



Agenda

City Council Regular Meeting

Monday, June 10, 2024 at 6:00 PM

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

Homer City Hall

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

Zoom Webinar ID: 205 093 973 Password: 610853

<https://cityofhomer.zoom.us>
Dial: 346-248-7799 or 669-900-6833;
(Toll Free) 888-788-0099 or 877-853-5247

CALL TO ORDER, PLEDGE OF ALLEGIANCE

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

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- a. Homer City Council Unapproved Regular Meeting Minutes of May 28, 2024. Acting City Clerk. Recommend approval.
- b. Memorandum CC-24-123 from Mayor re: Appointment to the ADA Advisory Board. Recommend approval.
- c. Memorandum CC-24-124 from Acting City Clerk re: Liquor License Renewals for Kharacters, AJ's Oldtown Steakhouse & Tavern and Oaken Keg #1832. Recommend approval.
- d. Ordinance 24-27, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 3.10 Investments and Collateralization of Public Funds by Adding Section 3.10.105 Investment Income Allocation. Lord/Davis. Introduction June 10, 2024 Public Hearing and Second Reading June 17, 2024.
- e. Ordinance 24-28, An Ordinance of the City Council of Homer, Alaska, Amending the FY24 Capital Budget by Accepting and Appropriating the FY24 State of Alaska Community Assistance Program Payment in the Amount of \$146,261.39 for the City Hall Elevator Re-certification. City Manager. Introduction June 10, 2024 Public Hearing and Second Reading June 17, 2024.

- f. Ordinance 24-29, An Ordinance of the City Council of Homer, Alaska Amending the FY24 Capital Budget by Appropriating an Additional \$75,071.38 from the General CARMA Fund to the Homer Airport Terminal Sidewalk Replacement Project. City Manager/Public Works Director. Introduction June 10, 2024 Public Hearing and Second Reading June 17, 2024.

Memorandum CC-24-125 from Public Works Director as backup.

- g. Ordinance 24-30, An Ordinance of the City Council of Homer, Alaska, Amending the FY24 Capital Budget by Appropriating \$900,000 from the Gas Line Fund for a Multi-Use Community Recreation Center Project. Mayor. Introduction June 10, 2024 Public Hearing and Second Reading June 17, 2024.

- h. Resolution 24-064, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Solid Waste Collection and Disposal for a Three Year Term with Two One-Year Renewal Options to Alaska Waste – Kenai Peninsula, LLC of Soldotna, Alaska and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/ Port Director. Recommend adoption.

Memorandum CC-24-126 from Public Works Director as backup.

- i. Resolution 24-065, A Resolution of the City Council of Homer, Alaska, Authorizing City Staff to Continue with the FEMA BRIC Grant Application Process with a 25% Local Match to Include Staff Time, Materials, and Cash as Requested by the Sub-Applicant, the State of Alaska Department of Homeland Security and Emergency Management as the Sub-Applicant. City Manager. Recommend adoption.

Memorandum CC-24-127 from City Planner as backup.

- j. Resolution 24-066, A Resolution of the City Council of Homer, Alaska, Approving a Recreational Use Agreement between the City of Homer and the Kachemak Nordic Ski Club Regarding the Maintenance and Operation of Nordic Ski Trails on Three City Owned Properties in the Baycrest Ski Area including Construction of an Equipment Shed and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Community Development Director. Recommend adoption.

Memorandum CC-24-128 from Community Development Director as backup.

- k. Resolution 24-067, A Resolution of the City Council of Homer, Alaska Confirming the Assessment Roll, Establishing Dates for Payment of Special Assessments and Establishing Delinquency, Penalty, and Interest Provisions for the Charles Way Bunnell Avenue Water and Sewer Special Assessment District. City Clerk. Recommend adoption.

- l. Resolution 24-068, A Resolution of the City Council of Homer, Alaska Approving a Lease Assignment from Y&C, LLC to Berth II, Inc. for a New 20 Year Lease for Lot 32 as shown on Plat No. 89-34 at the Annual Rate of \$23,653.44 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager. Recommend adoption.

Memorandum CC-24-129 from Port Property Associate as backup.

- [m.](#) Resolution 24-069, A Resolution of the City Council of Homer, Alaska, Amending the 2024 City Council Meeting Schedule for June. Interim City Manager. Recommend adoption.
- [n.](#) Resolution 24-071, A Resolution of the City Council of Homer, Alaska, Establishing a Right of Way Policy Evaluation Team on Cutting, Clearing or Removal of Trees and Vegetation Located within Public Rights of Way. City Manager/Public Works Director.

Memorandum CC-24-131 from Public Works Director as backup.

VISITORS

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

- a. Worksession Report
- b. Committee of the Whole Report
- c.. Mayor's Report
- d. Borough Report
- e. Sister City Task Force Report
- f. Planning Commission
- g. Port and Harbor Advisory Commission
- h. Champions Reports
 - i. Finance
 - ii. Harbor
 - iii. Recreation

PUBLIC HEARING(S)

- [a.](#) Ordinance 24-21, An Ordinance of the City Council of Homer Alaska Amending the FY23 Capital Budget by Re-Appropriating FY22 State of Alaska Community Assistance Program in the Amount of \$98,714.98 from Various ADA Projects to the Airport Sidewalk Repair Project. City Manager/Public Works Director. Introduction May 13, 2024 Public Hearing and Second Reading May 28, 2024 Postponed to June 10, 2024.

Memorandum CC-24-105 from City Engineer as backup.

- [b.](#) Ordinance 24-22 An Ordinance of the City Council of Homer, Alaska Amending the FY24 Capital Budget By Accepting and Appropriating an Alaska Department of Environmental Conservation Drinking Water Fund Loan in the Amount of \$184,578 for the Tasmania Court Water Improvement Project. City Manager/Public Works Director. Introduction May 13, 2024 Public Hearing and Second Reading May 28, 2024 Postponed to June 20, 2024

- c. Ordinance 24-23, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Operating Budget for Necessary Mid-Biennium Adjustments. City Manager. Introduction May 28, 2024 Public Hearing and Second Reading June 10, 2024.

Memorandum CC-24-113 from HR Director/Finance Director as backup.

Memorandum CC-24-111 from Employee Committee as backup.

Memorandum CC-24-112 from Community Development of Director as backup.

Memorandum CC-24-110 from PARC Advisory Commission as backup.

- d. Ordinance 24-24, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget for Necessary Mid-Biennium Adjustments. City Manager. Introduction May 28, 2024 Public Hearing and Second Reading June 10, 2024.

Memorandum CC-24-114 from PARCAC/Recreation Manager as backup.

- e. Ordin Ordinance 24-25, An Ordinance of the City Council of Homer, Alaska, Amending the City of Homer Water and Sewer Rates and Updating the City Fee Schedule Accordingly. City Manager/Finance Director. Introduction May 28, 2024 Public Hearing and Second Reading June 10, 2024.

Memorandum CC-24-122 from Finance Director as backup.

- f. Ordinance 24-26, An Ordinance of the City Council of Homer, Alaska, Amending The FY24 Capital Budget By Redistributing Funds within the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund and within the General Fund Fleet Capital Asset Repair and Maintenance Allowance (CARMA) Fund To Establish Subaccounts. Lord/Davis. Introduction May 28, 2024 Public Hearing and Second Reading June 10, 2024

Memorandum CC-24-121 from Councilmembers Lord and Davis as backup.

ORDINANCE(S)

CITY MANAGER'S REPORT

- a. City Manager's Report

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

- a. Resolution 24-070, A Resolution of the City Council of Homer, Alaska, Authorizing A Change Order to the Ben Walters Lane Sidewalk Improvement Project in the Amount of \$56,300 to Reduce the Sidewalk Width to Eight Feet and Widen the Roadway Repaving to Include the Distance from New Curb to the Centerline of Ben Walters Lane and Authorizes the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director.

Memorandum CC-24-130 from Public Works Director as backup.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

COMMENTS OF THE CITY CLERK

COMMENTS OF THE CITY MANAGER

COMMENTS OF THE MAYOR

COMMENTS OF THE CITY COUNCIL

ADJOURNMENT

Next Regular Meeting is Monday, June 24, 2024, at 6:00 p.m. Committee of the Whole at 5:00 p.m. A Special Meeting is scheduled for Monday, June 17, 2024 at 5:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Session 24-12 a Regular Meeting of the City Council of Homer, Alaska was called to order on May 28, 2024 by Mayor Castner at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ERICKSON, DAVIS, ADERHOLD, VENUTI, LORD, HANSEN

STAFF: INTERIM CITY MANAGER JACOBSEN
ACTING CITY CLERK KRAUSE
CITY ATTORNEY GATTI
PUBLIC WORKS DIRECTOR KORT
FINANCE DIRECTOR FISCHER
PERSONNEL DIRECTOR BROWNING
PORT DIRECTOR HAWKINS
RECREATION MANAGER ILLG
COMMUNITY DEVELOPMENT DIRECTOR ENGBRETSSEN
SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
CHIEF TECHNOLOGY OFFICER JIRSA
FIRE CHIEF KIRKO

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

Mayor Castner read the supplemental items **CONSENT AGENDA** Item d. Memorandum CC-24-108 from Special Projects & Communications Coordinator re: 2025-2030 CIP and FY26 Legislative Priorities Request Development Schedule Corrected Schedule; Item f. Ordinance 24-23, Amending the FY25 Operating Budget to provide for Necessary Mid-Biennium Adjustments. FY24/FY25 Amended Operating Budget Document, Fund Balance Report Actuals through Quarter Ending March 2024 as a Laydown and Budget Amendment submitted by Councilmember Erickson as a laydown **VISITORS** Item b. Prince William Sound Regional Citizens Advisory Council PowerPoint Presentation.

LORD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE. NON OBJECTION. UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- a. Homer City Council Unapproved Regular Meeting Minutes of May 13, 2024. Acting City Clerk. Recommend adoption.
- b. Memorandum CC-24-106 from Mayor re: Appointments to the Sister City 40th Anniversary Task Force and Comprehensive Plan Steering Committee. Recommend approval.
- c. Memorandum CC-24-107 from Acting City Clerk re: Liquor License Renewals for Sweetgale Meadworks & Cider House and The Broken Oar. Recommend approval.
- d. Memorandum CC-24-108 from Special Projects & Communications Coordinator re: Approving the 2025-2030 CIP and FY26 Legislative Priorities Development Schedule. Recommend approval.
- e. Memorandum CC-24-109 from Mayor re: Confirming Appointments to the City Manager Hiring Advisory Committee and Identifying their Charge. Recommend approval.
- f. Ordinance 24-23, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Operating Budget to Provide for Necessary Mid-Biennium Adjustments. City Manager. Introduction May 28, 2024 Public Hearing and Second Reading June 10, 2024.

Memorandum CC-24-113 from HR Director/Finance Director as backup.

Memorandum CC-24-111 from Employee Committee as backup.

Memorandum CC-24-112 from Community Development Director as backup.

Memorandum CC-24-110 from Parks, Art, Recreation and Culture Advisory Commission as backup.

- g. Ordinance 24-24, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget to Provide for Necessary Mid-Biennium Adjustments. City Manager. Introduction May 28, 2024 Public Hearing and Second Reading June 10, 2024.

Memorandum CC-24-114 from PARCAC/Community Recreation as backup.

- h. Ordinance 24-25, An Ordinance of the City Council of Homer, Alaska, Amending the City of Homer Water and Sewer Rates and Updating the City Fee Schedule Accordingly. City Manager/Finance Director. Introduction May 28, 2024 Public Hearing and Second Reading June 10, 2024.

Memorandum CC-24-122 from Finance Director as backup.

- i. Resolution 24-058, A Resolution of the City Council of Homer, Alaska, Establishing a 2024 Mil Rate of 1 Mil for the Ocean Drive Loop Special Service District. City Manager. Recommend adoption.

Memorandum CC-24-116 from Acting City Clerk as backup.

- j. Resolution 24-059, A Resolution of the City Council of Homer, Alaska, Establishing the City of Homer Prop. Tax Mil Levy Rate at 4.5 Mils for 2024. City Manager. Rec. adoption.
- k. Resolution 24-060, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Dispose of Used and Surplus Equipment Pursuant to Homer City Code 18.30. City Manager. Recommend adoption.

Memorandum CC-24-117 from Public Works Director as backup.

- l. Resolution 24-061, A Resolution of the City Council of Homer, Alaska Authorizing the City Manager to Execute the Clean Water State Revolving Loan Fund Loan Agreement #409361 for the Homer Bunnell-Charles Way Sewer Main Extension and the Drinking Water State Revolving Fund Loan Agreement #409351-S for the Bunnell-Charles Way Water Main Extension. City Manager. Recommend adoption.

Memorandum CC-24-118 from Public Works Director as backup.

- m. Resolution 24-062, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Execute a Loan Agreement with the State of Alaska Department of Environmental Conservation for an Alaska Drinking Water Fund Loan in the Not to Exceed Principal Amount of \$415,670 for the Bunnell Avenue/Charles Way Water Improvement Project. City Manager/Public Works Director. Recommend adoption.

Memorandum CC-24-119 from Public Works Director as backup.

- n. Resolution 24-063, A Resolution of the City Council of Homer, Alaska, Authorizing the Purchase of Playground Equipment and Surfacing Material in the Amount of \$39,753 to Install as Part of the Bayview Park Improvements Project and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/City Engineer. Recommend adoption.

Memorandum CC-24-120 from City Engineer/Parks Maintenance Coord. as backup.

Acting City Clerk Krause read the Consent Agenda into the record as presented.

LORD/VENUTI MOVE TO ADOPT THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS (10 Minutes limit per visitor)

a. Legislative Update - Representative Vance

Representative Vance addressed City Council reporting on the acts of legislation that were brought forward and adopted. She responded to questions from Council regarding the Kachemak Drive project School Funding, Correspondence School funding, easements, duration of the STIP, status of Community Jails funding, the issues regarding construction at the Homer Airport and legal requirements surrounding meeting notices.

b. Prince Williams Sound Regional Citizens Advisory Council Update - Robert Archibald and Maia Draper-Reich

Robert Archibald and Maia Draper-Reich provided a brief presentation on who and what the Citizen Advisory Council does and projects that they were working on that were of interest to the Peninsula and Homer Area.

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

a. Worksession Report

City Manager Jacobsen reported.

b. Committee of the Whole Report

Councilmember Lord reported.

c. Mayor's Report

Mayor Castner reported.

d. Borough Report

e. Comp Plan Steering Committee Report

Councilmember Erickson and Community Development Director Engebretsen reported.

f. Planning Commission

Commissioner Stark reported.

g. Economic Development Advisory Commission

Commissioner Brown reported.

h. Parks Art Recreation and Culture Advisory Commission

Commissioner Harrald reported.

i. Library Advisory Board

Commissioner Finn reported.

j. Port and Harbor Advisory Commission

k. Champions Report

i. Finance

Memorandum CC-24-115 from Councilmembers Lord/Davis

Councilmember Lord reviewed the report in the packet.

ii. Harbor

iii. Recreation

PUBLIC HEARING(S)

a. Charles Way/Bunnell Avenue Water and Sewer Special Assessment Districts Final Assessment Roll

Mayor Castner opened the public hearing seeing no public come forward to provide testimony he closed the public hearing.

Interim City Manager Jacobsen clarified that no motion is required at this time a resolution will be provided at the next meeting.

b. Ordinance 24-21, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Re-Appropriating FY22 State of Alaska Community Assistance Program in the Amount of \$98,714.98 from Various ADA Projects to the Airport Sidewalk Repair Project. City Manager/Public Works Director. Introduction May 13, 2024 Public Hearing and Second Reading May 28, 2024.

Memorandum CC-24-105 from City Engineer as backup.

Mayor Castner introduced the ordinance and opened the public hearing.

Pat Case, city resident, commented he supported the transferring of funds to the project but advocated that funds be dedicated to the repair of the Beluga Slough Trail noting that there were trip hazards and sloughing of gravel on the approaches that made it very dangerous for those that had visual or mobility issues.

Mayor Castner closed the public hearing and requested a motion.

LORD/VENUTI MOVED TO POSTPONE ORDINANCE 24-21 TO THE JUNE 10, 2024 REGULAR MEETING FOR PUBLIC HEARING AND FINAL READING.

Clarification was provided by the Interim City Manager on why the ordinance was required to be postponed.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- c. Ordinance 24-22, An Ordinance of the City Council of Homer, Alaska Amending the FY24 Capital Budget by Accepting and Appropriating an Alaska Department of Environmental Conservation Drinking Water Fund Loan in the Amount of \$184,578 for the Tasmania Court Water Improvement Project. City Manager/Public Works Director. Introduction May 13, 2024 Public Hearing and Second Reading May 28, 2024.

Mayor Castner introduced the ordinance and opened the public hearing. There were no members of the audience present or on Zoom that indicated they wanted to provide testimony.

Mayor Castner closed the public hearing and requested a motion.

LORD/VENUTI MOVED TO POSTPONE ORDINANCE 24-22 TO THE JUNE 10, 2024 REGULAR MEETING FOR PUBLIC HEARING AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- a. Ordinance 24-26, An Ordinance of the City Council of Homer, Alaska, Amending the FY24 Capital Budget by Redistributing Funds within the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund and within the General Fund Fleet Capital Asset Repair and Maintenance Allowance (CARMA) Fund to Establish Subaccounts. Lord/Davis. Introduction May 28, 2024 Public Hearing and Second Reading June 10, 2024.

Memorandum CC-24-121 from Councilmembers Lord and Davis as backup.

Mayor Castner requested a motion.

LORD/VENUTI MOVED TO INTRODUCE ORDINANCE 24-26 BY READING OF TITLE ONLY.

Council deliberated the benefits of having separate funds or “buckets” of money for the individual, noting that the use of amortization schedules are not easy, Fleet Management schedules should be tied to the “buckets” or funding, Finance still uses subaccounts while Council transitioned away from that practice; expressed concern regarding the large dollar requests from the Fire Department; all departments should submit a schedule of equipment, value and life expectancy.

Mayor Castner advocated on the time value of money, benefits of having two or three funds to cover costs not budgets and delaying purchases instead of using other methods only makes the cost of the item more.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

a. City Manager's Report

Interim City manager Jacobsen noted that her report was in the packet. She comment on the following items of interest not mentioned as follows:

- South Peninsula Hospital has the opportunity for a grant for generator
- Change Order for the Ben Walters Lane Sidewalk Improvement Project

b. Monthly FY24 Year to Date Report

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE

Pat Case, city resident, provided comments on benches for areas other than sidewalks, then spoke about crosswalks and contacting the State about obtaining better crosswalk identification and signals at several locations in the city.

Michael Swoboda, city employee, commented on the proposed Cost of Living Increase for City Employees advocating for City Council to approve that due to understaffing, inflation, demoralization of the existing staff, and being able to hire and fill vacancies left by employees to work where they were paid more and the cost of living was not as high.

Scott Adams, city resident, commented on the Blessing of the Fleet, funding for additional positions, Jack Gist Park needs to be addressed, Small HERC building should be boarded up, there are broken windows and is not representative of Homer but that is one of the first things visitors see, KPB Assembly considered land purchase for the Hospital, then spoke about the condition of Clearwater Road when it was annexed it was a great road and now they have potholes, tyar and large rocks, he presented a very large rock and bits of tyar as an example.

Mike Stark, city resident, commented on the proposed Change Order on the Ben Walters Project, and provided some budgeting tips such as Zero Based Budgeting and that each department should provide a listing with the life cycle of all equipment including office equipment, and questioned how Council develops the contingency plan to take care unexpected expenses.

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti had no comments.

COMMENTS OF THE CITY CLERK

Acting City Clerk Krause announced the vacancies on the Sister City Task Force, ADA Advisory Board and upcoming Planning Commission.

COMMENTS OF THE CITY MANAGER

Interim City Manager Jacobsen had no additional comments.

COMMENTS OF THE MAYOR

Mayor Castner commented on the success of the Blessing of the Fleet and hopes that it carries on and noted that Ben Walters and Smokey Bay intersection has a large amount of pedestrian traffic and it will be an interesting approach with the sidewalk since the intersection is skewed.

COMMENTS OF THE COUNCIL MEMBERS

Council member Hansen had no comments.

Councilmember Erickson commented on the start of Little League at Karen Hornaday Park and the Adult league starting up at Jack Gist Park.

Councilmember Davis commented on the Chamber of Commerce getting the Halibut Derby underway and it has weekly prizes with the Jackpot awarded sometime in the fall, and encouraged the public to complete the Comp Plan Survey.

Councilmember Aderhold commented she is often a pedestrian that traverses that intersection of Ben Walters and Smokey Bay Way agreeing that it was an interesting intersection. She reported on Lunch with a Councilmember stating it was interesting and dynamic, attended by a modest number of people, 7 or 8, but they have a lovely discussion on a variety of topics; expressed thanks to Erin Hollowell and the Kachemak Bay College Campus for hosting the Writers Conference, it was absolutely stunning and the faculty was amazing; Ms. Aderhold urged everyone to use caution with the number of pedestrians and cyclists out and about and if people liked completing surveys encouraged everyone to complete the KPB Comprehensive Safety Action Plan which is borough wide.

Councilmember Venuti commented on the Library Survey that was available and added one additional survey from KBBi encourage everyone to take a few moments and fill those out. She expressed her appreciation for the Blessing of the Fleet, warned the public on moose awareness,

walking challenge, and agreed that a crosswalk is also needed at the Library to the post office; and how wonderful it was to see all the people adults and children, participating in the Serve the City event.

Councilmember Lord commented on attending the first Farmer's Market of the season as a vendor, Alaska Food Policy Council with partners in Hawaii, Alaska, American Samoa, US Virgin Islands Puerto Rico and the Marshall Islands working on a large regional food business center with the USDA, with Hawaii as the lead and they had some folks in last week, taking tours of the Harbor and ice plant. She gushed on how cool the ice plant was and that the employees actually manufacture the parts to keep it running. Ms. Lord commented that the recent story regarding the American Flag in Denali Park was rage baiting.

ADJOURNMENT

There being no further business to come before the Council Mayor Castner adjourned the meeting at 8:45 p.m. The next Regular Meeting is Monday, June 10, 2024 at 6:00 p.m. and Committee of the Whole at 5:00 p.m. Work Session at 4:00 p.m. A Special Meeting on Monday June 17, 2024 at 5:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom webinar.

Renee Krause, MMC, Acting City Clerk

Approved: _____



MEMORANDUM

Appointment of Douglas O'Brien to ADA Advisory Board

Item Type: Action Memorandum
Prepared For: Homer City Council
Date: June 10, 2024
From: Mayor Castner

Douglas O'Brien is appointed to the ADA Advisory Board. Term will expire on August 31, 2025

Recommendation

Confirm the appointment of Douglas O'Brien to the ADA Advisory Board.

Attachments:

Douglas O'Brien Application



Advisory Body Application For Appointment to Committees, Commissions, Board & Task Forces

70 MAY 30 2024 AM 10:36

Office of the City Clerk

491 East Pioneer Avenue

Homer, Alaska 99603

Phone: (907) 235-3130

Fax: (907) 235-3143

clerk@cityofhomer-ak.gov

The Information provided on this form will provide the basic information to the Mayor and City Council on your interest in serving on the selected Advisory Body. It is considered public and will be included in the City Council meeting packet. This information will be published in the City Directory and within city web pages if you are appointed by the Mayor and your appointment is confirmed by the City Council.

Applicant Information

Full Name: Douglas O'Brien

Physical Address Where you Claim Residency: _____

Mailing Address: PO Box 889

City: Anchor Point State: AK Zip: 99556

Phone Number(s): (907) 399-1630

Email: _____

Advisory Body You Are Requesting Appointment To

- ☐ **Planning Commission** – Meetings held on the 1st and 3rd Wednesday of each month at 6:30 p.m. and Worksessions at 5:30 p.m. prior to each meeting. No first meeting in July or second meetings in November and December.
- ☐ **Parks, Art, Recreation & Culture Advisory Commission** – Meetings held on the 3rd Thursday of February through June and August through November at 5:30 p.m.
- ☐ **Port & Harbor Advisory Commission** – Meetings held on the 4th Wednesday of January, February, March, April, September, and October at 5:00 p.m.; the 4th Wednesday of May, June, July, and August at 6:00 p.m.; and the 2nd Wednesday of December at 5:00 p.m.
- ☐ **Economic Development Advisory Commission** – Meetings held on the 2nd Tuesday of each month at 6:00 p.m.
- ☐ **Library Advisory Board** – Meetings held on the 3rd Tuesday of each month, excluding June and July, at 5:30 p.m.
- ☒ **ADA Advisory Board** – Meetings held on the 2nd Thursday in the months of April, May, June, July, October, November, and as needed at 5:00 p.m.
- ☐ **Other** – Please Indicate _____

Please Answer the Following

Are you a City Resident? ☐ Yes ☒ No If yes, how long have you been a City resident? _____

How long have you been a resident of the South Peninsula area? 14 YEARS

Background Information

Have you ever served on a similar advisory body? If so please list when, where, and how long:

I have been on school "site councils" in 3 KPBSD schools.

Please list any current memberships or organizations you belong to related to your selection(s):

Member of the National Education Association for 20 years.

Please list any special training, education, or background you may have which is related to your selection(s):

I retired this month from my position as a special education teacher at Homer Middle School. I served 18 years with KPBSD, and have 3 degrees.

Why are you interested in serving on the selected Advisory Body? This may include information on future goals or projects you wish to see accomplished or any additional information that may assist the Mayor in the decision making process. You may attach an additional page if needed.

I've been an Alaskan resident since 1977, and was in the first graduating class at KPCC for the degree in "Industrial Process Instrumentation", my first career before teaching. All of my 3 children were born in Homer starting in 1980. One of my children had ADHD which required me to learn to adapt to help her with the world around her. Another of my children was born with cerebral palsy, and I have taken him to both the east and west coast to have both neurological & orthopedic surgical interventions. As a special education teacher, I have

FOR PLANNING COMMISSION ONLY:

Have you ever developed real property other than a personal residence? If yes, briefly explain:

FOR PORT & HARBOR ADVISORY COMMISSION ONLY:

Do you use the Homer Port and/or Harbor on a regular basis? ☐ Yes ☐ No

If yes, what is your primary use? ☐ Commercial ☐ Recreational ☐ Other: _____



MEMORANDUM

Liquor License Renewal Applications for Oaken Keg #1832, AJ's Oldtown Steakhouse & Tavern and Kharacters

Item Type: Action Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: June 10, 2024
From: Renee Krause, MMC, Acting City Clerk

The City Clerk's Office has been notified by the Alcohol and Marijuana Control Office of Liquor License Renewals within the City of Homer for the following:

License Type: Package Store
License #: 4162
DBA Name: Oaken Keg #1832
Service Location: 90 Sterling Highway, Homer, AK 99603
Licensee: Safeway, Inc.
Contact Person: Albertsons.com

License Type: Beverage Dispensary
License #: 1252
DBA Name: AJ's Oldtown Steakhouse & Tavern
Service Location: 120 West Bunnell Avenue, Homer, AK 99603
Licensee: APS Investments, LLC
Contact Person: Adrienne Sweeney

License Type: Beverage Dispensary
License #: 1085
DBA Name: Kharacters
Service Location: 3851 Shelford Street, Homer, AK 99603
Licensee: Wonderful, LLC
Contact Person: Rondy Bossell

Recommendation:

Voice non-objection and approval for the Liquor License Renewals.

Attachments:

AMCO Applications
City of Homer Police Non-Objection



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

May 22, 2024

From: Alcohol.licensing@alaska.gov ; amco.localgovernmentonly@alaska.gov

Licensee: Safeway Inc..

DBA: Oaken Keg #1862

VIA email: legal.licensing.team@albertsons.com

Local Government 1: Kenai Peninsula Borough

Local Government 2: Homer

Via Email: micheleturner@kpb.us; jkaspar@kpb.us; sessert@kpb.us; mjenkins@kpb.us; nscalett@kpb.us;

mjenkins@kpb.us; mboehmler@kpb.us; rmaidmae@kpb.us; slopez@kpb.us; bcarter@kpb.us;

mquainton@kpb.us; [mjacobson@ci.homer.ak.us](mailto:mjacobsen@ci.homer.ak.us); rkrause@ci.homer.ak.us; clerk@cityofhomer-ak.gov

Community Council: N/A

Via Email: N/A

RE: Package Store License #4162 Combined Renewal Notice

License Number:	4162
License Type:	Package Store
Licensee:	Safeway Inc.
Doing Business As:	Oaken Keg #1832
Physical Address:	90 Sterling Hwy
Licensee Contact Tel	623-869-3573 208-395-3856

☒ License Renewal Application

☐ Endorsement Renewal Application

Dear Licensee:

Our staff has reviewed your application after receiving your application and required fees. Your renewal documents appear to be in order, and I have determined that your application is complete for purposes of AS 04.11.510, and AS 04.11.520.

Your application is now considered complete and will be sent electronically to the local governing body(ies), your community council if your proposed premises is in Anchorage or certain locations in the Matanuska-Susitna Borough, and to any non-profit agencies who have requested notification of applications. The local governing body(ies) will have 60 days to protest the renewal of your license.

Your application will be scheduled for the **June 25, 2024**, board meeting for Alcoholic Beverage Control Board consideration. The address and call-in number for the meeting will be posted on our home page. The board will not grant or deny your application at the meeting unless your local government waives its right to protest per AS 04.11.480(a).

Please feel free to contact us through the Alcohol.licensing@alaska.gov email address if you have any questions.

Dear Local Government:

We have received completed renewal applications for the above listed licenses within your jurisdiction. This is the notice required under AS 04.11.480. A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license with one or more endorsement, or issuance of an endorsement by sending the director and the applicant a protest and the reasons for the protest in a clear and concise statement within 60 days of the date of the notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer.

To protest any application(s) referenced above, please submit your written protest for each within 60 days to AMCO and provide proof of service upon the applicant and proof that the applicant has had reasonable opportunity to defend the application before the meeting of the local governing body.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Dear Community Council (Municipality of Anchorage and Mat-Su Borough only)

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This letter serves to provide written notice to the above referenced entities regarding the above application, as required under AS 04.11.310(b) and AS 04.11.525.

Please contact the local governing body with jurisdiction over the proposed premises for information regarding review of this application. Comments or objections you may have about the application should first be presented to the local governing body.

If you have any questions, please email Alcohol.licensing@alaska.gov

Sincerely,

A handwritten signature in blue ink that reads "Joan M. Wilson". The signature is fluid and cursive, with the first name "Joan" being the most prominent.

Joan M. Wilson, Director
907-269-0350

License Renewal

Is this application being made by you for the benefit of someone else? If “YES,” indicate below or attach explanation.

No

Has the applicant, applicant’s spouse, partner, officer, director or stockholders, of the licensed entity become disqualified by law or by facts and conditions from holding a license or permit under the Alcohol and Cannabis Control Information System Alcoholic Beverage Code ? If “YES,” indicate below or attach explanation.

No

Have there been changes since your original application that have not been reported on this or previous applications ? If “YES,” indicate below or attach explanation.

No

Do you intend to sell alcoholic beverages and ship them to another location in response to written solicitation in the next two years ?

No

How many hours did you operate in 2022 as set forth in AS 04.11.330?

Operated to meet the minimum 240 hrs.

How many hours did you operate in 2023 as set forth in AS 04.11.330?

Operated to meet the minimum 240 hrs.

Are you a seasonal license and has your operation times/dates/seasons changed?

No

Has any person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordanince adopted under AS 04.21.010 in 2022 or 2023.?

No

Have any Notices of Violation been issued for this license in 2022 or 2023?

No

#

License Number:
4162

#

License Expiration Date:
12/31/2023

#

License Trade Name:
Oaken Keg #1832

Mailing Address:

#

20427 N 27th Ave MailSTOP 6516
Phoenix , AZ
85027



THE STATE
of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

June 3, 2024

From: Alcohol.licensing@alaska.gov ; amco.localgovernmentonly@alaska.gov

Licensee: Wonderful LLC

DBA: Kharacters

VIA email: rondyroo13@gmail.com

Local Government 1: Kenai Peninsula Borough

Local Government 2: Homer

Via Email: micheleturner@kpb.us; sessert@kpb.us; mjenkins@kpb.us; nscarlett@kpb.us;
mboehmler@kpb.us; rraidmae@kpb.us; slopez@kpb.us; bcarter@kpb.us; mquainton@kpb.us;
[mjacobson@ci.homer.ak.us](mailto:mjacobsen@ci.homer.ak.us); rkrause@ci.homer.ak.us; clerk@homer.city

Community Council: N/A

Via Email: N/A

RE: Beverage Dispensary #1085 Combined Renewal Notice

License Number:	1085
License Type:	Beverage Dispensary
Licensee:	Wonderful LLC
Doing Business As:	Kharacters
Physical Address:	3851 Shelford Street
Designated Licensee:	Rondy Bossell
Phone Number:	907-299-3519
Email Address:	rondyroo13@gmail.com

☒ License Renewal Application

☐ Endorsement Renewal Application

Dear Licensee:

Our staff has reviewed your application after receiving your application and required fees. Your renewal documents appear to be in order, and I have determined that your application is complete for purposes of AS 04.11.510, and AS 04.11.520.

