23701	Net OPEB Liability	.00	651,257.00
5100	23710	Deferred Pension Liability	.00	-355,614.00
5100	23711	OPEB Deferred Inflows	.00	-351,510.00
TOTAL LIABILITIES			1,563.69	-3,414,605.28
<b>FUND BALANCE</b>				
5100	38150	Estimated Revenue	.00	4,036,515.00
5100	38300	Appropriations	.00	-4,047,274.54
5100	38800	Budgetary Fund Bal-Unreserved	.00	10,759.54
5100	39100	Revenue Control	-256,548.70	-2,177,280.96
5100	39300	Expenditure Control	205,784.33	2,899,990.48
5100	39400	Encumbrance Control	5,943.71	53,167.03
5100	39450	Budgetary Fund Bal-Res for Enc	-5,943.71	-53,167.03
5100	39700	GASB68 Net Position Restatemen	.00	817,590.00
5100	39800	Net Assets - Unrestricted	.00	-20,322,871.44
TOTAL FUND BALANCE			-50,764.37	-18,782,571.92
TOTAL LIABILITIES + FUND BALANCE			-49,200.68	-22,197,177.20

**BALANCE SHEET FOR 2024 10**

FUND: 5200 Wastewater			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
5200	11500	General Rec	98,974.57	259,040.17
5200	11599	Allow - Accounts Receivable	.00	-5,000.00
5200	13100	Equity in Central Treasury	7,269.56	4,344,919.91
5200	14100	Inventory - Material/Supplies	.00	24,620.55
5200	16100	Land	.00	12,883.00
5200	16200	Buildings	.00	33,631,703.36
5200	16210	Accum Depreciation - Bldg	-72,898.00	-8,168,114.44
5200	16300	Improvements & Infrastructure	.00	16,904,938.05
5200	16310	Accum Depr - Imp & Infr	-23,012.23	-12,115,992.34
5200	16400	Machinery & equipment	.00	901,776.65
5200	16410	Accum Depr - Mach & Equip	-6,054.67	-446,851.40
5200	17700	Deferred Pension Assets	.00	126,090.00
5200	17701	OPEB Deferred outflows	.00	19,252.00
<b>TOTAL ASSETS</b>			<b>4,279.23</b>	<b>35,489,265.51</b>
<b>LIABILITIES</b>				
5200	20300	Personal Leave	.00	-51,426.38
5200	20301	Floating Holidays	.00	-9,404.19
5200	20310	Accrued Payroll	.00	-25,267.42
5200	20330	AES - withheld and match	1,844.39	-868.15
5200	21400	Accrued Interest Payable	.00	-67,462.00
5200	22400	Notes Payable - Cur	.00	-428,330.00
5200	22800	Customer Deposits	.00	-18,678.44
5200	23500	Notes Payable - LT	.00	-4,711,629.55
5200	23700	Pension Obligations - LT	.00	-891,761.00
5200	23701	Net OPEB Liability	.00	651,259.00
5200	23710	Deferred Pension Liability	.00	-355,614.00
5200	23711	OPEB Deferred Inflows	.00	-351,512.00
<b>TOTAL LIABILITIES</b>			<b>1,844.39</b>	<b>-6,260,694.13</b>
<b>FUND BALANCE</b>				
5200	38150	Estimated Revenue	.00	4,261,279.00
5200	38300	Appropriations	.00	-4,271,520.31
5200	38800	Budgetary Fund Bal-Unreserved	.00	10,241.31
5200	39100	Revenue Control	-331,158.02	-2,433,862.01
5200	39300	Expenditure Control	325,034.40	3,157,359.80
5200	39400	Encumbrance Control	-40,916.44	63,292.32
5200	39450	Budgetary Fund Bal-Res for Enc	40,916.44	-63,292.32
5200	39700	GASB68 Net Position Restatemen	.00	740,217.00
5200	39800	Net Assets - Unrestricted	.00	-30,692,286.17
<b>TOTAL FUND BALANCE</b>			<b>-6,123.62</b>	<b>-29,228,571.38</b>
<b>TOTAL LIABILITIES + FUND BALANCE</b>			<b>-4,279.23</b>	<b>-35,489,265.51</b>

BALANCE SHEET FOR 2024 10

FUND: 5300 Solid waste			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
5300	11500	General Rec	-36,676.98	253,812.54
5300	11599	Allow - Accounts Receivable	.00	-1,000.00
5300	13100	Equity in Central Treasury	114,125.69	9,791,251.91
5300	14100	Inventory - Material/Supplies	41,280.34	120,020.17
5300	16100	Land	.00	651,474.00
5300	16200	Buildings	.00	3,222,485.51
5300	16210	Accum Depreciation - Bldg	-8,951.35	-2,772,971.38
5300	16300	Improvements & Infrastructure	.00	20,919,988.06
5300	16310	Accum Depr - Imp & Infr	-59,296.22	-8,866,165.25
5300	16400	Machinery & equipment	.00	1,704,668.31
5300	16410	Accum Depr - Mach & Equip	-5,663.06	-1,411,772.51
5300	17700	Deferred Pension Assets	.00	126,090.00
5300	17701	OPEB Deferred outflows	.00	19,252.00
<b>TOTAL ASSETS</b>			<b>44,818.42</b>	<b>23,757,133.36</b>
<b>LIABILITIES</b>				
5300	20300	Personal Leave	.00	-63,882.27
5300	20301	Floating Holidays	.00	-8,183.06
5300	20310	Accrued Payroll	.00	-25,701.40
5300	20330	AES - withheld and match	1,670.23	-934.55
5300	21400	Accrued Interest Payable	.00	-20,338.72
5300	22400	Notes Payable - Cur	.00	-254,231.51
5300	22800	Customer Deposits	.00	-9,687.29
5300	23500	Notes Payable - LT	.00	-2,796,546.58
5300	23700	Pension Obligation - LT	.00	-891,761.00
5300	23701	Net OPEB Liability	.00	651,259.00
5300	23710	Deferred Pension Liability	.00	-355,614.00
5300	23711	OPEB Deferred Inflows	.00	-351,512.00
5300	23800	Accrued Landfill Closure - LT	-25,278.00	-6,459,844.81
<b>TOTAL LIABILITIES</b>			<b>-23,607.77</b>	<b>-10,586,978.19</b>
<b>FUND BALANCE</b>				
5300	38150	Estimated Revenue	.00	4,201,979.00
5300	38300	Appropriations	.00	-4,213,158.12
5300	38800	Budgetary Fund Bal-Unreserved	.00	11,179.12
5300	39100	Revenue Control	-297,351.87	-2,818,819.80
5300	39300	Expenditure Control	276,141.22	2,659,120.30
5300	39400	Encumbrance Control	-8,043.62	64,900.77
5300	39450	Budgetary Fund Bal-Res for Enc	8,043.62	-64,900.77
5300	39700	GASB68 Net Position Restatemen	.00	788,575.00
5300	39800	Net Assets - Unrestricted	.00	-13,799,030.67
<b>TOTAL FUND BALANCE</b>			<b>-21,210.65</b>	<b>-13,170,155.17</b>
<b>TOTAL LIABILITIES + FUND BALANCE</b>			<b>-44,818.42</b>	<b>-23,757,133.36</b>

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BALANCE SHEET FOR 2024 10

FUND: 5400 Ports & Harbors			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
5400	10136	Cash Drawer - Ports	.00	150.00
5400	11500	General Rec	32,655.50	1,165,335.92
5400	11599	Allow - Accounts Receivable	.00	-5,770.05
5400	13100	Equity in Central Treasury	259,060.18	1,463,312.00
5400	14803	Restricted Assets-UMC Debt Svc	.00	2,671,851.57
5400	16100	Land	.00	2,037,870.00
5400	16200	Buildings	.00	1,563,833.71
5400	16210	Accum Depreciation - Bldg	-3,523.84	-673,661.54
5400	16300	Improvements & Infrastructure	.00	146,082,088.99
5400	16310	Accum Depr - Imp & Infr	-345,947.15	-51,158,782.58
5400	16400	Machinery & equipment	.00	984,501.72
5400	16410	Accum Depr - Mach & Equip	-2,927.23	-743,737.84
5400	17000	Other Assets	.00	2,008,096.60
5400	17001	Accumulated Ammortization	.00	-102,804.28
5400	17700	Deferred Pension Assets	.00	201,745.00
5400	17701	OPEB Deferred outflows	.00	30,803.00
<b>TOTAL ASSETS</b>			<b>-60,682.54</b>	<b>105,524,832.22</b>
<b>LIABILITIES</b>				
5400	20300	Personal Leave	.00	-191,016.51
5400	20301	Floating Holidays	.00	-14,985.27
5400	20310	Accrued Payroll	.00	-61,738.45
5400	20330	AES - withheld and match	2,948.11	-1,446.93
5400	20500	Inter Governmental AP	.00	-2,097,012.65
5400	21400	Accrued Interest Payable	.00	-212,288.00
5400	22510	General Obligation Bonds - Cur	.00	-225,000.00
5400	22530	Revenue Bonds - Cur	69,166.67	1,157,500.04
5400	22531	Unamortized Premium(Rev Bonds)	.00	-80,073.14
5400	22600	Capital Leases - Cur	.00	-86,908.00
5400	23110	General Obligation Bonds - LT	.00	-1,910,000.00
5400	23130	Revenue Bonds - LT	.00	-26,700,000.00
5400	23131	Unamort Premium - LT	.00	-1,588,028.73
5400	23600	Capital Leases - LT	.00	-1,835,999.73
5400	23700	Pension Obligations - LT	.00	-1,426,818.00
5400	23701	Net OPEB Liability	.00	1,042,014.00
5400	23710	Deferred Pension Liability	.00	-568,983.00
5400	23711	OPEB Deferred Inflows	.00	-562,419.00
5400	24200	Deferred Charge on refunding	.00	22,746.00
<b>TOTAL LIABILITIES</b>			<b>72,114.78</b>	<b>-35,340,457.37</b>
<b>FUND BALANCE</b>				
5400	38150	Estimated Revenue	.00	11,072,639.00
5400	38300	Appropriations	.00	-11,075,050.94
5400	38800	Budgetary Fund Bal-Unreserved	.00	2,411.94
5400	39100	Revenue Control	-820,990.51	-7,530,398.78
5400	39300	Expenditure Control	809,558.27	8,839,662.80
5400	39400	Encumbrance Control	-37,451.86	127,106.25
5400	39450	Budgetary Fund Bal-Res for Enc	37,451.86	-127,106.25
5400	39700	GASB68 Net Position Restatemen	.00	1,306,741.00

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# CITY OF UNALASKA



## BALANCE SHEET FOR 2024 10

FUND: 5400 Ports & Harbors		NET CHANGE FOR PERIOD	ACCOUNT BALANCE
FUND BALANCE			
5400	39800	Net Assets - Unrestricted	.00 -72,800,379.87
TOTAL FUND BALANCE			-11,432.24 -70,184,374.85
TOTAL LIABILITIES + FUND BALANCE			60,682.54 -105,524,832.23

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BALANCE SHEET FOR 2024 10

FUND: 5500 Airport			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
5500	11500	General Rec	-47,432.97	32,412.17
5500	11599	Allow - Accounts Receivable	.00	-18,376.79
5500	12700	Lease Receivable	.00	198,757.84
5500	13100	Equity in Central Treasury	53,831.81	1,589,460.20
5500	16200	Buildings	.00	7,909,642.77
5500	16210	Accum Depreciation - Bldg	-7,005.89	-6,725,677.86
5500	16300	Improvements & Infrastructure	.00	1,334,368.87
5500	16310	Accum Depr - Imp & Infr	-2,136.70	-1,126,629.63
5500	17000	Other Assets	.00	26,406.42
5500	17001	Accumulated Ammortization	.00	-11,735.67
5500	17700	Deferred Pension Assets	.00	28,529.12
5500	17701	OPEB Deferred Outflows	.00	3,082.93
<b>TOTAL ASSETS</b>			<b>-2,743.75</b>	<b>3,240,240.37</b>
<b>LIABILITIES</b>				
5500	20310	Accrued Payroll	.00	-11,669.27
5500	20330	AES - withheld and match	499.68	-127.21
5500	20550	Due to State of AK	.00	-3,752.00
5500	22600	Capital Leases - Cur	.00	-11,822.00
5500	22800	Customer Deposits	.00	-12,000.00
5500	23600	Capital Leases - LT	.00	-14,584.42
5500	23700	Pension Obligations - LT	.00	-205,248.44
5500	23701	Net OPEB Liability	.00	152,493.80
5500	23710	Deferred Pension Liability	.00	-74,039.92
5500	23711	OPEB Deferred Inflows	.00	-52,511.01
5500	23712	Lease Deferred Inflows	.00	-185,201.75
<b>TOTAL LIABILITIES</b>			<b>499.68</b>	<b>-418,462.22</b>
<b>FUND BALANCE</b>				
5500	38150	Estimated Revenue	.00	796,990.00
5500	38300	Appropriations	.00	-800,561.29
5500	38800	Budgetary Fund Bal-Unreserved	.00	3,571.29
5500	39100	Revenue Control	-44,399.77	-426,203.62
5500	39300	Expenditure Control	46,643.84	621,187.07
5500	39400	Encumbrance Control	-7,512.20	10,211.77
5500	39450	Budgetary Fund Bal-Res for Enc	7,512.20	-10,211.77
5500	39700	GASB68 Net Position Restatemen	.00	140,913.00
5500	39800	Net Assets - Unrestricted	.00	-3,157,674.60
<b>TOTAL FUND BALANCE</b>			<b>2,244.07</b>	<b>-2,821,778.15</b>
<b>TOTAL LIABILITIES + FUND BALANCE</b>			<b>2,743.75</b>	<b>-3,240,240.37</b>

