

Leon Kiana
City Manager Report
May 15, 2025

Since our last report, we have been in continual negotiations with Swalling, General Contractors that were engaged in a contract with the City of Kotzebue to construct the new water treatment plant. As the City Manager; along with Russ Ferguson, Public Works Director; Joe Evans, City Attorney; Chase Nelson, and Neil McMahon Dowl engineers; we had several meetings and teleconferences over the past several weeks to come to some mutual agreement on the Change Order #20.

Russ and I had time with Tessa Baldwin going over the grants that are pending. Tessa was able to us an overview of the progress of these grants that included the following:

- Healthy Communities: AML in partnership with City (KPD) for Street Safe and for snowmobile traffic during winter months.
- VIF – Flood Mitigation: funding through NANA/Borough still pending. City also need to apply to Borough about additional funding for the Baler unit – apply by end of June 2025.
- ECWAG: 2023 – Disaster Relief funding through USDA. Also to include Water Treatment Plan: contact person Robert Chambers.
- VEI – CBR: Cape Blossom Road - \$20,000 match dollars by City with NANA/KIC partnership. Drawdown from NANA first?
- VEI – Cudd Hall: need project report as this was for renovation and is reimbursable.
- DLS – Cape Blossom:
- Washeteria / Denali Commission: funded with Denali Commission 1.25 million dollars that reimbursable and probably needs reassessment.
- CUAP: Community Utilities Assistance Program funded \$454,084 from Borough.
- CAP: Community Assistance Program. Finance need to submit request by June 1, 2025.
- US Dept of Transportation / PIDP: 2.43 million for the Port Project with \$217,000 local match.

- Alaska Housing Finance Corp / funding: Local Housing initiative through Municipal Government as a passthrough to KIC; City will just review reports. (Last Frontier Housing Initiative).
- SRF Project(s): Water Filtration - ?

This year's AML Symposium focused on Infrastructure Development rather than Grants Development. Some points of interest to me were:

- Senator Murkowski gave the Keynote Address and stated that Alaska was funded \$8.5 billion. She did not elaborate exactly how much of this funding was to be distributed and to whom.
- One speaker spoke on how we need to be more self-reliant than to rely too much on others.
- Denali Commission speaker hit on items such as "back hall" and bulk fuel tanks.
- Another spoke on the State's Revolving Fund Loan Program.
- All speakers did have some information that were of interest as you will see from the brochure that is in your binder.

Russ and I also met with Nikki Navio with the Denali Commission to file a report for the Cape Blossom Road project.

EFFICIENCY ASSESSMENT REPORT
CITY OF KOTZEBUE

October 1, 2025

The purpose of this Efficiency Assessment Report is that the City of Kotzebue might benefit from having an assessment, with considerable Rural Alaska Municipal experience:

- a) observe and review current City operations, practices, and structures, especially as related to efficient use both of City revenues plus Council, Management, as well as Staff time and efforts;
- b) identify some noticeable strengths, as well as inefficiencies, concerning such observed operations, practices and structures; plus,
- c) suggest and make recommendations that, if approved, might result in the City, in the long and short term, functioning in a more cost-efficient manner.

Preliminary Remarks:

Small Rural Alaska Municipalities throughout the State are experiencing the need to become more self-sufficient and to function more cost-efficiently in the use of their own financial, material infrastructure and human resources. Nearly all Federal and State funding sources are requiring proven competence on the part of Rural Alaska City governments, in order for these municipalities to be recipients of limited Federal and State funds, particularly competitive grant funds. "Sustainability" is the current operative buzz-word: i.e., in order to be considered as a recipient of Federal or State funding awards, a Rural Alaska City must provide evidence that it has established: a) an experienced Council government that works to achieve consensus; b) a capable management team that has been successful in administrating, with maximum transparency, City General Funds, utility plus other enterprise funds, investment monies and grant funds; c) trained and competent departmental employees who will maintain City projects, usually created initially with outside grant funds; d) strong working relationships with pertinent Federal and State agencies, local Tribal entities, educational institutions, plus the private sector; and, e) most important, an informed citizenry that is involved through public participation in the entire planning and evaluation process concerning usage of City funds.