Your application is now considered complete and will be sent electronically to the local governing body(ies), your community council if your proposed premises is in Anchorage or certain locations in the Matanuska-Susitna Borough, and to any non-profit agencies who have requested notification of applications. The local governing body(ies) will have 60 days to protest the renewal of your license.

Your application will be scheduled for the **June 25th, 2024**, board meeting for Alcoholic Beverage Control Board consideration. The address and call-in number for the meeting will be posted on our home page. The board will not grant or deny your application at the meeting unless your local government waives its right to protest per AS 04.11.480(a).

Please feel free to contact us through the Alcohol.licensing@alaska.gov email address if you have any questions.

Dear Local Government:

We have received completed renewal applications for the above listed licenses within your jurisdiction. This is the notice required under AS 04.11.480. A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license with one or more endorsement, or issuance of an endorsement by sending the director and the applicant a protest and the reasons for the protest in a clear and concise statement within 60 days of the date of the notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer.

To protest any application(s) referenced above, please submit your written protest for each within 60 days to AMCO and provide proof of service upon the applicant and proof that the applicant has had reasonable opportunity to defend the application before the meeting of the local governing body.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Dear Community Council (Municipality of Anchorage and Mat-Su Borough only)

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This letter serves to provide written notice to the above referenced entities regarding the above application, as required under AS 04.11.310(b) and AS 04.11.525.

Please contact the local governing body with jurisdiction over the proposed premises for information regarding review of this application. Comments or objections you may have about the application should first be presented to the local governing body.

If you have any questions, please email Alcohol.licensing@alaska.gov

Sincerely,

A handwritten signature in blue ink that reads "Joan M. Wilson". The signature is fluid and cursive, with the first name "Joan" being the most prominent.

Joan M. Wilson, Director
907-269-0350



AMCO
DEC 6 2023

550 W 7th Avenue,
Suite 1600
Anchorage, AK 99501
alcohol.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Form AB-17: 2024/2025 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than January 2, 2024 per AS 04.11.270, 3 AAC 305.050, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by February 28, 2024 will be expired per AS 04.11.540, 3 AAC 305.050(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the mandatory fees and all documents required, or the application will be returned without being processed, per AS 04.11.270.
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

Section 1 - Establishment Contact Information

Doing Business As:	Kharacters			License #:	1085
If your mailing address has changed, write the NEW address below:					
Mailing Address:					
City:		State:		ZIP:	

Section 2 - Licensee Contact Information

Contact Licensee: The individual listed below must be part of the ownership structure of the licensee listed in Section 1. This person will be the designated point of contact regarding this license unless the Optional contact is completed.

Contact Licensee:	Randy BOSELL	Contact Phone:	907-299-8519
Contact Email:	randyroo13@gmail.com		

Optional: If you wish for AMCO staff to communicate with anyone other than the Contact Licensee (such as legal counsel) about your license, list their information below:

Name of Contact:		Contact Phone:	
Contact Email:			

Section 3 - for Package Stores ONLY: Written Order Information

Do you intend to sell alcoholic beverages and ship them to another location in response to written solicitation in calendar years 2024 and/or 2025? If so, you will need to apply for a Shipping Endorsement here:
<https://accis.elicense365.com/#>

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

Section 4 - Ownership Structure Certification

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

Did the ownership structure of the licensed business change in 2022/2023?

If Yes, and you have NOT notified AMCO, list the updated information on form AB-39: Change of Officers and submit with your renewal application.
If No, certify the statement below by initialing the box to the right of the statement:
I certify that the ownership structure of the business who owns this alcohol license did not change in any way during the calendar years 2022 or 2023.

☐



Form AB-17: 2024/2025 License Renewal Application

Section 5 – License Operation

Unless you operated more than 240 hours in 2022 or 2023, check ONE BOX for EACH CALENDAR YEAR that best describes how this alcoholic beverage license was operated as set forth in AS 04.11.330:

1. The license was **only** operated during a specified time each year. (Not to exceed 6 months per year)

If your operation dates have changed, list them below:

_____ to _____

2. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.

3. The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendar years. A complete Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.

2022

☐

2023

☐☐☐☐☐

Section 6 - Violations and Convictions

YES

NO

Have any Notices of Violation been issued for this license in 2022 or 2023?

☐☒

Has any person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2022 or 2023?

☐☒

If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2). If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.

Section 7 – Certifications

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 305, and that this application, including all accompanying schedules and statements, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and the license being potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that in accordance with AS 04.11.450, no one other than the licensee(s), as defined in AS 04.11.260, has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and I have provided AMCO with all required changes of the ownership structure of the business license and have provided all required documents for any new or changes of officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 305.700.
- I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.



Form AB-17: 2024/2025 License Renewal Application

Randy Bossell
Printed name of licensee

AMCO
DEC 6 2023

[Signature]
Signature of licensee

Restaurant and Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit

Recreational Site applications must include a completed AB-36: Recreational Site Statement

Tourism applications must include a completed AB-37: Tourism Statement

Wholesale applications must include a completed AB-25: Supplier Certification

Common Carrier applications must include a current safety inspection certificate

All renewal and supplemental forms are available online:

<https://www.commerce.alaska.gov/web/amco/AlcoholLicenseApplication.aspx>

FOR OFFICE USE ONLY

License Fee:	\$ 2500.00	Application Fee:	\$ 300.00	Misc. Fee:	\$
Total Fees Due:					\$ 2800.00



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

May 24, 2024

From: Alcohol.licensing@alaska.gov ; amco.localgovernmentonly@alaska.gov

Licensee: APS Investments, LLC

DBA: AJ's Oldtown Steakhouse & Tavern

VIA email: adriennewalli@hotmail.com

Local Government 1: Kenai Peninsula Borough

Local Government 2: Homer

Via Email: micheleturner@kpb.us; sessert@kpb.us; mjenkins@kpb.us; nscarlett@kpb.us;
mboehmler@kpb.us; rraidmae@kpb.us; slopez@kpb.us; bcarter@kpb.us; mquainton@kpb.us;
[mjacobson@ci.homer.ak.us](mailto:mjacobsen@ci.homer.ak.us); rkrause@ci.homer.ak.us; clerk@homer.city

Community Council: N/A

Via Email: N/A

RE: Beverage Dispensary #1252 Combined Renewal Notice

License Number:	1252
License Type:	Beverage Dispensary
Licensee:	APS Investments, LLC
Doing Business As:	AJ's Oldtown Steakhouse & Tavern
Physical Address:	120 W Bunnel Avenue
Designated Licensee:	Adrienne Sweeney
Phone Number:	907-299-8019
Email Address:	adriennewalli@hotmail.com

☒ License Renewal Application

☐ Endorsement Renewal Application

Dear Licensee:

Our staff has reviewed your application after receiving your application and required fees. Your renewal documents appear to be in order, and I have determined that your application is complete for purposes of AS 04.11.510, and AS 04.11.520.

Your application is now considered complete and will be sent electronically to the local governing body(ies), your community council if your proposed premises is in Anchorage or certain locations in the Matanuska-Susitna Borough, and to any non-profit agencies who have requested notification of applications. The local governing body(ies) will have 60 days to protest the renewal of your license.

Your application will be scheduled for the **June 25th, 2024**, board meeting for Alcoholic Beverage Control Board consideration. The address and call-in number for the meeting will be posted on our home page. The board will not grant or deny your application at the meeting unless your local government waives its right to protest per AS 04.11.480(a).

Please feel free to contact us through the Alcohol.licensing@alaska.gov email address if you have any questions.

Dear Local Government:

We have received completed renewal applications for the above listed licenses within your jurisdiction. This is the notice required under AS 04.11.480. A local governing body may protest the issuance, renewal, relocation, or transfer to another person of a license with one or more endorsement, or issuance of an endorsement by sending the director and the applicant a protest and the reasons for the protest in a clear and concise statement within 60 days of the date of the notice of filing of the application. A protest received after the 60-day period may not be accepted by the board, and no event may a protest cause the board to reconsider an approved renewal, relocation, or transfer.

To protest any application(s) referenced above, please submit your written protest for each within 60 days to AMCO and provide proof of service upon the applicant and proof that the applicant has had reasonable opportunity to defend the application before the meeting of the local governing body.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Dear Community Council (Municipality of Anchorage and Mat-Su Borough only)

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This letter serves to provide written notice to the above referenced entities regarding the above application, as required under AS 04.11.310(b) and AS 04.11.525.

Please contact the local governing body with jurisdiction over the proposed premises for information regarding review of this application. Comments or objections you may have about the application should first be presented to the local governing body.

If you have any questions, please email Alcohol.licensing@alaska.gov

Sincerely,

A handwritten signature in blue ink that reads "Joan M. Wilson". The signature is fluid and cursive, with the first name "Joan" being the most prominent.

Joan M. Wilson, Director
907-269-0350



AMCO

DEC 14 2023

Alcohol and Marijuana Control Office
550 W 7th Avenue,
Suite 1600
Anchorage, AK 99501
alcohol.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Form AB-17: 2024/2025 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than January 2, 2024 per AS 04.11.270, 3 AAC 305.050, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by February 28, 2024 will be expired per AS 04.11.540, 3 AAC 305.050(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the mandatory fees and all documents required, or the application will be returned without being processed, per AS 04.11.270.
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

Section 1 - Establishment Contact Information

Doing Business As:	AJ's Oldtown Steakhouse	License #:	1252
--------------------	-------------------------	------------	------

If your mailing address has changed, write the NEW address below:

Mailing Address:	135 W. Bunnell Ave		
City:	Homer	State:	Alaska
		ZIP:	99603

Section 2 - Licensee Contact Information

Contact Licensee: The individual listed below must be part of the ownership structure of the licensee listed in Section 1. This person will be the designated point of contact regarding this license unless the Optional contact is completed.

Contact Licensee:	Adrienne Sweeney	Contact Phone:	907-299-8019
Contact Email:	adriennewalli@hotmail.com		

Optional: If you wish for AMCO staff to communicate with anyone other than the Contact Licensee (such as legal counsel) about your license, list their information below:

Name of Contact:		Contact Phone:	
Contact Email:			

Section 3 - for Package Stores ONLY: Written Order Information

Do you intend to sell alcoholic beverages and ship them to another location in response to written solicitation in calendar years 2024 and/or 2025? If so, you will need to apply for a Shipping Endorsement here:
<https://accis.license365.com/#>

YES	NO
<input type="checkbox"/>	<input checked="" type="checkbox"/>

Section 4 - Ownership Structure Certification

Did the ownership structure of the licensed business change in 2022/2023?

YES	NO
<input type="checkbox"/>	<input checked="" type="checkbox"/>

If Yes, and you have NOT notified AMCO, list the updated information on form AB-39: Change of Officers and submit with your renewal application.
If No, certify the statement below by initialing the box to the right of the statement:

I certify that the ownership structure of the business who owns this alcohol license did not change in any way during the calendar years 2022 or 2023.



#10072873



Alaska Alcoholic Beverage Control Board

AMCO

DEC 14 2023

Form AB-17: 2024/2025 License Renewal Application

Section 5 - License Operation

Unless you operated more than 240 hours in 2022 or 2023, check ONE BOX for EACH CALENDAR YEAR that best describes how this alcoholic beverage license was operated as set forth in AS 04.11.330:

I operated more than 240 hours (48)

1. The license was only operated during a specified time each year. (Not to exceed 6 months per year)

If your operation dates have changed, list them below:

to

2022 ☐

2023 ☐

2. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.

☐

☐

3. The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendar years. A complete Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.

☐

☐

Section 6 - Violations and Convictions

YES NO

Have any Notices of Violation been issued for this license in 2022 or 2023?

☐

☒

Has any person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2022 or 2023?

☐

☒

If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2). If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.

Section 7 - Certifications

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 305, and that this application, including all accompanying schedules and statements, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and the license being potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that in accordance with AS 04.11.450, no one other than the licensee(s), as defined in AS 04.11.260, has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and I have provided AMCO with all required changes of the ownership structure of the business license and have provided all required documents for any new or changes of officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 305.700.
- I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.



Alaska Alcoholic Beverage Control Board

Form AB-17: 2024/2025 License Renewal Application

AMCO

DEC 14 2023

Adrienne Sweeney

Printed name of licensee

Adrienne Sweeney

Signature of licensee

Restaurant and Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit

Recreational Site applications must include a completed AB-36: Recreational Site Statement

Tourism applications must include a completed AB-37: Tourism Statement

Wholesale applications must include a completed AB-25: Supplier Certification

Common Carrier applications must include a current safety inspection certificate

All renewal and supplemental forms are available online:

<https://www.commerce.alaska.gov/web/amco/AlcoholLicenseApplication.aspx>

FOR OFFICE USE ONLY

License Fee:	\$ 2500.00	Application Fee:	\$ 300.00	Misc. Fee:	\$
Total Fees Due:					\$ 2800.00



MEMORANDUM

No Objection for Liquor License Renewals for Oaken Keg #1832, AJ's Oldtown Steakhouse & Tavern and Kharacters

Item Type: Backup Memorandum
Prepared For: Renee Krause, MMC, Acting City Clerk
Copy: Lisa Linegar, Communications Supervisor
Date: June 5, 2024
From: Mark Robl, Police Chief

The Homer Police Department has no objection to Liquor License renewals within the City of Homer for the following businesses:

License Type: Package Store
License #: 4162
DBA Name: Oaken Keg #1832
Service Location: 90 Sterling Highway, Homer, AK 99603
Licensee: Safeway, Inc.
Contact Person: Albertsons.com

License Type: Beverage Dispensary
License #: 1252
DBA Name: AJ's Oldtown Steakhouse & Tavern
Service Location: 120 West Bunnell Avenue, Homer, AK 99603
Licensee: APS Investments, LLC
Contact Person: Adrienne Sweeney

License Type: Beverage Dispensary
License #: 1085
DBA Name: Kharacters
Service Location: 3851 Shelford Street, Homer, AK 99603
Licensee: Wonderful, LLC
Contact Person: Rondy Bossell

**CITY OF HOMER
HOMER, ALASKA**

Lord/Davis

ORDINANCE 24-27

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING HOMER CITY CODE CHAPTER 3.10 INVESTMENTS AND
COLLATERALIZATION OF PUBLIC FUNDS BY ADDING SECTION
3.10.105, INVESTMENT INCOME ALLOCATION.

WHEREAS, The City of Homer recognizes the importance of prudent financial management and maximizing returns on public funds; and

WHEREAS, Transparent accounting practices are essential for maintaining public trust and ensuring responsible stewardship of taxpayer dollars; and

WHEREAS, The City has maintained an internal system for investing City funds and regularly allocating investment income based on the proportion of each funds contributed principal, but no formal written policy; and

WHEREAS, Bonded funds require careful management in order to avoid running afoul of federal and state regulations related to arbitrage; and

WHEREAS, Written policies will clarify for City staff, the Council, and the public the system of allocation of investment income across City funds.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends Homer City Code Chapter 3.10 Investments and Collateralization of Public Funds by adding section 3.10.105 Investment income allocation, to read as follows:

Chapter 3.10
INVESTMENT AND COLLATERALIZATION OF PUBLIC FUNDS

Sections:

3.10.010 Scope.

3.10.015 Objectives.

3.10.020 Delegation of authority.

3.10.030 Prudence.

3.10.040 Authorized investments.

3.10.050 Placement of City investments.

3.10.060 Diversification.
3.10.070 Collateralization.
3.10.080 Safekeeping.
3.10.090 Agreements.
3.10.100 Internal controls.

3.10.105 Investment income allocation

3.10.110 Reporting.
3.10.120 Definitions.
3.10.130 *Repealed.*

3.10.105 Investment income allocation.

Investment income should be allocated in three methods:

- (1) Investment accounts shall be established for projects utilizing bonding as a financing source to enable transparent accounting of investment/interest income. This will also allow for the ability to more easily monitor arbitrage. Interest income generated on these accounts will be directly deposited into the dedicated account and will not be subject to the allocation method.**
- (2) Investment accounts shall be established for dedicated sales tax funds to enable transparent accounting of investment/interest income. Interest income generated in these accounts will be directly deposited into the dedicated account and will not be subject to the allocation method.**
- (3) Allocation Method: All other investment/interest income that is earned shall be deposited in an unallocated interest income account and subsequently distributed proportionally based on ending cash balance, on a monthly basis, as follows:**
 - a. Cash balances from all funds associated with the General Fund shall be pooled to determine the General Fund CARMA allocation.**
 - b. Cash balances from all funds associated with the Utility Fund shall be pooled to determine the Utility Fund allocation. This allocation should then be split 50/50 between Water CARMA and Sewer CARMA.**
 - c. Cash balances from all funds associated with the Port Enterprise Fund shall be pooled to determine the Port Reserves allocation.**

Section 2. This Ordinance is of a permanent and general character and shall be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of _____, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 24-28

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE FY24 CAPITAL BUDGET BY ACCEPTING AND
APPROPRIATING THE FY24 STATE OF ALASKA COMMUNITY
ASSISTANCE PROGRAM PAYMENT IN THE AMOUNT OF \$146,261.39
FOR THE CITY HALL ELEVATOR RECERTIFICATION.

WHEREAS, In FY24 the City of Homer received \$146,261.39 from the Community Assistance Program (CAP) which has not yet been accepted or appropriated; and

WHEREAS, The application for the FY24 Community Assistance Program funds indicated the City of Homer would generally designate those funds towards HERC; and

WHEREAS, Ultimately it is up to the Council as to where the funds are spent and we are not obligated by the State to follow the original application; and

WHEREAS, CAP Funds should be expended within the year they are received and not be allocated to building up reserves; and

WHEREAS, The City Hall elevator certification expires in August 2025 and the anticipated costs to make improvements to the existing elevator in order to continue using it in its current capacity is \$150,000.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY24 Capital Budget by accepting the FY24 Community Assistance Program payment in the amount of \$146,261.39 as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
151-xxxx	FY2024 Community Assistance Program	\$146,261.39

Section 2. The Homer City Council hereby amends the FY24 Capital Budget by appropriating the FY24 Community Assistance Program payment in the amount of \$146,261.39 as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
151-xxxx	City Hall Elevator Recertification	\$146,261.39

Section 3. This appropriation is intended to pay for the aforementioned item previously included in the FY24/25 Mid-Biennium Capital Budget Adjustments under General Fund CARMA.

Section 4. This ordinance is a budget ordinance only, is not permanent in nature and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of _____, 2024

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:



MEMORANDUM

Ordinance 24-29, An Ordinance of the City Council of Homer, Alaska, Appropriating an Additional \$75,071.38 from the General CARMA Fund to the Homer Airport Terminal Sidewalk Replacement Project. City Manager/Public Works Director.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and City Council
Date: June 5, 2024
From: Daniel Kort, Public Works Director
Through: Melissa Jacobsen, Interim City Manager

Summary:

Appropriation of an additional \$75,071.38 from the General CARMA Fund to the Airport Sidewalk Replacement Project

Background:

The City of Homer originally requested a quotation for the Airport Sidewalk Replacement Project in response to the failing condition of the airport sidewalk and subsequent slip, trip, and fall incidents that place the City at risk of potential litigation.

The original sole source vendor quote came in much higher than the Public Works Department (PWD) expected. The value of this quote was greater than the threshold of the procurement policy which required a formal bidding process. This original quote was used to budget for the project, however it was not factored in that a project of this scope had to follow different guidelines such as Davis Bacon Wage Rates. Therefore, the PWD re-allocated the FY22 Community Assistance Program Payment towards this effort because the project will legitimately serve as an ADA Improvement for the facility.

There never was a formal engineers estimate for the project, so before the formal bidding process, the City Engineer made an internal estimate for the project using Anchorage project values. After the competitive bidding process, the PWD only received one bid of \$249,961.36 which exceeded the internal engineers estimate of between \$150,000 to \$200,000. When the PWD considered the bidding market of Anchorage versus the bidding market of Homer, it was determined the internal engineer's estimate was likely underestimating the value of the project.

Recommendation:

Council Approve the Public Works Department request for an additional appropriation of \$75,071.38 to award and complete this important project.

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

ORDINANCE 24-29

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE FY24 CAPITAL BUDGET BY APPROPRIATING AN
ADDITIONAL \$75,100 FROM THE GENERAL CARMA FUND TO THE
AIRPORT SIDEWALK REPLACEMENT PROJECT.

WHEREAS, The FY24/25 Capital Budget includes \$76,175 for the Homer Airport Terminal
Sidewalk Replacement Project; and

WHEREAS, Ordinance 22-51 accepted and appropriated the FY22 Community
Assistance Program Payment in the amount of \$98,714.98 for various ADA Improvements; and

WHEREAS, Ordinance 24-21 re-appropriated the FY22 Community Assistance Program
Payment from the Community Assistance Program for ADA Improvements bringing for a total
funding allocated up to \$174,889.98; and

WHEREAS, The Airport Terminal Sidewalk Replacement Project is an urgent need and
has been previously put out to bid without drawings or formal specifications which received
no response, and Public Works staff assembled drawings and specifications for the project to
include in a more substantive Invitation to Bid package; and

WHEREAS, The Airport Terminal Sidewalk Replacement Project was put out to bid again
with bids due on June 4, 2024 and one bid was received in the amount of \$249,961.36 which
exceeds the amount appropriated to date for this project; and

WHEREAS, Additional funding is necessary to complete the Airport Terminal Sidewalk
Replacement Project.

NOW, THEREFORE, The City of Homer Ordains:

Section 1: The Homer City Council hereby amends the FY24 Capital Budget by
appropriating an additional \$75,100 to the Homer Airport Terminal Sidewalk Replacement
Project as follows:

Transfer from:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
156	General Fund CARMA	\$75,100

43	Transfer to:		
44	<u>Fund</u>	<u>Description</u>	<u>Amount</u>
45	151	Airport Sidewalk Project	\$75,100

46

47 Section 2: This is a budget amendment ordinance, is not permanent in nature, and shall

48 not be codified.

49

50 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of June, 2024.

51

52 CITY OF HOMER

53

54 _____

55 KEN CASTNER, MAYOR

56 ATTEST:

57

58 _____

59 RENEE KRAUSE, MMC, ACTING CITY CLERK

60

61 YES:

62 NO:

63 ABSTAIN:

64 ABSENT:

65

66 First Reading:

67 Public Hearing:

68 Second Reading:

69 Effective Date:

**CITY OF HOMER
HOMER, ALASKA**

Mayor

ORDINANCE 24-30

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE FY24 CAPITAL BUDGET BY APPROPRIATING
\$900,000 FROM THE GAS LINE FUND FOR A MULTI-USE
COMMUNITY RECREATION CENTER PROJECT.

WHEREAS, The City Council has identified the Multi-Use Community Recreation Center as it's number two priority Capital Improvement Project; and

WHEREAS, The community has long prioritized the need for indoor municipal recreational and community space, especially considering the ongoing challenges of operating in the local schools and the city's aging and defunct Homer Education and Recreation Complex (HERC) facility; and

WHEREAS, Appropriating funds to and for the Multi-Use Community Recreation Center Project confirms the City Council's strong interest in the project.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY24 Capital Budget by appropriating \$900,000 from the Gas Line fund for a Multi-Use Community Recreation Center as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
175	Gas Line fund	\$900,000
<u>Fund</u>	<u>Description</u>	<u>Amount</u>
156	HERC Reserves	\$900,000

Section 2. This ordinance is a budget ordinance only, is not permanent in nature and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of _____, 2024

CITY OF HOMER

KEN CASTNER, MAYOR

43

44

45

46 ATTEST:

47

48

49 _____
RENEE KRAUSE, MMC, ACTING CITY CLERK

50

51 YES:

52 NO:

53 ABSTAIN:

54 ABSENT:

55

56 First Reading:

57 Public Hearing:

58 Second Reading:

59 Effective Date:



MEMORANDUM

Resolution 24-064, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the solid Waste Collection and Disposal Contract to Alaska Waste-Kenai Peninsula LLC, for a Three Year Contract with Two One Year Renewal Options, for a Total Per Empty Rate of \$360 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Port Director/Public Works Director.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: June 5, 2024
From: Melissa Jacobsen, Interim City Manager

The request for proposals for Solid Waste Collection was issued April 12, 2024 in an effort contract with a qualified firm to provide solid waste collection services to the City of Homer.

Proposals were submitted by Alaska Waste-Kenai Peninsula LLC, and Moore & Moore Services, Inc. and were evaluated in accordance with the following criteria:

Proposal Narrative		45 Points
• Proposers Service Plan	15 points	
• Anticipated Response Times	15 points	
• Required Equipment	15 points	
Proposal Schedules A & B		50 Points
• Schedule A Homer Spit	25 points	
• Schedule B City Uplands	25 points	
Proposed Team and References (5% local bidder preference)		15 Points
Total Possible Points		110 Points

Alaska Waste-Kenai Peninsula LLC was found to be compliant, able to meet the specifications, and provide the services necessary.

RECOMMENDATION: Adopt a Resolution awarding the contract for Solid Waste Collection and Disposal to Alaska Waste, LLC.

**REQUEST FOR PROPOSALS
by the City of Homer, Alaska
For Solid Waste Collection &
Disposal Contract**

The City of Homer, Alaska (the City) is requesting proposals from qualified firms (Proposer) to provide dumpsters with bird and wind proof lids that are user friendly for the Homer Spit and for City Uplands locations as identified herein and to enter into a Services Contract with the City to collect solid waste from these dumpsters and dispose of it at the Kenai Peninsula Borough's Homer Transfer Facility. The proposer will furnish all necessary labor, material, equipment, tools, supervision, and other facilities and equipment to perform the required contractual services.

Proposers should provide a "per empty" price that reflects all costs of the work, including the provision of the dumpsters, trash collection and transport services, labor associated with picking up windblown trash, labor to make dumpster repairs when needed, and any other costs that may be incurred in the performance of this work.

The successful proposer will enter into a services contract with the City, on a form provided by the City. The term of this contract will run to December 31, 2026, with two (2) options for one (1) year extensions.

All proposers must submit a City of Homer Plan Holders Registration Form separate from their proposal to be on the Plan Holder's List and receive communication about this Request for Proposals (RFP).

Proposals are due on May 3, 2024 at 4:00 p.m. Sealed proposals must be delivered or mailed to the City Clerk's Office by the date and time established herein. Proposals received after the proposal due date and time will be rejected. It is the Proposer's responsibility to ensure its proposal is received at the specified location and time.

An optional Pre-Close RFP meeting will be held on Monday, April 29, 2024 at 2:00 p.m. at the Harbormasters Office Conference Room located at 4311 Freight Dock Road.

For Proposal Documents, Specifications or questions regarding submittal contact: City Clerk's Office, City of Homer, 491 E. Pioneer Avenue Homer, Alaska 99603 or call 907-235-3130.

Submit questions regarding technical details in writing to: Bryan Hawkins, Port Director, City of Homer Port & Harbor 4311 Freight Dock Road, Homer, AK 99603 or email: bhawkins@ci.homer.ak.us.

An electronic copy of the Proposal Documents is available on the City's website or you may purchase hard copies at the City Clerk's Office upon payment of \$10.00 per set (\$40.00 for priority mail). All fees are non-refundable. The City of Homer reserves the right to accept or reject any or all proposals, to waive irregularities or informalities in the proposals, and to award a contract to the proposer that best meets the selection criteria and the City's needs.

Dated this 12th day of April, 2024

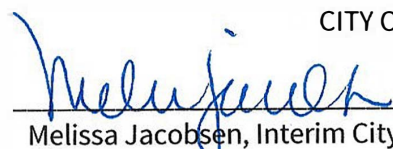
CITY OF HOMER

Melissa Jacobsen, Interim City Manager

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- VII. Schedule
- VIII. Protest

I. PROJECT OVERVIEW

The Proposer will be required to provide all necessary labor, materials, equipment, containers, supervision, and management for refuse collection at the identified City facilities and disposal at the Kenai Peninsula Borough's Homer Transfer Facility. The City facilities are as follows:

- a) Homer Spit Facilities. Twenty-Six (26) eight (8) yard dumpsters are needed at established locations on the Homer Spit. The locations are accessed from the Homer Spit Road, Fish Dock Road, and Freight Dock Road. It is estimated that there are approximately 3000 empties per year for the Homer Spit dumpsters.
- b) City Uplands Facilities. Seven (7) dumpsters at City facilities located in the City Uplands. These dumpsters have a varied number of empties each year - as specified in Section III, Locations. City Uplands dumpsters are either 2, 4, or 6 yards.

Proposers must provide a "per empty" price for each of the sizes of dumpsters. For clarification, "an empty" or "empty" as mentioned in this document means a single service of emptying a dumpster of refuse at its site location and the timely, sanitary, efficient, and safe transportation of the refuse to the Kenai Peninsula Borough's Homer Transfer Facility. Section V describes all services that must be included in the "per empty" price.

II. FUNCTIONAL REQUIREMENTS

The Successful Proposer is responsible for the following:

- a. Provision of dumpsters with bird and wind proof lids at each location listed herein and of the size required for that location.
- b. Collection and removal of solid waste from the designated City facilities and transporting collected waste to the Kenai Peninsula Borough's Homer Transfer Facility.
- c. Clean up of any garbage from the vicinity of each dumpster within one work day of being notified by the City. An overflow fee of \$250 per dumpster, per day, per location will be charged if it is determined that the Successful Proposer is not fulfilling the basic contract requirements.
- d. Dumpster fire clean-up, repair, and replacement within 24hrs of the fire.
- e. Submission of two separate invoices for monthly billing in the following manner for approval of payment:

- (1) Homer Spit dumpsters, shall be submitted monthly to: City of Homer Attn: Port & Harbor Office, 4311 Freight Dock Road, Homer AK 99603; and
- (2) City Center dumpsters (Airport, Animal Shelter, City Hall, Fire Department, Police Department, Karen Hornaday Park, and Public Works) shall be submitted monthly to: City of Homer Attn: Finance Department, 491 E. Pioneer Ave, Homer AK 99603.
- (3) At a minimum, invoices shall contain the following information: dumpster locations serviced, number of dumpster's emptied/ location, price per emptied dumpster billed, and monthly total billed/owed.
- (4) The City shall make payment on the approved invoices within 21 days from the date received.

III. LOCATIONS

The locations that require waste collection and disposal services are divided into two separate divisions, Homer Spit and City Uplands. The locations within each division as detailed below:

A) HOMER SPIT

Location: Homer Spit	Address	Dumpster Size	Qty.
Fish Dock	Fish Dock Road	8 Yard	2
Fishing Hole (Seasonal)	Homer Spit Road	8 Yard	2
Load & Launch Ramp	Freight Dock Road	8 Yard	2
Deep Water Dock	Freight Dock Road	8 Yard	1
Mariner Park	Homer Spit Road	8 Yard	2
Mariner Park	Homer Spit Road	8 Yard	1
Ramp 1	Homer Spit Road	8 Yard	2
Ramp 2	Homer Spit Road	8 Yard	2
Ramp 3	Homer Spit Road	8 Yard	1
Ramp 4	Homer Spit Road	8 Yard	1

Ramp 4	Homer Spit Road	8 Yard	3
Ramp 5	Homer Spit Road	8 Yard	2
Ramp 6	Freight Dock Road	8 Yard	2
Ramp 7	Freight Dock Road	8 Yard	1
Ramp 8	Freight Dock Road	8 Yard	2

For the purposes of this proposal, the dumpster quantities and locations on the Homer Spit shall remain as listed in the table. Any changes in the locations made during the length of the Contract must be approved in writing by the Port Director prior to implementation.

Because public disposal patterns on the Homer Spit vary throughout the year, the City is unable to provide a precise frequency and schedule for emptying each dumpster at the Homer Spit. However for the purpose of the proposal, it is estimated that the Contractor will be required to service approximately 3,000 empties per year on the Homer Spit. The Contractor will be required to adapt their efforts to ensure the dumpsters are emptied in a timely fashion as required, aligning with the seasonal variations and usage demands.