BALANCE SHEET FOR 2024 10

FUND: 5600 Housing			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
5600	11510	Refundable Deposits Rec	.00	3,650.00
5600	13100	Equity in Central Treasury	404.46	312,132.23
5600	16100	Land	.00	269,577.38
5600	16200	Buildings	.00	5,716,325.64
5600	16210	Accum Depreciation - Bldg	-16,039.42	-2,672,507.07
5600	16300	Improvements & Infrastructure	.00	96,271.18
5600	16310	Accum Depr - Imp & Infr	-231.03	-42,891.50
5600	17700	Deferred Pension Assets	.00	21,906.88
5600	17701	OPEB Deferred Outflows	.00	4,618.07
TOTAL ASSETS			-15,865.99	3,709,082.81
<b>LIABILITIES</b>				
5600	20310	Accrued Payroll	.00	-9,050.14
5600	20330	AES - withheld and match	240.79	-111.50
5600	22800	Customer Deposits	.00	-22,350.37
5600	23700	Pension Obligations - LT	.00	-151,455.56
5600	23701	Net OPEB Liability	.00	108,009.20
5600	23710	Deferred Pension Liability	.00	-68,206.08
5600	23711	OPEB Deferred Inflows	.00	-88,093.99
TOTAL LIABILITIES			240.79	-231,258.44
<b>FUND BALANCE</b>				
5600	38150	Estimated Revenue	.00	716,659.00
5600	38300	Appropriations	.00	-716,659.00
5600	39100	Revenue Control	-21,014.00	-500,029.48
5600	39300	Expenditure Control	36,639.20	410,490.07
5600	39400	Encumbrance Control	-3,043.66	-7,451.82
5600	39450	Budgetary Fund Bal-Res for Enc	3,043.66	-7,451.82
5600	39700	GASB68 Net Position Restatemen	.00	116,146.00
5600	39800	Net Assets - Unrestricted	.00	-3,504,430.96
TOTAL FUND BALANCE			15,625.20	-3,477,824.37
TOTAL LIABILITIES + FUND BALANCE			15,865.99	-3,709,082.81

## Chapter 5: Financial Reporting — Fund Balance/Net Assets

### Fund Financial Statements

Within governmental funds, equity is reported as fund balance; proprietary and fiduciary fund equity is reported as net assets. Fund balance and net assets are the difference between fund assets and liabilities reflected on the balance sheet or statement of net assets. Because of the current financial resources measurement focus of governmental funds, fund balance is often considered a measure of available expendable financial resources. This is a particularly important measure in the general fund because it reflects the primary functions of the government and includes both state aid and local tax revenues. The relative amount of unreserved fund balance reflected in the general fund is used by rating agencies as a measure of the financial strength of the government. Declines in the amount of unreserved fund balance may signal deterioration in the financial condition of the entity.

Governmental fund balances are categorized as follows:

- reserved; and
- unreserved (designated and undesignated).

### **Reserved Fund Balances**

Reservations of fund balance should be used in governmental financial reporting to identify the portion that is

- not available for appropriation or expenditure (e.g., reserve for inventories, reserve for long-term receivables); and/or
- legally earmarked by external parties or entities for a specific future use (e.g., funds with a legal restriction on the use of assets, such as reserve for encumbrances).

The amount and nature of the reservation of fund balance should be disclosed on the face of the financial statements. The description may need to be supplemented by disclosure in the notes to the financial statements.

Examples of reservations of fund balance are as follows:

- inventories;
- debt service;
- endowments;
- prepaid items;
- outstanding encumbrances;
- construction; and
- federal and state programs (where the funds have met the available criteria, as well as any other provider provisions that may be required, but have not yet been expended).

The aggregate fund balance in the debt service fund is legally reserved for the payment of bonded indebtedness and is not available for other purposes until all bonded indebtedness is liquidated. The fund balance of the capital projects fund reflects an amount designated for construction and major renovation projects, and it usually represents unexpended proceeds from the sale of bonds that

have restricted uses. However, in all instances in which the name of the fund communicates the legal segregation, the fund balance should be reported as unreserved.

### **Unreserved Fund Balances**

Unreserved fund balance is the difference between total and reserved fund balance. It has two components: designated and undesignated. The unreserved fund balance of the general fund represents the balance available for legal appropriation and general operating expenditures.

Prudent financial management requires accumulating a sufficient undesignated, unreserved fund balance in the general fund representing expendable financial resources available to meet the net cash outflows during the fiscal year.

**Designated, Unreserved Fund Balances.** Portions of fund balance may be designated by management to reflect tentative plans or commitments of governmental resources. Designations generally reflect school board action to earmark the balance for purposes that will be fulfilled at a later time, but specific school board action is not required. Designations represent planned actions rather than actual commitments. Because they typically arise from internal actions (management decisions) rather than actions external to the entity (encumbrances), designations are reported as part of unreserved fund balance.

The amount and nature of the designation should be explained in a separate line of the balance sheet, parenthetical comment, or note to the financial statements. Designations may be related to construction or other capital expenditures, claims and judgments, or self-insurance contingencies.

**Undesignated, Unreserved Fund Balances.** Undesignated, unreserved fund balance is the difference between total fund balance and the portion that is reserved and designated. This is the balance available for legal appropriation and expenditure if a government budgets on a GAAP basis for its governmental funds.

Within proprietary and fiduciary fund statements of net assets, net asset balances are classified into the following three components:

- **Invested in capital assets, net of related debt** represents the net amount invested in capital assets (original cost, net of accumulated depreciation, and capital-related debt).
- **Restricted** represents the amount of net assets for which limitations have been placed by creditors, grantors, contributors, laws, and regulations. For example, school districts that account for food services within an enterprise fund may have restrictions related to certain proceeds or commodities imposed by the USDA. Internal actions through enabling legislation (which is legally enforceable) and constitutional provisions may also lead to restricted net assets.
- **Unrestricted** represents the amount of net assets that is not restricted or invested in capital assets, net of related debt.

### **Government-Wide Financial Statements: Statement of Net Assets**

The difference between an entity's assets and liabilities in the statement of net assets represents its net assets. Net assets have the following three components:



- invested in capital assets, net of related debt;
- restricted net assets; and
- unrestricted net assets.

Exhibit 5 defines each component.

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2024-19

A RESOLUTION OF THE UNALASKA CITY COUNCIL ADOPTING THE FY25-FY34 CAPITAL AND MAJOR MAINTENANCE PLAN

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, the CMMP serves as a tool to help the City effectively and efficiently meet the needs of the community; and

WHEREAS, City Departments were invited to submit project nominations; and

WHEREAS, this planning document outlines anticipated or recommended projects and expenditures for the upcoming ten years; and

WHEREAS, City staff and City Council have had the opportunity to review and comment on the nominations and the FY25-FY34 CMMP.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves and adopts the ten-year CMMP, for FY25-FY34, as presented by the City Manager pursuant to Unalaska Code of Ordinances § 6.12.040.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 14, 2024.

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Vincent M. Tutiakoff, Sr.  
Mayor

ATTEST:

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Estkarlen P. Magdaong  
City Clerk

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Cameron Dean, Planning Director  
Through: William Homka, City Manager  
Date: May 14, 2024  
Re: FY25-FY34 Capital and Major Maintenance Plan (CMMP)

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**SUMMARY:** City Council reviews the Capital and Major Maintenance Plan (CMMP) every year and has reviewed several drafts of the FY25-34 CMMP. Resolution 2024-19 will adopt the revised FY25-34 CMMP.

**PREVIOUS COUNCIL ACTION:** Council reviews drafts of the CMMP in worksessions each year in Winter/Spring.

Resolution 2024-17: Adopting the FY25-FY34 Capital and Major Maintenance Plan (rejected April 23, 2024)

**BACKGROUND:** Last year Council approved the FY24-33 CMMP, with 49 projects and a total portfolio of \$162,832,010 over ten years. The first year of the CMMP is the most important because the financial figure represents what is approved to be budgeted. Council approved \$8,342,937 for FY24 excluding external funding.

Council approved Resolution 2023-47 adopting its priorities for this year's CMMP. Regulatory Compliance, Impact on Operational Budget and External Funding were identified as top concerns. Staff focused on these factors while reviewing nominations.

Beginning in November, Planning worked with each department to update their capital projects. The Technical Advisory Committee met multiple times to revise this year's CMMP.

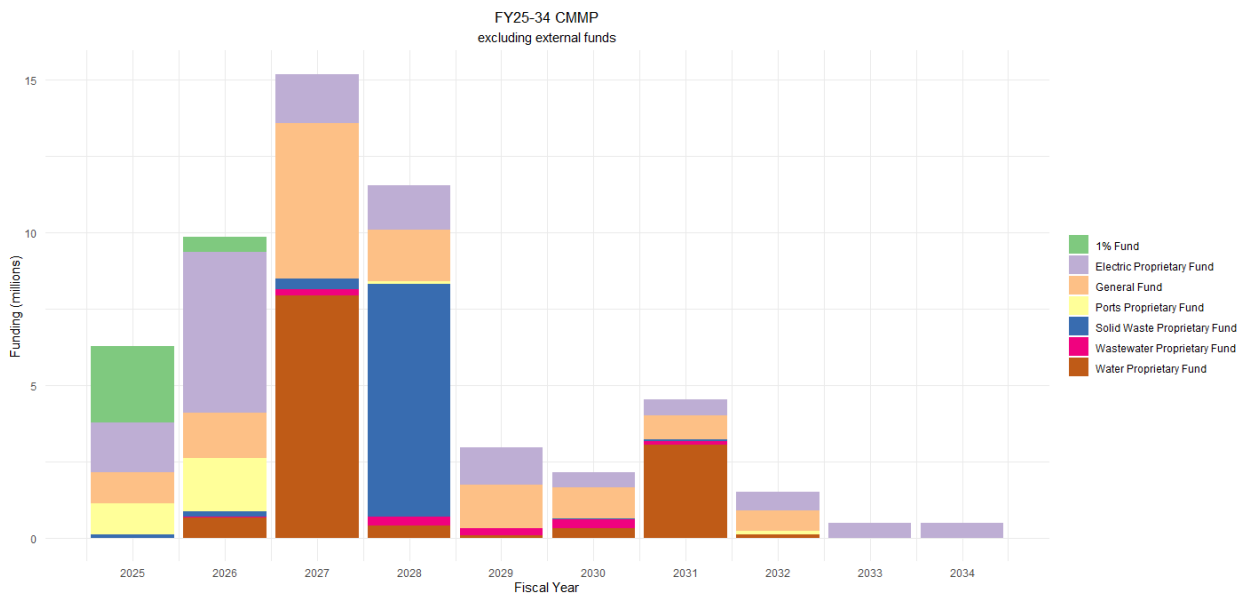
New project nominations were presented to Council in a work session on January 23, 2024. A draft CMMP was presented on March 26, and a revised draft was presented on April 9. That draft was presented for adoption on April 23 as Resolution 2024-17 and was not approved.

**DISCUSSION:** The attached FY25-34 CMMP was revised following the 4/23 meeting based on Council feedback and to update cost estimates where possible.

The first year of the CMMP is the most important as it will commit funding for those projects. The attached *FY25-34 CMMP FY25 Funding Table* lists the first year's projects and their funding sources. The FY25-34 CMMP proposes \$2,751,312 from proprietary funds, \$2,507,262 from the 1% Fund and \$1,010,000 from the General Fund in FY25, totaling \$6,268,574. The remaining \$9,992,538 comes from the Community

Transportation Program award the City received for Captains Bay Road paving and safety improvements.

General Fund	1,010,000
1% Fund	2,507,262
Electric Proprietary Fund	1,626,312
Solid Waste Proprietary Fund	125,000
Ports Proprietary Fund	1,000,000
Grant (Captains Bay Road CTP)	9,992,538
<b>Total</b>	<b>16,261,112</b>



Major priorities for FY25 are the Public Works Building roof replacement and dredging at the LCD & UMC to coordinate with dredging in the entrance channel. Extending the waterline on Captains Bay Road was originally an FY25 CMMP project, but was changed to an FY24 budget amendment due to its urgency. The attached overview summarizes each FY25 funding request.

As discussed at the 4/23 Council meeting, the 1% Fund could be used to fund all FY25 requests. However, doing so means that fund will be less likely to be able to cover future roof replacements for the Aquatics Center, airport terminal and other buildings as determined by the citywide roof assessment.

The FY25-34 CMMP proposes 31 projects, including the Rolling Stock Replacement Plan, totaling \$119,767,593 over ten years. Further road improvements and utility extensions on Captains Bay Road comprise much of that total, and a strategy for financing those projects still needs to be determined.

