



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

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(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: May 4, 2023
SUBJECT: City Manager's Report for May 8, 2023 Council Meeting

Homer to be Awarded Large Wastewater System of the Year!

The Alaska Water Waste Management Association (AWWMA) selected the City of Homer to be their large Wastewater System of the Year. The AWWMA, founded in 1960, advances the technology of Alaska's water and wastewater industry through outreach, training and grassroots activism supporting Alaska's water resources and public health. The award for large Wastewater system of the Year recognizes the performance of a waste water system serving 2,500 or more individuals. Members of the Public Works team will receive the award at the upcoming AWWMA conference held in Anchorage on May 10th.

Pioneer Avenue Banners

Local artist Lucas Elliot has been working with Corvus Design and the Economic Development Commission to design new Pioneer Avenue street banners. The final design is complete, and staff expects banners to be up by July 1st.





AML Meeting in August

The City of Homer is hosting this year's Alaska Municipal League summer conference. AML staff have already made one scouting trip to Homer, and will be making a second one in May to work with City staff on planning and logistics.

AMMA and AMLJIA Updates

In May I will be taking over as the president of the Alaska Municipal Management Association (AMMA).

On April 27th, I attended a meeting of the AMLJIA Board of Trustees. Market conditions are not favorable right now, but we'll see some protection from our existing three-year agreement. I am expecting that Homer will see a rate increase capped at approximately 10% over last year (which is what we budgeted for in my draft FY24/25 operating budget proposal).

Invasive Species Mitigation

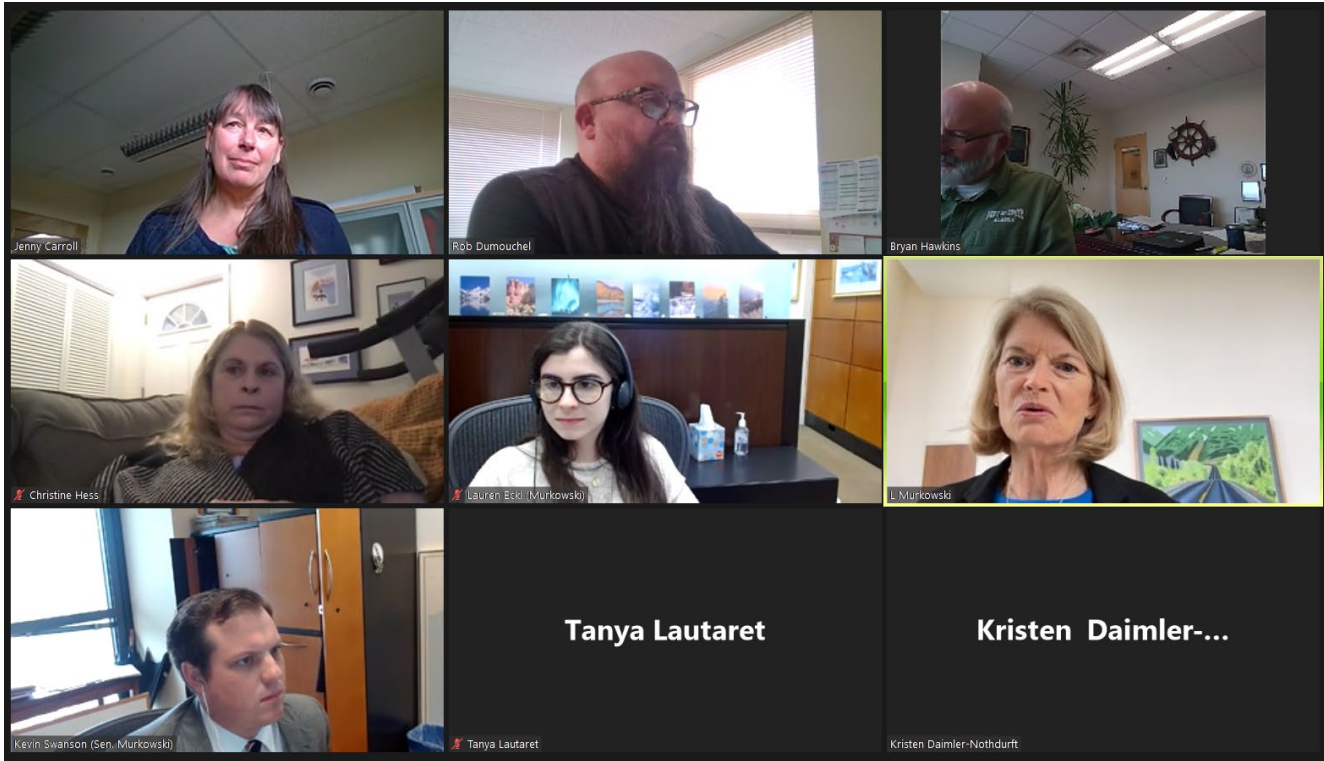
Update from Public Works Director Keiser:

