TRANSPORTATION ADVISORY COMMITTEE
491 E. PIONEER AVE.
HOMER, ALASKA

AUGUST 16, 2011
TUESDAY, AT 5:30
CITY HALL COUNCIL CHAMBERS

NOTICE OF MEETING
REGULAR MEETING AGENDA

1. CALL TO ORDER

2. APPROVAL OF AGENDA

3. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

4. RECONSIDERATION

5. APPROVAL OF MINUTES
A. Regular Meeting Synopsis of May 17, 2010 Page 1

6. VISITORS/PRESENTATIONS

7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

8. PUBLIC HEARING

9. PENDING BUSINESS
A. Recommendations for Expending HART Funds for Local Road Improvements
Will be meeting day laydown

10. NEW BUSINESS
A. Capital Improvement Plan 2011-2016 Page 7
B. Park and Recreation Kachemak Drive Trail Page 99

11. INFORMATIONAL MATERIALS
A. Resolutions 84-71, 86-68, 06-36(A), and Memo 06-47 Re: TAC History
Page 101

12. COMMENTS OF THE AUDIENCE
13. COMMENTS OF THE STAFF
14. COMMENTS OF THE COUNCILMEMBER
15. COMMENTS OF THE CHAIR
16. COMMENTS OF THE COMMITTEE MEMBERS
17. ADJOURNMENT/NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 15, 2011 at 5:30 p.m. in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

TRANSPORTATION ADVISORY COMMITTEE
MEETING SYNOPSIS
MAY 17, 2011

UNAPPROVED

Session 11-02, a Special Meeting of the Transportation Advisory Committee was called to order by Chair Roberts at 5:30 p.m. on May 17, 2011 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

COMMITTEE MEMBERS: Highland, Roberts, Smith, Velsko, Venuti

STAFF: Public Works Director Meyer
Deputy City Clerk Jacobsen

APPROVAL OF AGENDA

The agenda was approved by consensus of the Committee.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

RECONSIDERATION

No items were scheduled for reconsideration.

APPROVAL OF MINUTES

A. Regular Meeting Synopsis of March 1, 2011

The Synopsis was approved by consensus of the Committee.

VISITORS/PRESENTATIONS

No visitors or presentations were scheduled.

STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

Public Works Director Meyer reserved comments for later in the meeting.

PUBLIC HEARING

There were no public hearings scheduled.

PENDING BUSINESS

No pending business items were scheduled.

NEW BUSINESS

A. Recommendations for Expending HART Funds for Local Road Improvements

Mr. Smith reviewed the modeled extensions. Public Works Director Meyer suggested starting with the recommendations included in the CIP List as those projects can be perceived have been supported by the public process. He noted the only road projects supported by the CIP

were Lake Street through to Heath Street, the town center infrastructure, and the land acquisition for new roads. He suggested focusing on acquiring the rights-of-way for the new roads, which includes extension of Hazel Street up to Bartlett, the section of Waddell Way connection between Lake Street and Heath Street, the section to take Poopdeck up to Pioneer, and an area on Early Spring.

The Committee focused discussion on the Waddell connection between Lake Street and Heath Street. Comment was raised regarding the clean up of a contaminated location within that area and Public Works Director Meyer noted his understanding that the DEC has closed it out as clean. He will try to get confirmation that it is the case. Other comments included:

- It is about 800 feet long.
- Curb and gutter, sidewalk, and drain will increase cost, but it won't be a million dollar project.
- It will need to be established if there is a need to bring the water line through. Sewer may not be necessary. The HAWSP fund may be able to help with that cost.
- It could be a two way street with some sort of pedestrian connection and bike access.
- Staff has had communication with the state regarding the improvements on Lake Street and asked the state to complete the intersection at Waddell.
- A turn lane off Lake Street may be needed to access the area. If we have an active Waddell project then the state will know what is happening there and be better able to plan to accommodate traffic in the area.
- Design work for Lake Street will likely start this winter so the Committee will be timely making recommendations at their next regular meeting.

Chair Roberts asked if all the Committee members are in favor of moving forward on focusing on the Waddell project for recommendation to Council and no objection was expressed. She also clarified that for the next meeting Public Works Director Meyer agreed to provide an estimate of cost the HART and HAWSP funds for this project, and status of remediation in the area. Chair Roberts also asked to have the necessary memorandums for the Committee to approve and pass on to City Council explaining why they think this is an important project and justifying why the money should be expended.

There was brief discussion about also including Greatland, another small road project, but the group agreed to focus on one recommended project and see how things progress.

It was requested that a map showing the modeled extensions be included in the next packet.

B. Recommendations for a Proposal to Make Waddell, Heath, Poopdeck, & Main Street Right Turn Only Thoroughfares

Mr. Velsko commented that this is an idea that smaller towns frequently use. It is kind of a poor man's roundabout where you don't have to buy rights-of-way and you are creating the flow of traffic without having a person blocking traffic trying to make a left hand turn. The local's have already figured out ways to keep from making left hand turns. It only increases travel time through town by a couple of minutes and keeps the integrity of the bypass in tact. Putting stop lights and stop signs on the bypass will cause issues for people who have businesses on the spit with the trucks going back and forth. We should try not to slow the bypass down. If the plan doesn't work, then we are only out the cost of a couple hundred dollars worth of signs. His feeling is that a stop light on the bypass will start slowing traffic down resulting in a congested downtown, and you can't get rid of a stop light after spending a

couple million dollars to put in. This is something that has been done before and it is an easy and cost effective way to deal with traffic.

There was discussion that there may be challenges in working with state since it is their right-of-way. It was also noted there may be some disagreement in some cases for example turning off Main Street to get gas you would have to go up and around Pioneer. Public Works Director Meyer agreed that it isn't just the City's decision, but it is an option that could be presented to DOT and see if they agree. The city could push for this since they are dragging their feet to do anything on Main Street. Perhaps it could be seasonal from May 1 to October 1 and it could be as easy as putting signs over the stop signs that could come down after Labor Day.

Mr. Smith noted that when the traffic engineer teleconferenced with the Committee back when they were talking about intersections he made a good point in that you can never take a situation like the bypass and Pioneer Avenue loop and deal with any one intersection as an independent problem.

Mr. Velsko added that in discussion about roundabouts in the public meetings that were held the engineers commented off the record any time you are going to try to stop traffic on the bypass it throws up all kinds of red flags as it was designed as a thoroughfare. This proposal is not to stop traffic but help the flow of traffic.

The Committee concurred on the need to ask the state to look into the feasibility and do the necessary study. At this stage it is just a matter of getting the state to acknowledge that it's an idea the city wants to explore. This doesn't change everything to one way streets or affect parking.

VENUTI/HIGHLAND MOVED TO WRITE A MEMORANDUM TO CITY COUNCIL THAT WE WOULD LIKE RIGHT HAND TURNS ON ALL STREETS THAT GO ONTO THE BYPASS.

It was noted that this wouldn't apply to Lake and Pioneer.

VENUTI/SMITH MOVED TO AMEND THAT ALL THE STREETS BETWEEN LAKE STREET AND PIONEER AVENUE WILL BE RIGHT HAND TURN ONLY, SEASONALLY DURING SUMMER WHEN OUR TRAFFIC INCREASES SUBSTANTIALLY IN HOMER.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

There was no further discussion to the main motion as amended.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Chair Roberts noted that she will represent the Committee well when this comes before Council.

Ms. Highland asked if it would be appropriate for them to contact DOT directly. Public Works Director Meyer responded that there is nothing wrong with that, but added that the most effective way would be through a letter from the City Manager.

Mr. Velsko commented that this isn't the end all for traffic issues. As the town grows there may be a time when a light is needed. But this may work as a temporary fix for many years and will save taxpayers a lot of money.

Mrs. Venuti added that it could be beneficial to find out how many times they have accidents from people turning left and include that for support of this idea.

INFORMATIONAL ITEMS

A. Certificate of Reappointment for John Velsko and Steve Smith

AUDIENCE COMMENTS

There were no audience comments.

COMMENTS OF THE STAFF

There were no staff comments.

COMMENTS OF THE COUNCILMEMBER

There were no Councilmember comments.

COMMENTS OF THE CHAIR

Chair Roberts had no comments.

COMMENTS OF THE COMMITTEE MEMBERS

Ms. Highland commented that she heard from a city resident about considering a cross walk on Ocean Drive at the Farmer's Market since that area gets so congested with cars, pedestrians, and bicycles. She looked at the book *Why we Drive the Way we Do*. It was geared more toward big cities and she didn't take any ideas away from it. She still likes the idea of take your turn at intersections.

Mrs. Venuti commented about having crosswalks at the location between Captain's Coffee and Salvation Army and also at the Chamber to get across the highway.

Chair Roberts requested Crosswalks as an agenda item at their next meeting and include a map showing locations of crosswalks. She noted a lot of these areas are state roads.

Mr. Velsko question Public Works Director Meyer about the culvert on Ohlson that keeps rising up. Mr. Meyer explained Ohlson is a state right-of-way and that the city agreed to removed the culvert and the state will be dealing with the drainage and replacing the culvert.

Mr. Smith commented that the crosswalks mentioned are state roads and they found that the state took none of their crosswalk recommendations for the East Road project. They are reluctant to put a crosswalk on a highway. He welcomed Mrs. Venuti.

ADJOURN

There being no more business to come before the Committee the meeting adjourned at 6:34 p.m. The next regular meeting is scheduled for August 16, 2011at 5:30 p.m. in the City Hall Cowles Council Chambers.

_____
MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____

City of Homer

Memorandum

TO: City of Homer Boards and Commissions
FROM: Anne Marie Holen, Special Projects Coordinator amh
DATE: May 31, 2011
SUBJECT: City of Homer Capital Improvement Project list

Each year, the City of Homer updates its Capital Improvement Plan. This is a 6-year document describing capital projects which have been determined to be community priorities. (See separate handout explaining the CIP process in more detail.)

Part of the CIP development process is to solicit input and recommendations from most of the City's advisory bodies. That input is then forwarded to the City Council. The type of input you provide is up to you. For example, the body might wish to:

- Decide what you see as the "top 5" projects.
- Make a recommendation for one or more new projects to be added to the CIP.
- Make a recommendation for one or more projects to be dropped from the CIP.
- Suggest that a project scope of work be expanded, reduced, or otherwise changed.

I have provided a draft to serve as a starting point for discussion, consisting of the most recent CIP updated only minimally. Please note that not all department heads have submitted their recommendations. Also, as this memo is being prepared, we don't yet know whether funding for the Homer Area Natural Gas Pipeline and Cruise Ship Dock/Uplands Improvements will be approved for funding by Governor Parnell. If the funding is approved, those projects will be removed from the CIP.

FYI, the projects listed as priorities by boards and commissions last year are listed below.

- The Planning Commission recommended the following CIP projects in priority order:
  1. Alternative Water Source
  2. Sewer Treatment Plant Bio-solids Treatment Improvements
  3. Port & Harbor Building
  4. Deep Water Dock Expansion
  5. Skyline Fire Station

- The Parks and Recreation Commission and Library Advisory Board did not discuss the CIP due to lack of quorum for a meeting during the comment period.

- The Port and Harbor Commission ranked CIP projects as follows:
  1. Upgrade System 5 - Vessel Shore Power & Water
  2. Harbor Entrance Erosion Control
  3. Port & Harbor Building
  4. Harbor Float Replacement/Ramp 3 Gangway & Approach Replacement
  5. Deep Water Dock Expansion - Phase I

- The Economic Development Commission ranked CIP projects as follows:
  1. Alternative Water Source
  2. Sewer Treatment Bio-solids Treatment Improvements

3. Engine 4 Refurbishment and Deep Water Dock Upland Improvements (tie)
4. Sterling Highway Realignment, MP 150-157
5. Skyline Fire Station and Main Street Intersection/Reconstruction (tie)

- The Transportation Advisory Committee ranked CIP projects as follows:
  1. Fairview Avenue - extend to West Hill Road (NOTE: This project used to be in the CIP but was moved from the active CIP to the "long-range" list in 2008.)
  2. Intersection Improvements
  3. Land Acquisition for New Roads
  4. Karen Hornaday Park Improvements
  5. Town Center Infrastructure

EVERYTHING YOU ALWAYS WANTED TO KNOW ABOUT THE CITY OF HOMER CAPITAL IMPROVEMENT PLAN

by Anne Marie Holen, City of Homer Special Projects Coordinator

Q: What is a CIP?

A: CIP stands for Capital Improvement Plan. It is a multi-year document that lays out community priorities for capital projects, including (for each one) a project description, rationale for why it's needed (benefits to the community), description of progress to date (money raised, plans drawn up, etc.), and estimated total cost. For City of Homer projects, additional information is provided on the timeline for completion.

NOTE: A Capital Improvement Plan is not a funding request. From the City's standpoint, it is a plan. From the standpoint of a non-profit organization, it is a mechanism to raise awareness of a needed project and increase chances of funding from various sources. Nominating a project for inclusion in the CIP should not be thought of as a request for City funding.

Q: What is a capital project?

A: A capital project is a major, non-recurring budget item that results in a fixed asset (like a building, road, parcel of land, or major piece of equipment) with a useful life of at least two years. Designing and building a new library is a capital project. Planning and implementing an after-school reading program is not a capital project. Most of the projects in the City of Homer CIP are City projects, but some are community projects spearheaded by a non-profit organization (e.g., Pratt Museum) or state or federal agency (e.g., Alaska DOT or Kachemak Bay Research Reserve). City of Homer CIP projects must have an estimated cost of at least $50,000. Those from non-profit organizations must have an estimated cost of at least $25,000.

Q: Newspaper articles often refer to the CIP as a "wish list." Is that accurate? If so, what's the point of writing up a "wish list"?

A: That's not entirely accurate. In 2007, the Homer City Council undertook an overhaul of the CIP to eliminate projects that were unlikely to be undertaken in the next six years. This makes the CIP less of a "wish list" and more of an actual plan, at least for City projects.

There are several reasons to maintain a CIP, even when it seems like little progress is being made in accomplishing projects: 1) It helps focus attention on community needs. 2) It helps groups raise money for projects if the sponsor can say that the project has been identified as a community priority in the CIP. 3) Typically a project must be included in the CIP to be eligible for a state legislative appropriation.

Q: What is the process for developing the Capital Improvement Plan?

A: CIP development is a multi-step process that starts around June 1 of each year and ends in November.

Step 1 is to develop the schedule. The schedule must be approved by the City Council.

Step 2 is to publicize the CIP process and invite project nominations from community organizations.

Step 3 is to send a copy of the current CIP to all the City department heads and the City Manager and ask for recommendations for new projects, projects that should be deleted, or changes to existing projects.

Step 4 is to make sure that all the City advisory bodies have a chance to weigh in. They are encouraged to name their "top 5" projects, and that information is passed on to the City Council. They can also suggest new projects, changes to existing projects, or any other recommendations related to the CIP.

During this time, I will start working on a new draft CIP, to be constantly updated throughout the process. NOTE: The document is a DRAFT until it is approved by the City Council. Proposed new projects are kept separate until they are approved by Council.

The City Council typically holds a work session to discuss the CIP and also a public hearing at a regular City Council meeting. Members of the public are encouraged to attend and testify. The City Council will view the CIP as a whole and will also work to identify legislative priorities (a subset of the CIP) for special attention during the coming year.

Step 5 is to finalize the CIP as per City Council approval, and make 30 bound copies. These should be ready to distribute before the end of November. The CIP is also put on the City website.

Q: Are the "legislative priorities" the same as the CIP?

A: No, they are a subset of the CIP. The full CIP might contain 50 projects. All of them have been approved by the City Council and can be considered community priorities. However, the City Council also develops a "short list" of projects on which the City will focus particular attention during the upcoming legislative session. (The goal is to get at least partial funding for a project included in the state capital budget.) The "short list" and the "legislative priorities list" are the same thing.

The state budget process begins with a proposed budget submitted by the Governor in December. The legislature takes the Governor's budget and works it over starting in mid-January. The House and Senate must both agree on a budget before it is finally passed in mid-April. (NOTE: The "operating budget" is different than the "capital budget.")

The City's "short list" may have 10-15 projects on it. An attempt is made to include some less expensive projects along with big expensive ones. Most if not all of the projects on the short list will be City of Homer projects (e.g., for roads, harbor improvements, water and sewer upgrades, etc.) Project descriptions are put in special "packets" tailored specifically to legislators and state commissioners. Typically, the Mayor and one or two City Council members will make one or more trips to Juneau to advocate for funding for these projects. Other groups (e.g., hospital, college, non-profit representatives) also lobby for their favorite CIP projects.

Q: Does the City seek federal funding for CIP projects also?

A: Yes. All three members of the Alaska congressional delegation require local governments and other groups to submit funding requests in February of each year. Typically the City of Homer will select 3-6 projects for which we seek federal funding. In recent years, the City has received partial funding for Deep

Water Dock expansion and for the proposed East Boat Harbor. With the moratorium on federal "earmarks" announced in early 2011, chances of receiving federal funding for a project have diminished substantially.

Q: What advice do you have for a community member who wants to see a particular project included in the CIP?

A: • Keep in mind that if a proposal comes from one of the following, it is automatically forwarded to the City Council for consideration: 1) A City department head, 2) a City advisory body, 3) the Mayor or individual City Council member, 4) a non-profit organization or state/federal government agency. If you can sell your idea to one or more of those, and that person or group gives it to me, I will draft a project description to take to the City Council. NOTE: Ask for a Project Nomination Form to use for this purpose.

• Take advantage of opportunities to express support for one or more projects anytime the CIP is on a Council meeting agenda. If you testify earlier in the process, Council members will have more time to consider what you say before making their final decisions. The CIP will be on the Council agenda at least three times: For introduction, public hearing, and final vote. Check with the Clerk's Office regarding the dates. You can also communicate with City Council members individually.

Further advice: If you are seeking funding for your project through the state legislature, talk to our local state representative (currently Paul Seaton) about that process.

Q: Once a project is approved for inclusion in the CIP, what can I do to make sure it doesn't just languish there?

A: • Keep your eyes on the prize. If you are with a community group or advisory body, develop a long-range plan and base your CIP request on that plan. Limit your request to one or two items and then keep your attention and energies focused on that goal.

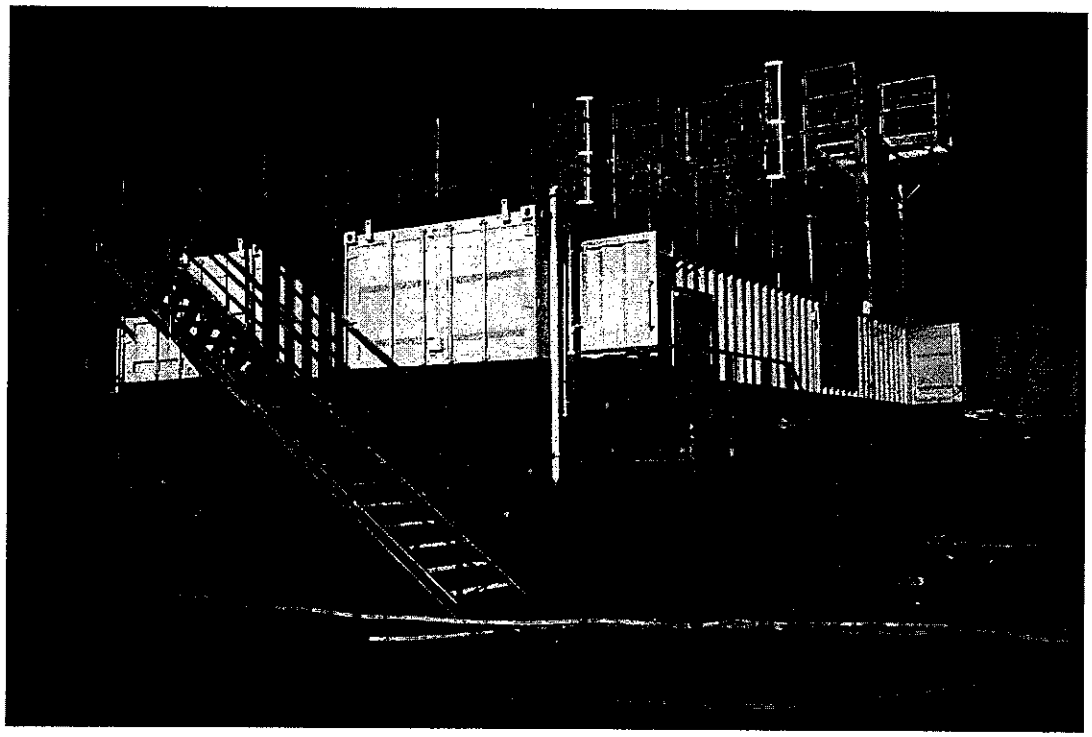
Be realistic in your expectations. Many projects require multiple sources of funding over a period of years. Project success starts with a vision, then a well-developed funding plan, then focused implementation of that plan.

• Finally, I have to say this: If you think the City should be providing more programs, services, facilities, etc. for the people of Homer and providing more support to non-profit organizations, remember that almost all the money at the City's disposal comes from sales and property tax revenues. Taxes are nothing more than a tool for pooling our resources to buy the things the community wants and needs. Shopping locally helps maintain a healthy revenue stream from sales taxes.

The City can (and does) apply for grants to fund capital projects, but those funders almost always require the City to cover some of the costs with local funds. There is no free lunch.

GOOD LUCK!

City of Homer
Capital Improvement Plan
2012-2017



The Homer Volunteer Fire Department prepares to try out a new Fire Training Facility that provides live-fire practice in a controlled setting. The Fire Training Facility, delivered in 2011, had been identified as a need in the Capital Improvement Plan since 2001.

DRAFT

City of Homer
491 E. Pioneer Avenue
Homer, Alaska 99603
907-235-8121

City of Homer

City Manager
491 East Pioneer Avenue
Homer, Alaska 99603
907-435-3102

Fax:(907) 235-3148 E-mail: wwrede@ci.homer.ak.us Web Site: www.ci.homer.ak.us

November 1, 2010

To The Honorable Mayor and Homer City Council:

This document presents the City of Homer 2011 through 2016 Capital Improvement Plan adopted by the Homer City Council on October 11, 2010. The CIP provides information on capital projects identified as priorities for the Homer community. Descriptions of City projects include cost and schedule information and a designation of Priority Level 1 (highest), 2, or 3. State transportation projects and non-profit projects supported by the City of Homer are included in the CIP in separate sections. An overview of the financial assumptions can be found in the Appendix, along with a table listing all projects for easy reference.

"Long-range projects" are those which are not expected to be undertaken in the next six years but which the Council and community do not want to lose sight of. Those projects are listed in the Appendix but should not be considered as true CIP projects.

The projects included in our 2011-2016 CIP were compiled with input from the public, area-wide agencies, and City staff as well as various advisory commissions serving the City of Homer.

It is our intent to update the CIP annually to ensure our long-range capital improvement planning stays current as well as to determine annual legislative priorities and assist with budget development. Your assistance in this effort is much appreciated.

Sincerely,

Walt Wrede
City Manager

To be updated...

placeholder

CITY OF HOMER
HOMER, ALASKA

Mayor/City Council

RESOLUTION 10-78(A)

A RESOLUTION OF THE HOMER CITY COUNCIL ADOPTING THE 2011-2016 CAPITAL IMPROVEMENT PLAN AND ESTABLISHING CAPITAL PROJECT LEGISLATIVE PRIORITIES FOR FISCAL YEAR 2012.

WHEREAS, A duly published hearing was held on September 27, 2010 in order to obtain public comments on capital improvement projects and legislative priorities; and

WHEREAS, It is the intent of the City Council to provide the Governor, the State Legislature, State agencies, the Alaska Congressional Delegation, and other potential funding sources with adequate information regarding the City's capital project funding needs.

NOW, THEREFORE BE IT RESOLVED by the City Council of Homer, Alaska, that the "City of Homer Capital Improvement Plan 2011-2016" is hereby adopted as the official 6-year capital improvement plan for the City of Homer.

BE IT FURTHER RESOLVED that the following capital improvement projects are identified as priorities for the FY 2012 State Legislative Request.

1. Sewer Treatment Plant Bio-solids Treatment Improvements
2. Skyline Fire Station
3. Harbor Float Replacement/Ramp 3 Gangway & Approach Replacement
4. Port & Harbor Building
5. Fire Engine 4 Refurbishment
6. Natural Gas Pipeline Anchor Point to Homer
7. Alternative Water Source
8. Deep Water Dock Expansion, Phase 1
9. Karen Hornaday Park Improvements, Phase 1
10. Homer Intersection Improvements
11. Deep Water Dock Upland Improvements
12. Mariner Park Improvements, Phase 1
13. Fishing Lagoon Improvements
14. Upgrade System 5: Vessel Shore Power and Water
15. Kachemak Bay Tidal Power Feasibility and Conceptual Design

To be replaced with new reso...

BE IT FURTHER RESOLVED that projects for the FY 2012 Federal Legislative Request will be selected from this list.

BE IT FINALLY RESOLVED that the City Manager is hereby instructed to advise appropriate state and federal representatives and personnel of the City's FY 2012 capital project priorities and take appropriate steps to provide necessary background information.

PASSED AND ADOPTED by a duly constituted quorum of the City Council for the City of Homer on this 11th day of October, 2010.

CITY OF HOMER

Mary E. Wythe

MARY E. WYTHE, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Accomplished (funded) Projects from 2011-2016 CIP List

We are pleased to note that funding to complete the following projects has been identified or procured:

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Draft

Continued>

Draft

Introduction: The Capital Improvement Program

A capital improvement plan (CIP) is a long-term guide for capital project expenditures. The CIP includes a list of capital projects a community envisions for the future, and a plan that integrates timing of expenditures with the City's annual budget. The program identifies ways projects will benefit the community. The CIP also indicates the priorities assigned to different projects and presents a target construction schedule.

A carefully prepared capital improvement plan has many uses. It can assist a community to:

- Anticipate community needs in advance, before needs become critical;
- Rank capital improvements needs so the most important projects are given consideration for funding before projects not as urgently needed;
- Plan for maintenance and operations costs so expenses are budgeted in advance and projects communities cannot afford to operate are avoided;
- Provide a written description and justification for projects submitted for state funding so the legislature, governor, and appropriate agencies have the information necessary to make decisions about funding capital projects; and
- Provide the basis for capital projects as part of the annual budget.

A capital improvement project is one that warrants special attention in the municipal budget. Normally, public funds are not expended if the project is not listed in the CIP. A capital expenditure should be a major, nonrecurring budget item that results in a fixed asset with an anticipated life of at least two years. Projects eligible for inclusion in the City of Homer CIP have a lower cost limit of $50,000 for City projects and $25,000 for those proposed by non-profit organizations. Projects proposed by non-profit organizations and other non-City groups may be included in the CIP with City Council approval but such inclusion does not indicate that the City intends to provide funding for the project.

The municipality's capital improvement plan is prepared in accordance with a planning schedule, usually adopted by City Council at the onset of the CIP process. A copy of the City of Homer CIP schedule appears in the appendix of this document.

The number of years over which capital projects are scheduled is called the capital programming period. The City of Homer's capital programming period coincides with the State's, which is a six year period. The CIP is updated annually, since only some of the projects are funded and completed each year.

A capital improvement plan is not complete without public input. The public should be involved throughout the CIP process, including nomination and adoption states of the process. The City of Homer solicits input from City advisory bodies, advertises for public input during the CIP public hearing, and invites the public to participate throughout the entire process.

The City's capital improvement program integrates the City's annual budget with planning for larger projects that meet community goals. The CIP program involves a process where the City Council, with technical support from the administration and ideas and suggestions from the public, compiles a viable way to implement goals for the community.

Determining project priorities. City of Homer CIP projects are assigned a priority level of 1, 2, or 3, with 1 being the highest priority. To determine priority, the Council considers such questions as:

- Will the project correct a problem that poses a clear danger to human health and safety?
- Will the project significantly enhance City revenues or prevent significant financial loss?
- Is the project widely supported within the community?
- Has the project already been partially funded?
- Is it likely that the project will be funded only if it is identified as being of highest priority?
- Has the project been in the CIP for a long time?
- Is the project specifically recommended in other City of Homer long-range plans?
- Is the project strongly supported by one or more City advisory bodies?

Once the overall CIP list is finalized, the City Council names a subset of projects that will be the focus of efforts to obtain state and/or federal funding in the coming year. The overall CIP and the legislative priority list are approved by resolution.

Integration of the CIP with Comprehensive Plan Goals

Each project listed in the CIP document has been evaluated for consistency with the City's goals as outlined in the Comprehensive Plan. The following goals were taken into account in project evaluation:

Land Use: Guide the amount and location of Homer's growth to increase the supply and diversity of housing, protect important environmental resources and community character, reduce sprawl by encouraging infill, make efficient use of infrastructure, support a healthy local economy, and help reduce global impacts including limiting greenhouse gas emissions.

Transportation: Address future transportation needs while considering land use, economics, and aesthetics, and increasing community connectivity for vehicles, pedestrians, and cyclists.

Public Service & Facilities: Provide public services and facilities that meet current needs while planning for the future. Develop strategies to work with community partners that provide beneficial community services outside of the scope of City government.

Parks, Recreation & Culture: Encourage a wide range of health-promoting recreation services and facilities, provide ready access to open space, parks, and recreation, and take pride in supporting the arts.

