

**MANAGERS REPORT**  
**JULY 25, 2011**

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

**FROM:** WALT WREDE

UPDATES / FOLLOW-UP

1. Coastal Animal Care Contract: Coastal Animal Care is currently under contract to operate the Homer Animal Shelter. I have received several questions about this contract over the past months, including some from the Council during the last budget approval process. This contract expires on December 31, 2011. The current contract contains an option for two additional years if continuing on is mutually acceptable to both the contractor and the City. The contractor has submitted a letter expressing her interest in exercising the option for another two years. The City has not yet responded except to acknowledge receipt of the letter. I bring this to your attention now because the administration will soon have to decide if it will recommend a contract extension to the Council. This will also be a topic of discussion in the upcoming budget.
2. Health Insurance: Andrea and I attended the first meeting of the Borough sponsored health insurance roundtable on June 29. A summary of the meeting prepared by Borough staff is attached. The City of Homer was recognized for its management of the self insurance plan, the quality of the plan, and its efforts to contain costs. The next meeting is scheduled for early in August.
3. More Staff Changes in Administration Department: There are about to be several additional significant personnel changes in the Administration Department. Steve Bambakitis, the City IT / Systems Manager has accepted a position in Oregon and is moving there for family reasons. His last day will be August 14. Steve has been with the City for over 10 years and has done an excellent job upgrading, operating, and maintaining the City's computer and phone systems. He will be greatly missed and difficult to replace. We started advertising for this position on Monday the 18<sup>th</sup>. Anne Marie Holen, the City Special Projects Coordinator has decided to retire effective November 1<sup>st</sup>. Anne Marie has also been with the City for approximately 10 years and she has been extremely productive in a number of areas; not the least of which is grant writing and capital project development and funding. She will also be greatly missed. The services she provided will likely become even more important in this time of reduced budgets and limited capital funding from the federal government. I have been thinking about this position and options for reorganization, but at this point in time, I would recommend that we fill the position.
4. City Hall Construction: Construction is proceeding on schedule. The foundation has been poured and the remodel of the existing building has begun in earnest. This past week the Public Works Department moved the Mayor's office over to the old school building. Finance Department staff members have moved into the

Mayor's old office so that remodeling in the Finance department section can proceed.

5. Construction Projects: Attached is a project status report from the Public Works Director. As you can see, construction activity is really ramping up during this construction season. Construction is about to begin on the Kachemak Drive Phase II Water and Sewer Project. Demolition of the old water treatment plant has been completed as has construction of the trail by the Homer Middle School and the access road adjacent to the new water treatment plant. Construction on the new water and sewer lines and the bridge over Woodard Creek at the intersection of Soundview and Bartlett Street is underway. The City is also pushing to make progress on some of the other big projects that it has received funding for including the Deep Water Dock and Spit Trail Extension.
6. Old Intermediate School: We are still working with the two groups who submitted proposals to lease the building to work out some of the details of their proposals. In the meantime, Councilmember Lewis has sponsored a resolution that would authorize a short term lease for the Boys and Girls Club so that they can remain in the building at least until December of this year. This would coincide with the period that City staff are expected to remain there until they move back into City Hall. The school year is coming up fast and a decision on the Boys and Girls Club is needed quickly.
7. Library Landscaping: Carey, Ann Dixon, and I are scheduled to meet with members of the LAB this week to talk about landscaping at the library. There are two main issues on the agenda. First, as you know, the Friends of the Homer Public Library have contributed time and money toward improving and maintaining the gardens. This money is limited and may not continue next year. Second, there seems to be a growing consensus that we should abandon the natural look (A LEED certification issue) and start mowing more of the grounds. Both of these issues could require more time and resources from the City; especially if City crews have to spend additional time maintaining flower gardens there. Recall that the Parks maintenance staff took some hits in the last budget. They are already stretched very thin. More summer staff and an increase in the mowing contract could be on the horizon. Expect a report on this topic and perhaps a recommendation/request from the LAB at a future meeting.
8. Employee Committee: An Employee Committee has been formed and its first meeting will be on August 4<sup>th</sup>. Andrea Peterson, Regina Mauras, and I will provide staff support and get the Committee the budget and benefit information it needs. My intent is to provide information and facilitation functions only and I will not attempt to guide the employees in any particular direction. The Committee members have been told that their charge will be to disseminate information and solicit input from co-workers and to represent all City employees. They have also been told that they will have direct access to and a dialog with the Council.
9. Training Dates: At a recent meeting, during the discussion about the records retention ordinance, it was suggested that a training session for Council (and maybe for Commissions too) about public records and especially the use of e-mail would be a good idea. I discussed this topic with Holly and she could put

something together quickly if the Council is ready to proceed. A target date for this training would be very helpful. Feedback from the Council would be very helpful.

