

**NORTHWEST ARCTIC BOROUGH  
RESOLUTION 24-02**

**A RESOLUTION OF THE NORTHWEST ARCTIC  
BOROUGH ASSEMBLY APPROVING A VILLAGE  
IMPROVEMENT FUND APPLICATION FROM THE CITY OF  
SHUNGNAK FOR A HEAT RECOVERY PROJECT, AND FOR  
RELATED PURPOSES.**

**WHEREAS:** under Section 11.08.010 of the Borough Code, the Borough Village Improvement Commission was established to identify village service and capital improvement needs, plan and implement capital improvement and public service programs, and oversee investment of the Borough's Village Improvement Fund (VIF); and

**WHEREAS:** under Section 11.08.020 of the Borough Code, the Commission is responsible for advising the Borough Administration with respect to working with village residents, Borough communities, and village utilities to identify projects and programs for recommended funding; and

**WHEREAS:** on February 15, 2024, the Village Improvement Commission passed Commission Resolution 24-02, approving and recommending the City of Shungnak's VIF application in the amount of \$261,311 for a heat recovery project for final approval by the Northwest Arctic Borough Assembly; and

**WHEREAS:** the heat recovery project will utilize waste heat from the power plant to meet the heating requirements for the water treatment plant and serve additional community buildings; and

**WHEREAS:** the funding request meets the VIF eligibility requirements and will benefit the community of Shungnak as a whole; and

**WHEREAS:** the Assembly wishes to approve the VIF application.

**NOW THEREFORE BE IT RESOLVED BY THE NORTHWEST ARCTIC BOROUGH ASSEMBLY:** the City of Shungnak's VIF application in the amount of \$261,311 for a heat recovery project is approved.


**PASSED AND ADOPTED THIS 27<sup>th</sup> DAY OF FEBRUARY 2024.**

  
\_\_\_\_\_  
**Nathan Hadley, Jr., Assembly President**

**PASSED AND APPROVED THIS 27<sup>th</sup> DAY OF FEBRUARY 2024.**

  
\_\_\_\_\_  
**Dickie Moto, Sr., Mayor**

**SIGNED AND ATTESTED TO THIS 27<sup>th</sup> DAY OF FEBRUARY 2024.**

  
\_\_\_\_\_  
**Stella Atoruk, Borough Clerk**

**ATTEST:**



**NORTHWEST ARCTIC BOROUGH  
VILLAGE IMPROVEMENT COMMISSION**

**RESOLUTION 24-02**

**A RESOLUTION OF THE NORTHWEST ARCTIC  
BOROUGH VILLAGE IMPROVEMENT COMMISSION  
APPROVING AN APPLICATION FROM THE CITY OF  
SHUNGNAK FOR A HEAT RECOVERY PROJECT, AND FOR  
RELATED PURPOSES.**

**WHEREAS:** under Section 11.08.010 of the Borough Code, the Borough Village Improvement Commission was established to identify village service and capital improvement needs, plan and implement capital improvement and public service programs, and oversee investment of the Borough's Village Improvement Fund (VIF); and

**WHEREAS:** under Section 11.08.020 of the Borough Code, the Commission is responsible for advising the Borough Administration with respect to working with village residents, Borough communities, and village utilities to identify projects and programs for recommended funding; and

**WHEREAS:** under the Borough's Memorandum of Commitment Agreement with Teck Alaska, the parties stipulated that the Borough "retains sole control of the VIF" but that the Borough would establish a "consultation and review protocol" for "meaningful participation from all 11 villages" that has been established under the VIC; and

**WHEREAS:** the City of Shungnak (the Applicant) has submitted a VIF application in the amount of \$261,311.00 to conduct a heat recovery project for the community of Shungnak; and


**WHEREAS:** the heat recovery project will utilize waste heat from the power plant to meet the heating requirements for the water treatment plant and serve additional community buildings; and

**WHEREAS:** the proposed use of funds meets the VIF eligibility requirements and will benefit the community.


**NOW THEREFORE BE IT RESOLVED BY THE NORTHWEST ARCTIC BOROUGH VILLAGE IMPROVEMENT COMMISSION:** the City of Shungnak's application for VIF funds in the amount of \$261,311.00 to fund a heat recovery project is approved and is recommended for final approval by the Northwest Arctic Borough Assembly.



**PASSED AND ADOPTED THIS 15<sup>th</sup> DAY OF FEBRUARY 2024.**

  
Marie Greene, Chair

**SIGNED AND ATTESTED TO THIS 15<sup>th</sup> DAY OF FEBRUARY 2024.**

  
Stella Atoruk, Borough Clerk

**ATTEST:**



# Shungnak Heat Recovery Expansion

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## *2021 Application*

### *City of Shungnak*

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Mr. Roger Franklin  
P.O. Box 59  
Shungnak, AK 99773

O: 907-437-2161  
M: 907-444-1369

### *Ms. Angela Engelkes*

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P.O. Box 59  
Shungnak, AK 99773

cityclerk@shungnak.org  
O: 907-437-2161  
M: 907-887-3698

# Application Form

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## *Project Information*

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### **Project Name\***

Shungnak Heat Recovery Expansion

### **What is the timeline for your project/program?\***

The final design has been issued for construction with some modifications that are in progress. Longer lead items will be ordered in early 2024. The project is scheduled to be constructed primarily during the summer and fall of 2024.