Economic Vitality: Promote strength and continued growth of Homer's economic industries including marine trades, commercial fishing, tourism, education, arts, and culture. Preserve quality of life while supporting the creation of more year-round living wage jobs.

Energy: Promote energy conservation, wise use of environmental resources, and development of renewable energy through the actions of local government as well as the private sector.

Homer Spit: Manage the land and other resources of the Spit to accommodate its natural processes, while allowing fishing, tourism, other marine-related development, and open space/recreational uses.

Town Center: Create a community focal point to provide for business development, instill a greater sense of pride in the downtown area, enhance mobility for all forms of transportation, and contribute to a higher quality of life.

CIP Categories 2012-2017
Summary of Projects by Year and Cost

CATEGORY	2011	2012	2013	2014	2015	2016	TOTAL $
LOCAL ROADS & TRAILS	500,000	650,000	5,350,000	-	-	-	6,500,000
STRUCTURES	9,410,000	9,225,000	106,675,000	20,925,000	-	175,000	146,410,000
UTILITIES	11,280,000	6,310,000	18,710,000	200,000	200,000	-	36,700,000
EQUIPMENT	950,000	270,000	210,000	-	-	-	1,430,000
TOTAL $	22,140,000	16,455,000	130,945,000	21,125,000	200,000	175,000	191,040,000

Tables will be updated at the end of the CIP development process

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Local Roads and Trails
Summary of Projects by Year and Cost

PROJECT	2011	2012	2013	2014	2015	2016	TOTAL $
Heath Street, Pioneer to Anderson		400,000	3,600,000				4,000,000
Horizon Loop Trail Feasibility and Conceptual Design							0-
Land Acquisition for New Roads	500,000						500,000
Town Center Infrastructure		250,000	1,750,000				2,000,000
TOTAL $	500,000	650,000	5,350,000				6,500,000

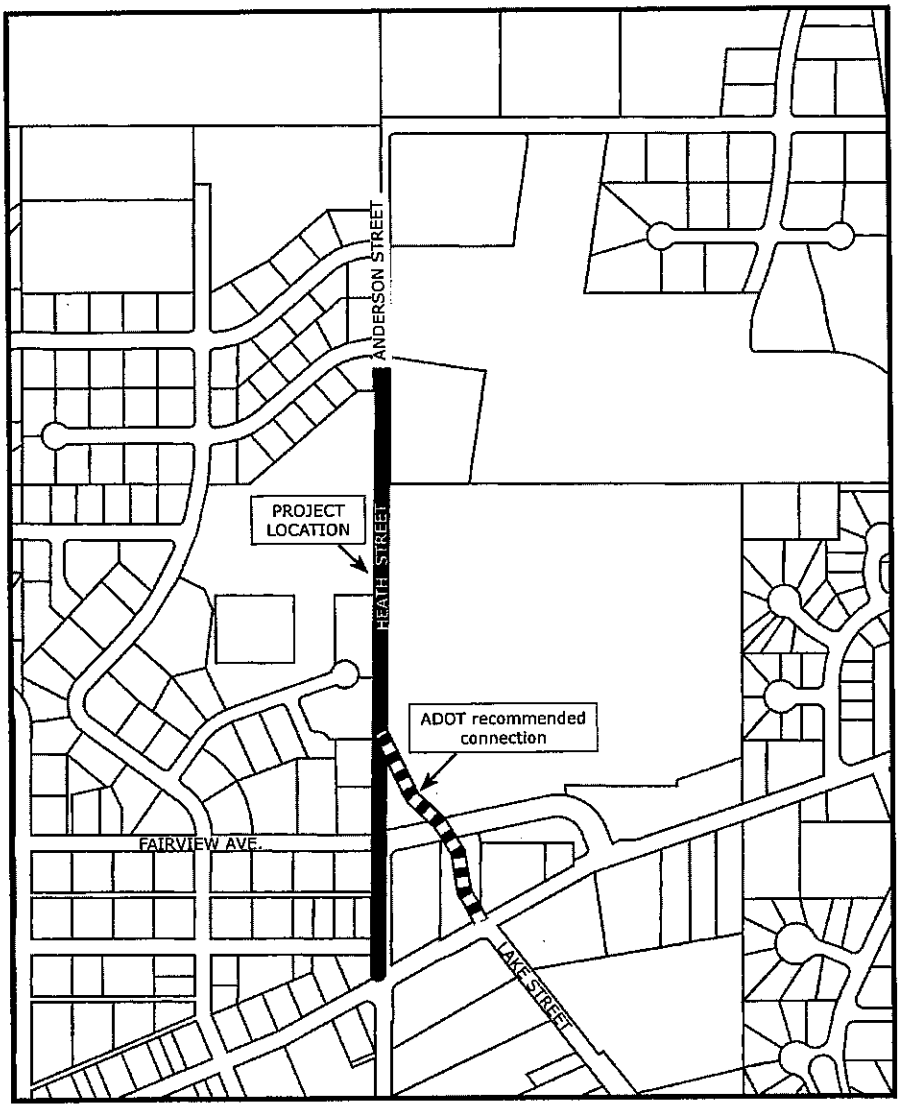
Tables will be updated at the end of the CIP development process

Heath Street - Pioneer to Anderson

PROJECT DESCRIPTION & BENEFIT: This project provides for the design and construction of a connection from East End Road to Anderson Street. The project will address concerns raised by Alaska DOT/PF regarding the Heath Street/Pioneer and Lake Street/ Pioneer intersections and will provide access from East End Road past Homer High School to a developing residential area north of the high school. The City of Homer will work with ADOT engineers to determine the best route (extension of Heath Street vs. extension of Lake Street) to provide safer and more effective circulation, improve emergency access to and from the high school, and reduce congestion at existing intersections.

PLANS & PROGRESS: The improvement is recommended in the 2005 Homer Area Transportation Plan and would implement recommendations of the 2005 Homer Intersections Planning Study (ADOT). The City of Homer has agreed to fund 50% of the project.

Schedule and Cost: 2012-2013 (design)—$400,000 2013-2014 (construction)—$3.6 M Priority Level 1



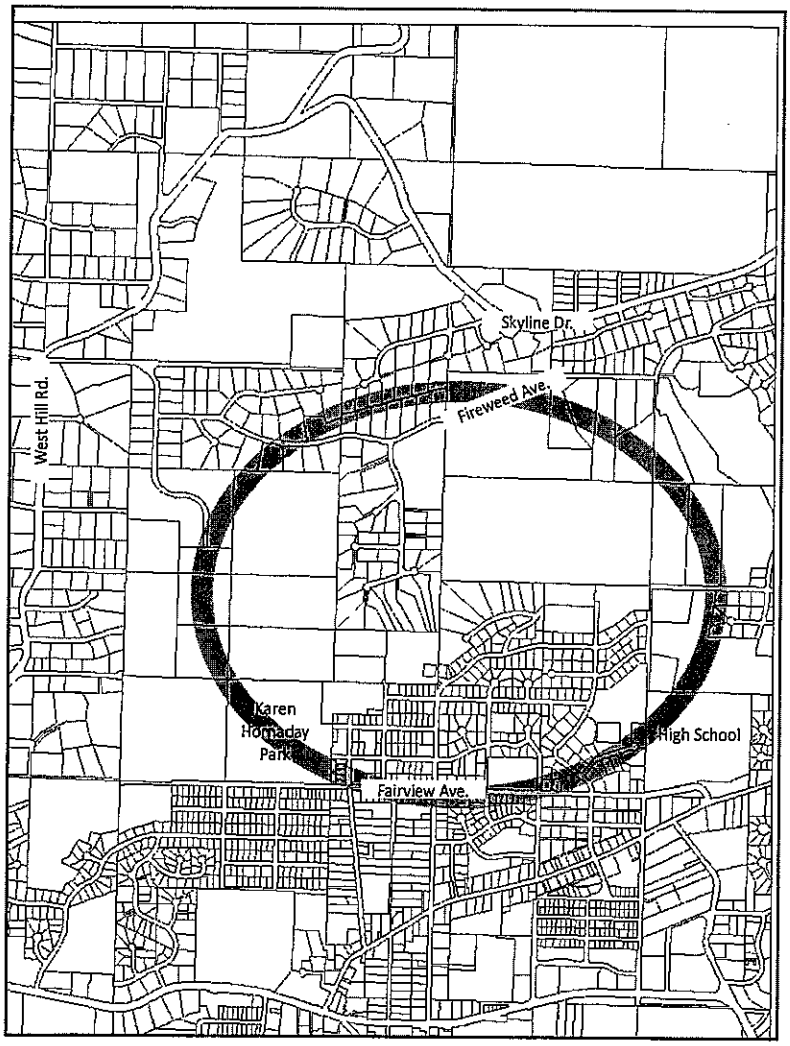
DRAFT

Contact Mayor Jim Hornaday or City Manager Walt Wrede at 235-8121

Horizon Loop Trail
Phase 1: Feasibility and Conceptual Design

PROJECT DESCRIPTION & BENEFIT: The Homer Horizon Loop Trail is proposed as a 4 to 5 mile route that would run clockwise from Karen Hornaday Park up around the top of Woodard Creek Canyon, traverse the bluff eastward along Fireweed Avenue, and then drop down to Homer High School. The parking lots of Karen Hornaday Park and Homer High School would provide trailhead parking. Those wishing to complete the loop will easily be able to walk from the high school to Karen Hornaday Park or vice versa via Fairview Avenue. A later stage of trail development will connect the Horizon Loop Trail with the Homestead Trail at Bridge Creek Reservoir.

The trail will fill a need identified by trails advocates for more hiking opportunity on this side of the bay. Many Homer residents will be able to access the trail without having to drive at all, since it will begin and end in the most densely populated area of town, with additional access points on the upper part of the loop. The Homer Non-Motorized Transportation and Trail Plan notes the need for such a trail, which would provide both transportation and recreation benefits.



The oval above indicates the general area of the Horizon Loop Trail. It is not intended to indicate a proposed trail route.

The trail will also provide fitness benefits in that it will be long enough and steep enough to provide a good workout suitable for a wide range of children and adults. While beach walking in Homer is popular, it does not provide the same fitness benefits as a trail with a 600 foot elevation gain. In a 2-3 hour hike, trail users will improve cardiovascular health, build muscles, burn calories, and reap the mental health benefits of fresh air, spectacular views, and a sense of accomplishment. In a year-long assessment effort, the Southern Kenai Peninsula Communities Project, spearheaded by South Peninsula Hospital, identified "Healthy Lifestyle Choices" as its number 1 goal. The proposed Horizon Loop Trail will help meet that goal in the Homer community.

Phase 1 of the project will identify the routing options, begin discussions to establish necessary easements, and develop a preliminary design and cost estimate.

Cost (Phase 1): Staff time

Schedule: 2011

Priority Level 2

Land Acquisition for New Roads

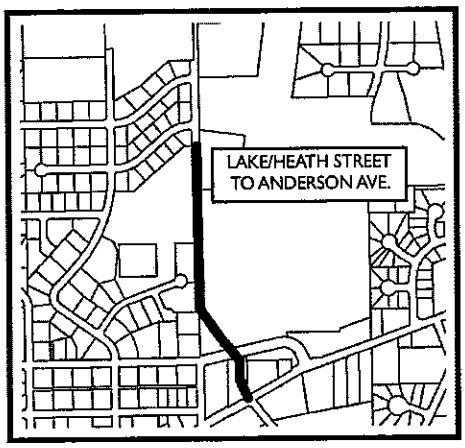
PROJECT DESCRIPTION & BENEFIT: This project will help meet current and future transportation needs by acquiring specific land parcels and rights-of-way to extend five local roads:

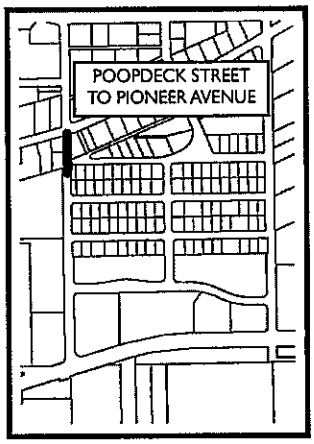
Lake/Heath Street to Anderson Avenue

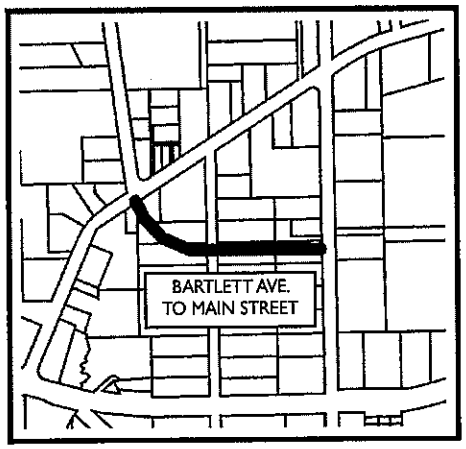
- Bartlett Street extension south and east to Main Street
- Poopdeck Street extension north to Pioneer Avenue
- Early Spring Street extension north to East End Road
- Waddell Way extension west to Heath Street

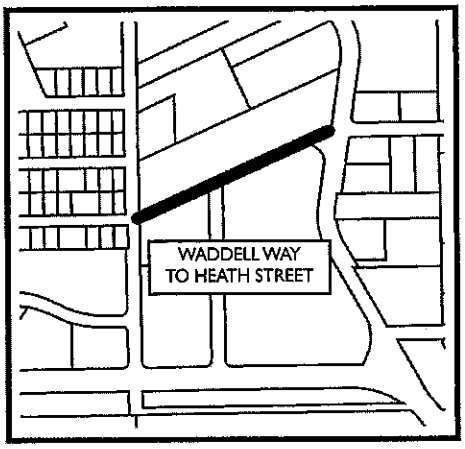
PLANS & PROGRESS: All four road projects are recommended in the 2005 Homer Area Transportation Plan.

Cost: $500,000 Schedule: 2011-13 Priority Level 2









Town Center Infrastructure

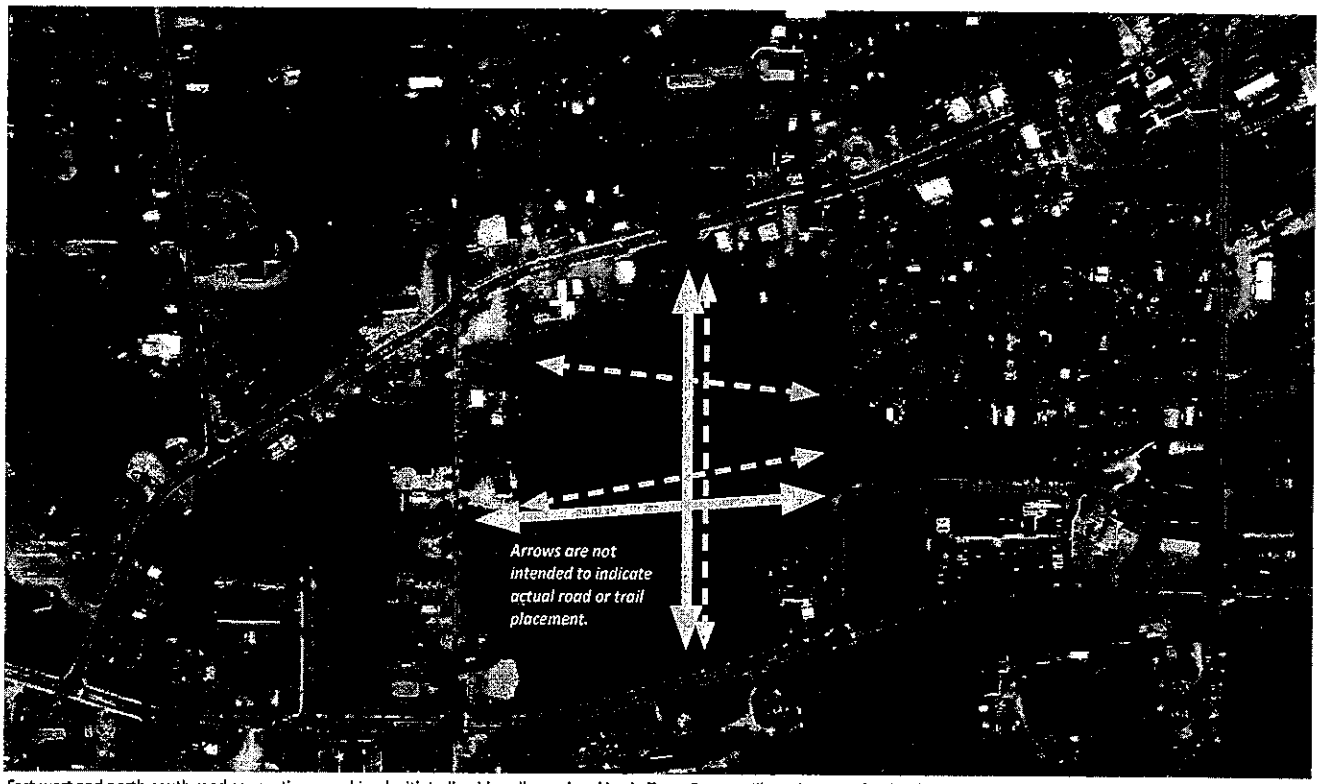
PROJECT DESCRIPTION & BENEFIT: In the Central Business District between Pioneer Avenue and the Sterling Highway and between Main Street and Poopdeck lie approximately 30 acres of undeveloped land, providing a unique opportunity to develop an attractive and lively downtown district in the heart of Homer. Establishing infrastructure is an important step in attracting further investment that will make Town Center a success.

The Town Center Infrastructure Project will begin Phase 1 development of Town Center, as described in the April 2006 Town Center Development Plan. Specifically, it will establish routes and acquire rights-of-way for roads, trails, and sidewalks; identify and carry out needed land exchanges between property owners; and develop the first trails through Town Center along with primary roadways with sidewalks, crosswalks, and utilities.

PLANS & PROGRESS: The Homer Town Center Project began in 1998 (as the Town Square Project) with a goal "to envision and create, through inclusive community planning, an area within the Central Business District of Homer that will be a magnet for the community, provide for business development, instill a greater sense of pride in the downtown area, make Homer more pedestrian-friendly, and contribute to a higher quality of life."

In April 2006, the Homer Town Center Development Plan was adopted by the City Council as a component of the Comprehensive Plan.

Schedule and Cost: 2012-2013 (design)—$250,000 2013-2014 (construction)—$1.75 M Priority Level 1



East-west and north-south road connections combined with trails, sidewalks, and parking in Town Center will set the stage for development of an economically vibrant and attractive downtown district in the heart of Homer.

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Structures
Summary of Projects by Year and Cost

PROJECT	2011	2012	2013	2014	2015	2016	TOTAL $
Ben Walters Park Improvements		200,000					200,000
Deep Water Dock Expansion	1,200,000	1,750,000	26,000,000				28,950,000
Deep Water Dock Upland Improvements		800,000					800,000
Downtown Restroom #1			400,000				400,000
East Boat Harbor	1,520,000		78,500,000	20,600,000			100,620,000
End of the Road Park, Phase 1			1,075,000				1,075,000
Fish Dock Restroom		400,000					400,000
Fishing Lagoon Improvements	255,000						255,000
Harbor Entrance Erosion Control			600,000				600,000
Harbor Float Replacement/Ramp 3 Gangway and Approach	5,200,000						5,200,000
Homer Spit Dredged Material Beneficial Use Project	10,000	970,000					980,000
Jack Gist Park Improvements, Phase 1			100,000				100,000
Karen Hornaday Park Improvements, Phase 1	700,000						700,000
Mariner Park Improvements, Phase 1		475,000		325,000		175,000	975,000
Port and Harbor Building	375,000	2,500,000					2,875,000
Public Restroom - Fish Dock		400,000					400,000
Skyline Fire Station	150,000	1,200,000					1,350,000
Upgrade System 5 - Vessel Shore Power and Water		530,000					530,000
TOTAL $	9,410,000	9,225,000	106,675,000	20,925,000	-	175,000	146,410,000

Tables will be updated at the end of the CIP development process

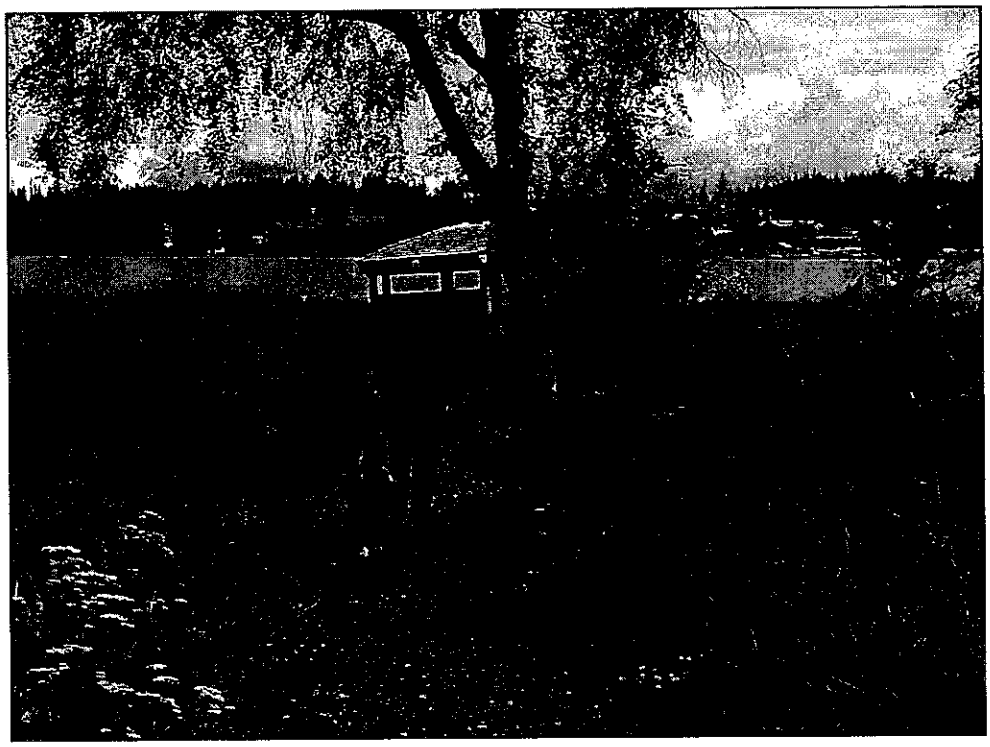
Ben Walters Park Improvements, Phase 1

PROJECT DESCRIPTION & BENEFIT: Ben Walters Park comprises 2.5 acres on the shore of Beluga Lake, near the intersection of Lake Street and the Sterling Highway. With its central location, proximity to McDonalds restaurant, and access to the lake for winter and summer recreation, it is one of Homer's most frequently visited parks.

Phase 1 of the park improvement project, to replace the dock, was completed in 2009.

Phase 2 will enlarge the parking area and renovate the picnic shelter.

Cost: $200,000 Schedule: 2012 Priority Level 2



Improvements are needed at Ben Walters Park, including enlarging the parking lot and renovating the shelter.

Deep Water/Cruise Ship Dock Expansion, Phase 1

PROJECT DESCRIPTION & BENEFIT: The City of Homer is in the process of completing major infrastructure improvements that will help position Homer as the economic and transportation hub for the Kenai Peninsula.

To provide a full complement of cargo handling facilities at the Port of Homer, upgrades to the Deep Water Dock are necessary. Phase 1 of the project will widen the existing dock to 88 feet and increase overall length to 744 feet, and widen and strengthen the existing trestle. Later phases will expand the dock further, add a terminal building and other upland improvements, and add a rail for a 100-foot gauge gantry crane.

The facility will be capable of handling containerized freight delivery to the Kenai Peninsula, thus reducing cost of delivering materials and supplies to much of the Peninsula. In addition, it will provide staging for barged freight service to the Lake and Peninsula Borough via the Williamsport-Pile Bay Road or other facilities built to meet the needs of future resource development. The City has a 30-acre industrial site at the base of the dock which can support freight transfer operations.

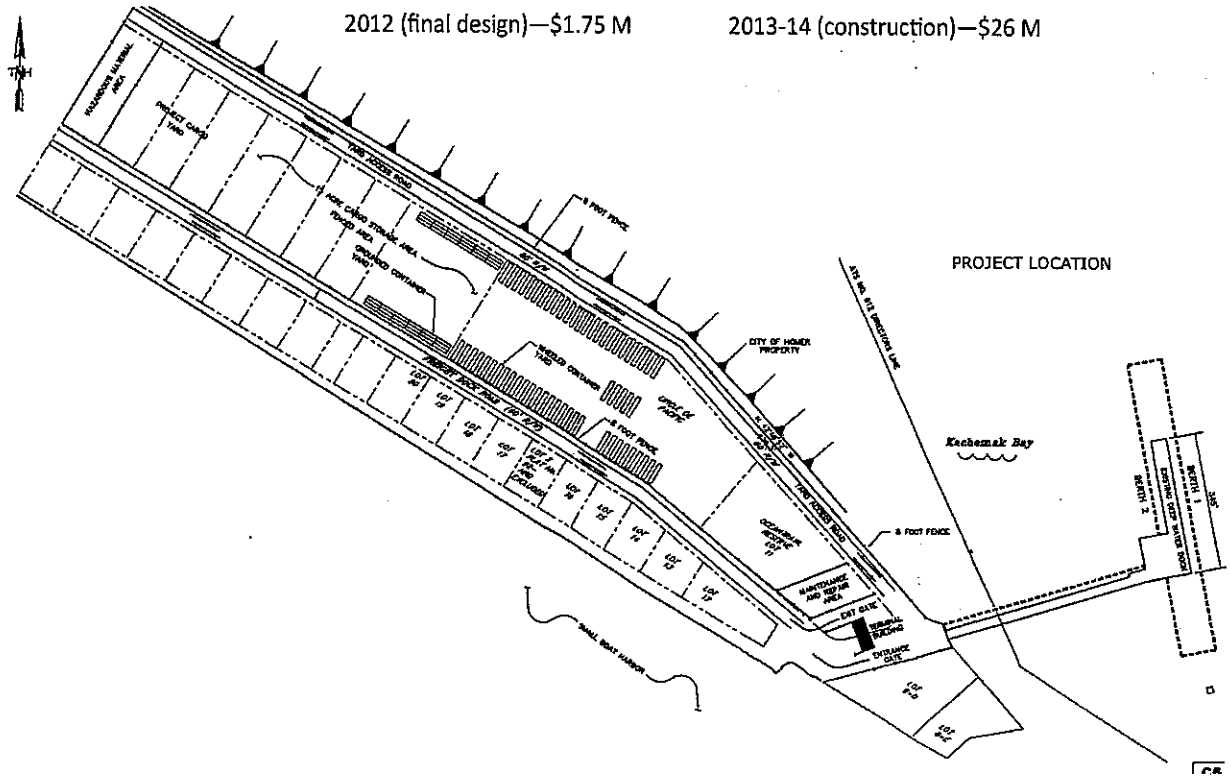
This expanded dock facility will fulfill a contingency planning requirement under Homeland Security provisions. The Port of Anchorage, through which passes 90% of the cargo for the Alaska Railbelt areas and the Kenai Peninsula, is vulnerable. If the Port of Anchorage were to be shut down and/or incapacitated for any reason, the Port of Homer would become even more important as an unloading, staging, and transshipping port.

The dock expansion will also enhance cruise ship-based tourism in Homer, by providing moorage at the dock for two ships (a cruise ship and a smaller ship) at the same time, reducing scheduling conflicts.

PLANS & PROGRESS: In 2005 the City of Homer spent $550,000 for cathodic protection of the existing dock and conceptual design of an expanded dock. $2 million in federal transportation earmark funds was appropriated for the project for FY 2006, to prepare preliminary design and conduct further economic analysis. The Alaska Legislature appropriated an additional $1 million for FY 2011. The Homer City Council has authorized the sale of $2 million in bonds to help fund the construction of this project.

