



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

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Homer, Alaska 99603

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Memorandum

Agenda Changes/Supplemental Packet

TO: MAYOR CASTNER AND CITY COUNCIL
FROM: RENEE KRAUSE, MMC, CITY CLERK
DATE: AUGUST 26, 2024
SUBJECT: SUPPLEMENTAL

WORKSESSION AGENDA

- a. Capital Improvement Plan & FY26 Legislative Request

Memorandum CC-24-179 from Special Projects & Communications Coordinator as backup.

Public Comment received.

Page 3

REGULAR MEETING AGENDA

CONSENT AGENDA

- a. Homer City Council Unapproved Regular Meeting Minutes for August 12, 2024 **Page 4**

Homer City Council Unapproved Special Meeting Minutes for August 19, 2024 **Page 17**

- h. Resolution 24-091, A Resolution of the City Council of Homer, Alaska, Authorizing the Purchase and Installation of a Natural Gas Burner in the Homer Education and Recreation Complex (HERC) Boiler in the Amount of \$14,000 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director.

Resolution 24-091(S), A Resolution of the City Council of Homer, Alaska, Awarding a Contract to Combustion Control of Anchorage, Alaska, for the Purchase and Installation of a Natural Gas Burner in the Homer Education and Recreation Complex (HERC) Boiler Not to Exceed the Amount of \$14,000 and Authorizes the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. **Page 23**

PUBLIC HEARINGS

- a. Ordinance 24-35, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 3.16 Procurements. City Manager. Introduction August 12, 2024 Public Hearing and Second Reading August 26, 2024.

Ordinance 24-35(S), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 3.16 Procurements. City Manager. **Page 25**

Procurement Policy **Page 33**

Memorandum CC-24-182 from City Manager as backup. **Page 24**

CITY MANAGER'S REPORT

- a. Memorandum CC-24-180 from Library Advisory Board re: Appreciation for Security Grille Funding. **Page 62**
- b. Memorandum CC-24-181 from Parks Art Recreation & Culture Advisory Commission re: Recommendations for HERC II Building Exterior. **Page 63**

August 5, 2024
Homer City Mayor Ken Castner
Homer City Council Members
491 E. Pioneer Avenue
Homer, AK 99603

To Mayor Castner and City Council members

I am writing on behalf of the Pratt Museum's Roof Replacement Project. A strategic plan for financing this project has been drafted, but initial support from the city of Homer is needed to secure additional funds. I fully endorse the museum's Capital Improvement Plan and urge you to support it.

I am a long-time member of the Homer Society of Natural History and have served the Pratt Museum as a volunteer and on the board of directors. My support for the Museum and its mission began in the mid-1980s, and I am currently a member of the Pratt Museum's Collections committee.

Although the museum has undergone recent renovations over the past few years, these did not include the deteriorating roof system. Routine maintenance can no longer address the health and safety issues caused by the cracked beams, or the leaks, drips and splashes landing on exhibits, display cases, and on office computers and electronics. The Pratt Museum is a community museum, and therefore needs the support of our Homer community. Please commit to financially supporting this critical project. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Kathy Smith". The signature is written in a cursive, flowing style.

Kathy Smith
4139 Kachemak Way
Homer, AK 99603

Session 24-16 a Regular Meeting of the City Council of Homer, Alaska was called to order on August 12, 2024 by Mayor Castner at 6:02 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ERICKSON, DAVIS, ADERHOLD, VENUTI, LORD, HANSEN

STAFF: CITY MANAGER JACOBSEN
CITY CLERK KRAUSE
CITY ATTORNEY GATTI
PUBLIC WORKS DIRECTOR KORT
FINANCE DIRECTOR FISCHER
PORT DIRECTOR HAWKINS
COMMUNITY DEVELOPMENT DIRECTOR ENGBRETSSEN
SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
CHIEF TECHNOLOGY OFFICER JIRSA
PARKS MAINTENANCE COORDINATOR FELICE

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual)

Mayor announced supplemental items: **CONSENT AGENDA** Ordinance 24-35, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 3.16 Procurements. City Manager. Memorandum CC-24-157 from City Manager as backup and Memorandum CC-24-161 from Councilmembers Lord and Davis as backup. Resolution 24-083 A Resolution of the City Council of Homer, Alaska Adopting the Revised Procurement Policy and Procedures Manual. City Manager. Memorandum CC-24-157 from City Manager as backup

ANNOUNCEMENTS/PRESENTATIONS/REPORTS Item e. Americans with Disabilities Act Advisory Board Report, written report for the August 8, 2024 regular meeting, and Memorandum CC-24-161 from Councilmembers Lord and Davis re: Finance Champions Report **PUBLIC HEARINGS** Memorandum CC-24-165 from City Manager re: Public Hearing Notice for August 12th Failed to Publish **CITY MANAGER'S REPORT** item b. Fiscal Year 2024 Quarterly Report

LORD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE. NON OBJECTION. UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

Mayor Castner noted it was a busy week and commented on a member of the community winning a bucketful of money, attending the annual Employee Picnic, traveling to Kodiak to celebrate the 60th Anniversary of the Tustemena, which was a fabulous event. He noted the Tustemena is still going strong, but is to be retired soon and the State is looking for hundreds of millions of dollars to do that. Lastly, a week ago Sunday, Kristin Faulkner won a gold medal, he reported wearing a shirt for 10 days that said “Go, Kristin”, someone asked him where the shirt was and he replied, “after 10 days, in the laundry” Kristin followed that up with a team medal later in the week. So he has written a Recognition of Excellence for Kristin Faulkner. He then noted that Ms. Faulkner started the Tour de France Femmes this morning as a member of an international team of seven. He then read the Recognition into the record, stating he wished that someone was here to receive it but her parents can pick it up from the Clerk’s Office.

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Kathryn Schake, Kachemak Bay National Estuarine Research Reserve (KBNERR) Manager, stated that she wanted to thank the Council and Mayor for recognizing their 25th Anniversary of the Research Reserve and to express a thank you to the Community members who have volunteered with them over the last 25 years, serving on their community council to make sure that their research and education is place based and important and applied to the communities of Kachemak Bay and KBNERR looks forward to the next 25 years enhancing appreciation and understanding of our coastal ecosystem to make sure it remains productive and healthy.

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- a. Homer City Council Unapproved Regular Meeting Minutes of July 17, 2024 and July 22, 2024. City Clerk. Recommend approval.
- b. Memorandum CC-24-155 from Mayor re: Appointment of Christine Zubeck to the Economic Development Advisory Commission and Reappointment of Nona Safra and Brad Parsons to the Americans with Disabilities Advisory Board. Recommend approval.
- c. Memorandum CC-24-156 from City Clerk re: Liquor License Renewals for Salty Dawg Saloon, Grace Ridge Brewery, Inc., and Save U More #6. Recommend approval.
- d. Ordinance 24-35, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 3.16 Procurements. City Manager. Introduction August 12, 2024 Public Hearing and Second Reading August 26, 2024.

Memorandum CC-24-157 from City Manager as backup

Memorandum CC-24-161 from Councilmembers Lord and Davis as backup.

- e. Ordinance 24-36, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Appropriating \$208,000 from the Sewer Capital Asset Repair and Maintenance Allowance (CARMA) Fund for Construction Work Associated with the Rehabilitation of the Beluga Slough Lift Station. City Manager/Public Works Director. Introduction August 12, 2024 Public Hearing and Second Reading August 26, 2024.

Memorandum CC-24-158 from Public Works Director as backup.

- f. Ordinance 24-37, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Accepting and Appropriating the Amended Alaska Fish and Game Cooperative Agreement #23-177 Construction Grant in the Amount of \$505,875 and Appropriating \$87,012 from the Port and Harbor Reserves Fund to Complete the 25% Match for the Fish Grinding Building Replacement Project. City Manager/Port Director. Introduction August 12, 2024 Public Hearing and Second Reading August 26, 2024.

Memorandum CC-24-159 from Port Director as backup.

- g. Ordinance 24-38, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget to Fund Maintenance to the Seawall by Establishing Authority in the Fiscal Year 2025 Budget for Routine Maintenance to the Seawall. City Manager/Public Works Director. Introduction August 12, 2024 Public Hearing and Second Reading August 26, 2024.

Memorandum CC-24-160 from Public Works Director as backup.

- h. Resolution 24-082, A Resolution of the City Council of Homer, Alaska, Commending the Kachemak Bay National Estuarine Research Reserve's 25 Years Studying the Kachemak Bay Ecosystem and Educating Area Residents and Visitors About the Importance of Our Natural Environment. Aderhold.
- i. Resolution 24-083, A Resolution of the City Council of Homer, Alaska Adopting the Revised Procurement Policy and Procedures Manual. City Manager. (Follows Ordinance 24-35)

Memorandum CC-24-157 from City Manager as backup.

- j. Resolution 24-084, A Resolution of the City Council of Homer, Alaska, Adopting A Joint Resolution of the Kenai Peninsula Borough Assembly and Councils of the Cities of Homer, Kenai, Seldovia, Seward and Soldotna for the Purpose of Amending the MOA For Intergovernmental Administration of Borough and City Elections. City Clerk.
- k. Resolution 24-085, A Resolution of the City Council of Homer, Alaska, Awarding the Contract to Beachy Construction of Homer, Alaska for the Paintbrush Booster Pump Station Upgrade

Project in the Amount of \$276,300 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Clerk/Public Works Director.

Memorandum CC-24-162 from City Engineer as backup.

- l. Resolution 24-086, A Resolution of the City Council of Homer, Alaska Confirming the City Manager's Appointment of Julie Engebretsen as the Acting City Manager Through December 31, 2024. City Manager.
- m. Resolution 24-087, A Resolution of the City Council of Homer, Alaska Authorizing Issuance of a Task Order to Seabright Survey & Design in the Not to Exceed Amount of \$12,500 to Replat of City and Private Property in the Bridge Creek Watershed Protection District and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Community Development Director.

Memorandum CC-24-163 from Community Development Director as backup.

- n. Resolution 24-088, A Resolution of the City Council of Homer, Alaska Requesting the Alaska Municipal League to take up the Issue of Municipal Requirements to Publish as defined in Alaska Statutes 29.71.800 to Include Allowance for Web Base Public Notice. Erickson.

Memorandum CC-24-164 from Councilmember Erickson as backup.

- o. Resolution 24-089, A Resolution of the City Council of Homer, Alaska, Designating Signatories of City of Homer Accounts and Superseding any Previous Resolutions So Designating. City Manager/Finance Director.

Councilmember Lord requested Resolutions 24-083 and 24-086 moved to Resolutions item a. and b.

City Clerk Krause read the consent agenda into the record as amended.

LORD/VENUTI MOVE TO ADOPT THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS (10 Minutes limit per visitor)

- a. J & H Consulting, LLC - End of Session Legislative Update

Christine Hess and Reggie Joule provided a summary of their presentation included in the packet. They pointed out the following:

- Governor signed the budgets, agency operations and capital appropriations for the fiscal year were increased
- Spring forecast for 2024 gives both the FY24 and FY25 budgets a projected surplus for the current year its about 128.8 million and next year it is projected at 146.5 million.
 - o Requires average of \$73 per barrel to balance the budget and currently trending at \$82
 - o Surplus usually funds the Capital Budget so is watched closely
- Substantial Capital Budget for the first time in years Homer and Kenai had quite a bit initially in the budget
 - o Homer maintained the GIS for the Harbor Expansion Project in the amount of \$288533
- Monitor the Harbor Matching Grant funds, Community Assistance and Community Jails
- Increased the Student BSA \$680 per student
- Funding for construction and maintenance was not cut and is the largest amount in years
- House Bill 66 was signed along with several others related to electricity and renewable energy
- Provided some updates on the upcoming legislative year with elections being conducted this fall.
- Extended gratitude for the work done by Senator Stevens and Representative Vance have done that has benefited Homer.
- Lobbying Trip to Washington DC was successful

Councilmember Aderhold commented on the lack of position statements especially the tax exemptions that were proposed at the end of session and they were caught by surprise.

Ms. Hess responded that the City should definitely have the list of priorities and provide that list to them so they can have it from the start. She agreed that it was unusual and not good public process.

b. South Peninsula Hospital - Ryan Smith, CEO

Ryan Smith, CEO, South Peninsula Hospital provided a presentation regarding the organizational makeup, bonding history for the hospital with outstanding balances, area that the hospital serves, population by age, estimated population growth through 2028, Master Facility Planning conducted in 2022-2023, Bond Proposition Request for October 1, 2024 and what the funding will provide - new and expanding services to meet community needs, major capital project needs, infrastructure improvements, facility expansion, purchase of currently leased properties, impact and cost to the voters and why support the Bond. He responded to questions from Council related to the leased units and if those would be available for other persons such as patients coming from Seldovia or across the inlet and the amount paid for the property along the Sterling Highway, which was reported to over the assessed or market value.