### **Is this an existing project/program?\***

Is it already operating or has construction started? Has the project/program delivered services already?

Yes

### **If you answered yes to the previous question, please explain the status of the project/program.**

A heat recovery system already exists in Shungnak and uses the waste heat from the power plant to meet the heating requirements for the water treatment plant. ANTHC and the city of Shungnak are actively working on a new project to expand this heat recovery system to serve an additional 4 end-user buildings as well as to repair the connection to the city office. These additional buildings include the VPSO building, the Cookhouse, the store, and the clinic. This active project is funded by the Alaska Energy Authority's Renewable Energy Fund and IFC plans have been completed. Engineers are currently working on construction work plans but the engineering cost estimate indicated a budget shortfall that would force a scope change to eliminate the clinic from the project if additional funds cannot be secured.

### **What is the amount of the funding request to VIC?\***

\$261,311.00

### **Please describe how the VIF funds will be used for this project/program.\***

The VIF funds will make up the construction budget shortfall for this project, allowing the heat recovery system to serve the health clinic, which would otherwise be put on hold due to lack of funding. If this funding is not secured, the construction will have to be phased, with the second phase of the project, serving the clinic, delayed until another funding source is found. This would require multiple mobilizations, delay the procurement of materials, increasing overall project cost and delaying project completion. This funding will ensure that the community can fully realize the benefits of recovered heat with a completed project.

The funding will also cover design modifications that were the result of a change in pipe material. The material changes, combined with logistical issues with barge delivery, increased costs but the updated design will result in a more durable heat recovery system that will likely require less long-term maintenance.

### Does the project/program have other funding sources?\*

Does the project/program have other sources of funding, including matched funding or other grants (or state, community, partner organizations contributions)? If yes, please describe and attach relevant documentation.

Yes, this project has \$1,303,607 in grant funding from the Alaska Energy Authority, of which \$1,075,929 is budgeted for construction costs. An engineering cost estimate from the Alaska Rural Utility Collaborative (ARUC) operations team, who will be building the project, put the construction cost at \$1,255,600. Please see attached cost estimate on the second tab of the VIF request spreadsheet. The amount requested is the difference between the estimated cost and the amount of grant funding, plus a 5% contingency.

### Project Budget Spreadsheet\*

Please upload your total project/program budget, including details on VIF funds and how other funding will be used.

VIF request.xlsx

### Has the VIF provided funding to your community before?\*

Yes

### If you answered yes to the previous questions, please describe.

Yes, VIF has provided \$489,096 in funding for the solar/battery system that serves the community of Kobuk as well as Shungnak. VIF has also funded several vehicle and building upgrades in Shungnak such as a pickup truck and transit van for \$87,534.43.

## Project Details

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### Will this project/program continue after VIF funding?\*

Please describe why or why not.

Once properly commissioned, heat recovery systems need very little time devoted to operations and maintenance, and have an estimated design life of 20 years+.

## If you answered yes to the previous question, please describe how it will be funded.\*

How will the project continue after VIF funding end and by whom.

The heat recovery system will be owned and operated by the City of Shungnak, with support from the Alaska Rural Utility Collaborative (ARUC). Modern heat recovery systems are not likely to need much maintenance but ARUC is available to assist with maintenance as needed. The system will be operated by AVEC on the power plant side and the local operations and maintenance personnel on the facility end-user side. Revenue from heat sales are typically used by AVEC to perform operations and maintenance on their portion of the heat recovery system.

## Project/Program Partnerships\*

Please describe other projects in the community that could support the success of this project/program.

The City of Shungnak has a partnership with the Alaska Rural Utility Collaborative which helps to maintain their water and sewer infrastructure, including heat recovery. AVEC is already a partner on the existing heat recovery system so that partnership would be expanded by this project.

## Are there any issues or other projects that could negatively impact the success of your project?\*

If yes, please explain how your organization has the administrative and management capacity to execute the project (i.e., financial software, audits, history of management of other projects, stable relationships across community entities, and examples of other successful projects).

The only issue we foresee on this project is lack of adequate funding, which we are attempting to address through this application.

## Administrative and Management Capacity\*

Please explain how your organization has the administrative and management capacity to execute the project (i.e., financial software, audits, history of management of other project, stable relationships across community entities, and examples of other successful project).