Schedule and Cost: 2011 (feasibility/preliminary design)—$1.25 M

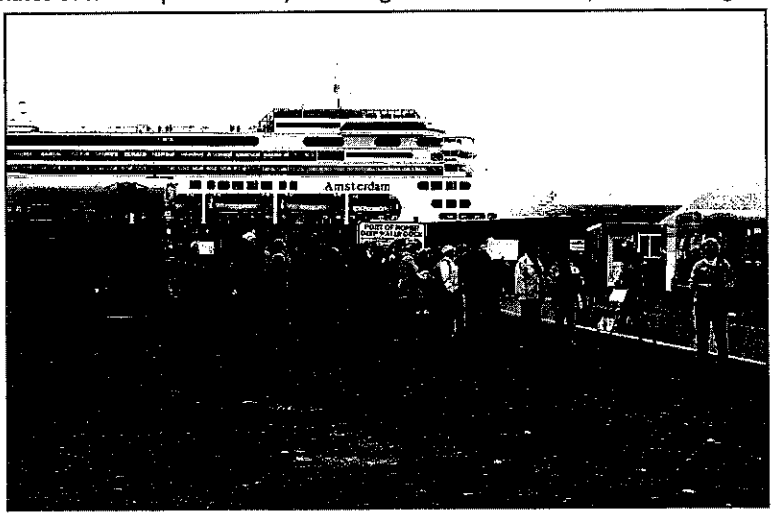
2012 (final design)—$1.75 M 2013-14 (construction)—$26 M



Deep Water/Cruise Ship Dock: Docking and Upland Passenger Facility Improvements

PROJECT DESCRIPTION & BENEFIT: Classified as an Emerging Port for cruise-ship based tourism, the Port of Homer has seen a dramatic increase in cruise ship bookings in the last three years, from two ships in 2009 to nine in 2010 to fifteen scheduled for 2011. With the goal of encouraging this trend, the City of Homer has developed an Integrated Cruise Ship Enhancement Strategy aimed at utilizing state cruise ship head tax monies to maximize benefits of cruise ship tourism for both passengers and the Homer community. This project will implement key features of that strategy:

- Add docking fender, camel upgrade, and bollard upgrades to the Deep Water Dock (also known as the Cruise Ship Dock) ($2.15 million). These upgrades will greatly facilitate docking maneuvers and help prevent damage to cruise ships.
- Modify the dock to eliminate bird nesting ($600,000). The existing open I-beam construction of the Cruise Ship Dock creates ideal nesting sites for hundreds of seagulls, which in turn creates a huge problem with bird excrement and offensive odors. This problem will be largely eliminated by welding steel plates over the open I-beams, removing old fender brackets, and installing bird-deterrant spikes on dock support systems.
- Purchase a broom attachment for the Port forklift, to be used for cleaning the dock prior to cruise ship arrivals ($10,000).
- Install a steel transition plate to bridge the gap between the dock and the dock trestle, for the full width of the trestle ($20,000). Currently this gap creates a trip hazard for foot traffic, a particular problem for less agile passengers.
- Construct a guard house for security personnel that includes a public restroom ($500,000).
- Construct a covered area for passengers waiting for ground transportation ($50,000).



A stinky dock, rough unmarked parking lot, lack of weather protection, and general disheveled appearance at the Cruise Ship Dock uplands do not provide the best first impression of Homer.

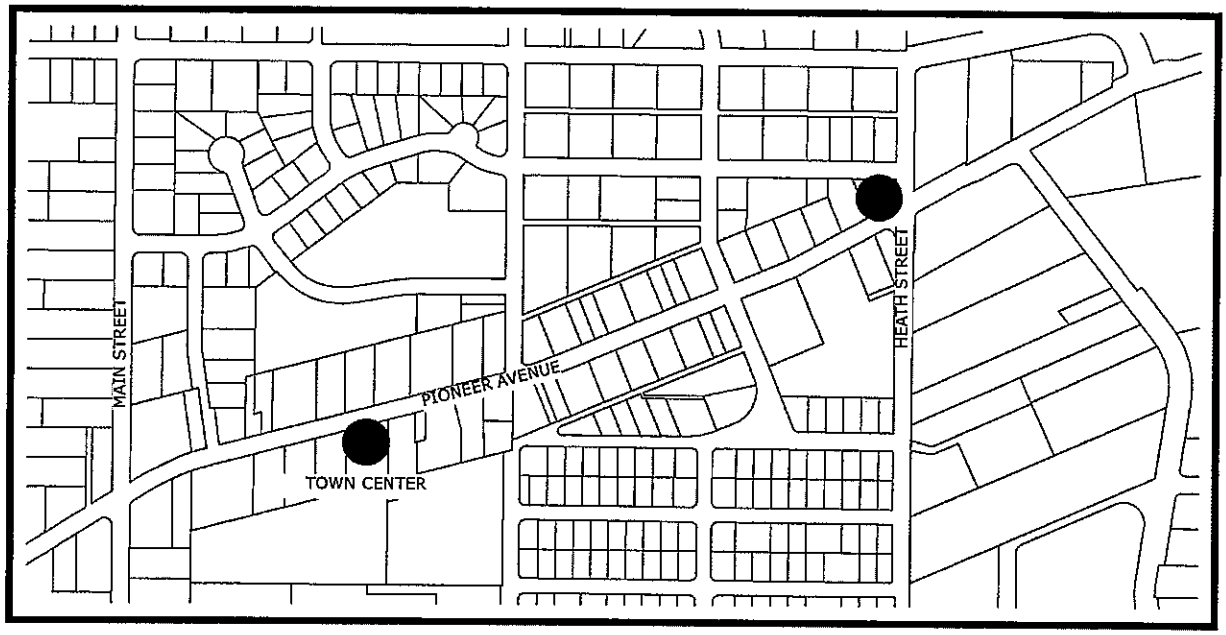
- Create a level, paved, and fenced staging area specifically for cruise ship passengers (separated from marine industrial uses) ($100,000). The paved and marked surface will eliminate problems with dust and uneven/hazardous terrain that plague the area now and make it easier to direct passenger and vehicle/bus traffic. Signage will also help eliminate confusion in the staging area.
- Construct a paved ADA-compliant trail along the east side of the existing harbor and Outer Dock Road (4,000 feet). Include three pullout/view areas with benches and signage ($425,000).
- Construct a paved parking area and covered shelter in the main commercial/retail area of the harbor for passengers embarking/disembarking from buses ($100,000).
- Construct a paved trail from where the new Spit Trail ends (at End of the Road Park) to Coal Point, to include benches and signage at Coal Point and a restroom at End of the Road Park ($950,000). The new trail will be utilized by passengers who disembark at either the Cruise Ship Dock or the Pioneer Dock (back-up cruise ship dock). Coal Point provides an outstanding overlook area for observing all the activities of the harbor, including those at the Fish Dock.
- Construct public restrooms with covered bus stops at two downtown locations ($1 million).
- Include public art and landscaping features with some of the above projects to enhance the visitor experience ($50,000).

Total project cost: $5,955,000 Schedule: 2011-2013

Downtown Restroom

PROJECT DESCRIPTION & BENEFIT: This project will provide the first of two public restrooms in downtown Homer, for the benefit of residents and visitors. Currently, the only public restroom facilities on Pioneer Avenue are in City Hall. With proposed Town Center development, the need for restroom facilities will increase as more people frequent the downtown area. Specific locations proposed for the new restrooms are at the pedestrian trail entrance to Town Center and at WKFL Park, as shown below.

Cost: $400,000 Schedule: 2013 Priority Level 2



East Boat Harbor

PROJECT DESCRIPTION & BENEFIT: This project will construct a new harbor ranging in size from 11 to 15 acres. It would enhance harbor capabilities by:

- accommodating the large commercial vessels (fishing vessels, workboats, landing craft, tugs, barges, etc.) that are currently congesting the harbor at System 4 and System 5 transient floats, rafting two and three abreast due to shortage of moorage space at the floats, thus overstressing the floats;
- enabling Homer to accommodate and moor the additional 40 to 60 large commercial vessels that potentially would use Homer Harbor as a home port but which have in the past been turned away due to lack of space;
- providing a long-term solution to mooring problems the USCGC *Hickory* experiences on Pioneer Dock during the northeasterly storm surges and to the security problem faced by both the USCG cutters home-ported at Homer. These vessels are unable to maintain an adequate security zone around their current moorings in the existing small boat harbor (USCGC *Roanoke Island*) and on the Pioneer Dock west trestle (USCGC *Hickory*).

The Port of Homer and Homer Small Boat Harbor are regional facilities serving and supporting the northern Gulf of Alaska, Prince William Sound, Cook Inlet, and Kachemak Bay and are also a "place of refuge" for Gulf of Alaska, Cook Inlet, and Kennedy Entrance marine traffic in event of severe weather or machinery malfunctions.

Several conceptual designs have been proposed for a new Homer boat harbor. This one would add a new basin with its own entrance adjacent to the existing Small Boat Harbor.

The proposed new harbor basin will be dredged to minus 20 feet Mean Lower Low Water (MLLW) to accommodate large commercial vessels so they will not touch bottom on the lowest tides of the year (minus 5.6 feet). It will need to be dredged to minus 22 feet MLLW in the entrance channel, fairway, and one side of the basin to accommodate the USCGC *Hickory* at the proposed Coast Guard float. The new basin will provide the security zone and private moorings for the U.S. Coast Guard vessels at one side and will accommodate the large, deep draft commercial vessels at the other side.

PLANS & PROGRESS: The Army Corps of Engineers completed a reconnaissance study in 2004 that indicated a federal interest in having a new harbor in Homer; however, subsequent analysis found that the cost/benefit ratio was too low for the Corps to recommend the project. The City of Homer has requested a technical report from the Corps and is seeking funding from other sources.

Schedule and Cost: 2011-12 (design and permitting)—$1.52 million
2013 (breakwater construction and dredging)—$78.5 million
2014-2015 (inner harbor improvements)—$20.6 million

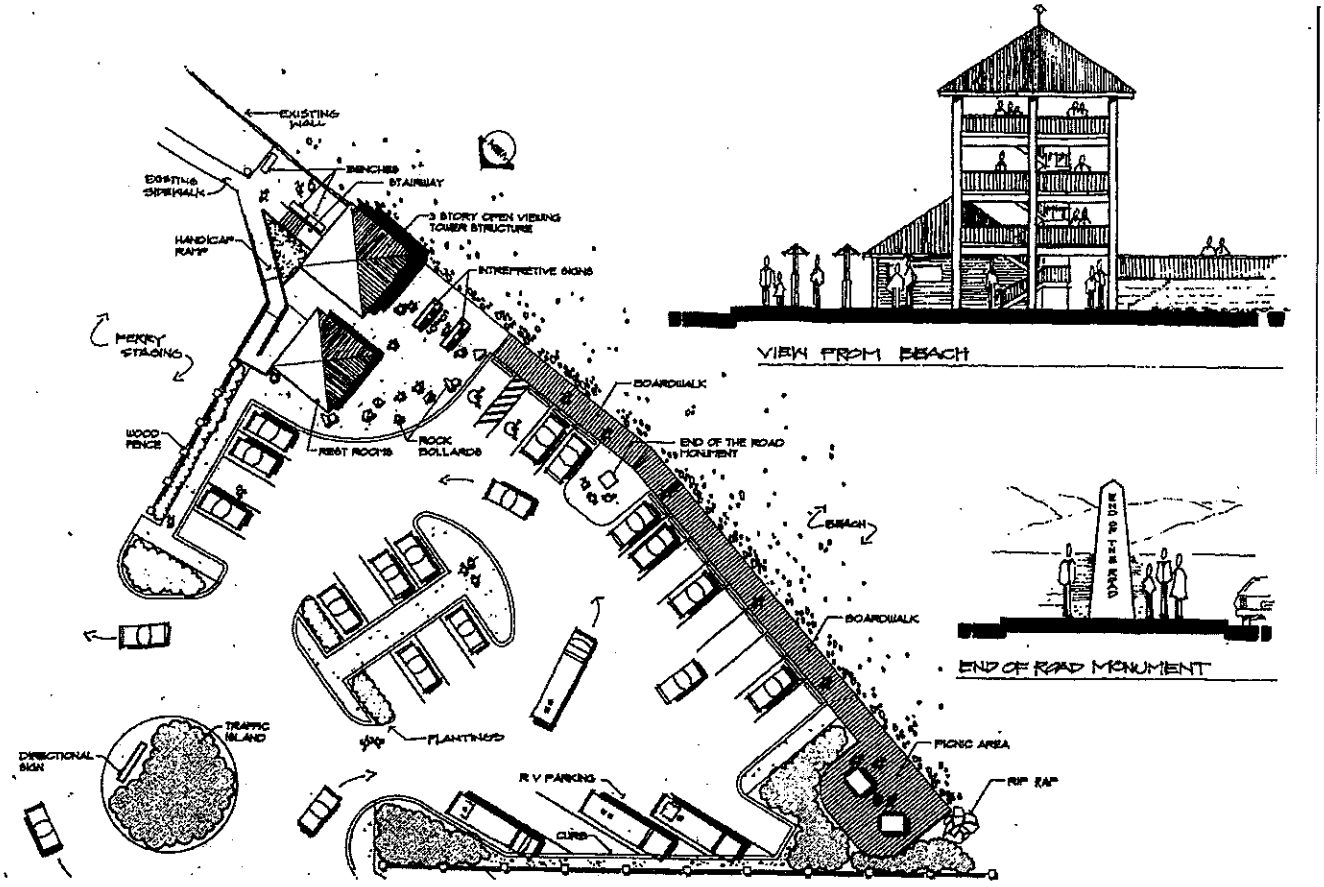
Priority Level 2

End of the Road Wayside, Phase 1

PROJECT DESCRIPTION & BENEFIT: An End of the Road wayside has been envisioned for the end of the Homer Spit (between the ferry terminal and Land's End) since the early 1990s. The City of Homer originally sought Federal Transportation Enhancement funding for the park, which was to be built in conjunction with a marine highway ticket office. But in 1995, the two projects were separated and the park was never built. Since that time, activity on the Homer Spit has increased dramatically, especially in the summer. It is time to replace the existing dusty parking lot with an attractive multi-purpose park that will include landscaping, provide comfortable seating, make the most of the view, and include pavement markings to facilitate traffic movement (e.g., turnarounds). Phase 2 of this project will construct a restroom facility.

PLANS & PROGRESS: The Alaska Departments of Transportation and Natural Resources have provided planning and design assistance in the past for this project, which was expected to serve as the terminus for the Homer Spit Trail. The City of Homer received FY 2010 funding to complete the Spit Trail from the fishing lagoon to the ferry terminal. It is possible that some of that funding can be used for improvements at End of the Road Wayside.

Total cost: $1,075,000 Schedule: 2013 Priority Level 2



This design for End of the Road Park prepared by ADOT in 1994 features a boardwalk, landscaping, picnic area, restrooms, interpretive signs, and viewing tower along with paved parking.

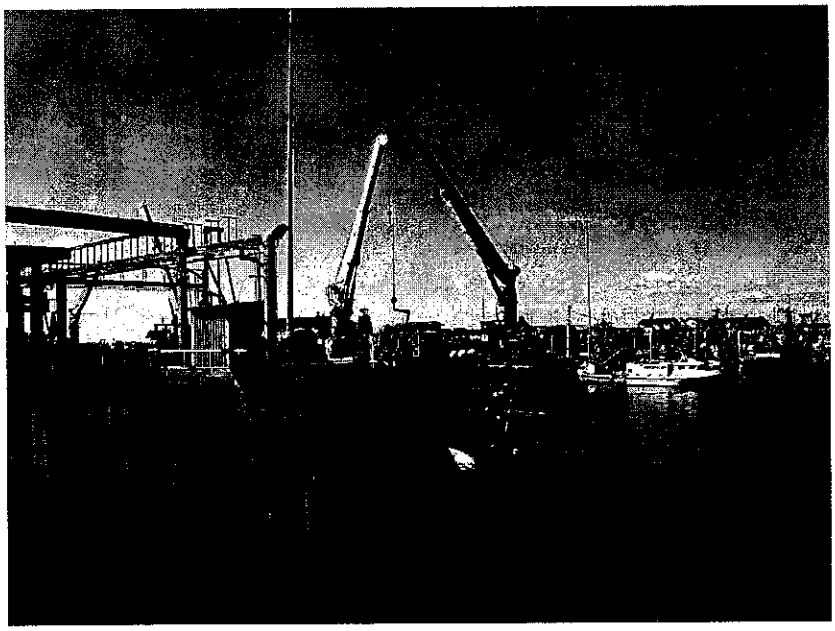
Fish Dock Restroom

PROJECT DESCRIPTION & BENEFIT: With increased activity on the Homer Spit the need for restroom facilities has also increased. The most urgently needed restrooms are in the vicinity of the Fish Dock and at Mariner Park. (The Mariner Park restroom is addressed in this plan under "Mariner Park Improvements.")

A new restroom in the vicinity of the Fish Dock will provide a public facility for commercial fishermen, cash buyers, dock workers, truck drivers, and others who catch, unload, process, and transport millions of pounds of seafood across the dock annually.

PLANS & PROGRESS: $120,000 has been set aside to help pay for the restroom at the Fish Dock. Funding secured for completion of the Homer Spit Trail (FY 2010 state appropriation) is another possible source of funding for the restroom.

Cost: $400,000 Schedule: 2012Priority Level 2



The Homer Fish Dock is one of the busiest places in the Homer harbor, but currently has no restroom facility.

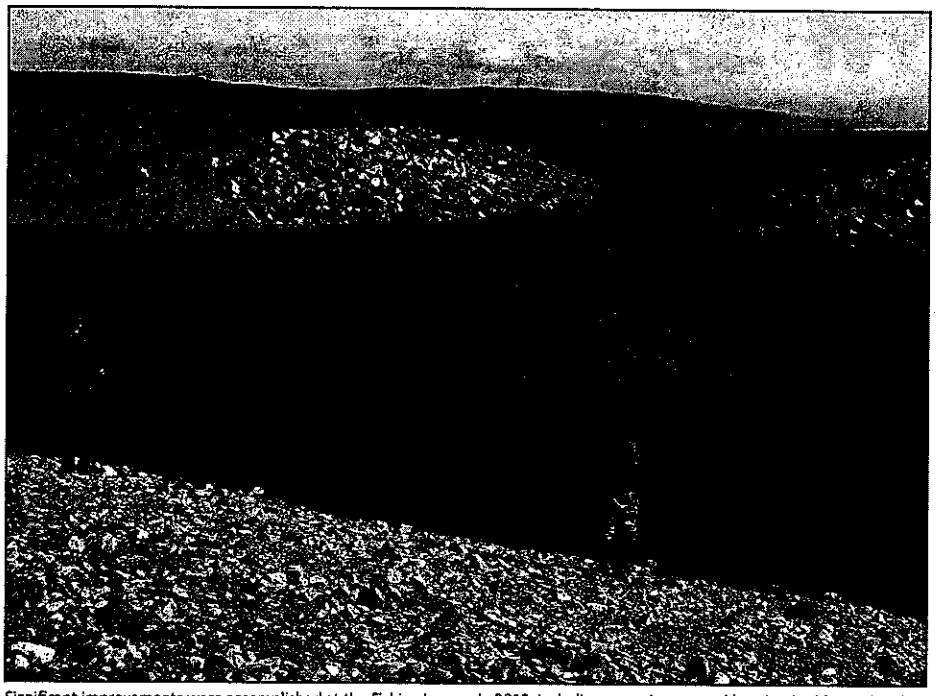
Fishing Lagoon Improvements

PROJECT DESCRIPTION & BENEFIT: The Nick Dudiak Fishing Lagoon (also known as the "Fishing Hole") is a man-made marine embayment approximately 5 acres in size, stocked to provide sport fishing harvest opportunity. It is extremely popular with locals and visitors alike. During the summer when salmon are returning, approximately 100 bank anglers may be present at any one time between 7 a.m. and 10 p.m. The parking area, shoreline, and tide line 17 feet above mean high water are owned by the City of Homer. Below mean high water, the tidelands and water are owned by the State of Alaska. The City of Homer, Homer Chamber of Commerce, Alaska Fish and Game, and many other supporters work to ensure robust salmon runs in the lagoon.

Buying salmon smolt is only one of the challenges faced by Fishing Lagoon supporters. The lagoon embayment itself is in need of maintenance work. While significant work was accomplished in 2010, the following improvements are still needed:

- Dredge the lagoon approximately 3 feet to remove deposits from tidal action, from settling of the inside banks, and from dead organic matter. Estimated cost: $250,000.
- Plant wild rye grass sprigs to stabilize the inner basin slope. Estimated cost: $5,000.

Total cost: $255,000 Schedule: 2011 Priority Level 1



Significant improvements were accomplished at the Fishing Lagoon in 2010, including removing a gravel bar that had formed at the north side of the entrance and rebuilding the north berm with armor rock. Additional dredging work is needed now.

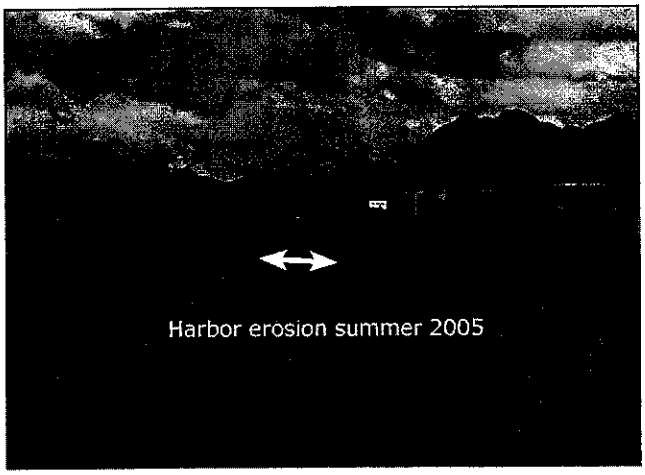
Harbor Entrance Erosion Control

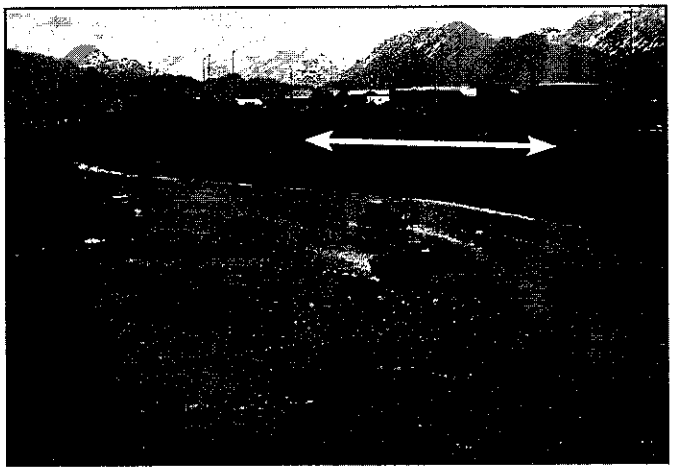
PROJECT DESCRIPTION & BENEFIT: The entrance to Homer's small boat harbor is under steady assault from wave action, putting infrastructure at risk from erosion. In 1995, Icicle Seafood and the City of Homer worked together to build a log cribbing revetment structure on the City property where Icicle Seafood was located. Although this project stopped the immediate erosion threat, it was built as a temporary measure until such time as funding could be obtained to build a rock revetment. Since it was built, the log cribbing itself has been hammered by waves and is steadily disintegrating.

Other leased City property in jeopardy includes petroleum pipelines at the Petro Marine site. Pipelines to Petro Marine's tank farm are located in the bluff-line area just outside the entrance to Homer Harbor. A continued lack of shore protection in this area will lead to the facilities having to be abandoned or pipelines rerouted at considerable expense. A rip-rap revetment is being proposed that will extend 935 feet from the jetty entrance of the harbor to the existing revetment near the Ferry Terminal. (Note: This project could be completed in conjunction with the proposed East Boat Harbor or Harbor Pathways construction.)

Homer Harbor is the home port to commercial and recreational fishing fleets of more than 1,500 vessels and is an integral part of the local economy. The fuel storage facility is a vital part of refueling operations within the harbor and is located for maximum efficiency. Erosion control is needed to protect the harbor for fishermen, tourists, and other users.

Cost: $600,000 Schedule: 2013 Priority Level 2





A large section of the temporary wooden cribbing built to protect the shore from erosion has been destroyed by wave action. Each year the extent of damage increases.

Harbor Float Replacement/ Ramp 3 Gangway and Approach

PROJECT DESCRIPTION & BENEFIT: This project will replace the most badly damaged floats in the Homer Harbor along with Ramp 3 and the Ramp 3 approach.

The floats to be replaced were originally installed in the 1970s. Age and heavy use have led to areas of marginal freeboard, worn and irregular walking surfaces, bull rails in need of replacement, ice damage to pilings, and broken sidewalls with exposed flotation. While on-going maintenance and emergency repairs have kept the floats in service, their condition is such that replacement is the only reasonable long-term solution. The following floats will be replaced as Phase 1 of the project: A Float, connecting E-J; J Float, R Float, and S Float. A combined total of 1,706 linear feet are involved.

Ramp 3 is the last remaining original ramp in the Homer Harbor, dating back to the mid-1960s. It is the steepest ramp and is the most difficult to use during low tides. Ramp 3 is also the most centrally located ramp in the harbor with access to the widest range of stall size classes. This makes Ramp 3 the best candidate for any ADA improvements that would make it easier for individuals with disabilities to access the harbor basin. A new aluminum ramp that is covered would help in keeping the ramp snow and ice-free for year-round access. (Many other harbors in Alaska now include covered ramps.) A 100-foot long ramp would reduce the angle at low tide and ensure that the ramp is adequate to meet future needs. ADA regulations require that ramp gangways be a minimum of 80 feet long.

The Ramp 3 approach, a long narrow wooden structure, is the oldest approach in the harbor and is in the poorest condition. The proposed Spit Trail completion/Harbor Pathways project would tie in perfectly with a newly upgraded Ramp 3 approach.

Ramp 3 is the most centrally located ramp in the Homer Harbor, but it is also the oldest and the most challenging to use at low tide. The old wooden approach to the ramp is also in need of replacement.

PLANS & PROGRESS: The project has been discussed with Alaska DOT harbor division engineers to identify areas of greatest need, develop scope of work, and arrive at a preliminary cost estimate.

Cost: $5.2 million ($3.5 million for float replacement; $1.7 million for Ramp 3 gangway and approach)

Schedule: 2011-2012 Priority Level 1

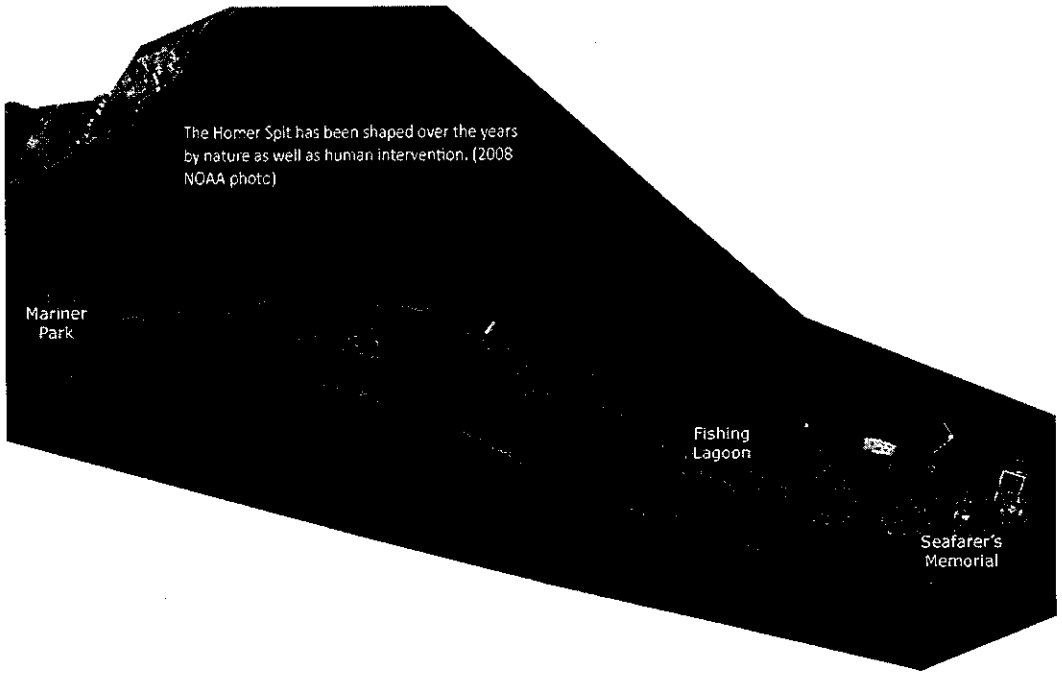
Homer Spit Dredged Material Beneficial Use Project

PROJECT DESCRIPTION & BENEFIT: The purpose of this project is to dispose of dredged material from the entrance of the Small Boat Harbor and the Pioneer Dock berth in a beneficial manner. The material will be used to replenish eroded material along the beaches of the Spit and create additional parking pads on the Spit. The beach replenishment points would be at Mariner Park (replenishing beaches on the west side of the Spit) and just north of the Fishing Lagoon (replenishing beaches on the east side of the Spit). The new parking pads would be created at two locations: one between the Seafarer's Memorial and the east end of the nearby boardwalk complex, and the other between the west end of the same boardwalk and the next boardwalk to the west. The material will be placed on the beaches as part of the Army Corps of Engineers' dredging/disposal operations. (Hauling costs would be supplemented by Harbor Funds when hauling to Mariner Park). Material incorporated into the parking pads will be placed as part of the Corps' dredging/disposal operations; additional City funds will be required to spread, cap and place riprap along the beach where fill is placed near or in the tidal zone. A Corps permit will be needed to accomplish this work.

Schedule: The beach replenishment work would be completed over a ten year period; the parking pads would be constructed over a three year period. Beneficial use of dredged material would begin in 2011 and be completed by 2020.

