



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

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Memorandum

TO: Mayor Lord and Homer City Council
FROM: Melissa Jacobsen, City Manager
DATE: May 7, 2025
SUBJECT: City Manager's Report for May 12, 2025 Council Meeting

KPEDD Industry Overview Forum 4/24/25

The Kenai Peninsula Economic Development District put on their annual forum this year in Kenai, with three staff members from the City's Community Development department in attendance: Julie Engebretsen, Ryan Foster, and Jackie McDonough. They were treated to a day of presentations from area experts on workforce development, the future of energy in Cook Inlet, mariculture, and other topics. According to a KPEDD-commissioned report, the Kenai Peninsula Borough's economy "has fared much better than most other places in Alaska in recent years" and the outlook for 2025 is "relatively positive." Challenges include housing availability, the retention of young workers, and health care for a growing senior population.

The forum also marked the launch of the next Comprehensive Economic Development Strategy (CEDS), a regional plan that is revised every five years and guides economic growth across the borough. Public input is being solicited in many communities, including Homer on May 29th. More information can be found at kpedd.org/ceds.

Reminder: Homer Education and Recreation Center (HERC) Community Meeting

The City of Homer is hosting a community informational meeting regarding the Homer Education and Recreation Center (HERC) on May 20, 2025 at 6pm. Special guests include staff from the State of Alaska Department of Environmental Conservation Brownfields Program, consultants from BGES – an environmental consulting firm hired by the state to conduct hazardous materials testing, and a facilitator from the Center for Creative Land Recycling. Join us at the Homer Public Library to discuss Brownfields, challenges, and what is happening now at the HERC. The presentation will begin at 6:15pm. Please send questions or comments to planning@ci.homer.ak.us.

Bridge Removal at the big HERC Building

Public Works staff have done a structural assessment on the bridges and surrounding ground on the west side of the big HERC building. The south bridge is 40 plus year old bridge and as it is now, repairs are not feasible. Public Works equipment operators will be replacing bridge over the next few days with a 36" culvert for drainage and creating a temporary 8ft- 10ft gravel walking path.

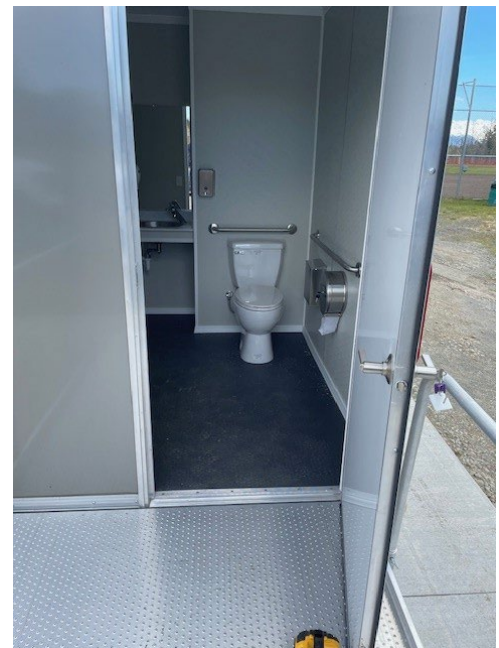
Homer Spit Rock Revetment Work Complete

Contractors for the Alaska Department of Transportation & Public Facilities recently completed the final section of rock hard facing that closes the gap between the end of the Homer Spit Road rock revetment and the Glacier Drive-In property. This critical section of rock was added to the existing rock revetment to protect properties that were particularly impacted by erosion and left vulnerable following last November's storm surge event. While over the long-term more comprehensive erosion mitigation measures are essential, we appreciate the State completing this important emergency protective measure to help protect coastal infrastructure and local properties from immediate erosion damage.



Mobile Restroom Update

In 2024, Council approved funds to complete water/sewer connections and purchase Mobile Restroom units to provide improved public facilities at city parks. We are happy to report that we now have two of these mobile restroom units, each featuring 3 individual stalls with full City water/sewer service, and that they will be operational for the kick-off of the 2025 recreational season. One unit has just been installed and is operational at Jack Gist Park, pictured below. The second unit will be placed at Karen Hornaday Park and is expected to be operational in time for Homer Little League's opening day.