Moreover, with the lessening in Federal and State funding in recent years and the prospect of even greater decreases in the proximate future, particularly on the Federal level, it is becoming imperative that Rural Alaska Cities, including the City of Kotzebue, become more self-sufficient in providing essential municipal services at reasonable cost to community residents, despite anticipated higher utility energy expenses. Such a task requires the City of Kotzebue continually to develop meaningful, ongoing, operational efficiencies that will make best use of City revenues, infrastructure and human resources. In particular, it would seem that the City, beginning this fiscal year, should begin to set aside and build-up annually an ample economic base (consisting of its own General Fund surplus) that would lessen the City less dependent on outside funding sources for meeting the needs of its own people. **This course of action strongly is recommended.**

Additionally, these new realities confronting the City, demand that the City more carefully and transparently develop incremental projects for achieving its social and economic objectives. The decrease in the State and Federal funding awards for now and the immediate future, means that the City must carefully plan and accomplish projects, whereby one project integrally builds on another, like pieces in a puzzle, in order that each annually completed preliminary work project, engineering design or construction project contributes to fulfilling, step by step, a pre-conceived, monitored Council strategy for achieving sequential objectives that will attain long-term community goals.

Noticeable Efficiency Strengths:

This Assessment Report, by its very nature, tends to emphasize apparent deficiencies in City's departmental operations and practices, to the detriment of positive efficiency strengths already evident in existing City structures and operations. However, it seems that the factors and operations providing evidence of noticeable efficiency strengths far outweigh those that would seem to reveal inefficiencies. Such noticeable efficiency strengths include:

1. A still viable commercial fishery industry that makes use of the renewable seafood resource on which the Community has relied for years and on which the City can continue to depend for raw fish sales/use tax revenue;
2. A strong, uniting subsistence culture and a living Inupiaq language, lived and manifested both by the majority of City Staff and the larger Community;
3. A population that has remained fairly constant and which does not appear to have lost to urban centers a disproportionate number of its 25-55 age residents, on whom the City especially is economically dependent and from whom it basically has derived its Staff;
4. A highly trained and qualified City work force, committed to their job tasks, manifesting a high morale and extremely interested both in the improvement of City operations within their own Departments and within the City collectively;
5. A City Council, growing in experience, that appears to be representative of the varied interests and different concerns within the Kotzebue Community;
6. A City management team that comes from within the Community and is dedicated to making improvements within the Community;
7. The availability to the City Council of extensive, City and Community planning documents, including: a "Community Comprehensive Economic Development Strategies," (DATE); a "Water, Sewer and Solid Waste Utilities Business Plan," (DATE); and, most important, a "The Kotzebue Comprehensive Community Plan," (DATE);

8. A relatively new, Primary Grade/High School, with a relatively large number of students who, in coming years, should provide to the City with continued leadership and Staff from within the Community;
9. A modern Medical Clinic, within the City that provide for the Health needs of all employees and that has expansion plans for the establishment asa sub-regional Clinic; and,
10. Emphasize and encourage Adult Basic Education-GED and employment counseling, plus College Community Education Credit courses, etc.