Cost:	2011	$ 10,000 – Spread available material in upland parking pad areas
	2012-13	$ 20,000 – Place and compact all needed material to create parking pads
		$675,000 – Install 3000 CY of riprap on slopes
		$ 95,000 – Install gravel cap on parking pad area
Total Construction =		$800,000
Design/Inspection =		$ 90,000
Contingency =		$ 90,000
Total Project Cost =		$980,000

Priority Level: 2



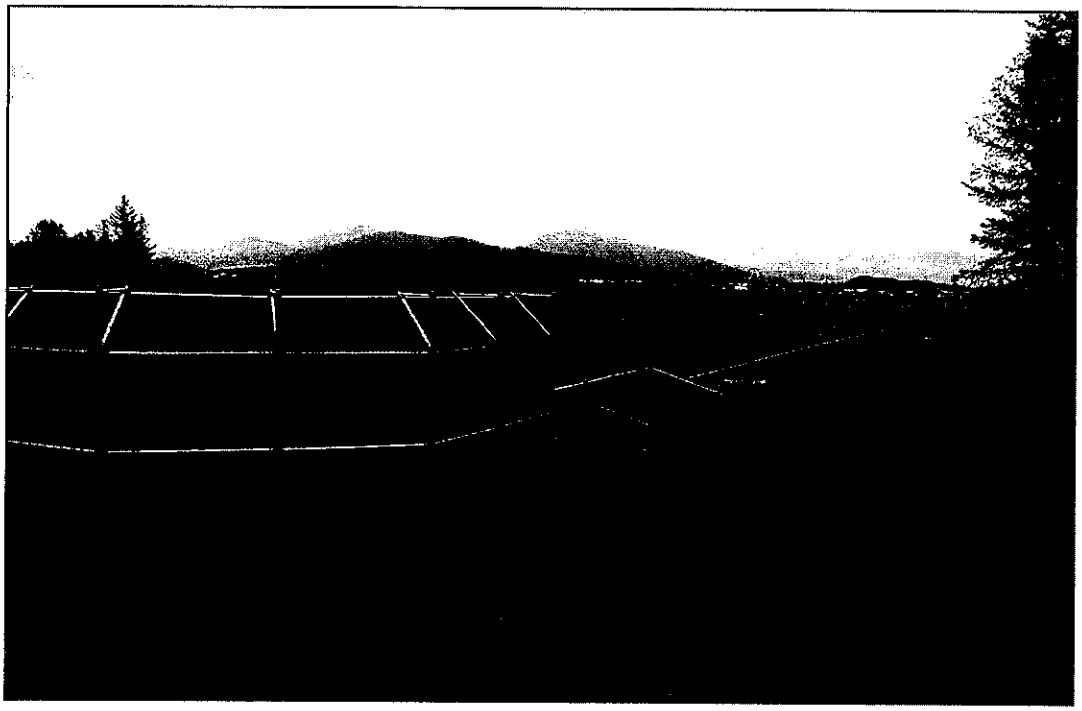
Jack Gist Park Improvements, Phase 1

PROJECT DESCRIPTION & BENEFIT: Jack Gist Park has been in development since 1998 on 12.4 acres of land donated to the City of Homer by a private landowner. As originally envisioned by the Jack Gist Recreational Park Association, this parcel was to be developed primarily for softball fields. The long-term goal is to acquire adjacent properties that will provide space for soccer fields and an equestrian park.

The proposed project will complete Phase 1 of Jack Gist Park by constructing a concession stand and maintenance equipment storage building adjacent to the softball fields. Phase 2 of the project will provide a plumbed restroom facility.

PLANS & PROGRESS: In 2005-2006, a road was constructed to Jack Gist Park from East End Road, a 70-space gravel parking area was constructed, and three softball fields were constructed including fencing, dugouts, and backstops. In 2008, bleachers were installed at all three softball fields. In 2009, two out of three infields were resurfaced. In 2010, the City Council allocated almost $52,000 in federal "stimulus" funds for park improvements. With volunteer help, topsoil was spread and seeded on two fields and the parking area was improved and expanded.

Cost: $100,000 Schedule: 2012 Priority Level 2



One of the new softball fields at Jack Gist Park

Karen Hornaday Park Improvements, Phase 1

PROJECT DESCRIPTION & BENEFIT: Homer's popular Karen Hornaday Park encompasses baseball fields, a playground, a campground, and a creek on almost 40 acres. The Karen Hornaday Park Master Plan, updated and approved in 2009, sets forth goals and objectives to be accomplished over a 10-year period. Phase 1 projects include parking and drainage improvements, upgrades to the playground, expansion and upgrade of the day use area, improvements to the ballfields, and initial work on the proposed Woodard Creek Trail.

PLANS & PROGRESS: The Alaska Legislature appropriated $250,000 for the park improvement project for FY 2011. The Homer City Council committed an additional $55,000 via Ordinance 10-23(A).

Total Cost: $700,000
Schedule: 2011 - 2013

Priority Level 1

The Karen A. Hornaday Hillside Park Master Plan, approved by the City Council in 2009, includes this concept design.

Mariner Park Improvements, Phase 1

PROJECT DESCRIPTION & BENEFIT: This project will provide significant improvements to Mariner Park, at the base of the Homer Spit. As one of Homer's most popular recreation areas, Mariner Park attracts campers, beach walkers, kite-flyers, Spit Trail users, birders, people with dogs, and others who come to enjoy the views and open-air recreation opportunities.

Homer's growing population and tourist visitation are placing greater demand on Mariner Park, increasing the need for recreation and safety enhancements. The following have been identified as specific areas for improvement in the next six years:

- Construct a plumbed restroom facility ($475,000)
- Develop a bike trail from "Lighthouse Village" to Mariner Park ($325,000)
- Expand the park and move the vehicle entrance to the north, away from the curve in the Spit Road where the existing entrance is ($175,000)

Phase 2 improvements, to be undertaken in later years, will include fee camping sites and a picnic/barbeque area.

Schedule and Cost: 2011-2015—$975,000 Priority Level 1

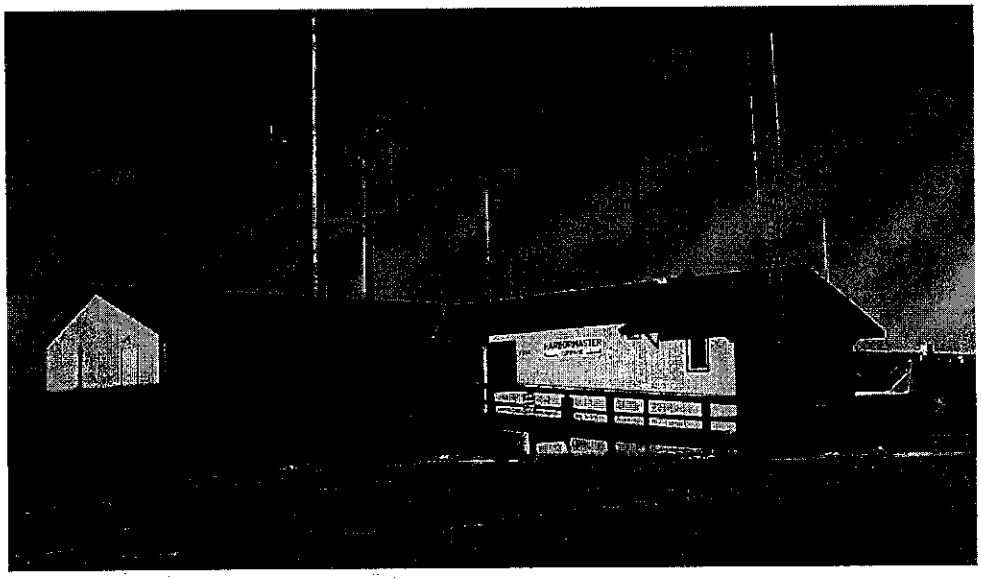
At the base of the Homer Spit, Mariner Park provides access to the beach, to the Homer Spit Trail, and to spectacular views.

Port and Harbor Building

PROJECT DESCRIPTION & BENEFIT: The Port and Harbor Office was constructed in 1983 by relocating two old buildings and adding another section. The present building is substandard with electrical, lighting, and heating deficiencies, and does not meet current codes and standards for occupancy as an office building. The building had a new roof installed in 2004 to extend its life a few more years; however, the need for a new building remains critical.

Construction of a new port and harbor office will eliminate the safety concerns of the existing building and will also allow better observation of the entire harbor. If constructed as overslope development, a new Port and Harbor building will set the standard for such development, encouraging future construction to the benefit of the harbor area and the Homer economy, addressing the need for additional space for commerce and parking on the Homer Spit.

Schedule and Cost: 2011 (design)—$375,000 2012-2013 (construction)—$2,500,000 Priority Level 1

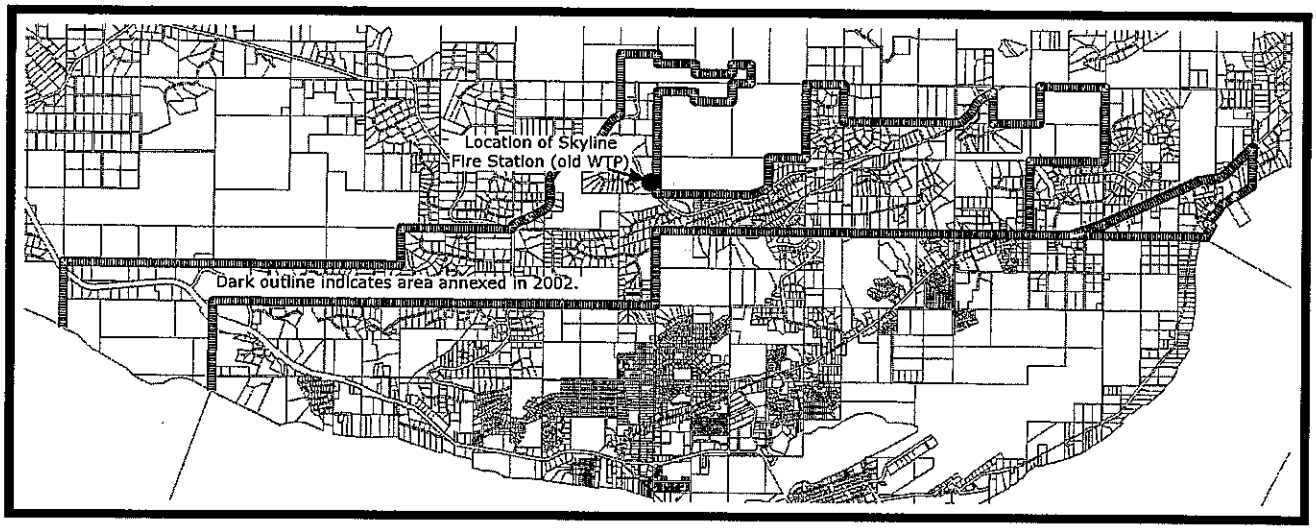


The current Port & Harbor building has never met codes for occupancy as an office building.

Skyline Fire Station

PROJECT DESCRIPTION & BENEFIT: This project, which is included in the Transition Plan for annexation, will provide a new substation on Skyline Drive to provide fire protection to the area of Homer annexed in 2002. It will house an engine/tanker, ambulance, and brush truck and provide for more efficient response to fires on Skyline Drive, Diamond Ridge, and other areas accessible from those roads. An additional benefit of the station will be to assist the Kachemak Emergency Service Area in responding to emergencies.

Schedule and Cost: 2011 (engineering and design)—$150,000 2012 (construction)—$1.2 million Priority Level 1

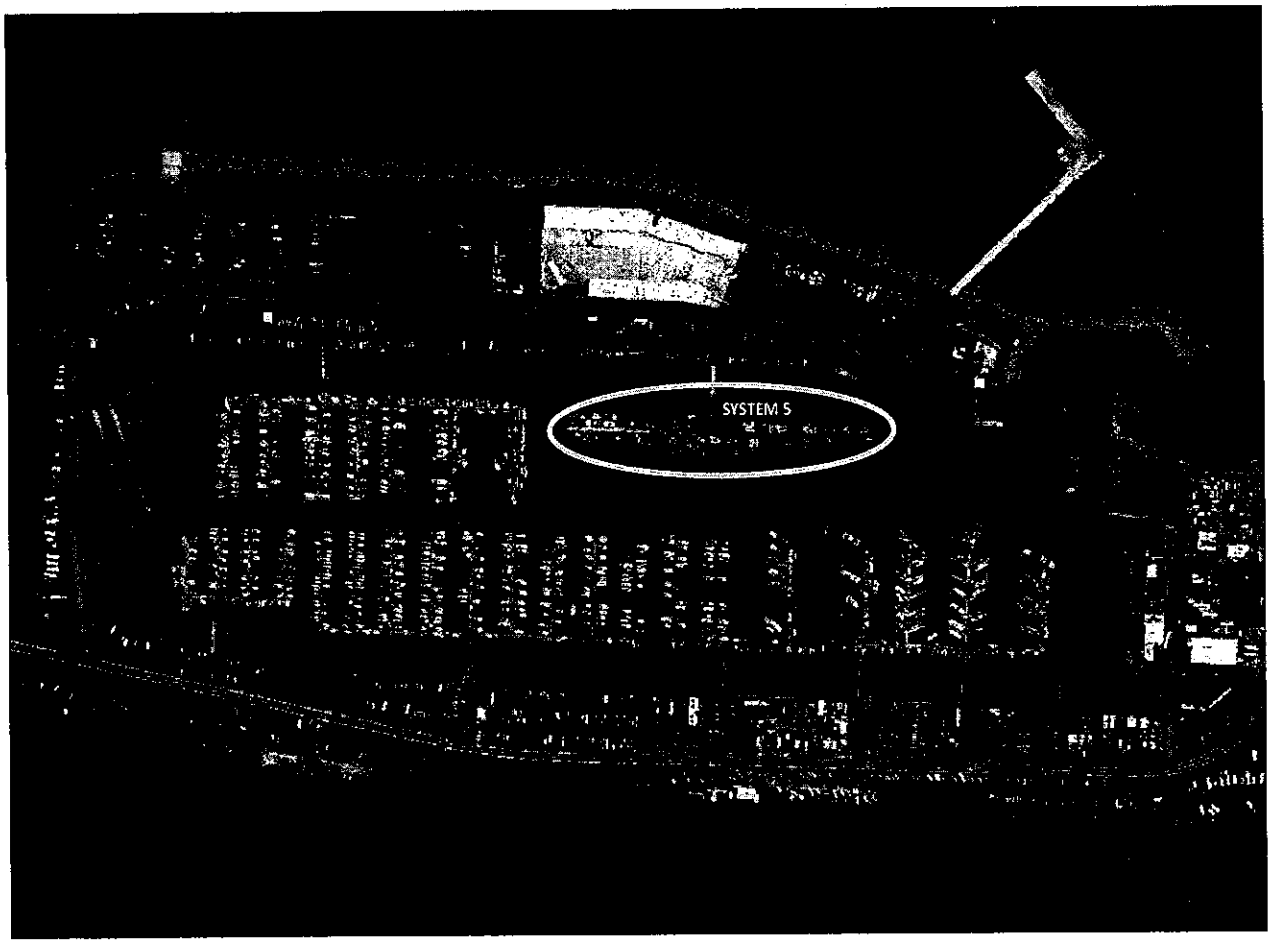


Upgrade System 5: Vessel Shore Power and Water

PROJECT DESCRIPTION & BENEFIT: System 5 is the large vessel float system in the Homer harbor. The Port and Harbor Commission has recognized the need to improve and add additional power pedestals to the system to provide adequate power for our large vessel fleet. In addition, this project will install a year-round fresh water supply to the system in the form of a single standpipe on the main float close to the ramp. Upgrading the shore power system and providing year-round water will increase the number of vessels home-ported in Homer and thus enhance commerce in the community by way of jobs and services.

PLANS & PROGRESS: The Port and Harbor Director has met with a local contractor to discuss the project and get a preliminary cost estimate.

Cost: $530,000 Schedule: 2012 Priority Level: 1



Utilities
Summary of Projects by Year and Cost

CATEGORY/PROJECT	2011	2012	2013	2014	2015	2016	TOTAL $
Alternative Water Source	750,000	1,000,000	15,000,000				16,750,000
Bridge Creek Watershed Land Acquisition	200,000	200,000	200,000	200,000	200,000		1,000,000
Kachemak Bay Tidal Power Feasibility/Conceptual Design	1,280,000						1,280,000
Natural Gas Pipeline - Anchor Point to Homer	8,525,000						8,525,000
Sewer Treatment Plant Bio-solids Treatment Improvements	525,000	4,720,000					5,245,000
Water Storage/Distribution Improvements		390,000	3,510,000				3,900,000
TOTAL $	11,280,000	6,310,000	18,710,000	200,000	200,000		36,700,000

Tables will be updated at the end of the CIP development process

Alternative Water Source

NEW WATER SOURCE: Currently Homer's sole water source is the Bridge Creek Reservoir. Population growth within the city, increased demands for City water from residents outside city limits, increasing numbers of tourists and summer residents, and climate change that has reduced surface water availability are all factors in the need for a new water source to augment the existing reservoir.

Clean drinking water is essential for public health and providing clean water is one of the core functions of government.

The City has been proactive in addressing the looming water problem by commissioning a new Water and Sewer Master Plan. Based on projected population growth, the plan recommends that Homer develop a new water source; utilizing, for example, an existing stream such as Twitter Creek, Diamond Creek, or Fritz Creek. Planning and design for this project needs to begin as soon as possible.

Schedule and Cost: 2011 (feasibility study)—$750,000
2012 (design and permitting)—$1,000,000
2014 (construction)—$15 million

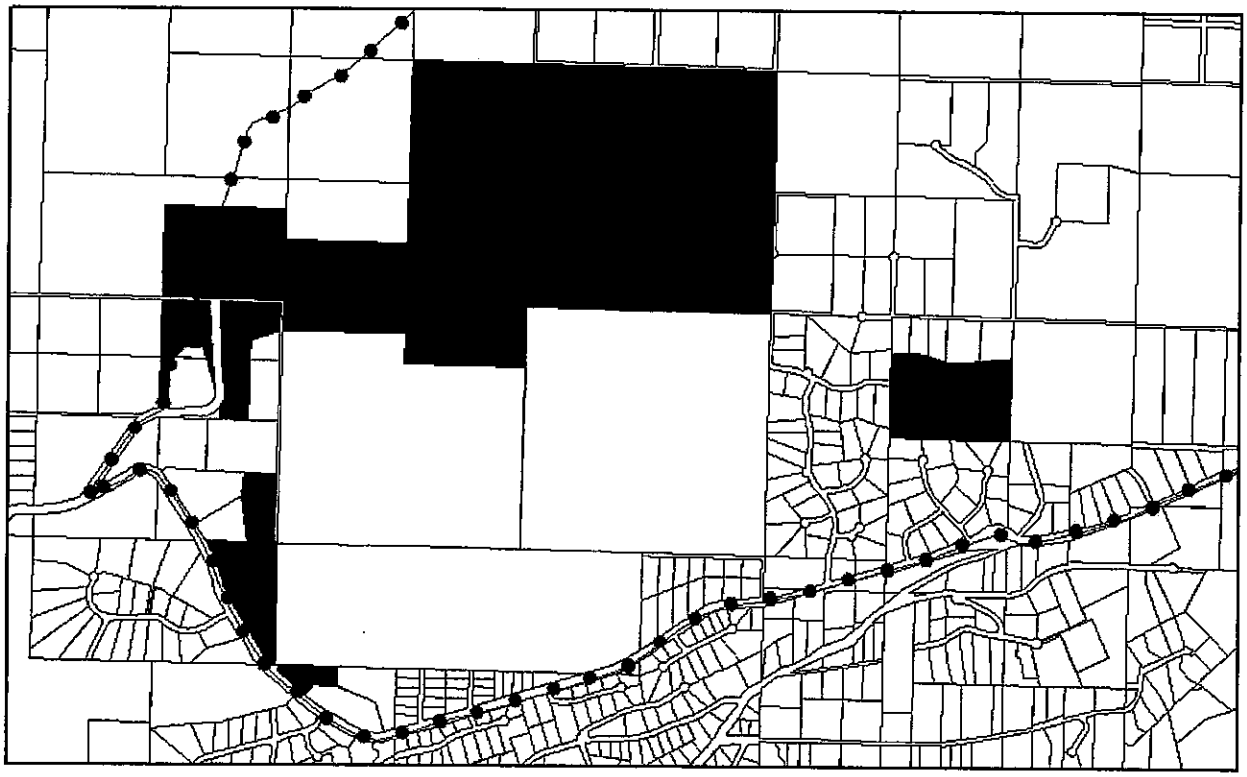
Priority Level 1

Bridge Creek Watershed Land Acquisition

PROJECT DESCRIPTION & BENEFIT: Currently, the Bridge Creek watershed is the sole source of water for Homer. To protect the Bridge Creek watershed from development that could threaten the water supply and to ensure the availability of land for possible future expansion of water treatment operations within the watershed, the City seeks to acquire additional acreage and/or utilize conservation easements to restrict development that is incompatible with clean water.

PLANS & PROGRESS: Since 2003, the City of Homer has acquired approximately 270 acres in the Bridge Creek watershed, including approximately 9 acres in 2010.

Cost: $1 million Schedule: 2011 - 2015 Priority Level 1



Shading indicates the property already owned by the City of Homer within the Bridge Creek watershed, as of August 2009.

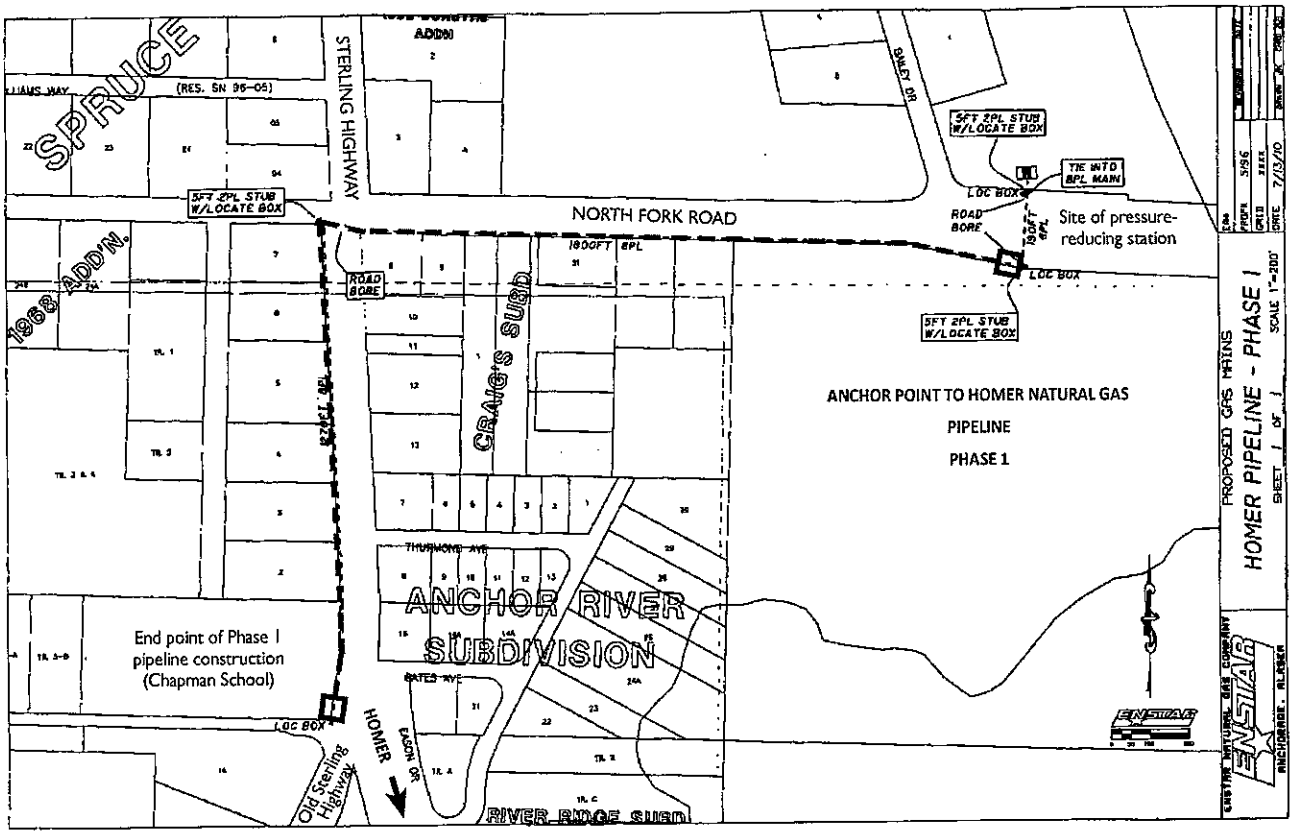
Natural Gas Pipeline
Anchor Point to Homer - Phase 2

PROJECT DESCRIPTION & BENEFIT: This project will provide natural gas to Homer from the North Fork field east of Anchor Point. The project will include a pressure reducing station to feed both Anchor Point and Homer and approximately 14 miles of 8-inch plastic pipe. The distribution-rated line would serve home and business needs enroute and be able to supply 5 million cubic feet per day to Homer, which is adequate for a 30-year customer base buildout. Natural gas is expected to provide significant cost savings to homeowners and businesses as compared to fuel oil, electricity, or propane. Natural gas has the added benefit of having a relatively low carbon footprint as compared to fuel oil.

PLANS AND PROGRESS: The Alaska Legislature approved $4.8 million for this project in April 2010; however, Governor Parnell reduced the amount to $525,000 before signing the FY 2011 capital budget into law. The initial funding will enable completion of the pressure reducing station and 3200 feet of pipe heading south toward Homer (terminating at Chapman Elementary School).

Enstar Natural Gas Co. is preparing cost estimates for the next phase of the project (extending the pipe to Homer High School via the Old Sterling Highway). The Homer City Council has appointed a task force to evaluate the range of options for financing the cost of extending service lines to public buildings and neighborhoods within Homer city limits.

Schedule and Cost: 2011—$8.53 million Priority Level 1



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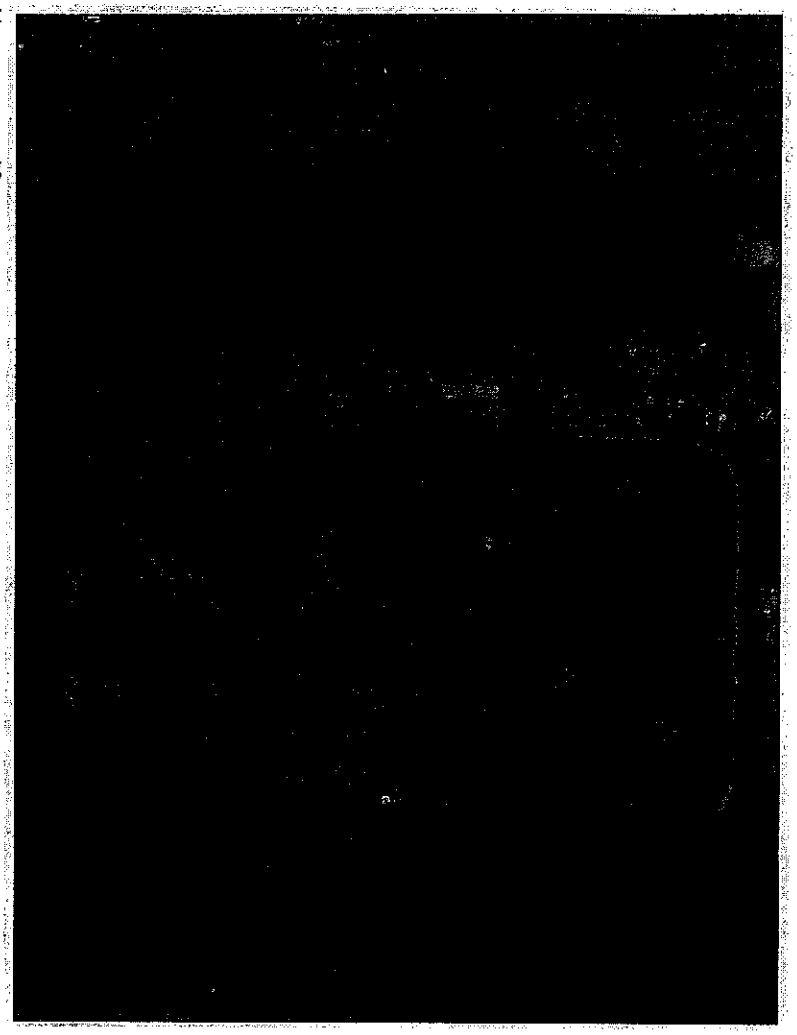
Sewer Treatment Plant
Bio-solids Treatment Improvements

PROJECT DESCRIPTION & BENEFIT: Currently the Homer sewer treatment plant produces more sludge than the facility can treat or dispose. During wet weather, the collection system delivers more wastewater than the plant is designed to treat. This project is designed to solve both problems, with the following strategies:

- Install mechanical sludge de-watering equipment to provide adequate capacity to treat and dispose of sludge.
- Install a digestor, allowing Public Works to abandon the existing sludge lagoon. Abandoning the lagoon will provide for the creation of a wastewater equalization basin, freeing up space for other sewer treatment support and operation activities. In addition, use of a digestor opens up new possibilities for energy recovery.
- Slip-line the aging asbestos cement sewer collection mains to reduce infiltration and peak flows to the sewer treatment plant. This will prevent violations of the City's NPDES permit related to unacceptable flow and fecal coliform levels.



PLANS & PROGRESS: The need for this project has been documented in the Homer Water & Sewer Master Plan (2006). Likewise the City of Homer Inflow and Infiltration Study recommends repairing leaking collection and trunk sewer mains.