Following the 4/23 Council meeting, Staff reworked the CMMP to focus only on more certain projects and better balance year-to-year expenditures:

- Most PCR projects were removed pending the master plan’s completion. The projects that remain, like safety related playground maintenance and relocating the Skate Park, are known needs.
- Plans for renovations or replacement of the Public Safety Building will depend on the outcome of the feasibility study starting in FY25. The Police Station and construction for the Fire Station with Integrated Training Facility (design remains) were removed. Design for the Fire Station was delayed to FY27.
- Several large utilities projects, like the Solid Waste Gasifier and Pyramid Water Storage Tank, were rescheduled to achieve greater stability in proprietary fund expenditures.
- Future stages of Captains Bay Road Safety & Paving Improvements were rescheduled based on the expected timeline of Stage 1.

**Remaining CMMP Council Presentations**

5/28	1 <sup>st</sup> Reading of Final Budget
6/11	2 <sup>nd</sup> Reading of Final Budget

**ALTERNATIVES:** City Council may add and remove projects from the CMMP or reject it entirely.

**FINANCIAL IMPLICATIONS:** City Council reviews the CMMP each year for an opportunity to provide input and subsequently adopt the CMMP as part of the overall budgeting process. Title 6 of the Unalaska City Code requires the City Manager to submit a five-year capital improvement plan each year in conjunction with the City’s operating budget.

**LEGAL:** Not applicable.

**STAFF RECOMMENDATION:** Staff recommends adoption.

**PROPOSED MOTION:** I move to adopt Resolution 2024-19.

**CITY MANAGER COMMENTS:**

**ATTACHMENTS:**

FY25 Overview

FY25 Funding Table

FY25-34 CMMP Summary Sheets

FY25-34 CMMP Funding Table

# FY25 CMMP Projects (10)

## Electric

### Electric Energy Storage System

\$371,312. Electric Proprietary Fund. Design.

Unalaska needs energy storage to handle fluctuating loads, primarily from cranes, and if renewables like wind or solar are ever to be added. This project is part of the City's CPRG grant application and will be fully funded by that grant if awarded. It was previously included under the Makushin Geothermal Project.

### Electrical Distribution Equipment Replacement

\$500,000. Electric Proprietary Fund. Ongoing major maintenance.

This annual funding to replace electrical distribution equipment like transformers and reclosers is necessary to maintain reliable electric service.

### Generator Sets Rebuild

\$455,000. Electric Proprietary Fund. Ongoing major maintenance.

This annual funding supports major maintenance at the powerhouse and is necessary to maintain reliable electric service.

### Powerhouse SCADA & Reporting System Upgrades

\$150,000. Electric Proprietary Fund. Major maintenance.

The existing control systems at the powerhouse are outdated, creating security, compliance and reliability issues. This project will reduce future support expenses.

## PCR

### Rebar Restoration and Re-plastering (Pool)

\$500,000. General Fund. Major maintenance.

An assessment is underway to determine the extent of work needed. This project is necessary to maintain the pool's safety and longevity.

## Public Works

### Captains Bay Road Safety & Paving

\$9,992,538. Grant. Construction.

The CTP award will fund road improvements from Airport Beach Rd. through Westward Seafoods and the project will be managed by ADOT&PF. The City's match was already appropriated.

### Fishermen's Memorial

\$100,000. General Fund. Construction.

The statues are ready for installation and the City is working with OC to secure the site. This project will extend electric service for lighting and security and perform necessary site improvements.



Public Works Roof Replacement  
\$2,507,262. 1% Fund. Construction.

The Public Works building roof is failing and needs to be replaced.

## Ports

LCD and UMC Dredging  
\$1,000,000. Ports Proprietary Fund.

Timing this project in tandem with entrance channel dredging will reduce the complexity of permitting and save on mobilization and demobilization. Funding has also been requested through CAPSIS.

## Solid Waste

Bailer Controls System Upgrades  
\$125,000. Solid Waste Proprietary Fund. Major maintenance.

Control systems have started failing due to age, are impractical to repair and present safety hazards.

FY25	Electric Proprietary Fund	General Fund	Grant	Ports Proprietary Fund	Solid Waste Proprietary Fund	1% Fund	Grand Total
<b>Electric Proprietary Fund</b>							
Electric							
Electric Energy Storage System	371,312						371,312
Electrical Distribution Equipment Replacement	500,000						500,000
Generator Sets Rebuild	455,000						455,000
Powerhouse SCADA & Reporting System Upgrades	150,000						150,000
Electric Total	1,476,312						1,476,312
<b>Electric Proprietary Fund Total</b>	<b>1,476,312</b>						<b>1,476,312</b>
<b>General Fund</b>							
PCR							
Rebar Restoration and Re-plastering		500,000					500,000
PCR Total		500,000					500,000
Public Works							
Rolling Stock Replacement Plan	150,000	410,000					560,000
Captains Bay Road Safety & Paving			9,992,538				9,992,538
Fishermen's Memorial		100,000					100,000
Public Works Roof Replacement						2,507,262	2,507,262
Public Works Total	150,000	510,000	9,992,538			2,507,262	13,159,800
<b>General Fund Total</b>	<b>150,000</b>	<b>1,010,000</b>	<b>9,992,538</b>			<b>2,507,262</b>	<b>13,659,800</b>
<b>Ports Proprietary Fund</b>							
Ports							
LCD & UMC Dredging				1,000,000			1,000,000
Ports Total				1,000,000			1,000,000
<b>Ports Proprietary Fund Total</b>				<b>1,000,000</b>			<b>1,000,000</b>
<b>Solid Waste Proprietary Fund</b>							
Solid Waste							
Baler Controls System Upgrades					125,000		125,000
Solid Waste Total					125,000		125,000
<b>Solid Waste Proprietary Fund Total</b>					<b>125,000</b>		<b>125,000</b>
<b>Grand Total</b>	<b>1,626,312</b>	<b>1,010,000</b>	<b>9,992,538</b>	<b>1,000,000</b>	<b>125,000</b>	<b>2,507,262</b>	<b>16,261,112</b>

**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 FY25. Installation of the energy storage system will be in FY26. Permitting is not anticipated for this project. This project will be funded by the Electrical Proprietary Fund.

# FY25-34 CMMP

## Electric Energy Storage System

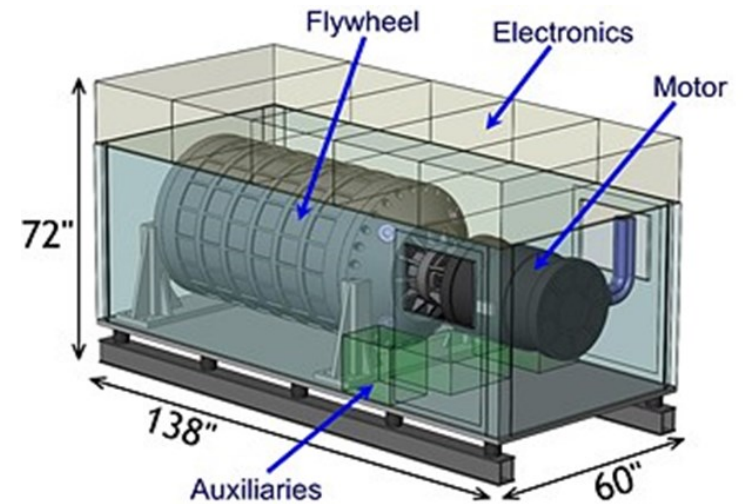
Electric

### Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY25

Purchase/Construction: FY26



Cost Assumptions		
Other Professional Services		\$100,000
Engineering, Design, Construction Admin		\$271,312
Construction Services		\$1,489,000
Machinery & Equipment		\$1,370,406
	<b>Subtotal</b>	<b>\$3,230,718</b>
Contingency (30%)		\$969,215
	<b>Total Funding Request</b>	<b>\$4,199,933</b>

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Electric Proprietary Fund	0	371,312	3,828,688	0	0	0	0	0	0	0	0	4,200,000
<b>Total</b>	0	371,312	3,828,688	0	0	0	0	0	0	0	0	4,200,000

# FY25-34 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, New and Old Powerhouse, and one substation. Each of these facilities has at least one, possibly two primary electrical switchgear line-ups within each. Electrical switchgear require maintenance and cleaning to ensure proper operation. Safe operation 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 activities performed at any of the powerhouses or Town Substation switchgear line-ups. Only general visual maintenance has been performed, except during the installation of the Unit 12 (CAT C280) project. A modification at the Town Substation was made as part of that project. During the implementation of 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
<b>Subtotal</b>	<b>\$180,000</b>
Contingency (30%)	\$54,000
<b>Total Funding Request</b>	<b>\$234,000</b>

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
<b>Electric Proprietary Fund</b>	0	0	0	234,000	0	0	0	0	0	0	0	234,000
<b>Total</b>	0	0	0	234,000	0	0	0	0	0	0	0	234,000

# FY25-34 CMMP

## Electrical Distribution Equipment Replacement

Electric

**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.

Source	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Electric Proprietary Fund	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,000,000
<b>Total</b>	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,000,000

# FY25-34 CMMP

## Electrical Intermediate Level Protection Installation

Electric

### Estimated Project & Purchase Timeline

Pre Design: FY27

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
<b>Subtotal</b>	<b>\$500,000</b>
Contingency (30%)	\$150,000
<b>Total Funding Request</b>	<b>\$650,000</b>

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Electric Proprietary Fund	0	0	0	650,000	0	0	0	0	0	0	0	650,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>650,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>650,000</b>

# FY25-34 CMMP

## Generator Sets Rebuild

Electric

**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.



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Electric Proprietary Fund	0	455,000	195,000	195,000	973,000	565,000	0	0	0	0	0	2,383,000
<b>Total</b>	0	455,000	195,000	195,000	973,000	565,000	0	0	0	0	0	2,383,000

# FY25-34 CMMP

**Project Description:** Upgrade the existing SCADA and Reporting system servers and software at the City Powerhouse.

**Project Need:** The City of Unalaska Powerhouse is required to comply with State and Federal reporting regulations to multiple agencies including: the Alaska Department of Environmental Conservation (ADEC), the U.S. Energy Information Administration (EIA), and the Environmental Protection Agency (EPA). In order to comply with regulatory requirements, the Powerhouse utilizes a SCADA HMI (Human Machine Interface) server, operating on obsolete Microsoft Windows 2008, to furnish the necessary reports. As of January 2020, Microsoft terminated support for Windows Server 2008. This has created significant operational issues due to the lack of updates and incompatibility with newer platforms. This poses a substantial security threat as unsupported operating systems are more vulnerable to viruses, spyware, or other malicious software that may access, steal, or obtain protected information. Over the last three fiscal years the Powerhouse has spent roughly \$47,000 in SCADA related support, with the first six months of FY24 making-up approximately \$18,000 of that amount, so far. In an effort to minimize and avoid reporting delays, fines, and penalties; City staff, contractors, and consultants analyzed the need for upgrading the powerhouse’s current SCADA and reporting systems. After considering all factors; system age, compatibility, support availability, and reliability, it was determined that:

- SCADA servers require upgrading to a supported and secure version of Microsoft Windows (Windows Server 2022).
- Trending software requires updating.
- Current operating reports will require being duplicated and transferred to Inductive Automation’s Ignition reporting software. The new software will utilize the same data as the current database; plus staff will receive support and be able to build reports much more efficiently.

**Development Plan & Status :** Funding for this project will come from the Electric Proprietary Fund. The budget for this project was estimated by the City’s electrical consultant Electric Power Systems (EPS).

## Powerhouse SCADA & Reporting System Upgrades

Electric

### Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY25

Purchase/Construction: FY25

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Electric Proprietary Fund	0	150,000	0	0	0	0	0	0	0	0	0	150,000
<b>Total</b>	0	150,000	0	0	0	0	0	0	0	0	0	150,000



# FY25-34 CMMP

## Fire Station with Integrated Training Facility

Fire

### Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY27

Purchase/Construction:

**Project Description:** The proposed project entails the construction of a standalone fire station with an integrated training facility and housing units for live-in student firefighters, aligning with the fire department's 5-year strategic plan. This initiative addresses immediate and future community needs, including providing a safe refuge during major events, ensuring ADA compliance and planning for future expansion of current and new partnerships for the City.

**Project Need:** The integrated training center aims to conduct various in-house training programs, minimizing the need for external training and reducing associated costs. Specialized areas for live-fire exercises and high-angle rescue training ensure comprehensive instruction for staff. The inclusion of live-in student firefighters, as part of a robust 5-year strategic plan, fosters a dynamic learning environment, supported by dedicated educational spaces within the station. The live-in program mirrors successful programs elsewhere, offering a pathway for individuals to receive post-secondary education while bolstering staffing levels at minimal cost to the department.

**Development Plan & Status :** The development plan involves community listening sessions, feasibility studies, and exploring options for land acquisition or swap in FY25. Leveraging existing partnerships and collaborations aims to minimize costs and enhance project efficiency. The design phase in FY27 will focus on articulating the long-term vision for the station and securing an engineering and design team familiar with the unique geography of the area.