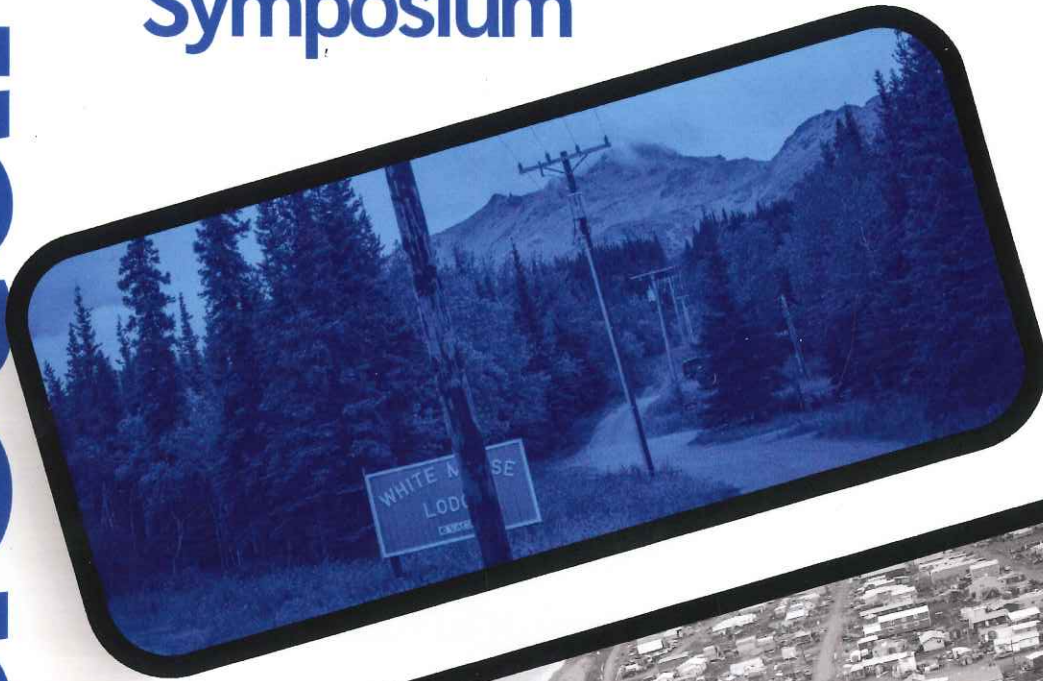
PERCEIVED INEFFICIENCIES WITHIN YOUR DEPARTMENT:

- 1.
- 2.
- 3.
- 4.
- 5.

Infrastructure

#AKDevelopment

Alaska Infrastructure Development Symposium



Dena'ina Center
Anchorage, Alaska
April 22-24, 2025



THE STATE
of ALASKA



Tuesday, April 22

Expo with state and federal agencies, nonprofit organizations, consultants, and businesses.

9:00am | Opening Plenary | Tikahtnu A

- **Welcome & Symposium Goals**
 - Ben Mallott, *Alaska Federation of Natives*
 - Nils Andreassen, *Alaska Municipal League*
- **Keynote Address: Federal Infrastructure Priorities & Investments**
 - Senator Lisa Murkowski

10:00am | Networking Break

10:30am | Advancing a new Federal Agenda (Plenary) | Tikahtnu A

Moderated by **Kollette Schroeder**, *Office of Infrastructure*

- **Givey Kochanowski**, Regional Director, *BOEM*
- **Jocelyn Fenton**, *Denali Commission*
- **Connor Torossian**, Deputy Assistance Secretary, *US DOT*
- **Emma Pokon**, Regional Administrator, *Environmental Protection Agency*
- **Erin Whitney**, *Arctic Energy Office*

10:30am | Hazard Mitigation & Emergency Mgmt. Working Group | Tikahtnu C

- *By invite only*

12:00pm | Lunch: Navigating Infrastructure Funding Landscape | Tikahtnu B

Moderated by **Nils Andreassen**, *Alaska Municipal League*

- **Christine O'Connor**, *Alaska Telecom Association*
- **Laurie Wolf**, *Foraker Group*
- **David Beveridge**, *ANTHC*
- **April Ferguson**, *AFN*

1:30pm - 4:30pm | Sector-Specific Updates | Plenary | Tikahtnu A

Transportation

- **Laurie Suttmeier**, *FAA*
- **Adam Moser**, *DOT&PF*
- **Andrew White**, *BIA*

Energy & Power

- **Curtis Thayer**, *Alaska Energy Authority*
- **Melanie Lucas-Conwell**, *Alaska Sustainable Energy Corporation*
- **Ian Baring-Gould**, *National Renewable Energy Laboratory*

Water & Wastewater

- **Gene McCabe**, Division of Water Director, *DEC*
- **Chris Mercer**, *IHS*

Broadband Expansion

- **Christine O'Connor**, *Alaska Telecom Association*
- **Thomas Lochner**, *Alaska Broadband Office*

