

MANAGERS REPORT
March 14, 2011

TO: MAYOR HORNADAY / HOMER CITY COUNCIL

FROM: WALT WREDE

UPDATES / FOLLOW-UP

1. Fire Training Facility: Attached is a report from Chief Painter which discusses training at this facility and other training and drills that HVFD has or will be participating in.
2. Bridge Creek Fire Mitigation Project: This project is moving ahead. The Borough has been advertising for bids and the deadline was March 8. The City has reviewed and submitted comments on the ITB (Invitation to Bid). The ITB incorporates the conditions and stipulations contained in the CUP approved by the Planning Commission. The CUP is attached as an addendum and the ITB states that if there are conflicts between the ITB and/or the contract and the CUP, the CUP will prevail. The Borough is advertising for bids for the mechanized work only at this time. Another ITB will go out in April for the hand felling work. After a successful bidder is selected, the next important step is for the contractor to submit an operations plan. That plan will contain some of the important details such as where the access points will be and where refueling will occur. The operations plan must be approved by the Borough and the City before a contract can be signed.
3. Staff Turnover: I have completed the process of reviewing applications and interviewing candidates for the Personnel Director position. I have offered the job to a very qualified local candidate and she has accepted. She will begin work on April 4th which will give her almost a full month working with Sheri before she departs. The closing date for applications for the Library Director position is Thursday, the 10th. At this point, I am optimistic that we will receive interest from good candidates.
4. Potential Cuts to Borough College Funding: You may already be aware that Mayor Carey has proposed eliminating Borough funding for the college system on the Peninsula. He has also proposed eliminating tuition waivers for Peninsula residents. One of the primary stated reasons for proposing this is that the Borough needs money for the Homer landfill project. The voters authorized the Borough to contribute up to one tenth of a Mil to the college system back in 1990. This year the Borough contributed \$637,570 to the University system. Of that amount, \$194,800 or about 31% came to the Kachemak Bay Campus here in Homer. Carol Swartz, the local campus director reports that if eliminated, this funding would directly affect core services such as GED programs, the college library, tutoring, student advisors, testing, and more. It is my understanding that the City of Kenai has already adopted a resolution opposing this proposal and other Cities in the Borough are considering doing the same. Supporting the local college campus is a

big part of the City Comprehensive Plan and the College is a significant part of the local economy. It is my understanding that Council member Roberts will be sponsoring a resolution.

5. City Hall Expansion / Renovation: The Task Force, the Public Works Director, and the contractors are working very hard to keep us on the ambitious construction schedule established by the Council. At the last Task Force meeting, Carey, the contractor, and the architect presented revised floor plans and an updated 10% project budget. Additional funds will be needed to do some basic energy efficiency work, address some of issues identified by the UAA architects, and take care of issues already identified such as carpet replacement. All of this additional work is pretty basic and would be for the existing building. This agenda contains a resolution sponsored by Council Member Wythe which asks Council to conceptually approve the use of existing depreciation funds for these purposes. She will speak to her resolution.
6. Energy Efficiency: The contract with has been signed with Siemens. The scope of work has been amended with respect to the high mast lights. We are now planning to do a demonstration project on one pole to see how things work based upon new information received by the staff. For example, we would like to see how the loss of lumens affects overall light coverage at the port and harbor, the visual differences between the new “white” light and the old light folks are used to, the actual energy savings, the cost and amount of labor necessary to replace these bulbs more often, and the impact on “broadcast light” to other areas of town. The contract is written so that we can come back and replace all of the bulbs later if desired. The advantage to this approach is that we get some of our questions answered before we spend a whole bunch of money (This is a big ticket item). The downside is that there may be a delay before we start realizing the savings predicted.
7. SB 37: Attached is a copy of SB 37. I testified in favor of this bill at the Senate Transportation Committee hearing on Tuesday. This bill has very broad support from AML, to the Mining Association, the State Chamber of Commerce, the Truckers Association, and the Alaska General Contractors. Alaska is the only state in the union that does not have its own fund to build new transportation infrastructure and repair what it has. We rely totally on the Feds (except for maintenance and operations, which is also underfunded) and we all know those days are going away. This bill would provide seed money for such a fund, make earnings of the fund available, and add money from gas tax receipts and driver license receipts. Having a state transportation fund and not relying solely on the Federal government could have bid benefits for some of Homer’s priorities that never seen to quite make the STIP List; such as Main Street. Linda and Yuri may have more to say about this bill in their report. I am also pretty familiar with the bill and could take questions if you have them. This bill appears to have some momentum behind it and a resolution from the Council might not be a bad idea as it works its way to the Finance Committees and eventually the Governor.
8. Contracts, Contracts: Carey and Bryan are working hard to get jobs out on the street using money that Council approved or received. The past two weeks have seen a flurry of bid opening and at this meeting, Council will be asked to award

contracts for a wide variety of projects from demolition of the old water treatment plant to refurbishing a crane at the Fish Dock.

9. Audit: The City Auditors are here for the two weeks beginning March 7. The Finance Department staff have been working very hard the past month or so preparing for the audit. They are really busy right now so if you ask for information from Finance and it takes a little while to get to you, you will know the reason why. The audit is several weeks early this year but that is probably good for a variety of reasons, including the fact that we will have updated and audited water and sewer, HAWSP, and water and sewer debt numbers as we go into the new rate setting process this Spring.
10. Alaska Association of Harbor Masters and Port Administrators Here: Bryan Hawkins is doing his part to boost the local economy. He has convinced his professional association to hold its annual meeting in Homer this year. The meeting will take place on October 10 through 14 and 50 to 100 people are expected, not including family and friends that may come along. This could be a shot in the arm for local businesses such as hotels, restaurants, galleries, water taxis, etc.
11. Other Port and Harbor News: The Port and Harbor Commission has approved a long term parking plan that includes annual permits. This is something that has been discussed for quite some time. Probably at the next meeting, the Council will see a resolution for consideration that approves the parking plan and establishes a new fee for annual permits. Bryan has been in discussion with the owners of the jack-up drilling rig that may be doing future work in Cook Inlet. The company needs dock space to do some retrofitting and other work prior to deploying in the Inlet. Discussions about permits and the type of work anticipated are on-going. This is potentially a big money maker for the enterprise fund.

ATTACHMENTS

1. March Employee Anniversaries
2. Memorandum from Fire Chief
3. SB 37