



Action Agenda

City Council Worksession, Committee of the Whole & Regular Agendas

Monday, March 24, 2025, 2024 at 4:00 PM

City Hall Cowles Council Chambers In-Person & Via Zoom Webinar

Homer City Hall

491 E. Pioneer Avenue
Homer, Alaska 99603
www.cityofhomer-ak.gov

<https://cityofhomer.zoom.us>

Dial: 346-248-7799 or 669-900-6833;
(Toll Free) 888-788-0099 or 877-853-5247

WORKSESSION

Zoom Webinar ID: 965 8631 4135 Password: 792566

CALL TO ORDER, 4:00 P.M.

Mayor Lord called the meeting to order at 4:00 p.m.

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

APPROVED without discussion.

DISCUSSION TOPIC(S)

a. FY26/FY27 Budget Discussion – General Fund – *Please refer to Supplemental Packet*

City Manager Jacobsen and Finance Director Fischer facilitated discussion on proposed draft General Fund Budget for FY26/FY27. It was noted that this proposed budget was focused on the general fund only, did not include any capital projects or reserves. The following points were discussed, questioned, or noted:

- Revenues expected:
 - Property Taxes
 - steady increase year over year
 - bulk of the revenue has been received
 - increase in \$1 million over budgeted amounts
 - Sales & Use Taxes
 - Based on a three-year average
 - Provide more details on the specific components of Line item 13, Sales Tax Comm.
 - Proposed Budget Transfer to HART
- Clarification on the significant increase in Line Item 36, Police Special Services.
- Confirm the pending payment for Line Item 34, Prisoner Care from the State for FY25 reflected amount is approximately ½ of the previous year's fee.
- Possibility of renegotiating Line Item 39 Pioneer Avenue maintenance agreement with the State DOT
- Provide a breakdown of overtime Line 5105 increases for FY27
 - particularly for the police and fire departments.

- Retirements
- Personnel vacancies causing gaps and overtime is required to do this
- health insurance costs once the benefit broker bid results are received, estimated 12% increase included
- details on the property tax revenue projection model for Council review.
- Prepare a draft budget for the next meeting,
 - status quo version and a version with potential cuts.
 - Will be meeting with Department Heads regarding potential budget cuts
- Increased line items are due to inflationary pressures
- Deficits for FY26 is \$694,563 and FY27 is \$596,563
- Does not reflect transfers for Capital Projects or CARMA funds
- Proposed budget does include 2.2% COLA for FY26 amounts to \$186,555 and FY27 is \$190,336
 - The City reviews COLAs every year
 - Employee Committee has recommended a 2.2% based on the Consumer Price Index (CPI)
- Concerns expressed on maintaining a conservative budget

COMMENTS OF THE AUDIENCE (3 minutes)

There were none.

ADJOURNMENT NO LATER THAN 4:50 P.M.

Mayor Lord adjourned the meeting at 4:44 p.m.

COMMITTEE OF THE WHOLE

Zoom Webinar ID: 953 097 829 Password: 234969

CALL TO ORDER, 5:00 P.M.

Mayor Lord called the meeting to order at 5:00 p.m.

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

APPROVED without discussion.

CONSENT AGENDA

Mayor Lord opened the floor to discussion of Consent Agenda items. Councilmembers put forth questions and discussed the following with Staff and the City Manager:

Resolution 25-023 regarding pursuing easement for Easy Street

- Costs if any to the City
 - funding for required survey work to create documents for Bureau of Indian Affairs to approve.
 - Funding is already available and present
 - City is a property owner that is benefitting from the access
 - This has nothing to do with a prior action to vacate Farmwald Circle

Resolution 25-024 regarding expressing support for continued Federal support of Museum and Library Services.

- Forward executed resolution to AML and Legislative Representatives
 - City Manager or the City Clerk will forward

REGULAR MEETING AGENDA

Ordinance 25-29 Appropriating an Additional \$3,200 from HART Trails Fund for Change Order No. 1 to Kinney Engineering Task Order 24-01.

- Clarification on funding and work by the contractor and subcontractor
 - Reviewing and following procurement processes so there is less issues in the future
- One-time opportunity to have the connection included in the State's project
 - Additional funding required for necessary easements
 - Public Private Partnership should be considered
 - Contacting the property owners to determine interest prior to appropriating funding
 - Council direction is requested on obtaining easements
 - Councilmember Parsons to work with Staff on this project
- Clarification on this was a time and materials contract
 - Standard language used in contracting
- Considerations to make sure in the future contract language is specific

Ordinance 25-07, Amending the FY25 Capital Budget by Appropriating \$67,480.81 from HAWSP for the Purpose of Reimbursing Seven Property Owners in the Bunnell Ave/Charles Way Special Assessment District for the Cost of E-One Lift Stations.