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
General Fund	0	0	0	2,080,000	0	0	0	0	0	0	0	2,080,000
<b>Total</b>	0	0	0	2,080,000	0	0	0	0	0	0	0	2,080,000

# FY25-34 CMMP

## Community Center Playground Replacement

PCR

### Estimated Project & Purchase Timeline

Pre Design: FY29

Engineering/Design: FY29

Purchase/Construction: FY29



**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 :** Funding for this project will come to the General Fund.

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

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
General Fund	0	0	0	0	0	300,000	0	0	0	0	0	300,000
<b>Total</b>	0	0	0	0	0	300,000	0	0	0	0	0	300,000

# FY25-34 CMMP

## Elementary School Playground Replacement PCR

### Estimated Project & Purchase Timeline

Pre Design: FY26

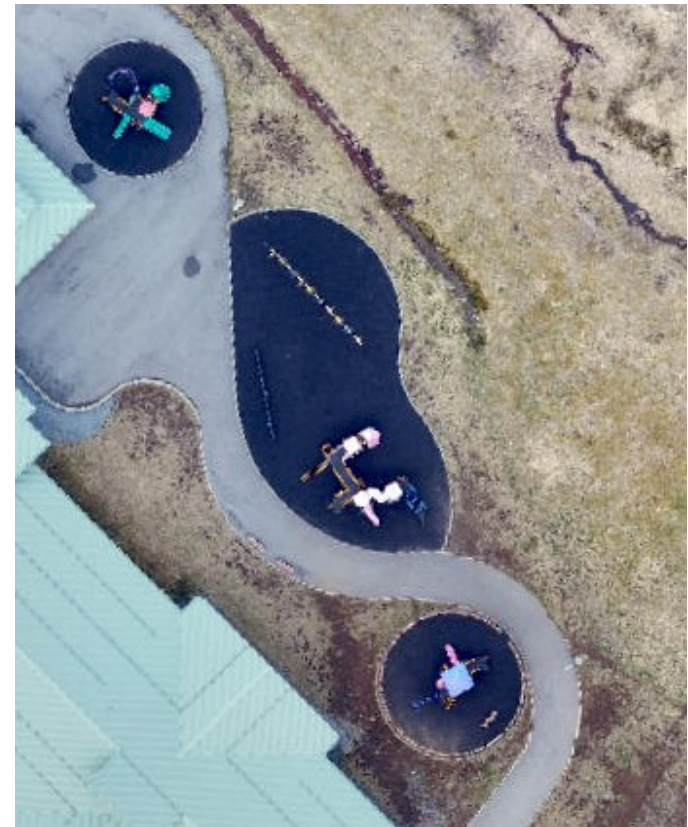
Engineering/Design: FY26

Purchase/Construction: FY27

**Project Description:** Replacement of the playground at Eagle's View Elementary School.

**Project Need:** The current playground was installed when the school was built and has reached the end of its useful life. Repairs to the existing play structures are not practical and they will need to be replaced.

**Development Plan & Status :** This project was recommended by the Unalaska City School District. Like other PCR projects, it will be considered as part of the updated PCR master plan in 2024-2025. The budget and schedule shown is the current best estimate and will be updated with the completion of the plan.



Cost Assumptions	
Other Professional Services	
Engineering, Design, Construction Admin	200,000
Construction Services	1,338,462
Machinery & Equipment	
<b>Subtotal</b>	1,538,462
Contingency (30%)	461,538
<b>Total Funding Request</b>	2,000,000

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
General Fund	0	0	200,000	1,800,000	0	0	0	0	0	0	0	2,000,000
<b>Total</b>	0	0	200,000	1,800,000	0	0	0	0	0	0	0	2,000,000

# FY25-34 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 certainly 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.

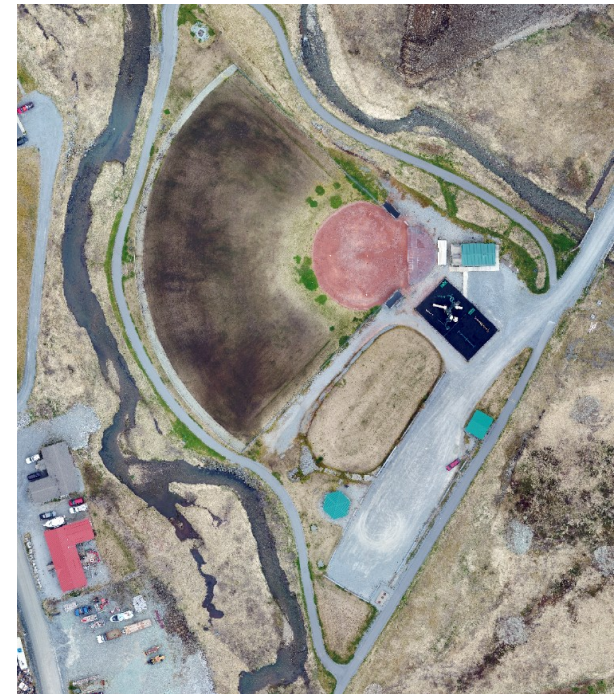
**Pump Track**  
PCR

**Estimated Project & Purchase Timeline**

Pre Design: FY25

Engineering/Design: FY25

Purchase/Construction: FY26



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
General Fund	0	0	100,000	0	0	0	0	0	0	0	0	100,000
<b>Total</b>	0	0	100,000	0	0	0	0	0	0	0	0	100,000

# FY25-34 CMMP

**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 :** These repairs will occur in tandem with boiler repairs to minimize downtime.

## Rebar Restoration and Re-plastering PCR

### Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY25

Purchase/Construction: FY25

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
General Fund	0	500,000	0	0	0	0	0	0	0	0	0	500,000
<b>Total</b>	0	500,000	0	0	0	0	0	0	0	0	0	500,000



# FY25-34 CMMP

## Burma Road Chapel Repairs

Public Works

### Estimated Project & Purchase Timeline

Pre Design: FY20

Engineering/Design: FY21

Purchase/Construction: FY26



**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. Repairs to the roof are the only remaining project work to complete.

**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 FY26 following the results of the citywide roof assessment.

### Cost Assumptions

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

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
<b>1% Fund</b>	0	0	479,000	0	0	0	0	0	0	0	0	479,000
<b>General Fund</b>	110,000	0	0	0	0	0	0	0	0	0	0	110,000
<b>Total</b>	110,000	0	479,000	0	0	0	0	0	0	0	0	589,000

# FY25-34 CMMP

## Captains Bay Road Safety & Paving

Public Works

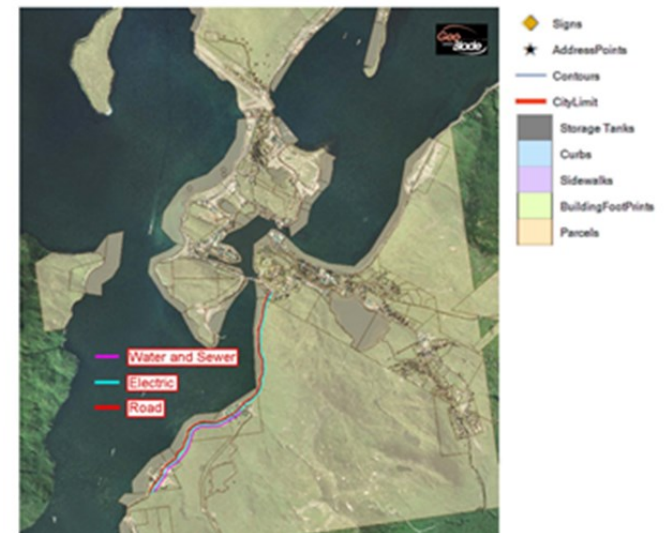
### Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY25

Purchase/Construction: FY26

## Captains Bay Road and Utilities



**Project Description:** This major infrastructure improvement project constructs drainage, utilities, and pavement out Captains Bay Road, 1.4 miles long, between Airport Beach Road and the south end of the Westward Seafoods Complex. Work on the existing gravel road includes widening the road to 13-ft lanes with 2-ft shoulders, base & various areas of embankment reconstruction, new asphalt pavement, and new 6-ft paved separated multi-use path. Project includes selective replacement of storm drain pipes & inlet structures. Utilities are ineligible for the CTP Grant.

**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 :** Segment A project funding was approved for the CTP, pending federal acceptance of the STIP. The grant and City match for that segment totals approximately \$13.16 million.

Segment A Paving, \$13,155,001  
 Safety Improvements, \$4,500,000  
 Segment B Paving, \$10,300,000  
 Segment C Paving, \$3,100,000  
 Segment D Paving, \$10,700,00

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
1% Fund	3,161,147	0	0	0	0	0	0	0	0	0	0	3,161,147
General Fund	2,564,556	0	0	0	0	0	0	0	0	0	0	2,564,556
Grant	0	9,992,538	400,000	400,000	14,000,000	13,800,000	0	0	0	0	0	38,592,538
<b>Total</b>	<b>5,725,703</b>	<b>9,992,538</b>	<b>400,000</b>	<b>400,000</b>	<b>14,000,000</b>	<b>13,800,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,318,241</b>

# FY25-34 CMMP

## Fishermen's Memorial Public Works

**Project Description:** In 2022, City Council committed \$250,000 to the Rusting Man Foundation to establish a memorial in Unalaska to commemorate fishermen lost at sea. The City is evaluating various sites to house the memorial and presented them to Council on June 13, 2023.

**Project Need:** Regardless of the site selected, utility extensions and improvements for safety and pedestrian access will need to be constructed.

**Development Plan & Status :** This project will consist of two phases:

- 1) Electric utility extensions for lighting and security cameras. Basic site preparation and necessary safety improvements will be completed to allow installing the memorial.
- 2) Improve the site with additional landscaping, parking and other improvements.

### Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY25

Purchase/Construction: FY25



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
General Fund	0	100,000	100,000	0	0	0	0	0	0	0	0	200,000
<b>Total</b>	0	100,000	100,000	0	0	0	0	0	0	0	0	200,000



# FY25-34 CMMP

**Project Description:** Replacement of the roof at the Public Works building.

**Project Need:** The current roof is failing and needs to be replaced.

**Development Plan & Status :** The subtotal for the entire Roof Replacement Project is \$1,928,662. a detailed specification for the roof replacement project at the Public Works Building. The cost estimate is based on the successful completion of a similar project involving the pool roof, with a cost of \$58 per square foot. Utilizing this cost for the Public Works Building, the estimated cost for roofing material is \$1,287,600.

The breakdown of costs for materials, labor, travel, and other miscellaneous expenses is as follows:

Roofing Material: \$1,287,600, based on \$58 per square foot

Additional Costs:

- Plywood Sheeting: \$50,424
- 4" Rigid Insulation: \$82,520
- Labor (2x cost of materials): \$265,888
- Shipping: \$20,000
- Permitting: \$7,500
- Dump Fees: \$15,000
- Room, Board, Travel: \$50,000
- Mechanical Contractor: \$150,000
- Total Additional Costs: \$641,062

Subtotal for Roof Replacement: \$1,928,662

30% Contingency: \$578,600.

Total Cost Estimate:

- Subtotal: \$1,928,662
- Contingency: \$578,600
- Grand Total for Roof Replacement: \$2,507,262

## Public Works Roof Replacement

Public Works

### Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY25

Purchase/Construction: FY25



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
1% Fund	0	2,507,262	0	0	0	0	0	0	0	0	0	2,507,262
<b>Total</b>	0	2,507,262	0	0	0	0	0	0	0	0	0	2,507,262

**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 :** General Fund

# FY25-34 CMMP

## Underground Fuel Tank Removal / Replacement Public Works

### Estimated Project & Purchase Timeline

Pre Design: FY29

Engineering/Design: FY29

Purchase/Construction: FY29



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
General Fund	0	0	0	0	0	60,000	0	0	0	0	0	60,000
<b>Total</b>	0	0	0	0	0	60,000	0	0	0	0	0	60,000

# FY25-34 CMMP

## LCD & UMC Dredging Ports

### Estimated Project & Purchase Timeline

Pre Design: FY19

Engineering/Design: FY23

Purchase/Construction: FY25

**Project Description:** The dredging for the Unalaska Marine Center (UMC) and the Light Cargo Dock (LCD) is one of several projects that were developed to enhance commerce and safety for deep draft vessels in Dutch Harbor proper. In 2019 The City of Unalaska completed the renovation of Unalaska Marine Center (UMC) in preparation for deeper-draft cargo vessels. The renovation project of this industrial dock extended crane rails, added gantry crane infrastructure, fuel headers, and increased load capacity. The depth at the UMC dock face currently ranges from -38 to -40 feet. In 2019, the Corp of Engineers began the feasibility for Dredging the Entrance Channel into Dutch Harbor to -58 feet, currently at -43 feet. The USACE project is to accommodate the passage of deep-draft vessels to the cargo facilities inside Dutch Harbor. The dredging at UMC and LCD marries the USACE dredging and the UMC renovation projects together to meet the demands for deep-draft cargo operations. The UMC and LCD dredging project will bring the water depth at the face of UMC to -45' MLLW making it truly deep draft and operational for the deep draft vessels soon to navigate through the entrance channel. The dredging project for UMC and LCD have been earmarked and waiting for the approval of Congressional funding for the USACE entrance channel dredging so these projects could work in concert and recognize some efficiencies by sharing resources and the permitting processes. Congressional funding has been received for the USACE Entrance Channel Dredging project and in concert the City of Unalaska is moving forward with the UMC and LCD Dredging project. The Light Cargo Dock will be dredged to -35' and will then accommodate a wider range of fuel vessels, cargo vessels and catcher-processers. The Light Cargo Dock serves as a gear transfer dock and overflow for vessels not able to confirm space at UMC. The Light Cargo Dock, currently at -23 feet, will be dredged to -35 which is the maximum depth for the dock as designed and constructed. UMC will be dredged to -45 feet in order to accommodate deep-draft container ships and tankers. The UMC and LCD Dredging Project includes costs for the geotechnical work, bathymetry studies, permitting, means of dredging, disposal site, mobilization and demobilization and construction.

