

MINUTES
CITY COUNCIL MEETING
July 18, 2023

I. CALL TO ORDER

Mayor Mercurief called the meeting to order at 9:05AM.

II. ROLL CALL

Council members present were Naomi Edenshaw, Daniel Porath, and Joseph Kozloff. A quorum was established. Council members Raymond Melovidov arrived at 9:06, Heidi Mercurief at 9:12 and Jason Bourdukofsky at 9:14.

III. APPROVAL OF AGENDA

CM Porath MOVED to Approve the agenda. Seconded by CM Kozloff. Mayor Mercurief recommended approving minutes as a block. There were no comments. MOTION to Approve the agenda carried by voice vote of 4 Ayes.

IV. APPROVAL OF MINUTES

CM Porath MOVED to Approve the minutes for June 20, 2023, and May 16, 2023. Seconded by CM Edenshaw. There were no comments. MOTION to Approve all minutes was passed with voice vote of 5 Ayes.

V. PERSONS TO ADDRESS THE COUNCIL

There was no one to address the council.

VI. REPORTS

A. Mayor

Mayor Mercurief attended interviews with a VPSO candidate. He believed the interview went well. He has not heard any updates on when the other candidate was coming to the island.

B. City Manager

Zavadil was off for a couple weeks so provided a verbal report. There were VPSO interviews with Kevin Davis and David Atkinson. He stated that there will be a travel update on VPSO Kevin Davis by Friday 7/21/23. Davis did start mailing boxes and is finishing up cases in Adak before travel. Michael Nemeth followed-up with Atkinson and found out that he wanted to change his start date to January 2024. Nemeth does have other candidates. Incidents that are happening are being documented for the VPSO to follow-up on. Anything immediate is being sent to the Trooper that is covering our area. None have risen to the level that they need to come out; they are doing phone interviews.

Printed a letter for council on comments for the proposed spend plan for Snow Crab and Bristol Bay Red King crab disasters. There was a series of meetings over the past month to figure out how the spend plan will be formulated. Alaska Bering Sea Crabbers organized a series of meetings with harvesters, processors, CDQ groups and communities to try to work out what the allocations would be. Started with what the Bairdi spend plan was. Saint Paul attendees let them know whatever was allocated for communities in the Bairdi spend plan would not be acceptable for the Snow Crab spend plan. There was no agreement reached.

Met with representatives from Unalaska, Aleutians East Borough, Akutan and King Cove to discuss what allocations we are looking for on the community side. Got buy in at giving allocations to

communities at 7% with 1% extra to Saint Paul based on historic dependence on Snow Crab. Akutan didn't really sign off on it yet, still working on details. The next phase- these comments will go to the state and the state will develop the spend plan to get submitted to NOAA and put out for public comments. There is still room for negotiation on allocation amounts.

In the Bairdi spend plan we were at 4.75%, we are asking for more. The disaster money from the Bairdi disaster will most likely be available by the end of this year; with Red King Crab and Snow Crab available sometime spring of next year. The timeframe is unknown and depends on how many comments they get Allocation is based upon your investment in each of the fisheries. Processors/harvesters -what is brought in the plant and what the boats are catching based on formulas. There is a formula. On communities it is based on tax dollars. Discussion that supports business in communities are effected – store sales, fuel sales, storage, it's a lot harder to calculate, per centage of allocation will still be determined and those will be distributed to the individual groups. It will be up to groups how to spend their allocation, but with communities there was a change in regulation to allow revenue replacement, since the change happened after the disaster was declared, NOAA is saying it does not apply to current disaster. Have to come up with a project and have to submit in the form of a grant-on how to spend the disaster funds, it won't be until sometime next year. Wednesday there is a meeting with City/Tribe and TDX to do some coordination on disaster relief – walk through explanation with the entities on how the process works. Depending on percentage City can receive 2-5 million and CBSFA has an additional allocation that they will receive on top of it. The City will get a small amount for Bairdi, CBSFA will get a bit more. Anything the City would receive would come in the form of a grant and there would be grant conditions.

Fuel barge ETA is the 20th – weather is coming-in so may be delayed. If the barge knows far in advance about bad weather, they usually won't take off but will if they know it'll clear in a few days. We are expecting 110,000 of diesel and 65,000 of gas. The larger fuel tanker has been down; something connected to the air system is having issues; Jonathan and Nate looked at the fuel truck and ordered a part. The guys are currently looking at what adapters are needed to adapt the smaller truck to transfer gasoline if the fuel barge comes in before the part arrives.

Garbage truck- Nate looked at it as well. Figured that when the back door was lifted to get garbage out, it blew out the cylinders. Part to be put on order to get it up and running.

