

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2025-32

A RESOLUTION OF THE UNALASKA CITY COUNCIL ACKNOWLEDGING THE CLOSURE OF THE MAKUSHIN GEOTHERMAL PROJECT (EL22B)

WHEREAS, Unalaska City Code Section 6.12.050(B) states all appropriations lapse at the end of the budget year to the extent that they have not been expended or lawfully encumbered, except an appropriation for capital improvements or projects which shall not lapse until the purpose of the appropriation has been accomplished or abandoned; and

WHEREAS, the City of Unalaska has one capital project which is considered as abandoned; and

WHEREAS, the identified project is under budget; and

WHEREAS, any unused monies in abandoned projects will be returned to the appropriate fund.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council acknowledges that the capital project outlined on the attached list is deemed abandoned for its intended purpose.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on May 13, 2025.

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

ATTEST:

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



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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Jim Sharpe, Interim Finance Director;  
Through: William Homka, City Manager  
Date: May 13, 2025  
Re: Resolution 2025-32: Acknowledging the closure of the Makushin Geothermal Project

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**SUMMARY:** With adoption of this resolution, Council acknowledges that the Makushin Geothermal project is being closed out of the Capital Budget. Periodically staff reviews capital projects and if a project is complete or no longer feasible, staff makes a recommendation to close that project.

**PREVIOUS COUNCIL ACTION:** Council reviews and acknowledges the closure of various capital projects periodically.

**BACKGROUND:** UCO 6.12.050 (B) states that "All appropriations lapse at the end of the budget year to the extent that they have not been expended or lawfully encumbered, except an appropriation for capital improvements or projects which shall not lapse until the purpose of the appropriation has been accomplished or abandoned."

**DISCUSSION:** Periodically, staff evaluates active capital projects to determine if the project is complete or should be closed for other reasons. The attached list includes one project recommended for closure.

**ALTERNATIVES:** 1) Accept staff recommendations to close identified capital project by adopting Resolution 2015-32; or 2) Leave project open for additional work.

**FINANCIAL IMPLICATIONS:** Unused monies will be returned to the appropriate fund, as follows:

|         |                 |
|---------|-----------------|
| 1% Fund | \$ 4,481,044.86 |
|---------|-----------------|

**LEGAL:** None

**STAFF RECOMMENDATION:** Staff recommends approval.

**PROPOSED MOTION:** I move to adopt Resolution 2025-32.

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

**Resolution 2025-32 Closing Makushin Geothermal**

| Project Number | Governmental                     | Budget              | Project Costs To Date | Under/(Over)        | Return to General Fund | Return to Spec. Revenue Fund 1% Sales Tax | Return to Other | Return to Proprietary Fund             |
|----------------|----------------------------------|---------------------|-----------------------|---------------------|------------------------|---|-----------------|--|
|                | <b>Enterprise Funds Electric</b> |                     |                       |                     |                        |   |                 |  |
| EL22B          | MAKUSHIN GEOTHERMAL              | 5,870,000.00        | 1,388,955.14          | 4,481,044.86        |                        | \$4,481,044.86                            |                 |  |
|                |                                  | <u>5,870,000.00</u> | <u>1,388,955.14</u>   | <u>4,481,044.86</u> |                        |   |                 | <u>Total Electric</u> <b>\$0.00</b>    |
|                |                                  |                     |                       |                     |                        |   |                 | <u>Total Proprietary</u> <b>\$0.00</b> |
|                | <b>City Total</b>                | <b>5,870,000.00</b> | <b>1,388,955.14</b>   | <b>4,481,044.86</b> | <b>\$0.00</b>          | <b>\$4,481,044.86</b>                     | <b>\$0.00</b>   | <b>\$0.00</b>                          |