B) CITY UPLANDS

Location: City Uplands	Address	Dumpster Size	Qty.
Airport	Airport Avenue	4 Yard	1
Animal Shelter	3575 Heath Street	2 Yard	1
City Hall	491 E. Pioneer Avenue	2 Yard	1
Fire Department	604 E. Pioneer Avenue	2 Yard	1
Police Department	4060 Heath Street	6 Yard	1
Public Works	3575 Heath Street	6 Yard	1
Karen Hornaday Park	475 W Fairview Ave	6 Yard	1

For the purposes of this proposal, the dumpster locations on the City Uplands shall remain as listed. Any changes in the locations made during the length of the Contract must be approved in writing by the Dept. of Public Works. Based upon historic data and the contractors scope of work , it is estimated that the Contractor will be required to empty City Uplands containers as follows:

- 6 yard cans = 156 dumpsters emptied per year
- 4 yard cans = 52 dumpsters emptied per year
- 2 yard cans = 312 dumpsters emptied per year

IV. INSTRUCTIONS TO PROPOSERS

- A. **There will be an optional Pre-Close RFP meeting/teleconference on Monday, April 29, 2024 at 2:00 p.m. at the Harbormasters Office Conference room located at 4311 Freight Dock Road, Homer, Alaska.** This will give all proposers involved the opportunity to present questions to - City Staff.
- B. **Sealed proposals must be received by the City Clerk's Office at the address referenced below no later than 4:00 p.m. on Friday, May 3, 2024.** The time of receipt will be determined by the City Clerk's time stamp. Proposals received after that time shall not be considered.
- C. Proposers must submit one original and three (3) copies of the completed proposal in an opaque envelope marked as follows:

City of Homer 2024 RFP
Solid Waste Collection & Disposal Contract
May 3, 2024
Bidders Name and Address

- D. Proposal submittals shall be delivered in person or mailed to:
City of Homer
City Clerk's Office
491 E. Pioneer Avenue
Homer, Alaska 99603
- E. The City Clerk's Office does not provide envelopes for responsive firms to put their completed proposals in, nor will the Clerk's Office Staff write proposer's information on the envelope on their behalf. Facsimile, email, electronic or telephone proposals will not be accepted. City procurement policies require a paper submittal by the stated time and date.
- F. Proposals may be withdrawn by written, email, or facsimile notice received prior to the deadline for proposal submittal. Withdrawals received after the proposal submittal deadline will not be considered.
- G. Inquiries must be received at least 10 days prior to the RFP submittal deadline. Copies of all written requests and replies will be forwarded to each Proposer on the Official Plan Holders List. The City will not be bound by any oral interpretation of this RFP. Only formal, written responses to properly submitted questions will be binding.
- H. Inquiries regarding the Scope of Work or clarification of the RFP must be directed in writing to:
Bryan Hawkins, Port Director, City of Homer, Port and Harbor Office
4311 Freight Dock Road

Homer, AK 99603
Email: bhawkins@ci.homer.ak.us

I. General RFP and proposal submission inquiries must be directed in writing to:

City Clerk's Office
491 E. Pioneer Avenue
Homer, AK 99603
Email: clerk@ci.homer.ak.us

V. PROPOSAL FORMAT & CONTENT REQUIREMENTS

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that the proposals be organized in the manner specified below. Proposals that do not address the items listed in this request may be considered incomplete and - deemed non-responsive by the City.

All bidders must submit a City of Homer Plan Holders Registration form to be on the Plan Holders List and to be considered responsive.

To be considered, each sealed proposal envelope must include the following:

A. Proposal Narrative. (five page maximum): The proposal narrative must provide the following information:

- Proposer's service plan, specifying in detail the firm's ability to fulfill the Functional Requirements and contract term.
- Anticipated response time and Frequency of Service capability of Proposer
- Photos of dumpsters/containers with wind proof lids to be used on the Spit

B. Per Empty Price. Proposal Schedule "A" and Proposal Schedule "B" forms with Proposal Price per single empty for each size of dumpster to be used per the scope of work.

- Proposal prices shall reflect all associated costs of performing the work including, but not limited to:
 - Providing all dumpsters in each location as specified in the Scope of Work;
 - Providing trash collection services as described in the Scope of Work;
 - Providing labor and supplies to make dumpster repairs when needed;
 - Providing labor associated with picking up windblown trash, trash placed in vicinity of dumpsters, or trash blown by wind or spilled out of the dumpsters;
 - Providing materials and supplies to fulfill the Contract requirements; and
 - Cost of fuel (No Fuel Surcharges).
 - Proposals may not include a call out fee.

C. Insurance. Prior to commencement of work, the Proposer shall be required to provide current proof of insurance and to keep it in full force and effect for the duration of the Contract, at its own expense, with the following minimum policy limits. Also, the City of Homer shall be named as additional insured during the project's duration.

- General Liability Insurance in the minimum amount of \$500,000.00 for any one person and not less than \$1,000,000.00 for any one accident or occurrence, for death, bodily injury, personal injury, and/or property damage.
- Worker's Compensation in accordance with the laws of the State of Alaska, and Employer's Liability Insurance with minimum limits of \$1,000,000/\$1,000,000/\$1,000,000.
- Property damage liability which shall include any and all property whether or not in control, custody or care of the contractor, in an amount of not less than \$1,000,000.00 on account of any one accident.
- Automobile Liability Insurance covering owned, non-owned, or hired vehicles used by the firm, with limits not less than \$1,000,000 combined single limit for bodily injury and property damage.

VI. EVALUATION CRITERIA & SELECTION PROCESS

A selection committee made up of representatives from Port & Harbor, Public Works, and Finance will evaluate the proposals and make a recommendation to the City Council. Submittals will be evaluated and scored in accordance with the following criteria:

Proposal Narrative		45 Points
• Proposers Service Plan	15 points	
• Anticipated Response Times	15 points	
• Required Equipment	15 points	
Proposal Schedules A & B		50 Points
• Schedule A Homer Spit	25 points	
• Schedule B City Uplands	25 points	
Proposed Team and References (5% local bidder preference)		15 Points
Total Possible Points		110 Points

The City reserves the right to accept or reject any or all proposals, to waive irregularities or informalities in the proposals, and to negotiate and award a contract to the proposer that best meets the selection criteria and the City's needs.

The City will issue a Notice of Intent to Award to the highest-scoring proposer. The successful proposer will be required to enter into a services contract with the City, on a form prepared by the City. This contract will expire on December 31, 2026, with two (2) one year options for extension if agreed upon by both parties.

VII. RFP TIMELINE & AWARD SCHEDULE

These dates represent a tentative schedule of events. The City reserves the right to modify these dates at any time, with appropriate notice to applicable proposers on the Plan Holders List.

ACTIVITY	DATE/TIME
RFP Publish Dates	City of Homer Website April 18, 2024 Homer News April 18 & 25, 2024
Optional Pre-Close Meeting	April 29, 2024
Submittal Deadline for Proposals	May 3, 2024
Evaluation Period and Proposal Selection	May 6-8, 2024
Authority to Proceed by Homer City Council	May 13, 2024
Contract Signing/Notice to Proceed	May 15, 2024

VII. PROTEST

If an interested party wishes to protest the content of this RFP, the protest must be received, in writing, by the City Clerk at least ten days prior to the deadline for receipt of bids.

If a proposer wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing, by the City Clerk within ten days after the date the Notice of Intent to Award the contract is issued.

A hearing officer shall be appointed by the City Manager to hear and decide protests.

Protests must include the following information:

- the name, address, and telephone number of the protester;
- the signature of the protester or the protester's representative;
- identification of the solicitation or contract at issue;
- a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- the form of relief requested.

All Proposers will be notified of any protest.

If a protest is filed the award may be made unless it is determined by the issuing City Department that a reasonable probability exists that the protest will be sustained; or stay of the award is not contrary to the best interests of the City.

The hearing officer will issue a written response to the protest within 15 days after a protest has been filed. Notwithstanding the outcome of a protest, the City will not be responsible for any disappointed Proposer's proposal preparation costs.

The decision of the hearing officer may be appealed to the Superior Court within 30 days after the date the decision was issued. For the purposes of this section the date of issuance is the date upon which the decision was mailed or delivered to the parties.

**CITY OF HOMER SOLID WASTE COLLECTION & DISPOSAL 2024
PROPOSAL SCHEDULE “A”**

Proposers are required to provide costs for each size dumpster per single empty

Location: Homer Spit	Address	Dumpster Size	Unit Price per Empty
Fish Dock	Fish Dock Road	8 Yard	
Fishing Hole (Seasonal)	Homer Spit Road	8 Yard	
Load & Launch Ramp	Freight Dock Road	8 Yard	
Deep Water Dock	Freight Dock Road	8 Yard	
Mariner Park	Homer Spit Road	8 Yard	
Mariner Park	Homer Spit Road	8 Yard	
Ramp 1	Homer Spit Road	8 Yard	
Ramp 2	Homer Spit Road	8 Yard	
Ramp 3	Homer Spit Road	8 Yard	
Ramp 4	Homer Spit Road	8 Yard	
Ramp 4	Homer Spit Road	8 Yard	
Ramp 5	Homer Spit Road	8 Yard	
Ramp 6	Freight Dock Road	8 Yard	
Ramp 7	Freight Dock Road	8 Yard	
Ramp 8	Freight Dock Road	8 Yard	

Name of Firm: _____

Address of Firm: _____

Authorized Signature: _____

Printed Name: _____

Date of Proposal: _____

**CITY OF HOMER SOLID WASTE COLLECTION & DISPOSAL 2024
PROPOSAL SCHEDULE “B”**

Proposers are required to provide costs for each size dumpster per single empty

Location: City Uplands	Address	Dumpster Size	Unit Price per Empty
Airport	Airport Avenue	4 Yard	
Animal Shelter	3575 Heath Street	2 Yard	
City Hall	491 E. Pioneer Avenue	2 Yard	
Fire Department	604 E. Pioneer Avenue	2 Yard	
Police Department	4060 Heath Street	6 Yard	
Public Works	3575 Heath Street	6 Yard	
Karen Hornaday Park	475 W Fairview Ave	6 Yard	

Name of Firm: _____

Address of Firm: _____

Authorized Signature: _____

Printed Name: _____

Date of Proposal: _____

SOLID WASTE COLLECTION & DISPOSAL CONTRACT

This SOLID WASTE COLLECTION AGREEMENT ("Contract"), effective as of _____
_____ is by and between (1) the CITY OF HOMER, an Alaska municipal
corporation, hereinafter referred to as the "City," whose address is 491 East Pioneer Avenue,
Homer, Alaska 99603, and (2) _____
_____, hereinafter referred to as the "Contractor," whose address is _____
_____.
_____.

For good, valuable, and sufficient consideration received and to be received, including
the performance of the mutual covenants and obligations contained herein, the City and the
Contractor have agreed and hereby agree as follows:

1. **Scope of Work.** The Contractor shall fulfill the Functional Requirements and
furnish all of the materials, tools, labor, and equipment to accomplish the work as described
in the Request for Proposals for Solid Waste Collection and Disposal, and in the Contractor's
signed Proposal, dated _____, all in full compliance with the
Contract documents referred to herein (the "Work").

2. **Contract Documents.** The Contract Documents consist of the following:
- This Contract
 - Request for Proposals for Solid Waste Collection and Disposal dated **April 12, 2024**
 - Contractor's signed Proposal dated _____.

These documents are hereby made a part of this Contract as fully and completely as if the
same were fully set forth herein. All provisions contained in the RFP and the Contractor's
Proposal including the Scope of Work, Insurance requirements, and responsibilities of the
contractor are fully incorporated as part of the Contract.

3. **Contract Term.** The term of this Contract shall commence on _____
_____, and end on _____. ("Term").

4. **Options to Extend Contract Term.** Two (2) one (1) year extensions to this
contract term are available. Contract extensions must be agreed to by both parties. Contractor
must indicate by written notice their wish to extend the contract at least three months before the
end of the contract.

5. **Continuation of Services.** In the absence of the City entering a new agreement

with a Contractor at the end of the Term, Contractor may continue to provide services, if agreed up on by the City and the Contractor. This continuing service will be considered month to month, terminable upon 30 days written notice by either party at any time, and subject to all other terms of the Contract.

6. **Contract Amount.** For the Work performed by the Contractor, the City shall pay the Contractor the “per empty” price of _____ for the Homer Spit locations and \$ _____ for the City Uplands locations. The Contractor acknowledges that the Contract Amount includes all costs reasonably and properly anticipated to be incurred by the Contractor in the performance of the Work.

7. **Billing Requirements.** The Contractor shall submit two separate invoices in the following manner:

- a. Homer Spit dumpsters shall be submitted monthly to the Port & Harbor Office, 4311 Freight Dock Road, Homer, AK 99603.
- b. Upland dumpsters (Airport, Animal Shelter, City Hall, Fire Department, Police Department, and Public Works) shall be submitted monthly to the City of Homer Finance Department, 491 E. Pioneer Ave, Homer AK 99603

Both invoices shall provide an itemized description pertaining to the location, number of pick- ups, the rate per pick-up, additional services outside of the base contract rate and schedule (i.e. call-outs, additional dumpsters or cans, etc.), a total, **and a year to date balance remaining on the agreed contracted amount for services.**

Invoices shall be submitted monthly, not later than the 10th calendar day of the month for all Work performed by the Contractor during the previous month. Invoices not received by this date will be processed with the Contractor’s subsequent pay application.

8. **Liquidated Damages.** Liquidated damages in the amount of \$250.00 per day will apply if the Contractor has unexcused delay or fails to perform in the completion of this Contract, for which the Contractor is solely responsible. Such Liquidated Damages shall be deemed to be a fair, reasonable, and appropriate estimate thereof the foreseeable damages incurred by the City due to the delay of services. Such Liquidated Damages are intended to represent estimated actual damages and are not intended as a penalty, and Contractor shall pay them to City without limiting the City's right to terminate this Agreement for default as provided elsewhere. The Contractor shall remain liable for the full amount of any such delay, damages, or expenses suffered by any third party without limitation by any liquidated damage provision set forth in the contract.

9. **Insurance.** Contractor shall provide insurance as detailed in the RFP. The certificates and the insurance policies required by this Section shall contain a provision that

coverages afforded under the policies will not be cancelled or allowed to expire, and limits of liability will not be reduced. City shall be named as an additional insured under all policies of liability insurance required of Contractor. City's acceptance of a deficient certificate of insurance does not waive any insurance requirement of this contract.

10. **Indemnification.** Contractor shall indemnify, defend, and hold harmless the City, its officers and employees from and against any and all claims, disbursements, demands, damages (including but not limited to consequential, indirect or punitive damages), losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including experts', consultants' and attorneys' fees and expenses, and including without limitation remedial, removal, response, abatement, cleanup, legal, investigative and monitoring costs), imposed against the City, arising directly or indirectly from or out of, or in any way connected with:

- a. any activities during Contractor's past, present or future, during activities pertaining to the Work which directly or indirectly resulted in City Property being contaminated with Hazardous Substances;
- b. the discovery of Hazardous Substances on the City Property whose presence was caused during the Scope of Work by Contractor;
- c. the clean-up of Hazardous Substances on the City Property resulting from Contractor negligence; and
- d. any injury or harm of any type to any person or damage to any property arising out of or relating to negligence by the Contractor. The liabilities, losses, claims, damages, and expenses for which the City is indemnified under this section shall be reimbursable to the City, as and when the obligation of City to make payments with respect thereto are incurred, without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and Contractor shall pay such liability, losses, claims, damages and expenses to the City as so incurred within 10 days after notice from the City, itemizing in reasonable detail the amounts incurred (provided that no itemization of costs and expenses of counsel to City is required where, in the determination of the City, such itemization could be deemed a waiver of attorney-client privilege).

11. **Attorney's Fees.**

- a. If the City is involuntarily made a party defendant to any litigation concerning this Contract or the Property by reason of any act or omission of Contractor, or if the City is made a party to any litigation brought by or against Contractor without any fault on the part of the City, then Contractor shall pay the amounts reasonably incurred and expended by the City, including the reasonable fees of the City's agents and attorneys and all expenses incurred in defense of such

litigation.

- b. In the event of litigation between the City and Contractor concerning enforcement of any right or obligation under this Contract, the non-prevailing party shall reimburse the prevailing party for the attorney's fees reasonably incurred and expended by the prevailing party in the litigation pursuant to ARCP

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12. **Termination Without Cause.** The City may terminate this Contract for any reason by providing the Contractor with written notice at least 60 days prior to the desired termination date.

13. **Failure of Performance and Notice to Cure.** Should the Contractor fail or refuse to perform the Work in accordance with the requirements of the RFP, the Contractor shall be deemed in default of this Contract. If the Contractor fails within three (3) working days after written notification to commence and continue satisfactory correction of such default with diligence and promptness, then the City shall, without prejudice to any rights or remedies it may have, have the right to do the following:

- a. Perform the Contractor's work and charge the Contractor the cost thereof, who shall be liable for the payment of same;
- b. Contract with one or more additional contractors to perform such part of the Work as the City shall determine will be most expedient and charge the cost thereof to the Contractor;
- c. Withhold payment of any moneys due the Contractor pending corrective action in amounts sufficient to cover losses and compel performance to the extent required by and to the satisfaction of the City; and
- d. In the event of an emergency affecting the safety of persons or property, the City may proceed as above without notice.

14. **Termination for Cause.** If the Contractor fails to commence and satisfactorily continue correction of a default within three (3) working days after written notification issued under Section 13, then the City may, in lieu of or in addition to Section 13, issue a second written notification to the Contractor and its surety, if any. Such notice shall state that if the Contractor fails to commence and continue correction of a default within three (3) working days of the written notification, the Agreement will be deemed terminated and the City may complete the Contractor's Work. The City also may furnish those materials, equipment and/or employ such workers or contractors as the City deems necessary to maintain the orderly progress of the Work. All costs incurred by the City in performing the Contractor's Work shall be deducted from any moneys due or to become due the Contractor. The Contractor shall be liable for the payment of any amount by which such expense may exceed any unpaid amounts to which it is due.

15. **Bankruptcy and Termination Absent Cure.** If the Contractor files a petition under the Bankruptcy code, this Agreement shall terminate if the Contractor or the Contractor's trustee rejects the Agreement or, if there has been a default, the Contractor is unable to give adequate assurance that the Contractor will perform as required by this Contract or otherwise is unable to comply with the requirements for assuming this Contract under the applicable provisions of the Bankruptcy Code. The City, while awaiting the decision of the Contractor or its trustee to reject or assume the Contractor's obligations under this Contract and provide adequate assurances of its ability to perform hereunder, may avail itself of such remedies as are available to reasonably continue Contractor's obligations under this Contract.

16. **Disputes.** The parties agree that they will make every attempt to resolve all disputes internally and in good faith. In the event that the disputes regarding this Contract cannot be resolved by the Contractor and City Administration, the Contractor may appeal to the Board of Appeals under the procedures prescribed by the Homer City Code, Sections 14.04.100 - 14.04.110.

17. **Amendments.** Amendments to this contract may be made in writing and must be agreed to by both parties. Either party may propose an amendment by providing written notice to the other at the address provided herein. The contract can be amended to include recycling as proposed by the Contractor.

18. **Notifications.** All notices, demands and requests from Contractor to City shall be given to City at the following address:

City Manager
City of Homer
491 East Pioneer Avenue Homer, Alaska 99603
Facsimile: (907) 235-3148
Email: citymanager@cityofhomer-ak.gov

All notices, demands or requests from City to Contractor shall be given to Contractor at the following address: _____

19. **General Provisions.**

- a. This Contract shall be governed by the laws of the State of Alaska and the City of Homer. Venue for all disputes arising out of this Contract shall lie in Homer, Alaska.
- b. The partial or complete invalidity of any one or more provisions of this Contract shall not affect the validity or continuing force and effect of any other provision.
- c. The failure of either party hereto to insist, in any one or more instances, upon

the performance of any of the terms, covenants or conditions of this Contract, or to exercise any right herein, shall not be construed as a waiver or relinquishment of such term, covenant, condition, or right as respects further performance.

- d. This Contract is solely for the benefit of the signatories hereto and represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral.

FORMATION

IN WITNESS WHEREOF, the parties have executed this Contract as of the date first set forth above. By executing this Contract, Contractor represents that it possesses the necessary financial resources to fulfill its obligations under the Contract and has the necessary corporate approvals to execute this Contract and perform the Work described herein.

CITY OF HOMER

Contractor.

Melissa Jacobsen, Interim City Manager

Signature

Print Name & Title

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The forgoing instrument was acknowledged before me this _____ day of _____,
20____, by Melissa Jacobsen, Interim City Manager of the City of Homer, an Alaska municipal
corporation, on behalf of the City of Homer.

(SEAL)

Notary Public in and for Alaska

My Commission Expires:_____

STATE OF _____)
) ss.

(County, Borough or Judicial District)

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by _____ as _____ on behalf of ____
_____.

(SEAL)

Notary Public

My Commission Expires:_____

From: [Vanessa Neal](#)
To: [Renee Krause](#)
Subject: RE: Addendum 1 Issued for Solid Waste Collection & Disposal RFP
Date: Monday, April 29, 2024 2:46:10 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello,

I have received the addendum, thank you! I hope you have a wonderful day.

Vanessa
Moore & Moore Services, Inc.
3900 Sterling Highway
Homer, AK 99603
Phone 907-235-8837
Fax 907-235-1341

From: Renee Krause <RKrause@ci.homer.ak.us>
Sent: Monday, April 29, 2024 2:27 PM
To: ThePlansRoom Mail <Mail@theplansroom.com>; agcplans@agcak.org; agcplans@gmail.com; vanessa@mooreandmoorealaska.com
Subject: Addendum 1 Issued for Solid Waste Collection & Disposal RFP
Importance: High

Hi there hope your Monday is going great please note that the attached addendum as been issued for the referenced project. It is available in the city website.



Renee Krause, MMC
Acting City Clerk
ADA Coordinator
City of Homer – City Clerk's Office
491 E Pioneer Avenue
Homer, Alaska 99603
907-235-8121 ext. 2224 Main # City Hall & Extension
907-235-3143 Fax City Clerk's Office Fax
907-435-3109 Direct Line

rkrause@ci.homer.ak.us

*"Don't allow your past or present condition to control you. It's just a process that you're going through to get you to the next level." ~ **T.D. Jakes***

PUBLIC RECORDS LAW DISCLOSURE: This email and responses to this email may be subject to provisions of Alaska Statutes and may be made available to the public upon request.

ADDENDUM NO. 2
TO THE BID DOCUMENTS
Solid Waste Collection & Disposal Contract
CITY OF HOMER, ALASKA

Addendum Issue Date: May 2, 2024

Bid Submittal Date: May 23, 2024

Previous Addenda Issued: 1

Issued By: Bryan Hawkins
Port Director
City of Homer

Notice to Bidders:

Bidders must **acknowledge receipt of this addendum** by including the Addenda Acknowledgement Form with the bid.

Bidders are required to acknowledge each addenda separately on the Addenda Acknowledgement Form. Any bids received without acknowledgment of addenda may be rejected prior to evaluation.

The Bid Documents for the above project are amended as follows (all other terms and conditions remain unchanged):

Attached to this Addendum is the revised language referenced in Addendum 1.

The following bidder questions have been received by the City of Homer and are answered as follows:

1. **Question: *There is no clear Scope of Work defined for the Bid. What represents the Scope of Work?***

Answer: Scope of Work is defined in Section I through Section III.

2. **Question: *Some equipment will not work for some locations. For example, the Homer PD container is not accessible with a front loading truck inside the constructed enclosure.***

Answer: The Homer PD container is accessible in its current configuration. Alterations may be considered by the City on a case by case basis provided the

Contractor can clearly identify a deficiency that prohibits a specific location from being serviced in its current configuration.

3. **Question:** *Size, shape, and access door locations on dumpsters was not defined. The bid should specify these elements so the dumpsters will fit into locations with openings in appropriate orientations and locations.*

Answer: Contractor to choose container size, shape and access door locations on dumpsters to fit each locations current use and configuration. Photographic representation of the intended containers for each specified location(s) shall be submitted as part of the submittal.

4. **Question:** *The contract should add language specifying how the contract shall address if the Borough adds a tipping fee for disposal.*

Answer: City will allow for a negotiation if the Borough implements tipping fees during the term of this contract.

5. **Question:** *Can the existing enclosure at PD be re-constructed for better access?*

Answer: The existing enclosure shall remain in its current state. After the contract award, if the contractor can demonstrate that the enclosure creates an undue burden on the contractor, the City will consider alterations to the existing enclosure.

6. **Question:** *The contract does not specify if dumping containers early in the morning is acceptable in order to protect public safety, in particular on the Homer Spit.*

Answer: The contractor may dump trash on the Spit in the early morning as needed to fulfill the disposal needs of the contract. The contractor shall conduct work in the City Upland locations according to noise restrictions specified in City Code.

7. **Question:** *Who decides schedule for dumping containers?*

Answer: Contractor shall determine the schedule for dumping containers by monitoring containers to determine dumping needs. A full container shall be a container that is between 75% and 100% of the full capacity of the container.

8. **Question:** *Contract requires contractor to clean up around containers, but does not specify a time requirement of when this shall be done.*

Answer: Contractor shall clean up around containers within 24hrs of emptying the container.

9. Question: *No CPI adjustment for rates is shown in contract. Will CPI rate adjustments be applied to rate every year?*

Answer: This question will be answered in Addendum 3.

10. Question: *When will the Contract Start? When will the start date be in relation to the contract award.*

Answer: Contract shall start on October 1, 2024.

11. Question: *Contract specifies Wind Proof/Bird Proof lids for the Homer Spit containers. Are plastic lids Ok for the Upland Containers?*

Answer: Plastic lids are Ok for City Upland locations.

12. Question: *What are the qualifications for local preference?*

Answer: Qualifications for local preference are defined in Homer City Code under HCC 3.16.080.

13. Question: *Will the bid date be extended?*

Answer: The bid date will be extended to Thursday May 23, 2024 at 2:00 PM.

SOLID WASTE COLLECTION & DISPOSAL CONTRACT

This SOLID WASTE COLLECTION AGREEMENT ("Contract"), effective as of _____
_____ is by and between (1) the CITY OF HOMER, an Alaska municipal corporation, hereinafter referred to as the "City," whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and (2) _____
_____, hereinafter referred to as the "Contractor," whose address is _____
_____.
_____.

For good, valuable, and sufficient consideration received and to be received, including the performance of the mutual covenants and obligations contained herein, the City and the Contractor have agreed and hereby agree as follows:

1. **Scope of Work.** The Contractor shall fulfill the Functional Requirements and furnish all of the materials, tools, labor, and equipment to accomplish the work as described in the Request for Proposals for Solid Waste Collection and Disposal, and in the Contractor's signed Proposal, dated _____, all in full compliance with the Contract documents referred to herein (the "Work").

2. **Contract Documents.** The Contract Documents consist of the following:
- This Contract
 - Request for Proposals for Solid Waste Collection and Disposal dated **April 12, 2024**
 - Contractor's signed Proposal dated _____.

These documents are hereby made a part of this Contract as fully and completely as if the same were fully set forth herein. All provisions contained in the RFP and the Contractor's Proposal including the Scope of Work, Insurance requirements, and responsibilities of the contractor are fully incorporated as part of the Contract.

3. **Contract Term.** The term of this Contract shall commence on _____
_____, and end on _____. ("Term").

4. **Options to Extend Contract Term.** Two (2) one (1) year extensions to this contract term are available. Contract extensions must be agreed to by both parties. Contractor must indicate by written notice their wish to extend the contract at least three months before the end of the contract.

5. **Continuation of Services.** In the absence of the City entering a new agreement

with a Contractor at the end of the Term, Contractor may continue to provide services, if agreed up on by the City and the Contractor. This continuing service will be considered month to month, terminable upon 30 days written notice by either party at any time, and subject to all other terms of the Contract.

6. **Contract Amount.** For the Work performed by the Contractor, the City shall pay the Contractor the “per empty” price according to Bid Schedule A for Homer Spit locations and Schedule B for the City Upland locations. The Contractor acknowledges that the Contract Amount includes all costs reasonably and properly anticipated to be incurred by the Contractor in the performance of the Work.

7. **Billing Requirements.** The Contractor shall submit two separate invoices in the following manner:

- a. Homer Spit dumpsters shall be submitted monthly to the Port & Harbor Office, 4311 Freight Dock Road, Homer, AK 99603.
- b. Upland dumpsters (Airport, Animal Shelter, City Hall, Fire Department, Police Department, and Public Works) shall be submitted monthly to the City of Homer Finance Department, 491 E. Pioneer Ave, Homer AK 99603

Both invoices shall provide an itemized description pertaining to the location, number of pick- ups, the rate per pick-up, additional services outside of the base contract rate and schedule (i.e. additional dumpsters or cans, etc.), a total, **and a year to date billed for the total number of pick-ups and year to date total billed for Homer Spit locations and City Upland locations.**

Invoices shall be submitted monthly, not later than the 10th calendar day of the month for all Work performed by the Contractor during the previous month. Invoices not received by this date will be processed with the Contractor’s subsequent pay application.

8. **Liquidated Damages.** Liquidated damages in the amount of \$250.00 per day will apply if the Contractor has unexcused delay or fails to perform in the completion of this Contract, for which the Contractor is solely responsible. Such Liquidated Damages shall be deemed to be a fair, reasonable, and appropriate estimate thereof the foreseeable damages incurred by the City due to the delay of services. Such Liquidated Damages are intended to represent estimated actual damages and are not intended as a penalty, and Contractor shall pay them to City without limiting the City's right to terminate this Agreement for default as provided elsewhere. The Contractor shall remain liable for the full amount of any such delay, damages, or expenses suffered by any third party without limitation by any liquidated damage provision set forth in the contract.

9. **Insurance.** Contractor shall provide insurance as detailed in the RFP. The

certificates and the insurance policies required by this Section shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire, and limits of liability will not be reduced. City shall be named as an additional insured under all policies of liability insurance required of Contractor. City's acceptance of a deficient certificate of insurance does not waive any insurance requirement of this contract.

10. **Indemnification.** Contractor shall indemnify, defend, and hold harmless the City, its officers and employees from and against any and all claims, disbursements, demands, damages (including but not limited to consequential, indirect or punitive damages), losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including experts', consultants' and attorneys' fees and expenses, and including without limitation remedial, removal, response, abatement, cleanup, legal, investigative and monitoring costs), imposed against the City, arising directly or indirectly from or out of, or in any way connected with:

- a. any activities during Contractor's past, present or future, during activities pertaining to the Work which directly or indirectly resulted in City Property being contaminated with Hazardous Substances;
- b. the discovery of Hazardous Substances on the City Property whose presence was caused during the Scope of Work by Contractor;
- c. the clean-up of Hazardous Substances on the City Property resulting from Contractor negligence; and
- d. any injury or harm of any type to any person or damage to any property arising out of or relating to negligence by the Contractor. The liabilities, losses, claims, damages, and expenses for which the City is indemnified under this section shall be reimbursable to the City, as and when the obligation of City to make payments with respect thereto are incurred, without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and Contractor shall pay such liability, losses, claims, damages and expenses to the City as so incurred within 10 days after notice from the City, itemizing in reasonable detail the amounts incurred (provided that no itemization of costs and expenses of counsel to City is required where, in the determination of the City, such itemization could be deemed a waiver of attorney-client privilege).

11. **Attorney's Fees.**

- a. If the City is involuntarily made a party defendant to any litigation concerning this Contract or the Property by reason of any act or omission of Contractor, or if the City is made a party to any litigation brought by or against Contractor without any fault on the part of the City, then Contractor shall pay the amounts reasonably incurred and expended by the City, including the reasonable fees of

the City's agents and attorneys and all expenses incurred in defense of such litigation.

- b. In the event of litigation between the City and Contractor concerning enforcement of any right or obligation under this Contract, the non-prevailing party shall reimburse the prevailing party for the attorney's fees reasonably incurred and expended by the prevailing party in the litigation pursuant to ARCP 82

12. **Termination Without Cause.** The City may terminate this Contract for any reason by providing the Contractor with written notice at least 60 days prior to the desired termination date.

13. **Failure of Performance and Notice to Cure.** Should the Contractor fail or refuse to perform the Work in accordance with the requirements of the RFP, the Contractor shall be deemed in default of this Contract. If the Contractor fails within three (3) working days after written notification to commence and continue satisfactory correction of such default with diligence and promptness, then the City shall, without prejudice to any rights or remedies it may have, have the right to do the following:

- a. Perform the Contractor's work and charge the Contractor the cost thereof, who shall be liable for the payment of same;
- b. Contract with one or more additional contractors to perform such part of the Work as the City shall determine will be most expedient and charge the cost thereof to the Contractor;
- c. Withhold payment of any moneys due the Contractor pending corrective action in amounts sufficient to cover losses and compel performance to the extent required by and to the satisfaction of the City; and
- d. In the event of an emergency affecting the safety of persons or property, the City may proceed as above without notice.

14. **Termination for Cause.** If the Contractor fails to commence and satisfactorily continue correction of a default within three (3) working days after written notification issued under Section 13, then the City may, in lieu of or in addition to Section 13, issue a second written notification to the Contractor and its surety, if any. Such notice shall state that if the Contractor fails to commence and continue correction of a default within three (3) working days of the written notification, the Agreement will be deemed terminated and the City may complete the Contractor's Work. The City also may furnish those materials, equipment and/or employ such workers or contractors as the City deems necessary to maintain the orderly progress of the Work. All costs incurred by the City in performing the Contractor's Work shall be deducted from any moneys due or to become due the Contractor. The Contractor shall be liable for the payment of

any amount by which such expense may exceed any unpaid amounts to which it is due.