Hazard Mitigation & Resilience

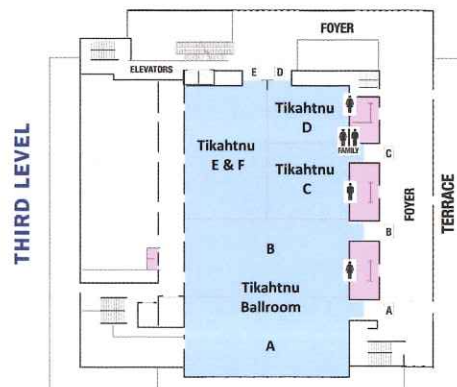
- **Morgan Frank**, Division of Air Quality, *DEC*
- **Max Neale**, Climate Initiatives Program, *ANTHC*
- **Bryan Fisher**, *DHS&EM*

3:30pm | Dual Use Infrastructure Workgroup | Invite only | **Tikahtnu D**

4:30pm | Adjourn

Conference Exhibitors | Tue - Wed

AFN Navigator Program
Alaska Dept. of Transportation & Public Facilities
Alaska Housing Finance Corporation
Alaska Native Tribal Health Consortium
Alaska Remote Imaging
Alaska Works Partnership
AML Grant Writing
AML Infrastructure Survey
AML Member Services
Bristol Bay Telephone Cooperative Inc
Build Alaska's Future
Bureau of Ocean Energy Management, DOI
Cold Climate Housing Research Center
Delta Backhaul Company
Dept. of Public Policy and Administration, UAA
Electric Power Systems, Inc
Fulbright Arctic Initiative
HUD, Office of Field Policy & Management
Information Insights
Integrity Environmental
Intelligent Energy Systems LLC
Michael Baker International



Northern Economics Inc.
Office of Senator Murkowski
Office of the Governor
Rasmuson Foundation
RuralCAP
SGV International LLC
The Foraker Group
Upskilled Evolution

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Development

Wednesday, April 23

8:30am-12:00pm | Alaska Communities Arctic Roundtable | [K'enakatnu](#)

9:00am | [Concurrent Sessions](#)

Transportation | Technological Developments | [Tikahtnu A](#)

- Hosted by **Ryan Marlow**, DOT&PF
- **Tim Leach**, *Launch Alaska*
- **Sean Arcilla**, *Alaska Energy Authority*

Firewise Alaska | [Tikahtnu B](#)

- Hosted by **Marie Lowe**, UAA
- **Dr. Jennifer Schmidt**, UAA: *Wildfire Risk Mapping in Alaska*
- **Dr. Mohammad Heidari-Kapourchali**, UAA: *Wildfire and Electrical Utilities*
- **Jocelyn Fenton**, *Denali Commission: Forest Fire Fuel Mitigation Project*
- **Rob Allen**, *Alaska Division of Fire and Forestry*

Water and Sewer | Training and Workforce | [Tikahtnu C](#)

- Hosted by **Francine Moreno**, ANTHC
- **Jenni Harrison**, ANTHC
- **Kelli Whelan**, ANTHC
- **Brandi Adams**, DEC

Energy Workforce | [Tikahtnu D](#)

- Hosted by **Griffin Plush** and **Farha Karim**, *Alaska Municipal League*
- **Danielle Isbell**, *Kinetic West*

Grant Compliance | Introduction to 2 CFR200 and Resources | [Tikahtnu E/F](#)

- Hosted by **Rachel Morse**, *Alaska Municipal League*
- **Leah Wood**, *University of Washington*

10:15am | Networking Break

10:45am | [Concurrent Sessions](#)

Transport and Transit Planning | [Tikahtnu A](#)

- Hosted by **Erin Reinders**, *Alaska Municipal League*
- **Judy Chapman**, *Alaska DOT&PF*
- **Robin Eleazer**, *Gulkana Tribal Transit*

Broadband | Industry Challenges and Opportunities | [Tikahtnu B](#)

- Hosted by **Christine O'Connor**, *Alaska Telecom Association*
- **Heather Cavanaugh**, Director, *Alaska Communications*
- **Megan Webb**, Senior Director, *GCI*
- **Kelly Williams**, CEO, *OTZ Telephone Cooperative*