- Clarified the intent and purpose of this ordinance was to reimburse property owners for the lift stations they paid for but did not receive since there were no structures on their property.
 - Cannot install lift stations on vacant land due to effects of freeze and thaw to infrastructure.

Ordinance 25-30, Amending the FY25 Capital Budget by Appropriating an Additional \$57,073.12 from HAWSP for the Purpose of Reimbursing Six Property Owners in the Bunnell Ave/Charles Way Special Assessment District for the Cost of E-One Lift Stations.

- Clarified the intent and purpose of this ordinance was to resolve the issue for property owners within the Special Assessment District who improve their properties and install lift stations and reimburse Mr. Long for his expenses installing his lift station.
 - Mr. Long's reimbursement was higher due to the extended period he waited while the City figured this issue out.
 - This also sets out the period of time for reimbursement.

Ordinance 25-17(S) Accepting and Appropriating an FY24 Transportation Program Grant in the Amount of \$1,100,000 from the Denali Commission for the Purpose of Completing Design and Permitting for Homer Harbor Critical Float System Replacement Project **with a Local Match of \$1,105,000 and Authorizing the City Manager to Execute the Appropriate Documents.**

- Expressed appreciation for the memorandum provided by Special Projects and Communications Coordinator Carroll and did not have any further concerns.
- Reaching out to our Congressional Delegation to express how important these projects are and the grant funding as the City has put a lot of work and effort towards these grants to be told yes then maybe.
 - Meeting with Murkowski office to review concerns

- May be able to amend the grant to work for complete streets and safety component that would comply with Executive Order guidelines.
- Expense of environmental studies to replace a float system

DISCUSSION/PRESENTATION TOPICS

- a. FY26/FY27 Budget Discussion (continued – if needed) *Please refer to Supplemental Packet*

Council continued discussion on proposed draft budget

- Line Item 5280 Volunteer Incentives decrease in funding

COMMENTS OF THE AUDIENCE

There were none.

ADJOURNMENT NO LATER THAN 5:50 P.M.

Mayor Lord adjourned the meeting at 5:36 p.m.

REGULAR MEETING

Zoom Webinar ID: 205 093 973 Password: 610853

CALL TO ORDER, PLEDGE OF ALLEGIANCE

Session 25-09 a Regular Meeting of the City Council of Homer, Alaska was called to order on Monday, March 24, 2025 by Mayor Rachel Lord at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

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

Mayor Lord read the supplemental items into the record as follows: **CONSENT AGENDA** Item g. Resolution 25-024 Endorsing the Purpose of the Institute of Museum and Library Services and Urging Officials at the Local, State and National Levels to Maintain its Current Services. Mayor. Public Comment received.

APPROVED without discussion.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

There are none for this meeting.

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Mayor Lord invited the public to comment on items already on the agenda with the exception of the following:

- Ordinance 25-24, Amending the Official Road Maintenance Map of the City of Homer by Adding 2871 Lineal feet (.54 Miles) of Urban Road on Eric Lane, Linstrang Way, Beauregard Court and Edson Circle
- Ordinance 25-25, Amending the FY25 Capital Budget by Appropriating \$71,000 from the HART Roads to Fund Design of the Highland Drive Culvert Replacement Project

- Ordinance 25-26, Affirming the Ground Lease and Security Agreement between the City and Tackle Shack Co., LLC., for a Portion of Lot 5 and Authorizing the City Manager to Execute Termination of Lease Documents for Previously Superseded Leases.

There were four who commented.

RECONSIDERATION

There are none for this meeting.

CONSENT AGENDA

- Homer City Council Unapproved Special and Regular Meeting Minutes of March 10, 2025. City Clerk. Recommend adoption.
- Memorandum CC-25-090 from Mayor re: Appointments of Pat Case to the ADA Advisory Board, Deb Curtis to the Library Advisory Board and Reappointment of Deborah Isaak to the Economic Development Advisory Commission. Recommend approval.
- Ordinance 25-28, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Unappropriating \$268,605 of Homer Accelerated Roads and Trails (HART) Roads Funds for the Ohlson Lane West Bunnell Avenue Reconstruction Project. City Manager/Public Works Director. Introduction March 24, 2025 Public Hearing and Second Reading April 14, 2025

Memorandum CC-25-091 from Public Works Director as backup.