15. **Bankruptcy and Termination Absent Cure.** If the Contractor files a petition under the Bankruptcy code, this Agreement shall terminate if the Contractor or the Contractor's trustee rejects the Agreement or, if there has been a default, the Contractor is unable to give adequate assurance that the Contractor will perform as required by this Contract or otherwise is unable to comply with the requirements for assuming this Contract under the applicable provisions of the Bankruptcy Code. The City, while awaiting the decision of the Contractor or its trustee to reject or assume the Contractor's obligations under this Contract and provide adequate assurances of its ability to perform hereunder, may avail itself of such remedies as are available to reasonably continue Contractor's obligations under this Contract.

16. **Disputes.** The parties agree that they will make every attempt to resolve all disputes internally and in good faith. In the event that the disputes regarding this Contract cannot be resolved by the Contractor and City Administration, the Contractor may appeal to the Board of Appeals under the procedures prescribed by the Homer City Code, Sections 14.04.100 - 14.04.110.

17. **Amendments.** Amendments to this contract may be made in writing and must be agreed to by both parties. Either party may propose an amendment by providing written notice to the other at the address provided herein. The contract can be amended to include recycling as proposed by the Contractor.

18. **Notifications.** All notices, demands and requests from Contractor to City shall be given to City at the following address:

City Manager
City of Homer
491 East Pioneer Avenue Homer, Alaska 99603
Facsimile: (907) 235-3148
Email: citymanager@cityofhomer-ak.gov

All notices, demands or requests from City to Contractor shall be given to Contractor at the following address: _____

19. **General Provisions.**

- a. This Contract shall be governed by the laws of the State of Alaska and the City of Homer. Venue for all disputes arising out of this Contract shall lie in Homer, Alaska.
- b. The partial or complete invalidity of any one or more provisions of this Contract shall not affect the validity or continuing force and effect of any other

provision.

- c. The failure of either party hereto to insist, in any one or more instances, upon the performance of any of the terms, covenants or conditions of this Contract, or to exercise any right herein, shall not be construed as a waiver or relinquishment of such term, covenant, condition, or right as respects further performance.
- d. This Contract is solely for the benefit of the signatories hereto and represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral.

FORMATION

IN WITNESS WHEREOF, the parties have executed this Contract as of the date first set forth above. By executing this Contract, Contractor represents that it possesses the necessary financial resources to fulfill its obligations under the Contract and has the necessary corporate approvals to execute this Contract and perform the Work described herein.

CITY OF HOMER

Contractor.

Melissa Jacobsen, Interim City Manager

Signature

Print Name & Title

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The forgoing instrument was acknowledged before me this _____ day of _____,
20____, by Melissa Jacobsen, Interim City Manager of the City of Homer, an Alaska municipal
corporation, on behalf of the City of Homer.

(SEAL)

Notary Public in and for Alaska

My Commission Expires:_____

STATE OF _____)
) ss.

(County, Borough or Judicial District)

The foregoing instrument was acknowledged before me this ____ day of _____,
20____, by _____ as _____ on behalf of ____
_____.

(SEAL)

Notary Public

My Commission Expires:_____

ADDENDUM NO. 3
TO THE BID DOCUMENTS
Solid Waste Collection & Disposal Contract
CITY OF HOMER, ALASKA

Addendum Issue Date: May 10, 2024

Bid Submittal Date: May 23, 2024

Previous Addenda Issued: 1 & 2

Issued By: Bryan Hawkins
Port Director
City of Homer

Notice to Bidders:

Bidders must **acknowledge receipt of this addendum** by including the Addenda Acknowledgement Form with the bid.

Bidders are required to acknowledge each addenda separately on the Addenda Acknowledgement Form. Any bids received without acknowledgment of addenda may be rejected prior to evaluation.

The Bid Documents for the above project are amended as follows (all other terms and conditions remain unchanged):

The following bidder questions have been received by the City of Homer and are answered as follows:

- 1. Question: *No CPI adjustment for rates is shown in contract. Will CPI rate adjustments be applied to rate every year?***

Answer: No, there is no allowance for CPI rate adjustments under the City of Homer's Procurement Policy.

**CITY OF HOMER
HOMER, ALASKA**

City Clerk/ Port Director/
Public Works Director

RESOLUTION 24-064

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
AWARDING THE CONTRACT FOR THE SOLID WASTE COLLECTION
AND DISPOSAL CONTRACT TO ALASKA WASTE-KENAI PENINSULA
LLC, FOR A THREE YEAR CONTRACT WITH TWO ONE YEAR
RENEWAL OPTIONS, FOR A TOTAL PER EMPTY RATE OF \$360 AND
AUTHORIZING THE CITY MANAGER TO EXECUTE THE
APPROPRIATE DOCUMENTS.

WHEREAS, The Homer Solid Waste Collection and Disposal Contract Request for
Proposals (RFP) was organically issued in October 2023 and Resolution 23-127 awarding a
contract failed due to concerns of ambiguity raised by a proposer; and

WHEREAS, City Council directed that the RFP be corrected to remove ambiguities and
be re-issued; and

WHEREAS, In accordance with the Procurement Policy the new RFP was advertised in
the Homer News on April 18 and 25, 2024, sent to two in-state plans rooms, and posted on the
City of Homer website; and

WHEREAS, A Pre-Close RFP meeting was held on Monday, April 29, 2024 and all
registered plan holders attended; and

WHEREAS, Three addendums were issued in response to plan holder questions; and

WHEREAS, Two proposals were received and the RFP review committee determined
that the Alaska Waste-Kenai Peninsula LLC proposal was the most responsive to the needs of
the City; and

WHEREAS, This award is not final until written notification is received by the firm from
the City of Homer.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby awards the
contract for solid waste collection and disposal to the firm of Alaska Waste-Kenai Peninsula
LLC, for a total per empty rate of \$360, for a term of three years with two one year renewal
options, and authorizes the City Manager to execute appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 10th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal note: 400-0601-5220 Harbor operations Refuse Disposal; 100-0140-5220 City Hall; 100-0150-5220 Fire Department; 100-0160-5220 Police Department; 100-0149-5220 Airport; 100-0165-5220 Animal Shelter; 100-0171-5220 Public Works



MEMORANDUM

Resolution 24-065, A Resolution of the City Council of Homer, Alaska, Authorizing City Staff to continue with the FEMA BRIC Grant Application Process with a 25% Local Match to include Staff time, Materials, and Cash as Requested by the Sub-Applicant, the State of Alaska Department of Homeland Security & Emergency Management. City Manager.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: May 21, 2024
From: Ryan Foster, AICP, City Planner
Through: Melissa Jacobsen, Acting City Manager

Background:

This resolution would be an amendment to the Resolution 22-086 authorizing staff to submit a Federal Emergency Management Agency (FEMA) Building Resilient Infrastructure and Communities (BRIC) Grant application to adopt and implement the latest International Building Code 2021 Edition. A 25% match is required by the City of Homer, if awarded, and the cost share may consist of cash, donated or third-party in-kind services, materials, or any combination thereof.

Resolution 22-086 provides for staff time and materials for the 25% match, up to \$125,000, and would be spread over three years. Currently, at the Request for Information stage of the application review process, the City's sub-applicant, the State of Alaska Division of Homeland Security & Emergency Management has requested that the 25% be allocated evenly across all of the following budget line items for the project:

- Personnel
- Fringe Benefits
- Contractual
- Supplies
- Other (Advertising)

The City's 25% match would still be up to \$125,000, but would consist of cash in addition to staff time and materials as authorized in Resolution 22-086.

Recommendation:

Staff recommends the City Council approve Resolution 24-065 to continue the FEMA BRIC Grant application process.

Attachment

Resolution 22-086

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 22-086

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
AUTHORIZING THE CITY TO APPLY FOR A FEMA BUILDING
RESILIENT INFRASTRUCTURE & COMMUNITIES GRANT TO ADOPT
AND IMPLEMENT INTERNATIONAL BUILDING CODE 2021 EDITION

WHEREAS, Building Safety and Code Enforcement was identified as a Council priority during the 2022 Visioning work session held in March at the Pratt Museum; and

WHEREAS, Homer does not have an adopted building code, and only commercial structures are reviewed by the State Fire Marshal for any kind of code compliance; and

WHEREAS, The Federal Emergency Management Agency (FEMA) administers the Building Resilient Infrastructure & Communities (BRIC) grant program to support states, local communities, tribes and territories as they undertake hazard mitigation projects, reducing the risks they face from disasters and natural hazards; and

WHEREAS, FEMA provides up to 75% matching funds for building resilient infrastructure and communities projects for up to three years; and

WHEREAS, The City of Homer is a qualified applicant for FEMA BRIC grant assistance for adopting and implementing building codes; and

WHEREAS, The City proposes to apply for up to \$500,000 in FEMA BRIC grant funds to adopt and implement International Building Code 2021 Edition over a total of three years; and

WHEREAS, The City proposes to match grant funds for up to \$125,000 of City staff time and materials to meet the grant match requirements of 25% over a total of three years; and

WHEREAS, The City of Homer intends to use these funds to hire a consultant firm to adopt the IBC 2021 Edition and develop the plan/framework for creating a City of Homer Building Division; and

WHEREAS, The City of Homer intends to use these funds to hire a Building Official to begin implementation of the newly adopted IBC 2021 Code for commercial building projects; and

WHEREAS, The City of Homer intends to use these funds to hire a Building Inspector to begin implementation of the newly adopted IBC 2021 Code for residential building projects; and

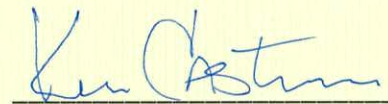
WHEREAS, After three years the City of Homer will have an established Building Division, with a Building Official and Building Inspector, enforcing IBC 2021 Edition building codes for both commercial and residential projects; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, supports preparation and submission of a FEMA BRIC grant application for up to \$500,000 and authorizes the City Manager to submit the appropriate documents.

BE IT FURTHER RESOLVED that the City Council expresses its commitment to match grant funds with up to \$125,000 of City staff time and materials to meet the grant match requirements of 25%.

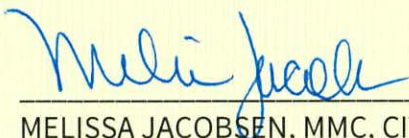
PASSED AND ADOPTED by the Homer City Council this 28th day of November, 2022.

CITY OF HOMER



KEN CASTNER, MAYOR

ATTEST:



MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A



**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 24-065

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
AUTHORIZING CITY STAFF TO CONTINUE WITH THE FEMA BRIC
GRANT APPLICATION PROCESS WITH A 25% LOCAL MATCH TO
INCLUDE STAFF TIME, MATERIALS, AND CASH AS REQUESTED BY
THE SUB-APPLICANT THE STATE OF ALASKA DEPARTMENT OF
HOMELAND SECURITY AND EMERGENCY MANAGEMENT.

WHEREAS, On November 28, 2022 Homer City Council adopted Resolution 22-086
authorizing the City to apply for a FEMA Building Resilient Infrastructure and Communities
(BRIC) grant to adopt and implement International Building Code 2021 Edition; and

WHEREAS, The City of Homer's FEMA BRIC grant application has been accepted for
further review in the Request for Information stage of the application review process; and

WHEREAS, The City's sub-applicant, the State of Alaska Department of Homeland
Security and Emergency Management has requested that the 25% local match requirement be
allocated evenly across all budget line items for the project, therefore, the City's 25% match
would consist of cash in addition to staff time and materials as authorized in Resolution 22-
086.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
supports continued participation in the application process, including providing responses to
questions in the Request for Information stage for a FEMA BRIC grant application for up to
\$500,000 and authorizes the City Manager to submit the appropriate documents.

BE IT FURTHER RESOLVED that the City Council expresses its commitment to match
grant funds with up to \$125,000 of City staff time, materials and cash to the meet the 25% grant
match requirements.

PASSED AND ADOPTED by the Homer City Council this 10th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

43 ATTEST:

44

45 _____

46 RENEE KRAUSE, MMC, ACTING CITY CLERK

47

48 Fiscal Note: N/A



MEMORANDUM

Resolution 24-066, Approving a Recreation Use Agreement Between the City of Homer and The Kachemak Nordic Ski Club Regarding the Maintenance and Operation of Nordic Ski Trails on Three City Owned Properties in the Baycrest Ski Area including Construction of an Equipment Shed and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager.

Item Type: Action
Prepared For: Mayor Castner and Homer City Council
Thru: Melissa Jacobsen, Interim City Manager
Date: June 4, 2024
From: Julie Engebretsen, Community Development Director

Background Information:

In 2008, the Kachemak Nordic Ski Club (KNSC) began having a formal agreement with the City regarding their use of the City property for the Baycrest Ski Trails. These agreements are typically for five years, with the most recent having been executed in 2022. KNSC would like to build an equipment shed on the City owned property on Rogers Loop. This requires amending their agreement with the City. The amended agreement before Council has two main changes; it allows KNSC to build a shed and includes an additional piece for City land in the Recreational Use Agreement.

Property

The City property on Roger's Loop has not been part of prior agreements with KNSC; those agreements only addressed the two lots with ski trails. This new agreement will include all three of the City properties that KNSC intends to use for trails and one equipment shed.

Shed

The exact dimensions of the shed are still in the design phase, and the project will undergo a life safety review as required by the State Fire Marshal. KNSC also intends to extend power to the building and is working the HEA on cost estimates. Running power may require additional fundraising so construction may happen in a phased manner over two construction seasons.

PARCAC Recommendation

At the May 16, 2024 Parks Art Recreation and Culture Advisory Commission meeting, the Commission made a recommendation to support the proposed Recreational Use Agreement to include the construction of an equipment shed and that staff will work with the attorney to draft a long term land use agreement by unanimous vote.

Staff has worked with the attorney to update the agreement to include the shed and additional lot, and made other minor changes in language. While the length of the agreement was discussed, it was more straightforward to keep the existing agreement language. Essentially Council can approve five-year term renewals through this existing agreement.

Recommendation: Approve the updated Kachemak Nordic Ski Club Recreational Use Agreement to include the construction of an equipment shed and inclusion of the Roger's Loop trailhead property into the agreement.

Attachments:
PARCAC Memo of Support
Memo PARC-24-037



MEMORANDUM

Resolution 24-066, Approving a Recreation Use Agreement Between the City of Homer and The Kachemak Nordic Ski Club Regarding the Maintenance and Operation of Nordic Ski Trails on Three City Owned Properties in the Baycrest Ski Area including Construction of an Equipment Shed and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager.

Item Type: Action
Prepared For: Mayor Castner and Homer City Council
Thru: Melissa Jacobsen, Interim City Manager
Date: May 17, 2024
From: Parks, Art, Recreation & Culture Advisory Commission

Background Information:

In 2008, the Kachemak Nordic Ski Club (KNSC) began having a formal agreement with the City regarding their use of the City property for the Baycrest Ski Trails. These agreements are typically for five years, with the most recent having been executed in 2022.

KNSC would like to build an equipment shed. With the track record of a successful partnership and the Club's investment in this shed, a longer agreement, such as 15 years or more seems appropriate. The Club hopes to begin construction this summer.

At the May 16, 2024 PARCAC meeting, the commissioners approved the recommendation to support the proposed Recreational Use Agreement to include the construction of an equipment shed and that staff will work with the attorney to draft a long term land use agreement by unanimous vote.

Recommendation: Approve the updated Kachemak Nordic Ski Club Recreational Use Agreement to include the construction of an equipment shed.



City of Homer

www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603

Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

Memorandum PARC-24-037

TO: PARKS, ART, RECREATION AND ART ADVISORY COMMISSION
FROM: JULIE ENGBRETSSEN, COMMUNITY DEVELOPMENT DIRECTOR
DATE: MAY 16, 2024
SUBJECT: Kachemak Nordic Ski Club Recreational Use Agreement

Requested Action:

- Review the concept plan from the Ski Club for construction of the proposed equipment shed
- Make a recommendation to the City Council

Ski Club members will be making a presentation about the project and be available for Q&A during Visitors on the agenda.

Background

In 2008, the Kachemak Nordic Ski Club (KNSC) began having a formal agreement with the City regarding their use of the City property for the Baycrest Ski Trails. These agreements are typically for five years, with the most recent having been executed in 2022.

Action Requested

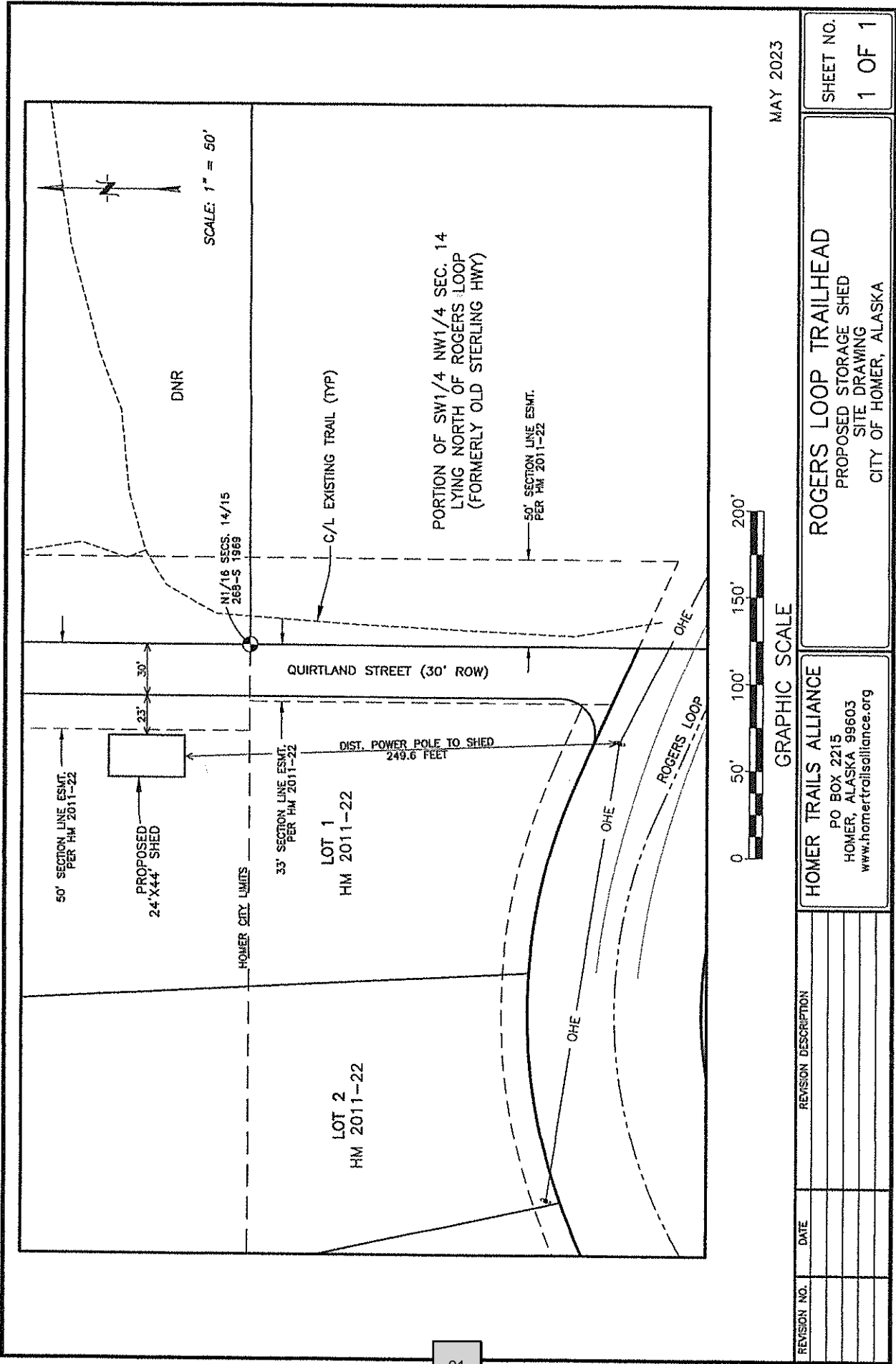
KNSC would like to build an equipment shed. With a recommendation of approval from PARCAC, staff will work with the attorney to draft a long term land use agreement. With the track record of a successful partnership and the Club's investment in this shed, a longer agreement, such as 15 years or more seems appropriate. The Club hopes to begin construction this summer.

Requested Action:

- Review the concept plan from the Ski Club for construction of the proposed equipment shed
- Make a recommendation to the City Council

Attachments

Rogers Loop Trailhead Site Plan
Capital Improvement Plan Page
Resolution 22-034
Memorandum 22-072



MAY 2023

SHEET NO.
1 OF 1

ROGERS LOOP TRAILHEAD
PROPOSED STORAGE SHED
SITE DRAWING
CITY OF HOMER, ALASKA

HOMER TRAILS ALLIANCE
PO BOX 2215
HOMER, ALASKA 99603
www.homertrailsalliance.org

REVISION NO.	DATE	REVISION DESCRIPTION



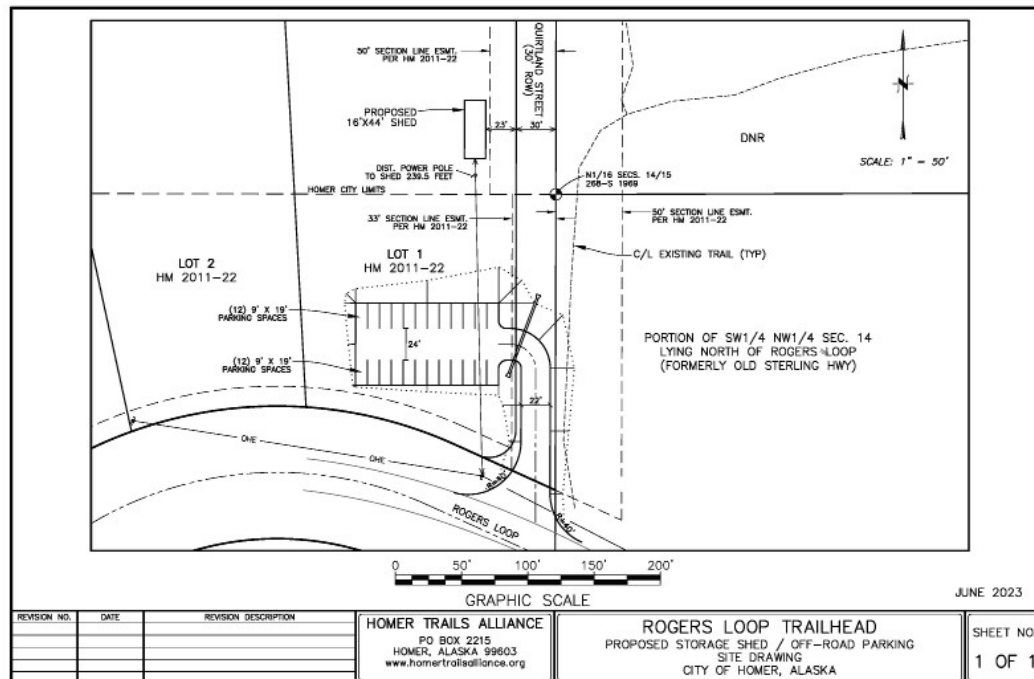
Roger's Loop Trailhead Storage Shed

Project Description and Benefit: This project builds 16 foot by 44 foot shed on a City of Homer owned parcel at the Rogers Loop Trailhead to accommodate Kachemak Nordic Ski Club grooming equipment for lower Baycrest ski trails. Currently the equipment is kept outdoors. General maintenance and machine repairs must occur outside, or the equipment is trailered to a suitable indoor location. This shortens the working lifespan of the equipment, as storage outside does not allow the snow and ice buildup within the machine to melt in-between uses. Sometimes, trails cannot be groomed because of maintenance needs or frozen equipment issues. The proposed building will alleviate these concerns by providing a heated, indoor space that is accessed from public property. This will allow for quicker repairs, longer lifespan of the equipment, and a secure place to house tools and machine parts.

The community of Homer will benefit by having a better skiing experience on trails that are consistently maintained. It is a cost savings to the community in that KNSC will not have to raise membership fees to cover the cost of the additional maintenance and shortened lifespan of this equipment that is kept outdoors. It is also a volunteer cost benefit in that it makes it easier to be a KNSC volunteer when they have working equipment. Well maintained equipment means better grooming which means a better ski experience for all users.

Plans & Progress: A site plan, shed design, HEA requirements for power hookup and securing the services of a contractor are all complete. Zoning code & other legalities are currently being reviewed.

Total Project Cost: \$72,000



Proposed location of the storage shed shown in green.

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 22-034

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
APPROVING A RECREATIONAL USE AGREEMENT BETWEEN THE
CITY OF HOMER AND THE KACHEMAK NORDIC SKI CLUB
REGARDING THE MAINTENANCE AND OPERATION OF NORDIC SKI
TRAILS ON CITY OWNED LAND IN THE BAYCREST SKI AREA AND
AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE
THE APPROPRIATE DOCUMENTS.

WHEREAS, The Kachemak Nordic Ski Club (KNSC) is a non-profit corporation which has
been constructing, maintaining, and operating nordic ski trails on public and private lands for
many years; and

WHEREAS, KNSC maintains a network of trails on public and private lands in the
Diamond Creek Watershed known as the Baycrest Ski Trails; and

WHEREAS, Some of the trails at the Baycrest complex traverse City owned parcels:

173-022-01, T 6S R 14W SEC 9 SEWARD MERIDIAN HM SE1/4 SE1/4 EXCLUDING THE W1/2
SW1/4 SE1/4 SE1/4 and 173-032-29, T 6S R 14W SEC 10 SEWARD MERIDIAN HM SE1/4 &
S1/2 SW1/4 the title to which the City accepted via Ordinance 07-03; and

WHEREAS, The City and KNSC entered into their first MOA regarding these trails in the
winter of 2008 and that agreement has expired; and

WHEREAS, The City and KNSC entered into their second MOA regarding these trails in
the winter of 2013 and that agreement has expired; and

WHEREAS, The City and KNSC entered into their third MOA regarding these trails in the
winter of 2017 and that agreement has expired; and

WHEREAS, The City and KNSC wish to enter into a new MOA and a draft document was
submitted to the City Council for its review at its regular meeting on April 25, 2022; and

WHEREAS, An MOA between the City and KNSC is in the best interest of the public
because it promotes public-private partnerships, saves tax dollars, enhances recreational and
economic development opportunities, and provides access to public lands for the use and
enjoyment of all.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves a new Memorandum of Agreement between the City of Homer and the Kachemak Nordic Ski Club and authorizes the City Manager to negotiate and execute the appropriate documents.

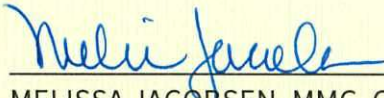
PASSED AND ADOPTED by the Homer City Council this 25th day of April, 2022.

CITY OF HOMER



KEN CASTNER, MAYOR

ATTEST:



MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A





City of Homer

www.cityofhomer-ak.gov

Community Recreation

HHS/600 East Fairview Avenue
Homer, Alaska 99603

communityrecreation@cityofhomer-ak.gov

(p) 907-235-6090

(f) 907-235-8933

Memorandum 22-072

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Mike Illg, Recreation Manager
DATE: April 12, 2022
SUBJECT: Recreational Use Agreement with Kachemak Nordic Ski Club

The City of Homer and Kachemak Nordic Ski Club (KNSC) have enjoyed a long, successful partnership, supporting the organizational capacity and usage of land to winter time Nordic skiing and snowshoeing to the community.

The City and KNSC has established a formalized partnership through a Recreational Use Agreement (RUA) since 2008 and this will be the fourth consecutive agreement with is organization. Having an RUA with an organization that regularly provides activities on City lands is a standard practice in most communities. The RUA clarifies which entity is responsible for which facilities and requirements for insurance.

The agreement includes updated information addressing designated points of contact, reference to the new food truck policy and reference to the special events policy.

Alaska Municipal League/Joint Insurance Association has reviewed the agency insurance requirement. Staff has communicated with KNSC for input and review regarding suggested updates and changes. This RUA would be valid for five years, and then can be renewed or amended.

Requested Action: Adopt a resolution approving a recreational use agreement between the Kachemak Nordic Ski Club and the City of Homer.

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 24-066

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
APPROVING A RECREATIONAL USE AGREEMENT BETWEEN THE
CITY OF HOMER AND THE KACHEMAK NORDIC SKI CLUB
REGARDING THE MAINTENANCE AND OPERATION OF NORDIC SKI
TRAILS ON THREE CITY OWNED PROPERTIES IN THE BAYCREST
SKI AREA INCLUDING CONSTRUCTION OF AN EQUIPMENT SHED
AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND
EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The Kachemak Nordic Ski Club (KNSC) is a non-profit corporation which has
been constructing, maintaining, and operating Nordic ski trails on public and private lands for
many years; and

WHEREAS, KNSC maintains a network of trails on public and private lands in the
Diamond Creek Watershed known as the Baycrest Ski Trails; and

WHEREAS, Some of the trails at the Baycrest complex traverse City owned parcels:

173-022-01, T 6S R 14W SEC 9 SEWARD MERIDIAN HM SE1/4 SE1/4 EXCLUDING
THE W1/2 SW1/4 SE1/4 SE1/4, 173-032-29, T 6S R 14W SEC 10 SEWARD MERIDIAN
HM SE1/4 & S1/2 SW1/4 the title to which the City accepted via Ordinance 07-03
and T06 S R 14 W SEC 15 Seward Meridian HM 2011022 Bishop Survey J.G. Evans
Addition Lot 1, also known as Kenai Peninsula Borough Tax Parcel Parcels
17316066 and 17316067; and

WHEREAS, The City and KNSC entered into their first Recreational Use Agreement (RUA)
regarding these trails in the winter of 2008 and has stayed current through 2024 with use
agreements; and

WHEREAS, The City and KNSC wish to enter into a revised RUA to include the City owned
land on Roger's Loop and also for the construction of a equipment shed on the property; and

WHEREAS, The Parks, Art, Recreation and Culture Advisory Commission recommended
approval at their May 16, 2024 regular meeting; and

WHEREAS, An RUA between the City and KNSC is in the best interest of the public
because it promotes public-private partnerships, saves tax dollars, enhances recreational and
economic development opportunities, and provides access to public lands for the use and
enjoyment of all.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves a new Memorandum of Agreement between the City of Homer and the Kachemak Nordic Ski Club and authorizes the City Manager to negotiate and execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 10th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal Note: N/A

RECREATIONAL USE AGREEMENT

RECREATIONAL USE AGREEMENT ("Agreement") dated as of April 5, 2022, between the CITY OF HOMER, an Alaska municipal corporation ("City"), and the Kachemak Nordic Ski Club (KNSC) an Alaska nonprofit corporation ("User").

RECITALS

WHEREAS, City owns certain property commonly known as The City owned parcels are described as KPB Parcels 173-022-01, T 6S R 14W SEC 9 SEWARD MERIDIAN HM SE1/4 SE1/4 EXCLUDING THE W1/2 SW1/4 SE1/4 SE1/4 and 173-032-29, T 6S R 14W SEC 10 SEWARD MERIDIAN HM SE1/4 & S1/2 SW1/4 and KPB parcel 17316066 and 17316067 (one legal lot) T06 S R 14 W SEC 15 Seward Meridian HM 2011022 Bishop Survey J.G. Evans Addition Lot 1

WHEREAS,

1. The City accepted title to the parcels KPB 17302201 and 17303209 referenced above via Ordinance 07-03. The land was conveyed by the University of Alaska through the Department of Natural Resources and the Kachemak Heritage Land Trust.
2. The Kachemak Heritage Land Trust raised the money for purchase of the land through years of hard work and fund raising. A primary source of funding was the Forest Legacy Program.
3. The City Council dedicated the two parcels as park and public lands in perpetuity (Ordinance 07-03) for the benefit of current and future generations.
4. The funding from the Forest Legacy Program contained stipulations and conditions that the property only be used for forestry programs, recreation, and conservation. The Council accepted title to the property with this understanding and all future uses must be consistent with these purposes.
5. KPB Parcels 17316066 and 17316067, which was purchased via ordinance 14-51(A) with HART funds to be used as a future trailhead to the City owned Forest Legacy Program properties.
6. The Kachemak Nordic Ski Club currently maintains over 30 kilometers of groomed Nordic ski trails in the Baycrest / Diamond Creek area (which includes these parcels) and wishes to continue to do so under the agreement with the City.
7. The City wishes to authorize KNSC use and maintenance of existing ski trails which includes a storage shed as described in Exhibit B attached and incorporated herein
8. This RUA is intended to establish the relationship between the City and KNSC.
9. This RUA constitutes a land use agreement which specifically authorizes the activities described herein.
10. Nothing in this agreement obligates the City to provide funding or operational, maintenance, or program assistance of any kind.

NOW, THEREFORE, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:

ARTICLE 1. DEFINITIONS AND ATTACHMENTS

1.01 Definitions. As used herein, the term:

(a) "Complete" and "Completion" mean, with regard to an improvement, that construction of the improvement is finished and the improvement is fully operational and ready for occupancy or use for its intended purpose, including without limitation the issuance of any applicable certificate of occupancy and other applicable permits, licenses, certificates or inspection reports necessary to the improvement's legally authorized use.

