

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2026-20

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH KNIK CONSTRUCTION FOR HOT MIX ASPHALT PAVING SERVICES

WHEREAS, the City of Unalaska has a need for hot mix asphalt paving services at various locations throughout the community; and

WHEREAS, Knik Construction is mobilizing to Unalaska to perform paving work for the State of Alaska Department of Transportation at the Unalaska Airport; and

WHEREAS, the City has coordinated with Knik Construction to perform additional paving work while the contractor is mobilized on the island; and

WHEREAS, Knik Construction is the only contractor currently mobilized and equipped to perform hot mix asphalt paving in Unalaska; and

WHEREAS, soliciting off-island contractors would result in significant additional costs, logistical challenges, and schedule delays due to mobilization requirements and the limited construction season; and

WHEREAS, the procurement of these services is consistent with the City of Unalaska Purchasing Policy, Paragraph (h) – Sole-Source Procurement.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the City Manager to enter into an agreement with Knik Construction for hot mix asphalt paving services in an amount to be determined based on the approved scope of work.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on April 14, 2026.


Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:


Esteloren P. Magdaong, CMC
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Brian Thacker, Director, Dept. of Public Works
Through: Abner Hoage, Interim City Manager
Date: April 3, 2026
Re: Resolution 2026-20

SUMMARY: Through Resolution 2026-20, staff requests approval for the City Manager to enter into an agreement with Knik Construction in the amount of \$422,265.44 to perform hot mix asphalt paving services at various locations within the City of Unalaska.

PREVIOUS COUNCIL ACTION: Project PW22C Pavement Preservation – Sealcoating was approved by council in the adoption of FY22-31 CMMP with Resolution 2021-24

BACKGROUND: The City of Unalaska has a need to utilize hot mix asphalt paving services to maintain and improve roadway and facility conditions throughout the community. Due to the remote location and limited construction season, paving work is highly dependent on contractor availability and mobilization logistics.

Knik Construction is mobilizing to Unalaska to complete a paving project for the Alaska Department of Transportation at the Unalaska Airport. This presents a unique opportunity for the City to complete additional paving work while asphalt production and crews are already on island.

DISCUSSION: Knik Construction is the only contractor currently mobilized and equipped to perform hot mix asphalt paving in Unalaska. Procuring these services through a traditional competitive process would require mobilizing a separate contractor to the island, resulting in significant additional costs and potential delays.

By utilizing Knik Construction during their existing mobilization, the City can significantly reduce mobilization costs, ensure timely completion within the limited construction season, and minimize overall project risk.

This procurement is consistent with the City of Unalaska Purchasing Policy, Paragraph (h) – Sole-Source Procurement, which allows for non-competitive procurement when services are available from only one source.

ALTERNATIVES: Council may approve or disapprove Resolution 2026-20.

FINANCIAL IMPLICATIONS: Project costs will depend on the final scope of work. The cost of this work will come from the remaining funds in project PW22C Pavement Preservation – Sealcoating.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends approval of Resolution 2026-20.

PROPOSED MOTION: I move to adopt Resolution 2026-20.

CITY MANAGER COMMENTS: Staff have coordinated with Knik Construction to take advantage of their existing mobilization for the State DOT project at the airport. This approach significantly reduces mobilization costs and allows the City to complete needed pavement preservation work within the limited construction season. Knik is the only contractor currently mobilized and equipped to perform this work, and the procurement is consistent with the City's sole-source provisions.

This type of paving work has historically been completed through similar sole-source agreements with Knik when they are on island, and the proposed scope and pricing fall within the Pavement Preservation project previously approved by Council. For these reasons, I have placed this item on the consent agenda. If Council would prefer additional discussion or has questions about the scope, pricing, or sole-source justification, staff are prepared to address them.

ATTACHMENTS:

- Sole Source Memorandum – Knik Construction
- City of Unalaska 2026 Patch Paving Quote



MEMORANDUM

TO: Abner Hoage, Interim City Manager
THROUGH: Jim Sharpe, Interim Finance Director
FROM: Marc Kielmeyer Project Manager, Department of Public Works
DATE: March 26, 2026
SUBJECT: Sole-Source Procurement Request for Knik Construction

Purpose: This memorandum requests approval for the sole-source procurement of hot mix asphalt paving services from Knik Construction.

Background: Knik Construction is mobilizing to Unalaska to perform paving work for the State DOT at the Unalaska Airport. The City has coordinated with Knik Construction to obtain a quote for paving additional areas throughout the community while they are mobilized on the island.

Rationale for Sole Source: Knik Construction is the only contractor currently mobilized and equipped to perform hot mix asphalt paving in Unalaska. Soliciting off-island contractors would result in significant additional costs, logistical challenges, and schedule delays due to mobilization requirements and the limited construction season.

Justification: Knik Construction has proven experience mobilizing asphalt plants and crews to remote Alaskan communities and can reliably complete the work within the limited construction season. With Knik already mobilizing to Unalaska for a State DOT project, the City can take advantage of reduced mobilization costs and immediate availability. The high cost of mobilization and lack of other qualified contractors capable of performing this work on the island significantly limit competition, making Knik Construction the most practical and cost-effective option.

Policy Compliance: This request is consistent with the City of Unalaska Purchasing Policy, Paragraph (h) – Sole-Source Procurement, which permits non-competitive procurement when the required service is available from only one source.

The Department appreciates your consideration for this Sole Sourcing Request. Please indicate your decision below and return this document to me for our records.

Approved
 Not Approved Finance Director _____ Date _____

Approved
 Not Approved City Manager _____ Date _____



6520 Kulis Drive
 Anchorage, AK 99502
 (907)245-1865
 Fax: (907)249-0250

Date: January 19, 2026

Subject: City of Unalaska 2026 Patch Paving Quote

For the work described in Marc Kielmeyer's email sent on September 10th, 2025.