**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 :** It is estimated that the dredging project for the Unalaska Marine Center and the Light Cargo Dock will coincide with the timing of the USACE Dredging to begin in the fall of 2024. State funding has been requested through CAPSIS for FY25.



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

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Ports Proprietary Fund	2,654,145	1,000,000	1,700,000	0	0	0	0	0	0	0	0	5,354,145
<b>Total</b>	<b>2,654,145</b>	<b>1,000,000</b>	<b>1,700,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,354,145</b>

# FY25-34 CMMP

**Project Description:** Following the engineer’s assessment and Rough Order of Magnitude of work and cost, the Ports Department will be requesting funding for the repair and resurfacing Unalaska Marine Center Positions 5-7.

**Project Need:** Unalaska Marine Center opened for business in 1992 and over the last 31 years of cargo operations there has been settling of the compacted rock beneath the concrete surface. This has caused undulating surface, drainage issues and should it continue settle this could impact the integrity of the tale walls. The concrete needs to be removed, more rock added and compacted, drainage addressed, and resurfaced. Crane rails will also be inspected and repaired if necessary during this project. This is not unexpected maintenance. With the proven benefit of concrete pavers this project can now be done without significant impact to cargo operations less expense.

**Development Plan & Status :** The current CMMP funding request will be refined to an ROM upon completion of assessment and design by PND. The City intends to fund this project through grant opportunities in partnership with Matson.

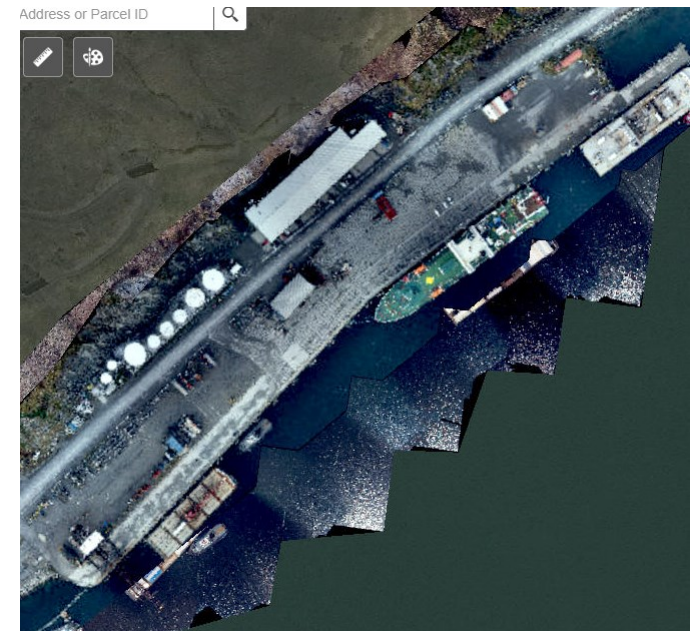
## UMC Positions 5-7 Resurfacing and Repair Ports

### Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY25

Purchase/Construction: FY26



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Grant	0	0	15,000,000	0	0	0	0	0	0	0	0	15,000,000
<b>Total</b>	0	0	15,000,000	0	0	0	0	0	0	0	0	15,000,000



# FY25-34 CMMP

## Baler Controls System Upgrades Solid Waste

### Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY25

Purchase/Construction: FY25

**Project Description:** Upgrade and relocate the baler PLC (Programmable Logic Controller) panel and streamline the existing controls and hardware.

**Project Need:** Due to the City baler’s age, replacement PLC parts are now obsolete making repairs impractical. Since installed in 1997, the City baler controls have required minimal maintenance. However, in recent years due to age, hardware failures, and moisture exposure the controls have started failing. This causes the baler to spontaneously operate/run features without operator input and shut down unexpectedly. Solid Waste Division staff must exercise extreme caution while operating or working near the baler as a result. Furthermore, after years of repairs and modifications to the existing panel, certain sensors on the baler system are energized differently than others, AC instead of DC, creating a hazardous situation for operators and contractors during breakdowns. City staff, contractors, and inspectors have evaluated the baler controls and determined it is time to upgrade and relocate the PLC panel to a dry location and to simplify the existing controls to better fit the Landfill’s needs. This project will provide the Solid Waste Division Staff with improved safety and reliable baler controls to prevent future shutdowns and accidents; ultimately maximizing productivity and safety.

**Development Plan & Status :** Funding for this project will come from the Solid Waste Proprietary Fund. The budget for this project was estimated based on needs and hardware requirements identified by City staff, contractors, and inspectors in FY24. The project will be completed in two phases to minimize down time: 1. Design and Product Procurement. 2. Execution and Implementation.

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Solid Waste Proprietary Fund	0	125,000	0	0	0	0	0	0	0	0	0	125,000
<b>Total</b>	0	125,000	0	0	0	0	0	0	0	0	0	125,000

# FY25-34 CMMP

**Project Description:** The replacement of the Solid Waste facility weighing/scale system. This project would cover materials cost, installation and commissioning.

**Project Need:** The current scale/weighing system at the Landfill is reaching the end of its lifetime. Since installed in 1997 the scale system has required minimal maintenance and repairs; however, due to its age and environmental conditions, a replacement will be needed in the near future. If a major breakdown were to occur, the Solid Waste Division would have to use an alternative measuring method for receiving solid waste at the City’s Landfill (cubic yards). The following key points are provided to reference the current condition of the scale/weighing system:

- Cell covers have been rebuilt several times due to excess rust.
- Top plates, expansion plates are worn to the point of replacement.
- Conduits, conduit holding racks have been damaged throughout years of use and maintenance.
- Overall structural integrity has diminished due to excess rust.

**Development Plan & Status :** Funding for this project will come from the Solid Waste Proprietary Fund. The budget for this project was estimated based on quotes provided by vendors in past years. Once materials are procured, City staff will work with contractor to complete the replacement and commissioning.

## Scale Replacement Solid Waste

### Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY26

Purchase/Construction: FY26



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Solid Waste Proprietary Fund	0	0	175,000	0	0	0	0	0	0	0	0	175,000
<b>Total</b>	0	0	175,000	0	0	0	0	0	0	0	0	175,000

# FY25-34 CMMP

## Solid Waste Gasifier Solid Waste

### Estimated Project & Purchase Timeline

Pre Design: FY25

Engineering/Design: FY26

Purchase/Construction: FY28

**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.



### 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
<b>TOTAL</b>	<b>8,320,000</b>

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
<b>Solid Waste Proprietary Fund</b>	700,000	0	0	0	7,620,000	0	0	0	0	0	0	8,320,000
<b>Total</b>	700,000	0	0	0	7,620,000	0	0	0	0	0	0	8,320,000

# FY25-34 CMMP

**Project Description:** This project will extend 2.5 miles of wastewater line from Airport Beach Road to OSI.

**Project Need:** Captains Bay Road is the logical location for future commercial and residential expansion for the community of Unalaska. Captains Bay has the docking facilities and space for equipment storage to accommodate this and other industrial growth. Oil companies have expressed interest in Unalaska’s deep-water port as a resupply port for their northern seas oil exploration and drilling operations. Construction of the road and utility improvements needs to begin now so Unalaska can meet the current and future needs of the community.

**Development Plan & Status :** Captains Bay Road currently has sewer line services from the intersection of Airport Beach Road to Westward Seafoods, a distance of one mile. This project will eventually install a new wastewater line from Westward Seafoods entirely to OSI.

## Captains Bay Road Wastewater Line Installation

Wastewater

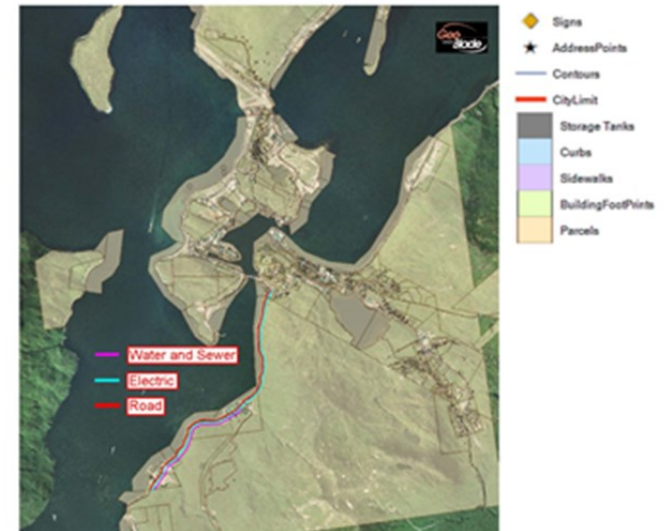
### Estimated Project & Purchase Timeline

Pre Design: FY24

Engineering/Design: FY25

Purchase/Construction: FY26

## Captains Bay Road and Utilities



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Grant	0	0	11,187,600	0	0	0	0	0	0	0	0	11,187,600
Wastewater Proprietary Fund	50,000	0	0	0	0	0	0	0	0	0	0	50,000
<b>Total</b>	<b>50,000</b>	<b>0</b>	<b>11,187,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,237,600</b>



# FY25-34 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 and is a WAG 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.

## 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	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Wastewater Proprietary Fund	0	0	0	50,000	145,500	0	0	0	0	0	0	195,500
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>145,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>195,500</b>

# FY25-34 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
<b>Subtotal</b>	<b>\$250,000</b>
Contingency (30%)	\$75,000
<b>Total Funding Request</b>	<b>\$325,000</b>

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Wastewater Proprietary Fund	0	0	0	0	0	50,000	275,000	0	0	0	0	325,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>275,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>325,000</b>

# FY25-34 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: FY  
 Engineering/Design: FY26  
 Purchase/Construction: FY27



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

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Wastewater Proprietary Fund		0	0	20,000	71,000	0	0	0	0	0	0	91,000
<b>Total</b>		0	0	20,000	71,000	0	0	0	0	0	0	91,000



# FY25-34 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 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 Water Proprietary Fund. Total cost for this project is estimated at \$396,500.

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

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
<b>Water Proprietary Fund</b>		0	0	0	396,500	0	0	0	0	0	0	396,500
<b>Total</b>		0	0	0	396,500	0	0	0	0	0	0	396,500

## Biorka Drive Cast Iron Waterline Replacement

Water

### Estimated Project & Purchase Timeline

Pre Design: FY28

Engineering/Design: FY28

Purchase/Construction: FY29



# FY25-34 CMMP

## Icy Lake Capacity Increase & Snow Basin Diversion Water

### Estimated Project & Purchase Timeline

Pre Design: FY30

Engineering/Design: FY31

Purchase/Construction: FY31

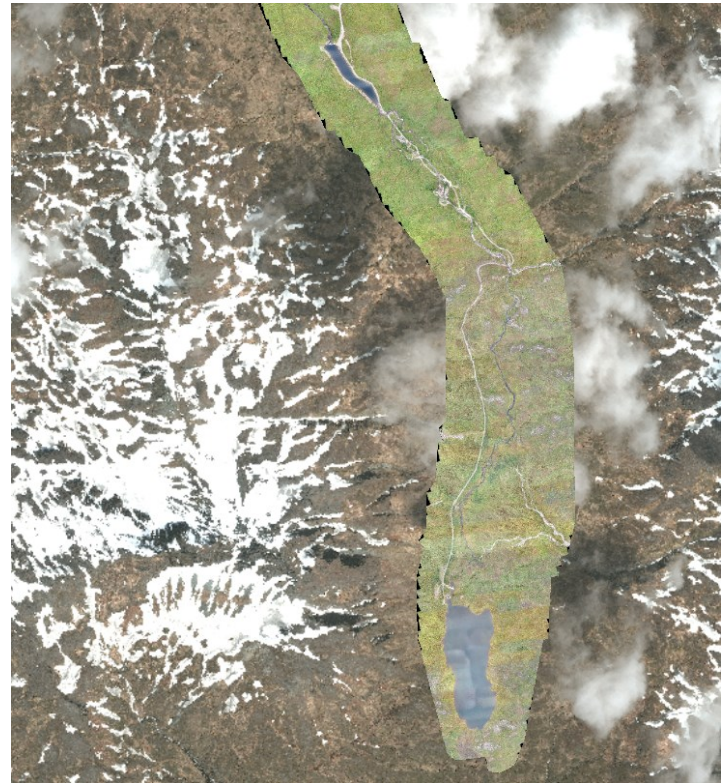
**Project Description:** This project will increase the height of the existing dam on the north side of Icy Lake and construct a new dam on the south end of Icy Lake. The 2006 Golder-letter the project describes as follows:

- 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, with the intent 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, then the result would be water rationing and having to reduce fish processing throughput or diverting fish to processors in other communities.