ANNOUNCEMENTS / PRESENTATIONS / REPORTS (5 Minute limit per report)

a. Special Meeting Report

Melissa Jacobsen reported that City Council and herself met with the Chief Technology Officer and the Consultant to review and hear the results of the Cybersecurity Risk Assessment.

b. Committee of the Whole Report

Councilmember Lord reported that City Council discussed Resolution 24-083, the updated Procurement Policy Manual; Amendments to Resolution 24-086 regarding next in line for authority if the City Manager is absent; Comments expressed by Councilmember Aderhold on Resolution 24-088 and bringing the issue forward at the AML Summer Conference and recommendation for Council to forward specific amendments to the City Manager noting sections, page numbers and or line numbers to reference concerns on the procurement policy manual.

c. Mayor's Report

Mayor Castner reported speaking with Commissioner Anderson on the Airport Project and the lack of notification to the City on the required closings at the airport while attending the 60th Anniversary of the Tustumena in Kodiak. Commissioner Anderson provided an update on the Kachemak Drive project stating that QAP, when finished with the airport will be putting an overlay on Kachemak Drive as a temporary fix. Mayor Castner noted that while doing the temporary fix would help and more permanent solution was needed and it does not address the lack of safe pedestrian access from Kachemak Drive to the airport that are faced by travelers who use those air service companies and then need to travel on to Anchorage from Homer.

d. Planning Commission

e. Americans with Disabilities Act Advisory Board

1. Written Report submitted for the August 8, 2024 Regular Meeting (Supplemental Packet)

Councilmember Venuti briefly reported that the City needs to advocate for accessibility for all and that includes the Nick Dudiak Fishing Lagoon and access down to the boat ramps, Staff is working on scheduling a Special meeting with Port & Harbor Director and Deputy Harbor Master on developing the proposed lift or transfer project and also a joint worksession with the Port and Harbor Commission on accessible parking is in the works for September 12th or later.

f. Port and Harbor Advisory Commission

g. Library Advisory Board

h. Borough Report

Mayor stated that he enjoyed having the Borough come down and meet in Homer on August 6th.

i. Economic Development Advisory Commission

j. Champions Reports

i. Finance

Memorandum CC-24-161 from Councilmembers Lord and Davis re: Finance Champions Reportⁱ

ii. Harbor

Councilmember Lord reported on a meeting that occurred on August 2nd regarding Local Services will meet with the Commission.

iii. Recreation

k. Sister City Task Force Report

Councilmember Venuti reported that the Sister City Task Force July Meeting was canceled due to lack of a quorum the next meeting is August 28, 2024 at 3:00 p.m.

PUBLIC HEARING(S)

- a. Ordinance 24-31, An Ordinance of the Homer City Council Adopting the 2024 Homer Transportation Plan, Amending the Homer Comprehensive Plan to include the Transportation Plan and Recommending Adoption by the Kenai Peninsula Borough. City Manager. Introduction July 22, 2024 Public Hearing and Second Reading August 12, 2024.

Memorandum CC-24-147 from Community Development Director as backup.

Ordinance 24-31(S), An Ordinance of the Homer City Council Adopting the 2024 Homer Transportation Plan, Amending the Homer Comprehensive Plan to include the Transportation Plan and Recommending Adoption by the Kenai Peninsula Borough.

Mayor Castner opened the public hearing and seeing no one wishing to comment he closed the public hearing noting that this item will be brought forward at a Special Meeting on Monday, August 19th at 5:00 p.m. for an additional public hearing due to the Homer News not publishing the Notice of Public Hearing in the August 1, 2024 issue.

- b. Ordinance 24-32, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Budget by Authorizing Transfers Totaling \$667,146 from Various Funds to make Necessary Adjustments to the Distribution of Unallocated Interest Income. City Manager/Finance Director. Introduction July 22, 2024 Public Hearing and Second Reading August 12, 2024.

Memorandum CC-24-152 from Finance Director as backup.

Mayor Castner opened the public hearing and seeing no one wishing to comment he closed the public hearing noting that this item will be brought forward at a Special Meeting on Monday, August 19th at

5:00 p.m. for an additional public hearing due to the Homer News not publishing the Notice of Public Hearing in the August 1, 2024 issue.

- c. Ordinance 24-33, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Appropriating an Additional \$73,300 from the Water Capital Asset Repair and Maintenance Allowance (CARMA) Fund for the Paintbrush Booster Pump Station Project. City Manager/City Engineer. Introduction July 22, 2024 Public Hearing and Second Reading August 12, 2024.

Memorandum CC-24-148 from City Engineer as backup.

Mayor Castner opened the public hearing and seeing no one wishing to comment he closed the public hearing noting that this item will be brought forward at a Special Meeting on Monday, August 19th at 5:00 p.m. for an additional public hearing due to the Homer News not publishing the Notice of Public Hearing in the August 1, 2024 issue.

- d. Ordinance 24-34, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating \$16,000 from the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund to Convert the Existing Fuel Boiler at the Homer Education and Recreation Complex (HERC) to Natural Gas. City Manager/Public Works Director. Introduction July 22, 2024 Public Hearing and Second Reading August 12, 2024.

Memorandum CC-24-149 from Public Works Director as backup.

Mayor Castner opened the public hearing and seeing no one wishing to comment he closed the public hearing noting that this item will be brought forward at a Special Meeting on Monday, August 19th at 5:00 p.m. for an additional public hearing due to the Homer News not publishing the Notice of Public Hearing in the August 1, 2024 issue.

ORDINANCE(S)

CITY MANAGER'S REPORT

- a. City Manager's Report

Interim City Manager Jacobsen noted that her report was in the packet. She commented on the following items of interest as follows:

- The Sister City Celebration Student Delegation to Teshio March 2025
 - Councilmember Interest in Participating contact the City Manager's Office
- Memorandum from Public Works Director regarding the water meter connections versus water meters on a lot

City Manager Jacobsen facilitated brief comments on:

- Timing of the meeting scheduled for Monday, August 19th at 5:00 p.m. was a joint worksession then due to the issue of the failure to publish the Public Hearing Notice the meeting was changed to a Special Meeting so we can expediently deal with the ordinances that cover some time sensitive issues. Those items will be addressed first then the joint worksession with the ADA Advisory Board members.
- Will be sure to include the Worksession schedule with the City Manager's Report for future meeting packets.
- Confirmed that a quorum will be had by the Council.
- Confirmation on the process with Council packet and omitting the draft packet to Council members for the immediate future until the Clerk's Office is fully staffed again.
- Preference to receiving the regular packet on Thursday then a draft packet the Friday before would not be necessary was agreed upon by some members of Council.
 - o Enforcement of deadlines and timelines for materials was needed
 - o Establishing processes on submittal of materials was in the works

b. Fiscal Year 2024 Quarterly Report

PENDING BUSINESS

- a. Resolution 24-076, A Resolution of the City Council of Homer, Alaska Amending City of Homer Personnel Regulations, Chapter 10, Discipline - Causes and Actions and Chapter 11, Communication, Grievance and Appeal Procedures to Delegate Authority for Personnel Appeals to the State of Alaska Office of Administrative Hearings. City Manager/HR Director.

Memorandum CC-24-140 from HR Director as backup.

Memorandum CC-24-166 from Employee Committee as backup.

LORD/ADERHOLD MOVED TO ADOPT RESOLUTION 24-076 BY READING OF TITLE ONLY.

There was a brief discussion on the proposed amendments and response from the Employee Committee.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried

- b. Resolution 24-079, A Resolution of the City Council of Homer, Alaska, Providing Comments to the Alaska State Legislature Regarding the Impact of Tax Exemptions on Municipalities. Aderhold.

Resolution 24-079(S), A Resolution of the City Council of Homer, Alaska, Providing Comments to the Alaska State Legislature Regarding the Impact of Tax Exemptions on Municipalities. Aderhold.

ADERHOLD/VENUTI MOVED TO ADOPT RESOLUTION 24-079 BY READING OF TITLE ONLY.

ADERHOLD/VENUTI MOVED TO SUBSTITUTE RESOLUTION 24-079(S) FOR RESOLUTION 24-079.

LORD/ADERHOLD MOVED TO AMEND THE LAST WHEREAS CLAUSE LINE 45-46 TO READ, MAY FORCE THE CITY TO REDUCE ITS SALES TAX WITH NO GUARANTEE OF REDUCED EXPENSES THROUGH INCREASED STATE SERVICES THAT BENEFIT OUR LOCAL CITIZENS.

A brief discussion on offsetting the services provided by the city that are funded by sales taxes and those services such as the jail contract that receives state funding was conducted by Council.

VOTE. (Amendment). NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried

Council member Aderhold stated that she tried to amend the resolution in accordance with the discussion at the table and encouraged Council to put forth amendments as needed.

VOTE. (Main as amended). NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried

NEW BUSINESS

RESOLUTIONS

- a. Resolution 24-083, A Resolution of the City Council of Homer, Alaska Adopting the Revised Procurement Policy and Procedures Manual. City Manager.

Memorandum CC-24-157 from City Manager as backup.

Memorandum CC-24-161 from Councilmembers Lord and Davis as backup.

LORD/VENUTI MOVED TO POSTPONE THE RESOLUTION 24-083 TO THE AUGUST 26, 2024 REGULAR MEETING.

There was a brief note of clarification regarding the memorandum from Councilmembers Lord and Davis was really a report for the Finance Champions, not the resolution.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- b. Resolution 24-086, A Resolution of the City Council of Homer, Alaska Confirming the City Manager's Appointment of Julie Engebretsen as the Acting City Manager Through December 31, 2024. City Manager.

LORD/ADERHOLD MOVED TO ADOPT RESOLUTION 24-086 BY READING OF TITLE.

LORD/ADERHOLD MOVED TO AMEND LINE 35 STRIKE SPECIAL PROJECTS AND COMMUNICATION COORDINATOR AND REPLACE WITH FINANCE DIRECTOR ELIZABETH FISCHER AND ADD FIRE CHIEF MARK KIRKO.

City Manager Jacobsen explained that there is a requirement for acting city manager's to be department directors and whereas the Special Projects and Communications Coordinator is a Division of the Administration Department.

VOTE. NON-OBJECTION, UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti had no comments.

COMMENTS OF THE CITY CLERK

City Clerk Krause announced that early voting was still available through Monday, confirmed with IT that the city was not receiving outside emails since noon today and she will share the presentations with Council as soon as she receives them. Ms. Krause noted the seats available on the advisory bodies EDC and Sister City Task Force and to contact the Clerk's Office for more information.

COMMENTS OF THE CITY MANAGER

City Manager Jacobsen commented that the real reason she was in Kodiak is attending the Alaska Municipal Managers Association meeting here at the beginning of the AML Summer Legislative Conference and they will have Conference sessions on Wednesday and Thursday. So she was super excited to attend those and learn more. Ms. Jacobsen wished everyone a great evening.

COMMENTS OF THE MAYOR

Mayor Castner stated he wasn't going to comment but this last week just makes me feel so wonderful about living in this town. It's just full of excellence, you know. I started thinking about the word excellence and what that means, and where we see it around us and everything. The pilots that work here, the mariners that work here. It's there's just a lot of excellence in this town.

COMMENTS OF THE COUNCIL MEMBERS

Councilmember Hansen commented that there was no better way to celebrate one's 50th birthday. She appreciated Ryan being here and speaking about the hospital, she has spent half her life with them so it seems fitting that there are members present at the meeting. Thank you.

Councilmember Erickson commented and lead everyone in singing Happy Birthday to Councilmember Hansen. She then commented on Kristin winning and the same day Jules won and thought that Homer is a winning place, the sun is shining and people coming into town are happy and its lovely. She noted that sometimes she thinks that nothing is going on but then realizes that there is a lot happening in Homer right now and part of that is because the sun is shining. Ms. Erickson expressed that she was optimistic even in this world, that is kind of crazy, but they are in a good spot.

Councilmember Davis wished Storm a Happy Birthday.

Councilmember Aderhold wished Storm Happy Birthday and thanked her for spending it with them, encouraged everyone to come and vote early, which is really cool she noted that it is not absentee in person but early voting and votes will be counted on election day. Ms. Aderhold stated the she really appreciates the Homer Police Department and will leave it at that. She will be leaving tomorrow for AML Summer Conference and looks forward to attending but will miss receiving a personal tour by Councilmember Venuti. Ms. Aderhold noted that there were three Councilmembers going but now she is the only one. She will provide a report for the next meeting.