(b) "Council" means the City Council of the City of Homer, Alaska.

(c) "Environmental Laws" means all local, state, and federal laws, ordinances, regulations, and orders related to environmental protection; or the use, storage, generation, production, treatment, emission, discharge, remediation, removal, disposal, or transport of any Hazardous Substance.

(d) "Excusable Delay" means delay due to strikes, acts of God, inability to obtain labor or materials, orders of any governmental authority having jurisdiction, removal of Hazardous Materials discovered at any time after the commencement of the Term, enemy action, civil commotion, fire, unusual inclement weather, unavoidable casualty or similar causes beyond the reasonable control of User.

(e) "Hazardous Substance" means any substance or material defined or designated as hazardous or toxic waste; hazardous or toxic material; hazardous, toxic, or radioactive substance; or other similar term by any federal, state, or local statute, regulation, or ordinance or common law presently in effect or that may be promulgated in the future as such statutes, regulations, and ordinances may be amended from time to time.

(f) "City" means the City of Homer, Alaska.

(g) "Property" is defined in Section 2.01.

(h) "Required Improvements" is defined in Section 5.02.

(i) "User" means Kachemak Nordic Ski Club.

(j) "Term" is defined in Section 3.01.

1.02 Attachments. The following documents are attached hereto, and such documents, as well as all drawings and documents prepared pursuant thereto, shall be deemed to be a part hereof:

Exhibit "A" Legal Description of Property

Exhibit "B" Site Plan

Exhibit "C" Certificates of Insurance

ARTICLE 2. THE PROPERTY

2.01 License for Use of Property. Subject to the terms and conditions of this Agreement, City grants to User and User accepts from City a revocable, non-exclusive license to use the following described property ("Property"):

T 6S R 14W SEC 9 SEWARD MERIDIAN HM SE1/4 SE1/4 EXCLUDING THE W1/2 SW1/4 SE1/4 SE1/4, Homer Recording District, State of Alaska, as depicted on **Exhibit A**, containing 33 acres, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 17302201; and

T 6S R 14W SEC 10 SEWARD MERIDIAN HM SE1/4 & S1/2 SW1/4, Homer Recording District, State of Alaska, as depicted on **Exhibit A**, containing 240 acres, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 17303229; and

T06 S R 14 W SEC 15 Seward Meridian HM 2011022 Bishop Survey J.G. Evans Addition Lot 1 as depicted on **Exhibit A**, containing 2 acres, more or less, also known as Kenai Peninsula Borough Tax Parcel No. KPB Parcels 17316066 and 17316067.

This Agreement does not grant User any real property interest in the Property. This Agreement is issued to allow User to use the Property only for the purposes authorized in this Agreement or approved in writing by City. The City reserves the right to permit other uses of the Property.

2.02 Property Accepted "As Is." User has inspected the Property, has made its own determination as to the suitability of the Property for User's intended use, and accepts the Property "AS IS." City, its agents and employees make no warranties, expressed or implied, concerning the condition of the Property, including without limitation the fitness of the Property for any particular purpose, including those uses authorized by this Agreement, or subsurface and soil conditions, including the presence of any Hazardous Substance.

ARTICLE 3. TERM

3.01 Agreement Term; Termination. The term of this Agreement is 5 years, commencing on May 1, 2022 and ending on April 30, 2027 ("Term"). The Term is subject to termination by either party, with or without cause, at any time.

3.02 Agreement Renewal. User acknowledges that it has no right of any kind to continue using or occupying the Property after the expiration or earlier termination of the Term. Not less than 12 months before the expiration of the Term, User may apply to City for a renewal of this Agreement in the manner that a person then would apply for a new Agreement to use the Property. In response to a timely application, the Council will determine whether to renew this Agreement, and the term of any renewal, in its sole discretion. The Council is under no obligation to renew this Agreement, or to renew this Agreement for the term that User requests. If the Council does not grant a timely application to renew this Agreement, Tenant shall prepare to surrender possession of the Property as required by Section 3.03, and dispose of improvements on the Property as required by Section 5.05.

3.03 Surrender of Possession. Upon the expiration or earlier termination of the Term, User shall promptly and peaceably surrender the Property, clean, free of debris, and in as good order and condition as at the commencement of the Term, ordinary wear and tear excepted, and shall remove from the Property all personal property of User, and all other personal property that was not present on the Property at the commencement of the Term. If User fails to surrender the Property in the required condition, City may (i) restore the Property to such condition and User shall pay the cost thereof on demand; and (ii) at its option retain any personal property remaining on the Property, which shall become property of the City, or dispose of such personal property without obligation to User.

3.04 Holding Over. User's continuing in possession of the Property after the expiration or earlier termination of the Term will not renew or extend this Agreement and will not give User any rights in or to the Property.

ARTICLE 4. PERMIT FEE, TAXES, ASSESSMENTS AND UTILITIES

4.01 Permit Fee. City will not charge User any fee for User's use of the Property under this Agreement.

4.02 Taxes, Assessments and Other Governmental Charges. User shall pay prior to delinquency all taxes, installments of assessments that are payable in installments and other governmental charges lawfully levied or assessed upon or with respect to its use of the Property and personal property that is situated on the Property.

4.03 Utility Charges. User shall pay all charges for utility and other services required for its use of the Property under this Agreement, including without limitation gas, heating oil, electric, water, sewer, heat, snow removal and refuse removal. User shall be solely responsible for the cost of utility connections.

ARTICLE 5. USE AND IMPROVEMENT OF PROPERTY

5.01 Use of Property. User shall improve and use the Property in the following manner:

Special Nordic Ski Events, maintenance of existing ski trails (winter and summer), operations and public use of ski trails, installation of trail signage.

User shall not use or improve the Property for any purpose or in any manner other than as described above without City's written consent, which consent City may withhold in its sole discretion.

5.02 User - Improvements. User may, at User's sole expense, construct, and at all times during the Term keep and maintain on the Property the following improvements ("User Improvements"):

Equipment Shed as subject to all state and local permitting.

The User Improvements also are depicted in the site plan in **Exhibit B**. User may choose to commence construction of the Improvements at the date of their choice within one year after the date of commencement of the Term, prosecute the construction of the Improvements with diligence, and Complete construction within one additional year.

5.03 Construction Prerequisites. User may not commence any construction on the Property, including without limitation construction of the User Improvements, without first satisfying the following conditions:

(a) Not less than 30 days before commencing construction, User shall submit to City preliminary plans and specifications, and an application for a City of Homer zoning permit, for the construction, showing the layout of proposed improvements, ingress and egress, dimensions and locations of utilities, drainage plans, and any other information required for the zoning permit or other required permits. The preliminary plans and specifications are subject to City's approval, which will not be unreasonably withheld. City shall communicate approval or disapproval in the manner provided for notices, accompanying any disapproval with a statement of the grounds therefor. User shall be

responsible for complying with all laws governing the construction, or that are otherwise applicable to user's improvement or operations notwithstanding City's approval of preliminary plans and specifications under this paragraph.

(b) Not less than five days before commencing construction, User shall deliver to City one complete set of final working plans and specifications as approved by the governmental agencies whose approval is required for User to commence construction. The final working plans and specifications shall conform substantially to the preliminary plans and specifications previously approved by City, subject to changes made to comply with suggestions, requests or requirements of a governmental agency or official in connection with the application for permit or approval.

(c) Not less than five days before commencing construction, User shall give City written notice of its intent to commence construction, and furnish to City with proof that all applicable federal, state and local permits required for the construction have been obtained.

5.04 Extensions of Time for Completion of Improvements. City shall grant an extension of the time to Complete the Required Improvements for a period of time equal to the duration of an Excusable Delay, upon User's written request describing the nature of the Excusable Delay, provided User has commenced construction in a timely manner and is proceeding diligently to Complete construction.

5.05 Disposition of Improvements at End of Term.

(a) At the expiration of the Term User shall leave in place on the Property all improvements designated in **Exhibit B** for transfer to City and retention on the Property at the expiration of the Term. User shall leave such improvements intact with all components in good condition and ready for use or occupancy. User shall execute, acknowledge and deliver to City a proper instrument in writing, releasing and quitclaiming to City all of User's interest in such improvements. Except for improvements that User is required to leave on the Property, User shall remove any improvements constructed by User or other occupants of the Property under this Agreement before the expiration of the Term.

(b) User shall notify City before commencing the removal of an improvement as required by subsection (a) of this section, and coordinate the removal work with City. Once User commences the removal work, User shall prosecute the removal with reasonable diligence to Completion and shall repair all damages to the Property caused by such removal no later than the expiration of the Term, in accordance with a site restoration plan approved by the City. All salvage resulting from such work will belong to User, who is responsible for its removal and lawful disposal.

(c) If User fails to remove any improvements from the Property that User is required to remove under subsection (a) of this section, User shall pay City the costs that it incurs in removing and disposing of the improvements and repairing damages to the Property caused by such removal.

ARTICLE 6. CARE AND USE OF THE PROPERTY

6.01 Maintenance of the Property. User at its own cost and expense shall keep the Property and all buildings and improvements that at any time may be situated thereon in a clean, safe and orderly condition, and in good repair at all times during the Term.

6.02 Nuisances Prohibited. User at all times shall keep the Property in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests; junk, abandoned or discarded property, including without limitation vehicles, equipment, machinery or fixtures; and litter, rubbish or trash. User shall not use the Property in any manner that will constitute waste or a nuisance. City, at User's expense and without any liability to User, may remove or abate any such junk, abandoned or discarded property, litter, rubbish or trash, or nuisance on the Property after 15 days written notice to User, or after four hours' notice to User in writing, by telephone, facsimile or in person if City finds that such removal or abatement is required to prevent imminent harm to public health, safety or welfare. User shall pay City all the costs of such removal. This section does not limit or waive any other remedy available to the City of Homer to abate any nuisance or for the violation of the Homer City Code.

6.03 Hours of Operation. User may use the Property, and invite members of the public onto the Property, only during the hours that City has made the Property open to the public. If the City prescribes hours of closure, User will inform their membership accordingly.

6.04 Compliance with Laws. User's improvement and use of the Property shall comply with all governmental statutes, ordinances, rules and regulations, including without limitation the City of Homer Zoning Code and all applicable building codes, now or hereafter in effect.

6.05 Liens. User may not permit any lien, including without limitation a mechanic's or materialman's lien, to be recorded against the Property. If any such lien is recorded against the Property, User shall cause the same to be removed; provided that User may in good faith and at User's own expense contest the validity of any such lien without subjecting the Property to foreclosure, and in the case of a mechanic's or materialman's lien, if User has furnished the bond required in AS 34.35.072 (or any comparable statute hereafter enacted providing for a bond freeing the Property from the effect of such a lien claim). User shall indemnify and save City harmless from all liability for damages occasioned by any such lien, together with all costs and expenses (including attorneys' fees) incurred by City in negotiating, settling, defending, or otherwise protecting against such lien and shall, in the event of a judgment of foreclosure of the lien, cause the same to be discharged and removed prior to any attempt at execution of such judgment.

6.06 Signs. User may erect signs on the Property that comply with state and local sign laws and ordinances, subject to the prior written approval of the City.

6.07 Garbage Disposal. User shall keep any garbage, trash, rubbish or other refuse in industry standard containers until removed, and cause all garbage, trash, rubbish or other refuse on the Property to be collected and transported to a Kenai Peninsula Borough solid waste facility or transfer station at least once a week.

6.08 Access Rights of City. City's agents and employees shall have the right, but not the obligation, to enter the Property at all reasonable times to inspect the use and condition of the Property; to serve, post or keep posted any notices required or allowed under the provisions of this Agreement, including notices of non-responsibility for liens; and to do any act or thing necessary for the safety or preservation of the Property.

6.09 Special Events. User is not required to submit a Special Events permit unless there is an additional event beyond the typical and historical use of organization operations.

6.10 Food and Concessions. User are allowed up to two (2) food trucks for their activities. These food trucks must fulfil the City's required food truck permitting process.

ARTICLE 7. ASSIGNMENT

7.01 Consent Required for Assignment. User shall not assign its interest in this Agreement or in the Property without first obtaining the written consent of City, which City may grant or withhold in its sole discretion. No consent to any assignment waives User's obligation to obtain City's consent to any subsequent assignment. An assignment of this Agreement shall require the assignee to assume User's obligations hereunder, and shall not release User from liability hereunder unless City specifically so provides in writing.

7.02. Costs of City's Consent to be Borne by User. As a condition to City's consent to any assignment under section 7.01, User shall pay City's reasonable costs, including without limitation attorney's fees and the expenses of due diligence inquiries, incurred in connection with any request by User for City's consent to the assignment.

ARTICLE 8. LIABILITY, INDEMNITY AND INSURANCE

8.01 Limitation of City Liability. City, its officers and employees shall not be liable to User for any damage to the Property or the buildings and improvements thereon, or for death or injury of any person or damage to any property, from any cause; however, this provision shall not affect the liability of City, its officers and employees on any claim to the extent the claim arises from their negligence or willful misconduct.

8.02 Indemnity Generally. User shall indemnify, defend, and hold harmless City, its officers and employees from all claims arising from death or injury of any person or damage to any property occurring in or about the Property; however, this provision shall not apply to any claim to the extent the claim arises from the sole negligence or willful misconduct of City, its officers and employees.

8.03 Insurance Requirements.

(a) Without limiting User's obligations to indemnify under this Agreement, User at its own expense shall maintain in force such policies of insurance with a carrier or carriers reasonably satisfactory to City and authorized to conduct business in the state of Alaska, as City may reasonably determine are required to protect City from liability arising from User's activities under this Agreement. City's insurance requirements shall specify the minimum acceptable coverage and limits, and if User's policy contains broader coverage or higher limits, City shall be entitled to such coverage to the extent of such higher limits.

(b) User shall maintain in force at all times during the Term the following policies of insurance:

(1) Comprehensive general liability insurance with limits of liability not less than a combined single limit for bodily injury and property damage of \$1,000,000 each occurrence and \$2,000,000 aggregate. This insurance also shall be endorsed to provide contractual liability insuring User's obligations to indemnify under this Agreement.

(2) Comprehensive automobile liability covering all owned, hired and non-owned vehicles with coverage limits not less than \$1,000,000 occurrence combined single limit for bodily injury and property damage.

(3) Workers' compensation insurance as required by AS 23.30.045. This coverage shall include employer's liability protection not less than \$1,000,000 per person, \$1,000,000 per occurrence. The workers' compensation insurance shall contain a waiver of subrogation clause in favor of City.

(c) User shall furnish City with certificates evidencing the required insurance not later than the date as of which this Agreement requires the insurance to be in effect. The certificates of insurance shall be attached hereto as **Exhibit C**. The certificates and the insurance policies required by this Section shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire, and limits of liability will not be reduced, without at least 30 days' prior written notice to City. City shall be named as an additional insured under all policies of liability insurance required of User. City's acceptance of a deficient certificate of insurance does not waive any insurance requirement in this Agreement.

ARTICLE 9. ENVIRONMENTAL MATTERS

9.01 Use of Hazardous Substances. User shall not cause or permit the Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce or process any Hazardous Substance, except as is necessary or useful to User's authorized uses of the Property stated in Section 5.01, and only in compliance with all applicable Environmental Laws. Any Hazardous Substance permitted on the Property as provided in this section, and all containers therefor, shall be handled, used, kept, stored and disposed of in a manner that complies with all applicable Environmental Laws, and handled only by properly trained personnel.

9.02 Prevention of Releases. User shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of User or any of its agents, employees, volunteers, contractors, invitees or other users or occupants of the Property, a release of any Hazardous Substance onto the Property or onto any other property.

9.03 Compliance with Environmental Laws. User at all times and in all respects shall comply, and will use its best efforts to cause all of its agents, employees, volunteers, contractors, invitees or other users or occupants of the Property to comply, with all Environmental Laws, including without limitation the duty to undertake the following specific actions: (i) User shall, at its own expense, procure, maintain in effect and comply with all conditions of, any and all permits, licenses and other governmental and regulatory approvals required by all Environmental Laws, including without limitation permits required for discharge of (appropriately treated) Hazardous Substances into the ambient air or any sanitary sewers serving the Property; and (ii) except as discharged into the ambient air or a sanitary sewer in strict compliance with all applicable Environmental Laws, all Hazardous Substances from or on the Property to be treated and/or disposed of by User will be removed and transported solely by duly licensed transporters to a duly licensed treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

9.04 Notice. User shall promptly give City (i) written notice and a copy of any notice or correspondence it receives from any federal, state or other government agency regarding Hazardous Substances on the Property or Hazardous Substances which affect or will affect the Property; (ii) written

notice of any knowledge or information User obtains regarding Hazardous Substances or losses incurred or expected to be incurred by User or any government agency to study, assess, contain or remove any Hazardous Substances on or near the Property, and (iii) written notice of any knowledge or information User obtains regarding the release or discovery of Hazardous Substances on the Property.

9.05 Remedial Action. If the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment or disposal at the Property of any Hazardous Substance (i) gives rise to liability (including but not limited to a response action, remedial action or removal action) under any Environmental Law, (ii) causes a significant public health effect, or (iii) pollutes or threatens to pollute the environment, User shall, at its sole expense, promptly take any and all remedial and removal action necessary to clean up the Property and mitigate exposure to liability arising from the Hazardous Substance, whether or not required by law.

9.06 Indemnification. Subject to Section 9.09, User shall indemnify, defend, and hold harmless City, its officers and employees from and against any and all claims, disbursements, demands, damages (including but not limited to consequential, indirect or punitive damages), losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including experts', consultants' and attorneys' fees and expenses, and including without limitation remedial, removal, response, abatement, cleanup, legal, investigative and monitoring costs), imposed against City, arising directly or indirectly from or out of, or in any way connected with (i) the failure of User to comply with its obligations under this Article; (ii) any activities on the Property during User's past, present or future possession or control of the Property which directly or indirectly resulted in the Property being contaminated with Hazardous Substances; (iii) the discovery of Hazardous Substances on the Property whose presence was caused during the possession or control of the Property by User; (iv) the clean-up of Hazardous Substances on the Property; and (v) any injury or harm of any type to any person or damage to any property arising out of or relating to Hazardous Substances on the Property or from the Property on any other property. The liabilities, losses, claims, damages, and expenses for which City is indemnified under this section shall be reimbursable to City as and when the obligation of City to make payments with respect thereto are incurred, without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and User shall pay such liability, losses, claims, damages and expenses to City as so incurred within 10 days after notice from City itemizing in reasonable detail the amounts incurred (provided that no itemization of costs and expenses of counsel to City is required where, in the determination of City, such itemization could be deemed a waiver of attorney-client privilege).

9.07 Survival of Obligations. The obligations of User in this Article, including without limitation the indemnity provided for in Section 9.06, are separate and distinct obligations from User's obligations otherwise provided for herein and shall continue in effect after the expiration of the Term and any Renewal Term.

9.08 Claims against Third Parties. Nothing in this Article shall prejudice or impair the rights or claims of User against any person other than City with respect to the presence of Hazardous Substances as set forth above.

9.09 Extent of User's Obligations. User's obligations under this Article apply only to acts, omissions or conditions that (i) occur in whole or in part during the Term or during any time of User's possession or occupancy of the Property prior to or after the Term of this Agreement; or (ii) are proximately caused in whole or in part by the occupancy of, use of, operations on, or actions on or arising out of the Property by User or its employees, agents, customers, invitees or contractors.

ARTICLE 12. GENERAL PROVISIONS

12.01 Authority. User represents and warrants that it has complete and unconditional authority to enter into this Agreement; this Agreement has been duly authorized by User's governing body; this Agreement is a binding and enforceable agreement of and against User; and the person executing the Agreement on User's behalf is duly and properly authorized to do so.

12.02 Notices.

(a) All notices, demands or requests from one party to another shall be delivered in person or be sent by (i) mail, certified or registered, postage prepaid, (ii) reputable overnight air courier service, or (iii) electronic mail (accompanied by reasonable evidence of receipt of the transmission and with a confirmation copy mailed by first class mail no later than the day after transmission).

(b) From and after the signing of this Agreement, User at all times shall maintain on file with City the names, mailing addresses, telephone numbers and email addresses of two individuals with authority to receive notices on behalf of User under this Agreement.

(c) All notices to City under this Agreement shall be addressed to the following:

City Manager
City of Homer
491 East Pioneer Avenue
Homer, Alaska 99603
Facsimile: (907) 235-3148
Email: citymanager@cityofhomer-ak.gov

12.03 Time. Time is of the essence of each provision of this Agreement. The time in which any act provided by this Agreement is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday or a holiday, and then it is also excluded. The term "holiday" will mean all holidays as defined by the statutes of Alaska.

12.04 Interpretation. Each party hereto has been afforded the opportunity to consult with counsel of its choice before entering into this Agreement. The language in this Agreement shall in all cases be simply construed according to its fair meaning and not for or against either party as the drafter thereof.

12.05 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Agreement.

12.06 Independent Contractor Status. City and User are independent contractors under this Agreement, and nothing herein shall be construed to create a partnership, joint venture, or agency relationship between City and User. Neither party shall have any authority to enter into agreements of any kind on behalf of the other and shall have no power or authority to bind or obligate the other in any manner to any third party.

12.07 Parties Interested Herein. Nothing in this Agreement, express or implied, is intended or shall be construed to give to any person other than City and User any right, remedy or claim, legal or equitable, under or by reason of this Agreement. The covenants, stipulations and agreements

contained in this Agreement are and shall be for the sole and exclusive benefit of City and User, and their permitted successors and assigns.

12.08 Successors and Assigns. This Agreement shall be binding upon the successors and assigns of City and User, and shall inure to the benefit of the permitted successors and assigns of City and User.

12.09 Waiver. No waiver by a party of any right hereunder may be implied from the party's conduct or failure to act, and neither party may waive any right hereunder except by a writing signed by the party's authorized representative. The lapse of time without giving notice or taking other action does not waive any breach of a provision of this Agreement. No waiver of a right on one occasion applies to any different facts or circumstances or to any future events, even if involving similar facts and circumstances. No waiver of any right hereunder constitutes a waiver of any other right hereunder.

12.10 Attorney's Fees. In the event of litigation between City and User concerning enforcement of any right or obligation under this Agreement, the non-prevailing party shall reimburse the prevailing party for the attorney's fees reasonably incurred and expended by the prevailing party in the litigation.

12.11 Severability. If any provision of this Agreement shall for any reason be held to be invalid, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, such provision shall be construed so as to make it enforceable to the greatest extent permitted, such provision shall remain in effect to the greatest extent permitted and the remaining provisions of this Agreement shall remain in full force and effect.

12.12 Entire Agreement, Amendment. This Agreement constitutes the entire and integrated agreement between City and User concerning the subject matter hereof, and supersedes all prior negotiations, representations or agreements, either written or oral. No affirmation, representation or warranty relating to the subject matter hereof by any employee, agent or other representative of City shall bind City or be enforceable by User unless specifically set forth in this Agreement. This Agreement may be amended only by written instrument executed and acknowledged by both City and User.

12.13 Governing Law and Venue. This Agreement will be governed by, construed and enforced in accordance with, the laws of the State of Alaska. Any action or suit arising between the parties in relation to or in connection with this Agreement, or for the breach thereof, shall be brought in the trial courts of the State of Alaska for the Third Judicial District at Homer.

12.14 Execution in Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

CITY OF HOMER

KACHEMAK NORDIC SKI CLUB

By: _____
Melissa Jacobsen

Interim City Manager

By: _____
(Signature)

(Print Name)

(Print Title)

ATTEST:

Signature

Printed Name

Position

ATTEST:

Signature

Printed Name

Position

EXHIBIT A
LOCATION OF PROPERTY
(Section 2.01)

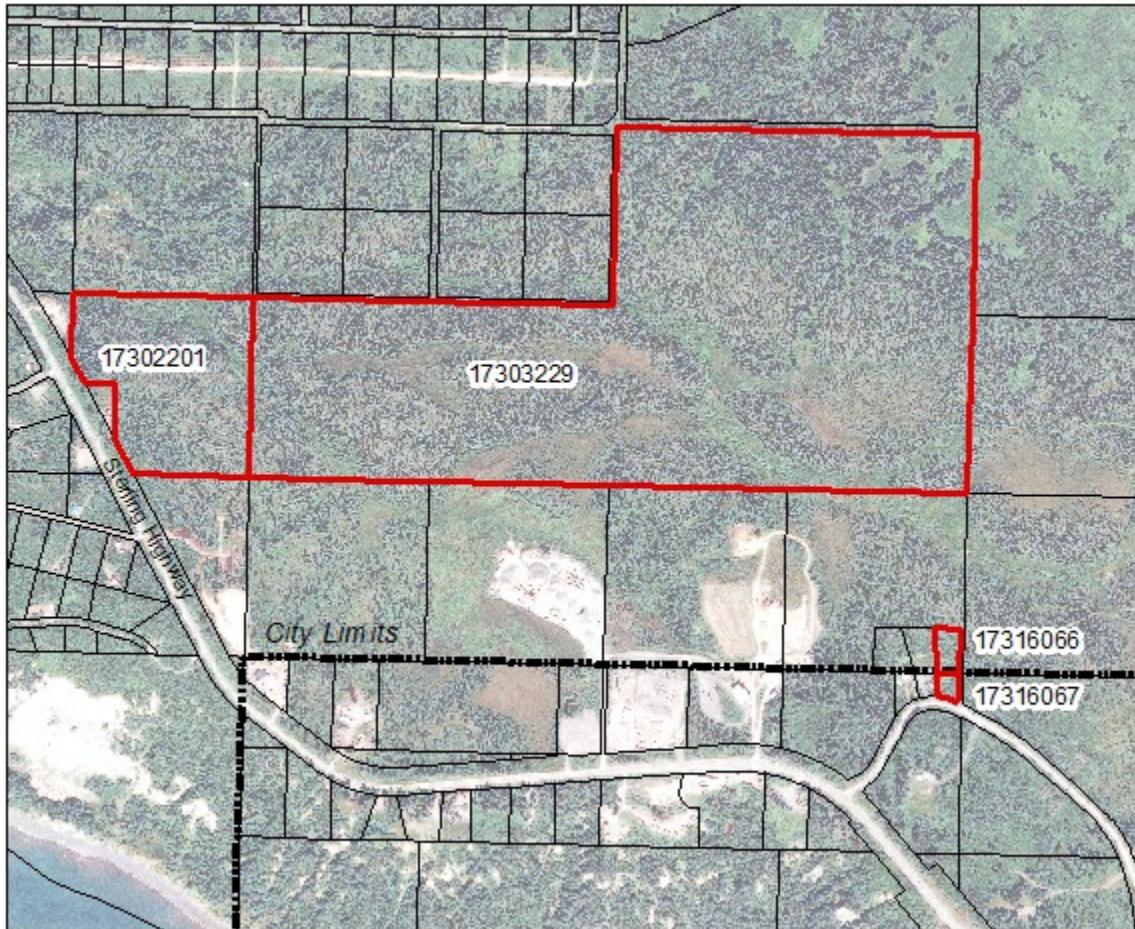
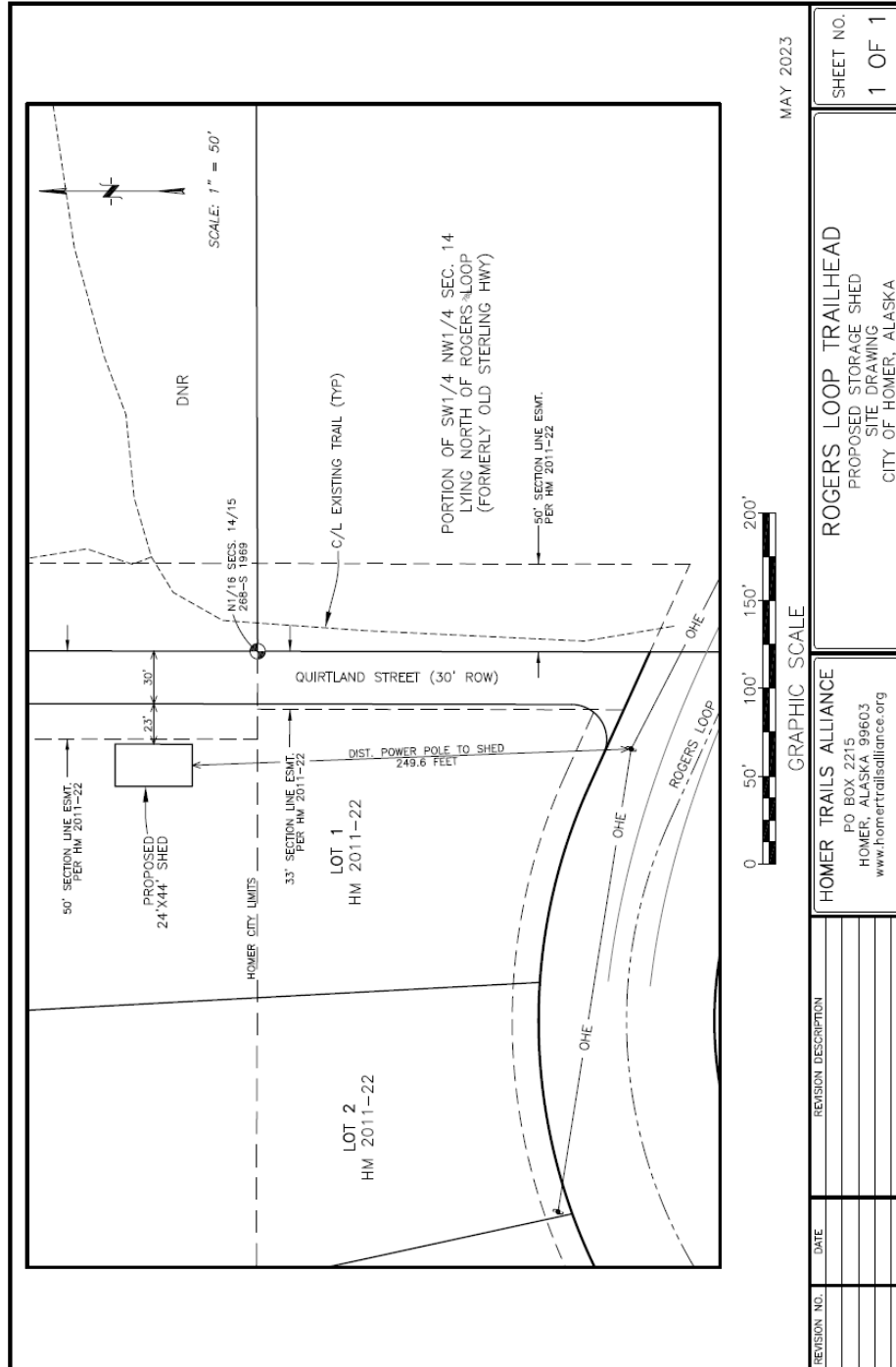


EXHIBIT B

SITE PLAN

(Section 6.02)

Concept Plan



REVISION NO. 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 	DATE 	REVISION DESCRIPTION 	REVISION NO.

HOMER TRAILS ALLIANCE
 PO BOX 2215
 HOMER, ALASKA 99603
 www.homertrailsalliance.org

ROGERS LOOP TRAILHEAD
 PROPOSED STORAGE SHED
 SITE DRAWING
 CITY OF HOMER, ALASKA

SHEET NO.
 1 OF 1

EXHIBIT C
CERTIFICATES OF INSURANCE
(Section 9.04(d))

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 24-067

A RESOLUTION OF THE HOMER CITY COUNCIL CONFIRMING THE ASSESSMENT ROLL, ESTABLISHING DATES FOR PAYMENT OF SPECIAL ASSESSMENTS AND ESTABLISHING DELINQUENCY, PENALTY, AND INTEREST PROVISIONS FOR THE CHARLES WAY/BUNNELL AVENUE WATER IMPROVEMENT SPECIAL ASSESSMENT DISTRICT

WHEREAS, In compliance with Homer City Code Chapter 17, Improvement Districts, the Homer City Council created the Charles Way Bunnell Avenue Water and Sewer Special Assessment District with Resolution 21-017(A); and

WHEREAS, The Notice of Public Hearing and Notice of Right to Object dated May 10, 2024 was mailed to property owners in the district advising that written objections must be filed with the City Clerk no later than May 21, 2024; and

WHEREAS, A Public Hearing was held on May 28, 2024 to hear objections to the final assessment roll; and

WHEREAS, No written objections were filed by May 21, 2024; and

WHEREAS, The final assessment roll as presented by the City Clerk is attached hereto as Attachment A, is hereby confirmed as the official assessment roll for the Charles Way Bunnell Avenue Special Assessment Districts and the Mayor and Clerk shall be directed to sign same.

