



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 Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: July 23, 2022
SUBJECT: City Manager's Report for June 27, 2022 Council Meeting

Main Street Sidewalk Construction is Underway!

As planned, construction began on July 12th. The early phases of the project are going very well, however, the contractor is experiencing some supply chain issues which could delay completion until early fall. We will continue to report on this project as it develops.



Crews working on the Main Street Sidewalk on July 19th

Old Town Sidewalk Meeting

Economic Development Manager Julie Engebretsen and Public Works Director Jan Keiser are scheduled to host a neighborhood meeting related to sidewalks in Old Town. The City is partnering with Bunnell Street Arts Center to host the event at the gallery on Tuesday, July 26th, beginning at 5:00 pm. The City mailed invitations to property owners, and Bunnell staff is spreading the word with neighbors and area residents. The City is in the engineering and design phase for work on West Bunnell Ave and Ohlson Lane. Including sidewalks in the design phase is timely, however there will be tradeoffs and direct impacts for businesses and land owners to consider. The event is intended to present some ideas to the neighborhood and hear their comments and concerns.

Sidewalk Progress (Resolution 22-043)

In May, Council adopted Resolution 22-043 which intended to reconfirm the interest of Council on investing time and resources into non-motorized transportation as well as giving me some direction on things the Council wanted to get underway in the three months that followed. Attached to this report is a memo which outlines progress to date. Additionally, I have attached a memo from Public Works Director Keiser which gives a full overview of the City's open non-motorized transportation-related projects. As I have stated before, this topic in general is a big one that will require some time, however, we're making meaningful progress.

Little HERC Demolition

As a follow up to Resolution 22-055, City staff have been working together to develop potential pathways for the demolition of the "little HERC" building. After a deeper review of the EPA Brownfield grant opportunities available in Alaska, it is apparent that they are not a good fit for our project (programs don't cover demolition, there is a high administrative burden, funds eligible to be disbursed for the HERC are low, etc.). We are instead looking to use the HERC CARMA fund for an option developed by Public Works to bring the building down in spring 2023. Staff intends to submit an ordinance for introduction at the first meeting in August.

FY24/25 Budget Prep

At the first leadership team meeting of the 2023 fiscal year, I distributed budget worksheets to department and division leaders. The first round worksheet is focused on missions, goals, performance metrics, and big ideas. Finance Director Walton is meeting with the leadership team one on one to discuss their visions during the month of July and I will be hosting follow up discussions in August. As a reminder, we are working with a goal of having a complete FY24/25 budget ready to adopt by April 2023. The Budget Development Schedule for FY24/25 is attached to this report.

Capital Projects Review

With the close of FY22, we are doing a review of our open capital projects appropriations. Because of the fiscal year change, the Council's temporary delaying of capital spending during COVID (Resolution 20-050), and supply chain issues, we have quite a few projects which have aged beyond their original three fiscal year windows. The year-end review will have the following outcomes: 1) projects that are complete will be officially closed (if that has not already occurred); 2) some projects will require extensions from Council to allow them to be completed; 3) other projects, that never had a chance to get started but are still needed, will be repackaged into new requests that better fit our current context. Expect to see related ordinances at upcoming Council meetings.

Conditional Use Permit Reform Update

City Planner Rick Abboud worked through the zoning code evaluating conditional uses in all districts. His research has been compiled into a proposal that went to the Planning Commission for discussion on July 20th. Because of the volume of information and potential changes, it is expected that the Planning Commission may require several meetings to review the proposal before it's ready to move back up to the Council level. The City Planner estimates that, if the current recommendations hold, we may eliminate over half of the conditional use permits that have been requested in the past decade.

Website Updates Underway

Assistant to the City Manager Christine Drais has been working through various parts of the City's website updating information and sprucing up various department and division pages. The most recent beneficiaries of this work were the Parks and Community Recreation divisions. Christine is working on creating a more

consistent look to the pages with nice visuals on each page that represent the department or division. This is a long-term project that will continue to simmer in the background. Expect to see continuous small improvements as the year goes on.

