



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum

TO: Mayor Wythe and Homer City Council
FROM: Katie Koester, City Manager
DATE: September 21, 2016
SUBJECT: City Manager's Report – September 26, 2016

International City Manager Association Conference

I will not be at the September 26 meeting as I am attending the International City Manager Association Conference in Kansas City. I am excited for the opportunity to learn from the many work sessions, key note speakers and colleagues. I am thankful to the Council for the support of my professional development and time to reflect on and build my skills as a manager. I would also like to thank City Clerk Johnson for filling in as Acting City Manager in my absence.

Trail Maintenance

Council will be reviewing a number of trail projects before you at this meeting. I wanted to take the CIP review as an opportunity to highlight the maintenance costs of trails. Public Works Director Meyer put together the following chart to try and quantify what it would cost to adequately maintain our trail infrastructure. This is a difficult concept to quantify and not an exact science. The reality is we spend far less on maintaining trails which is reflected in the state of the trails. The numbers Public Works Director Meyer came up with reflect an ideal level of maintenance.

	<u>Annual Operation/ Maintenance Cost</u>	<u>Annual Depreciation</u>	<u>Total Annual Cost</u>
Gravel Trail	\$6/foot	\$1.50/foot	\$7.50/foot
Paved Trail	\$5/foot	\$4.50/foot	\$9.50/foot

Gravel Trail Maintenance - includes grading, sign replacement, trash pickup, snow plowing, sanding, grass cutting.

Paved Trail Maintenance - includes crack sealing, sign replacement, trash pickup, snow plowing, sanding, grass cutting, repaving every 20 years.

All this assumes that equipment and personnel are already available to complete additional maintenance work.

Communications Tower Lease on Spit

In the last month the City has received letters of interest from four different companies interested in constructing a communications tower on the Spit. According to the City of Homer Lease Policy, a letter of interest can trigger a resolution to issue a Request for Proposals. The Lease Policy allows the City Manager to enter into negotiations with the next highest bidder when negotiations fail. However, given the level of interest and the importance of this piece of infrastructure, I believe it is in the best interest of the City to not exercise this option and instead re-issue a RFP. This will allow all parties to compete and clearly understand the requirements of the City.

I plan on introducing an ordinance at the October 10th meeting to issue a RFP for a Communications Tower on the Spit. In this ordinance, I will also be requesting a budget to hire the firm City Scape to assist in the advertising, RFP, and negotiating process. City Scape is a consultant company that specializes in assisting municipalities with tower management. Currently they work for the City of Juneau and Matsu Borough. Because the City has done a lot of work in drafting the RFP and a lease, we are starting ahead of the game. It will also allow us to include a draft lease agreement with the RFP so the needs of the City are very clear. Using a third party professional consultant will not only leave a complicated and time consuming topic to the experts, it will also provide a third party to review the proposals and eliminate any perceived bias. I will include a proposal from City Scape with the ordinance, but expect it to be below \$15,000.

Northern Edge

At the request of many coastal communities and residents, Senator Murkowski's office sent the attached letter to the Secretary of the Navy requesting greater communication between the U.S. Navy and communities affected by the Northern Edge war games. Attached to her letter is Resolution 16-081(A) from the Homer City Council as an example of community concerns.

Update from Public Works Director Meyer on Fire Hall

The Homer Fire Hall Improvements are proceeding, although at a little slower pace than originally anticipated. The floor slab in Bays 2-3 have been removed and replaced, correcting the drainage problem. Equipment is on-site to complete the site civil work (drainage, paving), but is waiting for final scope of work to be determined regarding necessary foundation work associated with the second floor building expansion. More foundation work is required to support the expansion than was originally anticipated. The budget established by the Council will allow for this additional work to be completed without adjustment. Weather permitting, the team believes that the expansion will be shelled-in before winter and interior work completed this winter as originally scheduled.

Adding electric heat to the expanded building would require upgrades to the electrical service. To eliminate this cost, Public Works has directed the team to extend natural gas to the Fire Hall and convert the electric unit heaters to natural gas; freeing up electrical service capacity for heating the proposed expansion. This work can be completed within the original budget.

Although not a part of the original scope of work, this would be the time to convert the entire building to natural gas and install energy efficient lighting. I will be proposing at the next meeting (with the introduction of an ordinance) to use the Revolving Energy Conservation Fund to provide the additional funds necessary to convert the entire building to natural gas and install efficient lighting and reduce energy consumption at the Fire Hall. This fund was created in 2010, has \$138,000 in the fund, and has been used to complete similar energy conservation improvements at City facilities (including City Hall, Public Works, Harbor facilities, Sewer Treatment Plant, Airport and Police Station).