**Development Plan & Status :** The budget for this project was estimated from the Water Master Plan and is a approximate guess 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 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	
<b>Subtotal</b>	<b>2,200,000</b>
Contingency (30%)	\$660,000
<b>Total Funding Request</b>	<b>2,860,000</b>



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
<b>Water Proprietary Fund</b>	0	0	0	0	0	0	0	2,860,000	0	0	0	2,860,000
<b>Total</b>	0	0	0	0	0	0	0	2,860,000	0	0	0	2,860,000

# FY25-34 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 and is a WAG at this point in the process. 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
<b>Subtotal</b>		<b>\$300,000</b>
Contingency (30%)		\$90,000
<b>Total Funding Request</b>		<b>\$390,000</b>

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Water Proprietary Fund	0	0	0	0	0	70,000	320,000	0	0	0	0	390,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70,000</b>	<b>320,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>390,000</b>

# FY25-34 CMMP

## Pyramid Water Storage Tank Water

### Estimated Project & Purchase Timeline

Pre Design: FY14

Engineering/Design: FY25

Purchase/Construction: FY27

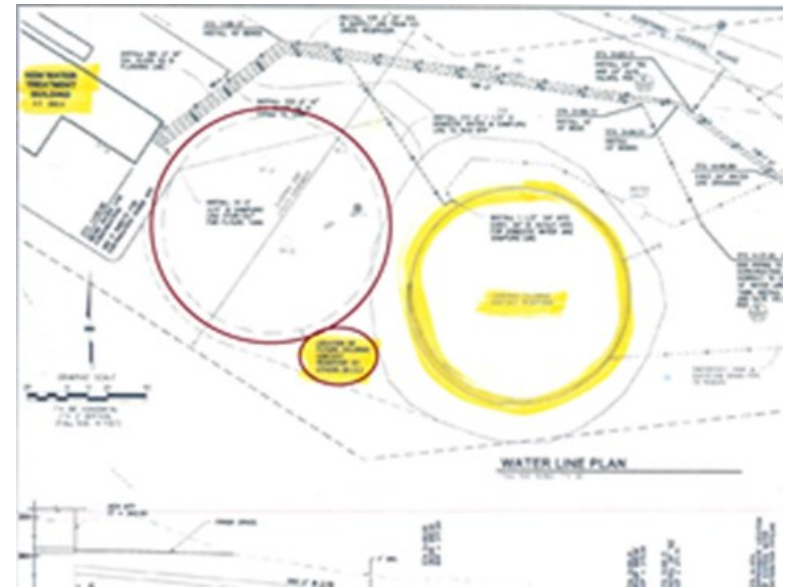
**Project Description:** This project will construct a second 2.6 million gallon Chlorine Contact Tank (CT Tank) next to the existing CT Tank. It will provide much needed clear water storage and enable maintenance to be done on the interior of either tank regardless of process seasons or weather. The 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	-
<b>Subtotal</b>	<b>7,026,879</b>
Contingency (set at 30%)	2,108,064
<b>TOTAL</b>	<b>9,134,943</b>
Less Other Funding Sources (Grants, etc.)	-



Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
<b>Water Proprietary Fund</b>	1,228,750	0	0	7,906,193	0	0	0	0	0	0	0	9,134,943
<b>Total</b>	1,228,750	0	0	7,906,193	0	0	0	0	0	0	0	9,134,943



# FY25-34 CMMP

## Sediment Traps Between Icy Lake and Icy Creek Reservoir Water

### Estimated Project & Purchase Timeline

Pre Design: FY26

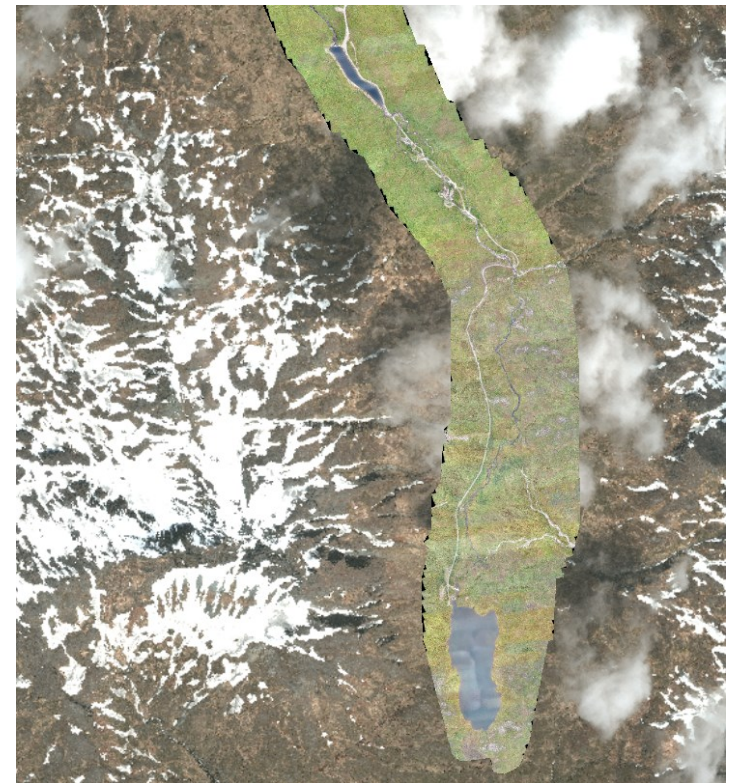
Engineering/Design: FY26

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	
<b>Subtotal</b>	<b>\$500,000</b>
Contingency (30%)	\$150,000
<b>Total Funding Request</b>	<b>\$650,000</b>

Source	Appropriated	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
<b>Water Proprietary Fund</b>	0	0	650,000	0	0	0	0	0	0	0	0	650,000
<b>Total</b>	0	0	650,000	0	0	0	0	0	0	0	0	650,000





CITY OF UNALASKA  
UNALASKA, ALASKA

ORDINANCE 2024-07

CREATING BUDGET AMENDMENT #7 TO THE FISCAL YEAR 2024 BUDGET, INCREASING THE ELECTRIC DISTRIBUTION OPERATING BUDGET BY \$350,000 TO COVER A FINANCIAL SHORTFALL FOR THE PROFESSIONAL SERVICES AGREEMENT WITH OPTIMERA AND INCREASING THE ELECTRIC ADMIN OPERATING BUDGET BY \$130,000 FOR THE EPS CONSULTING SERVICES AGREEMENT.

BE IT ENACTED BY THE UNALASKA CITY COUNCIL

- Section 1. Classification: This is a non-code ordinance.  
Section 2. Effective Date: This ordinance becomes effective upon adoption.  
Section 3. Content: The City of Unalaska FY24 Budget is amended as follows:

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

**Amendment No. 7 to Ordinance 2023-03**

	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
<b>I. OPERATING BUDGETS</b>			
<b>A. Electric Fund</b>			
Sources:			
Electric Fund - Budgeted Use of Unrestricted Net Assets	\$ 3,577,524	\$ 480,000	\$ 4,057,524
Uses:			
Electric Fund - Utility Administration Expenses	\$ 5,173,031	\$ 130,000	\$ 5,303,031
Electric Fund - Power Distribution Expenses	\$ 1,421,907	\$ 350,000	\$ 1,771,907

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 28, 2024.

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

Attest:

\_\_\_\_\_  
Estkarlen P. Magdaong  
City Clerk

**City of Unalaska**  
**Summary of Budget Amendment and Schedule of Proposed Accounts**  
**FY24 Budget Amendment 7**

- 1) Electric Fund Operating Budget
  - Add \$480,000 to Budgeted Use of Unrestricted Net Assets
  - Add \$130,000 to Electric Utility Admin - Other Professional Services
  - Add \$350,000 to Electric Distribution - Other Professional Services

	<u>Org</u>	<u>Object</u>	<u>Project</u>	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
<b>1) <u>Electric Fund - Operating Budget</u></b>						
<b>Sources:</b>						
Budgeted Use of Unrestricted Net Assets	50015049	49910		\$ 3,577,524	\$ 480,000	\$ 4,057,524
<b>Uses:</b>						
Electric Utility Admin - Other Professional Svc	50024052	53300		\$ 58,000	\$ 130,000	\$ 188,000
Electric Distribution - Other Professional Svc	50024252	53300		\$ 903,000	\$ 350,000	\$ 1,253,000

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Erik Hernandez, Acting Utilities Director  
Through: William Homka, City Manager  
Date: 5/14/2024  
Re: Ordinance 2024-07: Creating Budget Amendment #7 to the fiscal year 2024, increasing the Electric Distribution Operating Budget by \$350,000 to cover financial shortfall of professional services agreement with OptimERA Inc. and the Electric Admin Budget by \$130,000 for the EPS consulting services.

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**SUMMARY:** Ordinance 2024-07 will increase the Electric budget to cover additional expenses and shortfalls not included in the original budget.

**PREVIOUS COUNCIL ACTION:**

**Linemen Contract:** 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. Resolution 2023-46: Authorized the City Manager to enter into an agreement extension with OptimERA Holdings Inc. for Electric Lineman Services

**EPS Contract:** Resolution 2024-03 Authorized the City Manager to enter into a contract with Electric Power Solutions, Inc., in an amount not to exceed \$130,000 on February 13, 2024.

**BACKGROUND:**

**Lineman Contract:** The Electric Distribution's original operating budget did not include funding for all costs associated with the contract extension authorized November 28, 2024. Since the beginning of FY24, OptimERA has been able to fulfill their contractual obligation by providing a lineman chief and three rotating linemen staff. The proposed contract estimated coverage at \$1,514,165, the total costs in professional services for OptimERA's services for FY24 is estimated at \$1,321,365.21.

**EPS Contract:** After Council did not consider a fourth amendment to the OCCP PPA staff began re-evaluating its power needs and alternatives to meet current and future demands. In order to proceed in a direction that was in the best interest of the City and to ensure informed decisions were made for the successful growth of the organization, a proposal was requested from EPS for their consulting services to evaluate the City's power needs and potential development.

**DISCUSSION:**

**Lineman Contract:** This increase will allow the Electric Distribution Division to continue utilizing OptimERA's lineman services through the end of the fiscal year.

**EPS Contract:** In order to proceed with EPS' proposal to evaluate the City's power needs, adequate funding needs to be allocated. As mentioned in the previous memo, there are ample funds available in the Electric account.

**ALTERNATIVES:** Council may choose approve, disapprove or modify the requested amounts. However, funding the lineman contract is highly recommended to ensure proper operation of the power grid, limiting potential power outages as well as other potential liabilities related to disruption in service. If Council chooses to modify the amount requested for the lineman contract non-emergency work and non-personnel spending will be halted.

**FINANCIAL IMPLICATIONS:** A total of \$480,000 from the Electric Proprietary fund will be allocated to the Electric Distribution Operations and Electric Admin budgets.

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff recommends approval.

**PROPOSED MOTION:** I move to introduce Ordinance 2024-07 and schedule it for public hearing and second reading on May 28, 2024.

**CITY MANAGER COMMENTS:** I support staff's recommendation.

**ATTACHMENTS:**

Resolution 2023-46  
Resolution 2024-03

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



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## MEMORANDUM TO COUNCIL

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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

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**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

SECOND AMENDMENT TO  
JOURNEYMAN LINEMAN/CHIEF CONSTRUCTION ASSISTANCE AGREEMENT

This Second Amendment to Journeyman Lineman/Chief Construction Assistance Agreement amends DOL contract # 22-05-60304A, **JOURNEYMAN LINEMAN CHIEF CONSTRUCTION ASSISTANCE AGREEMENT (“Contract”)** signed on 05/04/2022 and Amended on 09/15/2022, attached for reference, between the City of Unalaska (“Utility” or “City”) and OptimERA Holdings, Inc. (“Contractor”). This Amendment shall become effective on the last date signed below (“Effective Date”).

**I. Amendment to Article 1.** Article 1 of the Contract is hereby amended to read as follows:

**1. Services to be performed.**

- A. Subject to the terms of the Contract, Contractor shall provide its best efforts to provide Utility with supplement staffing necessary to maintain a total of **four (4)** full-time Linemen (*i.e.*, the total of full-time Contracted Linemen provided by Contractor in addition to Utility’s employee Lineman or Linemen or apprentices shall not exceed a total of four). Contractor may provide multiple part-time Contracted Linemen to equal a full-time lineman.
- B. Additional Contact employees 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.
- C. Full-time is defined as forty (40) hours a week for each Contracted Lineman. Overtime must be approved and directed by Utility.
- D. Except as otherwise required by context, “Lineman” and “Linemen” shall include Line Chief, Lineman, and/or Apprentices.
- E. For all services performed under this Contract, 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.

**II. Amendment to Article 2.** Article 2 of the Contract is hereby amended to read as follows:

**2. Compensation.**

- A. *Fees.* In consideration for the services to be performed by Contractor, City agrees to pay Contractor hourly wages based on the attached rate sheet, Appendix A, with hourly charges determined by the actual hours Contractor’s Linemen perform work for Utility:

***1. Applicable Hourly wages per attached Rate Sheet Appendix A “2023 Rate Sheet – OptimERA xG”***

2. On-Call work-\$950.00/week, per Lineman
3. Call-Outs shall incur charges for a minimum of two hours or actual hours worked, whichever is greater.
4. Certified payroll Fees - \$800.00/week
5. DOL Project Filing Fees – *N/A*
6. Travel – Expenses for rotational employees shall not exceed an average monthly cost of \$7,050/mo. per rotational position.
  - (i) Expenses shall be reimbursed at actual value.
  - (ii) Receipts shall be provided upon request.
  - (iii) Reimbursement shall include costs related to travel, hotels, per diem, utilities and other expenses directly related to the employment of rotation contract employees.
7. ***Consulting and Technical Service***
  - (i) ***Power and Utility Consulting and Technical Assistance – \$225/hr (~3 months or 480 hours) - \$110,000***
  - (ii) ***Electrical Technician—40/week @ \$150/hr for 48 Weeks Annually—\$290,000***
8. DOL Mandated Wage Increases – DOL wages may be adjusted, as applicable during the term of the contract to fulfill the mandatory wage adjustments per, Title 36 AS 36.05 & AS 36.10. Rates shall not be adjusted greater than the price difference of the current wage and new wage mandated by Title 36.
9. Total Compensation.
  - (i) The total compensation paid to Contractor annually under this Agreement shall not exceed ***\$1,514,164.***

**III. Article 6.** Article 6 of the Contract is hereby amended to read as follows:

**6. Termination and Reduction of Linemen Due to Utility Staffing.**

The City of Unalaska may proceed with staffing and onboarding of new employees during the Term of this Contract. At no time shall a mandatory reduction in staffing, by the contractor, be required during the Term of the Contract.