Water/Sewer Rates

I mentioned this topic in my last report. The work session for this topic has been tentatively rescheduled to the first meeting in August.

Fire Truck Leasing

While discussing the purchase of a pumper/tanker for the Volunteer Fire Department, we spoke frequently of other fleet needs that Council will have to address in the near future. One vehicle that we need to seriously consider integrating into our future fleet to support the growth and development of the City is a ladder truck. Ladder trucks are serious pieces of fire apparatus and come at a considerable cost. As we saw during the major structure fire on Bunnell Avenue in June, they also provide considerable benefits in protecting lives and property. Fire Chief Kirko has been working with manufacturer representatives to discuss options for ladder trucks as well as pricing for leasing them instead of buying them outright. Two example ladder trucks that were recently for sale and available for delivery this year (through the same channels we ordered our pumper/tanker) were priced at a range \$1.3M to \$1.7M depending on equipment. Financing these trucks would range between approximately \$170,000/year and \$216,000/year for a ten year term. I'm not suggesting that the offered financing is the best deal or the right deal for Homer, we haven't completed that analysis, but I want the Council to understand the magnitude of cost that will be required to meet our fire safety needs going into the future. The Chief and I will continue to study this and a considerable amount of work on the topic of the fire fleet will be integrated into the upcoming FY24/25 budget process.

Update: State Match for Harbor Expansion Study

In mid-July we officially received notice of the FY2023 Designated Legislative State Grant of \$750,000 for the Large Vessel Harbor expansion matching funds. As a reminder, these funds, matched with \$750,000 from the City, make up the "local" match for an Army Corps of Engineers General Investigation, which is a major step in the development of large projects undertaken by the Corps. We are continuing to work with federal partners to get the federal half of the funds appropriated and a new/resumed start authorized.

Harbor Facility Grant Program Award

The City was officially awarded an FY23 Tier II Harbor Facility Matching Grant from the State of Alaska DOT&PF in the amount of \$366,000 for cathodic protection in the Port & Harbor. The funding will allow the City to complete a years-long, phased approach to protect over 487 steel piles harbor-wide from corrosion due to electrolysis. This is an important project to finish up. Most of the float system piling predates the 1999 ownership transfer from the State. When originally installed, the pilings were protected from corrosion by a hot-dipped galvanized coating, which is typically effective between 15 and 20 years. Presently, at 36 to 28 years old, the original protective coating is depleted to the point where it was no longer protecting the pile. Utilizing Port and Harbor reserve funds in 2018 and 2021, the City was able to add protection to about 44% of the harbor piling. This grant award will match \$366,000 in City funds to complete protection for the remaining 56%. Once the project goes out to bid and the State issues a grant award agreement, staff will be bringing an Ordinance to City Council for the matching funds.

Short Term Rental Discussion on KBB

I was invited to participate in a KBB Coffee Table discussion on short term rentals (STR) which also featured Councilmember Davis and other community stakeholders involved in housing locally. We had a productive

chat about ways the City can interface with housing challenges in Homer. I have special projects staff working on research related to housing and short term rentals at this time. I expect we will be in a position to host Council work sessions and public meetings in fall/winter this year.

New Special Project Coordinator Positions

The midbiennium budget adjustment passed in April 2022 included the addition of two special project coordinator positions to the city's roster. I formatted these positions as remote work and part-time eligible, a very uncommon configuration in local government jobs. Personnel Director Andrea Browning and I marketed the listing aggressively, and we had a very successful recruitment which drew applications from all over the country. As a result, I have hired and onboarded two new employees.

David Parker joins us as a part-time special projects coordinator working out of Anchorage. David holds an M.A. in Sociology from Georgia Southern University and a PhD in Epidemiology from the University of South Carolina. He has worked with state, county, and local governments for over twenty years on projects involving data identification, collection, management, reporting, and policy analysis. David is also a professor at the University of Alaska Anchorage where his research focuses on the integration of information technology into healthcare to improve health outcomes and reduce costs. David made his first visit to Homer in July and is already engaged in multiple projects with various City departments.