The City is again partnering with the Homer Soil & Water Conservation District (HSWCD) to work with local gravel/sand vendors to get their pits recertified as "weed-free". This program is part of the City's Invasive Species Management Program. Trained HSWCD staff visit the pits, inspect them for the presence of invasive weeds, assist with mitigation, and help the pit owners understand how to keep their pits weed-free. To further promote best practices, City specifications require that gravel/sand used on public works projects be from certified weed-free sources. Three local pit owners are participating in the program.

On other fun and exciting news related to the City's partnership with the HSWCD – there will be a "chicken tractor" coming to town soon! The HSWCD received a grant to research whether a portable coop of hens is a viable means of controlling infestations of invasive weeds. The HSWCD will build and maintain the "chicken tractor" and Public Works will provide the control sites as well as some retired laying hens. We might even find out why the chicken crossed the road!

Check-In with Senator Murkowski's Office

Special Projects Coordinator Jenny Carroll, Port Director Hawkins, and I met with Senator Murkowski's office to discuss various Homer topics with a federal nexus. We covered a lot of ground with staff, and Senator Murkowski was able to join us later on in the meeting for a quick harbor expansion study update.



Harbor Matching Grant Program is Funded in Senate Budget Draft

The City of Homer does not have a project queued up this year for the State of Alaska's Harbor Matching Grant Program, however, we have been strong supporters of the program for many years. Mayor, Council, and staff have all lobbied for the program to be fully funded in this year's State budget at different points throughout the year. At this time, the program has found proposed funding from the Senate which is a great step forward. It still needs to make it to, and through, the Governor, but at least it's in a draft. There is a good chance Homer will be looking to use the program in the next cycle to support upcoming port projects.

Homer Represented at Alaska Trails Conference

In April, Parks & Trails Planner Matt Steffy traveled to the annual Alaska Trails Conference in Anchorage. He delivered a presentation on "Trails as Transportation: How to get things done together," and outlined the work being done in the City of Homer. This included showcasing the highly successful relationship with the Homer Drawdown organization, as well an overview of some internal discussions for future developments. The session was very well attended with admiration expressed from other communities who have been trying to accomplish similar goals. The primary focus was community collaboration and cohesiveness. There was also a presentation by Cameale Johnson from the Homer Trails Alliance, as well as a discussion on mapping from Seldovia's Bretwood Higman (Hig) who regularly participates in Homer area trails projects.

Economic Development, Parks, and Port Transitions

A number of transitions were put in motion for this summer season with various tasks moving between departments and divisions to attempt to build more sustainable and successful public-facing programs for parks, campgrounds, and public restrooms. To that end, Parks, Economic Development, and Public Works

staff have been meeting to coordinate summer projects such as Hornaday Park repairs, NOMAR wall repainting, and other projects at various stages of completion. The Port is beginning to welcome its first campers, and long-time seasonal all-star Chad Felice has recently stepped in as the temporary Parks Maintenance Coordinator. If the position is approved in the budget, we will be recruiting for the full-time version of that position later this summer. Collaboration will continue as we figure out new ways to work together and with the community to take care of Homer's parks.

Harbor Monthly Check-In

In response to Resolution 23-37, staff has been working on developing the first report in response to that item. I am expecting it to show up in the supplemental packet on Monday.

Enclosures:

1. May Employee Anniversaries
2. Grant Updates
3. HERC Updates
4. Update from SBDC



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Memorandum

TO: MAYOR CASTNER AND CITY COUNCIL
FROM: Andrea Browning
DATE: May 22, 2023
SUBJECT: May 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.