Schedule and Cost:
2011-2012 (Design)—$525,000
2012-2013 (Construction)—$4.72 million

Priority Level 1

Water Storage/Distribution Improvements

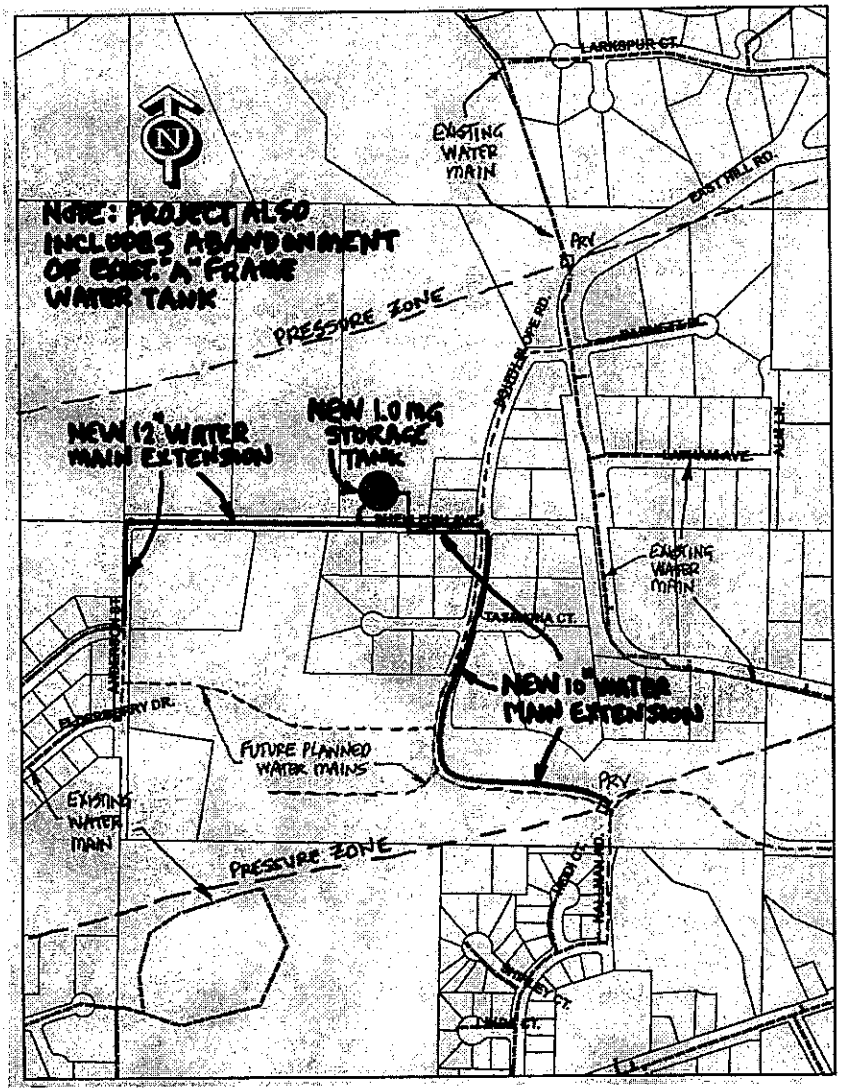
PROJECT DESCRIPTION & BENEFIT: This project will design improvements that will increase water storage; improve water system distribution, improve drinking water quality/ public health, and improve treatment plant and water transmission effectiveness.

The project consists of the installation of an underground 1.0 MG water storage tank; 2,000 linear feet of 12-inch distribution main (connecting two isolated parts of town); the installation of 2,000 linear feet of water main between the new tank and the water system; and the abandonment of an existing, functionally obsolete (+50 years old), steel water tank.

PLANS & PROGRESS: The need for this project has been documented in the Homer Water & Sewer Master Plan (2006).

Schedule and Cost:
2012 (Design)—$390,000
2013-2014 (Construction)—$3.51 million

Priority Level 2



Equipment
Summary of Projects by Year and Cost

PROJECT	2011	2012	2013	2014	2015	2016	TOTAL $
Brush/Wildland Firefighting Truck		120,000					120,000
Fire Engine 4 Refurbishment	150,000						150,000
Firefighting Enhancement/ Aerial Truck	800,000						800,000
Fire Pump Testing Trailer		70,000					70,000
Outside Dock Fenders		80,000					80,000
Tide Gauge/Meteorological Station			210,000				210,000
TOTAL $	950,000	270,000	210,000				1,430,000

Tables will be updated at the end of the CIP development process

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Brush/Wildland Firefighting Truck

PROJECT DESCRIPTION & BENEFIT: The Homer Volunteer Fire Department (HVFD) is in need of a new brush truck to replace the Ford F-350 which has been in use since 1990. A new Ford F-450/550 4x4 with wildland pump unit, tank, and tool compartments will provide critical and reliable service in a variety of fire situations.

Although HVFD uses the term "brush truck," in reality the truck is kept in service year-round to provide some level of fire protection to areas that crews are unable to access with traditional large fire apparatus due to poor road conditions during winter and break-up. The smaller truck can often access the scene and provide initial attack of a structure fire before firefighters can set up long hose lays or otherwise access the site by traditional means, if at all.

The Department's existing brush truck is a former utility vehicle that was converted to a brush unit in-house by adding a manufactured tank and portable pump as well as a home-built tool storage compartment. This truck is wearing out due to the weight of all the equipment and the age of the vehicle.

Cost: $120,000 Schedule: 2012 Priority Level 2

Fire Engine 4 Refurbishment

PROJECT DESCRIPTION & BENEFIT: With the addition of a new fire engine to the Homer Volunteer Fire Department fleet in fall 2008, Fire Engine 4 can now serve as a reserve engine if it is refurbished with a rebuilt pump, engine and drive line overhaul, and body and paint work. The refurbished truck could be housed in the proposed Skyline Fire Station or the old (refurbished) water treatment plant. A reserve fire engine would help Homer qualify for an improved ISO rating, benefiting all households through reduced homeowner insurance costs.

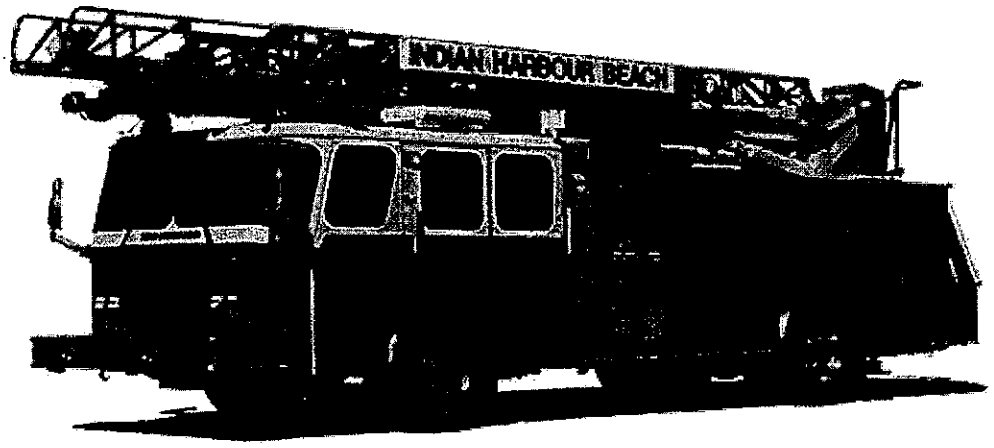
Cost: $150,000 Schedule: 2011 Priority Level 1

Firefighting Enhancement - Aerial Truck

PROJECT DESCRIPTION & BENEFIT: This project will greatly enhance the City of Homer's firefighting capability with a modern aerial truck. As Homer continues to grow and the size and complexity of buildings increases it is no longer safe or practical to fight fire from the ground or off of ground ladders. (The Homer Volunteer Fire Department's tallest ground ladder is only 35 feet.) Large footprint and tall buildings (two stories or more) often require the use of elevated hose streams to fight fire effectively. HVFD has no ability to provide for elevated hose streams except off of ground ladders, which severely limits the application of water and endangers the lives of firefighters. Aerial apparatus allow for the application of water to the interior of a building without placing firefighters in immediate danger. They also allow for the rescue of persons that become trapped in upper stories or on rooftops by fire or other incidents that impede the use of interior stairways.

An added benefit of the new truck will be more favorable insurance rates for the City of Homer, as determined by community fire protection classification surveys. Since the 1995 ISO survey, several large buildings were constructed in Homer, including West Homer Elementary School, the Islands and Ocean Visitor Center, the Homer Ice Rink, and the South Peninsula Hospital Expansion. New development in Town Center will add to the list of structures that would benefit from enhanced firefighting capability. An ISO review conducted in September 2007 resulted in an increase in the Property Protection Classification (PPC) rating from a 3 to a 5, meaning that Homer homeowners now face increased fire insurance premiums. The ISO review clearly indicates the need for an aerial truck, which can more adequately respond to fires in buildings of three stories or greater, buildings over 35 feet tall at the eaves, and those that may require 3,500 gallons per minute to effectively fight the fire.

Cost: $800,000 Schedule: 2012 Priority Level 1



Fire Pump Testing Trailer

PROJECT DESCRIPTION & BENEFIT: This project will provide the Homer Volunteer Fire Department with a mobile fire pump testing trailer to meet National Fire Protection Association requirements for annual pump testing and ensure that firefighting water pumps used throughout the southern Kenai Peninsula are in good working order when they are needed.

Acquisition of a pump testing trailer, manufactured and sold under the name Draft Commander, would eliminate problems associated with other testing methods. For example, using the City's hydrant system for testing can damage the system or cause erosion at the site. Using surface water from Beluga Lake necessitates getting the heavy fire apparatus close enough to reach the water. In some cases personnel must gain permission to use private land, which may require constructing improvements. There is also the risk of drafting contaminants into the pump, causing damage to the pump and/or engine.

The Draft Commander is a completely self-contained system that can be taken "on the road" to where the apparatus are, such as to the McNeil Fire Station, Anchor Point, or even Ninilchik or Seldovia. This is truly a multi-jurisdictional project with the potential to assist several area fire agencies with mandated testing that they are either not currently doing or have difficulty performing.

Cost: $70,000 Schedule: 2012 Priority Level 2

Outside Dock Fenders

PROJECT DESCRIPTION & BENEFIT: This project will provide the Port of Homer with three new non-streak vinyl fenders ("Yokohama" type) that could be placed as needed on existing fenders to provide sufficient "set off" for large flare-sided cruise ships docking at the Pioneer Dock or Deep Water Dock. The new fenders will protect the dock and encourage cruise ships to visit Homer.

Cost: $80,000 Schedule: 2012 Priority Level 2

Tide Gauge/Meteorological Station

PROJECT DESCRIPTION & BENEFIT: This project will install a Water Level Station (tide gauge) with meteorological sensing equipment at Pioneer Dock and current sensing equipment at the Deepwater Dock. The project will provide important benefits to the Port of Homer, including:

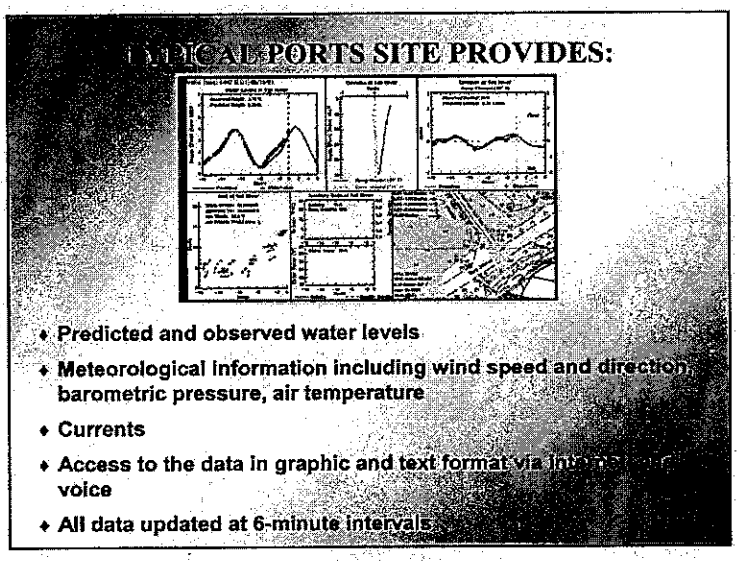
- Enabling the Port of Homer to better fulfill its role as a contingency "back-up" port for handling Port of Anchorage cargo in case of a catastrophic event;
- Enabling deep-draft ships to dock at Homer docks or anchor in the inner bay (the only "place of refuge" anchorage for Cook Inlet and Kennedy Entrance traffic) with more assurance of the actual water depth during minus tides;
- Enhancing navigational safety in the vicinity of the Homer docks and harbor;
- Providing a toll-free phone number plus Internet access for up-to-date tide, wind, atmospheric pressure, and temperature information;
- Providing a display box with electronic/digital readout visible to vessels passing Pioneer Dock;
- Assisting pilots in docking vessels at Homer docks, thus minimizing the damage potential of "hard landings."

Installation of this equipment will result in the Port of Homer being listed along with the Port of Anchorage as participating in NOAA's PORTS (Physical Oceanographic Real-Time System) program. Homer can then be listed as a reference station in published tide tables and tide books. With these improvements, Homer will be positioned for further growth as an operational port and better able to fulfill roles as a contingency port and a "place of refuge" for vessels needing assistance with safe navigation during the approach. This project has high potential for federal funding and has the support of the Southwest Pilots Association, Homer Port and Harbor Commission, many representatives of the local maritime community, and other regional stakeholders.

PLANS & PROGRESS: The National Oceanic and Atmospheric Administration's National Ocean Service PORTS team visited Homer in June 2003 to develop cost estimates and study locations for optimal installation. Funding is now being sought to complete the project.

Cost: $210,000 Schedule: 2013

Priority Level 3



State Projects

The City of Homer supports the following state projects which, if completed, will bring significant benefits to Homer residents:

Transportation projects within city limits:

Homer Intersection Improvements
Kachemak Drive Rehabilitation/Pathway
Main Street Reconstruction/Intersection
Pioneer Avenue Upgrade

Transportation projects outside city limits:

East End Road Rehabilitation, Kachemak Drive to Waterman Road
Sterling Highway Reconstruction, Anchor Point to Baycrest Hill
Sterling Highway Realignment, MP 150-157

Non-transportation projects:

Alaska Maritime Academy
Kachemak Bay Tidal Power

See following pages for project descriptions.

Homer Intersection Improvements

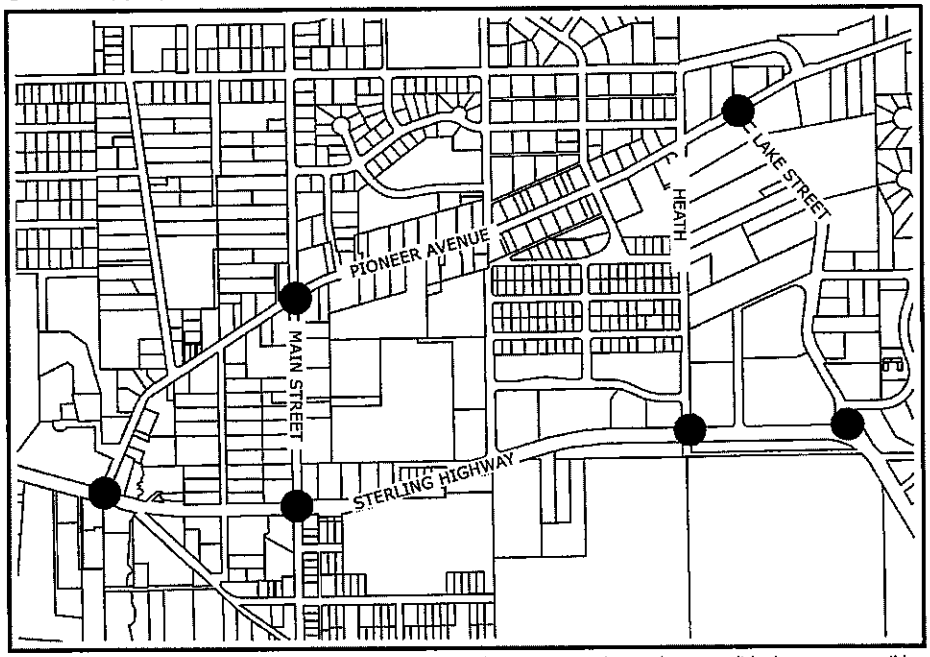
PROJECT DESCRIPTION & BENEFIT: This project will implement recommendations of the 2005 Homer Intersections Planning Study commissioned by the Alaska Department of Transportation and Public Facilities. The study, which focuses on 12 intersections, involved traffic forecasts and analysis of intersection safety, intersection options, and pedestrian needs. The benefit of the project will be to enhance traffic safety and quality of driving and pedestrian experiences for residents and visitors, particularly as the community continues to grow.

The study notes that for the intersections that need roundabouts or traffic signals, either option will function well; however, "the Alaska Department of Transportation and Public Facilities supports the development of modern roundabouts at these locations because of the good operational performance of roundabouts, superior safety performance, and reduced maintenance."

Problem intersections and recommended improvements noted in the study are as follows:

Sterling Highway and Lake Street	Roundabout or traffic signal now (Traffic signal was installed Dec. 2005)
Sterling Highway and Main Street	Roundabout or traffic signal now (Funding secured for traffic signal)
Sterling Highway and West Hill Road	Add left turn lanes now
Sterling Highway and Heath Street	Roundabout or traffic signal now
Pioneer Ave. and Heath Street	Roundabout or traffic signal now
Pioneer Ave. and Lake Street/East End Road	Roundabout or traffic signal now
Sterling Highway and Pioneer Ave.	Roundabout or traffic signal now
Sterling Highway and Kachemak Drive	Reevaluate in 2010 for roundabout or traffic signal
Pioneer Avenue and Main Street	All way stop before 2011; roundabout or traffic signal in 2011
East End Road and Fairview Avenue	Turn lane improvements in 2011
East End Road and East Hill Road	Reevaluate in 2010 for roundabout or traffic signal

PLANS & PROGRESS: The Alaska Legislature appropriated $2 million for FY 2009 to the City of Homer for Main Street reconstruction/intersection.

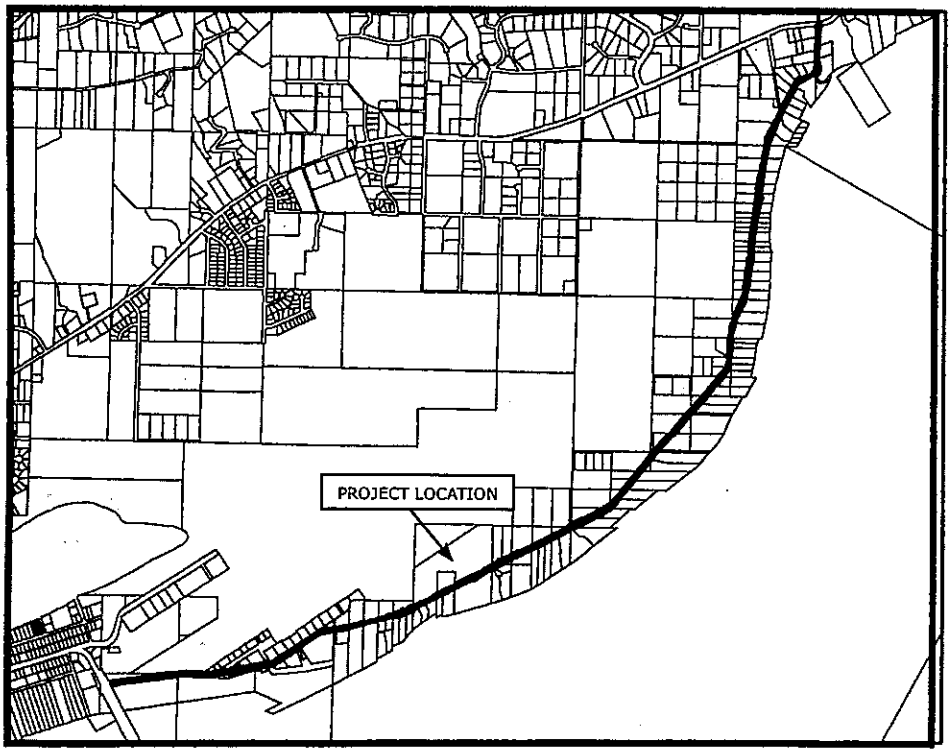


ADOT has recommended roundabouts or traffic signals at six central Homer intersections, to be accomplished as soon as possible. A traffic signal was installed at the Lake Street/Sterling intersection in 2005.

Kachemak Drive Rehabilitation/Pathway

PROJECT DESCRIPTION & BENEFIT: Kachemak Drive provides an alternate route for east-of-Homer traffic to the airport, Spit and harbor, and Ocean Drive commercial district (approximate daily traffic 1,500 vehicles). The road accesses the largest industrial marine storage repair and boat launch complex on the southern peninsula, passes residences, light commercial/industrial businesses, and moose wetlands. Rehabilitation needs have been identified for raising the embankment, surfacing, widening, and drainage improvements.

Automobile and large truck traffic on Kachemak Drive has increased in recent years, with drivers showing a greater tendency to speed. These conditions make the road treacherous, at best, for bicycle and pedestrian traffic. Construction of a separated pathway along East End Road, as proposed, will increase recreational and commuter bicycle and pedestrian traffic on Kachemak Drive and will improve driver, bicycle, and pedestrian safety. Because of the significant right-of-way acquisition involved, the project to build a separated pathway along Kachemak Drive will take several years to complete.



Main Street Reconstruction/ Intersection

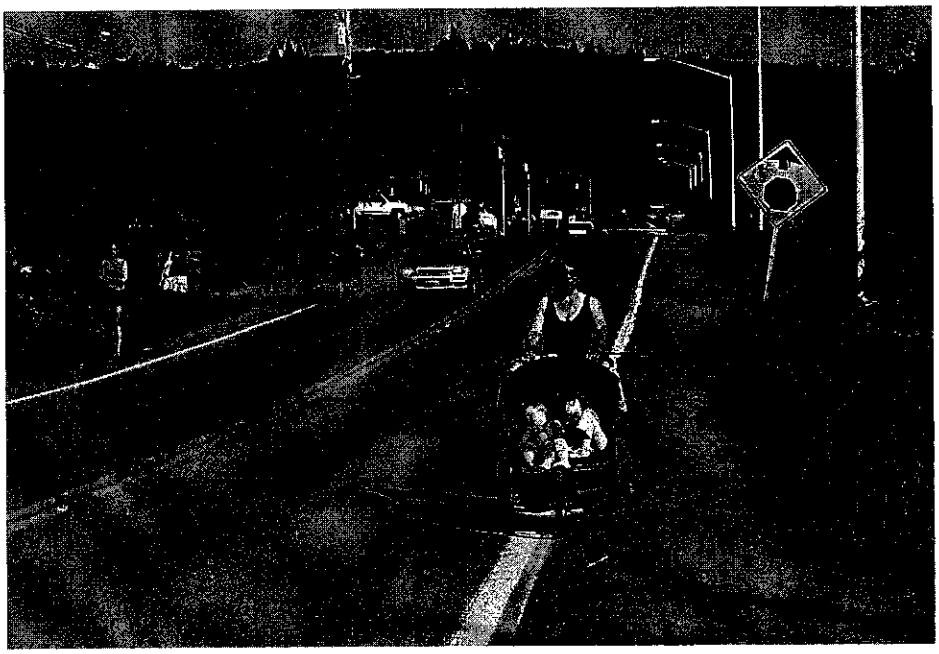
PROJECT DESCRIPTION & BENEFIT: This project will provide curb and gutter, sidewalks, storm drainage, and paving for Main Street from Pioneer Avenue to Bunnell Street.

Homer's Main Street is a primary north-south corridor running from Bayview Avenue (near the hospital) to Ohlson Lane (near Bishop's Beach). In the process, it connects Homer's primary downtown street, Pioneer Avenue, with the Sterling Highway and provides the most direct access to the Old Town district. It also provides the western border to Homer's new Town Center district.

Despite its proximity to the hospital, businesses, and residential neighborhoods, Main Street has no sidewalks, making pedestrian travel unpleasant and hazardous. Sidewalks on this busy street will enhance the quality of life for residents and visitors alike and provide economic benefits to local businesses and the community as a whole.

PLANS & PROGRESS: Main Street is a City street from Pioneer Avenue northward, and a State street from Pioneer Avenue south. The Homer Non-Motorized Transportation and Trail Plan, adopted by the City Council in 2004, calls for construction of sidewalks on both sides of Main Street to provide a safe means for pedestrians to travel between Old Town and Pioneer Avenue, and stresses that this should be regarded as a "near term improvement" to be accomplished in the next two years. The Homer City Council passed Resolution 06-70 in June 2006 requesting that ADOT "rebuild and upgrade Main Street from Pioneer Avenue to Bunnell Avenue as soon as possible in exchange for the City assuming ultimate ownership, maintenance, and operations responsibility."

The Alaska Legislature appropriated $2 million to the City of Homer for FY 2009 for this project. However, Alaska Dept. of Transportation estimates indicate that this is not enough to cover both the intersection improvement and reconstruction of the entire section from Pioneer Avenue to Bunnell Street.



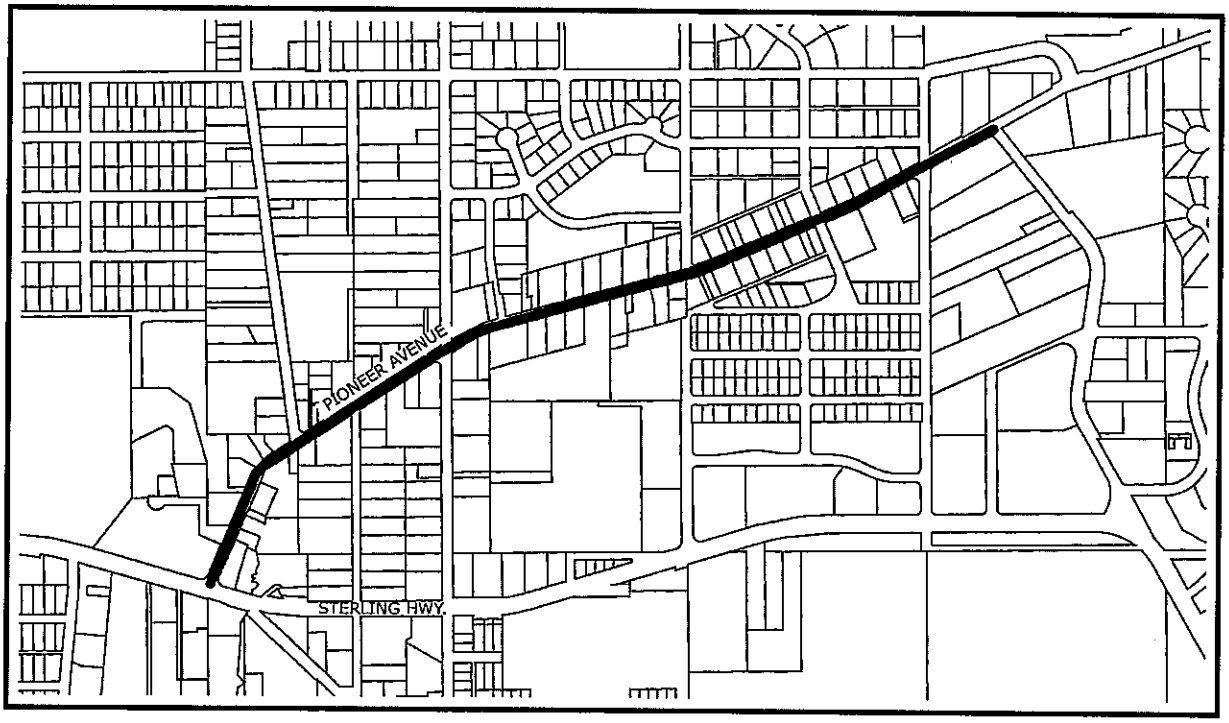
A mother pushes a stroller along Main Street between the Sterling Highway and Bunnell Street, while another pedestrian walks on the other side of the road.

Pioneer Avenue Upgrade

PROJECT DESCRIPTION & BENEFIT: "Complete streets" are defined as streets which are designed and operated to enable safe access for all users: pedestrians, bicyclists, and motorists. Pioneer Avenue is a mile-long arterial road in the part of Homer typically thought of as "downtown." However, in its current form, Pioneer Avenue does not function well as a downtown street. While the posted speed limit is 25 mph, wide lanes and lack of traffic calming features encourage drivers to go much faster. Using a bicycle on a sidewalk in a business district is against state law, but the practice is tolerated on Pioneer Avenue because it is generally acknowledged that the street is unsafe for cyclists. Crosswalks are few and far-between (five total) and many drivers fail to notice pedestrians in time to stop when pedestrians are waiting to cross. Some east-west crossings are particularly long and intimidating (e.g., at Main Street and Heath Street). For all these reasons, walking is not very popular along Pioneer Avenue, to the detriment of downtown businesses.

The Pioneer Avenue Complete Street Project will encourage non-motorized transportation by narrowing the driving lanes, adding distinct bicycle lanes and additional well-marked crosswalks, and incorporating other traffic calming features to further slow traffic and improve pedestrian and bicycle safety. Landscaping and appropriate "downtown" lighting will also be included in the project. It will be most cost effective to complete this work in conjunction with Pioneer Avenue Intersection safety improvements recommended in the 2005 Homer Intersections Planning Study (ADOT).

PLANS & PROGRESS: The project Pioneer Avenue Rehabilitation is included in the 2010-2013 Alaska Statewide Transportation Improvement Program.