Ryan Foster joined the team in mid-July as a full-time special projects coordinator working as a hybrid (mix of in-person and remote work) employee. Ryan has a B.A. in Geography/Anthropology from the University of Southern Maine and a Master of Planning degree from Dalhousie University in Nova Scotia. Ryan has been a professional planner, working for both public and private employers, for the last 14 years. He most recently worked for the City of Kenai as their planning director. Prior to that he served as the principal planner for Los Alamos County in New Mexico. As much of our special projects work, as outlined by the 2022 visioning process, is very planning heavy, we are very excited to expand our capacity by bringing Ryan on board.

Enclosures:

1. July Employee Anniversaries
2. Memo re: Resolution 22-043 update
3. Memo re: Non-motorized Transportation Progress Report
4. Budget Development Schedule for FY24/25
5. Quarterly report from the SBDC



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Memorandum

TO: MAYOR CASTNER AND CITY COUNCIL
FROM: Andrea Browning
DATE: July 25, 2022
SUBJECT: July Employee Anniversaries

I would like to take the time to thank the following employees for the dedication, commitment and service they have provided the City and taxpayers of Homer over the years.

Lori Sorrows	Finance	23	Years
Dan Olsen	Public Works	21	Years
Julie Engebretsen	Planning	20	Years
Rick Abboud	Planning	14	Years
Dave Welty	Public Works	14	Years
David Bernard	Library	11	Years
Jason Hoffman	Public Works	7	Years
Clinton Scritchfield	Police	4	Years
Jason Hanenberger	Public Works	3	Years
Mark Kirko	Fire	3	Years
Owen Meyer	Public Works	1	Year



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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: July 20, 2022
SUBJECT: Resolution 22-043 Status Update

Resolution 22-043, a Resolution of the City Council of Homer, Alaska Establishing the City Council's Intention to Promote Sidewalks and Safe Pedestrian Access, was adopted May 9, 2022. The resolution set out a series of ambitious goals to accelerate our pursuit of sidewalks and non-motorized transportation. Staff has put a great deal of effort into furthering these goals and I believe we are doing a good job of meeting the intent of the Resolution. This memo give updates to what has either been accomplished or is currently underway across the last three months.

Excerpted memo language with Commentary:

NOW, THEREFORE BE IT RESOLVED that the City Council intends to pursue, beginning over the next three months, a number of actions to improve safety and a pedestrian and cyclist friendly community for residents and visitors alike:

- 1. Formulate reasonable changes to the Homer City Code to improve safety and pedestrian access on new City streets, including updating minimum road widths and assessing safety surrounding shoulders and ditch steepness.**

The City design manual update was outsourced to a consultant and the draft has been under review by Public Works and Planning. Specific code updates will be driven in large part by the Master Transportation Plan which is coming to Council July 25th for introduction.

- 2. Begin the process of updating the nonmotorized transportation plan, an element of the Comprehensive Plan, including a long-term plan for building critical sidewalk infrastructure, and determining the costs to be borne by developers and/or private land owners**

An ordinance for a Master Transportation Plan, which will include non-motorized transportation, is set to be introduced at the July 25th Council Meeting.

3. Support the work of Public Works to catch up and develop a nonmotorized transportation implementation plan, nonmotorized trails, and access in active developments.

Council approved Ordinance 22-25 on May 23rd approving and funding a Non-Motorized Transportation Fund. Public Works is actively collaborating with other departments and working with developers on solutions as construction has started on a few projects.

Additionally, Public Works continues to incorporate sidewalks and non-motorized transportation in new projects, such as West Bunnell Ave and Ohlson Lane reconstruction. In partnership with Bunnell Street Art Center, City Economic Development, and Public Works staff are hosting a neighborhood meeting open dialogue between the City and neighborhood land owners and residents to plan for future sidewalks.

4. Develop a plan to integrate interested committees/commissions into sidewalk discussion to ensure staff and volunteer efforts are well-coordinated and aligned with Council interests and direction.

The Mayor held a meeting of all committee/commission/board chairs to discuss coordination efforts to include future sidewalk projects. Staff discussions between the City Manager, Planning, and Economic Development have been held to strategize future actions. PARCAC and EDC had information and discussion at their June meetings. Communication will continue with an invitation to attend the early fall trail symposium, and follow the Homer Drawdown policy conversation.