Councilmember Venuti also expressed her appreciation for the Police Department and the Fire Department. She noted the increase in calls for the Fire Department. Whoa! Scary. So expect any moment they're going to ask for more money. It's not surprising, but they do work hard. I want to thank Councilmember Aderhold and City Manager Jacobsen for going to the AML. She commented on attending it last year and it was lots of fun, and I met some good friends. That I kept in touch with from other villages, from other towns, built small towns, and it was fun. So just a reminder that school's beginning to watch out for buses and teachers and kids walking on the side of the road where there's no sidewalks and asked people to check their headlights. You don't need them now. But, boy, are there a number of cars with only one headlight driving on the roads now, and you're going to need them in a few weeks, especially for students, because they'll be walking on the side of the road. So if it's your passenger side headlight, they really need to be seeing you. They think it's a motorcycle or something. So check those headlights. The meeting on August 19th with the ADA, I should have mentioned this in my report, but the Board talked about it, and I know they'll be all be attending it. So I'm glad we're going to have a quorum for that we'll try and make it fast. She wished a Happy Birthday to Storm.

Council member Lord wished a Happy Birthday to Storm and in to just provide some of the awesomeness, was also 4H they had their ag expo up in Soldotna 2 weeks ago with a really great

showing of Southern Peninsula kids, which was fantastic. I think that there's a lot of room now that the junior market livestock is not at the Ninilchik fair, and it's a little farther away. We have some work to do to get some businesses up the road supporting our kids down here. So it's really fun, and I'll try to help out with that, our chickens won some ribbons, everybody was happy, then the Kenai Peninsula State Fair was this past weekend in Ninilchik. It was super awesome, so, thanks to all the folks who go and help out, and the number of youth in the community and supporting adults doing things was just super awesome. As Caroline said, school starts next Wednesday. Hooray! And thank you to all of our students, teachers and staff. I just am going to be quick, but have to state that family engagement in our kids' lives is absolutely ideal. It's something that we want. Everybody we want to strive for as a community, schools, etc. There are so many kids in this town, in this borough, in this country, in the State that don't have families that can, want to, or whatever, be able to be involved and engaged in their kids' lives in school, and every Alaskan kid, every kid in this country deserves to be able to go into a brick and mortar public K-12 School, and see themselves with care and people that are hoping for their future. That is one of the fundamental promises of this country, and so the direction of individualizing education and putting individual homes and families first, are where we invest. That can only happen in her mind if we invest tremendous financial resources to support all of those paths, and without those, if we're going to leave the kiddos behind that don't have that that direct family support, we are doing a grave disservice to them. So that's all I have to say, because I really look forward to going back to school and getting my kids in the classroom and meeting their teachers, and doing all that, and we will do our part to support, not just our kids, but every kid in in their classrooms as much as we possibly can.

ADJOURNMENT

Next Regular Meeting is Monday, August 26, 2024 at 6:00 p.m. Committee of the Whole at 5:00 p.m. A Worksession at 4:00 p.m. A Special Meeting for Public Hearings with a worksession with the ADA Advisory Board is scheduled for Monday, August 19, 2024 at 5:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Renee Krause, MMC, City Clerk

Approved: _____

ⁱ This memorandum was erroneously attached to Ordinance 24-35 and Resolution 24-083 as backup and was submitted as a Finance Report although it did mention the Procurement Policy.

Session 24-17 a Special Meeting of the City Council of Homer, Alaska was called to order on August 19, 2024 by Mayor Castner at 5:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ERICKSON, DAVIS, ADERHOLD, VENUTI, HANSEN

BOARDMEMBERS PARSONS, SAFRA, GEISLER, LEPLEY, O'BRIEN

ABSENT: COUNCILMEMBER LORD(EXCUSED)

BOARDMEMBER THROSRUD (EXCUSED)

STAFF: CITY MANAGER JACOBSEN

CITY CLERK KRAUSE

CITY ATTORNEY GATTI

PUBLIC WORKS DIRECTOR KORT

FINANCE DIRECTOR FISCHER

PORT DIRECTOR HAWKINS

COMMUNITY DEVELOPMENT DIRECTOR ENGBRETSSEN

CHIEF TECHNOLOGY OFFICER JIRSA

AGENDA APPROVAL

ADERHOLD/VENUTI MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE. NON OBJECTION. UNANIMOUS CONSENT

Motion carried.

ADERHOLD/VENUTI MOVED TO SUSPEND THE RULES TO ALLOW THE ADA BOARD MEMBERS TO SIT AT THE DAIS DURING THE PUBLIC HEARING PROCESS.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

PUBLIC HEARING(S)

- a. Ordinance 24-31, An Ordinance of the Homer City Council Adopting the 2024 Homer Transportation Plan, Amending the Homer Comprehensive Plan to include the Transportation Plan and Recommending Adoption by the Kenai Peninsula Borough. City Manager. Introduction July 22, 2024 Public Hearing and Second Reading August 12, 2024.

Memorandum CC-24-147 from Community Development Director as backup.

Ordinance 24-31(S), An Ordinance of the Homer City Council Adopting the 2024 Homer Transportation Plan, Amending the Homer Comprehensive Plan to include the Transportation Plan and Recommending Adoption by the Kenai Peninsula Borough.

Mayor Castner introduced the topic and opened the public hearing.

Jan Keiser, Commissioner, speaking on behalf of the Parks Art Recreation & Advisory Commission (PARCAC) respectfully requested the City Council to remand the Transportation Plan Final Draft to the Commission for review and comment before they approve it as there are many aspects that come under the commission's advisory capacity.

Scott Adams, city resident, commented on Jack Gist Park regarding traffic slowing measures implemented where the road is intersecting with the subdivisions expressing concern especially having traffic coming into the park from multiple directions.

Mayor Castner closed the public hearing and requested a motion.

Councilmember Aderhold questioned the effects of postponement and if the Commission and ADA Board would be able to view the document prior to the next Council meeting. It was determined that they would if postponed to the second meeting in September.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 24-31 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Mayor Castner asked for a motion to substitute.

ADERHOLD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 24-31(S) FOR ORDINANCE 24-31 BY READING OF TITLE.

City Manager Jacobsen explained the typical process for plans like this and it is why the document was not submitted for review to the Commission or Board noting the ample public meeting opportunities that the members of the commission and tern could likely attend and provide comment on the document.

ADERHOLD/VENUTI MOVED TO POSTPONE ORDINANCE 24-31(S) TO THE SECOND COUNCIL MEETING IN SEPTEMBER TO ALLOW THE ADA ADVISORY BOARD AND PARKS, ART, RECREATION & CULTURE ADVISORY COMMISSION REVIEW THE DOCUMENT.

A brief discussion noting that Council specifically pulled in walkability and accessibility into the document and the postponement allows those bodies to offer recommendations to Council. It was acknowledged that depending on the advisory bodies recommendations there may be a delay on the approval of the plan.

VOTE. (Postponement). NON-OBJECTION. UNANIMOUS CONSENT
Motion carried.

- b. Ordinance 24-32, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Budget by Authorizing Transfers Totaling \$667,146 from Various Funds to make Necessary Adjustments to the Distribution of Unallocated Interest Income. City Manager/Finance Director. Introduction July 22, 2024 Public Hearing and Second Reading August 12, 2024.

Memorandum CC-24-152 from Finance Director as backup.

Mayor Castner opened the public hearing, seeing and hearing that there was no one interested in coming forward to provide testimony he closed the public hearing and requested a motion.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 24-32 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- c. Ordinance 24-33, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Appropriating an Additional \$73,300 from the Water Capital Asset Repair and Maintenance Allowance (CARMA) Fund for the Paintbrush Booster Pump Station Project. City Manager/City Engineer. Introduction July 22, 2024 Public Hearing and Second Reading August 12, 2024.

Memorandum CC-24-148 from City Engineer as backup.

Mayor Castner opened the public hearing, seeing and hearing that there was no one interested in coming forward to provide testimony he closed the public hearing and requested a motion.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 24-33 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- d. Ordinance 24-34, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating \$16,000 from the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund to Convert the Existing Fuel Boiler at the Homer Education and Recreation Complex (HERC) to Natural Gas. City Manager/Public Works Director. Introduction July 22, 2024 Public Hearing and Second Reading August 12, 2024.

Memorandum CC-24-149 from Public Works Director as backup.

Mayor Castner opened the public hearing, seeing and hearing that there was no one interested in coming forward to provide testimony he closed the public hearing and requested a motion.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 24-34 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

DISCUSSION TOPICS WITH THE ADA ADVISORY BOARD

a. ADA Advisory Board Topics for Discussion

Memorandum CC-24-167 from ADA Advisory Board as backup.

Mayor Castner facilitated discussion between the ADA Advisory Board members and City Council on the following issues:

- Acting ADA Chair Lepley provided information on the desire to submit a design challenge for a safe ramp/elevator that would accommodate Homer's extreme tides, to various engineering schools or colleges, or various organizations that may take on design challenges free of charge.
 - o Mayor Castner responded to the accessibility issue, believing that there is accessibility at the load and launch ramp at all times and you would only serve only one small area of the harbor with a life or elevator. He noted that the Port & Harbor Commission has a number of other concerns on their plate as well and that this would not be a priority.
 - Mr. Lepley provided further clarification using himself as an example, described the difficulties in using the load & launch ramp, stating it does not have a guard rail or hand rail and that presented a challenge to those with mobility issues. When bringing this issue before the Port Director a hand rail poses a barrier to the those that have no issues with their mobility. He further noted that providing a railing would offer a sector of the population a stable and safe access.

Councilmember Aderhold asked if Jenny Carroll was spoken to regarding the new proposed project.

Mr. Lepley responded that she has not been included in discussion and Harbor staff has not had a very supportive response to their inquiry. He continued by reiterating that the ADA Board is interested in either Council directing staff or the Board to be given authority to look into issuing the design challenge or Request for Information. It was their understanding that a cost would be needed to include the project in the CIP document.

Further discussion was had on the following:

- Needing a full time operator for a lift or elevator and it would need to be designed out of stainless steel due to the weather.

- difficulty in access and egress on travel by boat and would rather focus on getting the other items on the City's list to be ADA compliant then address the access to the ramp.
- they are asking for permission and backing of the city to put together a packet and see where it goes.
- Issue an RFI to see what is available.
- a non-profit that works with the University of Utah, this group is coming up with solutions that allows severely disabled persons to live and enjoy life.
- CM Jacobsen reported that she will speak with Jenny Carroll and get some information to get the process started.
- having a duck boat, there is also cranes, it depends on the location and there are ADA Stalls
- design challenge – no money issued

City Manager Jacobsen noted the time remaining and that they will lose their quorum at 6:00 p.m. read the remaining items.

Board member Parsons requested one way streets to be removed as he did not recall talking about them.¹ He continued citing use of universal accessible designs when replacing a picnic table. The City policy should always be above what is required for ADA. He advocated for more than the minimum, which was supported by the Board.

- Examples of food trucks were not accessible.
- Heath Street Reconstruction Project Status update including crosswalk
- Pioneer Avenue Ownership and Renovation
- Public comments on the comprehensive plan and transportation plan have all been related to walkable downtown
- Zoning Code changes
- Public Parking Lots to encourage parking vehicles
- Encourage the State to make the street more pedestrian friendly
- Parking on the Spit is not all City, there is the State which is poorly done and private businesses as well

Mayor Castner related history and the difficulties that the City has had with the state, he believed the businesses could help as well.

b. City Council Topics for Discussion

Due to time limitations there was no discussion on Council topics.

COMMENTS OF THE AUDIENCE

Scott Adams, city resident, commented on parking redesign on the Homer Spit near Seafarer's Memorial that was stalled, appreciated the efforts and upgrades at Jack Gist Park and Karen Hornaday Park.

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti had no comments.

¹ Board member Venuti commented on them at the August ADA meeting.

COMMENTS OF THE CITY CLERK

COMMENTS OF THE CITY MANAGER

COMMENTS OF THE MAYOR

Mayor Castner noted that the ADA Advisory Board had a few advocates on Council that could bring policy matters forward and keep working on it that way. He further stated that they really examine what you want to do as far as the service because one elevator is just going to serve one location and accessibility is a broader issue for the entire Harbor and a solution can be engineered but then you need the funding, there is always the catch the amount of funding needed.

COMMENTS OF THE COUNCIL MEMBERS

ADJOURNMENT

Mayor Castner adjourned the meeting at 6:04 p.m. the next Regular Meeting is Monday, August 26, 2024 at 6:00 p.m. Committee of the Whole at 5:00 p.m. A Worksession at 4:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Renee Krause, MMC, City Clerk

Approved:_____

**CITY OF HOMER
HOMER, ALASKA**

City Manager
Public Works Director

RESOLUTION 24-091(S)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
AWARDING A CONTRACT TO COMBUSTION CONTROL OF
ANCHORAGE, ALASKA FOR THE PURCHASE AND INSTALLATION
OF A NATURAL GAS BURNER IN THE HOMER EDUCATION AND
RECREATION COMPLEX (HERC) BOILER NOT TO EXCEED THE
AMOUNT OF \$14,000 AND AUTHORIZES THE CITY MANAGER TO
NEGOTIATE AND EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, Ordinance 24-34 approved the conversion of the existing fuel oil boiler at the
HERC; and

WHEREAS, Converting the HERC to natural gas is anticipated to result in a savings in
energy costs for the City; and

WHEREAS, The cost to purchase and install the new burner unit into the existing boiler
is \$13,952.09.

