
MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Erin Reinders, City Manager
Date: October 26, 2021
Re: City Manager Report

Upcoming Deadlines: Monday, November 1 is when the: 3rd Quarter Sales Tax reports and payments due.

Crab Closures and Reductions: We are still estimating about a \$2.7 million annual impact from to the crab fisheries closures and reductions. This includes our estimate for a loss in sales tax related to fuel sales. We are digging in now to define when we might actually see these impacts. The Local Raw 2% Seafood Land Tax task will hit us this year, we estimate \$230,000 impact for King Crab closure and \$841,500 for Snow Crab. The Fishers Business Tax impact will impact FY23, we estimate \$172,500 impact for King Crab and \$631,125 for Snow Crab. We are still waiting to know what we will bring in this Fiscal Year for last year's catch. Again, these are only estimates. On a positive note we brought in nearly \$600,000 more than the budgeted estimate for FY22 Fisheries Resource Landing Tax. During the Annual Crab Meeting on Tuesday October 19 it was discussed that this was likely a mass mortality event and if that event were over than it would be at least 6 years to recover. There are plans in the works for the Regional Landing Relief Coordinating Committee to meet next week. We are working to bring some status update to Council for the November 9 meeting.

Airport Master Plan: State DOT and their consultants held a stakeholder meeting on the Airport Master Plan on Thursday, September 16. The public meeting planned for September 30 was cancelled and has been rescheduled for **October 28 (5:30 –7:30pm) on Zoom**. This will also be on KUCB. Again, the plan focuses on a 150 foot by 150 foot EMAS on both sides of the runway. This includes access along the sides of the EMAS and allows for 4,350 feet of useable runway. Additional information on this plan can be found at <https://dot.alaska.gov/sereg/projects/unalaska/>

NTSB Investigation Update: The NTSB is holding a virtual public meeting on **Tuesday, November 2, 9:00am** (1:00pm EST) on its investigation into the 2019 airport accident. The only item will be *Investigation Report—Runway Overrun During Landing, Peninsula Aviation Services Inc., d.b.a. PenAir flight 3296, Saab 2000, N686PA, Unalaska, Alaska, October 17, 2019*. The public may view it through a live or archived webcast by accessing a link under “Webcast of Events” on the NTSB home page at www.nts.gov.

Capital Project Update: As a reminder, the new Capital Projects Update is uploaded monthly onto the City's website (<https://www.ci.unalaska.ak.us/publicworks/page/capital-projects-update-0>). Public Works Director, Tom Cohenour, coordinates the development of this document and is available if there are any follow up questions on this report. This compliments his formal presentations to City Council two times a year.

State Lobby Efforts: Council will receive a State Legislative update from Dianne Blumer on November 9. We will also consider the next round of State Legislative Priorities. Final priorities will be set via resolution in a following meeting, based on the discussion that evening. I met with Dianne, and our Federal Lobbyists team Friday, October 22, 2022 to discuss how the priorities would be best coordinated. We also touched on some of the planning details for the December Federal Lobby trip. We are beginning

to discuss the State Lobby Trip, and planning for contingencies with COVID-19. **Dates for the trip will be March 2-4, 2022.**

Qawalangin Tribe EDA Application: The Qawalangin Tribe of Unalaska has applied for phase 1 of the United States Department of Commerce's Economic Development Administration (EDA) American Rescue Plan Act Build Back Better Regional Challenge. The application notes that the Tribe (the prime entity), the OC, and the City of Unalaska have formed a comprehensive partnership, "The Trilateral Commission," to engage in the planning and development of growth clusters that ensure the health, wellbeing, and economic prosperity of the island for generations to come. The Tribe is seeking funding for the planning (including feasibility and economic studies), development, and construction of the island's most critical infrastructure needs. The City provided a letter of support as this clearly helps to support Council focus areas and priorities. We will likely add at visit to the EDA during our DC lobby trip to help support this effort.

Directives to the City Manager: There are two outstanding directives, both progressing as outlined below.

- *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." The Public Works Director has provided the following update on this analysis. HDR Engineering conducted on-site stakeholder interviews and a meeting with Public Works staff between October 6th and October 9th. The stakeholders who were interviewed include representatives from Matson, Westward Seafoods, APL, Kloosterboer, Alaska Chadux Network, North Pacific Fuel, Pacific Stevedoring, Offshore Systems, Inc., Trident, and Roger Rowland. Maintenance and operating costs as well as potential benefits were discussed with each stakeholder. Accident locations, rockfall locations, and pedestrian safety issues were reviewed. HDR is in contact with DPS about getting more detail on Captains Bay Road traffic incidents. Since returning to Anchorage, HDR began the analysis by developing an initial list of project benefits that could be potentially realized including reduced road maintenance costs, reduced vehicle maintenance costs, improved safety, travel time savings, reduced emissions, residual value of assets, and avoided road closures. HDR Economists are reviewing the input from the stakeholder meetings to assess the degree to which the data available will support the quantification of benefits. The cost-benefit model template is under development which incorporates information and data obtained through the initial interview with stakeholders. A review of potential funding sources for non-transportation projects was also reviewed to identify possible funding sources for the utilities component of the roadway improvements. Economists are also assessing potential for quantification of the utilities benefits.
- *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 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. Staff presented an update of the current complex situation on Haystack at the September 14 Council work session. We requested information about the perpetual easement from Western Alaska Title Company and received a report on Tuesday October 19, 2021. OptimERA's attorney requested a meeting with City representatives to discuss Haystack and on Friday September 24, 2021 our City Attorney, Planning Director and I met with OptimERA representatives and their attorney to discuss the present status of our work and invited their continued interest in locating a tower on Haystack. Staff is working with City Attorney to prepare for an Executive Session at the City Council meeting on October 26, 2021.