Mark Whaley	Port	18	Years
Pike Ainsworth	Port	15	Years
Mike Gilbert	Public Works	9	Years
Jackie McDonough	Library	9	Years
Sean McGroarty	Port	7	Years
Ralph Skorski	Public Works	5	Years
Taylor Crowder	Police	2	Years
Susan Jeffres	Library	2	Years
Sean Love	Public Works	2	Years
Tim Roberts	Public Works	1	Year
Devan Wilson	Police	1	Year



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Memorandum

TO: Mayor and City Council
FROM: Jenny Carroll, Special Projects and Communications Coordinator
THROUGH: Rob Dumouchel, City Manager
DATE: May 4, 2023
SUBJECT: Update on Federal and State grant applications

This is an informational memo to provide an update on Federal and State grant applications submitted or in process in support of City of Homer projects. New actions/information since the April 4, 2023 are highlighted in yellow on the attached chart.

Highlights include:

- Staff submitted four FY24 Congressionally Designated Spending (CDS) requests to Senator Murkowski and Representative Peltola. We learned that they have all been recommended to the Energy and Water Development Appropriations Subcommittee, clearing the first hurdle in the selection process.

Senator Murkowski forwarded our top three requests:

1. Drinking Water Resiliency Project, a combination of the Raw Water Transmission Main (RWTM) project, the A-Frame Water Transmission Line and the 250,000 gallon A-Frame water tank.
2. Kachemak Drive Peatland Water Quality Improvement Project & Erosion Mitigation (part of the Slope Stability & Erosion Mitigation Program)
3. Beluga Slough Lift Station

Representative Peltola forwarded our fourth priority request:

4. Homer Spit Coastal Erosion Mitigation

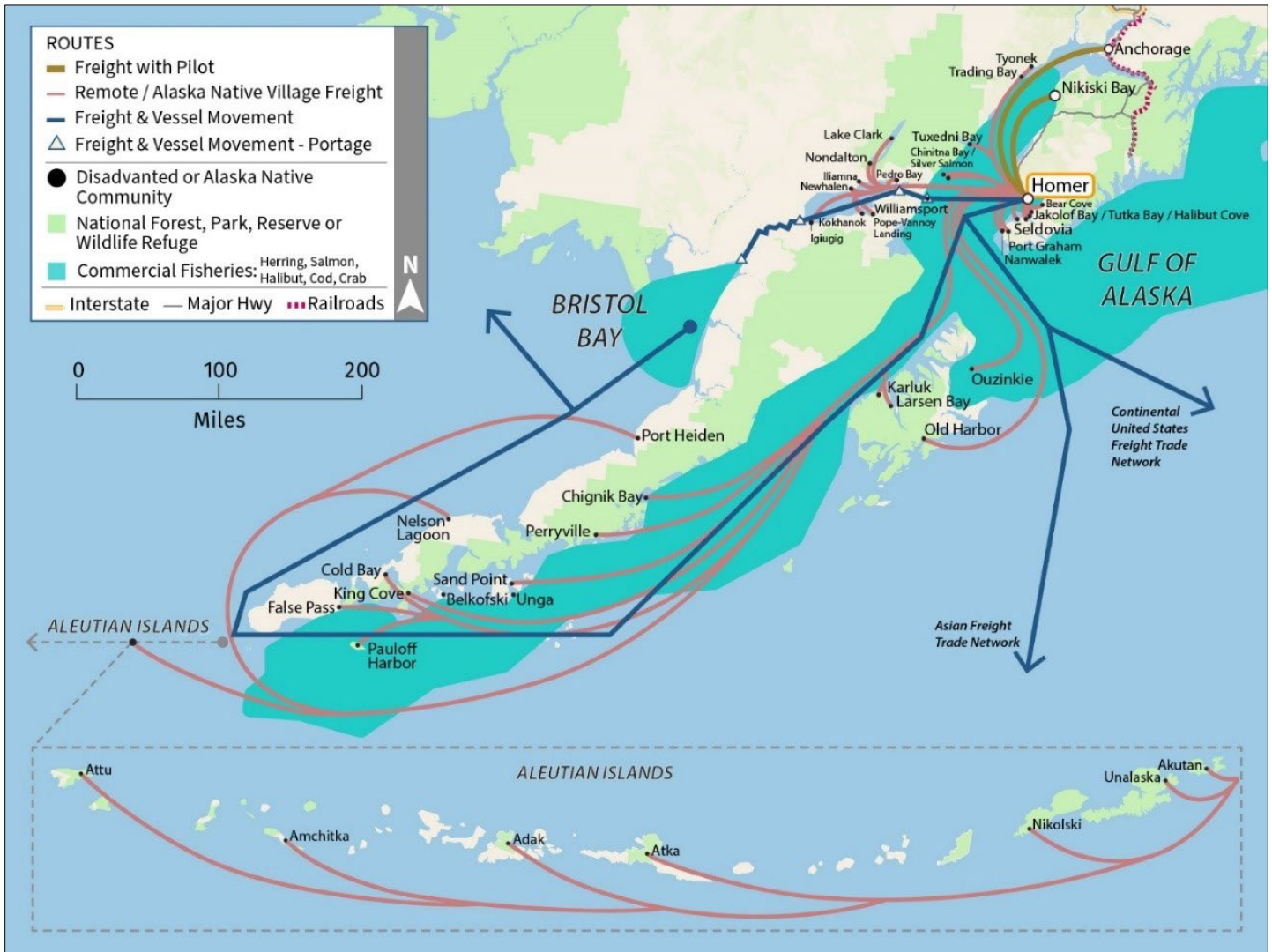
Two other hurdles to clear include approval by the subcommittee and Congress' Federal Budget deliberations.

