



City of Homer

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Memorandum 21-122

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: July 15, 2021
SUBJECT: Capital Budget Modifications

At the June 28th City Council meeting, Ordinance 21-36(S) was postponed until July 26th. The Council gave feedback on specific items within the proposed Capital Budget. Additionally, I have met with Councilmembers individually to hear any ideas they have for expansion and/or contraction of the Capital Budget.

The second substituted version of Ordinance 21-36 includes the following changes:

General CARMA (156)

- Removed the Wayfinding Implementation funding (\$40,000 total) – the intention is to wait for the wayfinding study to be completed before appropriating funds for implementation
- Removed the Outdoor Screen (\$6,000)
- Added Airport Terminal Exterior Painting (\$21,000) – there appeared to be enough support from the Council at the June 28th meeting to add this project
- Decreased request for Thermal Imaging Cameras (now \$15,000, a reduction of \$5,000) – It is likely we can acquire the requested equipment within this reduced request

Utility CARMA (256)

- Removed requests related to the following special assessment districts: Ocean Drive (\$52,606), Charles Street Sewer (\$55,000), Charles Street Water (\$178,561) – these requests will be brought back to Council at a later date when the districts are approved

HART Roads

- Removed request for Ocean Drive special assessment district (\$52,606) – this request will be brought back to Council at a later date when the district is approved

HAWSP

- Removed Hornaday Park Restroom requests (\$325,000 in total) – I anticipate that the project will be revisited in the future with a different funding source

- Removed Bishop’s Beach Restroom requests (\$425,000 in total) – I anticipate that the project will be revisited in the future with a different funding source
- Removed Charles Street Water special assessment district requests related to design (\$15,000) and construction (\$69,536)

Additional Discussion

One item that I have not modified which created some discussion at the last meeting is the \$1.1M for the Main Street Sidewalks. Administration intends to pursue grant funding to support the project and reduce the City’s share of the expense. Grants are not guaranteed and the sidewalk project is a highly ranked priority. Budgeting the full amount gives us the flexibility to complete the project if we are unable to secure additional funding.

I have had a lot of discussions regarding vehicles. We have fleet needs in the Port & Harbor, Police Department, Volunteer Fire Department, and Public Works.

The Port & Harbor is requesting to replace two vehicles, a 2004 Ford F250 and a 1993 mobile welding/shop van. The Ford F250 was originally used as a patrol vehicle and is now used as a plow truck. It was listed on the fleet replacement schedule published in the FY20/21 budget as being due for replacement in 2023. The van will be replaced with a trailer instead of a motorized vehicle which will create a significant cost savings in replacement of the mobile welding capability.

The Police Department has a request for four vehicles over two years. The general fleet replacement strategy for the Police Department has been to bring in two new vehicles per year. The plan for FY22/23 is to replace two patrol vehicles, add one new vehicle for an officer position which was added in 2020 but has not yet been filled (we have an open recruitment that, if successful, will bring us back to full staffing), and replace the jail van (this replacement had been proposed in the FY20/21 budget but we swapped that appropriation out for a patrol vehicle through Ordinance 21-09).

The Volunteer Fire Department has a request for one Deputy Command Vehicle which would be used by the Deputy Fire Chief. This would be an addition to the fleet. Command Vehicles for our Chief Officers have a great deal of strategic value for a volunteer fire department and is a standard practice all throughout the Kenai Peninsula. A larger fleet replacement strategy for other fire vehicles is in a draft stage and I expect we will be discussing it in depth at the Council level during FY22.

Public Works has the largest fleet and the largest number of vehicles requested for the two year period, they also have the largest fleet. Most vehicles requested were on the fleet replacement schedule for either FY22 or FY23. Two requests are carryovers from previous fiscal years, and one is being requested a year early due to condition. The individual vehicle replacements with schedule replacement dates are listed below.

- E101 1999 Ford Truck (Parks) – scheduled replacement in FY24
- E103 1993 Ford Van (Maint.) – scheduled replacement in FY19
- E107 2001 Chevy S10 (Parks) – scheduled replacement in FY21
- E114 1997 Ford Truck (Engineering) – scheduled replacement in FY22
- E120 1995 Ford Truck (Parks) – scheduled replacement in FY23
- E126 1998 Ford Van (Maint.) – scheduled replacement in FY23

- E129 1994 Ford Truck (Parks) – scheduled replacement in FY22
- E130 1994 Chevy Service Truck – scheduled replacement in FY22
- E131 1994 Ford Truck – scheduled replacement in FY22
- E161 1998 CAT Loader – scheduled replacement in FY22
- E170 2003 ToolCat 5600 – scheduled replacement in FY23

Staff Recommendation: Substitute Ordinance 21-36(S-2) and adopt Capital Budget for FY22/23.