Water and Sewer | Community Utility Support | Tikahtnu C

- Hosted by **Melody Nibeck**, *Alaska Municipal League*
- **John Johnson**, Remote Maintenance Worker, *DEC*
- **Kelli Whelan**, Tribal Utility Support, *ANTHC*
- **Chris Cox**, *ARUC, ANTHC*

Energy Efficiency and Conservation | Tikahtnu D

- Hosted by **Ren Scott** and **Trisha Sims**, *Alaska Municipal League*
- **Audrey Alstrom**, *AEA*

Federal Funding Compliance | Policies and Procedures | Tikahtnu E/F

- Hosted by **Leah Woods**, *University of Washington*
- **Rachel Morse**, *Alaska Municipal League*
- **Shelsea Russell**, *RurAL CAP*
- **Layton Lockett**, *Alaska Municipal League*

12:00pm | Lunch: Unleashing Alaska's Potential | Tikahtnu A

- Hosted by **Nils Andreassen**, *Alaska Municipal League*
- **Leila Kimbrell**, *Resource Development Council*

1:30pm | Concurrent Sessions

Managing Change | Tikahtnu A

- Hosted by **Nils Andreassen**, *Alaska Municipal League*

Solar for All | Tikahtnu B

- Hosted by **Griffin Plush**, *Alaska Municipal League*
- **Dustin Madden**, *ANTHC*
- **Audrey Alstrom**, *AEA*

Grid Resilience | Tikahtnu C

- Hosted by **Tyler Kornelis**, *KANA*
- **Brian Kirchner**, *Deerstone Consulting*
- **Chris McConnell**, *Alaska Energy Authority*

Rural Aviation | Tikahtnu D

- Hosted by **Rebecca Douglas**, *DOT&PF*

Federal Funding Compliance | Everyone has a Role | Tikahtnu E/F

- Hosted by **Rachel Morse**, *Alaska Municipal League*
- **Jenny Murphey**, *RurAL CAP*
- **Joie Millet**, *RurAL CAP*
- **Laurie Wolf**, *The Foraker Group*
- **Alicia Hughes-Skandijs**, Assembly member, *City and Borough of Juneau*
- **Lindsay Reese**, *DCRA*

Safety Action Plans | SS4A Cohort | Invitation only | K'enakatnu

2:45pm | Networking Break

Wednesday afternoon sessions continued on the next page

3:15pm | Concurrent Sessions

Boardroads | Conditions and Standards | Tikahtnu A

- Hosted by **Britta Hamre**, *Alaska Municipal League*
- **Rebecca Garrett**, *DOT&PF*
- **Nikki Navio**, *Denali Commission*
- **Billy Connor**, *Arctic Infrastructure Development Center*
- **Greg Smith**, *BIA*

Office Hours with DCRA Local Government Specialists | Tikahtnu B

- *Division of Community and Regional Affairs*

Workforce Development for Emergency Management | Tikahtnu C

- Hosted by **Farha Karim**, *Alaska Municipal League*
- **James Benzschawel**, *ANTHC*
- **Bryan Fisher**, *DHS&EM*

Coastal Resilience Planning | Tikahtnu D

- Hosted by **Danielle Meeker**, *Alaska Municipal League*
- **Nadine Doiron**, *NOAA*

Federal Funding Compliance | Overview and Q&A | Tikahtnu E/F

- Hosted by **Leah Wood**, *University of Washington*
- *Speakers and panelist from previous compliance sessions*

Thursday April 24

Infrastructure Job Fair - Organized in cooperation with the Alaska Job Centers

8:30am | AHFC Building Codes Tech. Advisory Group | Invite Only | K'enakatnu

9:00am | Planning and Pre-Development | Concurrent Sessions

Housing Updates and Progress | Tikahtnu A

- Hosted by **Daniel Delfino**, *Alaska Housing Finance Corporation*
- **Jasmine Boyle**, *RurAL CAP*
- **Chad Stovall**, *Anchorage Community Development Authority*
- **Kate Huber**, *City of Valdez*
- **Michele Brown**, *Housing Alaskans*