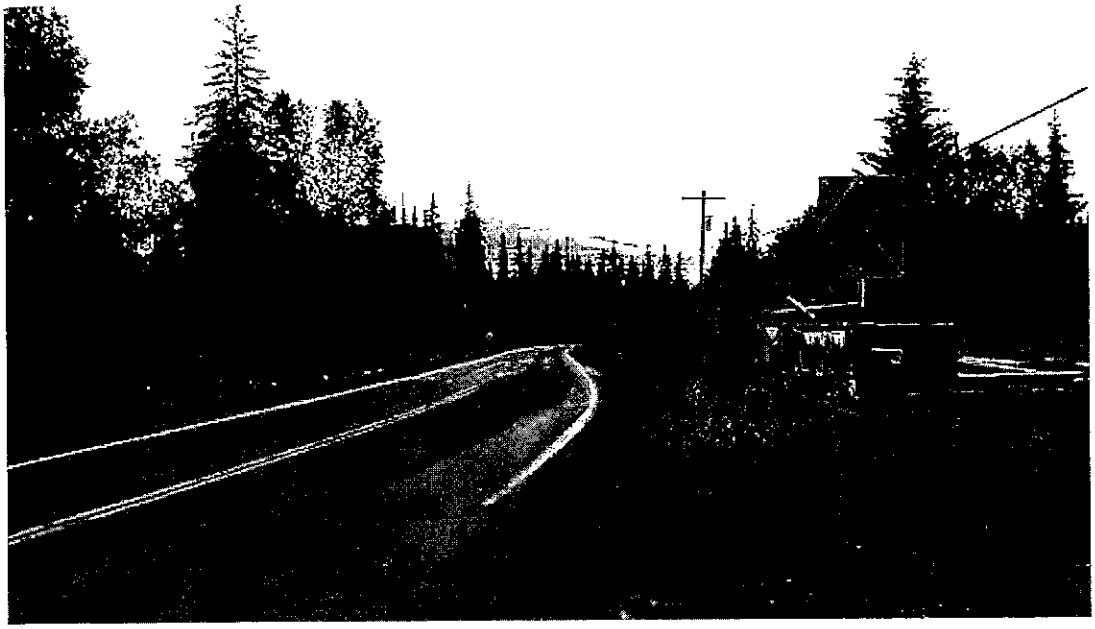
East End Road Rehabilitation - Kachemak Drive to Waterman Road

PROJECT DESCRIPTION & BENEFIT: This project will rehabilitate East End Road from Kachemak Drive to just past Waterman Road. The project will include widening the road to 32 feet, including 4-foot wide shoulders, and constructing a separated shared-use pathway, along with drainage improvements.

Completion of this project will improve the road surface and help protect the road against erosion. It will also provide opportunities for walking and biking for recreation and as an alternative to driving.

PLANS & PROGRESS: The project as originally described in the 2006-2009 State Transportation Improvement Plan was to rehabilitate East End Road all the way out to McNeil Canyon School. Due to cost increases, reduced federal funding, and opposition from some Fritz Creek residents, the plans were scaled back.

Right-of-way acquisition began in late 2009. Construction is anticipated to begin in 2011.



East End Road is an important transportation corridor for several thousand Homer area residents.

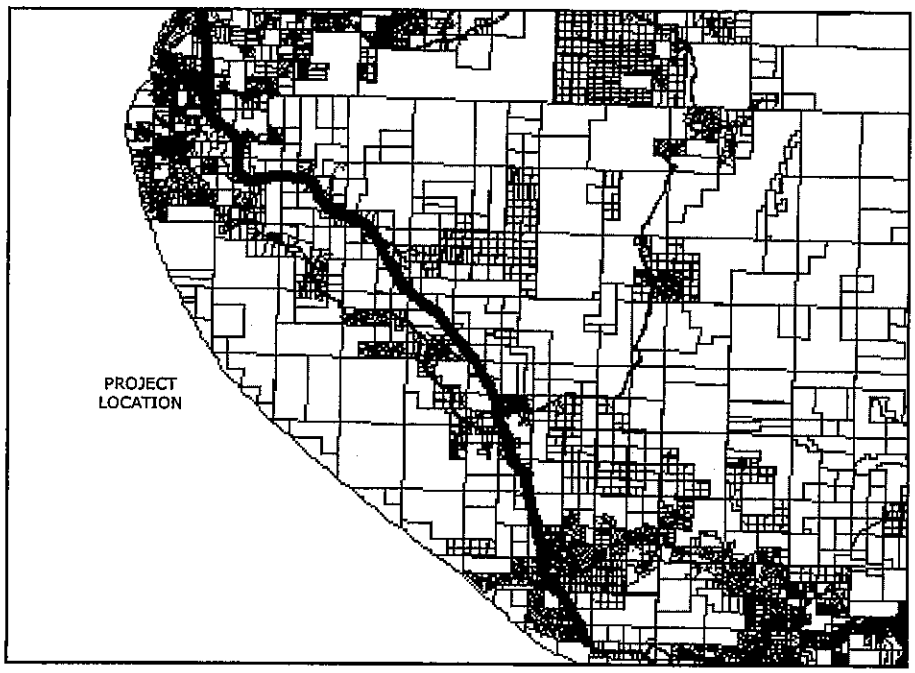
Sterling Highway Reconstruction - Anchor Point to Baycrest Hill

PROJECT DESCRIPTION & BENEFIT: This project will reconstruct 12 miles of the Sterling Highway between Anchor Point (MP 157) and the top of Baycrest Hill in Homer (MP 169) to address severe safety issues resulting from curves, hills, and blind spots on the existing road. The project has been identified as a high priority of the Kenai Peninsula Borough.

Many major side road intersections, gravel hauling operations, and school bus stops contribute to dangerous conditions on the 12-mile section of highway, which has been the scene of several serious accidents, many with fatalities, over the past several years. Continued population growth has led to more subdivisions with intersecting roads and more traffic on the highway, exacerbating the problem. School buses must stop in some locations with blind corners and hills.

The project calls for construction of an improved 2-lane highway paralleling the alignment of the existing highway. The reconstructed highway will be designed to allow two additional lanes to be added at a future date.

PLANS & PROGRESS: This project ("Sterling Highway: MP 157-169 Rehabilitation - Anchor Point to Baycrest Hill") is included in the Draft 2010-2013 Alaska Statewide Transportation Improvement Program (STIP). In September 2009, the Kenai Peninsula Borough reported sufficient funding has been identified for preliminary design and environmental documents, but additional funding will be necessary to proceed. Total costs are expected to exceed $36 million; consequently, the project may be constructed in phases.

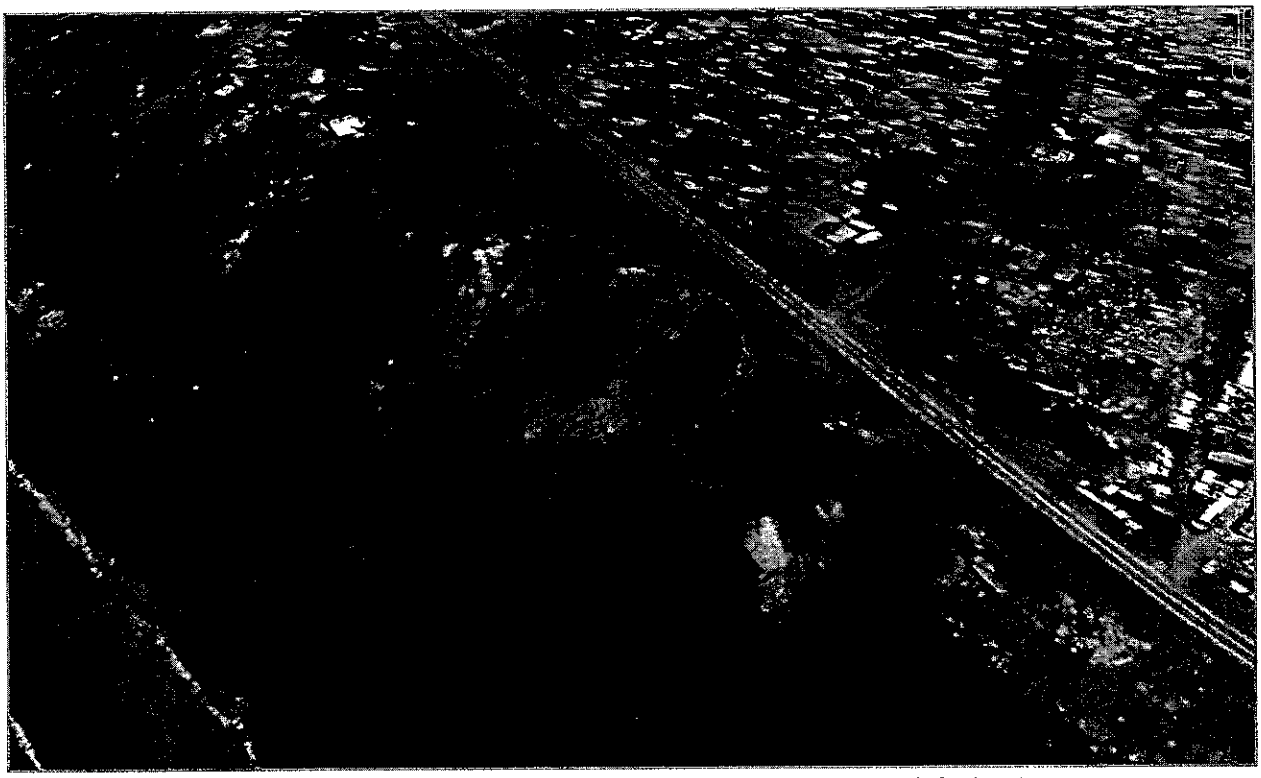


Sterling Highway Realignment, MP 150-157

PROJECT DESCRIPTION & BENEFIT:.The Sterling Highway is a vital transportation corridor serving most of the communities on the Kenai Peninsula, including Homer at the southern terminus, and is the only road connecting these communities to the larger North American road system. The vast majority of people and goods routed in and out of Homer utilize the Sterling Highway as compared to air or water transportation.

This project will protect the Sterling Highway from erosion that is threatening the highway north of Anchor Point. Completion of the project will involve re-routing the highway away from areas that are eroding, utilizing existing road right-of-way as much as possible. The Alaska Department of Transportation has noted that the first effort needed is for reconnaissance study to evaluate alternatives and quantify costs.

PLANS & PROGRESS: The project "Sterling Highway Erosion Response MP 150-157" is included in the 2010-2013 Statewide Transportation Improvement Program (STIP).



As seen in this aerial image, the eroding edge of the bluff is now only 30 feet away from the Sterling Highway at a section just north of Anchor Point.

Alaska Maritime Academy

PROJECT DESCRIPTION & BENEFIT: This project will establish an accredited maritime academy providing quality post-secondary education primarily focused on marine related programs for developing career-oriented skills relating to engineering, ship operations, marine science, maritime management, and small vessel design and operation. The academy would provide both classroom and hands-on training, taking advantage of Homer's existing marine trades industry cluster and opportunities for time onboard vessels in port and at sea.

The federal Maritime Administration provides training vessels and other support to state martime academies. Currently there are six academies in the U.S.; none in Alaska. Alaska Statute Sec. 44.99.006 specifies that the governor may enter into an agreement with the Federal Maritime Administration to provide for an Alaska Maritime Academy.

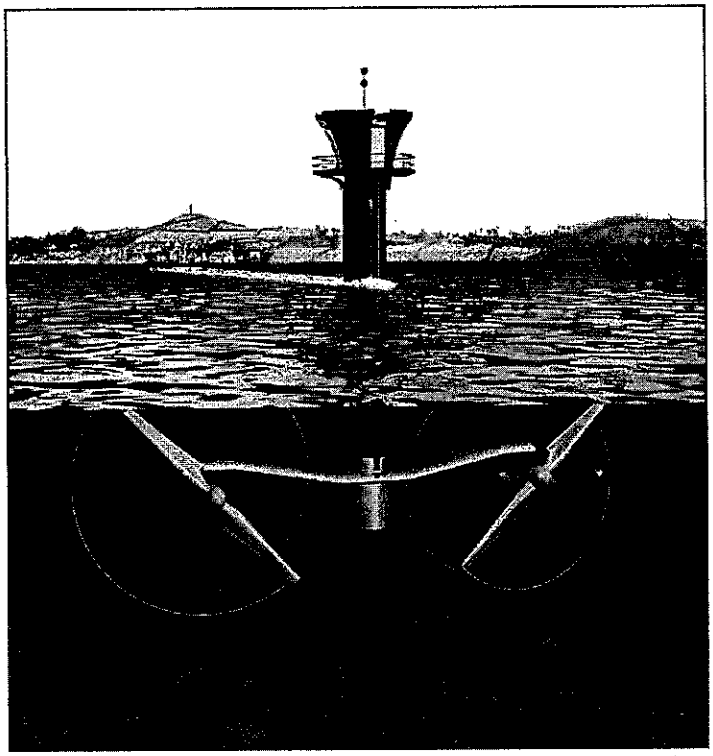
PLANS AND PROGRESS: The Homer City Council approved Resolution 10-22(A) requesting that Alaska's governor select Homer as the site of an Alaska Maritime Academy and specifying that a citizens task force be established to facilitate the effort to develop a maritime academy here. A possible location for the academy would be the former public school building ("Old Intermediate School") now owned by the City of Homer.

Maritime academies utilize both classroom and hands-on training. The training ship for the Great Lakes Maritime Academy in Traverse City, Michigan is shown in the background of this photo.

Kachemak Bay/Cook Inlet Tidal Power

PROJECT DESCRIPTION & BENEFIT: It is widely recognized that Alaska has some of the best potential in the world for generating tidal energy, a far more constant and predictable source of energy than either wind or solar. The proposed project will tap the hydrokinetic energy resources of Kachemak Bay/Cook Inlet to establish Alaska as a leader in tidal energy while reducing dependence on fossil fuels for those on the Railbelt grid.

PLANS & PROGRESS: In 2008 the City of Homer submitted an application to the Alaska Energy Authority for funding to be approriated by the Alaska Legislature for FY 2010. The application documented a cost share of more than 50%, mostly in research assistance from NOAA. The project was slated to be funded before the budget for renewable energy projects was reduced by half from the amount originally proposed. The City upated and resubmitted the application in November 2009. The project was approved for funding by AEA and the Legislature appropriated sufficient funds; however, the governor reduced funding by half, which did not leave enough for the Kachemak Bay project. A new application was submitted to AEA in September 2010. The outcome of this proposal was that AEA decided to fund NOAA directly, from a separate funding source, to study tidal power potential in Kachemak Bay and Cook Inlet. The total approved was approximately $300,000. The City of Homer supports the partnership between AEA and NOAA and urges the State of Alaska to provide funding for engineering and design of a tidal power project once feasibility is established.



This illustration depicts a typical horizontal axis turbine, similar to conventional two-blade wind turbines. Though this is an artist's rendering, an actual 1.2 MW turbine of this type (SeaGen) was installed in 2008 in Ireland.

Projects Submitted by Other Organizations

The City of Homer supports the following projects
for which local non-profit organizations are seeking funding
and recognizes them as being of significant value to the Homer community:

Cottonwood Horse Park
Haven House Sustainability/Energy Efficiency Projects
Kevin Bell Arena Floor Upgrade
Pratt Museum Renovation
Roger's Loop Trailhead Land Acquisition
South Peninsula Hospital: Bariatric Equipment
South Peninsula Hospital: Enhanced Communication System
South Peninsula Hospital: Fire Suppression System Booster Pump
South Peninsula Hospital: New Surgery Doors
South Peninsula Hospital: RFID Asset Tracking and Security
Visitor Information Center Parking Lot

See following pages for project descriptions.

Cottonwood Horse Park

PROJECT DESCRIPTION AND BENEFIT: Kachemak Bay Equestrian Association (KBEA) is seeking capital acquisition funds to complete the purchase of Cottonwood Horse Park located near Jack Gist Park in Homer.

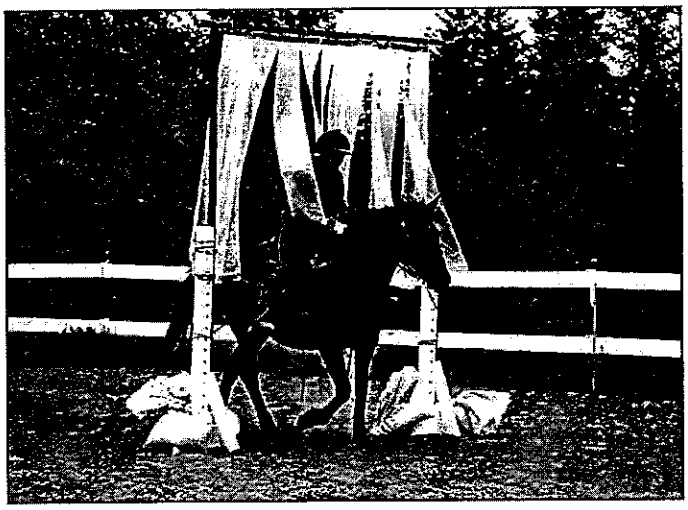
Development of Cottonwood Horse Park began in 2007, when KBEA secured 501(c)3 status and constructed an arena on 3.29 acres of land acquired through a purchase agreement. During the first three summer seasons events at the horse park drew more than 1,065 participants and 1,535 spectators.

The Horse Park fulfills a goal identified in past Homer recreation plans. During the 2010 season use of the park expanded from horse shows, clinics, and riding lessons to a place for picnics, dog walking, a preschool outdoor adventure club and horse camps. KBEA partnered with the local chapter of Connecting Children with Nature to develop a mud wallow. Also, the community celebrated Estuary Day with a BioBlitz on the property to identify all the organisms in the local park environment.

In 2006 the City of Homer acquired, through donation, .89 acres of land adjacent to the proposed horse park and has stipulated that the property be used for parks/recreation or green space. City of Homer Resolution 06-116 expresses the intent of the City to donate the property to KBEA. KBEA is now seeking to raise the remaining funds needed to acquire full title to the existing property.

PLANS AND PROGRESS: As of September 2010, KBEA has raised $120,000 towards land purchase and approximately $74,457 in donations of cash, goods, and services towards the development of the park's infrastructure and facilities. Initial development of the property has included a 130 x 200 foot arena, a round pen, horse pens, handicapped accessible restrooms, installation of water, a mud wallow, and a natural playground. KBEA has been awarded grants from Rasmuson Founation, Homer Electric Association, American Seafoods Company, and Homer Foundation that have allowed completion of the parking lot, an upgrade to the restrooms, construction of benches and tables, and installation of electricity. Grants were received from Jansen Foundation towards purchase of the land.

KBEA has sponsored numerous revenue-generating events including cowboy cabarets, chili cook-offs, garage sales, horse shows, pony club camps, lessons, clinics, and cowboy races.



A rider negotiates an obstacle in the Cowboy Race 2010.

The organization has a business plan and continues to fundraise.

Total project cost: $317,000
Amount needed to complete land purchase: $99,720

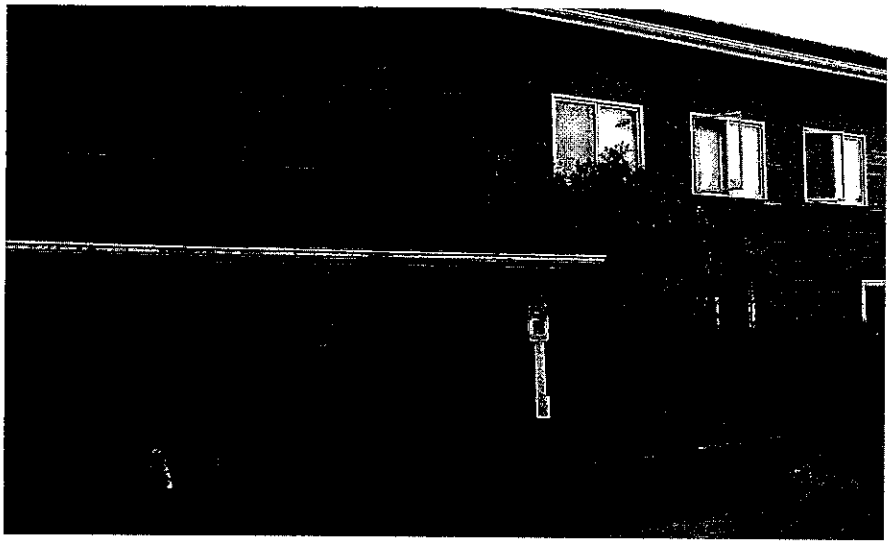
Haven House Sustainability/ Energy Efficiency Projects

PROJECT DESCRIPTION & BENEFIT: South Peninsula Haven House is a 24-hour staffed shelter with a mission to support and empower people impacted by domestic violence and sexual assault. As part of the area's comprehensive public safety network, Haven House operates a 10-bed shelter and child advocacy center and has responded to community crisis needs by expanding services. This increased service demand has occured while the shelter faces dramqatic increases in the cost of fuel and utilities.

The proposed project seeks to enhance sustainability and reduce costs at Haven House by 1) establishing a greenhouse to produce fresh vegetables (and provide a soothing, nurturing activity for shelter residents); 2) replacing 27 drafty windows with more secure, insulated windows; and 3) modifying the current entry way and replacing entry way doors with more heat-efficient models. This modification will also increase the security of the property and safety of the residents.

These projects will build on sustainability programs that have already been undertaken at Haven House. These include an internal recycling program, replacement of old inefficient plumbing fixtures, and education about recycling, composting, and basic gardening.

Cost: $5,000 for greenhouse kit, $8,000 for entry way modifications, $20,000 for 27 replacement windows, and $3,000 for ten window quilts. Total: $36,000.



Kevin Bell Arena Floor Upgrade

PROJECT DESCRIPTION & BENEFIT: The Homer Hockey Association, Inc. (HHA), as owners of an ice rink facility known as the Kevin Bell Arena, is requesting capital improvement funds for the purpose of converting the rink area floor from sand to concrete, thus allowing multiple uses in a year-round facility.

The Kevin Bell Arena was built in 2005 by Homer Spit Properties, LLC (HSP) and leased to HHA under a long-term lease agreement. HHA has recently purchased the facility from HSP through an owner-finance transaction based on a 30-year note. During the design and construction phase, HHA secured grant funds to purchase and install all of the mechanical components of the refrigeration system, boards, glass, and all of the finish work on the interior of the building at a cost of $1.2 million. In order to stay wtihin budget, the decision was made at the time to install a less expensive sand based floor for the ice area rather than concrete.

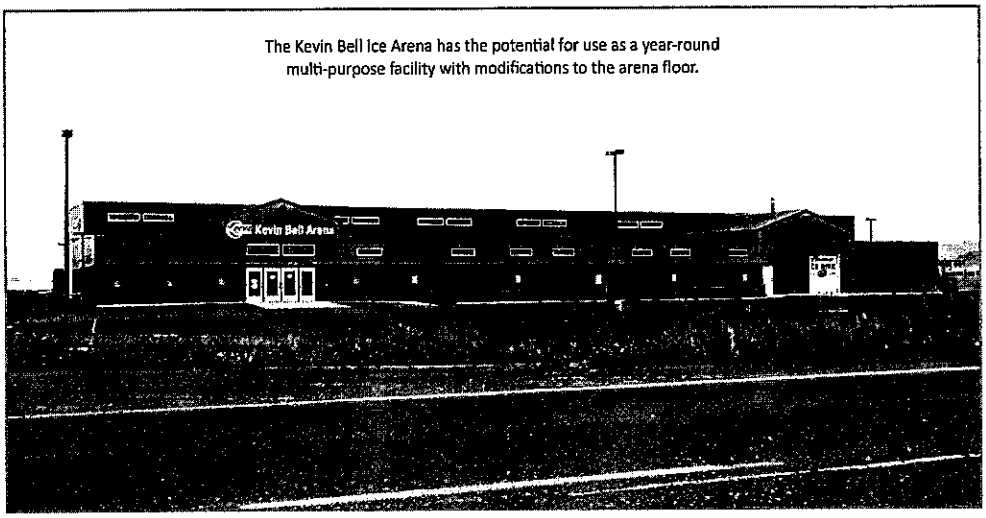
The conversion process from sand to concrete requires a demolition phase to remove the existing rink tubing, sand and insulation as well as the excavation of an additional 3.5 inches of sand. The installation phase includes compacting the sand under the rink floor, re-installing the insulation and vapor barrier, installation of reinforcing steel bars, mesh and expansion joint around the rink, re-installation of distribution manifolds across the rink center, and installation of new rink tubing and concrete pour. Once the concrete is cured, reinstallation of the boards, glass and ice can commence.

The Kevin Bell Arena provides residents of the southern Kenai Peninsula with an indoor ice facility as well as programs and activities including Learn to Skate through Hockey, youth and adult hockey programs, as well as figure skating, broomball, public skating, teen skating events and much more. The arena currently allows Homer to host hockey games, tournaments, and other events, providing an economic boost to the community.

The installation of a concrete floor will provide opportunities for year-round use for a variety of groups and events, especially during the off-season, April through August. Possibilities include home, car, and boat shows; concerts, and conventions. The space would attract statewide interest in Homer as a viable venue for such events and enhance Homer's attraction as a destination for tourism and commerce. In addition, it would provide HHA with summer revenue estimated at $30,000 over a 4-month period.

PLANS & PROGRESS: Detailed discussions with an experienced private contractor have provided a clear understanding of the scope of work and costs involved. While the bulk of the demolition can be accomplished with volunteer labor, the installation of the concrete would be done by a contractor.

Cost: $350,000

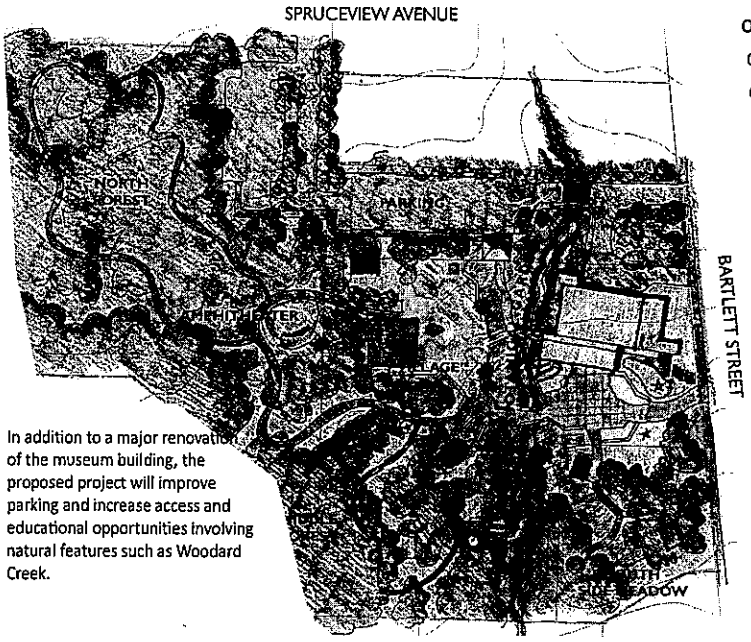


The Kevin Bell Ice Arena has the potential for use as a year-round multi-purpose facility with modifications to the arena floor.

Pratt Museum New Facility and Site Redesign

PROJECT DESCRIPTION & BENEFIT: The national award-winning Pratt Museum is dedicated to helping people explore the Kachemak Bay region through the sciences, arts, and humanities. The Pratt's exhibits, education programs, and collections seek to foster self-reflection and dialogue among the Museum's community and visitors. Each year, the Pratt serves more than 35,000 visitors and engages more than 4,000 young and adult learners in its programs. One of only five accredited museums in Alaska, the Pratt is consistently viewed as one of Alaska's most important cultural institutions and as a leader among small museums across the country.

Today the Pratt Museum finds itself in a structure that doesn't meet the Museum and community's needs. The existing 10,500 square foot building is more than 42 years old. The building's galleries, collections storage, public meeting, and education spaces do not support the Pratt's goals or embrace current opportunities. The Pratt is now working with its community on a project to enable the Pratt to better serve the community and visitors long into the future through the construction of a new facility and redesign of the Pratt's 9.3 acres. Benefits of this project will include: 1) improved education programs and exhibits; 2) creation of a community learning space to promote education and community dialogue; 3) an expanded trail system, outdoor exhibits, and stewardship of Woodard Creek; 4) the ability to serve larger visitor and school groups; 5) greater representation at the Museum of the region's diverse cultural groups; 6) the ability to care for growing collections including community archives and stories; and 7) full disability accessibility.



In addition to a major renovation of the museum building, the proposed project will improve parking and increase access and educational opportunities involving natural features such as Woodard Creek.

PLANS & PROGRESS: Nearly a decade of thorough organizational evaluation, professional assessment, and community dialogue has led the Pratt Museum Board of Directors and staff to the decision to embark on this ambitious capital project. A fundraising feasibility study was conducted in 2009 in tandem with the development of draft architectural and site concepts. Additionally, the McDowell Group conducted an analysis of the economic impact of the Pratt's operations and construction project on the local community, finding that the Museum generates substantial economic activity in the region. In the Planning Phase, the Pratt has secured cash and pledges that represent 20% of the project budget and has laid the groundwork for the successful completion of this project through the following critical steps:

1) The Pratt has gathered diverse community and stakeholder input through public meetings, surveys, and other means to guide the Planning Phase and will continue to gather input through the Design Phase. 2) With leadership from the Patrons of the Pratt Society, 9.3 acres of urban green space have been acquired in the heart of Homer, which the Museum now owns debt-free. 3) The Museum has secured $1.7 million (20% of project total) in cash and pledges including a prestigious $750,000 National Endowment of the Humanities Challenge Grant, $100,000 for planning support from the Alaska State capital budget, and a leadership gift from an individual donor of $105,000. 3) The Pratt is participating in the Rasmuson Foundation's prestigious "Pre-Development Program," which has provided more than $70,000 in in-kind planning services, resulting in substantial Planning Phase cost savings. 4) The Museum has recruited community leaders for the capital campaign who represent the Pratt's multiple disciplines in the arts, sciences, and humanities. 5) The Pratt has kicked off Phase II community input planning and research for the Master Exhibit Plan permanent exhibit renovations to be installed in the new building.