Public Input Opportunity on a Proposed Community Recreation Center Site

At the beginning of the year Council approved Memorandum CC-25-011 requested feedback from Parks, Art, Recreation, and Culture Advisory Commission (PARCAC), the Economic Development Advisory Commission (EDC), Planning Commission, neighboring property owners, organizations, and community members on a City owned parcel in the town center for a future Community Recreation Center. Recreation Manager Mike Illg has drafted an informational memo for Commission's upcoming May meetings and the PARCAC and EDC will have a second meeting in June. Property owners adjacent to the site and organizations will be notified by mail that they're invited to attend the June meetings, and/or provide input through the webpage that is being developed. Community members are invited to provide comments at the meetings and through the webpage as well. This is an exciting next step in this effort!

City Manager Meetings and Events:

- April 30th – FY26/27 Budget update at Employee Committee meeting
- May 1st – Monthly Lease Property Team meeting
- May 7th – KBNERR and staff re: Kachemak Peatlands NOAA Grant check in
- Ongoing weekly meetings with Departments, Mayor and Councilmembers, and City Attorney

Attachments:

- Memorandum from Special Projects & Communications Coordinator Re: Status of the Sterling Highway Erosion Mitigation Project
- HERC Flyer
- Employee Anniversaries for May



MEMORANDUM

Status of the Sterling Highway Erosion Mitigation Project #34708 proposed in the 2024-2027 Statewide Transportation Improvement Program, Amendment #2.

Item Type: Informational Memorandum
Prepared For: Mayor and City Council
Date: May 7, 2025
From: Jenny Carroll, Special Projects & Communications Coordinator
Through: Melissa Jacobsen, City Manager

Update on Status of the Sterling Highway Erosion Mitigation STIP Project #34708

In mid-February 2025, the Alaska Department of Transportation and Public Facilities (DOT&PF) informed the City that they were nominating a Sterling Highway Erosion Mitigation Project on the Homer Spit for inclusion in the 2024-2027 Statewide Transportation Improvement Program (STIP) through the STIP amendment process. Additionally, DOT&PF proposed that the City of Homer take the lead on planning efforts by contracting with engineering firm(s) to complete planning and design.

The erosion mitigation STIP project, numbered 34708, proposes \$800,000 (\$727,760 in Federal PROTECT formula funds and \$72,240 in State matching funds) for FY25 planning activities to “evaluate needed improvements to protect the Sterling Highway from erosion along the Homer Spit. Improvements may include excavation, coastal erosion protection, paving, signing and striping, and utility relocations”.

Amending the STIP is a formal process that requires a public comment period and response to comments before it is submitted to the Federal Highway Administration for final approval. Staff forwarded [City Council Resolution 23-083\(A\)](#) to the State as the City’s official comment during the Public Comment period, which closed on March 20, 2025.

On April 24, 2025, City staff met with Alaska Department of Transportation and Public Facilities (DOT&PF) Deputy Commissioner Katherine Keith to get an update on the status of the proposed project. Presently, DOT&PF is wrapping up their review and making edits in response to public comments and is preparing to send the final proposed Amendment #2 to FHWA. She also informed staff that DOT&PF prepared a very preliminary Scope, Schedule, Cost Estimate (SSE), which increased planning funding for the project and added construction funding in a future year.

On April 30, 2025, DOT&PF Commissioner Anderson emailed a response to the Mayor and City Council (attached) thanking you for your “detailed and proactive letter of support” and that “local commitments strengthen the case for federal funding through grant programs and will be essential as we scope data collection and planning efforts under Project #34708.”

Deputy Commissioner Keith connected the City with Wyatt Sorensen who is DOT&PF’s Project Management Office Director and will be our liaison for the proposed project. Mr. Sorensen shared the preliminary SSE which estimates \$1.5M for project planning (\$1M for FY25 and \$500,000 for FY26) and estimates \$6.1M in construction costs in year four (FY28).

In a May 5, 2025 phone meeting with Mr. Sorensen, staff learned that the construction cost estimate is based on a **Rough Order of Magnitude cost estimate** from HDR’s 2019 Technical Memo which focused on rock revetment as the solution for erosion prevention and estimated per-linear-foot costs for revetment that likely have changed since that time. The construction cost estimate presently programmed in the STIP is subject to change depending on planning and design outcomes, i.e. rock revetment work and/or offshore mitigation measures.

While there is still much to learn about the process of working with DOT&PF on this project, we are very pleased to be working collaboratively on long-term mitigation strategies to protect the Homer Spit and its essential transportation infrastructure.