A cost/benefit analysis will be provided to document the reasonable payback period for the improvements.

ENC:

Letter to Secretary of the Navy Mabus from Senator Murkowski

Flyer from DNR on public meeting for Kachemak Bay Critical Habitat Area updates

LISA MURKOWSKI
ALASKA

COMMITTEES:
ENERGY AND NATURAL RESOURCES
CHAIRMAN
APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR,
ENVIRONMENT, AND RELATED AGENCIES
CHAIRMAN
HEALTH, EDUCATION, LABOR,
AND PENSIONS
INDIAN AFFAIRS

United States Senate

WASHINGTON, DC 20510-0203
(202) 224-6665
(202) 224-5301 FAX

September 16, 2016

510 L STREET, SUITE 600
ANCHORAGE, AK 99501-1956
(907) 271-3735

101 12TH AVENUE, ROOM 329
FAIRBANKS, AK 99701-6278
(907) 456-0233

800 GLACIER AVENUE, SUITE 101
JUNEAU, AK 99801
(907) 586-7277

805 FRONTAGE ROAD, SUITE 105
KENAI, AK 99611-9104
(907) 283-5808

1900 FIRST AVENUE, SUITE 225
KETCHIKAN, AK 99901-6059
(907) 225-6880

851 EAST WESTPOINT DRIVE, SUITE 307
WASILLA, AK 99654-7142
(907) 376-7665

Honorable Ray Mabus
Secretary of the Navy
The Pentagon
Washington, DC 20350

Mr. Secretary:

As you know, Alaskans take great pride in the Armed Services and strive to be of assistance every opportunity they have. We firmly believe that Alaskans support our military families better than any other. You have personally observed this spirit in your travels to Anchorage and to Alaska's North Slope. And I deeply appreciate your recognition of my personal support for the Navy when in 2013 you presented me with the Department of the Navy Distinguished Public Service Award.

That is why it is painful to express concern over the manner in which the Navy is approaching its participation in Northern Edge 2017. As you know, Northern Edge is a biennial joint synchronized exercise which fully utilizes Alaska's air, land and sea training ranges to demonstrate innovative technologies and cutting edge tactics. The Navy is one among many players in the Northern Edge exercise. However its participation has drawn the most controversy.

In the run-up to Northern Edge 2015 I was forced to cajole the Navy into meeting with stakeholders in the affected communities after receiving letters from Mayors and State Legislators expressing opposition to the exercise. At the time the Navy was willing only to conduct tribal consultations. Alaskan Command staff in Anchorage were aware of the rising opposition to the Navy's contribution to Northern Edge but were barred from addressing these concerns because of the absence of "Public Affairs Guidance."

I hoped that the Navy would learn from this experience and proactively work with stakeholders in planning for Northern Edge 2017. I was encouraged when the Navy took the initiative to participate in COMFISH 2016, Alaska's largest commercial fishing show. This was a good start and I expected that it was the beginning of a sustained proactive outreach effort. Unfortunately, I was proven wrong. Once again, I am told stakeholder consultation is stymied by the lack of "Public Affairs Guidance."

During the months of July and August I received over a hundred letters from Alaskans concerned about the timing and impact of Northern Edge 2017. Governor Bill Walker received the same letters. I am taking the liberty of enclosing a sample letter. On August 8th the Homer City Council adopted a resolution of opposition to the Navy's involvement in Northern Edge 2017. This led me to ask Alaskan Command for a brief on Northern Edge 2017.

On August 22nd my Deputy Chief of Staff received that brief. He learned from the briefers that a number of proposed mitigations and avoidance techniques were in the works but could not be discussed with the stakeholder community due to a lack of "Public Affairs Guidance." This is extremely troubling to me. Also troubling are reports that the Navy denied Freedom of Information Act requests submitted by conservation biologist Rick Steiner who sought to verify the impact levels of Northern Edge 2015. This lack of transparency only fuels concerns that the Navy has something to hide, regardless of whether there is any validity to the concerns.

The August 2016 issue of Alaska Business Monthly includes an excellent article by Tasha Anderson about the environmental regulatory challenges faced by natural resource developers in Alaska. Although Alaska is regarded as a state that is favorable to natural resource development, the article notes that even here communities expect that developers will obtain a social license to operate.

Local environmental attorney Eric Fjelstad of the Perkins Coie firm contributed a list of five best practices for developers to the article, among them "Reach Out to Important Stakeholders."