5. Establish a strategic plan for funding road safety improvements on existing roads.

Public Works has financial plans in place that are updated as the context changes.

6. Hold a series of work sessions for Council to work through these issues as a body alongside the administration.

A work session was held May 23rd on sidewalks. Economic Development Manager Julie Engebretsen is currently scoping a potential off-cycle work session for later in August. We expect more to be triggered by the Master Transportation Plan if approved. There is also significant staff involvement in a trail summit with a local stakeholder group planned for later this year.



Memorandum

TO: City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Janette Keiser, PE, Director of Public Works

DATE: July 18, 2022

SUBJECT: Non-motorized Transportation – Progress Report

I. **Issue:** The purpose of this Memorandum is to provide a status report on the various non-motorized transportation projects we've been working on, particularly since the creation of the Non-Motorized Transportation Opportunity Fund.

II. **Status Report:**

- A. **Main Street Sidewalk.** This project is under construction. The contractor is experiencing supply issues, which could delay completion until early fall.
- B. **Ben Walters Sidewalk.** The design is now 35% complete and undergoing review. Our plan is to advertise this project in late 2022 and build it during the 2023 construction season.
- C. **Fairview Avenue West.** We are waiting for the developer's contractor to complete the re-grading of the area so we know what the final contours will be. At that point, we will continue the design process for the pathway. We are still planning to construct this season.
- D. **Adams Lane, from East End Road to Jack Gist Park.** The bike path design is 80% complete. We will be soliciting bids, using the "Fax Back" small project bid process, in the near future. This improvement should be constructed this season.
- E. **Lee Avenue Path.** The undeveloped ROW of Lee Ave, between Heath Street and Kachemak Way has been brushed out by the Homer Drawdown Volunteer Trails Team, with Parks Division supervision. It will be finished as a Level 3 path this season.
- F. **Wright Street Path.** The undeveloped ROW of Wright Street, between Rangeview and Fairview, has been brushed out by the Homer Drawdown Volunteer Trails Team, with Parks Division supervision. It will be finished as a Level 3 path this season.
- G. **Woodard Creek Trail.** This nature trail has been improved by the Homer Drawdown Volunteer Trails team, with Parks Division supervision.
- H. **Ohlson Lane/Bunnell Ave.** We are exploring using the pavement restoration project as a vehicle for adding sidewalks into this busy commercial neighborhood. We will be hosting a neighborhood meeting on July 26 to talk about options with the local property owners.

- I. **West Hill Connection.** This project involves a bike path on the east side of West Hill Road between Eric Lane and the Sterling Highway. A contract for design has been issued to Bishop Engineering, the engineer-of-record for the nearby Foothills Subdivision, who will also help us negotiate with the AK DOT for permission to use the West Hill ROW.
- J. **Misc. pedestrian easements.** A variety of pedestrian easements exist on paper in multiple subdivisions. We are having these easements surveyed and marked in the field so people don't forget they exist. For example, we recently discovered HEA installed a power pedestal in the middle of a pedestrian easement on Quiet Creek Subdivision, thereby impeding its use for non-motorized purposes.
- K. **Regulatory framework.** We are continuing to work on developing enforceable regulations to facilitate and protect non-motorized transportation. For example, at the July 25 Council meeting, we will be presenting proposed regulation that would enable us to better address obstructions in the rights-of-way and pedestrian easements. For example, there are people on Soundview Avenue and Mullikin Street, who regularly park on the raised path, requiring non-motorized traffic to veer off the path and into the road.
- L. **Transportation planning.** We are introducing legislation regarding an update to Homer's Master Transportation Plan, which will include a chapter on non-motorized transportation as well as on traffic calming ideas generally.
- M. **Maintenance planning.** We are researching more effective ways to keep Homer's sidewalks, paths and trails accessible in the winter. The Tool Cat is slow and limited in what it can do. As we build more non-motorized routes, it will no longer be enough to keep up with demand. We are evaluating a new piece of equipment, like what is used in Soldotna, to more efficiently keep non-motorized routes clear. This would enable us to help the State with their sidewalks as well.
- N. **Kachemak Drive Bike Path.** We've had multiple conversations with the State about building a bike path on Kachemak Drive. It's clear the State has no interest in doing this as a State-project, but the State would be open to Homer doing it as a City project. We will soon be introducing the concept of doing at least the design, as a City project, once the Ben Walters Sidewalk design is completed.