Waterwells- electrical issues, Mayor Mercurief looked at it and made temporary repairs, Rich looked at Well-5 and a couple other wells, things are running properly now. Mayor Mercurief commented that it was a loose connection on Well-5. There are continued problems with the Ellerman lift station. The pump that was making noise finally failed. We only have one pump, switching it out with an older pump to keep up. Still on schedule for construction of the new lift station this next year. Mayor Mercurief commented that his understanding was that the lift stations were still having problems with wet wipes, and other stuff ending up in lift stations. He referenced the notice that went out for people not to flush anything but toilet paper and human waste. Items found in the lift station include bags, fabrics, syringes, and other items from the Uptown and New-town area which feed down to the Ellerman lift station. Part of the pump failing was it got clogged and still tried to spin causing the motor to overheat and burn out. We have more volume coming in, more housing units but haven't upgraded the pump, on smaller size, going to be upgraded next year. Thanks to Adrian, Tim, Jonathan and Jacob for their hard work and dedication in getting the systems back up and running. The current pumps are old, and are not made anymore, we are looking at options to have as a backup.

C. City Clerk

Wegeleben provided a written report and was available for questions. There were no questions.

D. Finance Director

Mandregan provided a written report and was available for questions. There were no questions.

E. Grants/Projects Specialist

Sterbenz reviewed her provided Grants & Contracts Update PowerPoint starting with grants awarded since last month's council meeting. There was one, a Village Safe Water (VSW) grant for \$127,000 from the AK Dept. of Environment Conservation Division of Water Facilities. Submitted three planning grant proposals, each for \$75,000, for three projects. The first project is for ductile and cast-iron water main replacement, the second one is for the water treatment plant rehabilitation and the third is the pumphouse replacement. They were lumped together by the grantor; the grantor will be managing the planning. The process for VSW funding is to apply for planning money, VSW staff manage the grant, so we don't get money directly. They contract with an engineering firm to put together a preliminary engineering report and then apply for construction grant. To get a new VSW construction grant, the current one for the lift stations must be closed out. It will be closing out this year and in 2025 we can apply for construction funding for the three projects. It's a five-year process to be able to get construction dollars. There are no match requirements. CM Bourdukofsky asked how many pumps are functioning. In total, there are seven pumps, all but Well-4 is functioning. It is in the Kamenista area and has siltation issues and has been this way for over 20 years.

Application submitted with US Dept. of Energy. It is a pre-application and hopefully we will be invited to submit a full proposal. The submitted project is for a battery energy storage system. It will be important for the future after power upgrades with the USDA loan. Since we want to be able to look at renewable energy, it's a good thing to ask for even if our system is currently not ready for renewables.

Slide review of Applications Currently Under Development, is working on reading through opportunities being rolled out by the Feds to see what we can take advantage of. Currently working on nine. There are two grants with USDOT, a Rural and Tribal Assistance Pilot Program in which we are going to apply to for Harbor Road Planning and Pre-construction Activities, asking for the maximum of \$320,000 and there is no match, and the other, we will skip, a Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation for Road Resilient Improvement Projects as it needs a benefit cost analysis and has a 20% match. Our US Dept. of Agriculture (USDA) representative, who helped with the loan application for the power upgrade, said they have another loan program coming up in Phase 1, titled Powering Affordable Clean Energy Loan Program for Renewable Energy Projects. He is encouraging us as up to 60% is forgivable and the money doesn't have to be drawn until 2030. We could get this in place and after the upgrades it can be utilized for transitioning to renewable and alternative energy; Jason Rollens helped put together the letter of interest. A grant with US Economic Development Administration for Disaster Supplemental Funding for New Harbor Office, requesting maximum of \$3,000,000 and it has up to 20% in-kind unless waived. One with Rasmuson Foundation, Tier II for Greenhouse Construction, and four with AK Dept. of Homeland Security & Emergency Management's (AKDOHSEM) Hazard Mitigation Grant Program for, New AHAB Siren on Poles and Buildings, Construction Phase of Community Pond & Salt Lagoon Flood Mitigation Project, New Harbormaster Office at \$3,000,000, and Hazard & Locality-Specific City Building Codes and Standards at \$100,000. There is an upcoming meeting with AKDOHSEM to get clarification on the system being proposed for 2 sirens on poles and 7 building systems.

A quick review of slide titled Current Grants and Projects Being Managed, there are 13 listed. Discussing project software for management of tracking of grants, projects, time, and expenditures.

Mayor Mercurief commented on the mitigation projects and wanted to know if there were any grants for mitigation projects, commenting on road floodings and thinking a possible project would be the creation of a road from new town to south side of the fire station. During Merbok, the Polovina Turnpike Road flooded and it's the only road out of town. Sterbenz commented that the community pond and salt lagoon flood mitigation project include making adjustment to Polovina Turnpike and Bartlett Blvd. We've applied for the planning; it has moved to the second phase for request of additional information, there is opportunity to add it in.

There are six to eight grants that are pending. Sterbenz created a tabulated excel with grant information from 2020 so admin has a nice historical document. Zavadil explained that the City has been pursuing grants that we are eligible for and that are within our area of responsibility that would include public utilities and infrastructure.

