



# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

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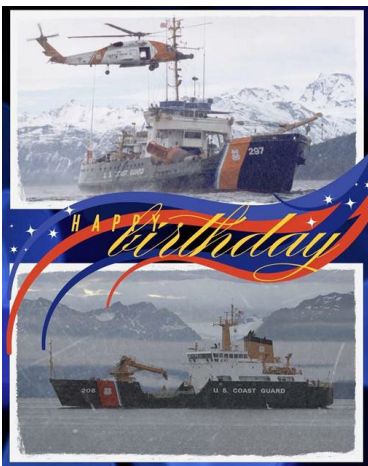
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## Memorandum

TO: Mayor Lord and Homer City Council  
FROM: Melissa Jacobsen, City Manager  
DATE: August 6, 2025  
SUBJECT: City Manager's Report for August 11, 2025 Council Meeting

### Homer Comprehensive Plan Update Public Hearing

The public hearing draft of the 2045 Homer Comprehensive Plan Update is available for public review. There is a public hearing scheduled with the Homer Planning Commission at their August 20<sup>th</sup> regular meeting. The meeting begins at 6:30 p.m. Check out the draft ahead of time at <https://homercompplanupdate.com/> Paper copies are available at City Hall and the Homer Public Library.



### Happy Birthday United States Coast Guard

On August 4<sup>th</sup> we celebrated 235 years of Coast Guard Excellence and we thank them for service to our nation with honor. For over five decades, from the assignment of the USCG Ironwood in 1996 to the USCG Aspen (WLB-208) today, you've been an integral part of our community. We're grateful for your service and proud to stand alongside you. Happy Birthday, USCG!

### Homer Volunteer Fire Department Organizational Audit RFP

With the departure of Chief Kirko from the City, I made the decision to withdraw the HVFD Operational Audit RFP. I conducted the pre-proposal meeting and folks had some good questions. In addition, I got a separate list of questions from a firm that led me to believe that it will put an undue burden on the staff to attempt to do this in the absence of a chief or deputy chief to work with the consultant team. I did check in with the Mayor about this before making a final decision. Notice of the withdrawal was sent out to plan holders and I advised them of the City's intent to re-submit the RFP at a time to be determined and that they would be notified when it happened.

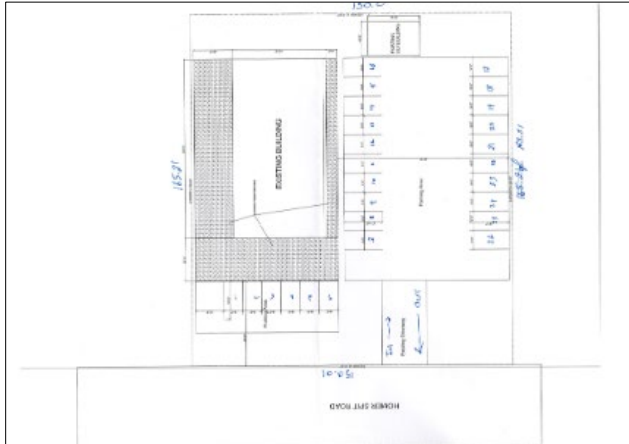
### FY25 Sewer Fund Revenues

Councilmember Aderhold has been inquiring about the sewer fund revenues coming in under budget for FY25. Finance looked into the matter and found that the sewer rate was not correctly determined for FY25

causing us to miss our revenue target. The consumption data that was utilized in the model was too high and, therefore, we set the rate lower than we needed to meet targets. We identified better ways of collecting this data during the rate setting exercise for FY26.

### Happy Face Lease Parking

I checked in with the Leasing staff at the Harbor to follow up on public comments at the last meeting about the Happy Face lease and parking. I also reviewed the [backup information for Resolution 25-027](#) where Council approved the current lease assignment. This information is available on the City's webpage and includes floor plans, the parking plan (photo included), and other information. The lessee worked with proper City departments throughout their development process.



### Updated Financial Reporting Schedule

In an effort to provide more accurate financial information, I've included an updated Financial Reporting Schedule as an attachment to this report. This new schedule pushes out the quarterly reports an additional month to allow for the most accurate representation of sales tax revenue. Sales Tax revenue is received on a monthly basis but has a two-month lag. For example, the revenue payment received in June is for revenue generated in April. From FY25 4<sup>th</sup> Quarter report forward, the quarterly reports will come at the first meeting of the third month following quarter end. The monthly year-to-date financial reports will stay on the last meeting of the month. One caveat for FY26, is that the 1<sup>st</sup> Quarter report will be presented at the last meeting in November, as there are currently no meetings scheduled for the month of December.