NOW THEREFORE BE IT RESOLVED that the Homer City Council hereby awards a
contract to Combustion Control of Anchorage, Alaska for the purchase and installation of a
natural gas burner for the existing boiler in the HERC not to exceed the amount of \$14,000 and
authorizes the City Manager to negotiate and execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 26th day of August, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, CITY CLERK

Fiscal Note: Ordinance 24-34 appropriated \$16,000 from HERC Capital Asset Repair and
Maintenance Allowance (CARMA); \$16,000 remains.



MEMORANDUM

Ordinance 24-35(S), Amending HCC 3.16 and Resolution 24-083, Adopting the Revised Procurement Policy

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: August 23, 2024
From: Melissa Jacobsen, City Manager

Taking into account the discussion from the August 12 Committee of the Whole and comments from the City Attorney, the substitute Ordinance 24-35(S) includes the following changes-

- Line 128 strike Procurement of consultant and technical services (these are included under professional services)
- Line 130 strike architect engineer, construction manager, or construction completion and insert professional services.
- Lines 135 and 161 add single source procurement.
- Line 144 adds definition of professional services.
- Line 154 changes patented articles to read patented goods or services included in the definition of sole source.

Corresponding edits to the Procurement Policy include –

- Line 327 strike Procurement of consultant and technical services (these are included under professional services)
- Line 329 strike architect engineer, construction manager, or construction completion and insert professional services.
- Line 368 inserts updates professional services to reflect what's in code.
- Line 369 and 408 add single source procurement to reflect what's in code.
- Line 405 changes patented articles to read patented goods or services included in the definition of sole source.

RECOMMENDATION: Adopt Ordinance 24-35(S) and Resolution 24-083

Link to current Procurement Policy and Procedures Manual- <https://www.cityofhomer-ak.gov/cityclerk/procurement-policy-and-procedures-manual>

CITY OF HOMER
HOMER, ALASKA

City Manager

ORDINANCE 24-35(S)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
AMENDING HOMER CITY CODE CHAPTER 3.16 PROCUREMENTS.

WHEREAS, Homer City Code 3.16 Procurements was last amended in 2001; and

WHEREAS, City Staff, with the assistance of a consultant, have undertaken a re-write of the
City's Procurement Policy manual; and

WHEREAS, This code amendment brings code and policy into alignment.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code Chapter 3.16 Procurements, is hereby amended as follows:

Sections:

- | | |
|-----------------|---|
| 3.16.010 | Contract and Purchase procedure |
| 3.16.020 | Limitation on City Manager's authority. |
| 3.16.030 | Open market procedures. |
| 3.16.035 | <u>Intermediate procurement procedure.</u> |
| 3.16.040 | Advertising for bids. |
| 3.16.050 | Processing of bids. |
| 3.16.060 | Exceptions to bidding requirements. |
| 3.16.070 | Lowest responsive and responsible bidder. |
| 3.16.080 | Local Bidder Preference |
| 3.16.090 | Requirements mandatory. |
| 3.16.100 | Change orders – Manager authority. |
| 3.16.110 | Competitive sealed proposals - Negotiated procurement. |
| 3.16.120 | Policy and Procedure Manual. |

3.16.010 ~~Contract and~~ **Purchase** procedure.

The City Manager or his designee *may* **authorize any department of the City to** ~~may~~ carry out
any of the following:

- A. Contract for, purchase or issue purchase authorizations for all supplies, materials,
equipment and services for the offices, departments, and agencies of the City;
- B. Contract for the construction, repair, or improvements of City facilities.

3.16.020 Limitation on City Manager's authority.

- A. **The City Manager will have the authority to and will establish administrative procedures and provide for procurement of needed supplies, materials, or services for the City.**
- B. **The City Manager or designee will sign all contracts on behalf of the City. Designee may include the Acting City Manager or a Department Director signing within their budget authority as outlined in the procurement policy.**
- C. The City Manager may not make authorize an acquisition or contract authorized by Section 3.16.010 of this chapter if the value of the property, service or contract exceeds ten thousand dollars **fifty thousand dollars (\$50,000)**, without first obtaining City Council approval of the appropriation or unless the property, service, or contract is listed in the City's annual budget.
- D. ~~If the value of the property, service or contract exceeds ten thousand dollars but does not exceed twenty five thousand dollars, the Manager may authorize the acquisition or contract with the written concurrence of the Finance Director if appropriated funds are available, and upon seeking at least three competitive bids from a minimum of three vendors. The acquisition or contract will be awarded to the lowest responsive and responsible bidder as determined in 3.16.070 and without observing the procedure prescribed for the award of formal sealed bids. Written notice of such an acquisition or contract must be given to the City Council within 24 hours and at the next regular Council meeting.~~
- E. ~~If the value of the property, service or contract exceeds twenty five thousand dollars, and is not listed in the City's annual budget, the acquisition or contract must be approved in advance by the City Council. (Ord. 01-06(a), 2001) (Ord. 84-32 (part) 1984)~~

3.16.030 **Small procurement procedures** Open market procedures.

- A. ~~Purchases or contracts authorized by Section 3.16.010 having an estimated value that does not exceed twenty five thousand dollars may be made in the open market without publishing notice in a newspaper.~~
- B. ~~A purchase or contract authorized by Section 3.16.010 having an estimated value that exceeds ten thousand dollars but does not exceed twenty five thousand dollars will be based on at least three competitive written bids and be awarded to the lowest responsive bidder as determined in 3.16.070 and without observing the procedure prescribed for the award of formal sealed bids.~~
- C. All purchase **Purchases** or contracts less than two thousand dollars **five thousand dollars (\$5,000) are incidental purchases and** will be made on the open market with such competition as is reasonable and practical in the circumstances. **These purchases require authorization by the department director.**
- D. Small procurements ~~greater than two thousand dollars~~ **five thousand dollars (\$5,000)** but not exceeding ten thousand dollars **(\$10,000)** will, whenever practical, be based on at least two written or oral price quotations without observing the procedure prescribed for the award of formal sealed bids. **Small procurements require**

authorization by the department director before purchase is made. (Ord. 01-06(a), 2001) (Ord. 87-29 § 1, 1988)

3.16.035 Intermediate Procurement Procedures

- A. Procurement greater than ten thousand dollars (\$10,000) but less than fifty thousand dollars (\$50,000) will be based on three price quotations.**
- B. If reasonable efforts to obtain three price quotations are unsuccessful, the City Manager may authorize the procurement based on the lowest and best price obtainable.**
- C. The department director, Finance Director, and City Manager must authorize intermediate procurements and notify the City Council at the next regular meeting.**

3.16.040 Advertising for bids.

- A. Purchases or contracts ~~authorized by Section 3.16.010~~ having an estimated value of more than ~~twenty-five thousand dollars~~ **fifty thousand dollars (\$50,000)** may be made only after a notice calling for bids is printed in a newspaper of general circulation within the city **limits** once a week for not less than two consecutive weeks prior to the date for the bid award unless another form of media is authorized by the City Manager. The notice will contain a general description of the property, work, or service; state where the bid forms and/or specifications may be obtained; specify the place for submission of bids and the time by which they must be received.
- B. The bid closing date will be no sooner than five working days after the last date of advertisement.
- C. The purchase or contract will be awarded to the lowest responsive **and responsible** bidder as determined in 3.16.070. (Ord. 01-17, 2001) (Ord. 01-06(a), 2001) (Ord. 84-32 (part), 1984)

3.16.050 Processing of bids.

Notwithstanding other provisions of this chapter relating to the award after competitive bid for purchases and contracts, the City **Manager** may:

- A. Reject defective or nonresponsive bids;
- B. Waive any irregularities in any and all bids;
- C. Reject all bids;
- D. Re-advertise for bids with or without making changes in the plans, specifications, or scope of work. (Ord. 84-32 (part), 1984)

3.16.060 Exceptions to bidding requirements.

Unless otherwise authorized by law, all procurement actions will be by competitive bidding. Authorized exceptions include:

- A. Negotiated procurement following unsuccessful efforts to obtain competitive bidding.
- B. Small and intermediate procurements, below twenty-five thousand dollars fifty thousand dollars (\$50,000).**

- C. Emergency procurement.
- ~~D. Procurement of consultant and technical services.~~
- E. Procurement of real estate.
- F. Procurement of ~~architect engineer, construction manager, or construction completion~~ **professional** services.
- G. Interagency agreements.
- H. Utilization of State or Local government contracts.
- I. Sole source procurement.
- J. **Single source procurement.**
- K. Procurement resulting from competitive sealed proposals as defined in Section 3.16.100.
- L. Placement of insurance coverage.
- M. Electronic data processing software and hardware. Competition will be sought to the maximum extent practicable.

For the purpose of this section:

“Professional services” means professional, technical, or consultant's services that are predominantly intellectual in character, result in the production of a report or the completion of a task, and include analysis, evaluation, prediction, planning, or recommendation.

“Sole source” means the procurement of supplies, materials, services, or construction through a sole source in the following situations:

- 1. Based on documented research, the goods or service is only available from one source.**
- 2. When competitive procurement procedures have been followed, but a limited number, or no bids, quotations, or proposals have been received.**
- 3. Products or services that support existing software or data exchange between public or private agencies are required for compatibility with existing equipment.**
- 4. Purchase of patented articles goods or services.**
- 5. When the federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the City.**

“Single source” means the procurement of supplies, materials, services, or construction when the contractor or consultant has a pre-existing relationship with the City and provides a specialized level of expertise, proprietary technology, or a service that is difficult to replicate by other vendors.

3.16.070 Lowest responsive and responsible bidder.

In determining the lowest responsive and responsible bidder, the City **Manager** will consider:

- A. The price;

- B. The ability, capacity and skill of the bidder to perform the contract within the time and price specified;
- C. The reputation and experience of the bidder;
- D. The bidder performance and payment under previous contract. (Ord. 01-17, 2001) (Ord. 01-06(a), 2001) (Ord. 84-32 (part), 1984)

3.16.080 Local Bidder Preference

- A. It is the Policy of the City of Homer to give preference to City of Homer residents, workers, businesses, contractors, producers, and dealers to the extent consistent with law **or funding source.**
- B. A contract or purchase will be awarded to a local bidder where the bid by such local bidder is, in all material respects, comparable to the lowest responsible non-local bid if the amount bid by such local bidder does not exceed the lowest non-local bid by more than the following percentages, unless such an award is contrary to state or federal law or regulation or unless the Council, at its discretion, determines prior to giving notice soliciting bids that the provisions of this section will not apply to the contract or purchases:

Non - local bid is:	Local bid is not more than:
\$0 - \$500,000.00	5 percent higher than non-local bid
<u>\$500,000+</u>	5 percent higher than non-local bid on first \$500,000.00 and 2.5 percent higher than non-local bid on amount in excess of \$500,000.00 to \$1,000,000.00. No additional adjustment for bids above \$1,000,000.00
- C. "Local bidder," for purposes of this section, means a person or firm who:
 - 1. Holds a current Alaska Business License to provide such goods or services, and such other Alaska regulatory licenses as are required to provide such goods or services; and
 - 2. Submits a bid for goods or services under the name appearing on the person's or firm's current Alaska Business License; and
 - 3. Has maintained and staffed a place of business within the boundaries of the City of Homer for a period of at least six (6) months immediately preceding the date of the bid and intends to permanently maintain such place of business in the future; and
 - 4. Is registered in the Kenai Peninsula Borough to collect sales tax and locally provides the products and services sought; and
 - 5. Is not delinquent in the payment of any taxes, charges, or assessments owing to the City of Homer on account of that business.
- D. The City Manager may require such documentation or verification by the person or firm claiming to be a local bidder as is deemed necessary to establish the requirements of this section.
- E. Local bidder's preference does not apply to sale or other disposal of personal property in chapter 18.30 of the City Code.