Workforce Development | Industry Lightning Round | Tikahtnu B

- Hosted by **Mari Selle**, *Alaska Workforce Alliance*
- **Leila Kimbrell**, *Resource Development Council*
- **Jocelyn Swindel**, *Alaska Marine Highway System*
- **Connie Beemer**, *Alaska Hospital and Healthcare Association*

Permitting Projects | Tikahtnu C

- Hosted by **Ashlee Adoko**, *Department of Natural Resources*

Pre-Development | Tikahtnu D

- Hosted by **Laurie Wolf**, *Foraker Group*

Planning Essentials | Tikahtnu E/F

- Hosted by **Erin Reinders**, *Alaska Municipal League*
- **Conner Erickson**, *Alaska Energy Authority*
- **Iain Cranston**, *icInfrastructure*

10:15am | Networking Break

10:45am | Sustainable Operations | Concurrent Sessions

Housing Next Steps | Tikahtnu A

- Hosted by **Michele Brown**, *Housing Alaskans*
- **Griffin Forster**, *Association of Alaska Housing Authorities*
- **Mindy O'Neill**, *Cold Climate Housing Research Center*
- **Randy Hughey**, *Sitka Community Land Trust*
- **Shauna Hegna**, *Koniag*

Maintenance and Operations | Tikahtnu B

- Hosted by **Erin Reinders**, *AML*
- **Iain Cranston**, *icInfrastructure*
- **Craig Fredeen**, *Cold Climate Engineering*
- **Dan Adamczak**, *DOT&PF*

Reserve Accounts and User Fees | Tikahtnu C

- Hosted by **Griffin Plush**, *Alaska Municipal League*
- **Chris Cox**, *ARUC, ANTHC*
- **Bill Stamm**, *AVEC*
- **Chellie Skoog**, *Foraker Group*

Hiring and Workforce | Alaska's Workforce Future | Tikahtnu D

- Hosted by **Mari Selle**, *Alaska Workforce Alliance*
- **Monica Goyette**, *Alaska Department of Education*
- **Jamie Trapp**, *Maritime Works/AWA*
- **Heidi Olson**, *Alaska Department of Corrections*
- **Casey Sifsof**, *Bristol Bay Native Corporation*

Managing Contractors Efficiently | Tikahtnu E/F

- Hosted by **Alicia Amberg**, *Associated General Contractors*
- **Chris McConnell**, *Alaska Energy Authority*
- **Brennan Walsh**, *STG Inc.*
- **Emily Dodge** and **Roland Sauermann**, *SGV*

12:00pm | Lunch: Strategic Planning Roundtables | Tikahtnu A

Project Bundling, Regional Collaboration, & Capacity Building

- Facilitated by **Nils Andreassen**, *Alaska Municipal League*
- **Laurie Wolf**, *Foraker Group*
- **Ben Mallott**, *AFN*
- **Judy Chapman**, *DOT&PF*

1:30pm | Moving Forward: Managing an Infrastructure Pipeline | Tikahtnu A

- Hosted by **Nils Andreassen**, *Alaska Municipal League*
- **Jordan Nelson**, *City of Valdez*
- **Melanie Lucas-Conwell**, *Alaska Sustainable Energy Corporation*
- **Shelly Wade**, *American Planning Association, Alaska*
- **Brian Hirsch**, *Deerstone Consulting*
- **Erin Reinders & Iain Cranston**, *Alaska Municipal League & icInfrastructure*

3:00pm | Closing Remarks and Next Steps | Tikahtnu A

3:30pm | Adjourn

Advancing Alaska's Infrastructure

The Alaska Infrastructure Development Symposium brings together high-level state, federal, and local leaders for a powerful lineup of sessions, presentations, workgroups and more.

To continue the conversation after the conference, register for weekly Infrastructure Office Hours, learn about grant writing and resource opportunities, and better understand changes to federal funding as it relates to grants and projects in Alaska. Please visit:

<https://akfederalfunding.org/>

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