- Resolution 25-021, A Resolution of the City Council of Homer, Alaska, Authorizing the Staff of the Homer Public Library to Apply for a Public Libraries Assistance Grant (PLAG) from the State of Alaska, in the Amount of \$7,000. City Manager/Library Director. Recommend adoption.

Memorandum CC-25-094 from Library Director as backup.

- Resolution 25-022, A Resolution of the City Council of Homer Alaska Authorizing the Issuance of a Task Order to RESPEC Company, LLC in the Not to Exceed Amount of \$71,000 for Design of the Highland Drive Culvert Replacement Project and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/City Engineer. Recommend adoption.

Memorandum CC-25-095 from City Engineer as backup.

- Resolution 25-023, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Pursue Acquisition of an Access Easement on Easy Street and to Negotiate and Execute the Appropriate Documents. City Manager. Recommend adoption.

Memorandum CC-25-096 from Community Development Director as backup

- Resolution 25-024, A Resolution of the City Council of Homer, Alaska, Endorsing the Purpose of the Institute of Museum and Library Services (IMLS) and Urging Officials at the Local, State and National Levels to Maintain its Current Services. Mayor. Recommend adoption.

Memorandum CC-25-097 from Library Director as backup.

- Resolution 25-025, A Resolution of the City Council of Homer, Alaska, Acknowledging the Month of April as Sexual Assault Awareness Month, honoring survivors of sexual assault, Recognizing Advocates,

Organizations and Community Members working to prevent Sexual Assault in Homer and Across the Kenai Peninsula. Mayor Recommend adoption.

ADOPTED without discussion.

VISITORS (10 minutes per visitor)

- a. South Peninsula Haven House – Sexual Assault Prevention – Lindsey Collins & Maria Walker

Mayor Lord introduced the topic and then read Resolution 25-025 into the record. She then invited Ms. Collins and Ms. Walker to make their presentation.

Lindsey Collins and Maria Walker presented information on Sexual Assault Awareness Month Denim Day and the work that Haven House does for the Kenai Peninsula.

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

- a. Worksession Report

City Manager Jacobsen reported that Council discussed the draft proposed FY26 & FY27 general fund budget.

- b. Committee of the Whole Report

Councilmember Aderhold reported that discussion was conducted on Resolutions 25-023, 25-024, Ordinances 25-07, 25-17(S), 25-29 and 25-30.

- c. Mayor's Report

Mayor Lord noted her newsletter and that it could be located on the city website or via www.deskofthehomermayor.substack.com and provided brief synopsis of the following meetings and events she attended Homer Harbor Expansion Update, City Council Worksession on the Fire Department, Library Advisory Board Meeting, Planning Commission Meeting, Parks Art Recreation & Culture Advisory Commission meeting Kachemak Board of Realtors Luncheon, Decommissioning of the USCG Cutter Naushon, final performance of Singing in the Rain and attending the Alaska Food Festival and Conference in Kodiak:

- d. Borough Report

Assembly person Cooper provided a report on the following:

- Visiting with her grandchildren and the number of things there were to do and see at this time of year when people don't think there is anything to do in Homer there are all kinds of shenanigans.
 - Shopping
 - Tour of the Bay
 - Fishing
 - Dining
 - Walking
- Property Assessments have been distributed and deadline for appeals is April 1st contact the Assessors department at 907-714-2230 with questions and concerns, sometimes they can address things right away over the phone.
 - Board of Equalization Hearings will be scheduled for mid-April for items not able to be addressed by the Assessor department informally.

- There was a lot of new construction on the southern peninsula specifically Anchor Point, Homer and East End and folks are still building. There was a 4% increase in vacant land in Homer or on city lots.
- Budget presentations have started with service areas meeting with the Mayor, emergency departments asking for additional staffing and may result in a mil increase on property taxes
 - 2-2.5% inflationary budget
 - School District Budget is a really big topic and the request should be presented in mid-April
 - Comments received regarding a similar action employed in California regarding valuation freeze and that is a State action, the Borough cannot effect that action only the State can freeze the amounts.

e. Planning Commission Report

There was no report provided.

f. Economic Development Advisory Commission

There was no report provided.

g. Library Advisory Board

Boardmember Haas provided a report noting the completion of Library Policies update, and Comprehensive Plan recommendations.

h. Parks, Art, Recreation & Culture Advisory Commission

Commissioner Ellie Stefano provided a report noting the commission is planning an Art Gallery and Museum walk through, their Comprehensive Plan recommendations, acknowledgement of the work accomplished by Chad Felice our parks maintenance personnel and submissions for the additional silhouettes for the Nomar wall mural.

