



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: March 17, 2021
SUBJECT: City Manager's Report for March 22, 2021 Council Meeting

FY22/23 Budget

The Council met for a work session on March 15th to discuss the Administration Department, Finance Department, and Admin Fees. There was discussion throughout which will help staff move forward with their budget preparations. The Admin Fees discussion was productive and I am aiming to include a follow up discussion on the March 31st budget work session agenda which will also include Police, Fire and an introduction to fleet issues. We'll move CARMA to budget work session #3 with Public Works and Harbor.

Natural Gas Line Loan is Paid Off!

Council passed Ord 21-13 at the March 8th meeting which allowed for the payoff of the Natural Gas Line loan with the Kenai Peninsula Borough. The very next day the Finance Department worked with our banking partners to pull the funds together and get a check written for the full payoff amount of \$2,511,190.83. The day after, Finance gathered the necessary signatures and deposited the check into the respective Borough bank account.

Harbor Bond Refunding

The City issued its Harbor Revenue Bond in June 2013, in the principal amount of \$3,735,000. The bond was purchased by the Alaska Municipal Bond Bank. The Bond Bank began the process of refinancing local government bonds in 2020 (including the City's Harbor Bond) but was delayed because of a ruling by the Alaska Supreme Court. The Bond Bank is again moving forward with the refinancing which is expected to close in early June. If the City participates in the refinancing, approximately \$2 million par amount of the City's bond would be refinanced.

The refinancing is intended to achieve at least a 3% savings for local government. The Bond Bank provided us with a preliminary analysis of potential savings for the City. With current market rates, the City could save approximately \$185,918, which represents roughly 8.9% in savings. The range of potential market movement provided by the Bond Bank was 35 basis points. Within that range, the worst savings is said to be \$113,992 (6.7%) and the best is \$247,053. (11.8%). However, bond markets are volatile and the potential savings can change drastically depending on market movements.

Known expenses related to participating in this refinancing is the contract for bond counsel services which has been quoted to be \$15,000. The City would only occur this expense if the refinancing by the City is successful. This costs would be included in the cost of the refinancing transaction. A bond ordinance authorizing the City's participation in the transaction is expected to be introduced to Council in early April.

Cybersecurity Update

At the very beginning of March, [Microsoft reported](#) that hackers based in China had discovered and exploited four security weaknesses in Microsoft Exchange servers, which are used for handling email. Hackers could potentially steal emails, distribute malware through the server, or introduce changes to the system that would give them greater control over its operations. On March 2, Microsoft released patches for the security holes, and all these patches were quickly applied by IT staff to the City's servers. We are not aware of any breach of security to the City's systems, although other entities may have been attacked as early as January 6th.

Ice Plant is Open for Business

The Ice Plant closes down seasonally for maintenance, but it officially reopened for business on March 10th. There is ice in the bin to sell, the cold storage room is ready for customers to store their season's bait, and some halibut have already been landed. Burt Gregory, the Ice Plant/Fish Dock Supervisor (shown in the photo below), tells us that the plant is "running like a well-oiled sowing machine."



Recreational Trails Program

Administration is planning to apply for a Recreational Trails Program grant to construct an ADA accessible trail in Karen Hornaday Park. The trail will run parallel and adjacent to a redesigned park entrance road and the parking configuration, and will be of similar design as the Poopdeck Platt Trail. This improvement addresses Karen Hornaday Park pedestrian safety and accessibility concerns which are prioritized in the City's Capital Improvement Plan and the ADA Transition Plan. The grant, if successful, requires a 10% local match which will be requested from the HART Trails Fund. We will bring a resolution before Council in April expressing Council support for the project and authorizing the application for the matching grant as required by the Recreational Trails Program.

Building Data

At the March 8th Council meeting and March 15th work session, I mentioned that I had Planning preparing some data regarding building trends in Homer. 2020 was a particularly strong year for new residential structures. See the attached memo from the City Planner showing the trends in permits pulled for residential and commercial buildings and additions.

Library Fireplace Lounge Speaker Upgrade

The Friends of Homer Library (FHL) donated equipment and expertise while the City's Building Maintenance Division handled the actual installation of some new speakers and a small cabinet. The small cabinet was crafted specifically to blend in with the shelving and was built by the spouse of a FHL board member.



Employee Updates

Congrats to Sean Perry for his promotion to Patrol Sergeant at HPD on March 8th! Sean came to HPD in 2014 as a lateral hire from the Unalaska Police Department, where he served as a Police Officer for two years. With over eight years of police experience, Sean is ready to serve the Homer community in his new role. Thanks for your hard work Sean!



COVID-Related Updates

COVID Risk Status

On February 1st I moved the City from the “Red” to “Orange” level on our COVID risk framework and we remain in Orange today. This reopened the HERC and the Library to use by appointment. The Harbor will be opening their lobby to walk-in visitors (with full masking and social distancing protocols) on March 22nd. At the last City Council meeting there were questions about how the changes in CDC guidelines may impact City operations. At this time, they don’t. The updated CDC guidelines for those who have received vaccines is focused on private gatherings, not conduct in public spaces. No changes are being made at this time in City facilities, but we will continue to monitor the guidelines as they evolve.

