
MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Erin Reinders, City Manager
Date: May 24, 2022
Re: City Manager Report

BUDGET RELATED COUNCIL MEETINGS: Staff continues to work to improve the budget process and to present Council with a budget that addresses Council's Budget goals and direction. Upcoming key dates to keep in mind are the following, but are still subject to change:

- June 14, 2022: 1st reading FY23 Budget Ordinance
- June 28, 2022: 2nd reading FY23 Budget Ordinance

INTERIM CITY MANAGER: Contract has been signed by both Chris Hladick and Mayor Tutiakoff. Staff is assisting with travel and housing now. I am drafting a briefing memo to assist with the transition, and will share that with both the Interim CM and the Assistant CM. My last day in the office is May 25, 2022, as I will be on personal leave from May 26 – May 31, 2022. Assistant CM will be Acting CM during that time period.

TITLE 3 UPDATE: The compensation for Title 3 employees should be looked at following the 302 contracts. Code states that the classification and pay plans for Title 3 are to be reviewed every three years. The last time they were updated was in 2019. With the pending departure of the Assistant City Manager and the recent departure of the HR manager, the Assistant City Manager has already communicated this need to the new HR Manager who will hopefully be starting in late June. I will be including this project in my briefing memo to the Interim City Manager.

AIRPORT RFPs: The Port Director would like to point out two RFPs for the airport are posted on the City website. The first one is addressing the leased parking spaces for the rental car companies, and the second is for the two tenant spaces in the terminal vacated by travel agents.

DIRECTIVES TO THE CITY MANAGER: Listed below are three directives in process.

- ***City Manager Recruitment (March 22, 2022). Progressing.*** Management was directed to proceed with City Manager recruitment, begin looking for an executive search firm and provide a draft job description to Council.
 - March 23 - Draft job description was emailed to Council for review.
 - April 4 - RFP for executive search services was posted. One firm responded, Government Professional Solutions. Another executive search firm contacted The Assistant City Manager to explain that they were too swamped with work to submit a proposal and could not take on more work. Due to the limited response to the RFP, this may be the same for other search firms.
 - April 7 - Council met in executive session to further discuss recruitment of an interim City Manager and a permanent City Manager.
 - April 11 - the City Manager position was posted. The Assistant City Manager reports that as of May 5, 2022, six applications have been received. These applications have all been forwarded to the Mayor and Council to review.

- April 16 – Interim City Manager contract with Chris Hladick was signed and the agreement commences on June 1, 2022. Chris will arrive on island May 29th and leaves on June 8, working remotely through the remainder on June; and then plans to be back on the island the first two weeks of July.
- **Cost Benefit Analysis for Captains Bay Road Project (March 30, 2021). Progressing.** The directive reads “Implement a cost-benefit analysis for the proposed road improvements and utility expansion for Captains Bay Road.” We will use this report to not only objectively define the benefit, but also define the project phases and scope for those phases. This has allowed for a deeper dive into updated construction cost estimates, a rerun of the Cost Benefit model, and an adjustment to the findings. A draft was presented to Council at the March 8, 2022 Council Meeting. The refined information has proven to be very beneficial and directly applicable to our project phasing as well as CAPSIS and CMMP requests as it clearly indicates the most cost effective approach. Furthermore, the analysis and findings are already serving us as we seek other funding opportunities. HDR assisted the City with the RAISE grant application that was submitted on April 14. HDR is actively working on a grant application to the Denali Commission as well as the RURAL grant opportunity. While mainly applicable to roadway improvements, the draft Cost Benefit Analysis has been used to support each of these grant opportunities. Council requested a deeper evaluation of utilities within the Cost Benefit Analysis. This deeper evaluation is presently underway with an anticipated completion date in early June.
- **Haystack Communications Site (July 27, 2021). Progressing.** The directive reads, “Start the process to terminate leases on Haystack for communications and work to upgrade and allow equal access to facilities for communications on Haystack with new leases.” This directive was issued after public comment by Optimera representatives at the City Council meeting. Available space (that is not already leased or has an easement across it) is limited on Haystack, and Optimera had previously requested a lease agreement in a place that was leased to another entity. To comply with the directive, below is an overview of related activities over the past several months:
 - Optimera Lease
 - November 26, 2021 – Planning emailed draft lease to Optimera for tower space on Haystack
 - December 2, 2021 – Planning emailed Optimera to confirm they received the lease. Optimera responded affirmative.
 - December 27, 2021 – Optimera returned a draft lease with proposed edits
 - January 20, 2022 – Discussed Optimera’s proposed lease / City response with City Attorney
 - January 24, 2022 – Discussed City position on Optimera draft with Optimera attorney
 - January 27, 2022 – Discussed draft with City Attorney
 - January 28, 2022 – Emailed new draft to Optimera
 - February 17, 2022 – Optimera accepted lease
 - March 8, 2022 – Resolution 2022-08, Council approved 20-year lease with Optimera.
 - April 27, 2022 – Planning received signed contract from Optimera
 - May 2, 2022 – City Manager Signed lease.
 - May 6, 2022 – Planning sent executed lease to Aleutian Records Office.
 - Staff will be looking at renegotiating the existing TelAlaska lease on Haystack, which currently leases a significant portion of the property on Haystack. TelAlaska will be seeking permission to build a new tower on Haystack in 2022 so we will be discussing the situation as we lead up to their formal application.