The RWTM portion of the CDS Drinking Water Resiliency project is looking likely to be covered 100% by a FEMA Disaster Mitigation grant. My understanding is that the award request has been approved by FEMA and is now before the AK Congressional Delegation for approval. The RWTM project was included in the CDS Drinking Water Resiliency Project to show some potential funding momentum (\$2.18M) from another source.

- City staff collaborated very successfully with HDR to submit a solid grant application to the FY2023 Port Infrastructure Development Program (PIDP) at the end of April. Funds were requested to replace Float Systems 4 & 1 in the Homer Port & Harbor. We understand that the PIDP, which emphasizes supporting freight movement, attracts a large and competitive applicant pool.

Through our work on the application with HDR, we were able to quantify the Harbor's many marine transportation and freight connections, which looks different than port facilities handling containers but is quite compelling.

At least 47 non-road connected communities, unincorporated areas and remote work sites located across Kachemak Bay, in Cook Inlet and Western Alaska receive freight or transit through the Homer Port and Harbor, making Homer a marine transportation hub for a geographic area of roughly 130,000 square miles.

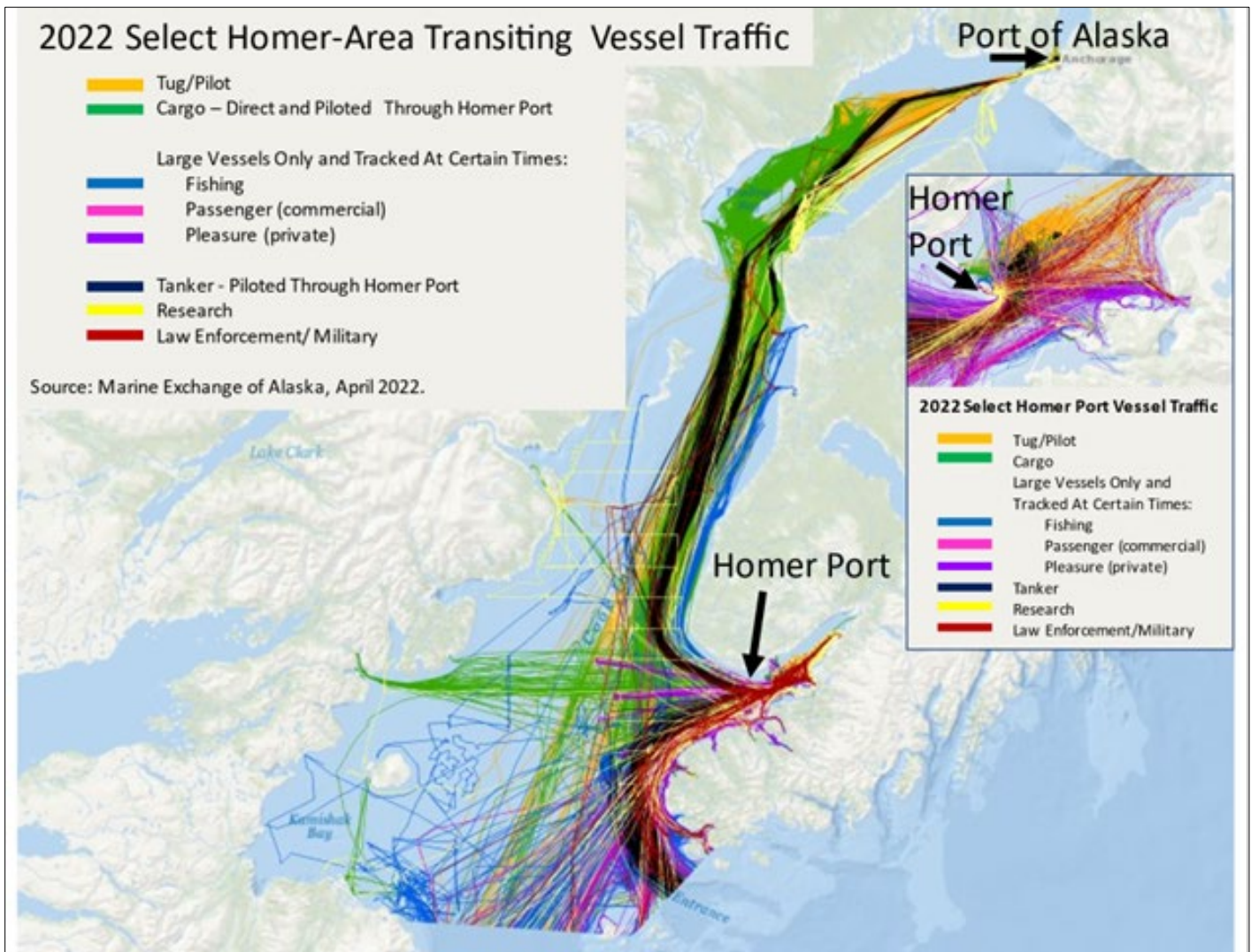


Ninety-two vessels in Homer's Port & Harbor provide freight shipping; the cargo consists primarily of essential goods and building materials – the supplies needed for homes and businesses to operate.

Two vessels provide 480 piloted cargo and tanker trips annually. This is a critical service for all cargo and tanker vessels traveling into the Port of Alaska, through which 90% of Alaska's cargo is handled.

Deliveries from the Homer Port also support commercial fisheries. As an example, in 2022, 4M tons of cargo, 300,000 gallons of fuel, and 350 fishing vessels originated in Homer's Port for delivery to Bristol Bay via Williamsport and Iliamna Portage Road.

The Marine Exchange of Alaska tracks data on select vessel movements. The diagram below shows vessel movements through and supported by the Homer Port and illustrates the Homer Port & Harbor high use and statewide connections.



- At the last City Council meeting, Coowe Walker, the Reserve Manager for the Kachemak Bay National Estuarine Research Reserve (KBNERR), announced that NOAA awarded a \$1.28 million Habitat Protection and Restoration grant in support of the City's innovative Kachemak Sponge Green Infrastructure Stormwater Management Project. I wanted to share the link to a press release NOAA published about the Alaska projects that received funding: at www.noaa.gov/news-release/noaa-bil-investments2023-alaska.