NOW, THEREFORE, BE IT RESOLVED that on or before 5:00 p.m. on October 1, 2024 all assessments in the Charles Way Bunnell Avenue Water and Sewer Special Assessment Districts shall become due and payable in full. All assessments not paid in full by this date shall be considered delinquent and in default and shall have added a penalty the rate of ten and one half percent (10.5%) per annum until paid. Should default occur, the City of Homer will institute a civil action for a foreclosure of the assessment lien. Foreclosure shall be against all property on which assessments are in default. All costs including collection and legal fees resulting from such action, shall be added and incorporated into the assessed amount due plus interest and penalties and shall be reimbursed from the proceeds of foreclosure sale of the assessed real property.

BE IT FURTHER RESOLVED that an optional twenty (20) year payment plan for the water and sewer assessments is offered whereby the assessments may be paid in equal yearly installments plus interest of one and one half percent (1.5%) per annum on the unpaid balance of the assessment. The first such installment shall be due and payable without interest on or

before 5:00 p.m. October 1, 2024 and each installment thereafter shall be due on or before October 1 of each year, plus interest on the unpaid balance of the assessment. If any annual installment payment is not received when due, the entire outstanding principle amount of the assessment shall be in default and shall be immediately due and payable. The entire outstanding assessment principle (including the annual installment) shall have added a penalty of ten and one half percent (10.5%) on the outstanding principle. The principle shall draw an additional interest at the rate of ten and one half percent (10.5%) per annum until paid. Should default occur, the City will institute civil action for foreclosure of the assessment lien. Foreclosure shall be against all property on which assessments are in default. All costs including collection and legal fees resulting from such action shall be added and incorporated into the assessed amount due plus interest and penalties, and shall be reimbursed from the proceeds of foreclosure sale of the assessed real property.

PASSED AND ADOPTED by the Homer City Council on this 10th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal Note: Total Project Costs - Water: \$376,848.70 Sewer: \$328,800.33

HAWSP 25% Share – Water: \$94,212.18 Sewer: \$82,200.83

Property Owner 75% - Water: \$282,172.26 Sewer: \$246,599.50

FINAL ASSESSMENT ROLL**Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District** DATE: **April 25, 2024**TOTAL PROJECT WATER: **\$602,538.70 - \$225,690 (ADEC Principle Subsidy) = 376,848.70**TOTAL PROJECT SEWER: **\$328,800.33**Districts shall be assessed 75% property owner share of the project. WATER: **\$282,172.26** SEWER: **\$246,599.50**HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: **\$94,212.18** SEWER: **\$82,200.83**

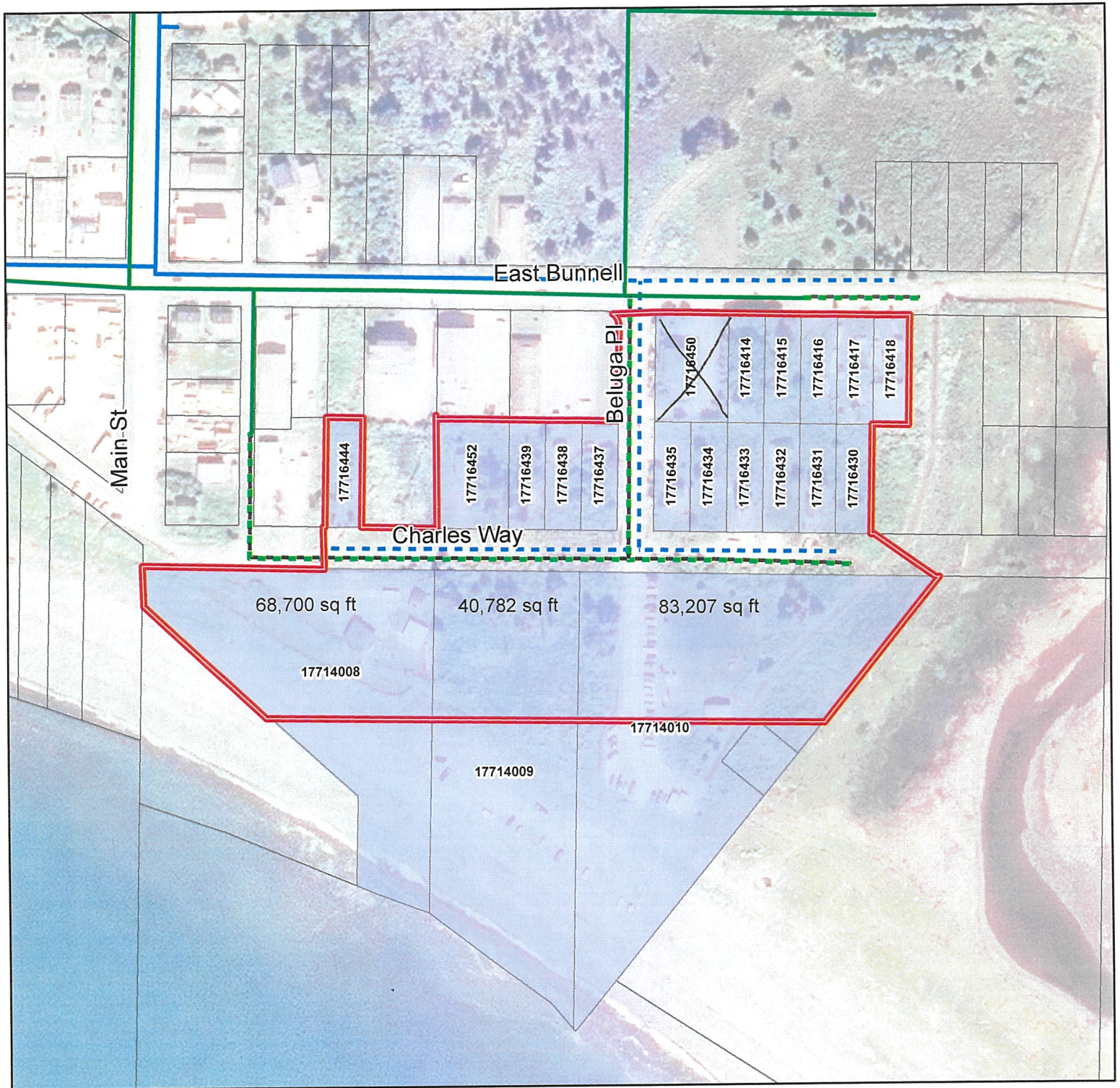
	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
1	DAM REVOCABLE TRUST 2019 PO BOX 399 DIVIDE CO 80814-0399	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 154 #17716418	\$52,600	Water \$6,973.21 Sewer \$6,384.86
2.	GUETSCHOW RUBEN PO BOX 1071 PAHOA HI 96778-1071	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 153 #17716417	\$47,900	Water \$6,973.21 Sewer \$6,384.86
3.	LONG, CHRIS 879 LINDA CT. HOMER, AK 99603-7222	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 152 #17716416	\$45,900	Water \$6,973.21 Sewer \$6,384.86
4.		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 151 #17716415	\$244,200	Water \$6,973.21 (Property has sewer)
5.	CONNOLLY NANCY C 303 TORQUAY CT UNIT B RIDGE NY 11961-8358	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 150 #17716414	\$49,600	Water \$6,973.21 Sewer \$6,384.86
6.	LINDSEY RONALD J SAVIDGE BARBARA A PO BOX 1867 HOMER AK 99603-1867	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 162 #17716444	\$85,900	Water \$6,973.21 Sewer \$6,384.86
7.	JOHNSON PAUL MATTHEW 124 E 23 RD AVE ANCHORAGE, AK 99503-2010 PEREIRA, KATHERIN 3476 S. HORSESHOE LAKE RD WASILLA, AK 99623	T 6S R 13W SEC 20 Seward Meridian HM 2008066 W R BENSON'S SUB 2008 REPLAT LOT 165-A #17716452	\$186,200	Water \$13,946.42 Sewer \$12,769.72

FINAL ASSESSMENT ROLL**Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District** DATE: **April 25, 2024**TOTAL PROJECT WATER: **\$602,538.70 - \$225,690 (ADEC Principle Subsidy) = 376,848.70**TOTAL PROJECT SEWER: **\$328,800.33**Districts shall be assessed 75% property owner share of the project. WATER: **\$282,172.26** SEWER: **\$246,599.50**HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: **\$94,212.18** SEWER: **\$82,200.83**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
8.	LARSON BJORN & RAUPP SASHA H PO BOX 1435 HOMER AK 99603-1435	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 167 #17716439	\$51,500	Water \$6,973.21 Sewer \$6,384.86
9.	BAUGHER TINA M 209 W DIMOND BLVD STE 4 ANCHORAGE AK 99515-1932	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 168 #17716438	\$50,700	Water \$6,973.21 Sewer \$6,384.86
10.		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 169 #17716437	\$43,300	Water \$6,973.21 Sewer \$6,384.86
11.	VERNON ROBERT GORDON PO BOX 3 HOMER AK 99603-0003	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 171 #17716435	\$157,400	Water \$6,973.21 Sewer \$6,384.86
12.		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 172 #17716434	\$41,300	Water \$6,973.21 Sewer \$6,384.86
13.	LOGAN CHRISTINA ARLYNE 2303 TULIK DR ANCHORAGE AK 99517-1132	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 173 #17716433	\$175,200	Water \$6,973.21 Sewer \$6,384.86
14.		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 174 #17716432	\$58,100	Water \$6,973.21 Sewer \$6,384.86
15.	HILLSTRAND NANCY PO BOX 7 HOMER AK 99603-0007	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 175 #17716431	\$102,100	Water \$6,973.21 Sewer \$6,384.86
16.		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 176 #17716430	\$36,000	Water \$6,973.21 Sewer \$6,384.86

FINAL ASSESSMENT ROLL**Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District** DATE: **April 25, 2024**TOTAL PROJECT WATER: **\$602,538.70 - \$225,690 (ADEC Principle Subsidy) = 376,848.70**TOTAL PROJECT SEWER: **\$328,800.33**Districts shall be assessed 75% property owner share of the project. WATER: **\$282,172.26** SEWER: **\$246,599.50**HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: **\$94,212.18** SEWER: **\$82,200.83**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
17.	HOMER CITY OF 491 E PIONEER AVE HOMER AK 99603-7624	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER LOT 2 TH S 89 DEG 57'30" E 600 FT ALONG N BOUND LT 2 TO POB TH S 0 D EG 2' E 391 FT TO CORNER 2 ON MHW KACHEMAK BAY TH S 59 DEG 30' E 150 FT TO CORNE R 3 TH N 38 DEG 0' E 592.6 FT TO CORNER 4 TH N 89 DEG 57'37" W ALONG N BOUNDRY O F GL 2 494.3 FT TO POB SAVE & EXC THAT PTN DESCRIBED IN W/D 88 @ 820 #17714010	\$593,900	Water \$133,925.38 Sewer \$117,041.74
18.	JOHNSON PAUL MATTHEW 124 E 23RD AVE ANCHORAGE, AK 99503-2010 PEREIRA, KATHERIN 3476 S. HORSESHOE LAKE RD WASILLA, AK 99623	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN 400 FT E OF 1/16 CRNR COMMO N TO SEC 19 & 20 TH E 200 FT ALONG N BOUND OF GL 2 TH S TO BEACH LINE TH W 200 F T TH 339 FT N TO POB #17714009	\$4,300	Water \$14,851.17 Sewer \$13,699.97
19.	VANN REVOCABLE TRUST PO BOX 561 KASILOF AK 99610-0561	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN INTERSECTION OF N BOUNDARY LT 2 & RR ROW TH E TO PT 400 FT FROM 1/16 CRNR TH S TO BEACH TH NW 100 FT TH N T O NORTH SIDE OF OLD RR ROW TH NW TO POB #17714008	\$248,000	Water \$14,851.17 Sewer \$13,699.97

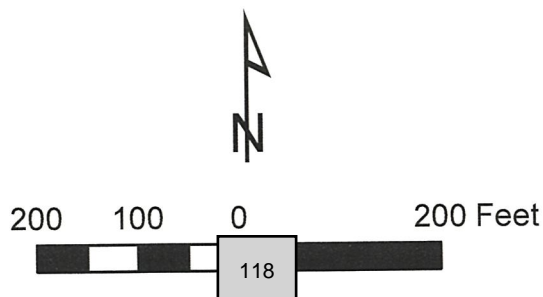


Legend

- Special Assessment District
- Parcels Concerned
- Proposed Sewer Main
- Proposed Water Main
- Existing Sewer Main
- Existing Water Main

Coordinate System: NAD 1983 StatePlane Alaska 4 FIPS 5004 Feet
 Projection: Transverse Mercator
 Datum: North American 1983
 False Easting: 1,640,416.6667
 False Northing: 0.0000
 Central Meridian: -150.0000
 Scale Factor: 0.9999
 Latitude Of Origin: 54.0000
 Units: Foot US

CHARLES WAY/EAST BUNNELL WATER & SEWER EXTENSION SPECIAL ASSESSMENT DISTRICT



Dept. of Public Works
 November 16, 2021

Disclaimer:
 It is expressly understood the City of Homer, its council, board, departments, employees and agents are not responsible for any errors or omissions contained herein, or deductions, interpretations or conclusions drawn therefrom.



MEMORANDUM

Resolution 24-068, A Resolution of the City Council of Homer, Alaska Approving a Lease Assignment from Y&C, LLC to Berth II, Inc. for a New 20 Year Lease for Parcel #18103432, Lot 32 as shown on Plat No. 89-34 at the Annual Rate of \$23,653.44 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager.

Item Type: Action Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: May 30, 2024
From: Roslyn Kriegh, Port Property Associate
Through: Melissa Jacobsen, Interim City Manager

Requested Action:

Review lease assignment application submitted by Berth II Inc. in regards to Lot #18103432, currently leased by Y & C LLC.

Background:

Berth II Inc. has submitted a request for Assignment of the Lease currently held by Y & C LLC. of lot #18103432, located at 4400 Homer Spit Road as a part of the purchase of the building. Y & C LLC.'s current lease ends on January 31st, 2039 with two five (5) year extension periods available. Berth II Inc. is requesting a standard 20-year lease with two five (5) year extensions, thus ending in 2044. All other conditions of the current lease would remain the same. Berth II Inc., representing the Southwest Alaska Pilots Association, has stated they intend to continue subleasing the existing business space on the 1st floor, in addition to establishing sleeping quarters and administrative office space for their pilots and crew (2nd floor). Per Homer City Code 18.08.110, the current lease is in compliance and the leasing history has demonstrated that contractual obligations have been satisfactorily met, please see attached Letter of Good Standing.

The Port and Harbor Commission made a motion of support for assigning this lease to Berth II Inc, please see attached meeting minutes.

Recommendation:

Recommend the City Council pass Resolution 24-XXX, assigning the lease from the current tenant, Y & C LLC, to Berth II Inc.

Attached:

Lease Assignment Application submitted by Berth II Inc.
Draft Lease with Berth II Inc.
Letter of Good Standing regarding Y & C LLC.
Port and Harbor Commission May 22nd, 2024 meeting minutes



City of Homer

www.cityofhomer-ak.gov

Port and Harbor

4311 Freight Dock Road
Homer, AK 99603

port@cityofhomer-ak.gov

(p) 907-235-3160

(f) 907-235-3152

CITY OF HOMER LEASE APPLICATION CHECKLIST

May 17, 2024

Applicant Name:

Synopsis: Berth II Inc. has submitted a completed Lease Application for lot #18103432, located at 4400 Homer Spit Rd. This property includes a two-story 7,392 square foot building on a 24,639 square feet lot. Berth II Inc.'s proposal is to continue subleasing the existing business space on the 1st floor, in addition to establishing sleeping quarters and administrative office space for their pilots and crew (2nd floor).

Action:

- ☒ Lease approval.
- ☐ Lease approval with conditions. Explain. Contingent on securing
- ☐ Lease denial. Explain.
- ☐ Lease application incomplete.

Melissa Jacobsen

____ 5.20.24 _____
Melissa Jacobsen, Interim City Manager Date

A. A responsive lease application / proposal shall include:

1. A completed application form provided by the City:

YES ✓	NO	N/A	INCOMPLETE
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NOTES:

2. Any applicable fees:

YES ✓	NO	N/A	INCOMPLETE
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NOTES:



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Homer, AK 99603

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(p) 907-235-3160

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3. A clear and precise narrative description of the proposed use of the property:

YES ✓	NO	N/A	INCOMPLETE
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NOTES:

4. A specific time schedule and benchmarks for development:

YES	NO	N/A ✓	INCOMPLETE
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NOTES:

5. A proposed site plan drawn to scale that shows at a minimum property lines, easements, existing structures and other improvements, utilities, and the proposed development including all structures and their elevations, parking facilities, utilities, and other proposed improvements:

YES	NO	N/A ✓	INCOMPLETE
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NOTES:

6. Any other information that is directly pertinent to the proposal scoring criteria contained herein:

YES ✓	NO	N/A	INCOMPLETE
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NOTES:

7. All other **required attachments** requested on the application form including, but not limited to, the following documentation: applicant information, plot plan, development plan, insurance, proposed subleases, environmental information, agency approvals and permits, fees, financial information,



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partnership and corporation statement, certificate of good standing issued by an entity's state of domicile, and references:

☒ Applicant information

☐ Plot Plan

☐ Development Plan

☒ Insurance

☐ Proposed Subleases

☐ Environmental Information

☒ Agency approvals and permits

☒ Financial Information (Financial Statement **REQUIRED**, Surety, bankruptcy, pending litigation are situational.)

☐ Partnership information and a copy of the partnership agreement OR

☒ Corporation, LLC, or Non-profit information and a copy of the Articles of Incorporation and Bylaws

☒ Certificate of good standing issued by the entity's state if domicile

☒ Appropriate References

YES <input checked="" type="checkbox"/>	NO	N/A	INCOMPLETE
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NOTES:

8. Any other information required by the solicitation or request for proposals:

YES <input checked="" type="checkbox"/>	NO	N/A	INCOMPLETE
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NOTES:



City Lease Application For City-Owned Real Property

Homer Port & Harbor
4311 Freight Dock Road
Homer, AK 99603
Phone: (907)235-3160
Fax: (907)235-3152
port@cityofhomer-ak.gov

Lease Application Purpose

- ☐ Request for New Lease; New Lessee – Applicant is not currently a City lessee
- ☐ Request for New Lease; Existing Lessee – Applicant is a current lessee with no remaining options to renew
- ☒ Request for Assignment of Lease – Applicant is requesting to have an existing lease transferred to a new owner/business

Property Information

Physical Address:	4400 HOMER SPIT ROAD		
Square Footage:	<input checked="" type="checkbox"/> Full Lot <input type="checkbox"/> Portion of Lot	KPB Parcel No.:	18103432
Legal Description of Property:	T7S R 13W SEC 7 SEWARD MERIDIAN HM 0890034 LOT 32 HOMER SPIT AMENDED		

Applicant Information

Business Name:	Berth II, Inc.
Representative's Full Name & Title:	John Stewart President
Mailing Address:	PO Box 3147
City, State, ZIP Code:	Homer, AK 99603
Phone Number(s):	907-235-8783
Email:	office@swpilots.net

Business Entity & Financial Information

<input type="checkbox"/>	Sole or Individual Proprietorship – Attached documentation must provide owner's full name, address, and verify they are the sole owner.	
	Is entity authorized to do business in Alaska? <input type="checkbox"/> No <input type="checkbox"/> Yes – As of what date:	
<input type="checkbox"/>	Partnership – Attached documentation must provide Partners' full names, addresses, and share percentages.	
	Date of Organization:	Type of Partnership:
	Is Partnership authorized to do business in Alaska? <input type="checkbox"/> No <input type="checkbox"/> Yes – As of what date:	

<input checked="" type="checkbox"/>	Corporation – Attached documentation must provide the full names of Officers and Principal Stockholders (10%+), their addresses, and share percentages.
Date of Organization: 08/18/1993 Type of Corporation: S Corp	
Is Corporation authorized to do business in Alaska? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes – As of what date: 08/18/1993	
Corporation is held: <input checked="" type="checkbox"/> Privately <input type="checkbox"/> Publicly – How and where is stock traded:	
<input type="checkbox"/>	Other – Please explain:

Proof of Financial Capability to Meet Obligations: SEE ATTACHED	<input checked="" type="checkbox"/> Documentation of Payment History: Documents such as a credit report and score from one of the three credit bureaus (i.e. Experian, Equifax, TransUnion) or records of prior lease history.
	<input checked="" type="checkbox"/> Documentation of Applicant's Financial Backing: Records showing applicant has secured the funding necessary to implement their development/improvement plan and/or purchase the business (if applicable).
	<input checked="" type="checkbox"/> Documentation of Business' Vitality: Minimum of two years (past year and current year) of financial statements; this includes a Balance Sheet and Profit/Loss Statement (Revenue/Expense Statement).
Surety Information:	Has any surety or bonding company ever been required to perform upon your default or the default of any of the principals in your organization holding more than a 10% interest? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes – Attach a statement naming the surety or bonding company, date and amount of bond, and the circumstances surrounding the default or performance.
Bankruptcy information:	Have you or any of the principals of your organization holding more than a 10% interest ever been declared bankrupt or are presently a debtor in a bankruptcy action? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes – Attach a statement indicating state, date, Court having jurisdiction, case number and to amount of assets and debt.
Pending Litigation:	Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes – Attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.

Lease Proposal	
Type of Business/ Proposed Use of the Property:	ADMINISTRATIVE OFFICES, MAIN BASE OF OPERATIONS + CONTINUATION OF GENERAL STORE / SPACE BELOW.

Requested Lease Term:	<input type="checkbox"/> Short Term Lease (One Year or Less) – Duration (in months): <input checked="" type="checkbox"/> Long Term Lease (More Than One Year) <ul style="list-style-type: none"> Standardized Lease is a 20-year term with two 5-year Options to Renew; City Manager may deviate from standardized lease term when reasonable and necessary, and approved by Council (18.08.030). No more than two Options to Renew; each option cannot exceed 25% of initial lease term (18.08.110). <p>Duration (in years): <u>20 YEAR</u> No. of Options to Renew: <u>2</u></p>
Property Plan: <u>SEE ATTACHED</u>	<input checked="" type="checkbox"/> Describe your Property Plan in your written narrative. Details should include but not be limited to: <ul style="list-style-type: none"> Proposed utilization of the lot/space, including parking If there are existing buildings on the property and what their proposed uses are Any intentions to rent out or sublease space on the property How the use is compatible with neighboring uses and consistent with applicable land use regulations including the Land Allocation Plan; Comprehensive Plan <input type="checkbox"/> Provide a detailed schematic (to scale) that shows the following: <ul style="list-style-type: none"> Size of lot – dimensions and total square footage Placement/size of existing buildings, storage units, and other miscellaneous structures Parking spaces – numbered on the drawing with a total number indicated Note: an as-built survey from a licensed surveyor may be required
Development Plan: <u>SEE ATTACHED/N/A.</u>	<p>Do you have a development and/or improvement plan for the property, including plans for repairs or maintenance to any existing buildings?</p> <p><input type="checkbox"/> Yes In your written narrative, provide as much information as possible on how you intend to develop/improve the property. Include a time schedule from project initiation to completion, major project milestones, cost estimate and financing plan, and any additional designs not already provided in the Property Plan's detailed schematic.</p> <p><input checked="" type="checkbox"/> No In your written narrative, explain why.</p>
City Planning & Other Agency Approvals: <u>N/A</u>	<p>Does your business/proposed use and/or development plan require agency approval? The granting of any lease is contingent upon lessee obtaining approval, necessary permits, and/or inspection statements from all appropriate City, State and/or Federal agencies. This includes but is not limited to:</p> <ul style="list-style-type: none"> Applicable permits/approval from City Planning for zoning compliance, such as Conditional Use Permits, Zoning Permits Fire Marshall Plan Review and Permitting Waste Disposal System Plan Approval – Includes fish waste if applicable Other applicable permits/inspection statements from agencies such as U.S. Army Corps of Engineers, U.S. Environmental Protection Agency, and Alaska Department of Environmental Conservation Division of Environmental Health <p><input type="checkbox"/> Explain in your written narrative what necessary approvals, permits, and/or inspections are applicable to your business/proposed use and the current status of your application with those agencies.</p> <p><input type="checkbox"/> Attach any relevant documentation that verifies completion or pending status.</p>

Insurance Requirements:	<p>The granting of any lease is contingent upon lessee obtaining and keeping in full force insurance as outlined in HCC 18.08.170. Certificates of insurance showing the required insurance is in effect and identifying the City as an additional insured must be provided to the City at the time a lease becomes effective and annually thereafter, and upon every change in insurance provider or insurance coverage.</p> <p>SEE ATTACHED <input checked="" type="checkbox"/> Provide proof of insurability for public liability insurance in the amount of not less than \$1,000,000 coverage per occurrence for bodily injury, including death, and property damage, and the City of Homer as co-insured. Additional insurance limits or types may be required due to the nature of the business, lease, or exposure.</p>
Benefits & Impacts on Community:	<p><input checked="" type="checkbox"/> In your written narrative answer the following questions:</p> <ul style="list-style-type: none"> • What experience do you have in the proposed business or venture? • How long have you resided or conducted business in the City, Kenai Peninsula Borough, and/or the State of Alaska? • What are some of the economic, social, and financial benefits and/or impacts your business/proposed use brings to the community?
Applicant References:	<p><input checked="" type="checkbox"/> In your written narrative, list four persons or firms with whom the Applicant or its owners have conducted business transactions with during the past three years. Two references named shall have knowledge of your financial management history, of which at least one must be your principal financial institution. Two of the references must have knowledge of your business expertise.</p> <p>Each reference must include the following:</p> <ul style="list-style-type: none"> • Full Name • Name of the organization/business and their title at this entity • Address • Phone number and email address • Nature of association with Applicant
Additional Information:	<p><input type="checkbox"/> Include in your written narrative, or attach relevant documentation, that you deem pertinent to your application/lease proposal. Criteria for evaluating and approving proposals and competing lease applications can be found under HCC 18.08.060.</p>

Required Attachments/Documentation

<input checked="" type="checkbox"/>	Written Narrative
<input type="checkbox"/>	Business Entity and Licensing Information <ul style="list-style-type: none"> • State of Alaska Business License • Current State of Alaska Biennial Report • If Partnership: Statement of Partnership/Partnership Agreement • If Corporation: Articles of Incorporation & Bylaws • Any additional documentation concerning the formation or operation of the entity
<input type="checkbox"/>	Financial Information
<input type="checkbox"/>	Property Plan - Detailed Schematic of Property - NO CHANGES TO CURRENT PLAN
<input type="checkbox"/>	Development Plan documents/plans, if any NA
<input type="checkbox"/>	Proof of Insurability; verification that insurance can be provided at signing of lease

☐ City Planning & Other Agency Approval Information, if any

Application Signatures

By signing, I agree that the above information is true and correct to the best of my knowledge. I certify that I am authorized to sign as the applicant on behalf of the entity I represent.

Signature:  Date: 15 May 2024

Printed Name & Title: JORDAN GOULD SECRETARY/TREASURER

Office Use Only

Received By & Date: <u>5/16/2024</u>	Fee Processed: \$ <u>500.00</u>	Date: <u>5/16/2024</u>
Date Application Accepted as Complete/Submitted for Review: <u>5/17/2023</u>	Application Timeout Date: (1 year from receipt) <u>5/16/2025</u>	
Submitted for Dept. Review: <input type="checkbox"/> Planning <input checked="" type="checkbox"/> Port & Harbor <input type="checkbox"/> Economic Development <input type="checkbox"/> Finance <input type="checkbox"/> Public Works		
Submitted for City Manager Review: <u>5/17/2023</u> <input checked="" type="checkbox"/> Approved on: <u>5/20/2024</u> <input type="checkbox"/> Denied on:		
For Existing Leases Exempt from Competitive Bidding:	Current Lease Expires with No Options to renew: <u>N/A</u>	
	6 mos. Prior to date of lease termination (Council Approval Deadline): <u>N/A</u>	
	Request received within 12 to 18 mo. timeframe from expiration of lease date: <input type="checkbox"/> Yes <input type="checkbox"/> No	



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

05/15/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Chinook Insurance Group, LLC 10002 Aurora Avenue N, Suite 36 PMB 315 Seattle, WA 98133	CONTACT NAME: Chris Trainer PHONE (A/C, No, Ext): (206) 660-3500 E-MAIL ADDRESS: chris@chinookins.com FAX (A/C, No):
INSURED Berth II, Inc PO Box 3147 Homer, AK 99603	INSURER(S) AFFORDING COVERAGE INSURER A: Endurance American Insurance Group INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY			OPK10015116303	01/01/2024	01/01/2025	EACH OCCURRENCE	\$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 50,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						PRODUCTS - COMP/OP AGG	\$ 1,000,000
								\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$
	<input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB						EACH OCCURRENCE	\$
	EXCESS LIAB						AGGREGATE	\$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE							\$
	DED RETENTION \$							\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE	OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y / N					E.L. EACH ACCIDENT	\$
	If yes, describe under DESCRIPTION OF OPERATIONS below		N / A				E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Insurance for City of Homer

CERTIFICATE HOLDER**CANCELLATION**

City of Homer

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Christopher Trainer

Lease Application Narrative: Berth II

4400 Homer Spit Road, Homer, Alaska

Property Plan and Proposed Utilization

Berth II (a wholly owned subsidiary of Southwest Alaska Pilots Association, SWAPA) would like to propose the leasing of 4400 Homer Spit Road as our main administrative headquarters with rental space below. The property spans an approximate total of 7392 square feet, strategically situated on Homer Spit with easy access to essential maritime and logistical operations. Berth II operates properties in Seward, Valdez, Anchorage, and the current main office located in Homer at 1230 Ocean Drive Homer, AK.

The existing building on the premises will be utilized primarily for our administrative offices and as accommodations for pilots prior to assignments occupying the upper levels of the structure. The lower level is designated for year-round rental space, which we aim to offer to local businesses, fostering community growth and economic development.

The initial work planned to be completed will consist of any repairs to health and safety items as outlined in the due diligence buyers inspection.



May 17, 2024

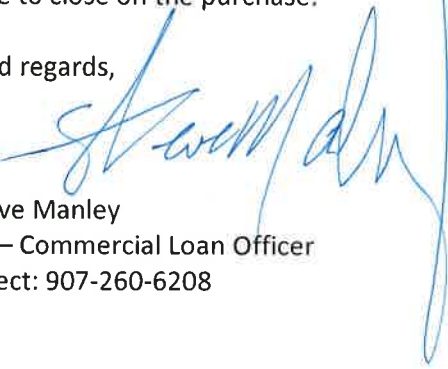
City of Homer
Port & Harbor
4311 Freight Dock Rd.
Homer, AK 99603

RE: Berth II, Inc. documentation of financial backing

To whom it may concern,

Berth II, Inc. and related companies have an established commercial banking relationship with Northrim Bank. We are in process of providing capital for Berth II, Inc. to close on the purchase of property at 4400 Homer Spit Rd. Based on our working relationship with Berth II and related companies, and knowledge of their financial resources, we can provide a high level of assurance that Berth II, Inc. will be able to close on the purchase.

Kind regards,


Steve Manley
VP – Commercial Loan Officer
Direct: 907-260-6208

44384 Sterling Hwy.
Suite 101
Soldotna, Alaska 99669
Phone: (907) 260-6208 • (800) 478-2265
northrim.com



Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business, and Professional Licensing

PO Box 110806, Juneau, AK 99811-0806

This is to certify that

BERTH II, INC.

PO BOX 3147, HOMER, AK 99603

owned by

BERTH II, INC.

is licensed by the department to conduct business for the period

October 16, 2023 to December 31, 2025
for the following line(s) of business:

53 - Real Estate, Rental and Leasing



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Julie Sande
Commissioner

Department of Commerce, Community, and Economic Development
DIVISION OF CORPORATIONS, BUSINESS &
PROFESSIONAL LICENSING

[State of Alaska](#) / [Commerce](#) / [Corporations, Business, and Professional Licensing](#) / [Search & Database Download](#) /
[Business License](#) / License #173338

LICENSE DETAILS

License #: 173338

[Print Business License](#)

Business Name: BERTH II, INC.

Status: Active

Issue Date: 08/26/1993

Expiration Date: 12/31/2025

Mailing Address: PO BOX 3147
HOMER, AK 99603

Physical Address: 1230 OCEAN DRIVE
HOMER, AK 99603

Owners

BERTH II, INC.

Activities

Line of Business	NAICS	Professional License #
53 - Real Estate, Rental and Leasing	531110 - LESSORS OF RESIDENTIAL BUILDINGS AND DWELLINGS	

Endorsements

No Endorsements Found

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

No Lapses on record for the last 4 years.

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CONTACT US



THE STATE
of ALASKA

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: corporations.alaska.gov

AK Entity #: 52170D
Date Filed: 12/02/2022
State of Alaska, DCCED

FOR DIVISION USE ONLY

Domestic Business Corporation

2023 Biennial Report
For the period ending December 31, 2022

Web-12/2/2022 9:54:30 AM

Due Date: This report along with its fees are due by January 2, 2023

Fees: If postmarked before February 2, 2023, the fee is \$100.00.

If postmarked on or after February 2, 2023 then this report is delinquent and the fee is \$137.50.