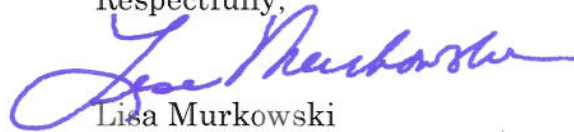
Communicating with the community is vital in order to obtain a "social license," or the support of the community around a project. Depending on the project, that community could be a small geographical area or the entire state. "It's really important to put in the time to understand what people are concerned about and to gain broad support. It matters..."

I strongly encourage you to direct the Commander, Pacific Fleet, in conjunction with his partners at Alaskan Command, to reengage with stakeholders in the communities adjacent to Northern Edge 2017 with all deliberate speed. Any further delay in stakeholder communication could result in the adoption of similar resolutions by other coastal communities in Southcentral Alaska and endanger support for the Navy's long term involvement in the Northern Edge exercise, notwithstanding its intention to avoid or mitigate environmental impacts.

In Alaska, process matters and it is expected that project proponents will engage in meaningful conversations with a broad range of stakeholders, even those that the proponent might find distasteful or immovable. That is the Alaskan way.

Nathan Bergerbest, my Deputy Chief of Staff, and Ephraim Froehlich who handles marine issues on my Washington staff are available to further discuss these concerns with your team.

Respectfully,



Lisa Murkowski
United States Senator

Enclosures

SAMPLE NORTHERN EDGE 17 OPPOSITION LETTER

Dear Governor Walker, Lt. Governor Mallott, Senator Murkowski and Senator Sullivan,

The U.S. Navy has recently stated that it has planned a training event to occur in the Gulf of Alaska from May 1 - 12, 2017. I am concerned about the negative impacts the Navy's 'Northern Edge' combined training exercises could have on the ecosystems in the Gulf of Alaska. As your constituent, I request that you and the State of Alaska encourage the US Navy to take their training exercises further offshore and move the timing of the exercises exclusively to the Fall or before the Spring. While these trainings take place in federal waters, the Navy's activities could impact State managed resources, such as salmon and other commercially viable species.

There is no question that military preparedness drills are of national importance. However, I am gravely concerned about the risk and potential damage to Alaska's subsistence, commercial and recreational fisheries, marine habitats, fish and wildlife resources, and regional economies.

The Navy's existing federal regulatory permits and authorizations expired in May 2016. The Navy is currently seeking re-authorization for its exercises for an additional five years, 2016 - 2021. Presently, the Navy's area for conducting these training exercises is 20 -24 nautical miles from communities on Kodiak Island, and close to other communities on the South Central Alaskan coast including Cordova, Valdez, Homer, Seward, and Yakutat.

According to the Navy's Environmental Impact Statement (EIS), these "war games" involve the use of high-frequency and mid-frequency sonar for submarine exercises, plus a variety of live weapons and explosives deployments-bombs, heavy deck guns, torpedoes, missiles, and large carrier strikes, the remains of which will never be recovered. Annually these trainings could leave up to 352,000 lbs of expended and hazardous materials in the waters of the GOA. Hazardous materials may include Cyanide, Chromium, Lead, Tungsten, Nickel, Cadmium, Barium chromate, Chlorides, Phosphorus, Titanium compounds, Lead oxide, Potassium perchlorate, Lead chromate, Ammonium perchlorate, Fulminate of mercury, and Lead azide. The Navy recognizes that fish could mistake expended materials as prey, thus ingesting harmful and lingering toxic substances. Any public or commercial impression that Alaska's fish may be tainted would be extremely detrimental to Alaska's commercial fishing industries. This could present additional economic hardships for working Alaskans as we all face the current fiscal crisis.

Since 2004 these exercises have occurred in June during the most prolific breeding and migratory periods of the marine supported life in the region (salmon, whales, birds). In the entire history of Navy trainings in the GOA, no activity has ever occurred in May. The coastline around the GOA is home to many coastal communities and Alaska Native people who rely on marine and freshwater resources for commercial, recreational and subsistence uses. May is an extremely active time for many species with essential habitat in the GOA. The Navy's EIS indicates that it can meet its training goals during other times of the year (e.g. October), which would be less threatening to Alaskan marine resources than May.

The Navy's activities area in the GOA includes Essential Fish Habitat for many species of subsistence and commercial fisheries, including those found in Prince William Sound, which has still not fully recovered from the Exxon Valdez oil spill. These waters also support the most sustainable and economically valuable fisheries in the USA. Commercial fishing is the largest private sector employer in Alaska, providing some 63,000 jobs as well as a healthy sustainable food source. Nearly 100% of sockeye salmon in the USA comes from Alaska.

