



CITY OF SAINT PAUL

100 GORBATCH STREET PO BOX 901
SAINT PAUL ISLAND, ALASKA 99660
907-546-3100 (MAIN) 907-546-3188 (FAX)
WWW.STPAULAK.COM LIKE US ON FACEBOOK

CITY MANAGER REPORT

Reporting Period: June 2 – September 7, 2018

Prepared By: Phillip A. Zavadil, City Manager

Date: September 8, 2018

ADMINISTRATION

Outreach and Communications Plan

Website

We continue to work with Agnew::Beck on the update of the City's website. Monique and I met with the staff working on the website last week to review a draft of the new home page.

BeringS

The next BeringS e-newsletter is scheduled to send out by the end of September 2018.

City Code Online

We continue to work with Code Publishing to codify and conduct a legal review all the City ordinances. We brought Phyllis in to help answer some questions that the company had regarding handwritten notes, maps and other appended documents. The City's Code of Ordinances are still scheduled to be online by the first part of this next year.

Human Resources Division

Training

On July 11-13, 2018 the City hosted an 8-hour HAZWOPER class and 4-hour Marine Spill class. At the end of the class we conducted a spill drill in the harbor.

PayNW HR Module

Monique and I continue to work with PayNW to set up the human resource (HR) module in our PayNW system. We currently use this system for timekeeping. The HR module will allow us to track the following items for each City employee:

- Property assignments, such as keys, vehicles, cell phones, duty gear, etc.
- Credentials, such as driver's licenses, professional certifications, etc.
- Education, such as degrees earned
- Trainings/Certifications, such as HAZWOPER, ICS, Power Plant and Bulk Fuel Operator, etc. Additionally, we are developing training profiles for specific positions/jobs to document and track what trainings/certifications are required for each position/job.

Additionally, the HR module will link job descriptions to each position/job and we will use the module

to perform annual performance evaluations.

Personnel Policies

Work on the remaining personnel policies continues. My progress has been slow with having to deal with and respond to other pertinent issues.

Planning and Zoning

National Weather Service Project

We continue to work with NOAA National Weather Service to finalize upgrades to the weather balloon launch system.

NOAA Transfer of Properties

City's legal counsel Becky Lipson with NOAA regarding completion of various property transfers.

TDX Power/St. Paul School Wind to Heat Project

The City has been working with TDX Power on the St. Paul School wind to heat project, which involves installation of an electric boiler at the school to help offset fuel costs. Mike Dahl has had several meetings with John Lyons regarding this project. Mike, Ed Paulus and I met with Brett Agenbrood, Michael Baldwin, and Mac Mandregan on this project in August. I have sent an Application for Construction Permit to TDX Power to complete, which is required by City ordinance. A couple items that still need to be addressed include: 1) the stability in the existing system as the addition of more wind power to the system will increase power instability; and 2) to negotiate an amendment to the PPA with a negotiated price for dispatched heat, the RCA needs to approve the price, and then the City Council can set a rate for dispatched power. We will continue to work with TDX Power and the school to see this project through to completion.

St. Paul Fuel Pipeline Project

St. Paul Fuel will be performing some work on their fuel pipeline. I sent St. Paul Fuel representatives an Application for Construction Permit, since this project will involve dig up a part of the Haul Road and locates for the various utilities that are in the area.

Vacating Public Rights-of-Way and Altering Plats

Mike Dahl, Becky Lipson and I are working with Alaska Department of Natural Resources and LCG Lantech to finalize the vacating of public rights-of-way and altering two recorded plats, ATS 1399 and ATS 1472 located in the Small Boat Harbor.

North Pacific Fisheries Management Council (NPFMC)

Bering Sea Fisheries Ecosystem Plan

A draft of the Council's Bering Sea Fisheries Ecosystem Plan (FEP) is out for public review and comment. The Council has identified the following potential benefits from developing an (FEP) for the Bering Sea, in the short term and long term:

- Create a transparent public process for the Council to identify ecosystem goals and management responses.
- Serve as a communication tool for ecosystem science and Council policy.
- Provide a framework for strategic planning that would guide and prioritize fishery, habitat, and ecosystem research, modeling, and survey needs.

- Identify connected Bering Sea ecosystem components, and their importance for specific management questions.
- Assess Council management with respect to ecosystem-based fishery management best practices, and identify areas of success and gaps indicating areas for improvement on a regular basis.
- Provide a framework for considering policy options and associated opportunities, risks, and tradeoffs affecting FMP species and the broader Bering Sea ecosystem (e.g., evaluation of management tradeoffs among FMPs, fisheries, or with other activities).
- Build resiliency of Council management strategies, and options for responding to changing circumstances (e.g., climate change-driven changes to fish distribution and abundance, changes in shipping patterns, etc.).

Council Member Bill Tweit mentioned the FEP during the Council’s visit to St. Paul Island in 2017. The St. Paul team that attends the NPFMC meeting has been tracking the FEP through the Council’s Ecosystem Committee. I will work with Lauren Divine, Mateo and others to submit comments on the FEP in October.