Entity Name: BERTH II, INC.

Entity Number: 52170D

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: 1230 OCEAN DR, HOMER, AK 99603

Mailing Address: PO BOX 3147, HOMER, AK 99603

Registered Agent information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.

Name: Matthew Michalski

Physical Address: [REDACTED]
ANCHORAGE, AK 99502

Mailing Address: [REDACTED]
ANCHORAGE, AK 99502

Officials: The following is a complete list of officials who will be on record as a result of this filing.

- **Provide all officials and required information. Use only the titles provided.**
- **Mandatory Officers (3) and Directors (1), who must be individuals:** this entity must have a President, Secretary, and Treasurer. The President and Secretary cannot be the same person unless the President is 100% Shareholder. This entity must have at least one (1) Director. Provide all the individuals who are directors.
- **Shareholders:** the entity must provide all Shareholders who own 5% or more of the Issued Shares. Shareholders may be an individual or another entity.
- **Alien Affiliates:** the entity must provide all Alien Affiliates (non-U.S.), which may be an individual or another entity.

Full Legal Name	Complete Mailing Address	% Owned	Alien Affiliate	Assistant Secretary	Assistant Treasurer	Director	President	Secretary	Shareholder	Treasurer	Vice President
James Cunningham	██████████, HOMER, AK 99603	6.66				X			X		X
Peter Garay	██████████, HOMER, AK 99603	6.67							X		
Ian Maury	██████████, ANCHORAGE, AK 99501	6.66							X		
Matthew Michalski	████████████████████, ANCHORAGE, AK 99502	6.66				X			X		
CHRISTOPHER MITCHELL	██████████, HOMER, AK 99603	6.66				X			X		
MICHAEL O'HARA	██████████, ANCHORAGE, AK 99507	6.67							X		
Jeffrey Pierce	████████████████████, EAGLE RIVER, AK 99577	6.67							X		
R. O. Baker II Revocable Trust	██████████, ANCHOR POINT, AK 99566	6.67							X		
Donal Ryan	██████████, HOMER, AK 99603	6.67				X		X	X	X	
C VINCENT TILLION	██████████ HOMER, AK 99603	6.67							X		
Bryan Vermette	████████████████████ SOLDOTNA, AK 99669	6.67							X		
CAROLYN VERMETTE	██████████, KASILOF, AK 99610	6.66							X		
Andrew Wakefield	██████████, ANCHORAGE, AK 99515					X	X				
WAKEFIELD REVOCABLE TRUST	██████████, ANCHORAGE, AK 99515	6.67							X		
Ronald Ward, II	██████████, ANCHORAGE, AK 99517	6.67							X		
Joshua Weston	██████████, HOMER, AK 99603	6.67				X			X		

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

Purpose: PROPERTY RENTALS

NAICS Code: 531110 - LESSORS OF RESIDENTIAL BUILDINGS AND DWELLINGS

New NAICS Code (optional):

Issued Shares: The entity must provide the number of Issued Shares

- Do not leave Issued Shares blank.
- If there are Shareholders then you must provide a number of Issued Shares. Do not exceed the number of Authorized Shares.
- If there are no Issued Shares (and no Shareholders) then provide "0" or "zero" or "none".
- To change Class, Series, Authorized Shares, or Par Value submit an amendment.

Class	Series	Authorized Shares	Par Value	Number of Issued Shares
Common		50000	0.00000	15

Mandatory. Do not leave blank.

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: Annie Wiard

State of Alaska
Department of Commerce and Economic Development
Division of Banking, Securities and Corporations

**CERTIFICATE
OF
INCORPORATION**
Business Corporation

The undersigned, as Commissioner of Commerce and Economic Development of the State of Alaska, hereby certifies that duplicate originals of the Articles of Incorporation of

BERTH II, INC.

have been received in this office and are found to conform to law.

ACCORDINGLY, the undersigned, as such Commissioner of Commerce and Economic Development, and by virtue of the authority vested in him by law, hereby issues the Certificate of Incorporation and attaches hereto a duplicate original of the Articles of Incorporation.



IN TESTIMONY WHEREOF, I execute this certificate and affix the Great Seal of the State of Alaska on August 18, 1993.

Paul Fuhs

COMMISSIONER OF COMMERCE
AND ECONOMIC DEVELOPMENT

Issued By: Corporations Section, P.O. Box 110808, Juneau, Alaska 99811-0808. Telephone (907) 465-2530

ARTICLES OF INCORPORATION

OF

BERTH II, INCORPORATED

Record
State of Alaska

AUG 10 1993

Department of Commerce
& Economic Development

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, being over eighteen years of age, has formed a business corporation under and pursuant to the laws of the State of Alaska and does hereby certify:

ARTICLE I

The name of this corporation is Berth II, Inc.

ARTICLE II

The object and purposes for which this corporation is formed are as follows:

(a) This corporation shall have all the powers to do and transact any and all actions and have all of the powers mentioned and set forth directly or by inference in the Alaska Statutes, Title 10, Chapter 6, including AS 10.06.010.

(b) Without in any manner intending to limit the powers specified in the Alaska Statutes, this corporation, at its inception and as its main corporate purpose, shall engage in the business of Property development, rental, and any other legal activity within Alaska and elsewhere.

ARTICLE III

The authorized capital of this corporation shall be 50,000 shares of nonassessable common stock fully voting, fully participating.

There is no cumulative voting of shares.

ARTICLE IV

To the extent available, both retained earnings and paid-in capital may be used for the purchase and redemption of common stock issued by this corporation.

No holder of any stock of this corporation shall be entitled, as a matter of right, to purchase, subscribe for or otherwise acquire any new or additional shares of stock of the corporation of

any class, or any options or warrants to purchase, subscribe for or otherwise acquire any such new or additional share, or any shares, bonds, notes, debentures or other securities convertible into or carrying options or warrants to purchase, subscribe for or otherwise acquire any such new or additional shares.

Pursuant to AS 10.06.210(1)(c) regarding special qualifications of persons who may be shareholders, ownership of stock in this corporation is restricted and limited as follows:

(a) During any time that the corporation shall have elected to be taxed as a small business corporation under Subchapter S of the Internal Revenue Code, as amended, no person who is not qualified to be a shareholder as described in section 1361(c)(2)(A)(i) of the Internal Revenue Code (or treated as so described by reason of IRC section 1361(d) may acquire shares in the corporation unless all other shareholders first agree, in writing, to such acquisition. Such provisions of the Internal Revenue code, as amended, are hereby incorporated by reference.

(b) During any time that the corporation shall be bound by provision in its Bylaws or by an agreement with its shareholders restricting transfer of shares, no person may acquire shares in the corporation except in accordance with the terms of such Bylaws or agreement, a copy of which shall be available for inspection at the office of the corporation. The provisions of such Bylaws or agreement, as amended, are hereby incorporated by reference.

ARTICLE V

To the full extent permitted by law and subject only to those limitations expressly stated in AS 10.06.210(1)(M), no director of this corporation shall have any personal liability to the corporation or its shareholders for monetary damages for the breach of fiduciary duty as a director. This provision shall apply in addition to, and not in substitution for, indemnification provisions contained in this corporation's Bylaws or provided by contract.

ARTICLE VI

There are no alien affiliates.

ARTICLE VII

The address of the corporation's initial registered office is:

The name of the corporation's initial registered agent is:

Mark Hawker
P.O. Box 65
Homer, AK 99603

ARTICLE VIII

The management of the affairs and concerns of this corporation is hereby vested in its Board of Directors. The number of directors shall be fixed from time to time by the Bylaws. The name and address of the initial Board of Directors is:

Mark Hawker

[REDACTED]
Homer, AK 99603

Steven Hunnicutt

[REDACTED]
Anchorage, AK 99511

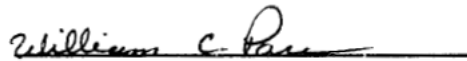
Mike Stone

[REDACTED]
Anchorage, AK 99501

ARTICLE IX

The name and address of the incorporator is: William C. Pace, [REDACTED],
Anchorage, AK 99518.

IN WITNESS WHEREOF, the undersigned, being the original incorporator hereinabove named, has signed these Articles of Incorporation, in duplicate, this 5th day of August, 1993.


William C. Pace

VERIFICATION

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

I, William C. Pace, say on oath or affirm that I have read the foregoing Articles of Incorporation and believe all statements made therein are true.

William C. Pace
William C. Pace

SUBSCRIBED AND SWORN TO or affirmed before me at Anchorage, Alaska, this 5th day of August, 1993.

James L. [Signature]
NOTARY PUBLIC in and for Alaska
My Commission Expires: 10-17-95

RESTATED BYLAWS

OF

BERTH II, INC.

Note: Throughout this document, all gender-specific terms are to be considered to refer to both the feminine and the masculine form.

ARTICLE I

Shareholders

Section 1. Annual Meeting. The annual meeting of the shareholders for the election of Directors and the transaction of such other business as may properly come before it shall be held at the principal office of the corporation in Homer, Alaska, or at such other place within or without the state of Alaska as shall be set forth in the notice of meeting. The meeting shall be held during the fourth quarter of each and every year. The Secretary (or Secretary/Treasurer) shall give, personally, by email or by mail, not less than seven (7) days nor more than sixty (60) days before the date of the meeting, written notice of the meeting, stating the place, date and hour of the meeting. The notice shall be addressed to the shareholder at his mailing or email address as it appears on the record of the shareholders of the corporation, unless he has filed with the Secretary (or Secretary/Treasurer) of the corporation a written request that notices intended for him be mailed to a different address, in which case it shall be mailed to the address designated in the request. Any and all notice of meetings may be waived by a shareholder by submitting a signed waiver, either before or after the meeting, or by attendance at the meeting.

Section 2. Special Meetings. Special meetings of shareholders may be called at any time by a majority of the Directors or by the President and must be called by the President upon the written request of any three (3) shareholders entitled to vote at such special meetings. Written notice of such meetings, stating the place of the meeting, within or without the state of Alaska, the date and hour of the meeting, the purpose or purposes for which it is called and the name of the person(s) by whom or at whose direction the meeting is called, shall be given not less than seven (7) nor more than sixty (60) days before the date set for the meeting. The notice shall be given to each shareholder of record in the same manner as notice of the annual meeting. No business other than that specified in the notice of meeting shall be transacted at any such special meeting. Notice of a special meeting may be waived by submitting a signed waiver or by attendance at the meeting.

Section 3. Quorum. The presence, in person, by teleconference or by proxy, of a majority of the shareholders (51% or more) shall be necessary to constitute a quorum for the transaction of business at all meetings of shareholders, except as may be otherwise provided in the Alaska Business Corporation Code. If, however, such quorum cannot be present or

represented at any meeting of the shareholders, the shareholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting to a future date at which a quorum shall be present or represented. At such adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally called.

Section 4. Record Date. The Directors may fix in advance a date, not less than seven (7) nor more than sixty (60) days prior to the date of any meeting of the shareholders or prior to the last day on which the consent or dissent of, or action by, the shareholders may be effectively expressed for any purpose without a meeting, as the record date for the determination of shareholders.

Section 5. Voting. A shareholder entitled to vote at a meeting may vote at such meeting in person or by a proxy, except as otherwise provided by law or by the Articles of Incorporation. Every shareholder shall be entitled to one (1) vote for each share standing in his name on the record of shareholders. Except as otherwise provided herein or in the Articles of Incorporation, all corporate action shall be determined by a majority of the votes cast at a meeting of shareholders by the holders of the shares entitled to vote thereon. Authority to make major decisions affecting the welfare and business of the corporation is reserved by the shareholders.

Section 6. Proxies. Every proxy must be dated and signed by the shareholder or by his attorney-in-fact and may be executed in writing, electronically or telephonically by the shareholder, or by his duly authorized attorney-in-fact. A proxy shall only be valid for the specific meeting referenced or for a specified amount of time, not to exceed eleven (11) months from the date of its execution, unless otherwise provided therein. Every proxy shall be revocable at the pleasure of the shareholder executing it, except where an irrevocable proxy is permitted by statute. Proxies shall be shareholders. Proxy voting shall be limited to those matters submitted to the tentative agenda. The proxy must be received by the President or his designee or the person presiding at the meeting at or before the time of convening the meeting; however, a shareholder present at a meeting who was called out by assignment or by other business prior to a vote, will be entitled to have a proxy with another shareholder. A proxy may state the agent shareholder's vote on one (1) or more issues, and such proxy shall be valid for one (1) meeting only, and the power to vote a proxy may be revoked by the person giving the proxy at any time prior to actual voting.

Section 7. Consents. Whenever, by a provision of statute or of the Articles of Incorporation or of these Bylaws, the vote of shareholders is required or permitted to be taken at a meeting thereof in connection with any corporate action, the meeting and the vote of shareholders may be dispensed with if all the shareholders who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such corporate action being taken. Such written consents shall be identical in content, and shall set out the action taken.

Section 8. Shareholders. Only full members of Southwest Alaska Pilots Association, may purchase the required number of shares to become an equal shareholder in

Berth II, Inc. Share price shall be established in the first quarter of each and every year pursuant to Article V, Sections 2 and 3.

Section 9. Balloting Procedures. Paper or electronic ballot, where required under these Bylaws, will be conducted as follows:

- (a) The ballot will be secret;
- (b) The ballot will be mailed or sent electronically to each shareholder of the Corporation, addressed to the shareholder at his mailing address or email address as it appears in the books of the Corporation; save that if direct hand delivery to the shareholder or delivery to the shareholder's mail distribution receptacle in the main office of the Corporation would be more expeditious than the U.S. mail, such ballots will be so delivered; and
- (c) Paper Ballot: The paper ballot will be returned to the principal office of the Corporation not more than twenty (20) days following the date of its mailing/email dissemination to each shareholder. Ballots not returned within this period of time will be considered invalid and will not be counted. A paper ballot will only be valid if at least two-thirds (2/3) of the shareholders cast ballots.
- (d) Electronic Ballot: The electronic ballot will be specifically conducted via an online voting portal and shall be returned to the relevant voting portal not more than fourteen (14) days following the date of its dissemination to each shareholder. Ballots not returned within this period of time will be considered invalid and will not be counted. An electronic ballot will only be valid if at least two-thirds (2/3) of the shareholders cast ballots.
- (e) It will be at the discretion of the Board of Directors whether they choose to submit a ballot via (c) or (d) above and the shareholders shall be apprised of the decision prior to the distribution of the ballot.

ARTICLE II

Directors

Section 1. Number and Qualifications. The Board of Directors shall consist of six (6) persons, who shall be of full age, unless the total number of shareholders shall be less than six (6), in which case the number of Directors shall equal the number of shareholders. The number of Directors may be changed by an amendment of the Bylaws.

Section 2. Manner of Election. The Directors shall be elected by paper or electronic ballot by a plurality vote, except as otherwise prescribed by statute. The Officers shall be elected at the annual meeting of the shareholders.

Section 3. Term of Office. The term of office of each Director shall be for one (1) year and shall commence from January 1 to December 31 or until the next annual meeting of the shareholders and until his successor has been duly elected and has qualified.

Section 4. Duties and Powers. The Board of Directors shall have control and management of the affairs and business of the corporation. The Directors shall in all cases act as a Board, regularly convened, and, in the transaction of business, the act of a majority present at a meeting, except as otherwise provided by law or the Articles of Incorporation, shall be the act of the Board, provided a quorum is present. The Directors may adopt such rules and regulations for the conduct of their meetings and the management of the corporation as they may deem proper, not inconsistent with law or these Bylaws.

It shall be the duty of the Board of Directors to:

- (a) Approve for payment all non-routine statements and accounts of the Corporation which are in excess of five thousand dollars (\$5,000). The Board of Directors will submit to the shareholders any issue of major importance, policy, or non-routine expenditure or project in excess of forty thousand dollars (\$40,000.00) that, in the exercise of good judgment, may be considered a major policy decision affecting the welfare or business of the corporation. A two-thirds (2/3) affirmative vote of the shareholders shall decide the issue. The shareholders may be polled by a director or an approved agent of the corporation either telephonically, by text, by email or by mail and the results shall be tabulated and retained as part of the official record. However, the Board of Directors does have the authority to approve necessary and emergency repairs on Berth II properties or equipment, without prior approval from the shareholders, when time is of the essence and if deemed that, to not move forward expeditiously, would be detrimental to the welfare and business of the Corporation.
- (b) Retain a certified public accountant to audit books and accounts of the Corporation and advise regarding fiscal matters;
- (c) Obtain legal counsel for advice regarding legal matters;
- (d) Maintain one or more bank accounts in the conduct of the business of the Corporation;
- (e) Tender to the shareholders the annual fiscal statement prepared by the certified public accountant;
- (f) Supervise, through the President or his designee, the maintenance of equipment, supplies, property, and the maintenance of full and complete files of the business activity of the Corporation.

Section 5. Meetings. The Board of Directors shall meet for the election or appointment of officers and for the transaction of any other business at the annual meeting of the

shareholders, and other regular meetings of the Board shall be held at such times as the Board may from time to time determine.

Special meetings of the Board of Directors may be called by the President at any time; he must, upon the written request of two (2) Directors, call a special meeting to be held not more than ten (10) days after the receipt of such a request.

Section 6. Notice of Meetings. No notice need be given of any regular meeting of the Board. Notice of special meetings shall be served upon each Director in writing sent by mail, addressed to him at his last known mailing address, at least seven (7) days prior to the date of such meeting, or served by electronic means, personal messenger, or comparable person-to-person communication given at least twenty-four (24) hours before the meeting. The notice of special meeting shall specify the time and place of the meeting, and the business to be transacted and the purpose of the meeting. At any meeting at which all of the Directors shall be present, although held without notice, any business may be transacted which might have been transacted if the meeting had been duly called.

Section 7. Place of Meetings. The Board of Directors may hold its meetings either within or without the state of Alaska, at such place as may be designated in the notice of any such meeting.

Section 8. Quorum. At any meeting of the Board of Directors, the presence of a majority of the Board shall be necessary to constitute a quorum for the transaction of business. However, should a quorum not be present, a lesser number may adjourn the meeting to some future time, not more than five (5) days later.

Section 9. Compensation. No Board member shall be entitled to any compensation for his attendance at, and participation in, board meetings or for any other reason.

Section 10. Vacancies. Any vacancy occurring in the Board of Directors by death, resignation or otherwise shall be filled promptly by a majority vote of the remaining Directors at a special meeting which shall be called for that purpose within five (5) days after the occurrence of the vacancy. The Director thus chosen shall hold office for the unexpired term of his predecessor and until the election and qualification of his successor.

Section 11. Removal of Directors. Any Director may be removed, either with or without cause, at any time, by a vote of the shareholders holding a majority of the shares then issued and outstanding and who were entitled to vote for the election of the Director sought to be removed, at any special meeting called for that purpose or at the annual meeting.

Section 12. Resignation. Any Director may resign his office at any time, such resignation to be made in writing and to take effect immediately, without acceptance.

ARTICLE III

Officers

Section 1. Officers and Qualifications. The officers of the corporation shall be a President, one (1) or more Vice Presidents, a Secretary, and a Treasurer (or Secretary/Treasurer) as the positions of Secretary and Treasurer may be combined and such other officers as the Board of Directors may determine. Any two (2) or more offices, except the offices of President and Secretary/Treasurer, may be held by the same person.

Section 2. Election. All officers of the corporation shall be elected annually by the Board of Directors, at its annual meeting of shareholders.

Section 3. Term of Office. All officers shall hold office until their successors have been duly elected and have qualified, or until removed as hereinafter provided.

Section 4. Removal of Officers. Any officer may be removed, either with or without cause, by the vote of a majority of the Board of Directors.

Section 5. Duties of Officers. The duties and powers of the officers of the corporation shall be as follows and shall hereafter be set by resolution of the Board of Directors:

President

(a) The President or, hereinafter, his designee shall preside at all meetings of the Board of Directors. He shall also preside at all meetings of the shareholders.

(b) He shall present, at each annual meeting of the shareholders and Directors, a report of the condition of the business of the corporation.

(c) He shall cause to be called regular and special meetings of the shareholders and Directors in accordance with the requirements of the statutes and of these Bylaws.

(d) He shall appoint, discharge and fix the compensation of all employees and agents of the corporation other than the duly elected officers, subject to the approval of the Board of Directors.

(e) He shall sign and execute all contracts in the name of the corporation and all notes, drafts or other orders for the payment of money.

(f) He shall sign all certificates representing shares.

(g) He shall cause all books, reports, statements and certificates to be properly kept and filed as required by law.

(h) He shall enforce these Bylaws and perform all the duties incident to the office and which are required by law, and, generally, shall supervise and control the business and affairs of the corporation.

Vice President

During the absence or incapacity of the President, the Vice President or, hereinafter, his designee, shall perform the duties of the President and, when so acting, shall hold all the powers and be subject to all the responsibilities of the office of President and shall perform such duties and functions as the Board may prescribe.

Secretary

(a) The Secretary or, hereinafter, his designee, shall keep the minutes of the meetings of the Board of Directors and of the shareholders in appropriate books.

(b) He shall attend to the giving of notice of special meetings of the Board of Directors and of all the meetings of the shareholders of the corporation.

(c) He shall be custodian of the records and seal of the corporation and shall affix the seal to the certificates representing shares and other corporate papers when required.

(d) He shall keep at the principal office of the corporation a book or record containing the names, alphabetically arranged, of all persons who are shareholders of the corporation, showing their places of residence, the number and class of shares held by them respectively and the dates when they respectively became the owners of record thereof. He shall keep such book or record and the minutes of the proceedings of the corporation's shareholders open daily, during the usual business hours, for inspection, within the limits prescribed by law, by any person duly authorized to inspect such records. At the request of the person entitled to an inspection thereof, he shall prepare and make available a current list of the officers and Directors of the corporation and their residence addresses.

(e) He shall sign all certificates representing shares and affix the corporate seal thereto.

(f) He shall attend to all correspondence and present to the Board of Directors at its meetings all official communications received.

(g) He shall perform all the duties incident to the office of Secretary of the corporation.

Treasurer

(a) The Treasurer or, hereinafter, his designee, shall have the care and custody of, and be responsible for, all the funds and securities of the corporation, and shall deposit such funds and securities in the name of the corporation in such bank accounts or safe deposit boxes as the Board of Directors may designate.

(b) He shall make, sign and endorse, in the name of the corporation, all checks, drafts, notes and other orders for the payment of money, and pay out and dispose of such under the direction of the President or the Board of Directors.

(c) He shall keep at the principal office of the corporation accurate books of account of all its business and transactions and shall, at all reasonable hours, exhibit books and accounts to any Director upon application at the office of the corporation during business hours.

(d) He shall render a report of the condition of the finances of the corporation at each regular meeting of the Board of Directors and at such other times as shall be required, and shall make a full financial report at the annual meeting of the shareholders.

(e) He shall further perform all duties incident to the office of Treasurer of the corporation.

(f) If required by the Board of Directors, he shall give such bond as they shall determine appropriate for the faithful performance of his duties.

Other Officers

Other officers shall perform such duties and have such powers as may be assigned to them by the Board of Directors.

Section 6. Vacancies. All vacancies in any office shall be filled promptly by the Board of Directors, either at regular meetings or at a meeting specially called for that purpose.

Section 7. Compensation of Officers. Officers shall serve without compensation.

ARTICLE IV

Seal

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall bear the name of the corporation and the state of incorporation.

ARTICLE V

Shares

Section 1. Certificates. The shares of the corporation shall be represented by certificates approved by the Board of Directors and signed by the President or a Vice President and by the Secretary or Secretary/Treasurer and sealed with the seal of the corporation or a facsimile. The certificates shall be numbered consecutively and in the order in which they are issued; and, in the margin of each certificate shall be entered the name of the person to whom the shares represented by each such certificate are issued, the number and class or series of such shares and the date of issue. Each certificate shall state that the corporation is organized under the laws of Alaska, the registered holder's name, the number and class of shares represented thereby, the date of issue and the par value of such shares or that they are without par value.

Section 2. Value of One Share of Stock. The value of one share of stock for the purchase of such share by a new shareholder, or sale of such share pursuant to the provisions of this article, or for other purposes which refer to this provision, shall be established on an annual basis and shall be based on the Gross Book Value as referenced in Section 3, below. Annual share valuation will be provided by the corporation's accountant.

Section 3. Transfer of Shares. The shares of the corporation shall be assignable and transferable only on the books and records of the corporation by the registered owner, or by his duly-authorized attorney, upon surrender of the certificate for the shares to the person or persons entitled thereto. Upon retirement of a shareholder, he shall transfer and assign his shares back to the corporation and he shall be paid the value of his shares as follows: the value of the shares shall be established during the first quarter of the year of retirement (gross book value as at December 31st of prior year). Their final share price shall be adjusted for any pro-rata earnings attributable to their shares from January 1 in year of retirement to buy-back date in year of retirement. One third (33.33%) of the final share price shall be paid to the shareholder in the year of retirement with the balance, which shall accrue simple interest at the Prime Rate plus 1% as published by Wells Fargo Bank NA, Anchorage on the date of retirement, paid in two (2) equal installments on the anniversary date of the retirement in the subsequent two years following retirement. A draft copy of the buy-back agreement is attached to these bylaws.

Section 4. Return of Certificates. All certificates for shares changed or returned to the corporation for transfer shall be marked "Canceled" by the Secretary (or Secretary/Treasurer), with the date of cancellation, and the transaction shall be immediately recorded in the certificate book opposite the memorandum of their issue. The returned certificates may be inserted in the corporate book.

Section 5. Installment Payments of Purchase Price. Purchase of a share on an installment basis shall be made pursuant to the following terms. The purchase price shall be the value of the stock as determined pursuant to Section 3, above, and shall be represented by a promissory note executed by the purchasing shareholder. Twenty five percent (25%) of that

value shall be required as a down payment and the remaining balance of the purchase price shall be amortized over three years, with simple interest at the Prime Rate plus 1% per annum (as published by Wells Fargo Bank NA, Anchorage) or more subject to approval by the board of directors. The down payment shall be paid within one month of becoming a full member of Southwest Alaska Pilots Association (SWAPA) and the first payment will on the first of the month after becoming a full member and equal installments payment made each month thereafter. Prepayment of all or any part of the principal may be made at any time without penalty. The share of stock sold shall be held by the corporation as security for full and timely payment of the purchase. As long as no default occurs in payments on the note, the purchaser shall be entitled to vote the share, and upon payment of the full purchase price under the terms of the note, the certificate for such share be delivered to the shareholder. The note repayment period may be extended by up to an additional two years (maximum five-year amortization period) at the discretion of the board of directors and pursuant to mitigating economic factors. Any such extension must be made by majority vote of the directors then in office. A draft copy of the promissory note is attached to these bylaws.

Section 6. Failure to Make Payments: Deductions. If a promissory shareholder fails to make timely payment pursuant to the terms set forth under Section 5 of this Article, the corporation may then deduct overdue payment from such shareholder's account and/or the shareholder's semimonthly member draw from the Southwest Alaska Pilots Association (SWAPA) until such time as the shareholder's payment obligations are current and/or the note balance becomes fully paid. Any such deduction shall be paid directly to the corporation. See Article III of SWAPA Bylaws for terms and conditions of deductions from member draws.

Section 7. Failure to Make Payment: Default. The promissory note shall additionally provide that if a promisor fails to make timely payment, then, in addition to the remedy described in Section 6 above, the board of directors shall have option of declaring the note in default. Written notice of such declaration shall be provided to the promisor. If the default is not cured within sixty calendar days after the notice of default is sent to the promisor, the entire sum of principal and interest remaining on the note shall become immediately due and payable. If a note upon which default has been cured is subsequently declared in default then the sum of principal and interest shall become immediately due and payable without opportunity to cure unless otherwise approved by the board of directors.

Section 8. Terms of Default. If a default is not timely cured, then the corporation may foreclose on the shareholder's share of stock, and such share shall revert to the corporation. Upon foreclosure, the corporation shall refund to the shareholder the smaller of 1) the value of the share as of the date of default or 2) the amount of principal paid by the promisor under the note. The amount to be refunded shall be reduced by the collection costs, including but not limited to attorney's fees, incurred by the corporation in connection with the default. Unless otherwise determined by the board of directors, the time and terms of such refund shall be made in accordance with Section 5 above. Notwithstanding the foregoing or any other provision under these bylaws, in the event of default the corporation shall have all available remedies provided by law.

ARTICLE VI

Dividends

The Board of Directors, at any regular or special meeting, may declare dividends payable out of the surplus of the corporation whenever, in the exercise of its discretion, it may deem such declaration advisable. Such dividends may be paid in cash, property or shares of the corporation.

ARTICLE VII

Bills, Notes, Etc.

All bills payable, notes, checks, drafts, warrants or other negotiable instruments of the corporation shall be made in the name of the corporation and shall be signed by such officer or officers as the Board of Directors shall from time to time by resolution direct.

No officer or agent of the corporation, either singly or jointly with others, shall have the power to make any bill payable, note, check, draft, warrant or other negotiable instrument, or endorse the same in the name of the corporation, or contract or cause to be contracted any debt or liability in the name and on behalf of the corporation, except as herein expressly prescribed and provided.

ARTICLE VIII

Offices

The principal office of the corporation shall be located at 1230 Ocean Drive, Suite 3, Homer, Alaska 99603; its mailing address is P.O. Box 3147, Homer, Alaska 99603. The Board of Directors may change the location of the principal office of the corporation and may, from time to time, designate other offices within or without the state of Alaska, as the business of the corporation may require.

ARTICLE IX

Amendments

These Bylaws may be altered, amended, repealed or new Bylaws adopted by a two-thirds (2/3) majority of the shareholders by paper or electronic ballot.

ARTICLE X

Waiver of Notice

Whenever, under the provisions of these Bylaws or of any statute, any shareholder or Director is entitled to notice of any regular or special meeting, or of any action to be taken by the corporation, such meeting may be held or such action may be taken without the giving of such notice, provided every shareholder or Director entitled to such notice in writing waives the requirements of these Bylaws with respect thereto.

ARTICLE XI

Fiscal Year

The fiscal year of the corporation shall begin on the 1st day of January and end on the 31st day of December in each year.

These Bylaws were first duly adopted by the corporation on the 1st day of January 1996; these bylaws are restated by the corporation in 2004 and duly amended in accordance with the dated catalogue of revisions attached to these Bylaws.

Secretary

Attest: _____
President

AMENDMENTS SINCE 12/01/2018

- I. 12/14/18 Per Board of Directors; amend Article V, Shares, Section 3, final share price including pro-rata earnings attributable in year of retirement.
- II. 09/29/20 Per Board of Directors; amend Article II, Directors, Section 1, Number and Qualifications, increasing the three (3) member board to six (6).
- III. 07/06/21 Multiple sections revised allowing for general cleanup of language and terminology in the Berth II Bylaws to endeavor to ensure consistency and clarity throughout document. Balloting Procedures added. Allowing for positions of Secretary and Treasurer to be combined (Secretary/Treasurer). Allowing for extension of note repayment for shareholders buying in to Corporation if mitigating circumstances warrant such extension. Clarification of terms for buy-in and buy-out terms. Additional duties for Board of Directors including expenditure limit. Bylaw amendments or repeal to be authorized by a 2/3 majority of shareholders.

**BERTH II, INC.
PO BOX 3147
HOMER, AK 99603
907-235-8783**

May 16, 2024

RE: Requested Credit References for City of Homer Land Lease Application; 4400 Homer Spit Road

Homer Electric Association
3977 Lake Street
Homer, AK 99603
907-235-8551

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

Enstar Natural Gas
36225 Kenai Spur Highway
Soldotna, AK 99669
907-262-9334

Collins Excavation and Services, Inc.
55090 Finch Avenue
Homer, AK 99603
907-299-2625

GROUND LEASE AND SECURITY AGREEMENT

BETWEEN

CITY OF HOMER, ALASKA

AND

BERTH II INC.

Dated _____, 2024

GROUND LEASE AND SECURITY AGREEMENT

GROUND LEASE AND SECURITY AGREEMENT (“Lease”) dated as of _____, 2024, between the CITY OF HOMER, an Alaska municipal corporation (“Landlord”), whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and BERTH II INC. an Alaska corporation (“Tenant”), whose address is 4400 Homer Spit Road, Homer, Alaska, 99603.

Attached as **Exhibit A** is a schedule naming each owner of Tenant and describing the percentage of ownership of each. Also attached to **Exhibit A** are a certificate of good standing issued by the state under whose laws Tenant is organized, and, if Tenant is a foreign entity, a certificate of authority issued by the State of Alaska. Attached as **Exhibit B** is a true and correct copy of a resolution of Tenant authorizing Tenant to enter into this Lease and authorizing the undersigned individual(s) or officer(s) to execute the Lease on behalf of Tenant.

