

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2025-25

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO SIGN A MEMORANDUM OF UNDERSTANDING WITH MATSON SHIPPING FOR ENGINEERING SERVICES FOR CRANE INFRASTRUCTURE AT THE UNALASKA MARINE CENTER

WHEREAS, the City of Unalaska owns the Unalaska Marine Center (UMC); and

WHEREAS, City of Unalaska has contracted with PND Engineers for design and engineering services for the PND proprietary Open Sheet Pile® System; and

WHEREAS, Matson desires to partner with the City to install new crane tie-downs and a crane stop with greater capacity; and

WHEREAS, Matson requires the tie-downs to meet the specifications of their new crane; and

WHEREAS, the City requires PND to be the engineer of record for any projects involving potential structural integrity of the dock; and

WHEREAS, the City will own improvements made to the dock along with any associated liabilities, and the City requires that any improvements meet the specifications of PND Engineers; and

WHEREAS, a Memorandum of Understanding should be approved by both parties to ensure each organization's requirements are met; and

WHEREAS, The City Manager has negotiated a Memorandum of Understanding that is mutually beneficial,

NOW THEREFORE BE IT RESOLVED that Unalaska City Council authorizes the City Manager to sign a Memorandum of Understanding with Matson Shipping for Engineering Services for crane infrastructure and the Unalaska Marine Center.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 12, 2025.



Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:



Estkaelen P. Magdaong, CMC
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Peggy McLaughlin, Port Director
Through: William Homka, City Manager
Date: May 12, 2025
Re: Resolution 2025-25: Authorizing the City Manager sign a Memorandum of Understanding with Matson Shipping for engineering services for crane infrastructure at the Unalaska Marine Center

SUMMARY: The approval of Resolution 2025-25 will authorize the City Manager to sign a Memorandum of Understanding (MOU) with Matson Shipping (Matson) for engineering services specific to the Unalaska Marine Center (UMC) and new and improved crane tie-downs and crane stop infrastructure. This will ultimately provide mutual benefit to both organizations, while protecting the integrity of the overall dock structure.

PREVIOUS COUNCIL ACTION: Resolution 2024-52 Council authorized the City Manager to negotiate a Memorandum of Understanding between Matson and the City for the engineering services for the Unalaska Marine Center (UMC) upgrades Positions 5-7

BACKGROUND: Matson must replace their old gantry with a new crane and the old section of dock requires upgrades for increased capacity with new crane tie-downs and a new crane stop at the South end of the dock. The City owns the UMC and will own the improvements of the new crane infrastructure. An MOU has been negotiated and the City Council is requested to authorize the City Manager to sign the MOU in order for both organizations to satisfy each other's required engineering specifications.

DISCUSSION: This resolution requests Council to authorize the City Manager to sign the negotiated MOU with Matson regarding engineering services for crane tie-down infrastructure improvements at the City's UMC. These improvements are necessary for Matson's operational needs and are aligned with the City's long-term infrastructure goals.

The City of Unalaska owns the UMC dock, but does not own the crane. Matson has expressed interest in enhancing certain infrastructure elements, specifically for the installation of crane tie-downs that are crucial for their shipping operations. Once constructed, the City will retain ownership of these infrastructure improvements.

The UMC was originally designed and built using a proprietary open sheet pile system. In order to preserve the structural integrity of the dock, the engineers of record for the original design must be involved in the engineering of any new crane tie-down infrastructure. This ensures that the new work is compatible with the existing structure.

In order to proceed with this collaboration, the City Council authorized the City Manager to negotiate an MOU with Matson. The City Manager and City attorney completed those negotiations and the MOU is attached for Council review. This MOU defines the responsibilities and roles of both parties in the engineering and construction of the crane tie-downs. It also ensures that the

City's interests are protected while acknowledging Matson's need to maintain control over the engineering of the crane infrastructure.

The MOU establishes clear responsibilities for each organization and creates a framework that facilitates meeting objectives for the City and Matson. The MOU ensures that the City maintains ownership control of the infrastructure improvements upon completion. Authorizing the City Manager to sign this MOU with Matson Shipping for the crane tie-down infrastructure improvements protects the City's interests and supports necessary infrastructure improvements at the UMC.

ALTERNATIVES: Council could choose postpone consideration of this resolution; or choose not to authorize an MOU.

FINANCIAL IMPLICATIONS: Adoption of this resolution carries no financial commitment.

LEGAL: Unalaska Legal Counsel has helped negotiate the MOU

STAFF RECOMMENDATION: Staff recommends adoption.

PROPOSED MOTION: I move to adopt Resolution 2025-25

CITY MANAGER COMMENTS: I support the staff recommendation.

ATTACHMENTS: MOU Matson and City of Unalaska

**MEMORANDUM OF UNDERSTANDING
REGARDING DUTCH HARBOR DOCK PROJECT INFRASTRUCTURE
IMPROVEMENTS**

This Memorandum of Understanding (“MOU”) is entered into between the City of Unalaska (“City”), a municipal government in Alaska, and Matson Navigation Company of Alaska, LLC (“Matson”), a Delaware limited liability company, each a “Party” and collectively “the Parties”.