Cost: Preconstruction—$1 million Construction—$7.5 million

Rogers Loop Trailhead Land Acquisition

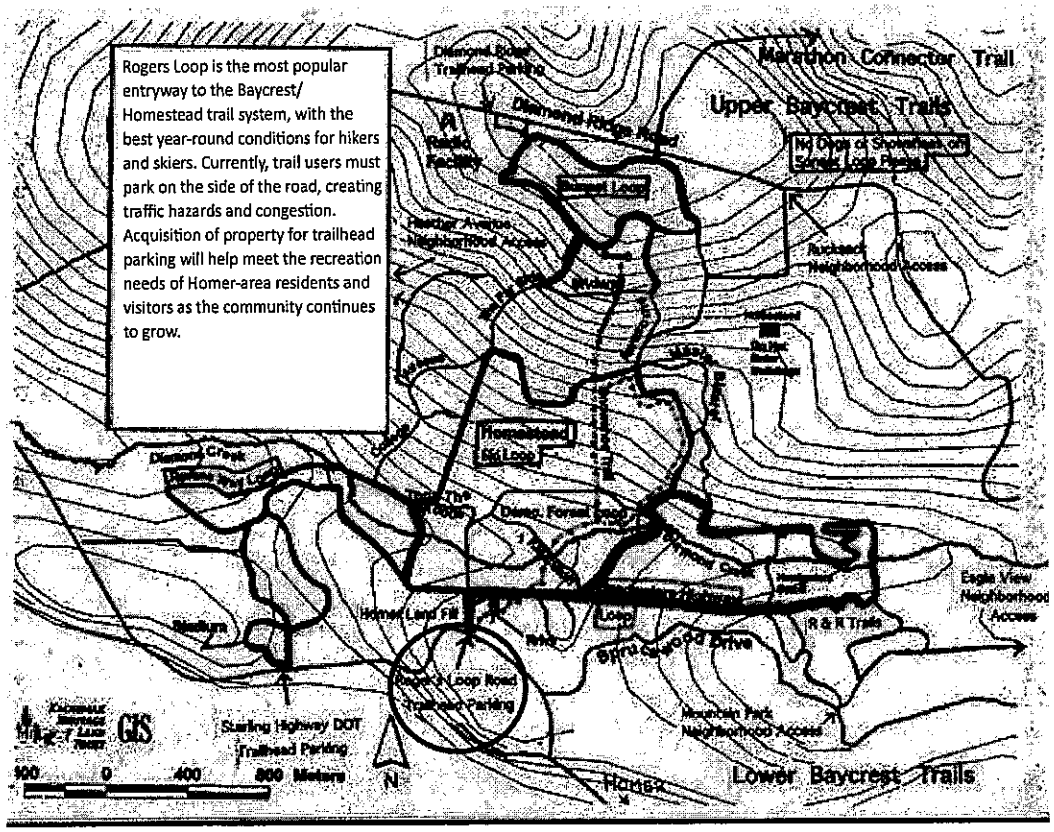
PROJECT DESCRIPTION AND BENEFIT: This project will provide a parking/staging area at the Rogers Loop trailhead, greatly improving access to the skiing and hiking trails maintained by the Kachemak Nordic Ski Club (KNSC), the Homer Soil and Water Conservation Distrist, and Kachemak Heritage Land Trust.

Currently the only parking at the popular Rogers Loop trailhead is on the shoulder of Rogers Loop Road, creating problems even for typical everyday use by skiers and hikers. The proposed parking area is critical to the continued use of the lower Baycrest Ski Trails, the Homestead Hiking Trail, and the Demonstration Forest. Parking at the Rogers Loop trailhead will provide the best and (during the summer season) only access to the City of Homer's Diamond Creek Park, adjacent to the existing trail system. There is potential to develop new year-round trails on the City property; however, parking will be needed for this to become a reality. It is the KNSC's intent to transfer ownership of the Rogers Loop property to the City of Homer once it is acquired.

Current access to the existing trail system via the Sterling Highway (near the landfill) is dependent on the Borough renewing its Memorandum of Agreement with the KNSC. Access from Rogers Loop is all the more critical given the tenuous nature of the Borough commitment and other problems with the Sterling Highway access, including frequent marginal/icy snow conditions in the winter and no access to hiking in the summer. Currently 635 acres of public recreation land has inadequate parking for summer use (275 acres owned by the City of Homer and 360 that comprise the Demonstration Forest).

PLANS AND PROGRESS: The KNSC board has approved the concept of purchasing land for parking and trail access on Roger's Loop, has designated $1,500 for the project, and is actively working to raise additional funds. Discussions with landowners at the trailhead site are in progress.

Cost: $50,000



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South Peninsula Hospital Bariatric Equipment

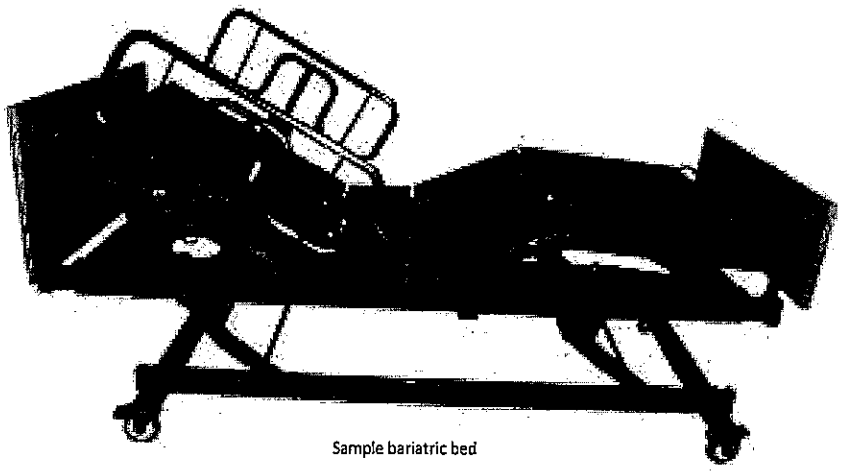
PROJECT DESCRIPTION & BENEFIT: South Peninsula Hospital (SPH) is in need of appropriate equipment to better serve the growing population of obese patients in the SPH service area. Specifically needed are a ceiling lift, bed, and commode to best accommodate these patients.

The hospital has seen a marked increase in the number of obese patients served over the last two years, and the expectations are that this number will continue to grow as the population served ages. Recent projections show an 80% growth in the senior population over the next ten years, and a growing incident of chronic illness, often which leads to frequent hospitalizations. South Peninsula Hospital is the only hospital in a 75 mile radius and wants to meet the needs of the residents in the service area.

Management of an obese patient without the proper equipment involves significant challenges and risks to both the patient and staff. A bariatric patient's visit to the hospital without appropriate equipment creates the need for four additional staff on duty during the entire patient's stay. Staff risk injury when moving and comforting the patient and the patient risks injury by using equipment that isn't appropriate for his/her size. The hospital currently rents such equipment when accommodating patients over 600 pounds, but this unfortunately takes time to put into place (and there is rarely advance notice) and generates additional charges for the patient.

PLANS & PROGRESS: New patient rooms in the recently constructed patient wing have been designed to accommodate bariatric equipment. Equipment to accommodate heavier patients not greater than 600 pounds has been purchased and installed. Price quotes have been received for the equipment yet to be purchased.

Cost: $55,000 (includes one bed, one commode, and ceiling lift)



Sample bariatric bed

South Peninsula Hospital Enhanced Communication System

PROJECT DESCRIPTION & BENEFIT: An Enhanced Hospital Communication System is needed to provide immediate and continuous communication for clinical healthcare workers at South Peninsula Hospital. The hospital encourages physicians and nursing staff to be at patient bedside; however, that time is limited due to the need for staff to confer with each other and document the needs of the patient. A new system will allow physicians and staff to talk with each other without being in the same room; hence, more time can be spent with patients.

An Enhanced Hospital Communication System will allow clinical staff to better respond to the needs of patients and fellow staff. It is facilitated by a small device which can be clipped to a uniform or identification badge. It enables instant 2-way voice communication, the transmission of data, the ability to send alerts or text messages, and the ability to make phone calls. On command, the information is integrated directly into the patient's electronic health record, resulting in fewer errors and better quality of care.

Such a system increases efficiency since work can be performed from all locations in the hospital without waiting to get to a designated work station. Not only is this system critical for the quality of patient care, improved customer service, and improved staff efficiencies on a daily basis, it will be invaluable as an emergency response communication system.

PLANS & PROGRESS: Systems have been researched and price quotes obtained. Pricing here is based on the Vocera brand. The existing hospital information system is being altered to integrate with this system.

Cost: $31,000 (includes system software and hardware purchase and installation)

An Enhanced Hospital Communication System allows staff to communicate with each other at the touch of a button on a device clipped to a pocket or ID badge or worn on a lanyard around the neck. Shown here are staff at Memorial Healthcare in Owosso, Michigan, which touts its use of Vocera devices.

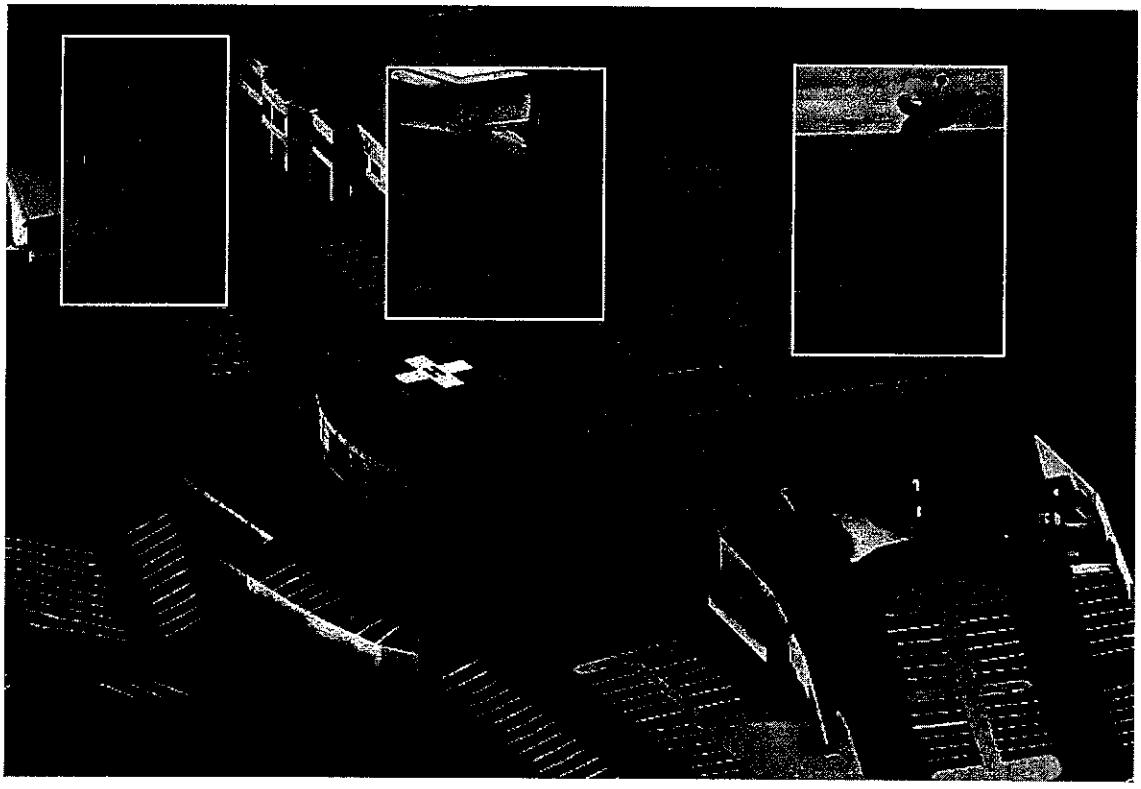
South Peninsula Hospital Fire Suppression System Booster Pump

PROJECT DESCRIPTION & BENEFIT: South Peninsula Hospital is completing the second phase of construction of a new patient wing which includes a rooftop helipad for medical emergency transport. Although the type of craft landing there is permitted to use a cart-mounted fire suppression system, all entities involved agree an automated AFFF Foam Fire Suppression System is the preferred system for safety to hospital personnel, patients, and local firefighters. City water pressure at this location is insufficient to run this type of system. Therefore, a booster pump is needed to generate the level of pressure required.

Without this system in place the hospital must utilize hand-carts (mobile suppressant units) which are difficult and expensive to acquire and do not meet the preferred level of response.

PLANS & PROGRESS: The helipad opened for use in November 2009. The AFFF system has been designed and all components have been pre-built and/or installed, with the exception of the booster pump and valve work. No remodel work will be required to accommodate this. Space for the pump is reserved.

Cost: $96,000 (includes valving, cost of pump, and installation)



Architectural drawing of completed project with insets of work completed to date to accommodate the AFFF Foam Suppression System.

South Peninsula Hospital
New Surgery Doors

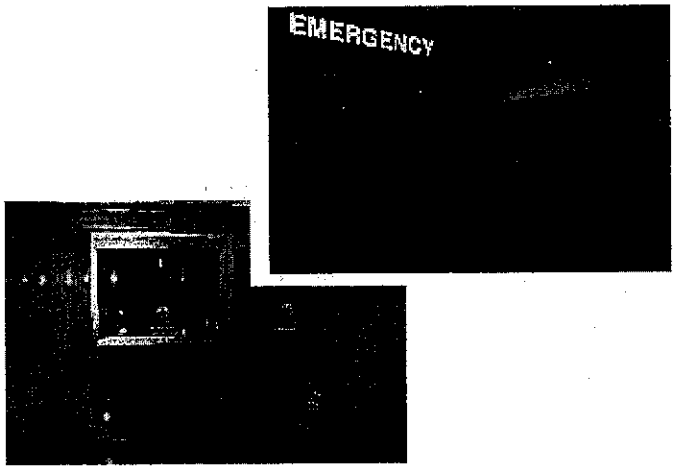
PROJECT DESCRIPTION & BENEFIT: South Peninsula Hospital's Surgery Department has a need for ergonomic, hospital-grade automatic operating room doors for to reduce the risk of injury to patients, staff, and surgeons and to comply with fire safety codes. The project consists of replacing the door in each of two operating rooms at the hospital with automatic doors constructed of metal and glass that meet new safety standards.

The existing doors are of a swinging style which creates a risk for staff due to the way they are opened. Staff routinely open the doors with a foot or arm in the interest of maintaining a sterile environment. However, this awkward maneuver puts staff at risk of injury.

Automatic doors will also help prevent the staff injuries incurred while moving patient stretchers in and out of the room through the manually operated doors currently in place. New, automatically opening doors will provide a significant improvement for a vital 30-year old section of the hospital to comply with current industry standards.

PLANS & PROGRESS: Door types have been researched and a preferred model has been selected.

Cost: $32,000 for two doors, including installation. South Peninsula Hospital staff will provide site prep to make the project construction-ready.



Proposed automatic opening surgery doors at South Peninsula Hospital would be similar to the models shown here.

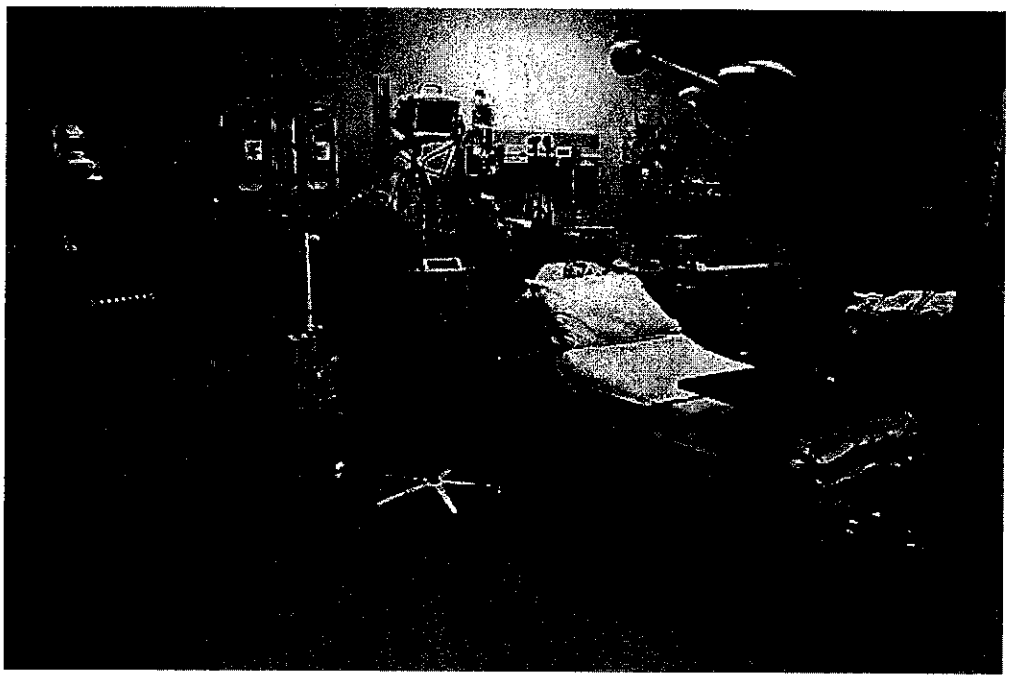
South Peninsula Hospital
RFID Asset Tracking and Security

PROJECT DESCRIPTION & BENEFIT: This project will improve efficiency, save money, and help ensure the best possible patient outcomes by employing radio frequency identification (RFID) to track the location of hospital equipment and devices.

RFID is a technology that involves electromagnetic "tags" that emit radio signals which are picked up, read, and stored in a database. Active RFID can significantly decrease waste and reduce costs by providing an ongoing, accurate inventory. With room-level asset tracking capability, life-saving equipment can be found quickly. High cost equipment and mission-critical devices can be more effectively shared. Frequently-used gear including gurneys, wheelchairs, infusion pumps, and cardiac monitors can be located promptly.

Implementation of a real-time asset location solution will enable South Peninsula Hospital to significantly improve staff efficiency and reduce over-provisioning by providing real time, accurate inventory and immediate location of expensive equipment. Loss of high dollar items will be significantly reduced by alarm capabilities inherent in RFID tracking systems. Personnel and asset locations and interactions can also be monitored.

Cost: $200,000 including installation

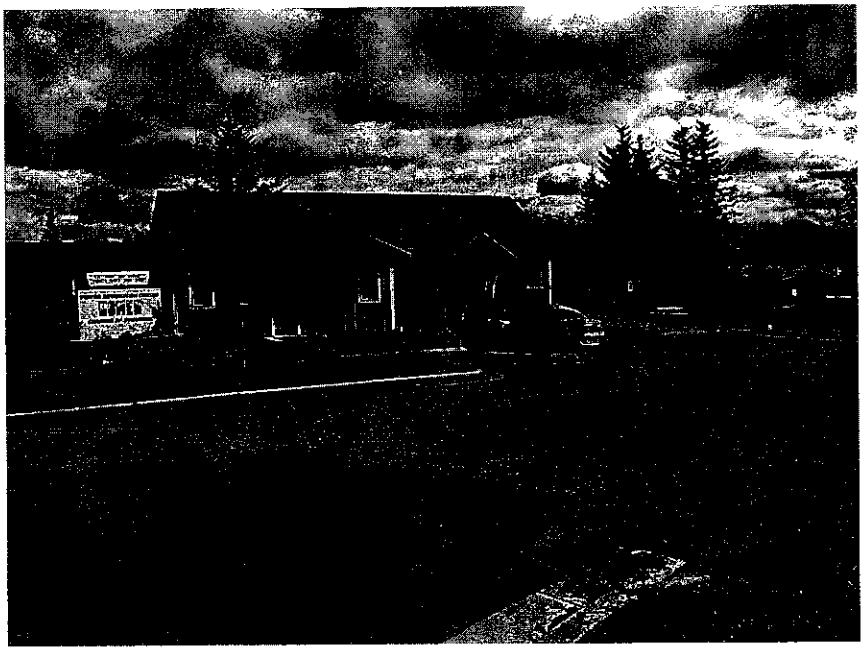


A modern hospital contains hundreds of pieces of equipment that can be efficiently tracked and located using RFID technology.

Visitor Information Center Beautification Phase 1: Parking Lot

PROJECT DESCRIPTION & BENEFIT: The Homer Chamber of Commerce (HCOC) is seeking funds to pave the HCOC Visitor Information Center parking lot as part of a phased Beautification Project. This project will enhance development of the City's new Scenic Gateway Overlay District and has further potential to tie in with proposed Town Center development. The funds requested will be used to pave the parking lot, add ditches and culverts for drainage, stripe the lot for parking spaces, and add signage to deter pass-through traffic from the Sterling Highway to Bunnell Street.

Paving the Visitor Information Center parking lot will improve the appearance of the area, allow better access for the influx of visitors during the summer season and at year-round Chamber events, ensure handicap accessibility, and provide improved overflow parking for neighboring businesses. In addition, it will help address health and safety issues related to poor air quality, speeding vehicles, and pebbles kicked up by cars cutting through the parking lot between the Sterling Highway and Bunnell Street.



First impressions are what visitors to a community use to judge that area. One of the first places visitors come to when they drive into Homer is the Homer Chamber of Commerce Visitor Information Center. Approximately 150,000 people visit Homer every year. Attracting new businesses and families to our community—while also maintaining community pride for existing residents—is one of the key missions of the Homer Chamber of Commerce. An attractive Visitor Information Center, parking area, and surrounding grounds should be regarded as an important asset benefiting the entire community.

Other phases of the Visitor Information Center Beautification Project include adding a deck and rest area, gardens, artwork, and other landscaping. A final phase will develop the parcel located between the Chamber building and Bunnell Street.

PLANS & PROGRESS: The HCOC has completed excavation, grading, and backfill at a cost of $40,000 raised specifically for this project.

Cost: $200,000

Appendices

Explanation of Project Table

Project Table

City of Homer Long-Range Capital Projects

City of Homer Financing Assumptions

CIP Development Schedule

Public Hearing Notice

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PROJECT TABLE – EXPLANATION

NOTE: Project table contains City of Homer projects only.

Category: Type of project: Road/Trail, Structure, Utility, Equipment

Project: Title of project

Cost: Total project cost

Priority Level: The numbers in this column refer to Priority Level 1 (highest), Priority Level 2, or Priority Level 3. In setting a priority level, the Homer City Council considers such questions as:

- Will the project correct a problem that poses a clear danger to human health and safety?
- Will the project significantly enhance City revenues or prevent significant financial loss?
- Is the project widely supported within the community?
- Has the project already been partially funded?
- Is it likely that the project will be funded only if it is identified as being of highest priority?
- Has the project been in the CIP for a long time?
- Is the project specifically recommended in other City of Homer long-range plans?
- Will the project provide significant economic benefits to the community?
- Is the project strongly supported by one or more City advisory bodies?

These factors are weighed in combination to arrive at a priority determination.

Year: An X in one or more years indicates when the project is scheduled for implementation.

Year to CIP: Year when project was first included in the City of Homer Capital Improvement Plan

CITY OF HOMER CAPITAL IMPROVEMENT PROJECTS 2010-2015	$ Cost	Priority Level	YEAR 2011	2012	2013	2014	2015	2016	Year To CIP
LOCAL ROADS and TRAILS									
Heath Street, Pioneer to Anderson	4 M	1		X	X	X			2001
Horizon Loop Trail, Feasibility & Conceptual Design	staff time	2	X						2010
Land Acquisition for New Roads	500,000	2	X	X	X				2007
Town Center Infrastructure	2 M	1		X	X	X			2005
STRUCTURES									
Ben Walters Park Improvements, Phase 2	200,000	2		X					2006
Deep Water Dock Expansion	29 M	1	X	X	X	X			1989
Deep Water Dock Upland Improvements	800,000	1		X					2010
Downtown Restroom	400,000	2			X				1996
East Boat Harbor	100.6 M	2	X	X	X	X	X		2004
End of the Road Wayside, Phase 1	1 M	3				X			2008
Fish Dock Restroom	400,000	2		X					2001
Fishing Lagoon Improvements	255,000	2	X						2009
Harbor Entrance Erosion Control	600,000	2			X				1998
Harbor Float Replacement/Ramp 3 Gangway & Approach	5.2 M	1	X	X					2003
Homer Spit Dredged Material Beneficial Use Project	980,000	2	X	X	X				2010
Jack Gist Park Improvements, Phase 1	100,000	2		X					2006
Karen Hornaday Park Improvements, Phase 1	700,000	1	X	X	X				1984
Mariner Park Improvements, Phase 1	975,000	1	X	X	X	X	X		2004
Port & Harbor Building	2.875 M	1	X	X	X				1985
Skyline Fire Station	1.35 M	1	X	X					2003
Upgrade System 5: Vessel Shore Power and Water	530,000	1		X				X	2010

Note: Only projects to be undertaken by the City of Homer are listed here. List does not include State transportation projects or those sponsored by non-profits or other organizations.

UTILITIES									
Alternative Water Source	16.75 M	1	X	X	X	X			2005
Bridge Creek Watershed Land Acquisition	1 M	1	X	X	X	X	X		1992
Kachemak Bay Tidal Power – Feasibility and Conceptual Design	1.28 M	1	X	X	X				2009
Natural Gas Pipeline – Anchor Point to Homer	8.53 M	1	X	X					2010
Sewer Treatment Plan Bio-solids Treatment Improvements	5.245 M	1	X	X	X				2009
Water Storage/Distribution Improvements	3.9 M	2		X	X	X			2009
EQUIPMENT									
Brush/Wildland Firefighting Truck	120,000	2		X					2009
Fire Engine 4 Refurbishment	150,000	1	X						2009
Firefighting Enhancement /Aerial Truck	800,000	1		X					1992
Fire Pump Testing Trailer	70,000	2		X					2009
Outside Dock Fenders	80,000	2		X					2003
Tide Gauge/Meteorological Station	210,000	3			X				2004

CITY OF HOMER LONG-RANGE CAPITAL PROJECTS

The following projects have been identified as long-range capital needs but have not been included in the 2011-2016 Capital Improvement Plan because it is not anticipated that they will be undertaken within the 6-year period covered by the CIP. As existing CIP projects are funded or as other circumstances change, projects in the long-range list may be moved to the 6-year CIP.

Within each category below (Roads and Trails, Structures, Utilities), projects are listed in alphabetical order.

ROADS AND TRAILS

Fairview Avenue – Main Street to East End Road. This project provides for the design and construction of Fairview Avenue from Main Street to East End Road. The road is approximately 3,000 lineal feet and the project will include paving, water and sewer mains, stub-outs, storm drains, and a sidewalk or trail. The project extends from the intersection of Main Street to the high school and finally to East End Road and will provide an alternative to Pioneer Avenue for collector street access east/west across town. This roadway would benefit the entire community by reducing congestion on Pioneer Avenue, the major through-town road, and would provide a second means of access to the High School. It would also allow for development of areas not currently serviced by municipal water and sewer.

This improvement is recommended by the 2005 Homer Area Transportation Plan. Necessary right-of-way has already been dedicated by the Kenai Peninsula Borough across the high school property.

Cost: $1.75 million Priority Level 3

Fairview Avenue – Main Street to West Hill Road. This project provides for the design and construction of Fairview Avenue from Main Street to West Hill Road. The road is approximately 4,200 lineal feet and the project will include paving, water and sewer mains, stub-outs, storm drains, and a sidewalk or trail. Along with the Fairview to East End Road project, this project will benefit the entire community by providing an alternative to Pioneer Avenue for collector street access east/west across town, thereby reducing congestion on Pioneer Avenue and developing alternative access for emergency vehicle response. The need for the road extension has increased markedly with the development of three major residential subdivisions in the area.

This improvement is recommended in the 2005 Homer Area Transportation Plan.

Cost: $3 million Priority Level 3

Beach Access from Crittenden and Main. This project will provide residents and visitors with coastal view stations and access to the beach at the southern ends of Crittenden Street and Main Street, utilizing City-owned land. The project will enhance connectivity in Homer's developing trails and park system, providing additional points of access so that beachgoers can walk onto the beach at one point and off at another, on a loop through Old Town, Town Center, etc. For those not physically able to walk all the way to the beach, platforms near the roads will provide nice views and benches on which to relax. Interpretive information could provide information on Homer history, beach formation, and other topics.

Improvements at Crittenden Street will consist of stairs with landings (designed to protect again erosion) constructed from the top of the bluff to approximately halfway down the slope. From there, a narrow, meandering pathway will continue to the beach.

The Main Street beach access point is envisioned to have a small parking area, a viewing platform with bench, and stairs with landings.