~~Restaffing, by the Contractor, to fulfill the contract staffing levels, including Utility Employees shall be ongoing, as per the Contract Term.~~

~~A. City of Unalaska will continue to proceed with staffing and onboarding of new employees during the Term of this Contract which shall be one (1) year from the Effective Date of this Second Amendment (“Contract Term”).~~

~~B. During the Contract Term, any redundancy in staffing between Contractor provided staffing and Utility provided staffing shall be reduced, by the Contractor.~~

- ~~C. Reduction in staffing shall commence starting from the first (1st) day of work of the Utility employee, terminating twenty four (24) weeks thereafter or the last day of the month in which the twenty fourth (24th) week falls, whichever is later.~~
- ~~D. Any staffing reduction process shall finalize with Termination of the Contract or continue with any adopted extensions to the Contract Term, maintaining the original start date. Restaffing by the Contractor to accommodate contract staffing levels shall be ongoing for the Contract Term to fill all open positions.~~

IV. **Amendment to Article 9.** Article 9 of the Contract is hereby amended to read as follows:

**9. Contractor Staffing Qualifications & Restrictions.**

*A. Line Chief*

1. Maximum of one (1) full-time position
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska
3. Minimum 3 years supervisor role
4. Experience may be supplemented by practical experience of the local distribution system and applicable higher education.

*B. Lineman*

1. Maximum of ~~four~~ (4) full-time positions, including Utility Staffing
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska.
3. Experience with install and maintenance of municipal distribution systems

*C. Apprentices*

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

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

**V. Amendment to Article 10.** Article 10 of the Contract is hereby amended to read as follows:

**10. Work Week/Hours.**

- A. *Work Week.* The work week shall begin on Monday of each week through Sunday the same week.
- B. *Normal Work Hours.* Normal Work Hours are defined as Monday through Friday, 8:00 AM through 5:00 PM, not including holidays or approved leave.
- C. *Call-Out & On-Call.* 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:
  - 1. On-Call status shall be requested no later than 48 hours before the start of the work week, for a period no less than 1 week, defined as 7 consecutive days, including holidays, starting on the Monday of the work week.
  - 2. On-Call availability is not guaranteed until requested and approved by both the Utility and Contractor.
  - 3. Call-Outs are defined as unscheduled work outside of Normal Work Hours that is not covered by On-Call status.
  - 4. Call-Out requests shall be made by Utility's POC to Contractor's POC, ***with exception during an emergency outage or to restore services to normal operation.***
- D. *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.
- E. *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.
- F. Any discrepancies on hours, clarification of rates, the State of Alaska DOL rules and Regulations as required by Title 36 AS 36.05 & AS 36.10 shall take precedent.

**VI. Amendment to Article 11.** Article 11 of the Contract is hereby amended to read as follows:

**11. Procurement and Approval Procedures.**

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:

- A. Request or approval of LPOs (Local Purchase Orders);

- B. Requests for procurement of services or materials and/or approval of requisition in process;
- C. Direct ordering of supplies or materials; or
- D. Approval of any City permits, applications, or other documents requiring City authority.

**Addition of Article 17.** Article 17 of the Contract is hereby added to read as follows:

**17. Term and Renewal**

The Term of the Contract shall begin on the Effective Date and extend for 12 months thereafter. 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, after the initial 12-month term, shall be given no less than one month in advance for termination of the contract by either party. Additional billables shall be in addition to the Total Compensation of the Current Term and at the rates of the Current Term.

**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: \_\_\_\_\_



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To: City of Unalaska, City Manager  
Date 8/10/2023  
Re: Second amendment to Electrical Support Contract # 22-05-60304A

## PROPOSAL

### 2023 CITY OF UNALASKA ELECTRICAL UTILITY SUPPORT CONTRACT

#### **1. BACKGROUND:**

Over the past 18 months, we've worked with the City of Unalaska Utility to provide emergency and supplemental staffing for the Electric Line Department. Our current 12-month contract aimed to offer two additional line positions. However, we've faced significant challenges:

- 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.
- Uncertainty of employment term created doubt with potential labor pool.

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#### **2. PREVIOUS AGREEMENT:**

We initially provided emergency staffing with the understanding this was a short-term solution. We hoped to phase out as the Utility hired directly. This has yet to materialize, leading to operational inefficiencies in staffing. Currently though our spending still remains below budget (\$685,934 of a \$1,006,000 allocation).

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#### **3. CURRENT CHALLENGES:**

- Short contract term and fluctuating staffing levels complicate recruitment.
- Too much time is spent hiring, detracting from project execution.
- The uncertainty affects operational efficiency.

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#### 4. NEW PROPOSAL:

Based on our experiences, we propose the following changes to the contract:

- **Extended Term:** Move beyond a 12-month contract to a 5-year term.
- **Increased Staffing:** Raise line positions from 3 to 4, eliminating mandatory staff reductions.
- **Additional Roles:** Include staffing for the Electrical Technician position.
- **General Support & Consulting:** Offer broad support as needed and consulting for ongoing Utility projects.

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#### 5. FINANCIALS:

The proposed changes lead to:

- A prospective staffing increase of 112%.
- An annual budget increase of ~78%.
- A more significant labor pool will reduce recruitment effort and improve overall effectiveness.
- We offer labor rate discounts of 3-6% for lineman positions beyond the first hire.

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#### 6. CONCLUSION:

A longer, more stable contract term is critical for recruiting and retaining quality staff. This proposed contract provides the stability needed to optimize recruitment efforts, enhance operational efficiency, and better serve the City of Unalaska. With the utility's long-term goals focused on build up for the integration and distribution of generation from the geo-thermal development project at Makushin, this term will allow focus on creating a stable support platform for the construction leading up to, during and after the project operational date.

Thank you for your time and consideration of the proposed contract.

Matthew M Scott  
Chief Operations Officer, EA #132367  
OptimERA xG

### Annual Budget Overview

	<u>Line Item</u>	<u>QTY</u>	<u>Unit Rate</u>	<u>Budget</u>	<u>Description</u>
NEW	Consulting/Tech Services	1	\$ 225.00	\$ 108,000.00	Approx 480 Hours, NTE extend by addendum only
NEW	Engineer Technician	1	\$ 150.00	\$ 288,000.00	Approx 48 weeks @ 40hr/WK NTE extend by addendum only
No Change from 2022	Line chief	1	\$ 240.00	\$ 460,800.00	Annual Budget 48 weeks @ 40hr/WK
+ one from 2022	Lineman	2	\$ 195.00	\$ 748,800.00	Annual Budget 48 weeks @ 40hr/WK
No Change from 2022	ON-call	1	\$ 950.00	\$ 49,400.00	Annual Budget - On Call Service (optional)
No Change from 2022	Cert-Payroll	1	\$ 800.00	\$ 41,600.00	Annual Budget - Fixed cost Admin Fee
No Change from 2022	Travel/mo.	1	\$ 7,050.00	\$ 84,600.00	Annual Budget - NTE Billed at Actual Receipts

<u>Line Staffing Budget</u>	
\$1,385,200.00	Base Proposed 2023 Line Staffing Cost
\$ 78,036.00	Full Staffing discount 4 full position 6%
\$ 39,018.00	Partial Staffing discount 3 full positions 3%

<u>2022 to 2023 proposed comparison</u>	
\$1,391,764.00	Estimated Line expense
\$ 685,939.14	Actual to date 2022 Line Expense
\$1,006,200.00	2022 Budget

<u>Total Proposed Budget with additional consulting and staffing</u>	
<b>\$1,787,764.00</b>	Estimated Total Support
\$ 781,564.00	Increase from 2022 Budget
78%	% increase from 2022 Budget

SECOND AMENDMENT TO  
JOURNEYMAN LINEMAN/CHIEF CONSTRUCTION ASSISTANCE AGREEMENT

This Second Amendment to Journeyman Lineman/Chief Construction Assistance Agreement amends DOL contract # 22-05-60304A, **JOURNEYMAN LINEMAN CHIEF CONSTRUCTION ASSISTANCE AGREEMENT (“Contract”)** signed on 05/04/2022 and Amended on 09/15/2022, attached for reference, between the City of Unalaska (“Utility” or “City”) and OptimERA Holdings, Inc. (“Contractor”). This Amendment shall become effective on the last date signed below (“Effective Date”).

**I. Amendment to Article 1.** Article 1 of the Contract is hereby amended to read as follows:

**1. Services to be performed.**

- A. Subject to the terms of the Contract, Contractor shall provide its best efforts to provide Utility with supplement staffing necessary to maintain a total of **four (4)** full-time Linemen (*i.e.*, the total of full-time Contracted Linemen provided by Contractor in addition to Utility’s employee Lineman or Linemen or apprentices shall not exceed a total of four). Contractor may provide multiple part-time Contracted Linemen to equal a full-time lineman.
- B. Additional Contact employees 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.
- C. Full-time is defined as forty (40) hours a week for each Contracted Lineman. Overtime must be approved and directed by Utility.
- D. Except as otherwise required by context, “Lineman” and “Linemen” shall include Line Chief, Lineman, and/or Apprentices.
- E. For all services performed under this Contract, 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.

**II. Amendment to Article 2.** Article 2 of the Contract is hereby amended to read as follows:

**2. Compensation.**

- A, *Fees.* In consideration for the services to be performed by Contractor, City agrees to pay Contractor hourly wages based on the attached rate sheet, Appendix A, with hourly charges determined by the actual hours Contractor’s Linemen perform work for Utility:

***1. Applicable Hourly wages per attached Rate Sheet Appendix A “2023 Rate Sheet – OptimERA xG”***

2. On-Call work-\$950.00/week, per Lineman
3. Call-Outs shall incur charges for a minimum of two hours or actual hours worked, whichever is greater.
4. Certified payroll Fees - \$800.00/week
5. DOL Project Filing Fees – *N/A*
6. Travel – Expenses for rotational employees shall not exceed an average monthly cost of \$7,050/mo. per rotational position.
  - (i) Expenses shall be reimbursed at actual value.
  - (ii) Receipts shall be provided upon request.
  - (iii) Reimbursement shall include costs related to travel, hotels, per diem, utilities and other expenses directly related to the employment of rotation contract employees.
7. ***Consulting and Technical Service***
  - (i) ***Power and Utility Consulting and Technical Assistance – \$225/hr (~3 months or 480 hours) - \$110,000***
  - (ii) ***Electrical Technician – 40/week @ \$150/hr for 48 Weeks Annually - \$290,000***
8. DOL Mandated Wage Increases – DOL wages may be adjusted, as applicable during the term of the contract to fulfill the mandatory wage adjustments per, Title 36 AS 36.05 & AS 36.10. Rates shall not be adjusted greater than the price difference of the current wage and new wage mandated by Title 36.
9. Total Compensation.
  - (i) The total compensation paid to Contractor annually under this Agreement shall not exceed ***\$1,787,764.***

**III. Article 6.** Article 6 of the Contract is hereby amended to read as follows:

**6. Termination and Reduction of Linemen Due to Utility Staffing.**

City of Unalaska may continue to proceed with staffing and onboarding of new employees during the Term of this Contract. At no time shall a mandatory reduction in staffing, by the contractor, be required during the Term of the Contract.

Restaffing, by the Contractor, to fulfill the contract staffing levels, including Utility Employees shall be ongoing, as per the Contract Term.

**IV. Amendment to Article 9.** Article 9 of the Contract is hereby amended to read as follows:

**9. Contractor Staffing Qualifications & Restrictions.**

*A. Line Chief*

1. Maximum of one (1) full-time position
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska
3. Minimum 3 years supervisor role
4. Experience may be supplemented by practical experience of the local distribution system and applicable higher education.

*B. Lineman*

1. Maximum of **four (4)** full-time positions, including Utility Staffing
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska.
3. Experience with install and maintenance of municipal distribution systems

*C. Apprentices*

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

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

**V. Amendment to Article 10.** Article 10 of the Contract is hereby amended to read as follows:

**10. Work Week/Hours.**

- A. Work Week.* The work week shall begin on Monday of each week through Sunday the same week.
- B. Normal Work Hours.* Normal Work Hours are defined as Monday through Friday, 8:00 AM through 5:00 PM, not including holidays or approved leave.
- C. Call-Out & On-Call.* 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:



1. On-Call status shall be requested no later than 48 hours before the start of the work week, for a period no less than 1 week, defined as 7 consecutive days, including holidays, starting on the Monday of the work week.
  2. On-Call availability is not guaranteed until requested and approved by both the Utility and Contractor.
  3. Call-Outs are defined as unscheduled work outside of Normal Work Hours that is not covered by On-Call status.
  4. Call-Out requests shall be made by Utility's POC to Contractor's POC, *with exception during an emergency outage or to restore services to normal operation.*
- D. *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.
- E. *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.
- F. Any discrepancies on hours, clarification of rates, the State of Alaska DOL rules and Regulations as required by Title 36 AS 36.05 & AS 36.10 shall take precedent.