10. Port Maintenance: We have been discussing the idea of moving the port and harbor maintenance function back under the supervision of the Port and Harbor Director for the past few years. This is where that function used to be until about 2000 when it was moved to Public Works. I think now is the time to make the move for a variety of reasons; not least of which is significant changes in personnel and staffing expected within the next few months. Public Works has done an excellent job correcting the deficiencies in the port and harbor maintenance program that it inherited. The Port and Harbor Director is prepared to take this program and move it to the next level. I believe we can make this move without adding redundancy or increased costs. We are only talking about routine day to day maintenance. Capital improvements or major repairs will still require involvement by Public Works. I am hoping this will increase efficiency and teamwork at the Port and Harbor and relieve some of the pressure on Public Works which is understaffed. A transition plan is being prepared and we hope to implement on January 1.
11. Spit Run: At the most recent meeting, Councilmember Hogan asked if the City expended any funds in support of the Spit Run. The Spit Run was not sponsored by the City and little or no public funds were expended. The Community Recreation Program used some of its advertising budget to advertise its program along with other businesses and organizations. Advertising helped to support the run. The Public Works and Fire Departments provided some cones to direct traffic and assist with safety. The Police Department had an increased presence during the race to insure public safety. However, all of this was done with normal shifts. There was no increased staffing or overtime related to the run.
12. More Derelict Vessels to be Removed: The Port and Harbor Director and the City Attorney continue their excellent work on ridding the harbor of derelict vessels. This makes mooring space available for working boats that will create jobs and revenue. The City has reached an agreement with the owner of one vessel to remove it from the harbor and has signed a deal with a recycle company to cut up and remove two other old vessels that have not moved for well over a decade.
13. More Metal Recycling: You will recall that last year the City leased part of the chip pad to Peninsula Scrap for a large recycling project. The target was primarily old vehicles but other metal, including at least two large vessels were included. This was one of the biggest recycling efforts the Peninsula had ever seen and it was very successful. The Borough and the City were both partners and over 6,000 junked vehicles were shipped out. The City just entered into another short term lease with the same company to continue the effort this summer and fall. The City negotiated reduced rent and tariff fees in exchange for the contractor removing and recycling two derelict vessels from the harbor.
14. Baycrest Ski Trails / Diamond Creek Properties Land Use Plan: Several years ago, the City accepted title to two large parcels that were once owned by the University of Alaska. The parcels were obtained with Forest Legacy Funds and private donations. The transaction was spearheaded by the Kachemak Heritage

- Land Trust with support from the State Department of Natural Resources. A significant portion of the Baycrest Ski Trail system is located on these parcels and the area has historically been used for recreation and conservation purposes. The City Council approved an ordinance designating this as park land and recently approved a conservation easement for the property. Under the deed and the terms of the transaction, the land can only be used for conservation, recreation, and forestry projects. In the past, the need for a resource inventory and management plan has been discussed. The advantages of doing this include better management and development decisions and the fact that not all proposed activities there would have to be reviewed and approved by DNR under the terms of the conservation easement. Some activities can be preapproved if you have a plan. The Homer Soil and Water Conservation District recently received a NRCS grant to conduct this work. They plan to begin work soon and will be working closely with the Planning and Parks and Recreation Commissions and the general public.
15. Tsunami Warning System: Sam Albanese of the National Weather Service and Eric Morhman of the Kenai Peninsula Borough OEM will be visitors at the meeting. Sam will be talking about what went wrong during the last tsunami warning and what the role is of the National Weather Service. Eric will be talking about the recent meetings we have had discussing how to improve the warning system. The most recent was held on July 18<sup>th</sup>. The discussions are centered on how to avoid false alarms, how to make the alarms more specific to local threats, and how to fix problems with the voice messages. A number of cities, including Homer, are considering going back to local activation of the alert system, and opting out of the current automated system wide activation. This agenda contains a resolution authorizing the City to opt-out.
  16. Natural Gas Pipeline: I have received lots of comments and advice recently from a variety of sources about how the City should proceed with the effort to get a transmission pipe constructed from Anchor Point to Homer now that the Governor has vetoed the project. There are several approaches to look at which including further work with the administration and alternative financing. Community support for this project appears to remain strong but I want to discuss the next steps with the Council with before I spend too much time and effort on this. I would suggest that the pipeline be scheduled as a workshop or Committee of the Whole topic as soon as possible. The Governor's staff will begin working on his budget proposal for next year very soon and it is important that we have a strategy in place. Linda Anderson will be at this Committee of the Whole meeting and the topic could be discussed with here also.

## **ATTACHMENTS**

1. Meeting Summary: Health Care Cost Study Working Group
2. Pratt Museum News Release