Mayor Mercurief asked about the status of the power plant project. The loan has been submitted and hopefully will have approval by September. Once we have the approval letter then we can go to give notice to proceed. The fuel system will be started first and then we can plan to purchase all the necessary equipment for the upgrades. Tied to that is the cost overrun for the airport feeder line project replacing the electrical main between the power plant and the TDX Power windfarm at \$1.8 million. The grant ends at the end of September, the person managing it is with USDA and is communicating with the person managing the loan, also with the USDA, so they know the importance of the timeframe.

CM Bourdukofsky asked about the new burn cage. Zavadil explained that it was a grant award through Village Safe Water to ANTHC in 2019 when AK Dept. of Environmental Conservation did the landfill inspection and permit renewal. A request for a new burn cage system was put in; it took five years between the inspection and when the grant funds were available. The plan is with the money from EPA for the Alax landfill development is to start construction next year once reward is received. There can't be two class 3 landfills open, the current landfill must be closed out and the new site opened. A schedule has been created that would account for any delays. The new site is scheduled to open in 2028, the new burn box would be moved to the new location.

VII. OLD BUSINESS

A. Ordinance 23-03 Revising the City Code of Ordinances Chapter 8.05 Department of Public Safety

CM Edenshaw MOVED to APPROVE Ordinance 23-03. Seconded by CM Melovidov.

Second reading and adoption of Ordinance 23-03 – Did a resolution approving agreement with APIA to provide VPSO, it initiated a required change in ordinance for contracting through public safety services. Need to add a new section 8.05.80 contracting for public services. If approved by resolution the City Manager will be in charge of execution of the agreement. Contracted with Delta for EMS in the past for services, now contracting with APIA for VPSOs to service the community. Authorizes to contract out public safety services if needed.

MOTION to APPROVE Ordinance 23-03 carried by Roll Call vote of 7 Ayes.

B. Ordinance 23-04 Revising the City Code of Ordinances Chapter 13.05 Electric Utility

CM Melovidov MOVED to APPROVE Ordinance 23-04. Seconded by CM Edenshaw.

The drafted edits to the chapter were posted to Facebook, per council request. The change is initiated by going to the Smart Meter system and we need to update billing collections, delinquent accounts, and service disconnection processes. In the past referred to the administrative order and made sure it was what was still being followed and made updates from there. Leaving Ampy meters there is no longer the prepaid card option. We've looked at prepaid systems, but the cost is unreasonably high, and the utility can't afford it; putting it onto the customer would be expensive. Everyone, except those still on an Ampy because their meter base is corroded, will receive a bill in the mail to pay monthly. Electrician Rich is working on replacing meter bases. After the bill is received, if not paid in 30 days the account would be delinquent and would be dealt with in accordance with the updated section. Customers have up to 45 days before a disconnection happens, at 70 days the account will be turned over to collections. There is a reconnection fee of \$25; originally someone had to physically go and disconnect, with the new system that isn't needed. CM Melovidov caught an overlooked discrepancy in the numerical and written amount of 50 versus 25; the intent is for it to be 25. There is a process for disconnection. Notice would be given if the city is initiating a disconnection; timeframes are specified, and contact information would be included. There would be limitations on when we would disconnect, to include winter conditions where temps are too cold, or where someone has a serious illness and is unable to work. There are financial assistance programs we can help them find. Everything would be documented in writing with a goal not to disconnect but to work with them to pay any outstanding balance they might have. If it gets approved, we will draft a letter to utility customers explaining the changes. We will work with finance staff on notifications and forms that need to be updated.

Mayor Mercurief asked if the switch from the Ampy meters was because they were outdated. Zavadil explained that everything that we had received were refurbished so they are not made anymore. There are a few still on Ampys because their meter bases need to be changed out. Rich is waiting on some parts. CM Bourdukofsky asked if we have enough supplies to replace corroded utility boxes. The meter base is the property/home/business owner's responsibility to maintain. Customers with corroded boxes were notified. We have all the meter boxes to change them out, it depends on how involved the change out is. A reasonable fee was put together, almost 75% discounted ranging from \$200 to \$400, depending on how corroded boxes are as some still have metal piping coming out of the ground that'll have to be changed over to plastic. We have a running list of those who 3-4 years out that will need to be replaced.

MOTION to APPROVE Ordinance 23-04 carried by Roll Call vote of 6 Ayes with a No from CM Porath.

VIII. NEW BUSINESS

There was no new business discussed.

IX. EXECUTIVE SESSION

There was no Executive Session held.

X. NEXT MEETING DATES/TIMES/AGENDA ITEMS

August 22, 2023 @ 9AM set for next meeting.

XI. ADJOURNMENT

CM Porath MOVED to Adjourn. Seconded by CM Edenshaw. MOTION carried by voice vote with 7 Ayes. The meeting adjourned at 10:16.

SUBMITTED BY:

APPROVED:

Aubrey Wegeleben, City Clerk

Date