PUBLIC HEARING(S)

- a. Ordinance 25-24, An Ordinance of the City Council of Homer, Alaska, Amending the Official Road Maintenance Map of the City of Homer by Adding 2871 Lineal feet (.54 Miles) of Urban Road on Eric Lane, Linstrang Way, Beauregard Court and Edson Circle. City Manager/Public Works Director. Introduction March 10, 2025 Public Hearing and Second Reading March 24, 2025.

Memorandum CC-25-078 from Public Works Inspector as backup.

Mayor Lord introduced the topic by reading of the title and opened the public hearing, seeing no one interested in providing testimony she closed the public hearing and requested a motion.

ADOPTED without discussion.

- b. Ordinance 25-25, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating \$71,000 from the Homer Accelerated Roads and Trails (HART) Roads to Fund Design of the Highland Drive Culvert Replacement Project. City Manager/Public Works Director. Introduction March 10, 2025 Public Hearing and Second Reading March 24, 2025

Memorandum CC-25-079 from Public Works Director as backup.

Mayor Lord introduced the topic by reading of the title and opened the public hearing, seeing no one interested in providing testimony she closed the public hearing and requested a motion.

ADOPTED without discussion.

- c. Ordinance 25-26, An Ordinance of the City Council of Homer Alaska Affirming the Ground Lease and Security Agreement between the City and Tackle Shack Co., LLC., for a Portion of Lot 5, as shown on the Subdivision Plat entitled HOMER SPIT, filed as Amended Plat Number 89-34, Homer Recording District, State of Alaska, also known as Kenai Peninsula Borough Tax Parcel No. 181-03-105 and Authorizing the City Manager to Execute Termination of Lease Documents for Previously Superseded Leases. City Manager/Port Director. Introduction March 10, 2025 Public Hearing and Second Reading March 24, 2025.

Memorandum CC-25-081 from Port Property Associate

Mayor Lord introduced the topic by reading of the title and opened the public hearing, seeing no one interested in providing testimony she closed the public hearing and requested a motion.

ADOPTED without discussion.

ORDINANCE(S)

- a. Ordinance 25-29, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating an Additional \$3,200 from the Homer Accelerated Roads and Trails (HART) Trails Fund for Change Order No. 1 to Kinney Engineering Task Order 24-01 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Introduction March 24, 2025 Public Hearing and Second Reading April 14, 2025.

Memorandum CC-25-092 from Public Works Director as backup.

Mayor Lord introduced the topic by reading of the title and requested a motion and second to introduce Ordinance 25-29.

ADERHOLD/VENUTI MOVED TO INTRODUCE ORDINANCE 25-29 BY READING OF TITLE ONLY.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Lord noted the Ordinance will be brought back for public hearing at the next meeting.

- b. Ordinance 25-30, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating an Additional \$57,073.12 from the Homer Accelerated Water and Sewer Program (HAWSP) for the Purpose of Reimbursing Six Property Owners in the Bunnell Ave/Charles Way Special Assessment District for the Cost of E-One Lift Stations. Aderhold/Hansen. Introduction March 24, 2025 Public Hearing and Second Reading April 14, 2025.

Mayor Lord introduced the topic by reading of the title and requested a motion and second to introduce Ordinance 25-30.

ADERHOLD/HANSEN MOVED TO INTRODUCE ORDINANCE 25-30 BY READING OF TITLE ONLY.

A brief discussion providing clarification on the intent of the ordinance as a companion ordinance to 25-07 to deal with the situation that developed with the Charles Way Water and Sewer Special Assessment District.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

- a. City Manager's Report
- b. Financial Report

Monthly FY25 Year to Date Report

City Manager Jacobsen provided a summary review of her report and facilitated discussion on the following:

- Next steps regarding the Fire Department
 - Putting together a timeline
- Updating the emergency response document
 - Preparation for Mt Spur event with Department Heads
 - Messaging to City Residents

PENDING BUSINESS

- a. Ordinance 25-07, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating \$67,480.81 from the Homer Accelerated Water and Sewer Program (HAWSP) for the Purpose of Reimbursing Seven Property Owners in the Bunnell Ave/Charles Way Special Assessment District for the Cost of E-One Lift Stations. City Manager.