The City of Shungnak has partnered with ANTHC for the design and construction of this project. ANTHC is a large organization with over 3,000 employees and has designed and constructed hundreds of millions of dollars' worth of infrastructure in rural Alaska Native communities to provide essential public health services. ANTHC has separate departments for grants management, compliance, procurement, contracting, and finance which ensures that the organization has adequate administrative capacity to execute this project. ANTHC's current portfolio includes grants from a variety of federal and state government agencies, as well as a number of nonprofit organizations and foundations within and outside Alaska. ANTHC's Grant Specialists use the Microsoft Office suite of software to monitor grant activities and reporting requirements, working closely with project managers and finance staff to continuously review and improve departmental operations. ANTHC Energy Department's Project Manager, Tyler Boyes, will serve as the project manager responsible for tracking the progress of this project using ANTHC's budget and project tracking software tools (Cognito, INFOR, etc.).



### Staff experience\*

Please outline any experience your organization/staff had had with similar projects/programs.

ANTHC's Rural Energy Program has successfully completed energy projects in more than 100 rural communities around Alaska. This includes design and/or construction of heat recovery systems in 27 rural communities in the state. ANTHC has a full engineering department that is currently working on finalizing the design, and the Alaska Rural Utility Collaborative (ARUC) operations staff have agreed to construct the project using staff that have completed similar projects in recent years in Holy Cross, Toksook Bay, Noorvik, and Chevak.

### Is the project/program "ready to go" or shovel ready?\*

Please explain how it has considered the equipment, resources, people, and permits needed for success.

The project is shovel ready and ANTHC is planning for construction next year. The ARUC team that will be constructing the project has reviewed the engineering designs and has scheduled staff to build the project. The majority of the construction funding is already available and as soon as the final 17% of funding is secured ANTHC will begin to order materials and arrange for shipment to the community.

All required environmental reviews, easements, and necessary permits are handled by ANTHC. ANTHC has extensive experience using the comprehensive Indian Health Service (IHS) environmental review procedures for conducting environmental analysis of all health and sanitation facilities projects in all stages of development. ANTHC is also regularly involved with water, sewer, energy, and other construction projects that require successful completion of a National Historic Preservation Act of 1966 (NHPA) Section 106 review.

The majority of the materials and equipment will be flown to the site in order to avoid possible delays with barge schedules. Materials that are less time sensitive will be barged to the site if possible to save money.

### Borough Title 9 Permit\*

Has the applicant certified that it will comply with any required permits including a Borough Title 9 Permit?

Yes

### Does the project/program address an issue that is life threatening, or a health risk?\*

i.e., health and safety, emergency, danger to people, the environment, or property. Please describe.

The project does not directly address any life threatening risks. However, it does contribute to the resiliency and self-reliance of the community. It also will provide a backup heat source at the clinic, which in the event of a boiler failure could prove to be lifesaving.

### Please describe if the project/program supports one or more priorities identified by the community.\*

Per the 2022 VIF Annual Report, Shungnak has identified the powerplant and water and sewer as priorities. This project will support both priorities. It will make improvements to the existing heat recovery at the

power plant by replacing an aging valve manifold, and aging piping. The heat sales revenue from the expanded system will go directly to the maintenance and operation of Shungnak's water and sewer system, which will increase its longevity.

### **Please attach any relevant documentation to show community involvement or support.\***

Examples include letters of support, joint resolution, priority lists, meeting minutes, sign up sheets, Title IX permit, etc.

Shungnak heat recovery expansion letters of support and commitment.pdf

### **Meeting Minutes\***

2023-11 SHU Resolution - Signed - Final.pdf

### **Audit\***

Shungnak 2019 Budget.pdf

## ***Benefits***

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### **What are the short-term goals of the project/program?\***

This project is estimated to save an additional 13,550 gallons of heating fuel each year for the facilities that are connected. At the current retail fuel price of \$8.42 per gallon, this is an annual savings of \$114,072. This savings will go to the maintenance and operation of the community's water and sewer infrastructure.

### **What are the long-term goals of the project/program?\***

Heat recovery systems are assumed to have a design life of 20 years, although many systems in Alaska are still running more than 30 years later. Over the life of this project, it is expected to reduce the heating fuel usage in these buildings by 271,000 gallons, which equates to a total savings of over \$2 million in 2023 dollars. Reducing the cost of energy will make operating these public facilities more affordable for the community, which allows funding to be used for other community needs.

### **Who will benefit from the project/program?\***

Please be specific (e.g., children, youth, elders, women, etc.) and include details (e.g., numbers).

The primary beneficiaries of this project will be the community members in Shungnak. Reducing the high cost of energy for these public facilities helps their operating budgets and ensures that more money can go towards providing the important services these facilities support in the community, such as health, public safety, and a functioning local government.

**What is the level of community impact?\***

Will the broader community benefit or just a few individuals?

Over the life of the project, it is estimated that the community will save 271,000 gallons of heating fuel, for a total cost savings of over \$2 million in today's dollars. This money will stay in the community and can be used to provide health, public safety, and other essential services that these facilities provide. Besides the cost savings on fuel, heat recovery generally saves money on boiler operations and maintenance because boilers connected to a heat recovery system run less often and therefore need less frequent cleaning and maintenance. Additionally, the heat recovery system provides a measure of resilience in the case that a boiler breaks down.

**Community Impacted\***

Will the project benefit one Village, more than one Village, or multiple Villages in the Northwest Arctic region?