3.16.090 Requirements mandatory.

Except as provided in Section 3.16.100, a purchase, contract, or sale subject to the provisions of this chapter will not be valid, enforceable, or binding upon the City unless the established requirements have been satisfied and the contract or purchase is approved by the City Council. (Ord. 84-32 (part), 1984)

3.16.100 Change orders –~~Manager authority.~~

~~The City Manager or his designee is authorized, without Council approval, to enter into change orders where the amount of additional expenditure occasioned by the change order or orders does not, in the aggregate, exceed any contingency fund previously established with respect to the particular project or change the scope of work. The Manager or his designee will report monthly to the Council the nature and amount of such change orders. Change orders exceeding in the aggregate the foregoing limitation, or which change the scope of work are not binding without prior approval of the Council.~~

A change order to an existing city contract shall require the approval of the city council when the proposed modification or change order increases the contract amount by fifty thousand dollars (\$50,000) or more. No work may proceed under a modification or change order requiring city council approval prior to approval by the city council. The council shall be notified by written report at its next regular meeting of any modification or change order in excess of ten thousand dollars (\$10,000). Such notification shall include:

- A. The dollar amount of the original contract;**
- B. The number of previous modifications or change orders;**
- C. The dollar amount of each previous modification or change order and the total aggregated dollar amount of the previous modifications and change orders;**
- D. The total dollar amount of the contract as modified or changed; and**
- E. A statement explaining the justification or need for the modification or change order.**

Modifications and change orders shall not be arbitrarily divided into smaller amounts to avoid council approval thereof.

The city may make modifications or change orders in any city contract without council approval where in the judgment of the city manager an emergency or disaster exists which requires immediate action to remedy and where there is insufficient time or it is impractical to obtain council approval. Notice of such emergency or disaster modifications or change orders containing the information set forth in Section 3 of the procurement policy.

3.16.110 Competitive sealed proposals - Negotiated procurement.

- A. ~~If~~The City Manager **may** determines that **elect to** use a competitive sealed **proposal process when the bidding process** bidding is not practicable. ~~The City may procure supplies, services or construction by competitive sealed proposals under this section.~~

- 253 B. The City Manager will solicit competitive sealed proposals by issuing a request for
254 proposals. The request for proposals will state, or incorporate by reference, all
255 specifications and contractual terms and conditions to which a proposal must respond
256 and will state the factors to be considered in evaluating proposals and the relative
257 important of those factors. Public notice of a request for proposals will be given in
258 accordance with Section 3.16.040 (a) and (b).
- 259 C. Sealed proposals will be designated as such on an outer envelope and will be submitted
260 by mail or in person at the place no later than the time specified in the request for
261 proposals. Proposals not submitted at the place or within the time so specified will not be
262 opened or considered.
- 263 D. Proposals will be received at the time and place designated in the request for proposals
264 and will be opened so as to avoid disclosing their contents to competing **proposers**
265 ~~proponents~~ during the process of negotiation. Proposals, tabulations, and evaluations
266 thereof will be open to public inspection only after the contract award. The City
267 Manager will issue a notice of recommendation to award to all responding **proposers**
268 ~~proponents~~ at least four days prior to approval by the final decision-making authority.
- 269 E. In the manner provided in the request for proposals, the City Manager may negotiate with
270 those **proposers** ~~proponents~~ whose proposals are determined to be responsive **and**
271 **responsible** to the request for proposals. Negotiations will be used to clarify and assure
272 full understanding of the requirements of the request for proposals after submission and
273 prior to award to obtain best and final offers. **Proposers** ~~proponents~~ deemed eligible for
274 negotiations will be treated equally regarding any opportunity to discuss or revise
275 proposals. In conducting negotiations or requesting revisions, no city officer or
276 employee will disclose any information derived from proposals of competing **proposers**
277 ~~proponents~~.
- 278 F. If fair and reasonable compensation, contract requirements and contract documents
279 can be agreed upon with the most qualified **proposer** ~~proponent~~, the contract will
280 be awarded to that **proposer** ~~proponent~~.
- 281 G. If fair and reasonable compensation, contract requirements and contract documents
282 cannot be agreed upon with the most qualified **proposer** ~~proponent~~, the City Manager
283 will advise the **proposer** ~~proponent~~ of the termination of negotiations. If the proposals
284 were submitted by one or more other **proposers** ~~proponents~~ determined to be qualified,
285 negotiations may be conducted with such other **proposers** ~~proponents~~ in the order of
286 their respective rankings. The contract may be awarded to the **proposer** ~~proponent~~
287 then determined to be most qualified and advantageous to the City.
- 288 H. Awards will be made by written notice to the **proposer** ~~proponent~~ whose final proposal
289 is determined to be most advantageous to the City if satisfactory compensation, contract
290 requirements and contract documents are agreed upon pursuant to subsection F or G.
291 No criteria other than those set forth in the request for proposals may be used in proposal
292 evaluation. If the ~~City Council, or the City Manager (if the contract is within the Manager's~~
293 ~~authority to award)~~, determined that it is in the best interest of the City to do so, the City
294 **Manager** may reject all proposals.

- I. When the service is routine and repetitious, the cost of the anticipated service will be considered during evaluation of proposals. This paragraph will not apply to a qualifications-based selection process. (Ord. 01-06(a), 2001) (Ord 92-38 § 1, 1992; (Ord. 84-32 (part), 1984)

3.16.120 Procurement Policy-Procedure Manual.

- A. The City Council herein incorporates by reference procurement policies and procedures specified in the City of Homer Procurement Policy and Procedures Manual.
B. The Manual may be revised with Council approval.
C. A copy of the Manual will be available to the public at all times at the Homer City Hall.

Section 2. This Ordinance is of a permanent and general character and will be included in the City Code.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this ____ day of _____, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Procurement Policy



Adopted by Resolution 24-083:

City Clerk's Office
491 E. Pioneer Avenue
Homer, AK 99603
(907) 235-3130
clerk@cityofhomer-ak.gov
www.cityofhomer-ak.gov/cityclerk

UPDATED 9/25/13; 07/31/2023



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1. General Policies

This manual is provided as guidance to all procurement activity in the City of Homer. It has been developed to ensure compliance with the direction of the City Council, the Homer City Code, and sound business practices. Policies and procedures in this manual assume procurement amounts have been approved by City Council through the budgeting process. All amounts that exceed departmental budgets and that were not a part of the budget process require approval by the City Council. The manual will be developed, maintained, and implemented by the Finance Director. The City Manager will be responsible for ensuring compliance throughout City functions. Updates to the manual will be approved by City Council. The procurement manual shall be reviewed annually by the Finance Department to ensure compliance with state and federal laws and regulations.

1.1 Purpose

The purpose of the contained policies and procedures is to ensure that supplies, materials, services, and construction are procured efficiently, effectively, and at the most favorable prices available without creating unreasonable administrative burdens and restrictions.

The City aims to provide for the fair and equitable treatment of all persons or organizations involved in the provision of goods and services to the city while maximizing the purchasing value of public funds. The City's purchasing actions shall be in compliance with applicable state and federal standards, regulations and laws. This manual is intended to be used alongside Homer City Code.

1.2 Compliance

When a procurement involves the expenditure of state or federal grant, assistance or contract funds, the procurement shall be conducted in accordance with any applicable mandatory local, state, or federal law and regulation. Nothing in this manual shall prevent the City from complying with the terms and conditions of any grant, gift, or bequest which is otherwise consistent with the law.

1.3 Changes in Policy/Procedure

The City Manager and Department directors are authorized by the City Council to take limited procurement actions necessary to implement approved budgets, and they may further delegate this authority, in whole or in part, to such delegates as they may appoint in writing. These actions include signing and making changes to contracts/purchase orders.

1.4 Authorization and Approvals

Levels of authority to commit funds or perform related procurement activities of the City have been established by the City Council. Depending on the situation as outlined in this manual and/or City Code, Procurement actions outside prescribed limits set for department directors and the City Manager shall be submitted to the City Council for approval.

Department directors or the City Manager may grant spending authority to designated staff for amounts up to the director's own maximum authority. A memorandum appointing a designee must be on file with the Finance Department. The memorandum shall include justification for the designation, period of designation, specific approval limitations, and shall be signed by the Department Director, City Manager and Finance Director, as outlined in 2.1 Procurement Matrix.

Purchase Authorization Levels:	Maximum
Departmental Staff	\$1,000
Division Director/Second in Command	\$5,000



Department Director (single signature)	\$10,000
Department Director, Finance Director, & City Manager (combined signatures)	\$50,000
City Council	\$50,000+

1.5 Documentation of Purchase Process

Every undertaking of the City involving the expenditure of City money, no matter the amount, shall be in writing in the form of a purchase order, check request, P-Card, written communication, travel voucher or contract, as may be appropriate. Required documentation is referenced in 2.1 Procurement Matrix.

1.5.a Clarifications

- A. No officer or employee of the City shall have the authority to enter into any oral agreement involving the expenditure of money.
- B. Separate purchase orders shall not be issued for the purpose of circumventing the requirements and limitations of this title.
- C. References in this manual to matters required to be in "writing" or to be "written" may include electronic communication unless procedures are otherwise prescribed.

1.6 Verification of Funds Available and Budgeted

The department director is responsible for ensuring funds are available and allocated within the appropriate departmental budget before purchases are made. The Finance Department will verify availability of funds and encumber procurements as appropriate.

2. Procurement Policies

2.1 Procurement Matrix

Purchase Type & Amount	Procurement Process	Documentation Required	Authorization	Council Notification
Incidental <\$5,000	On open market with reasonable and practical competition	Purchase Order or Check Request as appropriate Receipt, Packing Slip, Invoice	Division Director/Second in Command	none
Small \$5,000 - \$10,000	On open market with such competition (2 quotes) as reasonable and practical. Award to lowest qualified quote.	Purchase Order or Check Request as appropriate All quotes gathered Receipt, Packing Slip, Invoice	Department Director	none



Intermediate \$10,000 - \$50,000	On open market with such competition (3 quotes) as reasonable and practical. Award to lowest qualified quote.	Purchase Order or Check Request as appropriate All quotes gathered Receipt, Packing Slip, Invoice	City Manager Finance Director Department Director	At next scheduled meeting
Large >\$50,000	Competitive bids or proposals	Bid or proposal Documented selection process/decision making Contract	City Manager Finance Director Department Director	Council notification of bid/proposal process. Council Approval Required BEFORE purchase

2.2 Incidental (less than \$5,000)

Incidental purchases are those purchases less than \$5,000 for one item or in aggregate. These purchases may require a purchase order (PO) and/or check request. Items may also be purchased using a Procurement Card (P-Card) as indicated in the respective section of this manual. Division Director/Second in Command must approve purchases over \$1,000 and up to \$5,000.

2.3 Small Purchases (less than \$10,000)

Small purchases are those between \$5,000 and \$10,000 for one item or in aggregate. Small purchases require at least two quotes with the purchase being made from the vendor with the lowest qualified quote. See 2.1 Procurement Matrix for examples. Small purchases must be approved by the department director before purchasing.

2.4 Intermediate Purchases (\$10,000 - \$50,000)

Purchases between \$10,000 and \$50,000 that are allocated for in the current operating and capital budget shall be approved by the department director, Finance Director, and City Manager. Procurement procedures should include the collection of at least three quotes as is reasonable and practical. The purchase will be made from the vendor with the lowest qualified quote. Refer to HCC 3.16.060 for exceptions to bidding requirements and HCC 3.16.080 for local bidder preference guidelines. Purchases not budgeted for in the current fiscal year operating and capital budget require an ordinance for appropriation by council.

However, to create a more competitive environment to ensure the best possible value for the City, the department director or City Manager may determine that a sealed bid process is to be used instead.

2.5 Large Purchase (\$50,000+)

Purchases over \$50,000 require the City Manager to request competitive bids or proposals with notification to the City Council.

The City Manager may determine that a proposal process is the preferred method of procurement when the City would benefit from contractor/supplier to propose unique or innovative approaches to meet the procurement requirement and where a negotiated agreement is in the best interest of the City.

2.6 Purchasing Procedures



2.6.a Purchase Order Procedure

A purchase order will be used to purchase material, equipment, and supplies at the discretion of the department or at the request of the vendor. A purchase order may be used in conjunction with project contracts to obligate necessary funds.

A contract must be provided for all leases (e.g., machinery and equipment) rents and maintenance agreements on an annual basis to encumber the necessary funds for the entire accounting period.

Department directors or designees are expected to promptly:

- A. notify the Finance Department, in writing, of any irregularities in the receipt of goods or services.
- B. advise the Finance Department of any alterations to a purchase order such as availability, price, quantity, or substitutions.
- C. verify items received match the purchase order by price, quantity, and assuring quality.
- D. submit all required documentation to the Finance Department in a timely manner.

Upon receipt of all required documentation for a purchase made through a purchase order, the Finance Department will ensure all information is documented and coded correctly. Once confirmed, the Finance Department will await vendor invoicing to process payment.

2.6.b Check Request Procedure

Check requests may be used for the following reasons:

- A. urgent or impromptu purchases
- B. an installment type of disbursement in connection with an annual PO (e.g., allowances, service contracts, rents)
- C. a request for payment to other agencies (interagency transfer, e.g., federal revenue sharing disbursement)
- D. any type of refunds for utilities, service connects, overcharges to utility customers
- E. reimbursement requests should be documented with appropriate receipts
- F. disbursement requests for dues, fees
- G. petty cash reimbursements.

