

**MANAGERS REPORT**  
**JUNE 14, 2010**

**TO:** MAYOR HORNADAY / HOMER CITY COUNCIL

**FROM:** WALT WREDE

UPDATES / FOLLOW-UP

1. Jean Keene Memorial Sculpture: This meeting agenda contains a resolution sponsored by Councilmember Wythe which amends Resolution 10-45. The primary change is to designate another location for the sculpture other than the one originally approved next to the Seafarer's Memorial. You will see that the new location site has been left blank. The reason for that is that at the time the resolution was drafted, the City, the sculptor, and the family of Jean Keene were still discussing the pros and cons of various alternative locations. The short list of options being discussed and evaluated is contained in the resolution. We anticipate that there will be a recommendation forwarded to the sponsor for Council consideration by meeting time. In the meantime, the public can see the alternatives in play by reading the resolution and will have the ability to comment on them at the Council meeting.
2. Library Energy Efficiency Ordinance: This meeting agenda contains an ordinance that proposes to spend funds to implement some of the energy efficiency recommendations we have received. There is a back-up Memorandum from the Public Works Director that provides some detail and context for the ordinance. We had a pretty good internal debate about where to get the money for this proposed work. The ordinance proposes that the funds come from the Library Project Fund, which is basically money left over from various old accounts dedicated to library construction and capital projects. However, this funding could just as easily come from the Revolving Energy Fund. There are pros and cons to each approach. Using the Library Project Fund seems appropriate because it is being used to do work that perhaps should have been done during construction. It is not money that would have to be paid back. And, it leaves REF funding to do more work in other City facilities. On the other hand, this work is exactly what the REF was intended to fund, and using it would leave more money in the Library Project Fund to do other capital project work, like fix parking lot drainage problems or designing and building a new more energy efficient entry way. Perhaps Council will want to weigh in on this one.
3. Community Schools Program in Jeopardy! The Facility Use Agreement between the City and the Kenai Peninsula School District expires at the end of June. The City and the School District have been negotiating the terms of a new agreement over the past month or two. The City thought things were going reasonably well and that a new agreement could be reached. However, this week, very unexpectedly, we received an e-mail which stated that the District had chosen to not renew the contract. If this decision stands, the Community Schools Program could be out by the end of this month. At the time this was written, we were still

seeking clarification from the District and attempting to restart the discussion. The District's primary issues appear to be money, security, and control over programs and the facility. I hope to have more to say about this at the meeting.

4. Seawall Meeting: As you know, the City sponsored a meeting last week that brought together scientists, agency regulators, property owners, and other interested parties to discuss what impacts the seawall may be having on Spit infrastructure, sediment transport, coastal erosion, and other ocean processes. The City sponsored this meeting in order to come into compliance with Special Condition Number 5 contained in the Corps of Engineers Permit for construction of the seawall. I can talk about this much more at the meeting, but to summarize, the group concluded that there is not enough evidence to determine what impacts, if any, the wall might be having. Everyone agreed that the most important thing right now is maintenance, repair, and improvements to be sure the wall does not fail and create a real problem. Another meeting was scheduled for June 17 to discuss how to move ahead and hopefully, each agreement on how to design and finance improvements to the wall that might increase its strength and durability and also dissipate some of the wave energy. All in all, I think this was a very positive and productive meeting.
5. Enstar and Natural Gas: As you might imagine, there has been a great deal of discussion over the past week about what can be done (and what should be done) with the \$550,000 that remains in the capital budget for the gas pipeline. I have a meeting scheduled with Enstar representatives on Friday the 11<sup>th</sup>. I also hope to speak with the Governor and/or his staff to get a better sense of what his intent might be when he vetoed the rest of the money. I will have more to say at meeting time. Also, I have asked the mayor to schedule Representative Paul Seaton as a visitor for the meeting. He will provide you with his take on what the next steps out to be.
6. Drinking Water: I would like to use about 5 minutes of the manager's report to allow Carey and the new Water and Sewer Treatment Superintendent to brief you on several water issues that I know you are concerned about. Carey will give an update on the old water treatment plant building. Todd will talk about water quality, the water quality report, and how the new plant is working.

#### ATTACHMENTS

1. City Employee Anniversaries / May
2. City Employee Anniversaries / June
3. Final Juneau trip cost tally
4. Pratt Museum Correspondence
5. Letter to DOT/PF regarding Spit parking
6. Article on Homer and adaptation to Climate Change
7. Memorandum from Port and harbor Commission re: Restroom Grant