### Capital Project Completions and Closures

The Finance and Public Works teams have been meeting regularly and reviewing the status of various City projects to determine what projects are completed and ready for close out. Attached to this report is a memorandum from the Finance Director apprising Council of the HART Roads and Trails Capital Project completions and closures status. Council has had interest in project close out information for some time, and I am very pleased to have this available for you. Going forward, Finance will be including an accounting of capital projects closed within the prior quarter with their regular quarterly reports. This accounting will include a final project balance, a status explanation, and the funding sources associated with the project. This effort will expand time to include other departments and funds.

### Homer Electric Property

I was able to make contact with the Chief Operating Officer at Homer Electric about their property on Snowbird that fronts Lake Street. This property is currently available for sale through an Invitation to Bid and is one that has been under consideration for the new multi-purpose community recreation center. He shared that they are aware of the City's interest in the property and will reach out after their bid process is complete.

### **HERC Sewer Teamwork Report**

We recently had a major sewer blockage that resulted in temporary closure of the HERC. Public Works responded promptly when Building Maintenance discovered the blockage, and Community Recreation advised users of the situation and closure. Recreation Programmer de la Uz shared a quick note thanking Public Works for the display of hard work and collaboration he witnessed Wednesday outside the HERC building. He shared that there were PW workers all over, from the roof of the building to the bottom of the giant hole they dug to fix the sewer pipe back up. He said, "When I asked how things were going, somebody gave me two thumbs up and told me "we are winning". We are very thankful for all your effort to make possible our rec programs at the HERC". Public Works Superintendent Zelinski explained that there was some sort of pipe blockage, and a damaged pipe clean out that has been repaired. Our Water/Wastewater Department, Equipment Operators and Building Maintenance all collaborated over the last few days to systematically correct the problem. He thanks users for their patience and latitude to work through a significant sewer issue. While devoting a lot of man and equipment hours to get the job done, it was done at a significant savings to the budget.

### **Election Workers Needed**

Election Day is October 7<sup>th</sup> for the City and Borough Regular Elections, and the City is looking for folks who would like to serve as Election Workers. We need folks to cover shifts during Absentee Voting, Mondays through Fridays, September 22<sup>nd</sup> to October 6<sup>th</sup>, and on Election Day. Full days are preferred, half-days can be accommodated, training is included, and it's a paid gig at \$20 per hour. This is a great way to be involved in the democratic process, say hello to folks you haven't seen in a while, and make a little money for the holidays or your winter getaway! Contact the Clerk's office for more information.

### **Candidacy Filing is Open for City Council Seats**

Did you love reading this report? Do you enjoy knowing what's happening in the City, and feel like you're ready to get more involved? Well, this is your chance!!! Candidacy filing is open for two City Council seats for three-year terms each and one City Council seat for a one-year term. Candidacy filing forms are available online and at the City Clerk's office. Feel free to reach out if you have questions. The filing period closes at 4:30 p.m. on Friday August 15<sup>th</sup> and election day is October 7<sup>th</sup>.

### **City Manager Meetings and Events:**

August 4<sup>th</sup>- Meeting with citizen about tsunamis and the emergency warning system

August 5<sup>th</sup> – Kenai Peninsula Borough Assembly Meeting in Homer

And, ongoing weekly meetings with Departments, Mayor and Councilmembers, and City Attorney

### **Attachments:**

- Updated Financial Reporting Schedule
- Memo from Finance Re: Capital Project Completions and Closures
- Draft Mid-Biennium Budget Adjustments Schedule
- Election Worker Flier
- Employee Anniversaries for August

**City of Homer**  
**Financial Reporting Schedule**  
**for Calendar Year 2025**

<b>Dates</b>	<b>Event</b>
1/13/2025	
1/27/2025	Monthly FY25 Year-To-Date (YTD) Report
2/10/2025	FY25 2nd Quarter Report
2/24/2025	Monthly FY25 YTD Report
3/10/2025	
3/24/2025	Monthly FY25 YTD Report
4/14/2025	
4/28/2025	Monthly FY25 YTD Report
5/12/2025	FY25 3rd Quarter Report
5/27/2025	Monthly FY25 YTD Report
6/9/2025	
6/23/2025	Monthly FY25 YTD Report
7/28/2025	Monthly FY25 Year-End Report - Preliminary
8/11/2025	
8/25/2025	Monthly FY26 YTD Report
9/8/2025	FY25 4th Quarter Report
9/22/2025	Monthly FY26 YTD Report
10/13/2025	
10/27/2025	Monthly FY26 YTD Report
11/10/2025	
11/24/2025	FY26 1st Quarter Report*; Monthly FY26 YTD Report

\*FY26 1st Quarter Report would be reported in 1st meeting in December, but it has been cancelled for Calendar Year 2025





# MEMORANDUM

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## Homer Accelerated Roads and Trails (HART) Capital Project Completions and Closures

**Item Type:** Informational Memorandum  
**Prepared For:** Mayor Lord and City Council  
**Date:** August 7, 2025  
**From:** Elizabeth Fischer, Finance Director  
**Through:** Melissa Jacobsen, City Manager

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This informational memo is to provide to Council a summary of Homer Accelerated Roads and Trails (HART) Roads and HART Trails Capital Projects that are completed. This list was collaboratively compiled with Finance and Public Works. Each listed project either balanced to zero or came in under budget and the remainder has been returned to the Funds' unencumbered balance. There are no current projects that are over budget.