City of Homer
Budget Development Schedule
for Fiscal Year 2024 and 2025

Dates	Event
1/10/2022	Preliminary Budget Development Schedule introduced to Council
July 2022	Begin FY24/25 budget discussions with departments
7/25/2022	Final Budget Development Schedule approved by Council
August - October 2022	Budget Worksessions
10/24/2022	Committee of the Whole, Council to discuss budget priorities for the coming year
	Regular Meeting, Public Hearing - public input on budget priorities for the coming year
End of December 2022	Submit to departments, budget work sheets including salary and fringe benefit costs
1st January 2023 Meeting	During Committee of the Whole, Council to discuss Revenue Sources for General Fund and preliminary budget assumptions.
End of January 2023	Departmental Draft Budget and narratives to Finance
Mid-February 2023	Compile data and return copy to departments for review
End of February 2023	City Manager - Budget Review with Finance Director and Department Heads
2nd March 2023 Meeting	City Manager's Budget (Proposed Budget) to Council
	Committee of the Whole, Council to discuss budget
	Regular Meeting - Public Hearing
1st April 2023 Meeting	Committee of the Whole, Council to discuss budget
	Regular Meeting - to introduce Budget Ordinance and Fee/Tariff Resolutions
2nd April 2023 Meeting	Committee of the Whole, Council to discuss budget
1st May 2023 Meeting	Committee of the Whole, Council to discuss budget
	Regular Meeting - Public Hearing
2nd May 2023 Meeting	Regular Meeting - Public Hearing & FY 24/25 Budget Adoption



July 12, 2022

City of Homer
491 E. Pioneer Ave
Homer, AK 99603

Dear Mayor Castner, City Council, and City Staff,

This letter serves as our quarterly report for the period April 1 to June 30, 2022. The Homer Business Advisor, Robert Green, has been busy this quarter working with clients preparing for summer tourist season. In May, the Kenai Peninsula Borough increased SBDC funding, which reduced the requirement from the City of Homer from \$25,000 to \$10,000 for the next fiscal year. There is strong demand for SBDC services in Homer, with 29% of our active peninsula clients in the area, so local support to retain the Homer Business Advisor position is crucial for the local economy. We are doing our best to keep the financial burden low for the City of Homer, so we can continue to provide excellent local support to business owners and entrepreneurs in the area. Here is a summary of deliverables to the Homer community during the quarter (year):

Client Hours: 132.1 (328.5)	Jobs Supported: 152 (266)
Total Clients: 34 (77)	Capital Infusion: \$933,400 (\$1,116,900)
New Businesses Started or Bought: 3 (8)	Client Surveys: 80% positive (88% positive)

The contract rate for a business advisor is \$55 per hour, which includes salary, benefits, fixed, and administrative expenses. In addition to local expertise, the Alaska SBDC provides IBISWorld industry reports, retailing for \$925 each, and ProfitCents financial analyses, valued at \$2,750 each, to clients free of charge. Here is a summary of value provided to the Homer community during the quarter (year):

Business Advisor: \$13,860 (\$27,555)
IBISWorld Industry Reports: \$10,175 (\$19,425)
ProfitCents Financial Analyses: \$8,250 (\$24,750)
Total: \$32,285 (\$71,730)

We would like to thank the City of Homer for their support of the Homer Business Advisor position. Not only has Robert excelled in Homer, but he has become a valued part of the Alaska SBDC staff. We greatly appreciate the knowledge, experience, and consistency he brings to our team. Please do not hesitate to contact us if you have any questions.

Sincerely,

DocuSigned by:

Jon Bittner

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Jon Bittner

Executive Director
Alaska SBDC