**VI. Amendment to Article 11.** Article 11 of the Contract is hereby amended to read as follows:

**11. Procurement and Approval Procedures.**

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:

- A. Request or approval of LPOs (Local Purchase Orders);
- B. Requests for procurement of services or materials and/or approval of requisition in process;
- C. Direct ordering of supplies or materials; or
- D. Approval of any City permits, applications, or other documents requiring City authority.

**VII. Article 12.**

**12. Chain of Command.**

- A. All normal day-to-day work direction and scheduling shall be at the direction of the City's POC or on-site designee.

- B. Notice of POC change shall be given no less than forty-eight (48) hours in advance of a change, under normal circumstances, excluding unforeseen staffing changes.
- C. 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 acknowledged by both parties.
- D. At no time shall either party request direction or give direction outside of these channels.
- E. 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.
- F. Point of Contact ("POC"):

For Utility:

For Contractor:

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

**VIII. Article 13.**

**13. Contract Employee Approval**

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.

**IX. Article 14.**

**14. Non-solicitation.**

- A. During the term of the Contract and for a period extending for one (1) year thereafter, the City shall not encourage or solicit any employee, vendor or client of Contractor to leave or terminate their relationship with Contractor. This section shall not prohibit any Contractor employee from applying to any publicly noticed opening with City nor prohibit City from hiring such person; provided, however, that The City shall not satisfy any of its obligations under this Agreement with services performed or offered to be performed by a Lineman who was a Contractor employee at any time during the term of this Agreement.
- B. During the term of the Contract and for a period extending for one (1) year thereafter, Contractor shall not encourage or solicit any City employees to leave or terminate their relationship with the City. This section shall not prohibit any City employee from applying to any publicly noticed opening with Contractor nor prohibit Contractor from hiring such person; provided, however, that Contractor shall not satisfy any of its obligations under this Agreement with services performed or offered to be performed by a Lineman who was a City employee at any time during the term of this Agreement.

**X. Article 15.**

**15. Access to City Facilities.**

- A. 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 or file structures and buildings during normal and unscheduled times, as needed to perform day to day tasks as directed.
- B. Other than is authorized for all members of the public, Contractor’s employees shall not use City premises or property for any purpose other than those to furnish the Services.

**XI. Article 16.**

**16. Relationship.**

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.

**XII. Addition of Article 17.** Article 17 of the Contract is hereby added to read as follows:

**17. Term and renewal**

The Term of the Contract shall begin on the last date signed below and extend for 5 years thereafter. Upon expiration of the current Term the contract shall remain in effect under the current terms on a month-to-month basis, until an amended contract is put into place, or either party terminates their participation in the contract. Notice shall be given no less than one month in advance for termination of the contract by either party. The contract shall terminate on the date specified in the written notice, no earlier than 30 days from the date of notice. Termination of the contract, without cause or due to a breach of the terms of the contract shall constitute a financial responsibility of The Utility to compensate for the remainder of the contract term at the current contract levels being delivered at the time of contract termination.

**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: \_\_\_\_\_

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2024-03

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH ELECTRIC POWER SYSTEMS, INC. IN AN AMOUNT NOT TO EXCEED \$130,000

WHEREAS, the City needs information about electric power generation sources to address future demand; and

WHEREAS, the City's electric rate utility consultant, Electric Power Systems Inc. (EPS) is very familiar with our generation and distribution systems; and

WHEREAS, EPS submitted a proposal to prepare a study of Unalaska's power generation options, distribution system readiness, and a variety of work required to provide the City recommendations for meeting future electric demands; and

WHEREAS, EPS needs to subcontract with other vendors to acquire expertise about permitting with the Environmental Protection Agency and others to understand opportunities and constraints; and

WHEREAS, the study proposal will cost up to \$130,000 to be paid from the electric proprietary fund.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the City Manager to enter into an agreement with Electric Power Systems, Inc., for a cost not to exceed \$130,000, to be paid from the electric proprietary fund.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on February 13, 2024.

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

ATTEST:

  
\_\_\_\_\_  
Estkarlen P. Magdaong  
City Clerk



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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: William Homka, City Manager  
Date: February 13, 2024  
Re: Resolution 2024-03 Authorizing the City Manager to enter into a contract with Electric Power Solutions, Inc., in an amount not to exceed \$130,000

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**SUMMARY:** The City of Unalaska needs a plan for power generation. The geothermal project timeline is delayed and the project is not scheduled to come online anytime soon. Trident Seafoods seeks 14MW of electric power for its new facility at the end of Captains Bay Road. We need an alternate plan to provide power.

**PREVIOUS COUNCIL ACTION:** None.

**BACKGROUND:** V3 Energy LLC completed a wind power study for Unalaska around the same time the OCCP geothermal power project began to take shape. V3's results indicated there is sufficient wind in Pyramid Valley to erect wind turbines that would each generate 1MW. We paused our interest in other sources of green energy after the geothermal project began to take shape.

Now we must evaluate our options for generating up to 15 MW of power in time to be a source for Trident Seafoods' new processing facility proposed at the end of Captains Bay Road. Even if geothermal was successful, the timeline does not line up with that for the facility's opening. We need a plan for the gap, or as the new generation source for Unalaska's future. We prefer green energy solutions, however we may need to pursue diesel generation too.

Electric Power Systems, Inc. (EPS) is the company who produced our past utility studies. EPS knows our generation and distribution systems and was contacted to provide assistance with analyzing how to move forward in light of Trident Seafoods' request for energy. The EPS proposal is for \$88,340. EPS needs to subcontract for additional services regarding air permit analysis. They propose to use HMS Consulting and the cost for their work is not included in the proposal, but they estimate the cost will be \$20,000 - \$30,000. I recommend the studies be paid from the Electric Proprietary Fund since it is about the electric grid and generation capabilities. The EPS proposal is attached.

**DISCUSSION:** The V3 study estimates the cost for wind turbines to range between \$9 million for one tower and \$40 million for five. There are a variety of system and construction variables. The City is eligible for carbon reduction credits worth about 40% of the total cost, or \$16 million. The credits would be a cash payment to the City. In effect we might be able to erect 5 MW of power for about \$24 million.

We do not know an estimated cost for the work to construct a new diesel generation plant. The proposed EPS study will offer options for conventional (fossil fuel) generation to existing resources at the Dutch Harbor Power Plant, in another location yet to be determined or a combination of the two.

In addition, a distribution load flow analysis will evaluate the suitability of the existing distribution system and determine if any upgrades may be required in conjunction with the proposed power source for the Trident load. This requires new air permits from the EPA, a load flow study to model Unalaska's existing electrical system, evaluation of energy storage systems, and site options among other study items.

City Council needs to authorize the City Manager to enter into a contract with EPS for an amount not to exceed \$130,000 to be paid from the electric proprietary fund. There are ample funds in the account.

**ALTERNATIVES:** Wind generation, combination of wind and diesel generation.

**FINANCIAL IMPLICATIONS:** The study may cost up to \$130,000 after EPS, HMM Consulting and other associated costs.

**LEGAL:** No legal review required.

**CITY MANAGER RECOMMENDATION:** Staff recommends approval of this resolution.

**PROPOSED MOTION:** I move to adopt Resolution 2024-03.

**ATTACHMENT:** EPS Proposal



January 17, 2024

Bil Homka  
City of Unalaska  
43 Raven Way  
Unalaska, Alaska 99685  
(907) 581 1251  
bhomka@ci.unalaska.ak.us

**Subject: Proposal for Generation and Distribution Study for  
Trident Seafoods Development**

Electric Power Systems (EPS) understands that Trident Seafoods intends to develop a new processing facility in Unalaska. This is a proposal to study options for adding 15MW of conventional (fossil fuel) generation to existing resources at the Dutch Harbor Power Plant (DHPP), in another location yet to be determined or a combination of the two. In addition, a distribution load flow analysis will evaluate the suitability of the existing distribution system and determine if any upgrades may be required in conjunction with the proposed power source for the Trident load.

### Scope of Work

The final deliverable will be a report that covers the following topics.

#### **Air Permitting Coordination**

We acknowledge that Unalaska wishes to avoid triggering a PSD study caused by exceeding approved emissions limits. Assessing how much capacity can be added to DHPP without triggering a PSD study will require coordinating with Unalaska's air permitting consultants. EPS contacted HMH Consulting (HMH) during development of this proposal and understands that HMH has performed recent modeling for the City that will be applicable to this study. It is necessary that HMH is directly involved in the study to assess technical solutions proposed by the EPS team. The cost for HMH's involvement is excluded from this proposal - it is assumed that the City would prefer to contract directly through the existing service agreement between the City and HMH. However, if that is not the case, EPS can include the cost of HMH in our Scope of Work.

#### **Load Flow Study**

EPS will perform electrical studies to evaluate the infrastructure needs and impacts to the system of the Trident load. We understand the impacts of the Makushin interconnection have previously been studied and a plan has been proposed by the developer's engineer. EPS will model the City of Unalaska's electrical





system using ETAP software. Power flow studies will be performed to evaluate voltage regulation along with the ability of the system to adequately supply all the projected loads. The results of the power flow study will be used to assist with the evaluation of the new plant, planning for required upgrades and recommended operating configurations. If necessary, we can include the modeling of the Makushin project in this scope after we evaluate the proposed interconnection method and equipment.

### **Energy Storage Systems**

It is expected that some type of Energy Storage Systems (ESS) will be included in the final solution. This could be in the form of a BESS or Flywheel, depending on the needs identified as part of this study. The market availability, cost, and numerous advantages of energy storage will make some level of energy storage worthwhile regardless of whether additional renewables are added to the system. In addition, ESS solutions are often the subject of federally funded grant opportunities.

### **DHPP Capacity Analysis**

The study will seek to understand how much capacity can be gained at DHPP by lowering NOX emissions through unit replacements or SCR retrofits on existing units. Offsetting the need for new installations through retrofit of existing units has obvious cost and operational advantages. In addition, it may be the only viable pathway to increasing output without development of a new site that is physically removed from the boundaries of the Title V permit.

### **New Generation Options**

Conventional reciprocating generation additions will be based on proven medium speed solutions such as the CAT C280 or the EMD 12SE23B. In addition, the project team will review the newer Wabtec V250MDC that has fewer proven operating hours, but some technical advantages. All options proposed will be T4 or T4i certified to allow the maximum capacity and future growth under existing emissions limits.

Depending on load profile and siting, Brayton Cycle turbine options may be suitable. Turbine options are inefficient when operating in a single-cycle mode, but can be economically viable when paired with large heating loads.

Based on the forecast load profile for the Trident plant, EPS will determine if the base load of the plant can be absorbed with existing generation and determine the impact of supplying only the peaking load with augmented generation.

### **Alternate Site Options**

Alternate sites for power generation will be considered based on the City's input and resources. During conversations with HMM, they noted that there is an available emissions cap at the Valley Power Module and that additional emissions sources nearby would not trigger a PSD review at DHPP. This study will review that site and others to determine if future development is possible.



## Cost Estimate

No.	Item	Hours	Labor	Subcontract, Expenses	Cost
1	Air Permit Coordination*	16	\$3,304	\$0	\$3,304
2	Load Flow Study	106	\$19,244	\$0	\$19,244
3	ESS Options	40	\$7,800	\$0	\$7,800
4	DHPP Capacity Analysis	56	\$12,184	\$0	\$12,184
5	New Generation Options	88	\$17,592	\$0	\$17,592
6	Alternate Site Options	96	\$18,144	\$0	\$18,144
7	ROM Cost Estimates	48	\$10,072	\$0	\$10,072
	<b>Total:</b>	450	\$88,340	\$0	\$88,340

\*A subcontract to HMM Consulting is not included in this estimate. A recommended budget for air permit consulting is \$20,000 to \$30,000.

## Assumptions and Clarifications

### Site Visit

It is assumed that a site visit will not be required at this phase of the project.

### Site-Specific Studies

As a result of this feasibility level study, EPS may recommend further geotechnical, civil, right of way, and environmental studies to further define costs and final selection. Fees for site investigations are not included in this proposal. For example, if a new generation plant to serve either the base load or peaking load of Trident, is the preferred solution, EPS would recommend and coordinate additional studies as needed to site and coordinate the feasibility development of the proposed plant(s).

### Study Coordination

This study will require extensive involvement from the City and HMM consulting. EPS will schedule and host weekly update meetings for an estimated 8-week duration of the initial study.

### Information Required to Complete the Study

To allow efficient and timely completion of the study, the following information will be required.

- Load profile estimate from Trident Seafoods with weekly averages.
- Estimate peak load and a daily load profile at an operational peak from Trident.
- Any additional loads being considered (additional processors, etc)

Please contact me at (907) 388-9554 or [jrowland@epsinc.com](mailto:jrowland@epsinc.com) if you have any questions.



## Electric Power Systems, Inc.

3305 Arctic Blvd Suite 201 ■ Anchorage, Alaska 99503 ■ Tel: (907) 552-1953

Sincerely,

A handwritten signature in blue ink that reads "Jason Rowland".

Jason Rowland, PE  
Sr. Mechanical Engineer