FY23

Project Supported	TPC	Grant Fund	Grant Funds Req	Match/Local Cost	Status	Notes
Slope Stability-Erosion Mitigation Program						
Kachemak Drive Peatland Water Quality Improvement (Kahcemak Sponge)	\$4,388,791	NOAA Habitat Conservation KBNERSS led/City partner	\$ 1,188,275.00 (land acquisition)	\$ 418,000.00 (land acquisition)	Submitted Awarded 4/1/2023	Awaiting entering into sub-grant agreement with UAA. Grant is for Kachemak Drive peatlands acquisition
		Congressionally Designated Spending Request #1 of 4	\$ 1,890,000.00 (water works)	\$ 892,516.00 (water works)	Submitted 3/17/2023 4/20 Forwarded to Approp Subcommittee by Murkowski	To Sen Murkowski & Representative Peltola City costs eligible for funds from ADEC Clean Water Revolving Loan Fund & HART funds
		State of AK CAPSIS	\$ 2,744,994.00		Submitted 2/14/2023	State capital funding very unlikely in the State's FY24 budget
Beluga Slough Stormwater Treatment System	\$ 690,000.00	Alaska Clean Water Actions	\$ 153,307.00	\$ 107,182.00	Submitted 11/9/2022 Awarded 3/1/2023	Grant agreement Ord before City Council City costs in-kind + eligible for funds from ADEC Clean Water Revolving Loan Fund
		State of AK CAPSIS	\$ 502,604.00		Submitted 2/14/2023	State capital funding very unlikely in the State's FY24 budget
Transportation						
Transportation Planning	\$ 960,000.00	Safe Streets For All KPB Applic/City partner	\$ 960,000.00	\$ 23,000.00 (in-kind)	Award announced	Application approved Reso 22-063
Non-Motorized Trans Network (REACH Project)	\$ 1,500,000.00	Fed RAISE Planning Grant	\$ 1,500,000.00	\$ -	Submitted 2/28/2023 Awaiting decision	HDR application support Reso 22-087 approved Project support Reso 23-012 approved Start date July '23/End date June '25 RAISE Constr Grant possible Feb '25
Homer All-Ages & Abilities Pedestrian Pathway	\$ 3,900,000.00	State of AK Transportation Alternatives (TAP)	\$ 3,432,000.00	\$ 468,000.00	Submitted 2/15/2023 Awaiting DOT cost estimate	HAPP sections in PW's 5-year road plan Project support Reso 23-011 approved Public Eval Board Review mid-May Award announce May '23; Perf period end date June '25
Main Street Rehab/Sidewalk South	\$ 4,200,000.00	State of AK Community Transportation Program (CTP)	\$ 3,696,000.00	\$ 504,000.00	Submitted 2/15/2023 Awaiting DOT cost estimate	Main St in 7-10 year horizon in PW Road Plan Project support Reso 23-011 approved Public Eval Board Review mid-May Award announce May '23; Perf period end date June '25 (\$500,000 set aside in HART for grant matching)
Homer Float Systems						
Float Systems 4 & 1 Replace	\$ 59,289,547.00	Fed Port Infrastructure Development Projects (PIDP)	\$47,135,190	\$ 12,154,357.00 (20.5% match)	Submitted 4/28/2023	HDR application support Ord 23-12 approved Project support Reso to Council 4/24/2023 Could apply for PIDP '24 if '23 unsuccessful Revenue bond or TIFIA loan for match