Cost: $250,000 Priority Level 3

East Trunk/Beluga Lake Trail System. This project will create two connecting trails:

- The Beluga Lake Trail will partially encircle Beluga Lake with a raised platform trail that includes a wildlife observation site. The trail will connect neighborhoods and business districts on the north and south sides of the lake.
- The East Trunk Trail will provide a wide gravel pathway from Ben Walters Park east along the City sewer easement, along the north side of Beluga Lake (connecting with the Beluga Lake Trail), and eventually reaching East End Road near Kachemak City.

The completed trail system will connect Paul Banks Elementary School, the Meadowood Subdivision, and other subdivisions and residential areas to Ben Walters Park and also provide hiking, biking, and wildlife viewing opportunities around Beluga Lake. In addition, it will provide an important non-motorized transporation route.

The Beluga Lake Trail and a trail connection to Paul Banks Elementary School and East End Road are included in the 2004 City of Homer Non-Motorized Transportation and Trail Plan.

Cost: Beluga Lake Trail—$1.5 M East Trunk Trail—$2 M Priority Level 3

Homer Coastal Trail. Homer's coastal environment provides enormous scenic and recreational opportunities for area residents and visitors and has helped attract world-class educational and research facilities such as those incorporated in the new Islands and Ocean Visitor Center. With trail development in the area from Mariner Park to Bishop's Beach, the potential exists for even greater access to and appreciation of this unique resource, by individuals of all ages and physical abilities.

The 1.3 mile Homer Coastal Trail would be completed in three phases. Phase 1 will be to install rip-rap revetment and construct a paved asphalt pedestrian trail along the top of the new Ocean Bluff seawall, providing a route along this previously difficult-to-access section of the coast. Phase 2 will involve construction of a bridge over Beluga Slough and a boardwalk trail through the intertidal zone west to Bishop's Beach. Phase 3 will provide a boardwalk trail from the seawall to Mariner Park. The new trail will connect with the existing Beluga Slough trail and Homer Spit Trail. It will be enjoyed by hundreds of visitors and residents each year, contributing to quality of life and economic development.

Cost: Phase 1—$2.5 million Phase 2—$1.2 million Phase 3—$1.5 million Priority Level 3

STRUCTURES

Downtown Restroom. It is expected that one public restroom facility will be built in a downtown location before 2014. This project will provide an additional downtown restroom for the benefit of residents and visitors. Currently, the only public restroom facilities along Pioneer Avenue are in City Hall. With proposed "Town Center" development, the need for restroom facilities will increase as more people frequent the downtown area. The specific location will depend on Town Center development and on where the first downtown restroom is located.

Cost: $400,000 Priority Level 3

End of the Road Wayside, Phase 2. Phase 2 of this project will construct a plumbed bathroom.

Cost: $400,000 Priority Level 3

Homer Conference Center. Homer is a popular visitor destination and the visitor industry is a critical component of the local economy. However, millions more dollars might be spent in Homer if a meeting facility large enough to attract conferences with several hundred participants was available. Currently, Homer has no facility capable of providing meeting space for groups of more than 180 people.

Homer's reputation as an arts community will help attract meetings and audiences if a facility exists to accommodate and showcase these events. The conference center, featuring banquet/ballroom space and flexible meeting space, will fill this need. If the facility is located in Homer's developing Town Center, other area businesses would also benefit from the increased number of visitors attending meetings at the conference center.

A conference center will increase Homer's ability to compete with other communities in that important niche of the visitor industry, and will also provide a venue for meetings and cultural events hosted by local organizations, such as the Kachemak Bay Writers Conference and Shorebird Festival events.

In partnership with the Homer Chamber of Commerce, the City of Homer commissioned a conference center feasibility study completed in summer 2005. The study predicts moderate demand from outside groups for a conference center in Homer. The Conference Center Feasibility Study Steering Committee made a formal recommendation that the City support efforts to encourage the construction of a conference center in Homer's Town Center. In August 2005, the Homer City Council passed Resolution 05-

86(A) which recommends further consideration and authorizes the City Manager to pursue ideas and discussions that will increase the likelihood of a conference center being built in Homer.

Cost: $5 million Priority Level 3

Homer Fire Station. The Homer Fire Station is now more than 28 years old and badly in need of replacement. Fire Department staff and volunteers are completely out of space. However, it has become clear that expanding the current facility is neither desirable or practical.

Examples of deficiencies in the current facility include:

- Emergency vehicles are parked outside, resulting in response delays in winter, accelerated deterioration, and security issues.
- Inadequate training space resulting in conflicts, cancellations, and delays.
- Acute shortage of storage space.
- Current facility does not meet fire station design criteria with separated biohazard decontamination/cleaning areas or separated storage areas for clean medical supplies.
- Current facility does not provide adequate protection from diesel exhaust emissions.
- Current facility lacks space to accommodate more than four overnight crew members. Space is needed for eight people to sleep in the station without disrupting normal operations.
- The building lacks room for health and fitness equipment.
- Current space is often inadequate for conferences and meetings.

A new fire station in Homer will provide area-wide public safety benefit. Agencies such as the Police, Coast Guard, and State Parks personnel use the Homer Fire Station training room for classes and would benefit from a new, larger facility.

Cost: Site acquisition/concept design—$800,000 Final design/site prep—$800,000
Construction—$5.5 M Priority Level 2

Note: A new fire station and fire training facility could be built in conjunction with a new police station and firearms training facility. A combined public safety facility, where certain areas are shared between the Police and Fire departments, would be less expensive to build and operate than if each facility is constructed separately. Some preliminary planning for such a facility has already been completed, through a space needs study conducted in 2006.

Homer Greenhouse. Homer's growth in population and area, the importance of tourism to the local economy, and increased community requests for beautification illustrate the need for a new greenhouse capable of producing 100,000 plants annually. In addition to spring planting, the greenhouse can be used to grow hanging baskets for the Central Business District; poinsettias, etc. for the winter holiday season; and shrubs and trees for revegetation and park improvements. The new library grounds and Town Center development will further increase the need for summer annuals planting. The greenhouse could also serve as a community resource for meetings, weddings, winter visits, etc.

The greenhouse is envisioned to be 100 x 40 feet in size and will include radiant floor heat, automated lighting, ventilation, and watering equipment. It will be constructed utilizing double-walled poly sheet product to maximize energy efficiency and operational costs. The facility will be operated by the Parks Division of Public Works for the benefit of the community. The greenhouse could possibly be constructed in conjunction with a new City Hall in Town Center.

Cost: $400,000 Priority Level 3

Homer Police Station. The Homer Police Station was built in stages from 1975 to 1983. The building is aging and it is time to plan for its replacement. The lot that the police station is on is not large enough to allow for continued expansion.

The existing facility is inadequate in space and design to meet the Police Department's current and future needs in several capacities. Particularly serious problems exist in the current jail spaces. Examples of problems throughout the facility include:

- Inadequate training and exercise spaces
- Shortage of storage space
- Health and safety deficiencies primarily involving an inadequate ventilation system
- No area for evidence processing of large items
- No crisis cell for special needs prisoners
- Poorly designed jail entry area, booking room, and jail office spaces
- Inadequate space for communications equipment required for dispatch operations
- Existing dispatch spaces are too small for current and projected operational needs
- Unsafe and improper juvenile holding area
- Lack of adequate outside parking, both open and garaged

A new police station in Homer will benefit public safety area-wide. The Homer Police Department provides 9-1-1 services for many of the communities on the southern Kenai Peninsula and area-wide radio dispatching and support services to a host of agencies. The new facility will incorporate safety enhancements for all police personnel, reducing potential liability to the City.

Cost: Site acquisition/conceptual design—$550,000 Design/site preparation—$550,000

Construction—$4.5 million Priority Level 2

Note: A new Police Station could be built in conjunction with a new fire station. A combined facility would be less expensive to build and operate than if each facility is constructed separately. Certain areas could be shared between the two departments. A space needs study conducted in 2006 determined that a combined facility which includes indoor shooting lanes would require approximately 38,650 square feet.

Jack Gist Park Restroom. Jack Gist Park has been in development since 1998 on 12.4 acres of land donated to the City of Homer by a private landowner. As originally envisioned by the Jack Gist Recreational Park Association, this parcel was to be developed primarily for softball fields. The long-term goal is to acquire adjacent properties that will provide space for soccer fields and an equestrian park. The proposed project will construct a restroom facility at Jack Gist Park, completing Phase 1 development. (Other aspects of Phase 1 are to be completed before 2014.)

Cost: $400,000 Priority Level 3

Karen Hornaday Park Improvements, Phase 2. Phase 2 park improvements will include Woodard Creek restaoration, park entrance road realignment, west side parking, east side parking, Woodard Creek Trail construction (including a bridge to South Peninsula Hospital), and further landscaping improvements.

Cost: $570,000 Priority Level 2

Mariner Park Improvements, Phase 2. This project will provide significant improvements to Mariner Park, at the base of the Homer Spit. As one of Homer's most popular recreation areas, Mariner Park attracts campers, beach walkers, kite-flyers, Spit Trail users, birders, people with dogs, and others who come to enjoy the views and open-air recreation opportunities. Homer's growing population and tourist visitation are placing greater demand on Mariner Park, increasing the need for recreation and safety enhancements.

Phase 1 improvements are scheduled for completion in 2010-2014. Phase 2 improvements will construct a tunnel under the Spit Road to provide safe pedestrian access to the Homer Spit Trail, develop a central pavilion to serve as a picnic/barbecue area, on the inside of the storm berm, develop fee camping sites on the side of the park closest to the road, with day-use parking on the ocean side, construct a kiosk with information about the Mariner Park area, and improve the appearance of Mariner Park through landscape architecture consistent with the natural environment.

Cost: $450,000 for tunnel; $150,000 for pavilion, camp sites, and kiosk; $75,000 for landscaping.

Total: $675,000 Priority Level 3

Public Restrooms – Homer Spit. With increased activity on the Homer Spit, including the popular Homer Spit Trail, the need for restroom facilities has also increased. Restrooms are needed in the following locations, in priority order. (Note: It is anticipated that a new restroom in the vicinity of the Fish Dock will be constructed in 2010. Restrooms for Mariner Park and End of the Road Park are addressed elsewhere.)

- The restroom at Ramp 2 is in poor condition and needs to be replaced. If a new Port & Harbor building is constructed, it could include a restroom (possibly with showers) to replace the Ramp 2 restroom.
- The restroom at Ramp 5 is in poor condition and needs to be replaced. It is used by campers as well as by harbor users.
- A restroom is needed at the trailhead parking area on Kachemak Drive. The parking area is at the intersection of the Ocean Drive bike route and the Homer Spit trail; thus the restroom will benefit users of both trails. The City of Homer is planning to expand the trailhead parking lot for the Spit Trail to increase parking capacity and create room for the proposed restroom facility.

Cost: $400,000 each; $1.2 M total Priority Level 2 for Ramp 2; Level 3 for Ramp 5 and Spit trailhead

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Public Works Complex. The City of Homer Public Works complex on the Sterling Highway was constructed in phases from 1974-1986 (except for the recently completed large equipment storage shed). In 1980, Homer's population was 2,209. Since that time, the population has grown more than 150%, with a corresponding increase in roads, water/sewer lines, and other construction activity that requires employee and equipment time. The existing facility is no longer adequate to meet these needs and the problem will become more acute with continued growth.

A new Public Works complex will include the following:

- Increased office space to provide adequate room for employee work areas, files, supplies, and equipment storage
- Adequate space for Parks Division and Engineering staff and equipment
- A waiting area for the public, contractors, etc.
- A conference room that doesn't double as the employee break room
- A break room with adequate seating, storage, and locker space
- A laundry room
- A garage for the motor pool large enough to accommodate more than one or two projects at a time
- Improvements in ventilation throughout the facility and wiring for computer technology

Cost: Design—$500,000 Construction—$4.5 M Priority Level 2

South Peninsula Firearms Training Facility. This project will provide a multi-agency training facility for law enforcement on the lower Kenai Peninsula. Beneficiaries will include the Homer Police Department, local units of the Alaska State Troopers, Alaska State Parks, and various federal law enforcement agencies. Properly managed, the facility could also be used by local gun clubs and sporting groups. The facility, which will include a modern indoor shooting range, will provide a proper and safe environment for firearms training. It will enable local law enforcement personnel to conduct training at any time of day, year-round, regardless of weather.

A conceptual design for a 6-lane indoor shooting range was prepared for the City of Homer in 1996. Note: This project could be completed in conjunction with a new Police/Fire Hall complex.

Cost: $1,000,000 Priority Level 3

UTILITIES

Spit Water Line Replacement – Phase 4. The existing Homer Spit water line is 30 years old and is constructed of 10-inch cast iron. In recent years it has experienced an increasing number of leaks due to corrosion. The condition has been aggravated by development on the Spit resulting in increased load from fill material on an already strained system. Phase 4 of this project consists of construction of approximately 1,500 lineal feet of water main to the end of the Spit. Replacement of the Homer Spit waterline will ensure an uninterrupted water supply for public health, fire/life safety needs, and expanding economic activities on the Spit.

Cost: $400,000 Priority Level 3

West Hill Water Transmission Main and Water Storage Tank. Currently, water from the Skyline treatment plant is delivered to Homer via two transmission mains. One main (12-inch) is located along East Hill Road and delivers water to the east side of town. The other (8-inch) runs directly down to the center of town. A third transmission main is needed to deliver water to the west side of town, provide water to the upper West Hill area, and provide backup support to the two existing transmission mains. A new water storage facility is also needed to meet the demands of a rapidly growing community.

The addition of a third water transmission main has been identified in comprehensive water planning documents for over twenty years.

Cost: Design—$500,000 Construction—$4.5 M Priority Level 2

CITY OF HOMER FINANCING ASSUMPTIONS
CAPITAL IMPROVEMENT PROGRAM

Implementation of the City of Homer Capital Improvement Plan requires utilization of various financing mechanisms. Financing mechanisms available to the City of Homer include:

- Federal grants or loans
- State grants or loans
- General obligation bonds
- Limited obligation bonds
- Revenue bonds
- Special assessment bonds
- Bank loans
- Pay-as-you-go
- Private sector development agreements
- Property owner contributions
- Lease or lease–purchase agreements

The use of any of the financing mechanisms listed above must be based upon the financial capability of the City as well as the specific capital improvement project. In this regard, financing the CIP should take into consideration the following assumptions:

1. The six-mill property tax limitation precludes utilizing General Fund operating revenue to fund major capital improvements. Available revenue should be utilized to fund operation and maintenance activities.
2. The operating revenue of enterprise funds (Port & Harbor, Water & Sewer) will be limited and as such, currently only fund operation and maintenance activities.
3. The utilization of Federal and State grants will continue to be significant funding mechanisms. Grants will be pursued whenever possible.
4. The 1½ percent sales tax approved by voters of Homer for debt service and CIP projects is dedicated at ¾ percent to sewer treatment plant debt retirement with the remaining balance to be used in water and sewer system improvement projects, and ¾ percent to the Homer Accelerated Roads and Trails (HART) Program.
5. The HART Program will require property owner contribution of $30 per front foot for road reconstruction, with an additional $17 per front foot for paving.
6. The Accelerated Water and Sewer Program will require substantial property owner contributions through improvement districts/assessment funding, set currently at 75 percent.
7. The private sector will be encouraged to finance, construct, and operate certain non-essential capital improvements (e.g., overslope development).
8. The utilization of bonds will be determined on a project-by-project basis.
9. The lease and/or lease–purchase of capital improvements will be determined on a project-by-project basis.

CITY OF HOMER
2011-2016 CAPITAL IMPROVEMENT PLANNING PROCESS
FY 2012 LEGISLATIVE REQUEST DEVELOPMENT SCHEDULE

ACTION	TIMEFRAME
City Council approval of schedule	May 24, 2010
Solicit new/revised project information from City departments, local agencies and non-profits	May 25
Input for new draft requested by	June 18
Prepare and distribute draft CIP to City advisory groups for review and input	(Meeting dates): Planning Commission July 7, July 21, August 1, August 18
	Parks and Recreation Commission July 15 or August 19
	Port and Harbor Commission July 28 or August 25
	Library Advisory Board July 6 or August 3
	Economic Development Commission July 13 or August 10
	Transportation Advisory Committee August 17
Administrative review and compilation	August 26-31
City Council worksession to review proposed projects	September 13
Public Hearing on CIP/Legislative request	September 27
Local Election	October 5 (First regular meeting for new Council members: 10/25)
Adoption of resolutions by City Council	October 11
Administration forwards requests for Governor's Budget	by end of October
Administrative compilation of CIP	through end of October
Distribution of CIP and State Legislative Request	beginning November 2010
Compilation/distribution of Federal Request	February 2011

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CITY OF HOMER
PUBLIC HEARING NOTICE
CITY COUNCIL MEETING

2011-2016 Capital Improvement Plan & FY 2012 Legislative Request
Ordinances 10-44, 10-45, 10-46, 10-47, 10-48(S), and 10-49(S)

A **public hearing** is scheduled for **Monday, September 27, 2010** during a Regular City Council Meeting. The meeting begins at 6:00 p.m. in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

2011-2016 Capital Improvement Plan & FY 2012 Legislative Request

Ordinance 10-44 internet address:
http://clerk.ci.homer.ak.us/ordinance/ord1044.htm
Ordinance 10-44, An Ordinance of the City Council of Homer, Alaska, Accepting a 2010 Interoperable Emergency Communications Grant to the City of Homer Port and Harbor from the Alaska Division of Homeland Security and Emergency Management (DHS&EM) in the Amount of $17,400 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Port and Harbor Director.

Ordinance 10-45 internet address:
http://clerk.ci.homer.ak.us/ordinance/ord1045.htm
Ordinance 10-45, An Ordinance of the City Council of Homer, Alaska, Amending HCC 1.24.040, By-Laws for Council Procedure, to Incorporate Subsequent Amendments to the Council Agenda Format. Hogan.

Ordinance 10-46 internet address:
http://clerk.ci.homer.ak.us/ordinance/ord1046.htm
Ordinance 10-46, An Ordinance Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Nonprepared Foods. Lewis.

Ordinance 10-47 internet address:
http://clerk.ci.homer.ak.us/ordinance/ord1047.htm
Ordinance 10-47, An Ordinance Amending Homer City Code 8.12.110 "Definitions" to Subject Public Transportation Vehicles Offering Free Transportation Services in Support of an Operator's Primary Business to the Licensing and Permitting Requirements in the Homer City Code. Lewis.

Ordinance 10-48(S) internet address:
http://clerk.ci.homer.ak.us/ordinance/ord1048.htm
Ordinance 10-48(S), An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant for Use Towards Construction of Phase I of the Anchor Point to Homer Natural Gas Pipeline in the Amount of $525,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager.

Ordinance 10-49(S) internet address:
http://clerk.ci.homer.ak.us/ordinance/ord1049.htm
Ordinance 10-49(S), An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a U.S. Fish and Wildlife Service Grant for the Beluga Slough Trail Replacement Project in the Amount of $25,000 with a Local Match of $30,000 and Authorizing the City Manager to Execute the Appropriate Documents, City Manager/Public Works Director.

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All interested persons are welcomed to attend and give testimony. Written testimony received by the Clerk's Office prior to the meeting will be provided to Council.

** Copies of proposed Ordinances, in entirety, are available for review at Homer City Clerk's Office. Copies of the proposed Ordinances are available for review at City Hall, the Homer Public Library, the City of Homer Kiosks at City Clerk's Office, Captain's Coffee, Harbormaster's Office, and Redden Marine Supply of Homer and the City's homepage - http://clerk.ci.homer.ak.us. Contact the Clerk's Office at City Hall if you have any questions. 235-3130, Email: clerk@ci.homer.ak.us or fax 235-3143.

CITY OF HOMER
HOMER, ALASKA

Zak/Lewis/Parks and Recreation
Advisory Commission

RESOLUTION 11-XXX

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA SUPPORTING THE CONCEPT AND CONSTRUCTION OF NON-MOTORIZED PATHWAYS TO INCREASE THE SAFETY FOR MOTORIZED AND NON-MOTORIZED USERS ALONG KACHEMAK DRIVE LOCATED WITHIN THE CITY LIMITS, FROM THE BASE OF THE HOMER SPIT TO EAST END ROAD.

WHEREAS, The Parks and Recreation Advisory Commission established a committee to specifically address possible solutions to the hazards presented to non-motorized and motorized users of Kachemak Drive; and

WHEREAS, Public input was sought through a variety of channels for solutions to address these safety concerns; and recommendations to Lower the Speed Limit, Alter the Travel Lane Width and Shoulder, Increase the Use of Signage, construct Separated, Non-motorized Paths paralleling Kachemak Drive using the existing Utility Easements will be contingent on available funding in the future; and

WHEREAS, The Homer City Council has shown support in approval of the Homer Non-Motorized Transportation and Trail Plan, Homer Area Transportation Plan, Climate Action Plan, HART Policy Manual and inclusion of the Kachemak Drive Rehabilitation/Pathway on the Capital Improvement Plan; and

WHEREAS, Increasing active transportation, motorized and non-motorized, offers the potential for improved public health, economic development, a cleaner environment, reduced transportation costs, enhanced community connections, social equity, and more livable communities.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby supports the concept and construction of non-motorized pathways along Kachemak Drive in, over, and upon property within the City of Homer, and that said improvements are necessary for the use and benefit of the public; and

BE IT FURTHER RESOLVED that the City Council of Homer, Alaska further supports the actions increasing the safety for motorized and non-motorized users along Kachemak Drive in any or all of the following ways:

- Alteration of the existing Kachemak Drive and Shoulder
- Separated Paths paralleling Kachemak Drive using the Utility Easements
- Lowering the Speed Limit
- Increasing the Use of Signage

PASSED AND ADOPTED by the Homer City Council this _____day of___, 2011.

CITY OF HOMER

_____
JAMES C. HORNADAY, MAYOR

ATTEST:

_____
JO JOHNSON, CMC, CITY CLERK

Fiscal information: Funding not defined

CITY OF HOMER
HOMER, ALASKA

RESOLUTION 84-71

A RESOLUTION ESTABLISHING A ROAD STANDARDS STEERING COMMITTEE, ADVISORY TO THE HOMER CITY COUNCIL, AND PROVIDING FOR THE CONDITIONS AND DURATION OF THAT COMMITTEE.

WHEREAS, the Homer City Council desires to review and revise where appropriate the current road standards in effect within the city limits; and,

WHEREAS, the City of Homer is also desirous of establishing mandatory road standards for all future road construction projects;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Homer, Alaska that there is hereby established a road standards steering committee, advisory to the Homer City Council, subject to the following conditions:

1) There shall be seven (7) members of the committee, representing contractors, developers, engineers, surveyors, the Homer Advisory Planning Commission and the general public. City staff shall be advisory only.

2) Appointment of the committee is by the Mayor and shall be confirmed by the Homer City Council.

3) The committee shall be delegated the authority to review and revise where appropriate existing road standards and select necessary professional services to perform the work outlined by the committee, subject to the appproval of the Homer City Manager.

4) The duration of the committee shall be for a period of six (6) months and shall expire February 1, 1985. The committee is expected to present to the Council, in final form, a recommended ordinance revising the existing road standards as necessary and require that all future road construction in the City of Homer meet these minimum standards.

DATED at Homer, Alaska this 13th day of Aug., 1984.

CITY OF HOMER

Erle Cooper, Mayor

ATTEST:

Kathleen Herold, City Clerk

CITY OF HOMER
HOMER, ALASKA

RESOLUTION 86-68

A RESOLUTION REESTABLISHING A ROAD STANDARDS STEERING COMMITTEE, ADVISORY TO THE HOMER CITY COUNCIL, AND PROVIDING FOR THE CONDITIONS AND DURATION OF THAT COMMITTEE.

WHEREAS, the Homer City Council created a Road Standards Steering Committee in 1984 which recommended appropriate road standards; and

WHEREAS, the Homer City Council is desirous of reviewing the previously established mandatory road standards.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Homer, Alaska that there is hereby reestablished a Road Standards Steering Committee, advisory to the Homer City Council, subject to the following conditions:

1. There shall be five members of the Committee consisting of Mike Hobbs, Public Works Director; Dan Calhoun, City Council; Larry Herndon, Contractor; Charles Mortimer, Engineer; and Dennis Hanoski, Planning Commission.

2. The Committee shall be delegated the authority to review and recommend revision where appropriate of existing road standards and select necessary professional services to perform the work outlined by the Committee, subject to the approval of the Homer City Manager.

3. The duration of the Committee shall be for a period of five (5) months and shall expire February, 1987. The Committee is expected to present to the Council, in final form, a recommended ordinance revising the existing road standards as necessary and require that all future road construction in the City of Homer meet these minimum standards.

DATED at Homer, Alaska this 22nd day of September, 1986.

CITY OF HOMER

John P. Calhoun, Mayor

ATTEST:

Patti J. Whalin, City Clerk

CITY OF HOMER
HOMER, ALASKA

Stark

RESOLUTION 06-36(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, RESTRUCTURING THE ROAD STANDARDS COMMITTEE.

WHEREAS, As time goes on it has become apparent that the Road Standards Committee has become outmoded in a number of particulars, including not having a regular meeting time or date, not having a council member, and not having term designations or an expiration schedule; and

WHEREAS, There exists a need to expand the scope of the Committee by naming it to be more inclusive of the transportation needs of Homer.

NOW THEREFORE BE IT RESOLVED, That

A. The Road Standards Committee is hereby renamed the Transportation Advisory Committee.

B. The Committee will consist of five members with three year terms expiring on April 1st of each year, with the current chairman's term expiring in 2007, the previous chairman's term expiring in 2008, the term of the representative of the Advisory Planning Commission expiring in 2007, the Council representative's term expiring in 2006, and a new member from the public with a term expiring in 2009. **One of the members to be a representative from within the road construction industry.**

C. ~~[Two members]~~ **One member** of the Committee may reside outside the City.

D. The Committee shall meet on the third Tuesday of each month at the Cowles City Council Chambers.

E. Committee members serve at the pleasure of the **Mayor** [~~Council~~] **with Council approval** and the Committee is advisory to the Council. The Mayor, Councilmen, and City staff are advisory to the Committee.

PASSED AND ADOPTED by the Homer City Council on this 28th day of March, 2006.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

MARY E. CALHOUN, CMC, CITY CLERK

Fiscal Note: Meeting advertising and recording costs.

Office of the City Clerk

Mary L. Calhoun, CMC, City Clerk
Jo Johnson, Deputy City Clerk II
Melissa Jacobsen, Deputy City Clerk I

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Homer, Alaska 99603-7624
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(907) 235-8121; ext: 2227, 2226 or 2224
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M E M O R A N D U M 06-47 Informational only.

TO: MAYOR HORNADAY AND HOMER CITY COUNCIL

FROM: MARY L. CALHOUN, CITY CLERK

DATE: MARCH 17, 2006

SUBJ: ROAD STANDARDS COMMITTEE

Mission of the Road Standards Committee: One of Council's standing committees. This Committee is advisory to the Council.

Annually review and make recommendations to the City Council regarding the Homer Accelerated Roads Program (HARP), specifically the criteria.

Review, comment and make recommendations regarding Transportation Plans.

Make recommendations or express support, etc, regarding Road standards, improvements, contour, speed limits, signalization, substandard roads, maintenance, TORAs,

The Committee developed the Homer Accelerated Roads Program Policy document pursuant to Council actions and compiled the information which Council adopted by Resolution.

Currently - other than the Boulevards Document, the Committee is doing what the Council and staff has requested. Regarding the Boulevards Document the Committee made some recommendations on the document; however, Council directed via Resolution 05-95, that the Committee finalize the Boulevard's Document, with specific regard to the Town Center Plan.

The Road Standards Committee (RSC) History:

Began in 1984, via resolution 84-81 The Road Standards Steering Committee, and was extended March 1985. Seven member committee: Designations: contractor, developer, engineer, surveyor, Planing Commission, General Public and advisory staff.

Reinstated in 1986, via Resolution 86-68: Five member committee: Designation: Public Works Director, City Council, Contractor, Engineer, Planning Commissioner.

Lots of work on the Homer Accelerated Roads Program (HARP)
Sales tax approved for the HARP October 1987

Reinstated as the Road Standards Committee in 1989. Three member committee made up of Councilmembers with one a possible outgoing Councilmember if approved by Council. Advisory non voting members: City Clerk, City Manager, Finance Director and Public Works Director.

The Mayor appoints the RSC members and the Council confirms.

General Make up of the Committee has been, at least one current Councilmember, if not three and one person with the history of RSC issues, such as HARP. In 2001 an individual from the road construction world was added at the Mayor behest and in 2003 a Planning Commissioner was added at the behest of the Mayor. The RSC has generally been a three member Committee, in 2003 it became a four member Committee.

James C. Hornaday, Mayor - ex officio non voting member.

Staff that are advisory to the Committee: Mary Calhoun, City Clerk, Walt Wrede, City Manager, Regina Harville, Finance Director, Carey Meyer, Public Works Director,.

Committee Staff

City Clerk's Office provides staff support for research and development; meeting agenda and informational packet assembly, printing and distribution; recording of meetings electronically and via written synopsis; drafting of memoranda, resolutions, ordinance and other documents for reporting to and recommendations to the City Council; works with the Chair of the Committee regarding such items as these that are listed; and relays information to the Committee from the Mayor, Council and Administration.

Fiscal Note: NA.