### **160 HART Roads:**

- Master Transportation Plan Update – complete
  - \$185,368 appropriated under ORD 22-38
  - Balance \$5,402 returned to Fund balance
- Kachemak Peatlands Property Purchase – change in project scope
  - \$418,100 appropriated under ORD 23-23(A-3) FY24/25 Capital Budget
  - Balance \$418,100 returned to Fund balance
- Ben Walters Sidewalk Construction - complete
  - \$1,700,000 appropriated under ORD 23-23(A-3) FY24/25 Capital Budget
  - Balance \$340,499 returned to Fund balance
- Bunnell Ave Road Restoration Project Design – unused contingency funds
  - \$50,000 appropriated under ORD 23-23(A-3) FY24/25 Capital Budget
  - Balance \$50,000 returned to Fund balance
- Green Infrastructure Research Appraisals – closed w/Peatlands Property
  - \$50,000 appropriated under ORD 24-24(A) Mid-Biennium
  - Balance \$50,000 returned to Fund balance

- Green Infrastructure Research – closed w/Peatlands Property
  - \$10,000 appropriated under ORD 24-24(A) Mid-Biennium
  - Balance \$10,000 returned to Fund balance
- Speed Monitoring Devices – complete
  - \$40,000 appropriated under ORD 24-46
  - Balance \$8,429 returned to Fund balance
- Safe Streets 4 All Grant Match – complete
  - \$14,510 appropriated under ORD 24-49
  - Balance \$0

**165 HART Trails:**

- Trailhead Improvements – change in plans
  - \$12,000 appropriated under ORD 23-23(A-3) FY24/25 Capital Budget
  - Balance \$12,000 returned to Fund balance
- Lee Avenue Trail – complete
  - \$20,000 appropriated under ORD 23-23(A-3) FY24/25 Capital Budget
  - Balance \$6,560 returned to Fund balance
- Diamond Creek/Highway Underpass Preliminary Design – complete
  - \$25,000 appropriated under ORD 24-06(A)
  - Additional \$3,200 appropriated under ORD 25-29
  - Balance \$55 returned to Fund balance

Next steps for ongoing projects:

Finance, Public Works, and the City Manager meet weekly to discuss PW related ongoing project statuses and needs. This memo is a result of those meetings and we plan to bring forward future updates on a quarterly basis. Any future projects that go over budget will come forward as separate budget amendment and appropriation ordinances with corresponding memos.

**City of Homer**  
**Preliminary Mid-Biennium Budget Development Schedule**  
**for Fiscal Year 2026 and 2027**

<b>Dates</b>	<b>Event</b>
8/11/2025	Preliminary Mid-Biennium Budget Development Schedule delivered to Council
11/10/2025	Worksession - Mid-Biennium Budget
11/24/2025	Regular Meeting - Public Hearing - Mid-Biennium Budget Development Schedule delivered to Council
Beginning of December 2025	Begin Mid-Biennium Budget conversations with departments
1st Meeting February 2026	Worksession - Reserved for Budget Discussions
2nd Meeting February 2026	Worksession - Reserved for Budget Discussions
1st Meeting March 2026	City Manager's Proposed Mid-Biennium Budget and Utility Rate Model to Council
2nd Meeting March 2026	Committee of the Whole, Council to discuss mid-biennium budget
	Regular Meeting - to introduce Budget Ordinance and Fee/Tariff Ordinances
1st Meeting April 2026	Committee of the Whole, Council to discuss mid-biennium budget
	Regular Meeting - Public Hearing
2nd Meeting April 2026	Regular Meeting - Public Hearing & Adopt FY26/27 Mid-Biennium Budget and Utility Rate Model for FY27



# Help Insure That Every Vote Counts

## Play Your Part – Become an Election Worker

**We're Hiring  
Local Election  
Workers**

**Full or Part time  
Sept 22 – Oct 7, 2025**



Contact the City Clerk's Office  
907-235-3130 or  
[clerk@cityofhomer-ak.gov](mailto:clerk@cityofhomer-ak.gov)





# MEMORANDUM

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## Employee Anniversaries for August 2025

**Item Type:** Informational Memorandum  
**Prepared For:** Mayor Lord and City Council  
**Date:** August 11, 2025  
**From:** Andrea Browning, HR Director  
**Through:** Melissa Jacobsen, City Manager

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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.