The appropriate department director and Finance Director must approve the request before the Finance Department processes for payment as outlined in 2.1 Procurement Matrix. **See Appendix 2 – Check Request.**

2.6.c Purchase Quotes

Purchase quotes should be obtained through the open market and documented with the following information:

- A. vendor name and contact information
- B. date quote obtained
- C. item description
- D. price per unit, including shipping



- E. transportation mode
- F. evaluation of performance of vendor
- G. quote sheet (**See Appendix 3 – Quote Sheet**)

2.7 Invitation to Bid and Request for Proposal Process

2.7.a Bid/Proposal Announcement and Collection Process

When the determination has been made to collect competitive bids or proposals, the following steps will be taken by the department director, or designee:

1. Develop Invitation to Bid (ITB) or Request for Proposal (RFP)–

The ITB/RFP shall state or reference all specifications and contractual terms and conditions that must be responded to and the factors that will be considered in evaluation. Also included will be requirements for two part submissions (Part A/B), for any announcements or addendums, submission requirements, submission date, and expected date of announcement of lowest bidder/winning proposal.

Bids are required to be submitted in two parts; Part A shall consist of bid price information and bid bond/checks, whereas Part B shall consist of the remainder of the submittals required by the Invitation to Bid.

Bidders/Proposers will be required to submit a plan holder's registration form to the City Clerk to be added to the City's Plan Holders List.

2. Advertising ITB/RFP - The minimum requirement for advertising for bids/proposals shall be a notice calling for bids/proposals printed in a newspaper of general circulation within the City once a week for not less than two consecutive weeks prior to the date for the bid award unless another form of media is authorized by the City Manager. The ITB/RFP shall be on file at the City for public inspection. The ITB/RFP shall also be listed on the City's website.

In addition to the minimum requirement for advertising, the ITB/RFP may be sent directly to perspective bidders/proposers and relevant established trade association by the City Manager, or designee, as appropriate.

3. Plan Holders List - The City Clerk's Office shall maintain an official plan holders list of all bidders/proposers.

- a. This list shall contain the bidder/proposer's name, contact person, mailing and physical address, phone number, fax number and E-mail address.

- b. The list shall contain the date the bidder/proposer was mailed, faxed, or received the ITB/RFP documents, any addenda and etcetera.

- c. The official list shall note the date payment was received for ITB/RFP documents, if the plan holder owns the City Standard Construction Specs and bidding status, i.e., general contractor, sub-contractor, etc. - whenever pertinent.

- d. A general bidder/proposer not listed on the Official Plan Holders List shall be deemed non-responsive.

4. Bid/Proposal Closing

- a. The closing date shall be no sooner than five working days after the last date of



advertisement.

- b. Submissions shall be turned in at the City Clerk's office to be time stamped and retained until the date of opening.

5. Sealed Bid Opening Procedure

- a. The applicable Department Director and Finance Director or their designees shall conduct the bid opening.

- b. The bid opening shall generally be conducted in the following manner:

- Introduction of staff.
- Announce dates of bid period.
- Announce the expiration of the period.

- c. Determine responsiveness of bids by:

- Opening bidders Part B portion of the bid in the order received.
- Read aloud/announce: Name of bidder, address of bidder and date and time received.
- Determine if Bidder provided all submittals in the form specified by the Invitation to Bid (e.g., Business License Number, Addendum Acknowledgment, EEO Form, etc.).
- Bids which do not include the submittals in the form specified by the Invitation to Bid shall be determined to be non-responsive and shall be set aside along with the unopened Part A of the bid.

- d. Part A (Price) of the bids which are determined to be responsive to the Invitation to Bid, will be opened at which time the Bid Price will be read aloud.

- e. Record bid information on Bid Register.

- f. Read aloud Fair Cost Estimate, if appropriate.

- g. Announce the Close of Bid Opening and that an award would be made after concluding the technical evaluation of the bids and determining the respective responsibility of the apparent low bid.

6. Sealed Proposal Opening Procedure

- a. The applicable department director and Director of Finance or their designees shall conduct the proposal opening.

- b. The proposal opening shall generally be conducted in the following manner:

- Introduction of staff.
- Announce dates of proposal period.
- Announce the expiration of the period.

- c. Determine responsiveness of proposals by:

- Opening proposals in the order received.
- Read aloud/announce: Name of proposer, address of proposer and date and



time received.

- Determine if proposer provided all submittals in the form specified by the Request for Proposal (e.g., Business License Number, Addendum Acknowledgment, EEO Form, etc.).
- Proposals which do not include the submittals in the form specified by the Request for Proposal shall be determined to be non-responsive and shall be set aside.

d. Record proposer information on Proposal Register.

e. Announce the Close of Proposal Opening and that an award will be made after concluding the technical evaluation of the proposals.

2.7.b Procurement Bid/Proposal Evaluation Policy

Bids/proposals shall be evaluated by the department director in accordance with the specific terms and evaluation criteria set forth in the ITB/RFP. Terms and criteria may vary from project to project. Bids/proposals shall be reviewed for completeness, price, commercial responsiveness, technical responsiveness, and responsibility. Packages must be evaluated to the extent necessary to determine that correctable errors would not reduce the bid/proposal price to within the acceptable range. Packages shall be unconditionally accepted without alteration or correction, except that pricing ambiguities will be corrected.

The City Manager shall determine if a bidder/proposer has been responsive and is to be considered responsible under the conditions of the bid/proposal as described in HCC 3.16.070.

To prevent the perception that the bid/proposal process involves collusion or anti-competitive practices, communication with bidders/proposers shall be discontinued during the evaluation period. If contact is essential, then it shall be for a specific purpose and be provided to all bidders/proposers.

Bids that exceed the Engineer's Estimate by more than 15% may be rejected.

Proposals remain confidential until a contract is approved by City Council by Resolution.

2.7.c Fair Cost Estimate

In contracts for public improvements exceeding fifty thousand dollars (\$50,000), the design engineer shall prepare fair cost estimates prior to bid/proposal opening or initiation of negotiations for procurement. Also, significant change orders require some form of pricing estimate as follows:

- Engineer's cost estimates may be used at any time and are preferred prior to negotiation of changes with a defined scope.
- Proposal evaluations may be used for negotiation of all complex changes not suited for fair cost estimate preparation.
- Proposal evaluations may be used for contractor claims.

2.7.d Notice of Intent to Award

After the responses to bids have been opened and evaluated the Department Director will prepare a Notice of Intent to Award that includes a bid tabulation. This serves two purposes. It lists the name of each company or person that offered a bid and the price they bid. It also provides notice of the city's intent to award a contract(s) to the bidder(s) indicated. A copy of the Notice of Intent will be emailed to each company or person who responded to the ITB. Bidders identified as the apparent low responsive



bidders are instructed not to proceed until a Purchase Order, Contract Award, Lease, or some other form of written notice is given by the city. A company or person who proceeds prior to receiving a Purchase Order, Contract Award, Lease, or some other form of written notice from the contracting officer does so without a contract and at their own risk.

After the responses to a request for proposals have been opened and evaluated the Department Director will prepare a Notice of Intent to Award that includes only the total proposed cost without a breakdown in fees that may be identified within the proposal. Proposers identified as submitting the winning proposal are instructed not to proceed until a Purchase Order, Contract Award, Lease, or some other form of written notice is given by the city. A company or person who proceeds prior to receiving a Purchase Order, Contract Award, Lease, or some other form of written notice from the contracting officer does so without a contract and at their own risk.

2.7.e Bid/Proposal Award Notification

Upon review and evaluation of the submitted bids/proposals, the City Manager proposes the selected winner to the City Council for approval and resolution of award. Once approved by the City Council, the City Manager or department director will provide a written notice of award to the City Clerk's office and the bidder/proposer. The department director, or City Manager, will then start the contracting process for the project.

Once awarded, all proposals may be available for public inspection.

2.7.f Contracts

Subject to stated limitations, any form of contract which, in the opinion of the department director, will promote the best interests of the City may be used, except a contract which is cost-plus-a-percentage-of-cost.

A cost-reimbursement contract, or time-and-materials contract, may be used only when a determination has been made in writing that such a contract is likely to be less costly to the City than any other type or that it is impractical to obtain the supplies, services, or construction required except under such a contract.

Standardized baseline documents should be utilized for development and award of contracts.

2.7.g Contract Retained Percentage Policy

During contract negotiations, the City Manager or designee will determine if a retainage percentage is necessary. If a retainage is required, the amount and schedule will be determined during negotiations. Retainage will be no more than 10 percent. The City shall pay the contractor interest on retainage in accordance with Alaska State Statute 36.90.250.

In contracts for public improvement or work where payments to the contractor are at fixed prices and are measured on estimates during the progress of the work, the percentage to be retained shall be on the entire payment as prescribed by contract.

In contracts for public improvement or work where payments to the contractor during the progress of the work are partly to reimburse for actual costs and partly for earned fee and/or lump sum items, the percentages prescribed by contract may be retained on the earned fee and lump sum parts only, provided that billings for actual costs are subject to audit by the City.

In contracts where the work is on schedule and in accordance with specifications, the City Manager or designee may exempt the contractor from the retainage requirement.



2.7.h Change Orders

A change order to an existing city contract shall require the approval of the city council when the proposed modification or change order increases the contract amount by fifty thousand dollars (\$50,000) or more. No work may proceed under a modification or change order requiring city council approval prior to approval by the city council.

The council shall be notified by written report at its next regular meeting of any modification or change order in excess of ten thousand dollars (\$10,000). Such notification shall include:

- A. The dollar amount of the original contract;
- B. The number of previous modifications or change orders;
- C. The dollar amount of each previous modification or change order and the total aggregated dollar amount of the previous modifications and change orders;
- D. The total dollar amount of the contract as modified or changed; and
- E. A statement explaining the justification or need for the modification or change order.

Modifications and change orders shall not be arbitrarily divided into smaller amounts to avoid council approval thereof.

The city may make modifications or change orders in any city contract without council approval where in the judgment of the city manager a emergency or disaster exists which requires immediate action to remedy and where there is insufficient time or it is impractical to obtain council approval. Notice of such emergency or disaster modifications or change orders containing the information set forth in Section 3.

2.7.i Contract Bond Policy

In contracts for public improvements, a Bid Bond and Payment Bond and Performance Bond shall be required for all publicly bid work exceeding \$10,000.

Each bid shall be accompanied by a Bid Bond consisting of a certified or cashier's check payable to the City for a sum not less than five percent of the amount of the bid or accompanied by a bid bond in an amount not less than five percent of the bid with a corporate surety licensed to do business in the State of Alaska. Checks and Bid Bonds will be returned to unsuccessful bidders.

The successful bidder is required to submit a Performance Bond and a Payment Bond with a Surety meeting the standards of AS 36.25.010(a), or as determined by federal funding agency, and satisfactory to the City. The amount of the Performance Bond and the amount of the Payment Bond shall be specified in the bid documents.

If the bidder fails to enter into the contract and furnish the Performance Bond and Payment Bond within ten (10) working days from the date on which the bidder is notified of being the successful bidder, the Bid Bond or check and the amount thereof shall be forfeited to the City.

2.7.j Exceptions to Competitive Bid/Proposal Process

A department director may recommend an alternative procurement procedure to the City Manager if such a procedure will best serve the needs of the City and is allowable under Homer City Code and other applicable laws. The City Manager shall review the recommendation and approve it before the procurement process proceeds. Depending upon the estimated amount of purchase, City Council approval or notification may be required (see procurement matrix).



The City Manager shall notify the City Council of the decision to use any procedure other than competitive sealed bids and the reasons for this decision at the next regularly scheduled City Council meeting.

The City Council may determine and make written findings that the public interest would be best served by not requiring competitive bids/proposals. The best interest determination may be based upon, but is not limited to, a finding that the services or articles can be procured at a lower cost without competitive bidding.

Authorized exemptions to bidding requirements include:

1. Negotiated procurement following unsuccessful efforts to obtain competitive bidding.
2. Small procurement, below \$25,000.
3. Emergency procurement.
4. ~~Procurement of consultant and technical services.~~
5. Procurement of real estate.
6. Procurement of ~~architect-engineer, construction manager, or construction completion~~ **professional** services.
7. Interagency agreements.
8. Utilization of State or local government contracts.
9. Sole source procurement (see 2.8.c)
10. **Single source procurement (see 2.8.c)**
11. Procurement resulting from competitive sealed proposals as defined in HCC [3.16.110](#).
12. Placement of insurance coverage.
13. Electronic data processing software and hardware. Competition will be sought to the maximum extent practicable.

2.7.k Protest

An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract."

If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the City Clerk at least ten days prior to the deadline for receipt of bids.