This project will benefit Shungnak.

**Will the project create local jobs? If so, how many?\***

This project doesn't directly create jobs, however, energy cost savings from this project will keep money in the community, which may lead to long-term job growth.

***Electronic Signature***

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With my electronic signature, I certify that the information provided in this application is true, correct, and complete. I agree to allow any information on this application (unless otherwise noted) to be released for publication. I authorize the Northwest Arctic Borough to verify any information submitted as part of this application.

**I have read the above information.\***

Yes

**Title of Authorizing Official\***

City Clerk

**Date\***

12/14/2023

## Electronic Signature\*

By typing in your name below, you certify that the above information is true and accurate to the best of your knowledge.

Angela Engelkes

Direct questions related to the online application system to The Alaska Community Foundation by email: [grants@alaskacf.org](mailto:grants@alaskacf.org), or by phone: 907-334-6700.

After you submit your application you will receive a confirmation email. Thank you for applying!

## *ADMINISTRATOR QUESTIONS AND INSTRUCTIONS*

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### Administrator Only

Your next steps are to respond to all required administrator questions and mark each application complete.

## Documents

Check off each item as it is received, either as an upload document or as a hard copy.

## File Attachment Summary

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### *Applicant File Uploads*

- VIF request.xlsx
- Shungnak heat recovery expansion letters of support and commitment.pdf
- 2023-11 SHU Resolution - Signed - Final.pdf
- Shungnak 2019 Budget.pdf



Shungnak Heat Recovery Expansion			
Task	AEA Funding	Expected Cost	VIF Funding Required
Project			
Management	\$66,912	\$66,912	\$0
Construction	\$1,075,929	\$1,255,600	\$179,671
Design	\$125,803	\$195,000	\$69,197
Project Closeout	\$20,000	\$20,000	\$0
Commissioning	\$14,963	\$14,963	\$0
Total	\$1,303,607	\$1,552,475	
		Total Deficit	\$248,868
		<b>Total Requested</b> (includes 5% contingency)	<b>\$261,311</b>

Percent of total

16.8%

## heat recovery module at AVEC

\$

### heat recovery module - at AVEC

Description	QTY	UOM	Total \$/UOM
Shed Materials	1	ea	\$ 25,000.00
Shed mechanical materials	1	ea	\$ 70,000.00
AVEC Gen mechanical materials	2	ea	\$ 25,000.00
shed materials freight	1	ea	\$ 15,000.00
shed construction labor	200	hrs	\$ 120.00
shed mechanical construction labor	120	hrs	\$ 120.00
shed mechanical freight	1	ea	\$ 8,000.00
AVEC Gen mechanical labor	160	hrs	\$ 120.00
AVEC Gen Mechanical freight	1	ea	\$ 8,000.00
Piping and flex connection materials ~ 60 ft, 8 connections	1	ea	\$ 80,000.00
Piping and flex connection construction labor	160	hrs	\$ 120.00
piping and flex connection freight	1	ea	\$ 15,000.00
equipment rental w/ operator	3	days	\$ 1,000.00
miscellaneous materials	1	ea	\$ 10,000.00
ordering/tracking/etc	80	hrs	\$ 120.00
travel	13	trips	\$ 3,000.00
contingency	10%	pcnt	\$ 370,400.00

### Cookhouse and VPSO

Description	QTY	UOM	Total \$/UOM
Piping and flex connection materials - 600ft, 6 connections	1	ea	\$ 130,000.00
piping and flex connection freight	1	ea	\$ 15,000.00
piping and flex connection labor	160	hrs	\$ 120.00
Interior mechanical materials	1	ea	\$ 15,000.00
Interior mechanical freight	1	ea	\$ 3,000.00
Interior mechanical labor	240	hrs	\$ 120.00
travel	7	ea	\$ 3,000.00
equipment rental w/ operator	5	days	\$ 1,000.00
ordering/tracking/etc	80	hrs	\$ 120.00
miscellaneous materials	1	ea	\$ 5,000.00
contingency	10%	pcnt	\$ 251,600.00

### Clinic and Store

Description	QTY	UOM	Total \$/UOM
Piping and flex connection materials - 600ft, 6 connections	1	ea	\$ 130,000.00
piping and flex connection freight	1	ea	\$ 15,000.00
piping and flex connection labor	160	hrs	\$ 120.00

Interior mechanical materials	1 ea	\$	15,000.00
Interior mechanical freight	1 ea	\$	3,000.00
Interior mechanical labor	240 hrs	\$	120.00
travel	7 ea	\$	3,000.00
equipment rental w/ operator	5 days	\$	1,000.00
ordering/tracking/etc	80 hrs	\$	120.00
miscellaneous materials	1 ea	\$	5,000.00
contingency	10% pcnt	\$	251,600.00