<b>Winnifred Wade</b>	<b>Police</b>	<b>3</b>	<b>Years</b>
<b>Japheth McGhee</b>	<b>Port</b>	<b>2</b>	<b>Years</b>
<b>Paige Jones</b>	<b>Fire</b>	<b>1</b>	<b>Year</b>
<b>Alex Miller</b>	<b>Fire</b>	<b>1</b>	<b>Year</b>

## Questions & DRAFT Responses from 6/23 City Council Work Session

### Port Property Associate Response, working with Lease Team (Administrative Supervisor, Port Director and City Manager)

Questions	Response
Staffing and long-term management - this is unrelated to current staffing, but my understanding is that City leasing has a long history of getting passed between departments. Is it reasonable to consider codifying a lease oversight department, instead of broadly "City Manager", with a goal of consistency and institutional knowledge?	<p>City created a dedicated Port Property Associate (PPA), who working with a Lease Team (City Manager, Port Director and Administrative Supervisor), is addressing historically lacking issues such as consistency.</p> <p>It is not standard practice to codify divisions. Under the Port and Harbor the dedicated position, rather than ‘other duties as assigned’ accomplishes what you are asking for.</p>
Facilitation of decision-making with the Council & PHAC in a complex space - some kind of training document that provides a 101, etc	The PPA will prepare this for a joint session tentatively scheduled for January or February of 2026.
It's great to hear that there is so much happening with improving the leasing process within the City staff. <b>Are written SOPs being developed</b> to aim for consistency in engaging with potential/interested and current lessees?	<p><u>Yes.</u></p> <ul style="list-style-type: none"> <li>• Currently we recording information in MS OneNote when obtaining new information regarding aspects of leases.</li> <li>• Adding consistency to the application and review process (potential/interested). More work needed in having information more readily available online.</li> <li>• Use of a CRM ensures that institutional knowledge and the history of relationship are preserved.</li> </ul>
Enforcement and clarity of performance standards	<p>Does the term ‘performance standards’ mean the same thing to everyone?</p> <p>Utilizing City Staff’s understanding, performance standards (those elements identified in the Leases as required of the Lessee – primarily Lease Property usage or purpose and ‘improvements’ as required in the Leases) the City is working toward greater clarification and enforcement with both Leases and Subleases. There is much to do, but current activities include communication with the Council &amp; PHAC, changing portions of the Lease and Code to be more in line with reality. City Council adoption of the recommendations will help in this process.</p> <p>A problem: Currently one option to deal with lack of compliance – the BIG hammer of termination. Having a financial ‘incentive’ that could be used</p>



	for less than major non-compliance would be helpful. Council Adoption to codify such action would be helpful.
Jason brought up the reassignment process, and asking how we determine we're meeting the maximum use for the City?	<p><u>Options:</u></p> <ul style="list-style-type: none"> <li>• Longer lease terms with increased required improvements.</li> <li>• Limit assignment to change of ownership of the same business, not for different uses.</li> <li>• Limit assignment to the same Term (not extended)</li> <li>• Referencing Appraisals and possible discussion with appraisers regarding value as determined by income potential or other considerations.</li> <li>• Raise the bar to exercise the two extension options often included in the lease.</li> <li>• In short, send more Lease Properties to RFP and taking steps to increase competition.</li> <li>• Consider lowering the RFP Application fee or a full or partial refund when a business is not selected, or other options.</li> <li>• Also, consider better ways to advertise RFP's to target audiences.</li> <li>• How / should the RFP application process be simplified to reduce 'friction' or hesitancy to apply.</li> </ul>
It would be great to get an overview/understanding of how the whole building ownership on City leased land works, maybe examples from other places? It boggles my brain to think of the long-term ramifications of that kind of set-up.	<p>Agreed! We will provide more information in an upcoming City Council packet.</p> <p><u>Process:</u></p> <ul style="list-style-type: none"> <li>• Gather examples from Kenai, Juneau and Seward.</li> <li>• Communication with the City Attorney to narrow options. Discuss with the City Attorney why the Lease is written as it is. What factors do we consider when deciding between these options: 1. removing buildings then RFP, 2. allowing the new Lessee to own the buildings on the RFP land, 3. using a non-competitive or new Lease.</li> </ul>
How many leases, and subleases, does the City currently manage? How many vacate properties do we have available for lease?	<p><u>Numbers of Leases, Subleases (60 total):</u></p> <ul style="list-style-type: none"> <li>• 28 Spit Leases (24 entities)</li> <li>• 26 Spit Subleases (under 9 Leases)</li> <li>• 1 Spit License Agreement</li> <li>• 2 Airport Subleases</li> <li>• 2 Airport Subleases in process for existing uses to comply with SOA, DOT&amp;PF regulations</li> <li>• 1 Airport License Agreement</li> </ul>