Community Engagement Committee

The Community Engagement Committee was formed by the Council in June 2018 to identify and recommend strategies for the Council to provide effective community engagement with rural and Alaska Native communities. The Community Engagement Committee will develop tools and processes to facilitate improved communication and understanding between rural communities and tribes and the Council. The Council is seeking nominations for the committee. The Tribal Government of Saint Paul is going to nominate Marissa Mercurieff to the committee.

Social Science Planning Team

The Social Science Planning Team (SSPT) is established to improve the quality and application of social science data that informs management decision-making and program evaluation. The SSPT is constituted of representatives who will strategize medium- and long-term improvements in data collection and analytical methodology, allowing the NPFMC to better meet its own program objectives as well as LAPP review requirements defined in the Magnuson-Stevens Act and recommended in NMFS guidelines. The SSPT will identify data needs, make recommendations regarding research priorities, and advise analysts in efforts to improve analytical frameworks when possible. The SSPT will support the collection and aggregation of social science data in a manner that cuts across Fishery Management Plans and specific management programs within the North Pacific region. The Council is seeking membership on this team. I was nominated to sit on the team by Mayor Mercurieff.

See Fisheries Report for detail on other topics. The next NPFMC meeting is in Anchorage on October 1-9, 2018. Mateo, Simeon and I will be attending for the City.

Transportation

Mark Hickey will be reporting via teleconference on the items below, but I will provide a brief update in this report below. Mark and I met in person in Anchorage on August 23, 2018 to plan for the meeting with State of Alaska Department of Transportation/Public Facilities later that day.

Essential Air Service (EAS)

The EAS for St. Paul Island did not proceed. We are waiting to see what happens with the sale of Penair before proceeding with any EAS process. On August 3rd, we asked SOA DOT/PF about the EAS and how to proceed and they recommended to waiting until after the sale of Penair.

Penair Status

The auction for Penair is scheduled for October 3, 2018. All indication is that the flight routes and schedules will stay the same.

Part 139 Airport Certification

On August 3rd, we discussed Part 139 Airport Certification with DOT/PF. We were informed by the representatives of DOT/PF that a survey/inspection of the St. Paul airport had occurred. DOT/PF is on hold with proceeding on Part 139 for St. Paul and Sand Point until they know what will happen with Penair and if there will be an aircraft that will require Part 139 certification. We received a verbal commitment from DOT/PF that we will work together on Part 139 once we know the air carry that will service St. Paul.

Grants

State of Alaska Hazard Mitigation Grant Program (HMGP)

We received a quote from Federal Signal Corporation for a new emergency siren system. For quote was for \$87,592.16 two electronic emergency sirens installed. I submitted an Intent to Apply Form to the HMGP requesting funding for this project. The dollar amount was over their funding cap. The State HMGP representative recommended to apply for the State Homeland Security Program grant when they become available.

State of Alaska Community Development Block Grant

I received a grant notice regarding the availability of FFY 2018 Community Development Block Grant funds from the State of Alaska. The grant application is due December 2, 2018. I reached out to Pat Baker with the Tribal Government to discuss applying together for a joint community development grant. We will meet to discuss some ideas for different projects.

IT Services

The City is currently using Northstar Networking to provide IT services to the City. We are experiencing difficulty with IT requests being completed, contractual tasks being performed, and late invoicing on Northstar's part. Due to this poor performance, I have decided to switch IT services providers. While in Anchorage on August 24th I met with the president and a manager for LMJ Consulting. LMJ submitted a proposal when we put out a Request for Proposals for IT services. The City has signed a contract with LMJ to perform a technology assessment and then provide a report based on that assessment. The onsite assessment will be performed sometime in October this year. The transition from Northstar Networking to LMJ is scheduling to take place in January 2019.

USACOE Cost Share

We will discuss the status on the US Army Corps of Engineers Cost Share issue in Executive Session at this meeting.

Insurance Report

See attached Summary of Worker's Compensation Experience and Summary of Liability and Auto Experience report ending June 30, 2018

Fire Alarm Systems

Only the Power Plant has a fire alarm system, the other City facilities do not have a fire alarm system. I have been in communication with Rob Hough with C&R Enterprises to provide a quote for purchase and installation of fire alarm systems in the City Hall, Public Works, Motor Pool, and Polar Star buildings. Once I have the quotes for each facility I will update the Capital Improvement Plan and seek grant funding where available.

Spill Response in Small Boat Harbor

I wrote CBSFA requesting that they insure proper spill response equipment and supplies are available in the Small Boat Harbor (SBH) in the event of a spill per the terms of the Small Boat Harbor Lease Agreement. I will be meeting with CBSFA staff to work on the details of spill response in the SBH.

Meetings

Administrative Team

On July 31, 2018, we had an Administrative Team meeting to discuss the following topics: 1) PayNW maintenance; 2) Employee discipline and motivation; 3) Insurance loss report; and 4) Employee appreciation.