1. Purpose. This MOU memorializes the roles and responsibilities of the Parties and how they intend to interact as it relates to designing certain improvements to the Unalaska Marine Center (“UMC”) Dock.
2. Non-Binding. This MOU is non-binding. It is expressly agreed and understood that this MOU is merely an expression of certain terms and conditions that may be embodied in a future definitive binding agreement, and that this MOU does not constitute an offer or acceptance of an agreement. No Party shall have any obligation or liability to the other Party by virtue of being a Party to this MOU.
3. Need, Roles, and Responsibilities. Matson desires to install a new ship-to-shore crane (“STS Crane”) at the UMC Dock. For safe and effective installation and use of the STS Crane, the dock requires upgrades and improvements (“Improvements”). The STS Crane and related dock Improvements are distinct components of the Parties’ collaborative efforts to increase capacity and utilization of the UMC dock.

PND Engineers (“PND”) designed the original UMC dock in 1989 and a major expansion of the dock in 2017, and PND has assisted the City with several related dock upgrades. The City intends to contract with PND as lead designer for the Improvements at the City’s cost. Matson intends to contract with Liftech Consultants (“Liftech”), a firm specializing in container crane and related infrastructure design, for STS-Crane related engineering services, at Matson’s cost. The City intends for PND to work closely with Matson and Liftech, and Matson intends for Liftech to work closely with the City and PND. The City, PND, Matson, and Liftech (collectively, “Project Team”) will leverage their respective expertise to create Improvements that are modern, efficient, robust and serve the needs of the STS Crane while ensuring the dock’s structural integrity is maintained (the “Project”).

4. Designing the Improvements. PND and Liftech are not Parties to this MOU. The following expresses what each of the Parties intends to be done by its respective engineer as a member of the Project Team.
 - *Kickoff Meeting*: PND shall schedule a kickoff meeting with the Project Team to review project scope, desired details, project schedule, and potential contracting/funding strategies.
 - Scope of Improvements: The scope of the Improvements as currently understood includes new crane stow pin sockets, crane tie-down embeds, rail girder

augmentation and other dock strengthening as necessary, relocated/upgraded crane stops, and infrastructure for electrical power for essential auxiliary loads while the STS Crane is not operating.

- Crane Requirements: At or before the kickoff meeting, Liftech will provide PND with key facility performance requirements which will be incorporated into the Improvements' Basis of Design. Any variation in the design to what Liftech has provided to PND must be reviewed by the Project Team. Without serving as a limit, Liftech will provide the following information:
 - Various crane design operating and storm load cases including wind and seismic Crane tie-down locations and designs in support of aforementioned load cases
 - Estimated crane wheel loads based on discussions with prospective crane suppliers
 - Structural modifications to the wharf to accommodate the STS Crane
- *Basis of Design*: The Basis of Design (“BOD”) will be a living document to be updated as the project progresses and included with review submittals.
 - Initial BOD. Based on information exchanged at the kickoff meeting, PND will develop an initial BOD for review by the Project Team. Once the initial BOD is approved by the Project Team, PND will work toward the design milestones.
 - Milestone Submittals. For each design milestone, PND will submit updated BOD, design drawings, and a ROM cost estimate to be reviewed by the Project Team. Review comments will be recorded and addressed in following submittals.
 - STS Crane Requirements Confirmation. Throughout the course of the Project, Liftech shall ensure that the BOD satisfies technical requirements necessary to place the STS Crane into service. PND will incorporate any recommended changes into the design absent reasonable objection. If PND reasonably objects to the changes, the Project Team will meet and confer in good faith to resolve the objections. s
 - Ongoing Exchange of Information. This MOU does not attempt to identify all meetings and exchanges of information between and among the Project Team. The Parties' goal is for ongoing cooperation and communication among the Project Team not limited to the meetings and exchanges expressly identified.
- *Project Milestones*. Throughout the Project and before the conclusion of each milestone, PND solicit approval from the Project Team. The Project Team shall review: (i) the final design and any draft invitation to bid or similar solicitation prior issuance, and (ii) contractor selection process to the extent permitted by applicable City codes. The project milestones are:
 - Conceptual Design
 - 65% Submittal

- 95% Submittal
- Issue for bid
- Issue for construction

Design calculations and project specifications will be submitted as part of the 95% submittal and subsequent submittals.

5. Port Infrastructure Development Program (PIDP). The Parties agree to cooperate and collaborate in the exchange of all relevant information and documentation available to them to facilitate the City's and/or Matson's application for federal PIDP or other grants. This MOU will be valid regardless of the success of any grant application submitted by the City, Matson or its designated agents.
6. Effective Date. This MOU shall be effective upon the date of final signature of the approving authorities below.
7. Term. This MOU will terminate at the completion or termination of the Project described herein.
8. Authority. The Parties agree that the signatories below have authority to enter into this MOU.
9. Changes. The Parties agree that this MOU can be amended at any time by written mutual consent of all the Parties.
10. Counterparts- Electronic Signatures. This MOU may be executed in counterparts, and all such executed counterparts shall constitute the same agreement. Transmittal of the signatures of the Parties to this MOU by email or facsimile shall be deemed as effective as an original signature thereon.
11. No Relationship. The Parties agree that this MOU is not intended to create, and shall not be construed to create, any agency, servant, employee, partnership or joint venture relationship between the Parties or their agents or sub-contractors.

<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Name : Title : Date : MATSON NAVIGATION COMPANY OF ALASKA, LLC	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Name : Title : Date : CITY OF UNALASKA
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