

## CITY MANAGER'S REPORT

TO: Mayor Tutiakoff and City Council Members

FROM: Marjie Veeder, Acting City Manager

DATE: September 26, 2023

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- **Cliff Face Stabilization on Ballyhoo Road:** Staff from Ports, Public Works, and City Administration continue to work toward defining the emergency project to stabilize the rock cliff face behind the Latitude 54 Building on Ballyhoo Road. Meetings have been held with R&M, Southeast Road Builders, and APEI (City Insurer). Initial research and proposals have been completed to be able to put forth a budget amendment to begin the work. [A detailed memo is attached](#) to outline the structure of both the financing of the stabilization project and the contractor work.
- **Suicide Prevention:** September is National Suicide Awareness Month and USAFV is hosting Dustin Morris of the American Foundation for Suicide Prevention. Dustin will present two sessions for City employees on Friday, September 29 of *"Talk Saves Lives: Suicide Prevention Education for Workplace Settings."* This is a 60-minute education presentation designed to be delivered in workplace settings and provides participants with the scope of the problem of suicide, key research findings including risk factors and warning signs for suicide, along with recommendations for the role we can all play in suicide prevention. Mayor and Council Members are welcome to attend. Presentations will be in the Council Chambers at 10:30 am and 1:30 pm.
- **High-Speed Internet:** The Information Systems Division is busy preparing all City departments for the new fiber optic internet service. A network engineer will help aid the transition to the new service during the week of September 25<sup>th</sup> and we expect to go live on October 1<sup>st</sup>.
- **Local General Election:** The local general election will take place on Tuesday, October 3<sup>rd</sup>. Polls will be open at City Hall from 8 am to 8 pm. Early and absentee voting is ongoing in the Clerk's Department.
- **Community Extra Mile Awards:** This award is presented to citizens within the community who have gone the extra mile to assist with a city function, event, or specific incident. Nominations for this award can be made by any member of the City's Supervisory and Management Staff or by a City Council Member or the Mayor. Mayor and Council are encouraged to make nominations as they see fit.
- **Classification and Compensation Study for Unrepresented Employees:** The work is proceeding and employees are currently completing comprehensive position description questionnaires and the consultant is gathering wage data from comparative municipalities and agencies. We are presently on track to complete the study by year-end, or very early in 2024.
- **Parkside Estates:** The subdivision should be selling lots soon. The project started more than 5 years ago and the owners changed about halfway through the development process. Public Works and Utilities worked with the developer to complete the utility designs and installs. The Planning Commission approved the final plat in June and on September 5 the new subdivision was officially recorded at Alaska State Recorder's Office.
- **Employee Newsletter:** The City Manager published the 2<sup>nd</sup> edition of the Employee Newsletter, which is available at this link: [http://city-net/downloads/COU%20Newsletter\\_September%202023.pdf](http://city-net/downloads/COU%20Newsletter_September%202023.pdf)
- **Parks & Recreation Master Plan:** Two proposals were received for the Parks & Recreation Master Plan, one from Berry Dunn and the second from "110%". The proposals have been reviewed and both exceed the present project budget. The primary difference between the two proposals is that 110%

- proposed to conduct all public meetings virtually, and Berry Dunn proposed in-person meetings with the community. Staff is verifying pricing with 110% for in-person meetings so that proper evaluation of the proposals may be done. PCR Staff and the PCR Committee both prefer in-person meetings for this project.
- **Fireworks Displays:** Lantis Fireworks & Lasers provided proposals for both the New Year’s Eve display and the 2024 Independence Day display, with no cost increase as compared to last year. The proposal cost is \$35,000 per show plus travel, hotel, meals, and rental vehicle expenses. Lantis requested approval to purchase fireworks for both shows at one time to reduce the cost of shipping. The FY24 budget contains sufficient funds to cover both shows plus expenses and other supplies that will be needed. The City Manager will proceed with a contract with Lantis, authorizing the sole source procurement because Lantis has been the sole respondent to requests for proposals in recent years.
- **LEPC:** LEPC membership guidelines require participation by local elected officials. It would be great to have a City Council member or the Mayor sign up as a regular member and another elected official sign up as an alternate. The plan is for quarterly meetings and the first meeting was held in July. Sign-up can be accomplished at this link: <https://form.jotform.com/231555985072059>
- **FY23 Community Support Grant Funds:** Both the Q-Tribe and USAFV returned unused FY23 Community Support Grant funding to the City. Q-Tribe return \$105.25 and USAFV returned \$6,680.77.
- **Staffing Update:** Deputy Utilities Director Erik Hernandez began work on September 18<sup>th</sup>. Finance Director Patricia Soule and Planning Director Cameron Dean are scheduled to start work on September 25<sup>th</sup>. Police Chief Kim Hankins is scheduled to begin work on October 9<sup>th</sup>. The current number of open positions by department are:

Department	# Openings
Administration	1
Clerks	1
DPS	3
DPU	8
DPW	3
Finance	1
PCR	5
Planning	1
Ports	1

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Peggy McLaughlin, Port Director  
Through: Marjie Veeder, Acting City Manager  
Date: September 26, 2023  
Re: Ballyhoo Road Cliff Face Stabilization Update and Information

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This memo is written to give Council an update on the stabilization efforts of the cliff face and overhang on the property owned by the City of Unalaska Plat, Parcel 01-09-200, also known as Track A of Ballyhoo Dock Subdivision Add. no. 1, Plat 88-10. Situated on this property is the Latitude 54 building, just north of North Pacific Fuel's tank farm. This memo will also provide some response to the Council discussion and questions from the August 8, 2023 meeting.

**Recent History:** Following the December 2022 water event, Port personnel recognized significant landslides, rock fall and potential for further and more dangerous rock fall behind the Latitude 54 building. A specific threat was noted on the south corner of the building directly behind the port offices. Most of the Port personnel were vacated until a more thorough assessment was completed. City personnel worked with the geologist from the Department of Natural Resources, Geological and Geophysical Surveys and subsequently contracted with R&M for an emergency consultation for further assessment and appropriate mitigation efforts. All of these entities fully recognized a considerable risk of the south corner of the cliff face slipping and for potential damage to infrastructure and injuries to people.

The initial R&M report identified some possible mitigation options for short-term stabilization, including the potential to solve the immediate threat with some hand scaling. R&M further recommended that a comprehensive approach be taken to stabilize the entire cliff face where there is on-going sloughing of unstable material. R&M provided the City with contacts for multiple rock scaling companies who have expertise in stabilization projects and with solid safety records. We reached out to these companies and had one response.

**Plan:** Southeast Road Builders have assessed the work to be done and provided a plan for stabilizing the immediate threat. They will hand scale first. R&M will re-assess the overhang, and if there is concern that more work needs to be done, Southeast Road Builders will continue on with some small charges to help release the areas of risk. Later, we will need to consider another phase which will assess the rock face for the entire length of the building. That assessment will determine if further measures need to be taken and provide options for further stabilization.

**Finances:** The City of Unalaska owns parcel 01-09-200 and leases it to North Pacific Fuel (owned by Arctic Slope Regional Corporation), which also owns the Latitude 54 building. In 2014, there was a significant sized boulder that hit the north corner of the Latitude 54 building causing structural damage. North Pacific Fuel's parent company filed suit. The case was eventually mediated. The lawsuit claimed more than for \$1.2 million in damages. Following mediation the City settled and paid \$315,000 to the plaintiffs.

One of the discussion questions at the August 8, 2022 Council meeting was "Is the City responsible for the entire cost of stabilizing the cliff face?" The simple answer is most likely yes.

The relationship with the building owner dates back to 1992. That lease is still in effect and is somewhat vague on the responsible party for maintaining the cliff face and resulting damages. What is clear, is that building size exceeded the original permitted plans and was constructed too close to the cliff face. The contractor built into the setback and the City did not enforce the required setback. The ambiguity of the responsible party remains from a tenant landlord perspective.

Regardless of the relationship with our tenant on parcel 01-09-200, the city has a legal obligation to the property owners that we share a property line with to secure the cliff face. The City owns parcel 01-09-200 and is responsible for shoring up the rock wall. We cannot infringe on the adjacent property owners' property line. The City would be financially responsible for any loss of property or property value if the loss was due to our failure to control the sloughing.

Further, if we have another rock fall that causes damage to the building, we will be in a similar situation as the previous claim and we will have a percentage of liability. The risk to south corner has greater opportunity to harm people and similar risk to the building.