Sedor Wendlandt Evans & Filippi

Sedor et al is the City's legal firm that works on personnel. On August 27, 2018, I met with Allen Celndaniel with the firm to discuss processes with the new personnel policies, specifically our Progressive Disciplinary and Employee Complaint policies.

Ashburn and Mason

On August 24, 2018, I met with Becky Lipson. We discussed a number of current projects. Becky asked if was ok to use a legal assistant with the firm to work on less complicated projects. I agreed that was ok.

Polarconsult

On August 27, 2018, I met with Mike Dahl to review the status on a number of power plant projects. Mike will be providing a report to City Council for this meeting.

State Department of Public Safety Commissioner Walt Monegan

On August 27, 2018, I met with Commissioner Monegan over coffee. The intent of the meeting was to update him on the City and Tribal Government's collaboration on public safety issues and the cross deputization of City's Public Safety Officer to enforce tribal ordinances. He mentioned that the State will be announcing grant funding for crime prevention programs.

Senators Sullivan and Murkowski's Anchorage Staff

On August 30, 2018, I met with Renee Reeve the State Director for Senator Sullivan. We discuss our transportation issues and concerns regarding EAS, Penair, and the auctioning of Penair. I briefed her on the USACOE cost share issue.

I was scheduled to meet with Deborah Vo, with Senator Murkowski's office but had to reschedule the meeting for October.

Federal Aviation Administration (FAA)

On August 24, 2018, I met with the following FAA staff: Kerry Long, AK Regional Administrator; Jackie Holsman, Acting Deputy Director; Mary Gilbert, Airports Division; and Peter Putzier, FAA Lawyer. The purpose of the meeting was to get to know St. Paul in more detail. I gave a brief overview of our community, plans for economic and community development, and stress the importance of FAA maintaining our critical air navigation equipment. I requested to meet with the FAA staff in charge of the Airport Improvement Program, this is the program where funding for equipment (such as an ARFF truck and water rescue equipment) come from. Mary stated she would connect me with the FAA staff, but encouraged me to work with the State on this issue.

FINANCE

2017 Audit

BDO has nearly wrapped up the City's 2017 audit. They have sent a draft audit to Stephanie and me for review. I wanted to inform City Council that there are three findings in the 2017 audit. The three findings were material weaknesses. One involved a bank transfer subsequent to year end for an asset. The entry was incorrectly posted to cash instead of accounts payable. The other two material weaknesses had to do with the transfer of the Refuse Utility from the General Fund to an Enterprise fund. The capital assets in the fund were material misstated. BDO recommended that the City obtain house help when complicated transactions arise.

Contract for Accounting Services

In responses to BDO's recommendation that the City obtain house help when complicated transactions arise and recommendation to revise the investment ordinance, I emailed several accounting firms in Anchorage to request assistance. One firm, Altman, Rogers & Co. responded. On August 27th while in Anchorage I met with representations from Altman, Rogers & Co. along with Stephine who was on the phone. We discussed the City's need for technical assistance with accounting. Specifically, the City is requiring assistance with the following:

- Asset Management – Specifically, we need assistance with determining actual capital improvement costs versus repair or maintenance costs. Assist with giving assets a life - esp. when projects involve new infrastructure (sewer/water projects), or improvements to infrastructure already in place (tank farm upgrade, powerplant arctic entry, etc.)
- Review and make recommendations for updating or investment ordinance
- Reconciliation of investments and tying the various investments into one spreadsheet -year end tie of investments to GL funds and accounts
- Managing year end accruals by assisting with what is an accrual and what is not
- Assist with determining what to do with some BIA funds that are listed as a liability. How do we move or spend these funds?
- Financial analysis, such as cash position, predicting future performance
- Review of budget prior to approval by City Council
- We have US Treasury collecting funds out of utility payments by federal agencies to the City. How do we budget for this and prepare for the audit?
- Review and revising spreadsheets used for reconciling and reporting on heating fuel, diesel and gasoline sales

- On demand assistance when we run into questions or issues in which we do not have the expertise to address

We are in the process of developing an agreement with this firm to perform the above tasks.

PUBLIC WORKS

Heating Fuel

On August 1, 2018, the Pribilof School District put out a bid for heating fuel for the St. Paul School and teacher housing. On August 8, 2018, I submitted a bid proposal on behalf of the City in response to this bid. The superintendent requested a rebid with some additional information. On August 22, 2018, I submitted a rebid. On August 31, 2018, I received notice from the superintendent that the City's bid was the winning bid. The City will be supplying heating fuel to the St. Paul School and teacher housing for the 2018-2019 school year.

I am also discussing with the Tribal Government of St. Paul winning back their business to supply them heating fuel. Additionally, I have had numerous discussions with Trident Seafoods regarding the City supplying them with diesel fuel.

Polovina Turnpike Extension

The Tribal Government of St. Paul submitted a permit application to the US Army Corps of Engineers for this project. A permit was needed because the road extension involves filling in of "wetlands" in the pond area. A Public Notice of Application for Permit for this project was posted for public comment on August 14, 2018. The comment period closes September 13, 2018. This project should start sometime this fall in October or November.