

MANAGERS REPORT
February 25, 2013

TO: MAYOR WYTHE / HOMER CITY COUNCIL

FROM: WALT WREDE

UPDATES / FOLLOW-UP

1. Finance Director Resignation: Finance Director Regina Mauras has accepted a job in Washington State and has tendered her resignation. Her last day at work will be March 8. She will make herself available after that if questions come up. We have started the recruitment process for this very important position. I would like to thank Regina for all of her dedication and hard work over the past seven years. She has contributed a lot to the City and its financial management. I would especially like to take note of the very significant improvements she made in the areas of internal controls and basic accounting practices. Regina was a real asset and she will be missed.
2. Damage at Water Treatment Plant: At recent meetings the Council was briefed on the extreme weather event that caused damage to the sewer collection system and to three structures in town. Understandably, most of the focus to date has been on the damage to the structures and the displaced tenants. However, there was also extensive damage to the sewer treatment plant itself. We did not realize the extent of the damage at the time but that is now becoming clear. The staff at the treatment plant has performed yeoman's work troubleshooting and making repairs to insure that the plant is functioning properly. Much of this work was done standing in knee deep sewage. Lots of overtime has been needed and these guys deserve a special thank you for keeping the community and Kachemak Bay protected from potential contamination. The bottom line though, is that the cost of repairs now exceeds \$100,000 and could continue to grow. We have not yet brought forward an appropriation ordinance because we did not fully understand the extent of the damage or ultimate cost for repairs and for health and safety reasons, we needed to move fast. At the time this was written, we were considering whether to file an insurance claim. The deductible for this policy is \$100,000. This insurance is for coverage of property damage to property owned by the City and differs from the coverage in place regarding the private structures.
3. Grant Aviation: As you probably heard by now, Grant Aviation is discontinuing service to Homer effective immediately. We are currently in the process of terminating their lease at the terminal and all of the normal steps that entails.
4. Transportation Committee Recommendations: Council recently asked the administration to look into acquiring the ROW that would be needed to push Waddell Way through to Heath St.; an important step in implementing the Transportation Plan. It has come to the City's attention that there is a potential buyer for the property (currently for sale) and PW and Planning have been working with the interested party to see if we can work out a plan that benefits all. There are a number of variables and considerations that come into play when

- thinking about the best alignment for the proposed east-west corridor. Carey brought this issue to the Transportation Committee at their meeting on the 19th. The Committee gave it careful consideration and its recommendations are attached. We hope to talk about this in some detail at the Committee of the Whole.
5. Emergency Operations Plan Update: Chief Painter has hosted three meeting so far. The next meeting is scheduled for Thursday, February 21. The Emergency Operations Plan is a very important document and we appreciate the volunteers who are participating on the Committee.
 6. Trip to Juneau: Next week the Mayor and Katie will travel to Juneau to visit legislators and members of the administration. We have developed a general work plan / agenda on issues to be addressed but any input the Council might have would be most welcome.
 7. Harbor Projects; This week I hope to be able to start the harbor revenue bond application process with the Alaska Municipal Bond Bank. The goal is to have the financing in place close to the time the capital budget is approved so that we can keep to the proposed construction schedule.
 8. Lillian Walli Estates: The Council requested by resolution that the City initiate the petition process for forming a road, water, and sewer special assessment district in Lillian Walli Estates. The Planning Department is working on that and is making good progress. Letters of interest went out to all property owners recently.
 9. Port and Harbor Rate Study: The adopted budget contains funding for a Port and Harbor Rate Study. We are starting to focus attention on that issue and we should have more information for you soon.
 10. Fiscal Impacts of the drill rig Endeavor: At the last meeting we discussed the possible benefits of commissioning a study of the economic impacts associated with the drill rig being moored in Homer. Several Council members expressed interest in doing this. This agenda contains a resolution on that topic sponsored by the Mayor and Council member Burgess to get the issue on the table.

ATTACHMENTS

1. Lobbyist Report
2. Memorandum re: Tract 1-A, Fishing Hole Subdivision # 2
3. Recommendations from the Transportation Committee re: Transportation Plan and Waddell Way