Memorandum CC-25-088 from City Manager as backup.

Memorandum CC-25-086 from City Manager as backup.

Memorandum CC-25-059 from City Manager as backup.

Memorandum CC-25-030 from City Manager as backup.

Mayor Lord introduced the item by reading of the title and noted for the record that this item was Introduced on January 27th, a Public Hearing was held on February 10th and then postponed to the March 10th meeting to allow staff to provide additional options for Council to consider. It was again postponed to the meeting on March 24th. The following motion is on the table from the February 10th meeting:

ADOPTED without discussion.

- b. Ordinance 25-17(S), An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an FY24 Transportation Program Grant in the Amount of \$1,100,000 from the Denali Commission for the Purpose of Completing Design and Permitting for Homer Harbor Critical Float System Replacement Project **with a Local Match of \$1,105,000 and Authorizing the City Manager to Execute the Appropriate Documents.**

Memorandum CC-25-093 from Port Director and Spec. Proj.
& Commun. Coord. as backup.
Memorandum CC-25-087 from City Manager as backup.
Memorandum CC-25-063 from Port Director as backup.

Mayor Lord introduce the topic by reading of the title and note for the record that Ordinance 25-17 was introduced on February 24, 2025, a public hearing and second reading was conducted on March 10th and the substitute ordinance was adopted and postponed to the March 24th meeting to allow staff to provide a breakdown of the costs, and provide details on engineering. The motion before Council is:

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 25-17(S) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING

ADOPTED without discussion.

NEW BUSINESS

There were none for this meeting.

RESOLUTIONS

There were none for this meeting

COMMENTS OF THE AUDIENCE

There were four who commented.

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti has no comments.

COMMENTS OF THE CITY CLERK

City Clerk Krause announced advisory body vacancies.

COMMENTS OF THE CITY MANAGER

City Manager Jacobsen announced the employment opportunities with the city.

COMMENTS OF THE MAYOR

Mayor Lord had a fun weekend with her family at the Winter King Tournament, enjoying food trucks and watching people participate. She also attended a performance of "Singing in the Rain" by Homer High School students. She mentioned challenges faced by people wanting to get involved in the community, suggesting options like the Chamber of Commerce and arts communities.

COMMENTS OF THE CITY COUNCIL

Councilmember Hansen commented on attending the Kachemak Bay Recovery Connection meeting, and the amazing program and services that are provided for the Homer area.

Councilmember Erickson shared excitement for the outdoor activities in this favorite time of year, including events like The Epic with 125 attendees, Snomads Fun Run utilizing ATVs due to snow absence, the Slush Cup, Singing in the Rain musical, upcoming family fun day at Caribou Lake, and anticipating April blooming.

Councilmember Davis praised the Homer High School Choir, with his children involved, for their exceptional performance. He also announced a job fair on March 28th, organized by the Chamber of Commerce and Marine Trades Association, and a documentary screening about the Israeli-Palestinian conflict in April.

Councilmember Aderhold recently discussed the Exxon Valdez oil spill anniversary and a captivating radio play at Porcupine Theater, soon to air on KBBI. She acknowledged the outdoors' appeal but highlighted recent tragic deaths and accidents, advising caution due to hazardous conditions like avalanches and melting ice in the high country. Aderhold emotionally attended the decommissioning of the Naushon, a significant Island Class cutter with a remarkable Coast Guard history, describing it as a poignant and tearful event.

Councilmember Parsons praised city commissions and boards, highlighting a recent Planning Commission meeting, actions on the Farmwald right of way vacation that garnered no public comment compared to a similar action, and Library Advisory Board addressing the IMLS issue. He thanked the Clerk's Office for their service and appreciated the City Manager's work.

Councilmember Venuti discussed the Chamber of Commerce's handout, events calendar, donations, and peony plants. She shared memories of the Exxon Oil Spill and the 1964 earthquake, prompting concerns about the city's water supply. She advised listeners to prepare emergency kits with pet food and wished everyone a happy spring.

ADJOURNMENT

Mayor Lord noted the Women of Distinction Celebration and adjourned the meeting at 7:36 p.m. noting the next Regular Meeting is Monday, April 14, 2025 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.