		Municipal Harbor Grant	\$ 5,000,000.00	\$ 5,000,000.00	Grant for construction only due in August 2023	If funded, leverages State match to lower City match
		Denali Commission Grant			Application not begun Due date 4/14/24	Can be used as non-Federal Match May not be competitive - \$1M max award Could apply in '24 for Design/Engineering
Building Code Development	\$ 587,500.00	State BRIC Sub-Grant (Building Resilient Infrastructure & Communities)	\$ 470,000.00	\$ 117,500.00 (covered by State of Alaska)	Submitted 12/21/2022 Awaiting decision	Council Approved application Reso 22-086 As a sub-applic State covers local match
Parks & Recreation						
Multi-Use Community Center	\$ 350,000.00	State of AK CAPSIS	\$ 350,000.00 (planning)	\$ -	Submitted 2/14/2023 Awaiting decision	State capital funding very unlikely in the State's FY24 budget
Bayview Park Renovations	\$ 139,230.00	State of AK Healthy & Equitable Community Round 2	\$ 74,919.00	\$ 52,314.00 Addl redistribution funds requested	Submitted 4/24/2023 Awaiting decision	Council Approved Resolution 23-031 \$12,000 donation from Kach Bay Rotary Possible Approp req from HART if no addn HEC funds
Utilities - Infrastructure Resilience						
Drinking Water Resiliency (A-Frame Water Transmission & 250,000 gallon water tank)	\$ 2,852,253.00	Congressionally Designated Spending Request #2 of 4	\$ 1,931,090.00	\$ 921,163.00	Submitted 3/17/2023 4/20 Forwarded to Approp Subcommittee by Murkowski	To Sen Murkowski & Representative Peltola City costs eligible for funds from ADEC Clean Water Revolving Loan Fund & HAWSP
A-Frame Water Transmission	\$ 804,029.00	State of AK CAPSIS	\$ 643,274.00	\$ 160,818.00	Submitted 3/14/2023	State capital funding very unlikely in the State's FY24 budget
Beluga Lift Station	\$ 2,937,353.00	Congressionally Designated Spending Request #3 of 4	\$ 2,000,000.00	\$ 937,353.00	Submitted 3/17/2023 4/20 Forwarded to Approp Subcommittee by Murkowski	To Sen Murkowski & Representative Peltola City costs eligible for funds from ADEC Clean Water Revolving Loan Fund & HAWSP
Spit Road Erosion Mitigation (USACE General Investigation)	\$ 3,000,000.00	Congressionally Designated Spending Request #4 of 4	\$ 1,500,000.00	\$ -	Submitted 3/17/2023 4/20 Forwarded to Approp Subcommittee by Peltola	To Sen Murkowski & Representative Peltola Match funds potential from State PROTECT grant (unknown)
Raw Water Transmission Main		FEMA Disaster Mitigation	\$ 1,988,650.00	\$ -	Submitted 1/32/2020	4/11/23: Responded to latest FEMA request for information 5/2/23: Award submitted to Congressional Deleg. for approval