Vaccine POD

On March 12th, the Unified Command hosted another vaccine clinic at Homer High School. I was one of about 600 individuals who received a shot that day. The teamwork between the City, the hospital, and other community partners is really great to see. The vaccine distribution is friendly and efficient.



Enclosures:

1. Recreational Trails Program draft notification and map for Karen Hornaday Park Trail/ADA project
2. Memo from City Planner Re: Trends in Permitting
3. Memo from Special Projects Coordinator re: DHSS COVID-19 Funding to Support Community Vaccine & Testing



RECREATIONAL TRAILS PROGRAM GRANT APPLICATION
PUBLIC NOTICE

Project Title: Karen Hornaday Park Pedestrian Trail

Organization Name: City of Homer

Date Public Notice Posted: March 22, 2021

Brief Description of Proposed Project:

The City of Homer intends to apply for a Recreational Trails Program grant to construct a landscaped ADA accessible trail (with similar construction as the Land Trust Poopdeck Trail) which will run parallel and adjacent to a redesigned park entrance road. This improvement is prioritized in the City's Capital Improvement Plan and the ADA Transition Plan to address pedestrian safety and accessibility concerns.

Proposed Timeline of the Project:

Project Start Date: _____

Project End Date: _____

Applicant Contact Information:

Contact Name: Jennifer Carroll, City of Homer Special Projects Coordinator

Phone Number: 907-435-3101

Email Address: icarroll@ci.homer.ak.us

Mailing Address: 491 E Pioneer Avenue
Homer, AK 99603

Public Comment or Opposition can be submitted via methods listed above.

Deadline for Public Comment: April 22, 2021 _____

Map of Project Area:



The Alaska Recreational Trails Program is the possible funding agency for this proposed project. For information regarding the Alaska Recreational Trails Program, please visit the State website at <http://dnr.alaska.gov/parks/grants/trails.htm>.



KAREN
HORNDAWAY RD

BART

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Planning

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Memorandum PL 21-02

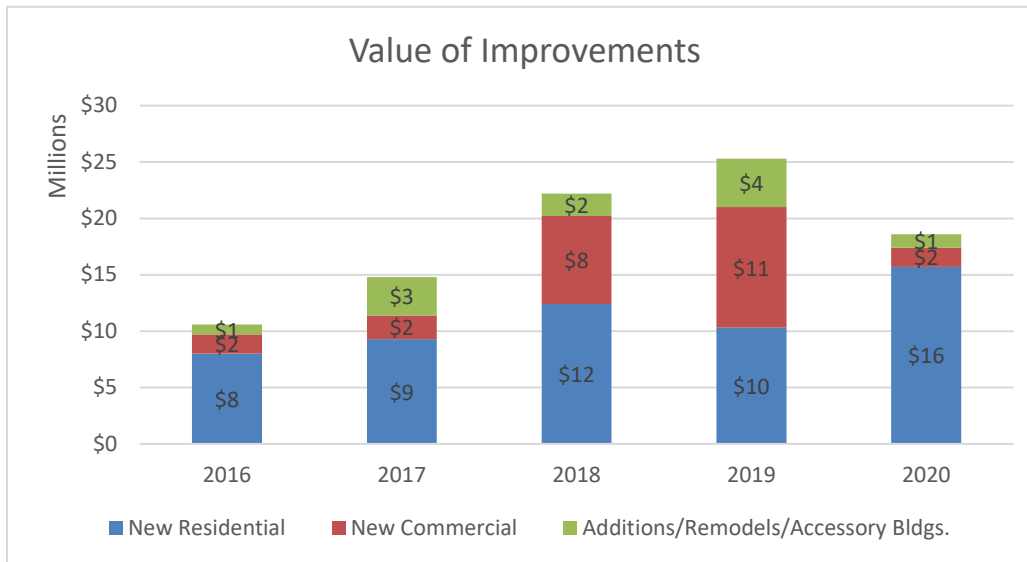
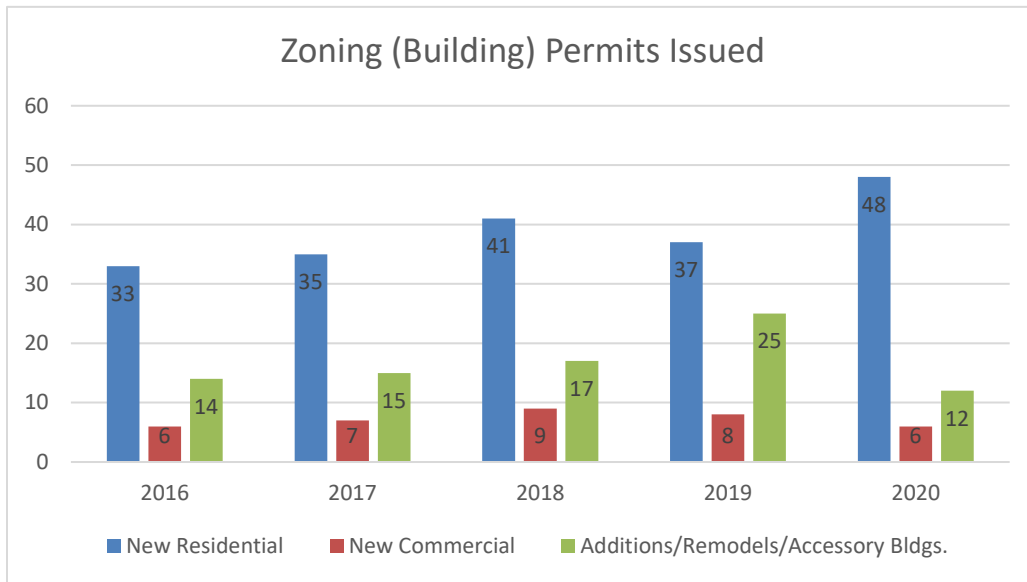
TO: Rob Dumouchel
FROM: Rick Abboud, AICP, City Planner
DATE: 3/16/21
SUBJECT: Trends in Permitting