This collaborative effort represents a significant undertaking for the City, where details are critical to managing a project of such magnitude and complexity. Staff is proceeding with appropriate diligence in gathering information, evaluating options, and understanding implications—and will keep Council fully informed of all developments. It’s important to note that no formal agreements can be executed with the State until the STIP amendment receives FHWA approval, and the City will neither enter into agreements with the State nor undertake specific planning tasks or commitments without prior Council consideration and formal decision.

Recommendation: N/A. This is an informational memo only.

Attachments:

Letter from DOT&PF Commissioner Ryan Anderson
Sterling Hwy Erosion Mitigation Study proposed STIP project #34708
Scope, Schedule, Estimate (SSE) Confirmation

From: [Commissioner, DOT \(DOT sponsored\)](#)
To: [Jenny Carroll](#)
Cc: [DOT STIP \(DOT sponsored\)](#)
Subject: RE: STIP Amendment #2 – Project #34708 Sterling Highway Erosion Mitigation Study
Date: Wednesday, April 30, 2025 4:55:17 PM

Dear Mayor and City Council,

Thank you for your detailed and proactive letter of support for Project #34708, the Sterling Highway Erosion Mitigation Study, included in the Draft Amendment #2 to the 2024–2027 Statewide Transportation Improvement Program (STIP).

We recognize the City of Homer's long-standing advocacy for protecting the Homer Spit and the critical infrastructure it supports, including transportation links, port operations, and public access. We also appreciate your reference to the recent storm damage and disaster declarations in November 2024, which have underscored the urgent need for coordinated erosion mitigation and resilience planning.

The Department values the City's formal resolutions, ongoing leadership, and willingness to collaborate in pursuing federal partnerships, including a potential co-sponsored U.S. Army Corps of Engineers General Investigation. These local commitments strengthen the case for federal funding through grant programs and will be essential as we scope data collection and planning efforts under Project #34708.

We are encouraged by the City's vision and engagement, and we look forward to continued cooperation as the project progresses. Your support and collaboration will be key in shaping a durable and sustainable response to erosion vulnerabilities along the Homer Spit.

Thank you again for your leadership and your commitment to strengthening infrastructure resilience in coastal Alaska.

Sincerely,

Ryan Anderson, P.E.
Commissioner
Alaska Department of Transportation and Public Facilities

34708**Sterling Highway Erosion Mitigation Study**

This planning study will evaluate needed improvements to protect the Sterling Highway from erosion along the Homer Spit. Improvements may include excavation, coastal erosion protection, paving, signing and striping, and utility relocations.

Strategic Investment Area		Work Type	Place Name		Bridge Condition		
Resiliency			Homer		Bridge #	Year Built	Condition
Landscape			Pavement Condition				
Corridor			Current Condition	Expected Condition	No Bridge Work		No Rating or N/A
Toll Credits	PEB Score		N/A	N/A			
\$0	N/A						

2024-2027 STIP Funding by Phase			2024-2027 STIP Funding by Source		
Phase Total		\$800,000	Fund Source Total		\$800,000
FY	Phases	Planned Obligation	FY	Fund Source	Programmed
FY25	P9	\$800,000	FY25	PROTECT Program	\$727,760
			FY25	State Match	\$72,240

Additional Project Details									
STIP ID #	IRIS Code	Total Project Cost by Stage	Obligated Prior to FY25	FY25-27 Planned Obligation w/o ACC	Post FY27 Planned Obligations	Start	Finish	AC Balance Prior to FY25	Post FY27 ACC
34708-Single Project	STIP 34708	\$800,000	\$0	\$800,000	\$0			\$0	\$0

Scope, Schedule, Estimate (SSE) Confirmation

Project Name	Sterling Hwy Milepoint 134 to 138 Erosion Improvements along Homer Spit Road		
DATE	12/6/2024	CATEGORY	Modernization
NEED ID	TBD	REASON	<input checked="" type="radio"/> New Project <input type="radio"/> Update SSE

PLANNING SSE

PROPOSED SCOPE	This project will construct improvements to protect the Homer Spit Road from coastal erosion. Improvements may include excavation, coastal erosion protection, paving, signing and striping, and utility relocations.
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PLANNING ESTIMATE	Year 1 (2025)	Year 2 (2026)	Year 3 (2027)	Year 4 (2028)	Year 5 (2029)	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
Design	1,000,000	500,000									1,500,000
Utilities				100,000							100,000
Right of Way											-
Construction				6,000,000							6,000,000
TOTAL											-