The Navy is asking for authorization to conduct their training exercises without providing any new information regarding the possible impacts these trainings have on fish populations within the GOA. The Navy's 2011 EIS left many questions unanswered regarding impacts to fish and repeatedly stated that more research is needed. Pursuant to the National Environmental Policy Act, the Navy should have filled in these information gaps before planning additional exercises. Proceeding with trainings before more research is unlawful and puts fish, commercial and subsistence fisheries at unnecessary risk.

If authorized, the Navy is predicting over 182,000 marine mammal takes over the next five years in the GOA. This is too high; this is beyond a negligible impact to these species. Consider the last year the Navy conducted trainings: in 2015 over 30 whales were reported dead in this region. The National Oceanic and Atmospheric Administration has classified this as an 'unusual mortality event.' No further explanation as to what caused these deaths has been reported. Many people have expressed concern that the Navy's activities may be a contributing factor to some of these whale mortalities. Yet, there has been insufficient transparency over Northern Edge '15 sonar and explosive activities. After repeated documented Freedom of Information Act requests, the Navy is not disclosing locations where its exercises took place nor how long active sonar was used nor the decibel level of sonar used. It has designated the information as classified and thus unavailable to the public.

In March 2015, the U.S. District Court, District of Hawaii, found that the U.S. Navy and the National Marine Fisheries Service violated the law when they failed to meet multiple requirements of the Marine Mammal Protection Act, the Endangered Species Act, and the National Environmental Policy Act when authorizing the Navy's training and testing activities in the Hawaiian and Southern California ranges. The resulting settlement of that lawsuit means the Navy is now prohibited from using mid-frequency active sonar for training and testing activities in many of the designated biologically important areas in those ranges.

Therefore, I request:

- similar protections enacted for the Hawaiian and Southern California ranges be extended for all marine mammal species of the Gulf of Alaska;
- that the timing of the exercises be moved to a different time of year because the spring and summer months are a critical time for many commercial fishermen and whale species;
- that all trainings taking place within the GOA TMAA (Gulf of Alaska Temporary Maritime Activities Area) and the airspace above the GOA TMAA be moved to the TMAA's offshore stratum and outside of all the biologically vital seamounts;
- that independent observers accompany all Navy vessels for the duration of any and all training exercise.

I/we are extremely concerned about the potential impact the Navy's proposed plan may have on Alaska's fish and wildlife resources, Native subsistence activities, commercial and recreational fisheries and the regional economy. I request that the State of Alaska and its U.S. Senators encourage the Navy to take its exercises further offshore and to the fall.

Thank you,

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40

**CITY OF HOMER
HOMER, ALASKA**

Lewis

RESOLUTION 16-081(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
OPPOSING SITING AND TIMING OF U.S. NAVY TRAINING
EXERCISES THAT POSE RISKS TO FISH AND FISHERIES IN THE
GULF OF ALASKA.

WHEREAS, The City of Homer is the governing body with the full power and authority as recognized by the citizens of Homer, to act for its members, and has responsibility to provide government for the good health and welfare of its citizens; and

WHEREAS, The City of Homer recognizes the value of naval practices in preparing our Navy for wartime activities; and

WHEREAS, The U.S. Navy plans to conduct training activities utilizing explosives, live ordnance, and sonar in the Gulf of Alaska in 2017 that will have impacts on marine life and habitat vital to the interests of the City of Homer and its citizens; and

WHEREAS, These trainings will impact the waters of the Gulf of Alaska by annually releasing up to approximately 352,000 pounds of expended materials including up to 10,500 pounds of hazardous materials including cyanide, chromium, lead, tungsten, nickel, cadmium, barium chromate, chlorides, phosphorus, titanium compounds, lead oxide, potassium perchlorate, lead chromate, ammonium perchlorate, fulminate of mercury, and lead azide into waters designated by NOAA as Essential Fish Habitat for a multitude of species that support the economic development in Alaskan coastal communities and harvest of wild Alaskan salmon and other fish for global markets; and

WHEREAS, The training area and vicinity is a highly productive region for many marine fish and shellfish populations and supports some of the most productive fisheries in the United States, and an important spawning area for many fishes, and the training is scheduled to take place during the summer season when many fish populations are migrating and spawning (at least 383 species belonging to 84 families of marine and anadromous fishes have been reported from the predominant ecosystems found in the training area); and

WHEREAS, The port of Homer is reliant on the fish and wildlife resources in the Gulf of Alaska for their subsistence harvest and the livelihoods supported by commercial fishing; and

41 WHEREAS, The City of Homer supports all cultural, traditional and subsistence
42 activities historically and continually practiced by Native and non-Native peoples in the Gulf
43 of Alaska; and
44