#### City Office

Description	QTY	UOM	Total \$/UOM
flex connection materials - 4 connections	1 ea		\$ 20,000.00
flex connection freight	1 ea		\$ 5,000.00
flex connection labor	160 hrs		\$ 120.00
Interior mechanical materials	1 ea		\$ 15,000.00
Interior mechanical freight	1 ea		\$ 3,000.00
Interior mechanical labor	120 ea		\$ 120.00
travel	5 ea		\$ 3,000.00
equipment rental w/ operator	5 days		\$ 1,000.00
ordering/tracking/etc	80 hrs		\$ 120.00
miscellaneous materials	1 ea		\$ 10,000.00
contingency	10% pcnt		\$ 116,200.00

#### WTP

Description	QTY	UOM	Total \$/UOM
flex connection materials - 4 connections	1 ea		\$ 20,000.00
flex connection freight	1 ea		\$ 5,000.00
flex connection labor	160 hrs		\$ 120.00
Interior mechanical materials	1 ea		\$ 15,000.00
Interior mechanical freight	1 ea		\$ 3,000.00
Interior mechanical labor	120 ea		\$ 120.00
travel	5 ea		\$ 3,000.00
equipment rental w/ operator	5 days		\$ 1,000.00
ordering/tracking/etc	80 hrs		\$ 120.00
miscellaneous materials	1 ea		\$ 10,000.00
contingency	10% pcnt		\$ 116,200.00

**Grand Total**  
**1,255,600.00**

\$ 446,440.00

Subtotal

\$ 25,000.00

\$ 70,000.00

\$ 50,000.00

\$ 15,000.00

\$ 24,000.00

\$ 14,400.00

\$ 8,000.00

\$ 19,200.00

\$ 8,000.00

\$ 80,000.00

\$ 19,200.00

\$ 15,000.00

\$ 3,000.00

\$ 10,000.00

\$ 9,600.00

\$ 39,000.00

\$ 37,040.00

\$ 276,760.00

Subtotal

\$ 130,000.00

\$ 15,000.00

\$ 19,200.00

\$ 15,000.00

\$ 3,000.00

\$ 28,800.00

\$ 21,000.00

\$ 5,000.00

\$ 9,600.00

\$ 5,000.00

\$ 25,160.00

\$ 276,760.00

Subtotal

\$ 130,000.00

\$ 15,000.00

\$ 19,200.00

\$	15,000.00
\$	3,000.00
\$	28,800.00
\$	21,000.00
\$	5,000.00
\$	9,600.00
\$	5,000.00
\$	25,160.00

\$	127,820.00
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Subtotal

\$	20,000.00
\$	5,000.00
\$	19,200.00
\$	15,000.00
\$	3,000.00
\$	14,400.00
\$	15,000.00
\$	5,000.00
\$	9,600.00
\$	10,000.00
\$	11,620.00

\$	127,820.00
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Subtotal

\$	20,000.00
\$	5,000.00
\$	19,200.00
\$	15,000.00
\$	3,000.00
\$	14,400.00
\$	15,000.00
\$	5,000.00
\$	9,600.00
\$	10,000.00
\$	11,620.00





December 13, 2023

Northwest Arctic Borough  
Village Improvement Fund  
Attn: Hiram Walker, VIF Capital Projects Manager  
163 Lagoon St.  
Kotzebue, AK 99752

RE: Letter of Commitment for the City of Shungnak's Proposal Requesting Supplemental Heat Recovery Expansion Project Funding under the Northwest Arctic Borough's Village Improvement Fund Opportunity

Dear Mr. Walker,

Please accept this letter on behalf of the Alaska Native Tribal Health Consortium (ANTHC) expressing our organization's commitment to the Heat Recovery Expansion project that the City of Shungnak is requesting supplemental funding for through the Northwest Arctic Borough's Village Improvement Fund (VIF) opportunity. If awarded, ANTHC will continue to provide comprehensive project and financial management support to the City of Shungnak to ensure that the requested \$261,311 in additional VIF funding is used to complete construction of the ongoing heat recovery system expansion project.

ANTHC is a non-profit Tribal Health Organization (THO) designed to meet the unique health needs of Alaska Native people living in Alaska. In partnership with regional THOs throughout the Alaska Tribal Health System and the nearly 160,000 Alaska Native people that we serve, ANTHC delivers world-class health services to its beneficiaries, including comprehensive medical services at the Alaska Native Medical Center, wellness programs, disease research and prevention, rural provider training, and rural water and sanitation systems construction.

As part of ANTHC's Division of Environmental Health and Engineering (DEHE), the Rural Energy Program works with communities to make public health services more affordable through clean energy projects. Energy costs in rural communities across Alaska often pose challenges to local governments responsible for maintaining public infrastructure. This project will directly benefit public facilities in Shungnak, resulting in a significant reduction in energy costs for the residents served by these facilities. Energy costs in rural Alaska specifically impact the Alaska Native and American Indian people ANTHC serves, and the City's proposal is substantially aligned with ANTHC's vision that "Alaska Native people are the healthiest people in the world," directly working towards our mission of "providing the highest quality health services in partnership with our people and the Alaska Tribal Health System."