CONFIRMED SSE

CONFIRMED SCOPE	
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ENGINEERS CONFIRMED	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
Design											-
Utilities											-
Right of Way											-
Construction											-
TOTAL	-	-	-	-							-

Scope, Schedule, Estimate (SSE) Confirmation

Project Name	Sterling Hwy Milepoint 134 to 138 Erosion Improvements along Homer Spit Road		
DATE	6-Dec-24	CATEGORY	Modernization
NEED ID	TBD	REASON	<input checked="" type="radio"/> New Project <input type="radio"/> Update SSE

CONSIDERATIONS

SSE	Value	Comments
<i>Basis for Estimate</i> <i>Field Review or Recon</i> <i>List Assumptions & Unknowns</i>	Itemized Approx	Assume a 25% (of construction) design cost for small non-typical
	No	
	Assumes construction cost is approximately \$6M based on the Rough Order of Magnitude Costs included in the attached Coastal Erosion Assessment memo.	
ENVIRONMENTAL	Value	Comments
<i>Anticipated Environmental Doc</i> <i>Environmental Doc Prep Time</i> <i>4(F) Involvement</i> <i>Permits Required</i> <i>List Assumptions & Unknowns</i>	CE	
	8 months	
	No	Unknown at this time
	Yes	USACE, ADEC, City of Homer, NMFS, US Fish and Wildlife
	Additional permits may be required beyond those listed above.	
ROW	Value	Comments
<i>Confidence in ROW Estimate</i> <i>List Assumptions & Unknowns</i>	Moderate	
	Assumes all improvements are within existing DOT ROW or on DNR land (below OHW)	
UTILITY	Value	Comments
<i>Confidence in Utility Estimate</i> <i>List Assumptions & Unknowns</i>	Moderate	
	Assumes all utilities are located on the east side of the Homer Spit Road and impacts are minimal.	
OTHER	Value	Comments
<i>Impacts to Annual M&O</i> <i>Bridge Work Included</i> <i>Geotech Considerations</i> <i>List Assumptions & Unknowns</i>	Yes	M&O efforts should be reduced as a result of this project.
	No	
	This SSE is based upon the Sept. 30, 2019 Coastal Erosion Assessment of the Sterling Hwy Termini on Homer Spit by HDR.	

CERTIFICATION & APPROVAL

Please adjust comment boxes to fit all text before converting to PDF

Confirmed SSE Prepared By	Aaron Hunting	12/6/2024
Confirmed SSE Pre-Construction Approval	<small>Name</small> <div style="border: 1px solid black; border-radius: 50%; padding: 2px; display: inline-block;"> <small>DocuSigned by:</small> Luke Bowland </div>	<small>Date</small>
	<small>Signature, P.E. Construction Engineer</small> <small>775BE2E04D534FE</small>	
	Luke Bowland	4/24/2025
	<small>Name</small> <div style="border: 1px solid black; border-radius: 50%; padding: 2px; display: inline-block;"> <small>DocuSigned by:</small> </div>	<small>Date</small>
Confirmed SSE Planner Approval	<small>Signature, Planning Engineer</small> <small>B4620DC58A2343B</small>	
	Ben white	4/25/2025
	<small>Name</small>	<small>Date</small>



**Homer Education and
Recreation Center (HERC)
Community Information Meeting**

MAY 20, 2025
6 pm • Homer Public Library
500 Hazel Avenue

Send questions or comments to planning@ci.homer.ak.us



What are
Brownfields?

What challenges
are causing
delays?

What is
happening now?

Doors open 6 pm
Presentation 6:15 pm

This meeting is hosted by
the City of Homer
with support from the
Alaska Department of
Environmental
Conservation
and BGES, Inc.



MEMORANDUM

Employee Anniversaries for May

Item Type: Informational Memorandum
Prepared For: Mayor Lord and City Council
Date: May 12, 2025
From: Andrea Browning, HR
Through: Melissa Jacobsen, City Manager

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

Pike Ainsworth	Port	17	Years
Mike Gilbert	Public Works	11	Years
Sean McGrorty	Port	9	Years
Ralph Skorski	Public Works	7	Years
Taylor Crowder	Police	4	Years
Sean Love	Public Works	4	Years
Brenden Fuson	Port	2	Years
Galina Orlova	Fire	1	Year