HERC

May 2023 Updates

Comprehensive Plan

Chapter 6: Public Services & Facilities

Goal 1: Provide and improve city-operated facilities and services to meet the current needs of the community, anticipate growth, conserve energy, and keep pace with future demands.

Goal 1: Demolition of HERC 2

Progress

Test samples were taken May 1 and 2.

Next Steps

Test results are expected by mid-June. Staff will provide information to Council in the June/July time frame based on the results.



Goal 2: Business Plan

Progress

Working with existing user groups to quantify demand and which programs are expected to grow.

Next Steps

Continue collecting information to inform business plan creation over the next year.



Goal 3: Right Size a Replacement Building

Progress

Staff held a conversation with representatives from the largest Community Recreation programs. Participants spoke about space needs for their activity (basketball, pickle ball, volley ball, karate, etc.) and talked about the user trends. Are programs growing? Overall, the consensus was yes, more people would participate if space was available.

Next Steps

Staff and Council will have a work session in August. Council has set an upper limit on the building cost and asked for a range of less expensive alternatives. Additionally, staff has been asked to plan ahead for a building that only meets today's needs, but the needs 20 years in the future. Staff and Council can begin to determine if a straight replacement of the HERC gym and multipurpose room is enough, or if a double gym and a multipurpose room are the goal.

Information from the FY 24/25 budgets will be informative as to how much money the general fund can provide to pay increased costs for supporting a new/larger facility. It may be that a new bond measure needs to be structured like the police station, where a portion of the ballot measure includes a permanent sales tax to support the new facility. Or perhaps pursuing a new tax.



Goal 4: Budget - Construction and Operations and Maintenance

Progress

None.

Next Steps

The August work session will have an update on the estimated bond payoff for the police station, and rough numbers on building operations and maintenance costs. This will provide context as to when a new bond measure vote might be appropriate and necessary new revenue for operations.





April 27, 2023

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 January 1 to March 31, 2023. The Homer Business Advisor, Robert Green, had a strong start to the year, logging the most hours of advising in a quarter ever in Homer. In the decade prior to Robert Green's hire in June 2020, the Alaska SBDC logged an average of 84.7 hours per quarter with clients in Homer. Robert has averaged 154.3 hours per quarter since joining the SBDC, with a steady increase each year, indicating local demand has been growing. Despite the busiest quarter the SBDC has recorded in Homer, Robert maintained a 100% satisfaction rating on client surveys, a testament to the quality of advising he provides entrepreneurs in the Homer community. Here is a summary of deliverables to the Homer community during the quarter:

Client Hours: 238.5	Jobs Supported: 189
Total Clients: 55	Capital Infusion: \$25,000
New Businesses Started or Bought: 2	Client Surveys: 100% positive

This year, quarterly reports will feature lists of the top advising topics and top industries obtaining technical assistance from the Alaska SBDC in Homer. Assistance to start-ups and entrepreneurs seeking loans to grow their business were the top topics this quarter, while tour operators, gearing up for tourist season, and food services, from full-service restaurants to food trucks, were the top industries.

Topics

1. Start-up Assistance: 76.7 hrs (32%)
2. Financing/Capital: 44.6 hrs (19%)
3. Financial Planning: 37.5 hrs (16%)
4. Business Planning: 13.0 hrs (5%)
5. General Management: 11.4 hrs (5%)

Industries

1. Tour Operators: 55.3 hrs (23%)
2. Food Services: 31.6 hrs (13%)
3. Rentals: 23.2 hrs (10%)
4. Retailers: 20.7 hrs (9%)
5. Educational Services: 18.5 hrs (8%)

We would like to thank the City of Homer for their support of the Homer Business Advisor position. We greatly appreciate the knowledge, experience, and consistency Robert Green 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