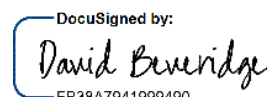
The Shungnak Heat Recovery Expansion project will serve the community's health clinic and other public facilities. Shungnak will benefit significantly from this project, as it is expected to save approximately 13,550 gallons of heating oil annually, saving the community \$114,100 each year in energy costs. These cost savings free up funding for public facilities to use to provide services that benefit all community members. The requested VIF funding will supplement the \$1,303,607 in previously-secured design and construction funding that ANTHC is managing under the City of Shungnak's Alaska Energy Authority (AEA) Renewable Energy Fund (REF) funded project, No. AN 21-ZA3.

December 13, 2023  
Page 2 of 2  
Letter of Commitment

ANTHC values its partnership with the City of Shungnak, and looks forward to continued collaboration to ensure the successful expansion of this heat recovery system. The reduction in operational costs over the life of the system will benefit Shungnak's residents for many years to come.

Please feel free to contact our Rural Energy Program Manager, Dustin Madden, by phone at (907) 304-2142 or by email at [dmadden1@anthc.org](mailto:dmadden1@anthc.org) should any questions arise concerning ANTHC's support for this project.

Sincerely,

DocuSigned by:  
  
FB38A7941999490...

David Beveridge

Vice President of the Division of Environmental Health and Engineering



September 23, 2020

Alaska Energy Authority  
Mr. Curtis Thayer  
813 West Northern Lights Blvd.  
Anchorage, AK 99503

RE: Letter of Support, City of Shungnak, Alaska Energy Authority, Renewable Energy Fund Grant Program, Round 13 application

Dear Mr. Thayer,

The Alaska Village Electric Cooperative, Inc. (AVEC) understands that the City of Shungnak and the Alaska Native Tribal Health Consortium (ANTHC) are preparing an application to fund a project designed to reduce community energy costs by transferring waste heat from the AVEC power plant to community facilities. We recognize that this project will help improve the quality of life for AVEC residential and commercial customers.

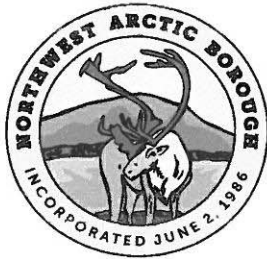
AVEC has partnered with ANTHC's Division of Environmental Health and Engineering (DEHE) on many previous occasions for the benefit of communities we jointly serve. Our organizations are both committed to reducing energy costs for our customers, and we look forward to continuing our efforts to ensure community facilities are efficiently operated.

Our cooperative would like to express support for this project and our willingness to work with the project team to ensure it is implemented successfully.

Sincerely,

A handwritten signature in black ink, which appears to read 'Meera Kohler'. The signature is written in a cursive, flowing style.

Meera Kohler  
President and CEO  
Alaska Village Electric Cooperative, Inc.



## Northwest Arctic Borough

163 Lagoon Street  
P.O Box 1110 Kotzebue, Alaska 99752  
(907) 442-2500 Fax (907) 442-2930  
[www.nwabor.org](http://www.nwabor.org)

September 8, 2020

Alaska Energy Authority  
Curtis W. Thayer, Executive Director  
813 West Northern Lights Blvd.  
Anchorage, AK 99503

Re: Letter of Support, City of Shungnak, Alaska Energy Authority, Renewable Energy Fund Grant Program, Round 13 application

Dear Mr. Thayer,

I am writing to express the Northwest Arctic Borough's support for the City of Shungnak's application under the Alaska Energy Authority, Renewable Energy Fund Grant Program, Round 13. The proposed project will significantly reduce energy costs for the community by recovering waste heat energy and redistributing that energy to public buildings.

The Northwest Arctic Borough is a home rule regional government responsible for providing essential programs and services to improve the quality of life for our residents, including individuals living in the City of Shungnak. We are the second largest borough in Alaska, and our population is made up of approximately 85.8% Alaska Native or part-Native individuals.

The high cost of energy presents an ongoing challenge for communities like Shungnak that are located above the Arctic Circle. Under this proposal, the City of Shungnak will partner with the Alaska Native Tribal Health Consortium's (ANTHC) Rural Energy Program, which has extensive experience designing and implementing heat recovery systems in Arctic and sub-Arctic communities. These systems help reduce costs for local government organizations, which can free up resources to perform repairs, maintenance, and perform other public services that benefit community members.

Funding from the Alaska Energy Authority will help the community reduce annual energy costs, helping further the Northwest Arctic Boroughs vision of Improving Living and Economic Conditions for All Residents.

I am very pleased to offer this letter in support of the City of Shungnak's funding proposal, and I look forward to seeing the community benefits that this project will produce upon completion.

Sincerely,

Lucy Nelson  
Mayor, Northwest Arctic Borough

September 4, 2020

Alaska Energy Authority  
Curtis W. Thayer, Executive Director  
813 West Northern Lights Blvd.  
Anchorage, AK 99503



Re: Letter of Support, City of Shungnak, Alaska Energy Authority, Renewable Energy Fund Grant Program, Round 13 application

Dear Mr. Thayer,

Please accept this letter on behalf of Maniilaq Association in support of the City of Shungnak's application under the Alaska Energy Authority, Renewable Energy Fund Grant Program, Round 13 funding opportunity. The proposed project will produce significant energy savings for the community by recovering waste heat energy and distributing recovered energy to community facilities, including the local health clinic.