If a bidder or proposer wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing, by the City Clerk within ten days after the date the Notice of Intent to Award the contract is issued.

A protester must have submitted a bid in order to have sufficient standing to protest the proposed award of a contract. Protests must include the following information:

- the name, address, and telephone number of the protester;
- the signature of the protester or the protester's representative;
- identification of the contracting agency and the solicitation or contract at issue;
- a detailed statement of the legal and factual grounds of the protest including copies of relevant



documents; and the form of relief requested.

All bidders will be notified of any protest.

If a protest is filed the award may be made unless the City Manager and Department Director determines in writing that a reasonable probability exists that the protest will be sustained; or stay of the award is not contrary to the best interests of the city.

The City Manager will issue a written response to the protest within 15 days after a protest has been filed. The response will set out the contracting officer's decision and contain the basis of the decision.

The decision of the City Manager may be appealed to the Superior Court within 30 days after the date the decision was issued. For the purposes of this section the date of issuance is the date upon which the decision was mailed or delivered to the parties.

2.8 Other Procurement Procedures

2.8.a Professional Services

The department director may request the City Manager to engage ~~consultants/contractors or Architectural/Engineering (A/E) firms to perform services of a specialized scientific, technical, or administrative nature~~ **professional, technical, or consultant's services that are predominantly intellectual in character, result in the production of a report or the completion of a task, and include analysis, evaluation, prediction, planning, or recommendation**, for short-term or periodic requirements. ~~Consultant, technical, and A/E contracts may be initiated for peak or limited-time work requirements, work requiring special talents, license or equipment for which the hiring of permanent employees would not be practical or would not provide independent objectivity or be in the best financial interests of the City.~~

The department director will follow 2.1 Procurement Matrix for consultant, technical or A/E services, stating concisely the general scope and nature of the project or work.

The department director will seek competition in contracting for these specialized services whenever practical. Normally, these contracts will be negotiated based on demonstrated competence and qualification for the type of professional services required at fair and reasonable prices. The general policy is to select firms on a competitive basis that are qualified technically and that meet commercial competitive requirements. This shall be done through evaluations of proposals, and/or interviews, ranking of performance capability statements submitted by the perspective consultants. Justification for determinations for all such actions shall be documented. Negotiation of commercial terms and price or cost shall then be accomplished.

Upon review and evaluation of the submitted bids/proposals, the City Manager proposes the selected winner to the City Council for approval and resolution of award. Once approved by the City Council, the City Manager or department director will provide a written notice of award to the City Clerk's office and the bidder/proposer. The department director, or City Manager, will then start the contracting process for the project.

2.8.b Capital Equipment Procurement

Capital equipment procurement shall be based upon an analysis of City needs in consideration of alternative sources, cost of ownership and cost of money.

Contracts or procurement providing for the long-term lease or rental of capital equipment should contain provisions for the City to obtain ownership rights, including application of all or part of payments credited to ownership when available or appropriate.



2.8.c Sole Source Procurement and Single Source Procurement

Department directors may present for approval the procurement of supplies, materials, services, or construction through a sole source in the following situations:

Sole source procurement

1. Based on documented research, the goods or service is only available from one source.
2. When competitive procurement procedures have been followed, but a limited number, or no bids, quotations, or proposals have been received.
3. Products or services that support existing software or data exchange between public or private agencies are required for compatibility with existing equipment.
4. Purchase of patented ~~articles~~ **goods or services**
5. When the federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the City.

Single Source procurement

Procurement of supplies, materials, services, or construction when the contractor or consultant has a pre-existing relationship with the City and provides a specialized level of expertise, proprietary technology, or a service that is difficult to replicate by other vendors.

Approval requirements are based on standard procurement procedures.

2.8.d Emergency Procurement

A department director shall determine and recommend to the City Manager the need for emergency purchases for items or services or both provided that such emergency procurement shall be made with such competition as is practical under the circumstances. The City Manager has the authority to proclaim an emergency and to authorize emergency procurement. A written determination of the basis for the emergency procurement and for the selection of the supplier is to be included in the procurement file. The City Manager will notify council of emergency procurements below \$50,000 by memorandum and an emergency ordinance will be adopted to ratify procurements over \$50,000.

2.8.e Legal Review

All procurement actions having a significant impact on the City's legal rights or obligations will require legal review prior to implementation. Examples include:

- Capital Project contract agreements.
- Procurement actions over \$50,000 requiring City Council approval.
- Exceptions or modifications to standard terms and conditions.
- Lease or rental documents for capital equipment.
- Additional reviews as requested by department director, Finance Director, or City Manager.

In addition, suitable expressed warranty provisions will be considered for inclusion in terms of procurement through contract.

2.8.f Creation of Information Memorandum



An Information Memorandum is intended to ensure that the City Council is presented with relevant, accurate, timely, and complete information and recommendations. Further, it ensures that all parties that may assist with clarifying the issues, or affected by the outcome, may participate in the development of recommendations.

The body of an Information Memorandum should contain each of the sections described below, when appropriate.

- A. Procurement Description - Describe concisely the nature of the procurement action.
- B. Background - Summarize relevant background material. Information provided may include the origin, history, and importance of the procurement. If essential to understanding the procurement requirement, additional background material may be provided in attachments and referenced in the text.
- C. Justification - Summarize why and how long it is needed and what its use will be. State who will benefit from it, and what will happen if it is not available.
- D. Alternatives - If appropriate, each option for meeting the procurement requirement shall be described succinctly.
- E. Discussion - Comment on the implications of selecting an alternative procurement approval, if applicable, to clarify the basis for the recommendations. Summarize the positions of other personnel if they disagree with the alternative recommended. Additional comments may be provided in attachments. If the issue is a unique proposal, such as a proposal for a singular course of action, the "Alternatives" section should be omitted and this section should discuss the reasons for -or implications, pro and con - of taking or not taking the proposed action.
- F. Fiscal Note – Explain-if the item is budgeted. If not budgeted, show the source from which monies should be made available. Include advantages of this action. Future cost or savings if applicable.
- G. Bid/Proposal Evaluation - State briefly why, or why not, a bid/proposal cycle was employed. Explain the evaluation method used and the outcome of the evaluations.
- H. Recommendation - State concisely the action recommended to the Council, and reference the option number listed under "Alternatives," if applicable.
- I. Next steps - A list shall be made of the actions needed to implement the decision, including when the action must be completed and by whom. When additional Council actions are foreseen, these should be described, including estimated dates and costs.

3. Procurement under Local Disaster Emergency Declaration

3.1 Introduction

When a local disaster happens and a declaration of emergency has been made in accordance with the City's Emergency Operations Plan by the Mayor, or the next person in the line of succession if the Mayor is not available to act, the procurement policy permits the waiving or suspension of standard procurement policies. These provisions only apply following the declaration of a local emergency.

3.2 Purpose and Goal



This section is limited to emergency protective measures, debris removal and other critical immediate needs to protect life and property or to restore essential services as well as preparing preliminary damage assessments and cost estimates.

The goal is maximum flexibility to meet critical needs with a concurrent understanding that the use of this authority will be reasonable and used with appropriate discretion.

This section does not apply to permanent repair work which is generally larger projects to repair or replace damaged or lost infrastructure.

3.3 Immediate Procurement Matrix under Local Disaster Declaration of Emergency

Purchase	Procurement Process	Documentation Required	Authorization	Council Notification
<\$50,000	Reasonable attempt should be made to seek 3 bids or proposals.	Verbal agreements are allowed, written documentation must follow for immediate emergency procurement	City Manager	none
50,000 - \$300,000	Reasonable attempt should be made to seek 3 bids or proposals.	Verbal agreements are allowed, written documentation must follow for immediate emergency procurement	City Manager	Within 72 hours
\$300,000 - \$500,000	Reasonable attempt should be made to seek 3 bids or proposals.	Verbal agreements are allowed, written documentation must follow for immediate emergency procurement	City Manager	Within 24 hours
>\$500,000	Reasonable attempt should be made to seek 3 bids or proposals.	Verbal agreements are allowed, written documentation must follow for immediate emergency procurement	City Manager	Council Approval Required BEFORE purchase

3.4 City Manager's spending authority under a local disaster emergency declaration



- 3.4a. The City Manager or their designee has the maximum expenditure authority of up to \$500,000 without prior City Council approval.
1. The City Manager or their designee must notify the City Council within 72 hours of procurements or contracts over \$50,000 and within 24 hours for expenditures over \$300,000.
 2. Procurements would apply only when immediate attention is required and only to work/costs arising for costs directly related to the disaster.
 3. This procurement authority is not permitted for ongoing regular business occurring during the declaration.

3.5 Exception to the bid and proposal process under a local disaster emergency declaration

- 3.5a. Reasonable attempts should be made to seek 3 bids or proposals for all work when immediate attention is required.
1. Verbal agreements with vendors or contractors with written documentation of the proposal and a written contract to follow for critical emergency work.
 2. If time permits, documentation should be completed before the notice to proceed.
 3. Documentation at the time of or shortly after the event occurs is required to record actions taken, reasons that verbal agreements were used, and/or reasons less than 3 bids or proposal was reasonably necessary.

4. Definitions

Architectural/Engineering Services (A/E) - A/E services rendered by persons other than employees of the City contracted to perform activities normally related to the Architectural or Engineering profession. The end product is normally plans, specifications and estimates or a report.

Agreement - A binding contractual obligation between two organizations or parties as witnessed by signatures of responsible persons from each organization or party.

Approval - Recorded support or endorsement (including the date and signature, stamps, or initials of the person) of a document or activity.

As-Built Data - Documented data that describes the condition actually achieved in a product (generally used with reference to drawings).

Audit - An activity usually performed by an independent group to determine, through investigation, the adequacy of, and adherence to, established procedures, instructions, specifications, codes, and standards or other applicable contractual and licensing requirements and the effectiveness of implementation.

Award - The act of communicating a judgment or decision to accept a seller's offer; the acceptance must be communicated to the seller.

Bid - An offer to perform a contract for work and labor or supplying materials at a specified price. A bid is usually in response to an invitation for bid or a solicitation. (Also see Proposal)

Bid Bond - A written obligation that the contractor will execute the contract for the price bid.

Bid Package - The drawings, specifications, standards, and other documents specifying requirements that completely describe the task or item on which a prospective contractor will bid.



- 523 **Bid Evaluation** - The technical, financial, and commercial evaluation or appraisal of a bid to determine if
524 the bid is responsive to needs and requirements.
- 525 **Buyer/Owner** - The City or department responsible for issuance or administration of procurement
526 documents.
- 527 **Capital Equipment** - Equipment valued at over \$5,000 per unit.
- 528 **Certification** - The action of determining, verifying, and attesting in writing to the qualifications of
529 personnel or materials.
- 530 **Change Order** - A formal change to a contract or the purchase order that is reviewed and approved by the
531 City. (See Contract Modification)
- 532 **Check Request** - a disbursement request from authorized source.
- 533 **City Contract, Purchase Order and/or Change Order** - A legally binding document, when fully executed,
534 committing both the City and a contractor, vendor and/or a supplier.
- 535 **Contractor Claim** - An assertion or demand by one contracting party on another for monies, time, support
536 and work due him for exposure (e.g., damage, shortage, error in shipment) not specifically defined in the
537 contract.
- 538 **Consultant Services** - Services of an individual or organization engaged in an advisory capacity on an
539 intermittent basis to provide scientific, technical, or administrative expertise. The end product is normally
540 a report or recommendation (s) based upon data obtained from the City or others.
- 541 **Contract** - A legally binding agreement between two parties or organizations for the provisions of items
542 or services from one to the other. (See also Purchase Order)
- 543 **Contract Administration** - The activity of administering contracts, including those acts to determine
544 conformance, communications regarding contractual matters, and processing of contract modifications.
- 545 **Contract Modification** - Any written alteration in the specification, delivery point, rate of delivery,
546 contract period, price, quantity, or other contract provisions to an existing contract, whether
547 accomplished by unilateral action in accordance with a contract provision or by mutual action of the
548 parties to the contract. It includes (i) bilateral actions such as supplemental agreements and (ii) unilateral
549 actions such as change orders, orders for provisioned items, administrative changes, notices of
550 termination, and notices of the exercise of a contract option.
- 551 **Contractor** - Any organization under contract to furnish items or services. It includes the terms vendor,
552 supplier, subcontractor, and fabricator and the sub-tier levels of these, where appropriate.
- 553 **Cost-Reimbursement Contract** - A contract where the contractor is reimbursed for actual cost incurred in
554 the performance of the contract.
- 555 **Delegated Authority** - The authority given by formal agreement to perform designated activities.
- 556 **Delivery** - The physical and/or legal transfer of a shipment from consignor to consignee. In determining
557 whether a component has been delivered, the basic element is if or when the purchaser has taken legal
558 possession of the item. (See also Receiving)
- 559 **Designated Representative** - An individual or organization authorized by the purchaser or vendor to
560 perform functions in the procurement process.
- 561 **Documentation** - Any written or pictorial information describing, defining, specifying, reporting, or
562 certifying activities, requirements, procedures, or results.