Zoning permit trends

Over the past six years, permitting numbers in Homer have remand steady. We have experienced an increase in the number of new dwellings being built, time will tell if this is an anomaly or not. While this could be a specific trend in response to the unique conditions of a pandemic year, I feel that there is a good probability of this trend continuing. I recognize more people moving to Homer as a refuge of sorts from undesirable physical and social conditions found elsewhere.

Year	Residential Zoning Permits Issued		Commercial Zoning Permits Issued		Total
	New Construction	Additions/Remodels /Accessory	New Construction	Additions/Remodels /Accessory	
2020	48	10	6	2	66
	\$15.7 million	\$670,000	\$1.7 million	\$480,000	\$18.6 million
2019	37	20	8	5	70
	\$10.3 million	\$1 million	\$10.7 million	\$3.3 million	\$25.3 million
2018	41	12	9	5	67
	\$12.4 million	\$1.0 million	\$7.8 million	\$1.0 million	\$22.2 million
2017	35	12	7	3	57
	\$9.3 million	\$450,000	\$2.1 million	\$2.9 million	\$14.8 million
2016	33	14	6	0	53
	\$8 million	\$850,000	\$1.7 million	0	\$10.6 million
2015	38	14	5	3	60
	\$9.8 million	\$878,900	\$2.4 million	\$125,000	\$13.1 million
2014	37	10	10	5	62
	\$9.3 million	\$370,000	\$5.5 million	\$240,000	\$15.4 million
2013	36	14	11	3	64
	\$6.9 million	\$580,000	\$3 million	\$2.1 million	\$12.6 million

- Permit values are provided by applicants, we routinely revise some residential values when they are unrealistic.



Notable recent projects include:

2019 - Homer Police Station Valued at \$7.5 million

2018 - Aspen Hotel Valued at \$4.5 million



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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Jenny Carroll, Special Projects & Communications Coordinator
THROUGH: Rob Dumouchel, City Manager
DATE: March 16, 2021
SUBJECT: DHSS COVID-19 Funding to Support Community Vaccine & Testing

The State of Alaska DHSS made funding available to local units of government statewide to support COVID-19 testing and vaccine administration. These funds have been allocated on a per capita basis and Boroughs and local governments have been invited to develop plans to utilize these funds to engage one or more communities and/or partner organizations to increase access to COVID-19 testing and vaccines, with special focus on lowering barriers to vaccine access among hard-to-reach populations.

On Monday March 16, we submitted a request in partnership with South Peninsula Hospital and Kachemak City to utilize the City of Homer's \$254,040 allotment and Kachemak City's \$24,376.44 allotment to support Homer Unified Command's future efforts to distribute COVID-19 vaccinations to residents of the Southern Kenai Peninsula. These funds will support:

- Seven additional mass vaccine POD clinics (similar to what we have hosted at the Christian Community Church initially, and now at Homer High School) which distributes approximately 600 doses per clinic;
- Four drive-through or pop-up vaccine events to reach underserved segments of the community such as the homeless or those at risk of homelessness, seasonal workers, and workers in the commercial fishing industry;
- Contract services to assist PIOs with targeted outreach to underserved populations to increase awareness of pop-up vaccine opportunities and for general advertising of mass vaccine clinic opportunities.

DHSS funding decisions will be announced March 31, 2021; if selected, the State will offer the City of Homer funding through a Memorandum of Agreement with a period of performance of one year and with the understanding that should conditions change within six months, the State is willing to amend MOA's accordingly.

The first opportunity to bring the Memorandum of Agreement to Council for consideration is the April 12, 2021 Council meeting. However, because the first event the funding will support is April 16, 2021, I wanted to give you a heads up that we will be introducing the MOA through an Emergency Ordinance so that costs

incurred at the April 16 mass vaccine clinic will be eligible for reimbursement through the State grant program.

We greatly appreciate that the State is making funds available to support a prompt and robust roll out of vaccines and we thank Kachemak City Council for their partnership to leverage combined municipal funds in support area vaccine efforts.