Maniilaq Association is a regional Tribal Health Organization responsible for providing health, tribal and social services to residents of Northwest Alaska, including those residing in the City of Shungnak. Our organization is also a governing member of the Alaska Native Tribal Health Consortium (ANTHC), which has demonstrated its commitment to finding solutions to issues that are critically important to the health and sustainability of Alaska Native communities throughout our region. If awarded funding, the City of Shungnak will partner with ANTHC to address high energy costs, an ongoing challenge for maintaining and improving the community's public health infrastructure.

Working together to provide high quality, culturally relevant health, social and tribal services is Maniilaq's mission, and we are pleased to see further collaboration between the City of Shungnak and ANTHC. Funding from the Alaska Energy Authority will help the community reduce its annual energy costs and improve long-term public health outcomes for its residents, helping Maniilaq achieve its vision of Healthy People, Thriving Communities.

I am glad to offer this letter expressing Maniilaq's support for the waste heat recovery project being proposed by the City of Shungnak, in partnership with ANTHC.

Sincerely,

Tim Gilbert  
President and CEO

MANIILAQ HEALTH CENTER | P.O. BOX 43 | KOTZEBUE, AK 99752 | 1.800.478.3312

Kotzebue Qikiqtaruk, Ambler Ivisaappaat, Buckland Nunatchiaq, Deering Ipnatchiaq, Kiana Katyaak, Kivalina Kivaliniq, Kobuk Laugvik, Noatak Nautaaq, Noorvik Nuorvik, Pitmegea Tikigaq, Selawik Akutigaq, Shungnak Isinnaq



**City of Shungnak**  
**PO Box 73058**  
**Shungnak, Alaska 99773**

**Resolution #2023-11**

**A RESOLUTION OF THE CITY OF SHUNGNAK, AK REQUESTING FUNDING  
FROM THE (VIF), DECEMBER 15<sup>TH</sup> SUBMISSION DEADLINE FOR EXPANSION  
OF THE HEAT RECOVERY SYSTEM IN SHUNGNAK**

**WHEREAS**, The City of Shungnak is established as a municipal government and primary operator of the community facilities which stand to benefit from the proposed project; and

**WHEREAS**, The City of Shungnak is the primary operator of the water treatment plant, city office, clinic, store, VPSO building, and cookhouse that will benefit from facility enhancements and reduced operating costs resulting from the proposed project; and

**WHEREAS**, Fuel and electric costs are a burden on the city's budget and operational issues with heating critical buildings strains the city's resources; and

**WHEREAS**, The Alaska Native Tribal Health Consortium (ANTHC) is a statewide tribal health consortium; and

**WHEREAS**, The Shungnak City Council authorizes the Alaska Native Tribal Health Consortium (ANTHC) to work with the City Council to develop, implement, and manage the project for which the City is seeking funding from the VIF; and

**WHEREAS**, These facilities are managed by the City of Shungnak to provide water, groceries, public safety, and sanitation services to and for the benefit of Tribal members and residents of the City of **Shungnak**; and

**WHEREAS**, The City of Shungnak recognizes that this project will benefit the community and all residents there by reducing the costs of providing clean water, sanitation, and other services necessary for maintaining the health and wellbeing of the whole community; and

**WHEREAS**, The Village Improvement Fund is soliciting applications to support projects that will improve quality of life for villages within the Northwest Arctic Borough.; and

**WHEREAS**, The City of Shungnak and ANTHC have a long-standing working relationship and are committed to continued support for diverse energy projects that make health services more affordable and efficient; and

**WHEREAS**, this resolution shall remain in effect until such a time as this resolution has been expressly rescinded or modified by the City of Shungnak;

**NOW, THEREFORE, BE IT RESOLVED** that the City of Shungnak moves to add heat recovery to the community priorities list for Northwest Arctic Borough Village Improvement Fund; and

**BE IT FURTHER RESOLVED**, that the City of Shungnak authorizes the submittal of an application for funding assistance under the Northwest Arctic Borough's Village Improvement Fund; and

**BE IT FURTHER RESOLVED** that the City of Shungnak grants authority to the individuals signing this resolution to commit ANTHC to act as a point of contact and administer grant funds in support of the proposed project.

**ADOPTED BY a duly constituted quorum of the City Council of Shungnak, Alaska, this**  
11th day of December, 2023.

*Roger R. Franklin*

Mayor

**ATTEST:**

*Elizabeth A. Clayton*

Interim Administration

# BUDGET APPROPRIATIONS ORDINANCE

Ordinance No. 12-04  
AN ORDINANCE FOR THE CITY OF PROVIDING FOR  
THE ESTABLISHMENT AND ADOPTION OF THE BUDGET  
FOR FISCAL YEAR 2019

BE IT ENACTED BY THE COUNCIL OF THE CITY  
OF THUNDERBOLT

## Section 1. Classification.

This is a **Non-Code Ordinance**.