"Mill & Overlay" Areas:

Knik Construction Co., Inc. (Knik) will mill (remove) the existing asphalt pavement. Knik will clean and tack the remaining surface. Knik will pave the new typical section which will consist of 2-inch HMA Type II, Class A with PG52-28. Dora Circle may only have an existing depth of 2-inches of asphalt. For this area Knik will remove full depth of existing asphalt, prepare the remaining underlying base course by grading and compacting to drain. At Dora Circle Knik will pave the new typical section which will consist of 2-inch HMA Type II, Class A with PG52-28. The HMA will adhere to the Alaska DOT standard specification for Type II, Class A mix.

"Full Depth" Areas

Knik will pave the new typical section which will consist of 4-inch HMA Type II, Class A with PG52-28. The HMA will adhere to the Alaska DOT standard specification for Type II, Class A mix.

PRICING SCHEDULE

Area Description	Scope	Minimum Units Square Feet	Price
Captain Bay Rd/Airport Beach Rd	Mill & Overlay	7640	\$ 9.37
East Point Rd/Airport Beach Rd	Mill & Overlay	10900	\$ 9.02
S Curves Dips	Full Depth	2500	\$ 15.06
Gilman Way/Airport Beach Rd	Mill & Overlay	4000	\$ 9.62
Airport Rd/Terminal Way Approach	Full Depth	1243	\$ 16.48
Overland Dr/East Broadway	Mill & Overlay	1600	\$ 10.71
Parkside Estate Approaches	Full Depth	1500	\$ 15.25
Steward Rd Bridge Approach Southside	Full Depth	1000	\$ 16.20
Loop Rd Approaches	Full Depth	1600	\$ 14.95
Pyramid Creek Bridge Approaches North & South	Full Depth	1200	\$ 16.95
Dora Circle	Mill & Overlay	3000	\$ 13.22
Armstrong Court Approach	Full Depth	900	\$ 17.35

Notes:

- This proposal must be included as an addendum to any contract or service agreement issued to Knik Construction Co., Inc.
- Billing, at a minimum, will be made based on the minimum square foot units shown for each specific area as listed above. Any additional square footage at any area will be billed at the actual square footage and square foot price shown for that area based on field measurements.
- Pricing assumes this work will take place in the 2026 construction season. Additionally, the timing of the project within the 2026 season will be mutually agreed upon. There is potential that this work could slip into the 2027 construction season.
- Pricing assumes one mobilization into each area listed above and; each area is completely ready for Knik to perform their scope of work. Additional mobilizations to individual areas at no fault of Knik's will require additional mobilization charges.
- Knik Construction Co., Inc. is not responsible for failures due to faulty subgrade.
- Payment in full net 30 days after material is placed.

- Interest at the rate of 1.5% per month will be charged on amounts remaining unpaid over 30 days past due date.
- This quote is only valid for 30 days unless an extension is agreed upon or a commitment is made pending contract award.

Excluded:

1. Permits, utility locates, all traffic control and/or traffic maintenance for work by others, professional surveying, as built drawings, SWPPP/TEPC or related SWPPP items, utility adjustments, concrete work, engineering/design, testing, quality assurance or quality control*.
2. Any sawcutting, pavement removal, underlying base course prep, and traffic control for this work on the "mill and overlay" areas if the existing pavement template does not support the milling depth.
3. Sawcutting, pavement removal, underlying base course prep, and traffic control for this work on the "full depth" areas.
4. Bond (Bond rate if required 1.25%), special insurance endorsements, DOL fee.
5. Any items not included in the above description of work.

** Knik will provide on-site technician to monitor density during HMA paving operations and will provide an HMA mix design for approval.*

Thank you for the opportunity to quote your job. If you accept this quotation please sign, date and return to Knik in person, by fax, or by email.



Sean McKeown,
Knik Construction

City of Unalaska Pvmnt Areas for Knik

Road/Int	Area SF	Area SY	Mill and Overlay	Full Depth	Cy	Tn	Price/SF	Totals
Captain Bay Rd/Airport Beach Rd	7640	848.89	2		47.17	94.34	\$ 9.37	\$ 71,586.80
East Point Rd/Airport Beach Rd	10900	1211.11	2		67.30	134.59	\$ 9.02	\$ 98,318.00
S Curves dips	2500	277.78		4	30.86	61.72	\$ 15.06	\$ 37,650.00
Gilman Way/Airport Beach Rd	4000	444.44	2		24.70	49.39	\$ 9.62	\$ 38,480.00
Terminal Way approach	1243	138.11		4	15.34	30.69	\$ 16.48	\$ 20,484.64
Overland Dr/East Broadway	1600	177.78	2		9.88	19.76	\$ 10.71	\$ 17,136.00
Parkside Est approaches	1500	166.67		4	18.52	37.03	\$ 15.25	\$ 22,875.00
Steward Rd bridge approach S	1000	111.11		4	12.34	24.69	\$ 16.20	\$ 16,200.00
Loop Rd approaches	1600	177.78		4	19.75	39.50	\$ 14.95	\$ 23,920.00
Pyramid Creek bridge approach N&S	1200	133.33		4	14.81	29.63	\$ 16.95	\$ 20,340.00
Dora Circle	3000	333.33	2		18.52	37.04	\$ 13.22	\$ 39,660.00
Armstrong Ct	900	100.00		4	11.11	22.22	\$ 17.35	\$ 15,615.00
	37083	4120.33			290.31	580.61		\$ 422,265.44