- 563 **Emergency Purchases** - A requirement which arises from a situation where a threat to public health,
564 welfare or safety such as may arise by reason of floods, epidemics, riots, equipment failure or such other
565 reason may be proclaimed by the City Manager or his authorized delegate. The existence of such condition
566 creates an immediate and serious need for supplies, services or construction that cannot be met through
567 normal public bidding methods and the lack of which would seriously threaten (a) the health or safety of
568 any person, (b) the prevention or protection of property.
- 569 **Earned Fee** - The contractor's compensation for completing a specific task or providing a specific work
570 product.
- 571 **Equipment** - The articles or implements used in an operation, activity, or process.
- 572 **Exception** - Any article, item, material, or configuration in which objectionable points are noted or
573 recorded.
- 574 **General Scope** - That work which is fairly and reasonably within the contemplation of the parties when
575 the contract was entered into.
- 576 **Guaranty** - Promissory obligations of one party to undertake to be secondary liable for the obligations of
577 another party.
- 578 **Invitation for Bid** - The complete assembly (bid package) or related documents (whether attached or
579 incorporated by reference) that is furnished to prospective bidders for the purpose of bidding. The notice
580 to bidders is a means of publicizing the invitation for bids.
- 581 **Lump Sum** - The total amount to be paid to a contractor for completing a given contract scope of work
582 ("Lump Sum Contract") or for completing a specific task or providing a specific work product.
- 583 **Material** - A substance or combination of substances forming components, parts, pieces, and equipment
584 items. (Intended to include machinery, castings, liquids, formed steel shapes, aggregates and cement).
- 585 **Negotiation** - A process of conferring with another to arrive at a mutual settlement of some matter.
- 586 **Notice to Bidders** - A formal notification to prospective suppliers, usually published in local newspapers,
587 of the City's intention to purchase specific equipment, materials, supplies, or services.
- 588 **Payment Bond** - A written obligation that a contractor will pay all labor, materialmen and subcontractors
589 amounts due them so that liens are not filed.
- 590 **Performance Bond** - A written obligation that a contract will be completed as bid and the end product will
591 be free of liens.
- 592 **Pricing** - To determine or set the amount of money to be paid for an item, material, or service.
- 593 **Procedure** - A document that specifies or describes how an activity is to be performed by a division,
594 department, operation, or function and includes interface relationships between organizations. It assigns
595 responsibility for performance of the activity. It may include methods to be employed, equipment or
596 materials to be used, and sequence of operation. Procedures are approved by the appropriate issuing
597 authority.
- 598 **Procurement** - An activity that includes purchasing, contracting, renting, leasing, or otherwise obtaining
599 materials, equipment, supplies, or services. It includes all functions that pertain to the obtaining of
600 supplies and services, including description (but not determination) of requirements, selection and
601 solicitation of sources, preparation and award of contracts, and related phases of contract administration.
- 602 **Procurement Documents** - Purchase orders, drawings, contracts, specifications, or instructions used to
603 define requirements for purchase.



- 604 **Procurement Function** - The responsibility to deal with contractor/suppliers on behalf of the City and
605 perform staff work in support of final actions taken by persons with assigned signature authority.
- 606 **Proposal** - An offer by one party or organization to another of terms and conditions with reference to
607 some work or undertaking. A proposal is in response to a solicitation for proposals and is usually
608 associated with procurement by negotiations. (See also Bid).
- 609 **Proprietary Information** - Information considered by the originator or holder in due course to be of value,
610 the disclosure of which may result in financial harm, loss of competitive advantage, deterioration of
611 market share, or other detriment to the holder.
- 612 **Proprietary Information Handling Agreement** - An agreement between the City and a contractor
613 concerning the disclosure and handling of proprietary information.
- 614 **Purchase Order** - A contract for the purchase of goods or services. The purchase order established the
615 binding requirements with the supplier for goods or services delivered. (See also Contract)
- 616 **Purchaser** - The organization responsible for establishment of procurement requirements and for
617 issuance and administration of procurement documents.
- 618 **Quality** - The degree of conformance of an item or material to the specified requirements.
- 619 **Receiving** - The action of taking delivery of an item at a designated location.
- 620 **Receiving Inspection** - The activity encompassing observation, examination, measurement, testing, and
621 documentation of an item, part, or materials at the time it is received to assure that it conforms to the
622 procurement requirements.
- 623 **Reject** - A disposition that provides that the item is unsuitable for its intended purpose and rework, or
624 repair is not economically feasible; the item is, therefore, removed from possible use.
- 625 **Repair** - The process of restoring a nonconforming characteristic to a condition such that the capability of
626 an item to function reliably and safely is unimpaired, even though that item still may not conform to the
627 original requirements.
- 628 **Responsible** - Ready, willing, and able to perform the work.
- 629 **Responsive** - Complies in all material respects with the essential provisions of the Invitation for Bids or
630 the Request for Proposals.
- 631 **Rework** - The process by which a nonconforming item is made to conform to a prior specified requirement
632 by completion, re-machining, reassembling, or other corrective means.
- 633 **Seller** - Any individual or organization under contract for furnishing goods or services, including the terms
634 vendor, supplier, contractor, subcontractor, fabricator, and consultant and the lower-tier levels.
- 635 **Services** - The performance by a contractor of activities such as design, fabrication, inspection, repair, or
636 installation.
- 637 **Signature Authority** - The authority to sign a document that formally commits the City.
- 638 **Solicitation** - The act of inviting prospective bidder to bid.
- 639 **Specification** - A concise statement of a set of requirements to be satisfied by a product, a material, a
640 service, or process indicating, whenever appropriate, the procedure by which it may be determined
641 whether the given requirements are satisfied.



- 642 **Supplement Agreement** - A contract modification that is accomplished by mutual action of the parties or
643 organizations to the original agreement.
- 644 **Supplies** - The quantities of goods and services offered for sale at a particular time or at one price.
- 645 **Surety** - A third party who has become legally liable for the debt, default or failure of performance by a
646 City contractor.
- 647 **Technical Services** - The performance of work or by activities that generate data/information. Technical
648 Services can be categorized either as professional or non-professional, depending upon that nature of the
649 service provided. End product is usually a report or service but may be a physical thing such as a model.
- 650 **Testing** - The determination or verification of capability of an item to meet specified requirements by
651 subjecting the item to a set of physical, chemical, environmental, or operating conditions.
- 652 **Travel Authorization** – An authorization that permits an employee of the City of Homer or City Council
653 Member to conduct business or to attend training beneficial for the City.
- 654 **Travel Advance Request** - A request by an employee or City Council Member who requires per diem in
655 advance, is using a personal vehicle or payment method, and should be submitted in conjunction with the
656 Travel Authorization form.
- 657 **Travel Expense Report** - A daily log of expenses while on business or training for the City of Homer.
658 Expense receipts, travel itinerary and event schedule are to be attached.
- 659 **Travel Report Narrative** - A written account of the trip, which contains the dates, people, and topics of
660 discussion had by Department Directors, the Mayor, and members of the Homer City Council, along with
661 any recommendations for follow-up, while conducting business or receiving training beneficial for the City
662 of Homer.
- 663 **Travel Status** – The time an authorized trip begins until it ends in accordance with the Travel Authorization
664 Form. If travel is delayed or adjusted outside the timeline on the Travel Authorization Form, a Travel
665 Narrative is required to explain added time and/or expenses incurred.
- 666 **Warranty** - Promissory obligations of one party to undertake to be secondary liable for the obligations of
667 another party.

Appendix 1 - Purchase Order

City of Homer requires purchase orders be entered into the accounting system directly. Below are screenshots of the current system's purchase order entry screens. Questions should be directed to the Accounts Payable Technician.





Appendix 2 – Check Request

CITY OF HOMER

CHECK REQUEST FORM

CHECK REQUEST DATE _____

PLEASE MAKE CHECK PAYABLE TO:

DESCRIPTION/REASON FOR REQUEST:

ACCOUNT NUMBER

AMT\$

ACCOUNT NUMBER

AMT\$

ACCOUNT NUMBER

AMT\$

ACCOUNT NUMBER

AMT\$

ACCOUNT NUMBER

AMT\$

AMOUNT TOTAL \$ _____

REQUESTED BY _____

APPROVED BY _____

DATE CHECK NEEDS TO BE MAILED

OR

PERSON TO RETURN CHECK TO



Appendix 3 – Price Quotes

CITY OF HOMER

PRICE QUOTES FOR GOODS AND SERVICES OVER \$2000

VENDOR NAME/ VENDOR CONTACT	DATE	DESCRIPTION	PRICE INCLUDING SHIPPING CHARGE	MODE TRANS	VENDOR EVALUATE
--------------------------------	------	-------------	------------------------------------	---------------	--------------------

1)

2)

3)

Purchasing Agent: _____ Department: _____ Date: _____

(Attached to encumbrance copy or PO)



Appendix 4 – Procurement Card Request

CITY OF HOMER

Procurement Card Request

<u>First Name</u>	<u>Middle Initial</u>	<u>Last Name</u>
<u>Department:</u>		
<u>Email Address</u>	<u>Office Phone Number</u>	
<u>Department Director Name</u>		
<u>Department Director Email</u>	<u>Department Director Phone Number</u>	
<u>Reason for Request:</u> <input type="checkbox"/> New P-Card User <input type="checkbox"/> Expired Card <input type="checkbox"/> Lost/Stolen Card <input type="checkbox"/> Limit Increase/Decrease		
<u>Purchase Authorization Limit:</u> <input type="checkbox"/> Department Director: \$10,000 <input type="checkbox"/> Division Director: \$5,000 <input type="checkbox"/> Administrative Lead: \$2,000 <input type="checkbox"/> Departmental Staff: \$1,000	<u>Monthly Limit:</u> <input type="checkbox"/> Department Director: \$20,000 <input type="checkbox"/> Division Director: \$10,000 <input type="checkbox"/> Administrative Lead: \$10,000 <input type="checkbox"/> Others: \$5,000	
<u>If Requesting Limit Increase, please explain:</u> 		
<u>Cardholder Signature</u>	Date:	
<u>Department Director Signature</u>	Date:	
<u>Finance Notes:</u>		



Appendix 5 – Appointment of Designee for Spending Authority



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum

TO: FINANCE DEPARTMENT

THROUGH: CITY MANAGER

FROM: DEPARTMENT HEAD NAME

DATE: MM/DD/YYYY

SUBJECT: SPENDING AUTHORITY DESIGNATION ABOVE AUTHORIZATION LEVEL

Employee Name: _____

Purchase Authorization: _____

Justification of spending authority increase:

Period of designation: _____

Specific approval limitations: _____

Signatures required:

Department Head: _____

City Manager: _____

Finance Director: _____



MEMORANDUM

Appreciation for Security Grille Funding

Item Type: Information Memorandum
Prepared For: Mayor and City Council
Date: August 21, 2024
From: Library Advisory Board
Through: Dave Berry, Library Director

At its meeting on August 20, 2024, the Library Advisory Board voted to express its gratitude to the Mayor and City Council of Homer for providing funding to install a security grille at the front entrance of the library. Having a grille in place will enhance the library's value to the community and extend the library's services, giving the people of Homer greater benefit from the existing meeting room. It's a big step in responding to the demands of a growing society.

The motion of thanks passed with unanimous support from all members of the LAB. Thank you for your hard work on behalf of the Homer community.

Recommendation:

For appreciation and thanks.



MEMORANDUM

HERC 2 Building Exterior

Item Type: Action
Prepared For: Mayor Castner and Homer City Council
Thru: Melissa Jacobsen, City Manager
Date: August 23, 2024
From: Parks, Art, Recreation & Culture Advisory Commission

Background Information:

The HERC 2 building (the smaller vacant structure) will be with us for an undetermined amount of time, and it continues to fall into disrepair as seen by the plywood covering windows that have been broken out by vandalism. The building is highly visible to residents and visitors as they enter town from the west and a couple members of Council have reached out to see what might be done to provide a facelift to the building with some better visuals before winter settles in and it's too cold to do any work.

City Manager Jacobsen has requested PARCAC take some time at their August 15th meeting to consider how we might improve the exterior of the HERC 2 building and provide recommendations to City Council.

The Commission discussed at length what steps could be taken to improve the exterior of the facility until it could be demolished. The Commission did not want to have murals or any similar action taken since the building needs to be removed and came to the conclusion that boarding up the windows with plywood painted a similar color would be the least obtrusive and inexpensive to maintain.

Recommendation:

PARCAC recommends to have all of the windows in the building boarded up and to paint the all the boards a similar color to the existing building.