## Section 2. General Provisions.

The attached document is the authorized budget of revenues and expenditures for the period July 1 through June 30 and is made a matter of public record.

## Section 3. Effective Date.

This ordinance becomes effective upon its adoption by the city council.

First Reading June 21, 2018  
Public Hearing June 30, 2018

ADOPTED by a duly constituted quorum of the City Council of THUNDERBOLT Alaska, this  
20th day of June, 2018 (11:00 PM)

Malvin Lee  
Mayor

ATTEST:

Sharon Miller  
City Clerk

Attachment: Authorized FY 2019 Revenues and Expenditures.

\*or the Manager, if the Manager plan has been adopted.

Original - To be kept by city.

Copy - To be returned to the Department of Commerce, Community, and Economic Development

**FY-19 BUDGET**

FY14 - BUDGET		PAGE 1
REVENUE CATEGORY	BUDGET AMOUNT	
Revenue Sharing	\$79,027.00	79,043.00
Telephone Co-op Sharing	\$695.00	8,910.00
	\$79,822.00	87,953.00
<b>SALES TAX</b>		
Shungnak Native Store	\$23,407.00	34,599.00
Otz Telephone Co-op	\$847.00	847.00
GCI Com. Corp.	\$1,071.00	6,343.00
Kobuk River Valley S.	\$4,500.00	3,460.00
AJS	\$2,250.00	6,135.00
Alaska Village Elec. Co-op	\$7,609.00	6,256.00
All Other Agencies	\$345.00	171.00
	\$40,029.00	94,408.00
<b>CONTRACTS</b>		
Avec Elec System	\$39,724.00	NO
Avec Labor Wages	\$3,147.00	LONGER
Admin. Fee	\$8,574.00	IN BUDGET
	\$51,445.00	
NWAB - Patrolman	\$10,000.00	NO longer
NWAB - FY18 Rev. Sharing	\$16,625.00	IN BUDGET
	\$26,625.00	
<b>RENTALS</b>		
Otz Telephone Co-op	\$10,200.00	10,200.00
Post Office Lease	\$6,960.00	10,770.00
GCI Rent	\$3,815.00	3,815.00
Nana Reg. Corp.	\$12,000.00	13,000.00
	\$32,975.00	36,785.00
<b>EQUIPMENT RENT</b>		
Shg. NS. Avec.		
NWABSD, & Locals	\$2,935.00	1,935.00
	\$2,935.00	1,935.00
<b>Other Revenues</b>		
Refunds, Rebates, Reimb.	\$6,645.00	5,295.00
Fines and Fees	\$2,260.00	1,350.00
Miscellaneous Revenue	\$4,180.00	8,476.00
	\$13,255.00	23,369.00
<b>REVENUES: GRANT TOTAL</b>	<b>\$247,188.00</b>	<b>183,723.00</b>

**CITY OF SHUNGNAK**  
**FY-19 BUDGET**

PAGE 2		
FY14 - BUDGET	BUDGET AMOUNT	
EXPENSE CATEGORY		
	COMPUTATION	BUDGET AMOUNT
COUNCIL		
Regular Meeting Rate		\$12,600.00
Special Meeting Rate		\$8,400.00
Other Expenditures		\$1,607.00
Snacks For All Meetings		\$578.00
		\$23,285.00
ADMINISTRATION		
Employee Description		
City Administrator		\$47,216.00
City Clerk		\$29,588.00
City Janitor		
Bldg. Repair & Maint.		
		10,033.00
IRS		587.00
Other Expenditures		8,705.00
Travel & Per Diem		\$1,210.00
		\$480.00
		\$350.00
Material/Parts		\$1,200.00
Tel/ Fax/ Internet		\$1,783.00
Electricity		\$5,048.00
		\$1,171.00
Heating Fuel		\$4,500.00
Office Supplies		\$1,800.00
		\$258.00
		\$1,675.00
Janitorial Supplies		\$1,675.00
Other Operating Expenses		
		\$1,494.00
		\$1,500.00
		\$5,295.00
		\$1,428.00
		66,963.00

150,248.00



**CITY OF SHINGNAK**  
**FY-19 BUDGET**

[illegible]

**CITY OF SHINGNAK**  
**FY-1 BUDGET**

	PAGE 4	
Water & Sewer		
W/S Operator (1)		\$1,800.00
		\$138.00
		\$97.00
		\$85.00
Electrical		\$955.00
		\$2,758.00
		\$467.00
		\$6,300.00
Garbage & Landfill		
Wages:		\$7,200.00
Payroll Taxes		\$551.00
		\$389.00
		\$459.00
Gas & Fuel		\$184.00
		\$8,783.00
OTHER EXPENDITURES		783,773.00
	FY17 REVENUE GRAND TOTAL	183,773.00
	FY17 EXPENDITURES GRAND TOTAL	183,773.00
	SURPLUS	\$0.00