

CITY MANAGER'S REPORT

TO: Mayor Tutiakoff and City Council Members
FROM: William Homka, City Manager
DATE: January 3, 2025

1. **POLICE ROTATIONAL STAFFING STUDY:** We have received the study from McGrath Human Resources' law enforcement division. We are reviewing it and will bring it to the council with a recommendation to consider for addressing our shortage of officers.
2. **MAERSK / AMERICA'S FINEST:** Maersk intends to pull operations out of our community by February 2025. I received confirmation about the matter via various channels. The discussion I'm hearing is that CMA should pick up the Maersk cargo. We anticipate most of the fish tax revenue will still come in, however we will lose wharfage and tariff at the city docks.
3. **ALASKA PERMANENT CAPITAL MANAGEMENT (APCM):** William Lierman phoned to inform me that Evan Rose sold his majority ownership interest in APCM to an investment holding company named Blue Umbrella, LLC. The firm was founded in 2021 by Alaska businessmen Dan Perpich and Jimmy Miner. Per our agreement (and financial regulations) the City of Unalaska must acknowledge that a controlling interest has changed in the firm that manages our investments.

Mr. Lierman will become the new CEO. He will continue to manage our portfolio with his team and assured me that our level of service will not diminish with the new ownership or his new position.

ELECTRIC PRESENTATION: We are reviewing the EPS study of our electric utility, which incorporates wind energy. The study, titled 'Electric Utility Load Growth Impact Study', will assist with planning and financing options for future improvements. Erik Hernandez and our consultants will present the findings to the City Council at a meeting in January

Also, Administration has analyzed the vacancies of the linemen positions. A market study supports increasing the wages of the positions which will assist with rebuilding our linemen program. I am pleased with the work and hope you will find it helpful as we discuss how to proceed with the Optimera contract, which is also up for negotiation.

4. **CITY MANAGER:** My contract ends April 30, 2025. That is not far away. Four months will pass quickly with the work anticipated in the first quarter of 2025, which includes lobbying trips to Juneau and Washington. The mayor has agreed to add an executive session to the January 28 meeting to discuss the matter.