45 WHEREAS, The City of Homer finds no scientific information or traditional knowledge
46 demonstrating that the U.S. Navy's training activities can take place without negatively
47 affecting salmon, marine mammal, bird and other marine habitats.
48

49 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, does
50 hereby request that the U.S. Navy refrain from using live ordnance or sonar in any Marine
51 Protected Area, including NOAA Fisheries Marine Protected Areas, State Marine Protected
52 Areas and Habitat Areas of Particular Concern.
53

54 BE IT FURTHER RESOLVED that the City Council of the Homer, Alaska, hereby requests
55 that the U.S. Navy relocate its training area to the far southeast corner of the current
56 designated training area, off the Continental Shelf areas of the Gulf of Alaska, and away from
57 seamounts.
58

59 BE IT FURTHER RESOLVED that the City Council of Homer, Alaska, requests the U.S.
60 Navy to conduct its training exercises after the middle of September and before the spring, so
61 as not to impact migrating salmon and other species.
62

63 PASSED AND ADOPTED by the Homer City Council this 8th day of August, 2016.
64

65 CITY OF HOMER



71
72
73
74

Mary E. Wythe
MARY E. WYTHE, MAYOR

75 ATTEST:

76
77

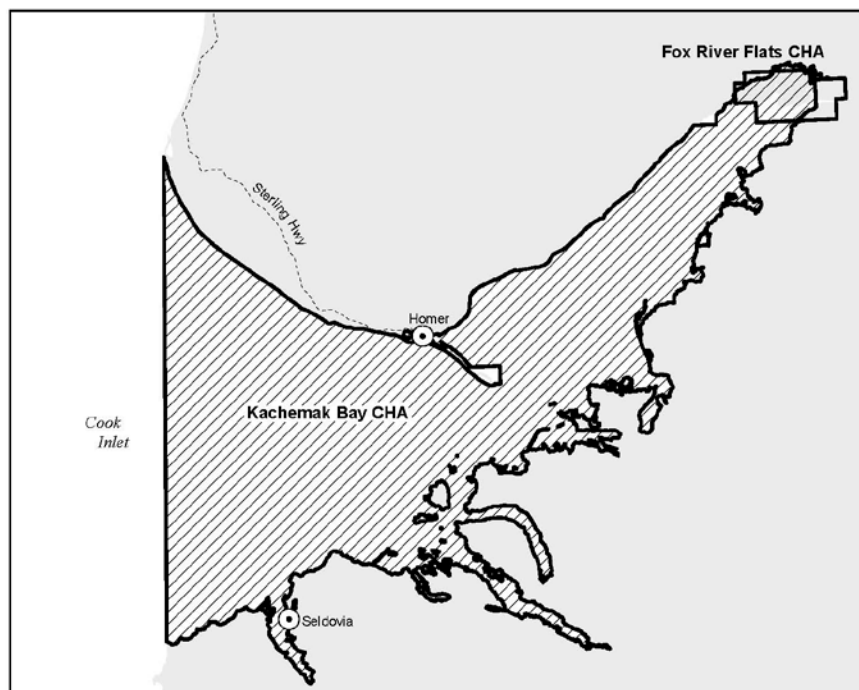
Jo Johnson
JO JOHNSON, MMC, CITY CLERK

Fiscal Note: N/A

KACHEMAK BAY & FOX RIVER FLATS CRITICAL HABITAT AREAS MANAGEMENT PLAN - REVISION PUBLIC SCOPING

The Alaska Department of Fish and Game, Divisions of Habitat and Wildlife Conservation, invite the public to participate in scoping to share information and concerns about the Kachemak Bay and Fox River Flats Critical Habitat Areas (CHAs). This is the first step in ADF&G's efforts to revise the CHAs' management plan, which was adopted in 1993.

http://www.adfg.alaska.gov/index.cfm?adfg=habitatoversight.kbfr_planrevision



We would like to know how you use the area and its resources, and are interested in your ideas on how to manage activities and public uses in the CHAs.

PUBLIC SCOPING MEETINGS WILL BE HELD AT **6:00 PM** AT THE FOLLOWING LOCATIONS:

September 26: Islands and Oceans Visitor Center, **Homer**

September 27: Seldovia Public Library, **Seldovia**

October 3: Willian Jack Hernandez Hatchery Conference Room, **Anchorage**

For more information, or if you cannot attend the meeting and would like to submit comments, please contact ADF&G at:

Phone: (907) 267-2342

Or visit:

http://www.adfg.alaska.gov/index.cfm?adfg=habitatoversight.kbfr_planrevision