RECITALS

WHEREAS, Landlord owns certain properties having a strategic location near the waterfront and marine-related public infrastructure; and

WHEREAS, it is the policy of Landlord to retain ownership of these properties, and to make them available for leasing, in order to encourage growth in targeted economic sectors, to insure that Landlord receives the maximum benefit from a large investment in public infrastructure, and to provide land for businesses that require close proximity to the waterfront or infrastructure to operate efficiently and profitably; and

WHEREAS, Landlord has accepted Tenant’s proposal to lease and develop the property leased herein, because Tenant’s proposed use of the property should further Landlord’s goals for the development of Landlord’s properties, and Tenant’s proposal to lease and develop the property is a material inducement to Landlord leasing the property to Tenant; and

NOW, THEREFORE, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:

ARTICLE 1. DEFINITIONS AND ATTACHMENTS

1.01 Definitions. As used herein, the term:

(a) “Additional Rent” includes all amounts defined or referred to in this lease as additional rent, as well as all charges in the nature of rent such as taxes, utilities and insurance, regardless of whether such amounts are due directly to or collectible by Landlord or to a third party under the terms of this Lease or under applicable law and including any of the preceding amounts that Landlord pays to a third party on behalf of Tenant, before or after any event of default.

(b) “Annual Rent Adjustment” and “Annual Rent Adjustment Date” are defined in Section 4.01(b).

(c) “Base Rent” is defined in Section 4.01.

(d) “Complete” and “Completion” mean, with regard to an improvement, that construction of the improvement is finished and the improvement is fully operational and ready for occupancy or use for its intended purpose, including without limitation the issuance of any applicable certificate of occupancy and other applicable permits, licenses, certificates or inspection reports necessary to the improvement’s legally authorized use.

(e) “Council” means the City Council of the City of Homer, Alaska.

(f) “Default Rate” means an annual rate of interest equal to the lesser of (i) the maximum rate of interest for which Tenant may lawfully contract in Alaska, or (ii) ten and one-half percent (10.5%).

(g) “Environmental Laws” means all local, state, and federal laws, ordinances, regulations, and orders related to environmental protection; or the use, storage, generation, production, treatment, emission, discharge, remediation, removal, disposal, or transport of any Hazardous Substance.

(h) “Excusable Delay” means delay due to strikes, acts of God, inability to obtain labor or materials, orders of any governmental authority having jurisdiction, removal of Hazardous Materials discovered at any time after the commencement of the Term, enemy action, civil commotion, fire, unusual inclement weather, unavoidable casualty or similar causes beyond the reasonable control of Tenant.

(i) “Extended Term” is defined in Section 3.05 if this Lease provides for extension at the option of the Tenant.

(j) “Five Year Rent Adjustment” and “Five Year Rent Adjustment Date” are defined in Section 4.01(a).

(k) “Hazardous Substance” means any substance or material defined or designated as hazardous or toxic waste; hazardous or toxic material; hazardous, toxic, or radioactive substance; or other similar term by any federal, state, or local statute, regulation, or ordinance or common law presently in effect or that may be promulgated in the future as such statutes, regulations, and ordinances may be amended from time to time.

(l) “Initial Term” is defined in Section 3.01.

(m) “Lease Ordinance” means such ordinances or other portions and provisions of the Homer City Code as may be enacted from time to time to dictate Landlord’s policies and requirements in leasing real property, currently enacted as Chapter 18.08 of the Homer City Code, as such may be amended, reenacted, supplemented or recodified from time to time, and as used herein the term shall refer to the Lease Ordinance as currently in effect at the time its terms would have operative effect on this Lease.

(n) “Leasehold Mortgage” is defined in Section 13.01.

(o) “Property” is defined in Section 2.01.

(p) “Rent” means Base Rent plus any Additional Rent.

(q) “Qualified Mortgagee” is defined in Section 13.03.

(r) “Required Improvements” is defined in Section 6.02.

(s) "Term" means the Initial Term plus any Extended Term.

1.02 Attachments. The following documents are attached hereto, and such documents, as well as all drawings and documents prepared pursuant thereto and all documents, policies and endorsements delivered hereunder, including without limitation all copies of required insurance policies and/or endorsements, shall be deemed to be a part hereof:

Exhibit "A" Schedule of Organization, Owners, Percentage of Ownership

Exhibit "B" Conformed Copy of Resolution Authorizing Lease and Authorizing Signers to Sign Lease Agreement on Behalf of Tenant

Exhibit "C" Legal Description of Property

Exhibit "D" Tenant's Lease Proposal

Exhibit "E" Site Plan

Exhibit "F" Required Improvements Floor Plan

Exhibit "G" Permission to Obtain Insurance Policies

ARTICLE 2. THE PROPERTY

2.01 Lease of Property. Subject to the terms and conditions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the following described property (the "Property"):

Lot 32, of the Amended Plat of the Homer Spit, according to Plat No. 89-34. Homer Recording District, State of Alaska, as depicted on **Exhibit C**, containing 24,639 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 181-034-32;

subject, however, to reservations, restrictions, easements and encumbrances of record, and to encroachments that may be revealed by an inspection of the Property.

2.02 Quiet Enjoyment. Landlord covenants that Tenant, upon paying the Rent and other charges and performing its other obligations under this Lease shall have quiet enjoyment of the Property during the Term without hindrance or interference by Landlord or by any person claiming an interest in the Property through Landlord.

2.03 Property Accepted "As Is." Tenant has inspected the Property, has made its own determination as to the suitability of the Property for Tenant's intended use, and accepts the Property "AS IS." None of landlord, its agents, or its employees make any warranties, expressed or implied, concerning the condition of the Property, including without limitation the habitability or fitness of the Property for any particular purpose, including those uses authorized by this Lease, or subsurface and soil conditions, including the presence of any Hazardous Substance.

2.04 No Subsurface or Mineral Rights. This Lease does not confer mineral rights, any rights to extract natural resources, or any rights with regard to the subsurface of the Property below the level necessary for the uses of the Property permitted in this Lease, all of which rights are, as between Landlord and Tenant, reserved to Landlord.

ARTICLE 3. TERM

3.01 Lease Term. The term of this Lease is 20 years, commencing on _____
_____, 2024, and ending on _____, 2044 (the “Term”).

3.02 Lease Renewal.

(a) Tenant represents and warrants that it has determined that the duration of the Term, including any available Extended Terms, will be sufficient for Tenant to amortize any investment that it makes in connection with this Lease, including without limitation any investment in leasehold improvements, including any Required Improvements as Tenant may be required to develop. Tenant acknowledges that it has no right of any kind to continue using or occupying the Property after the expiration or earlier termination of the Term, including without limitation any option to renew this Lease, or any option to extend the Term other than as may be provided in Section 3.05.

(b) Notwithstanding the preceding subsection (a), not less than 12 months and not more than 18 months before the expiration of the Term, Tenant may apply to Landlord to enter into a new lease for the Property that is exempted from competitive bidding under and pursuant to the Lease Ordinance.

3.03 Surrender of Possession. Upon the expiration or earlier termination of the Term, unless Tenant and Landlord have entered into a new lease for the Property commencing upon the termination of the Term, Tenant shall promptly and peaceably surrender the Property, clean, free of debris, and in as good order and condition as at the commencement of the Term, ordinary wear and tear excepted. If Tenant fails to surrender the Property in the required condition, Landlord may restore the Property to such condition and Tenant shall pay the cost thereof, plus interest at the Default Rate, on demand. Section 6.08 governs the disposition of improvements on the Property at the expiration or earlier termination of the Term.

3.04 Holding Over. Tenant’s continuing in possession of the Property after the expiration or earlier termination of the Term will not renew or extend this Lease. In the absence of any agreement renewing or extending this Lease, Tenant’s continued possession of the Property after the end of the Term will be a tenancy from month to month, terminable upon 30 days written notice by either party at any time, at a monthly rental equal to 150% of the monthly Base Rent in effect at the end of the Term, subject to all other terms of this Lease. For good cause, Landlord may waive all or part of the increase in Base Rent during the holdover period.

3.05. Options to Extend Lease Term.

(a) At its option and in its sole discretion, Tenant may seek to extend the Term for two (2) additional, consecutive five (5) periods (each an “Extended Term”), provided that:

- (1) Tenant gives Landlord written notice of its exercise of the option not more than one year and not less than 120 days before day the Term would otherwise expire; and
- (2) the City Manager determines that the lessee is in full compliance with the terms of the lease at the time of renewal.

(b) Tenant’s failure to exercise an option to extend the Term in strict compliance with all the requirements in subsection (a) renders that option and all options as to subsequent Extended Terms null and void.

ARTICLE 4. RENT, TAXES, ASSESSMENTS AND UTILITIES

4.01 Base Rent. Tenant shall pay to Landlord an initial annual rent of \$_____ (as such may later be adjusted per the terms of this Lease, the “Base Rent”). Base Rent is payable monthly in advance in installments of \$_____, plus sales and all other taxes Landlord is authorized or obligated to collect on such transactions, on _____, 20____, and on the _____ day of each month thereafter, at the office of the City of Homer, 491 East Pioneer Avenue, Homer, Alaska 99603-7645, or at such other place as Landlord may designate in writing. All Base Rent shall be paid without prior demand or notice and without deduction or offset. Base Rent that is not paid on or before the due date will bear interest at the Default Rate. Base Rent is subject to adjustment as provided in Section 4.02.

4.02 Rent Adjustments.

(a) **Five-Year Appraised Rent Adjustments.** Starting on January 1, 2029, and in every fifth year thereafter, Landlord will obtain an appraisal by a qualified real estate appraiser of the fair rental value of the Property as if privately owned in fee simple, excluding the value of alterations, additions or improvements (other than utilities) made by Tenant (or by Tenant’s predecessors under the Lease, if Tenant is party to this Lease by assignment). Following receipt of each such appraisal, the Base Rent will be adjusted (the “Five Year Rent Adjustment”), effective on the anniversary of the commencement of the term (each such date is a “Five Year Rent Adjustment Date”), to an amount equal to the greater of (1) the area of the Property in square feet, multiplied by the fair rental value per square foot determined by the appraisal, and (2) the Base Rent in effect immediately before the Five Year Rent Adjustment Date. The Base Rent as adjusted on a Five Year Rent Adjustment Date thereafter shall be the Base Rent.

(b) **Annual Rent Adjustments.** In addition to the rent adjustments under Section 4.02(a), the Base Rent also shall be adjusted annually (the “Annual Rent Adjustment”), effective on the anniversary of the commencement of the term in every year without a Five Year Rate Adjustment (each such date is an “Annual Rent Adjustment Date”), by the increase, if any, for the previous year in the cost of living as stated in the Consumer Price Index, All Urban Consumers, Anchorage, Alaska Area, All Items 2000 – present = 100 (“CPI-U”), as published by the United States Department of Labor, Bureau of Labor Statistics most recently before the Annual Rent Adjustment Date. If the CPI-U is revised or ceases to be published, Landlord instead shall use such revised or other index, with whatever adjustment in its application is necessary, to most nearly approximate in Landlord’s judgment the CPI-U for the relevant period.

4.03 Taxes, Assessments and Other Governmental Charges. Tenant shall pay prior to delinquency all taxes, installments of assessments that are payable in installments and other governmental charges lawfully levied or assessed upon or with respect to the Property, improvements on the Property and personal property that is situated on the Property; provided that Tenant may contest in good faith any such tax, assessment or other governmental charge without subjecting the Property to lien or forfeiture. If an assessment on the Property that is not payable in installments becomes due during the Term, Tenant shall be obligated to pay the fraction of the assessment that is determined by dividing the number of years remaining in the Term by 10. If the Term of this Lease is subsequently extended renewed (i.e. if Tenant and Landlord later enter into a new lease without putting the Property out for competitive bidding as referenced in Section 2.02), then the part of the assessment that Tenant shall be liable for shall be determined by adding the extended or renewal term to the number of years remaining in the Term when the assessment became due. If the Term commences or expires during a tax year, the taxes or assessments payable for that year will be prorated between Landlord and Tenant. Tenant shall exhibit to Landlord, on demand, receipts evidencing payment of all such taxes, assessments and other governmental charges. Any taxes, installments of assessments on the Property that are due to or collectible by Landlord, or for which Landlord becomes liable that are attributable to any portion of the Term, shall be Additional Rent.

4.04 Utility Charges. Tenant shall pay all charges for utility and other services provided to or used on the Property, including without limitation gas, heating oil, electric, water, sewer, heat, snow removal, telephone, internet service and refuse removal. Tenant shall be solely responsible for the cost of utility connections. Any of the preceding due to or collectible by Landlord shall be Additional Rent.

4.05 Tenant to Pay for City Services. Tenant shall pay for all services provided by the City of Homer that are related to the use or operation of the Property, improvements thereon and Tenant's activities thereon, at the rates established by the City of Homer from time to time for such services, including without limitation wharfage, crane use, ice, and other Port and Harbor services. Tenant shall provide the City of Homer with the information necessary to determine the amount of service charges owed, keep written records of such information for not less than two years after such charges are due, and, upon request, make such records available to the City of Homer for inspection and audit.

4.06 Additional Rent and Landlord's Right to Cure Tenant's Default. All costs or expenses that Tenant is required to pay under this Lease at Landlord's election will be treated as Additional Rent, and Landlord may exercise all rights and remedies provided in this Lease in the event of nonpayment. If Tenant defaults in making any payment required of Tenant or defaults in performing any term, covenant or condition of this Lease that involves the expenditure of money by Tenant, Landlord may, but is not obligated to, make such payment or expenditure on behalf of Tenant, and any and all sums so expended by Landlord, with interest thereon at the Default Rate from the date of expenditure until repaid, will be Additional Rent and shall be repaid by Tenant to Landlord on demand, provided, however, that such payment or expenditure by Landlord will not waive Tenant's default, or affect any of Landlord's remedies for such default.

4.07 Security Deposit. Upon execution of this Lease, and in addition to any other security or credit support provided by or for the benefit of Tenant in entering into this Lease, Tenant shall deposit with Landlord an amount equal to 10% of the annual Base Rent as security for Tenant's performance of its obligations under this Lease. Landlord may commingle the security deposit with other funds of Landlord, and its obligations with respect to such security deposit shall only be as a debtor and not as a trustee or fiduciary. If Tenant defaults in performing any obligation under this Lease, including without limitation the payment of rent, Landlord may apply all or any portion of the security deposit to the payment of any sum in default or any damages suffered by Landlord as result of the default, or any sum that Landlord may be required to incur by reason of the default. Upon demand, Tenant shall deposit with Landlord the amount so applied so that Landlord will have the full deposit on hand at all times during the Term.

ARTICLE 5. SECURITY INTEREST

To secure the performance of Tenant's obligations under this Lease, including without limitation the obligations to pay rent and other sums to be paid by Tenant, Tenant grants to Landlord a lien and security interest in the following collateral: ("Collateral"): (1) all security deposits or other monies owing from Landlord to Tenant (as collateral in the possession of the secured party); (2) all insurance proceeds from any policy insuring the Property or improvements thereon; (3) all compensation payable to Tenant as a result of eminent domain proceedings or a transfer in lieu thereof; (4) all rents from Tenant's subletting of all or a part of the Property; and (5) all improvements on the Property, including any Required Improvements. Said lien and security interest will be in addition to Landlord's liens provided by law.

This Lease shall constitute a mortgage by Tenant as mortgagor of all right, title and interest of Tenant in and to any and all improvements on the Property, including any Required Improvements, in favor of Landlord as mortgagee, and the recorded memorandum of this Lease shall reference Landlord as mortgagee of such improvements. In addition, Tenant shall execute,

such financing statements and other instruments as Landlord may now or hereafter reasonably request to evidence the liens, mortgages and security interests granted by Tenant hereunder, including any deed of trust pertaining to additions, alterations and improvements on the Property. This Lease also constitutes a security agreement under the Uniform Commercial Code as enacted in Alaska ("UCC"), and Landlord will have all rights and remedies of a secured party under the UCC regarding the Collateral.

ARTICLE 6. USE AND IMPROVEMENT OF PROPERTY

6.01 Use of Property. Tenant shall use and, if applicable, improve the Property only in the manner described in Tenant's proposal or application for the Property as more fully set forth on **Exhibit D**. Tenant's undertaking to use and, if applicable, improve the Property as described on Exhibit D is a material inducement to Landlord leasing the Property to Tenant, and Tenant shall not use or improve the Property for any purpose other than as described on Exhibit D without Landlord's written consent, which consent Landlord may withhold in its sole discretion.

6.02 Required Improvements. Tenant shall, at Tenant's sole expense, construct, and at all times during the Term keep and maintain as the minimum development on the Property the Required Improvements as described on Exhibit D and as depicted more specifically in the site plan and floor plans in **Exhibit E** and **Exhibit F**, respectively. If the Required Improvements are not in place at the commencement of the Term, Tenant shall commence construction of the Required Improvements within one year after the date of commencement of the Term, prosecute the construction of the Required Improvements with diligence, and Complete construction of the Required Improvements within one additional year.

6.03 Construction Prerequisites. Tenant may not commence any construction on the Property, including without limitation construction of the Required Improvements, without first satisfying the following conditions:

(a) Not less than thirty (30) days before commencing construction, Tenant shall submit to Landlord preliminary plans and specifications, and an application for a City of Homer zoning permit, for the construction, showing the layout of proposed buildings and other improvements, ingress and egress, dimensions and locations of utilities, drainage plans, and any other information required for the zoning permit or other required permits. The preliminary plans and specifications are subject to Landlord's approval, which will not be unreasonably withheld, as well as all specific requirements for the issuance of any permits or zoning variances. Landlord shall communicate approval or disapproval in the manner provided for notices hereunder, accompanying any disapproval with a statement of the grounds therefor. Tenant shall be responsible for complying with all laws governing the construction, including any specific requirements for the issuance of any permits or zoning variances, notwithstanding Landlord's approval of preliminary plans and specifications under this paragraph.

(b) Not less than fifteen (15) days before commencing construction, Tenant shall deliver to Landlord one complete set of final working plans and specifications as approved by the governmental agencies whose approval is required for Tenant to commence construction. The final working plans and specifications shall conform substantially to the preliminary plans and specifications previously approved by Landlord, subject to changes made to comply with suggestions, requests or requirements of a governmental agency or official in connection with the application for permit or approval.

(c) Not less than five (5) days before commencing construction, Tenant shall give Landlord written notice of its intent to commence construction, and furnish to Landlord the following:

- (1) Proof that all applicable federal, state and local permits required for the construction have been obtained.
- (2) For construction, alteration or restoration of Required Improvements, a current certificate of insurance with the coverages specified in Section 9.04(c).

6.04 Extensions of Time for Completion of Required Improvements. Landlord shall grant an extension of the time to Complete the Required Improvements for a period of time equal to the duration of an Excusable Delay, upon Tenant's written request describing the nature of the Excusable Delay, provided Tenant has commenced construction in a timely manner and is proceeding diligently to Complete construction.

6.05 Additional and Replacement Improvements.

(a) Construction of alterations, additions improvements that are not consistent with terms of this Lease or the proposed uses for the Property set forth on Exhibit D is prohibited unless the improvements are authorized by an amendment to this Lease approved by the Council via resolution.

(b) Subject to Section 6.05(a), upon satisfying the conditions in section 6.03, Tenant at any time may, but is not obligated to, construct new improvements on the Property and demolish, remove, replace, alter, relocate, reconstruct or add to existing improvements; provided that Tenant is not then in default under this Lease and provided further that Tenant continuously maintains on the Property the Required Improvements, or their equivalent of equal or greater value. Once any work is begun, Tenant shall with reasonable diligence prosecute to Completion all construction of improvements, additions, alterations, or other work. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.

6.06 As-Built Survey. Within 30 days after Completion of construction of any improvements on the Property involving construction, alteration, addition, removal or demolition of the foundation, structure, utility services, ingress and egress, or any major changes of all or any part of any structure or improvement on the Property, Tenant shall provide Landlord with three copies of an as-built survey of the Property prepared by a registered professional surveyor, showing the location of all improvements on the Property, including underground utilities, pipelines and pre-existing improvements. Tenant shall accompany the as-built survey with a description of all changes from the approved plans or specifications made during the course of the work.

6.07 Ownership of Improvements. Other than the Required Improvements, any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property by Tenant will be and remain the property of Tenant at all times during the Term and may be removed or replaced by Tenant during the Term, subject to the provisions Section 6.08.

6.08 Disposition of Improvements at End of Term.

(a) Unless excepted by operation of the following subsection (b), any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property become the property of Landlord upon expiration or earlier termination of the Term.

(b) One year before the expiration of the Term, the Landlord and Tenant shall determine if the buildings, fixtures and improvements constructed or maintained on the Property, including the Required Improvements, are structurally sound and in good condition. If such buildings, fixtures and improvements constructed or maintained on the Property are structurally sound and in good condition, Tenant shall leave such improvements intact with all components, including without limitation doors, windows, and plumbing, electrical and mechanical fixtures and

systems, in good condition and ready for use or occupancy, upon expiration of the Term, and Tenant shall execute, acknowledge, and deliver to Landlord a proper instrument in writing releasing and quitclaiming to Landlord all of Tenant's interest in such buildings, fixtures and improvements. Tenant shall be obligated to and shall remove, prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property that are not structurally sound and in good condition, and Landlord shall not have or obtain any ownership interest in such buildings, fixtures and improvements by reason of this Lease.

(c) If Landlord terminates this Lease because of a default by Tenant prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property shall, at Landlord's option, become the property of Landlord, which may use or dispose of them in its sole discretion. If Landlord elects not to obtain ownership of such buildings, fixtures and improvements under the preceding sentence or elects to remove any of such buildings, fixtures or improvements for any reason, Tenant shall be obligated to and shall remove such buildings, fixtures or improvements.

(d) Tenant shall notify Landlord before commencing the removal of an improvement as required under the preceding subsections (b) and/or (c) and coordinate the removal work with Landlord. Once Tenant commences the removal work, Tenant shall prosecute the removal with reasonable diligence to Completion and shall repair all damages to the Property caused by such removal no later than the expiration of the Term. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.

(e) If Tenant fails to remove any improvements from the Property that Tenant is required to remove under and per the terms of the preceding subsections (b), (c) and/or (d), Tenant shall pay Landlord the costs that Landlord incurs in removing and disposing of the improvements and repairing damages to the Property caused by such removal.

ARTICLE 7. CARE AND USE OF THE PROPERTY

7.01 Maintenance of the Property. Tenant at its own cost and expense shall keep the Property and all buildings and improvements that at any time may be situated thereon in a clean, safe and orderly condition, and in good repair at all times during the Term.

7.02 Repair of Improvements.

(a) Except as provided in Section 7.02(b), in the event any buildings or improvements situated on the Property by Tenant are damaged or destroyed by fire, earthquake, tsunami, or other casualty, Tenant shall at Tenant's expense restore the same to good and tenantable condition or shall remove the same as soon as is reasonably possible, but in no event may the period of restoration exceed 18 months nor may the period of removal exceed 45 days.

(b) Unless Tenant is excused from the obligation under this paragraph, if the Required Improvements or any part thereof are damaged or destroyed by fire, earthquake, tsunami, or other casualty, rendering the Required Improvements totally or partially inaccessible or unusable, Tenant shall at Tenant's expense restore the Required Improvements to substantially the same condition as they were in immediately before such damage, provided that:

- (1) if the cost of repairing or restoring the Required Improvements, less any available insurance proceeds not reduced by applicable deductibles and coinsurance, exceeds 10% of the replacement cost of the Required Improvements, then Tenant may terminate this Lease by giving notice to Landlord of Tenant's election to terminate within 15 days after determining the restoration cost and replacement cost, and this Lease shall terminate as of the date of such notice;

- (2) if the repair or restoration of the Required Improvements would be contrary to law, either party may terminate this Lease immediately by giving notice to the other party; or
- (3) if such damage or casualty to the Required Improvements occurs within three years before the end of the Term, Tenant may, in lieu of restoring or replacing the Required Improvements, terminate this Lease by giving written notice of termination to Landlord within 120 days after such damage or casualty.

Nothing in this paragraph relieves Tenant of the obligation to surrender the Property upon the expiration or earlier termination of the Term in the condition required by Section 3.03.

7.03 Nuisances Prohibited. Tenant at all times shall keep the Property in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests; junk, abandoned or discarded property, including without limitation vehicles, equipment, machinery or fixtures; and litter, rubbish or trash. Tenant shall not use the Property in any manner that will constitute waste or a nuisance. Landlord, at Tenant's expense and without any liability to Tenant, may remove or abate any such junk, abandoned or discarded property, litter, rubbish or trash, or nuisance on the Property after 15 days written notice to Tenant, or after (4) four hour notice to Tenant in writing, by telephone, facsimile or in person if Landlord makes a written finding that such removal or abatement is required to prevent imminent harm to public health, safety or welfare. Tenant shall pay Landlord all the costs of such removal, plus interest at the Default Rate, as Additional Rent under this Lease. This section does not limit or waive any other remedy available to the City of Homer to abate any nuisance or for the violation of the Homer City Code.

7.04 Compliance with Laws. Tenant's improvement and use of the Property shall comply with all governmental statutes, ordinances, rules and regulations, including without limitation the City of Homer Zoning Code and all applicable building codes, now or hereafter in effect.

7.05 Liens. Except as provided in Article 13, Tenant may not permit any lien, including without limitation a mechanic's or materialman's lien, to be recorded against the Property. If any such lien is recorded against the Property, Tenant shall cause the same to be removed; provided that Tenant may in good faith and at Tenant's own expense contest the validity of any such lien without subjecting the Property to foreclosure, and in the case of a mechanic's or materialman's lien, if Tenant has furnished the bond required in A.S. 34.35.072 (or any comparable statute hereafter enacted providing for a bond freeing the Property from the effect of such a lien claim). Tenant shall indemnify and save Landlord harmless from all liability for damages occasioned by any such lien, together with all costs and expenses (including attorneys' fees) incurred by Landlord in negotiating, settling, defending, or otherwise protecting against such lien and shall, in the event of a judgment of foreclosure of the lien, cause the same to be discharged and removed prior to any attempt at execution of such judgment.

7.06 Radio Interference. Upon Landlord's request, Tenant shall discontinue the use on the Property of any source of electromagnetic radiation that interferes with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

7.07 Signs. Tenant may only erect signs on the Property that comply with state and local sign laws and ordinances. City Planning Department approval is required prior to the erection of any sign on the Property.

7.08 Garbage Disposal. Tenant shall keep any garbage, trash, rubbish or other refuse in industry standard containers until removed, and cause all garbage, trash, rubbish or other refuse on the Property to be collected and transported to a Kenai Peninsula Borough solid waste facility or transfer station at least once a week. Tenant may not place garbage, trash, rubbish or other refuse

from the Property in Landlord's garbage disposal facilities on the Homer Spit or any other public facility.

7.09 Access Rights of Landlord. Landlord's agents and employees shall have the right, but not the obligation, to enter the Property at all reasonable times to inspect the use and condition of the Property; to serve, post or keep posted any notices required or allowed under the provisions of this Lease, including notices of non-responsibility for liens; and to do any act or thing necessary for the safety or preservation of the Property.

ARTICLE 8. ASSIGNMENT AND SUBLEASE

8.01 Assignment or Sublease Absent Consent is Void.

(a) Tenant shall not assign or sublease its interest in this Lease or in the Property without compliance with applicable provisions of the Lease Ordinance, including applying for and receiving consent of Council, and any attempted assignment or sublease absent such compliance is and shall be null and void and of no effect and, at Landlord's election, will constitute an event of default hereunder.

(b) If Tenant seeks to assign or sublease its interest in this Lease or in the Property, in addition to compliance with applicable provisions of the Lease Ordinance, Tenant shall request consent of Council to such assignment or sublease in writing at least 30 days prior to the effective date of the proposed assignment or sublease, accompanied by a copy of the proposed assignment or sublease. If Tenant subleases any portion of the Property, Tenant shall be assessed Additional Rent equal to 10% of the current Base Rent for the subleased area.

(c) No consent to any assignment or sublease waives Tenant's obligation to obtain Landlord's consent to any subsequent assignment or sublease. An assignment of this Lease shall require the assignee to assume the Tenant's obligations hereunder, and shall not release Tenant from liability hereunder unless Landlord specifically so provides in writing.

8.02. Events that Constitute an Assignment. If Tenant is a partnership or limited liability company, a withdrawal or change, voluntary, involuntary or by operation of law, of one or more partners or members owning 25% or more of the entity, or the dissolution of the entity, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance. If Tenant is a corporation, any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or other transfer of a controlling percentage of the capital stock of Tenant, or the sale of 25% of the value of the assets of Tenant, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance; provided that if Tenant is a corporation the stock of which is traded through an exchange or over the counter, a sale or other transfer of a controlling percentage of the capital stock of Tenant will not constitute such an assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing at least 25% of the total combined voting power of all classes of Tenant's capital stock issued, outstanding and entitled to vote for the election of directors.

8.03. Costs of Landlord's Consent to be Borne by Tenant. As a condition to Landlord's consent to any assignment or sublease under section 8.01 and the Lease Ordinance, Tenant shall pay Landlord's reasonable costs, including without limitation attorney's fees and the expenses of due diligence inquiries, incurred in connection with any request by Tenant for Landlord's consent to the assignment or sublease.

ARTICLE 9. LIABILITY, INDEMNITY AND INSURANCE

9.01 Limitation of Landlord Liability. Landlord, its officers and employees shall not be liable to Tenant for any damage to the Property or the buildings and improvements thereon, or for death or injury of any person or damage to any property, from any cause; however, this provision shall not affect the liability of Landlord, its officers and employees on any claim to the extent the claim arises from their negligence or willful misconduct.

9.02 Indemnity Generally. Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from all claims arising from death or injury of any person or damage to any property occurring in or about the Property; however, this provision shall not apply to any claim to the extent the claim arises from the sole negligence or willful misconduct of Landlord, its officers and employees.

9.03 Indemnity for Emergency Service Costs. Without limiting the generality of Section 9.02, in the event of a major fire or other emergency, Tenant shall reimburse Landlord for the cost of providing fire-fighting and other emergency service to Tenant, the Property or at any other location where the fire or emergency requiring response arises from or is related to the use of the Property or Tenant's operations. For purposes of this section, a major fire or other emergency is one that requires more than five man-hours of effort by the City of Homer Fire Department.

9.04 Insurance Requirements.

(a) Without limiting Tenant's obligations to indemnify under this Lease, Tenant at its own expense shall maintain in force such policies of insurance with a carrier or carriers reasonably satisfactory to Landlord and authorized to conduct business in the state of Alaska, as Landlord may reasonably determine are required to protect Landlord from liability arising from Tenant's activities under this Lease, including the minimum insurance requirements set forth for tenants under the Lease Ordinance. Landlord's insurance requirements in the Lease Ordinance (or any superseding policy permitted under the Lease Ordinance) specify only the minimum acceptable coverage and limits, and if Tenant's policy contains broader coverage or higher limits, Landlord shall be entitled to such coverage to the extent of such higher limits.

(b) Without limiting the generality of the foregoing, Tenant shall maintain in force at all times during the Term the following minimum policies of insurance:

- (1) Comprehensive general liability insurance with limits of liability not less than a combined single limit for bodily injury and property damage of \$1,000,000 each occurrence and \$2,000,000 aggregate. This insurance shall also be endorsed to provide contractual liability insuring Tenant's obligations to indemnify under this Lease.
- (2) Comprehensive automobile liability covering all owned, hired and non-owned vehicles with coverage limits not less than \$1,000,000 occurrence combined single limit for bodily injury and property damage.
- (3) Workers' compensation insurance as required by AS 23.30.045. This coverage shall include employer's liability protection not less than \$1,000,000 per person, \$1,000,000 per occurrence. Where applicable, coverage for all federal acts (i.e. U.S. Longshoremen and Harbor Worker's Compensation and Jones Acts) shall also be included. The workers' compensation insurance shall contain a waiver of subrogation clause in favor of Landlord.
- (4) Based on the authorized uses of the Property stated in Section 6.01, environmental insurance is not required. However, if Tenant uses the Property, with or without authorization from the Landlord, for purposes other than those stated in paragraph

Section 6.01, if Landlord so elects, and within 10 days after Landlord gives notice of such election, Tenant shall procure and at all times thereafter maintain, at its expense, environmental remediation and environmental impairment liability, including sudden and accidental coverage, gradual pollution coverage, and clean-up cost coverage associated with any activity by Tenant or others on, from, or related to the Property, with coverage limits not less than \$1,000,000 for any one accident or occurrence. Coverage shall extend to loss arising as a result of the work or services or products furnished, used or handled in connection with Tenant's operations contemplated under this Lease.

- (5) Property insurance covering the Required Improvements described in Section 6.02 in an amount not less than full replacement cost of the Required Improvements. This policy shall include boiler and machinery coverage.

(c) During any construction of the Required Improvements and during any subsequent alteration or restoration of the Required Improvements at a cost in excess of \$250,000 per job, Tenant shall maintain builder's risk insurance in an amount equal to the completed value of the project.

(d) Tenant shall furnish Landlord with certificates evidencing the required insurance not later than the date as of which this Lease requires the insurance to be in effect, and the provision of any such certificates due at or prior to the commencement of the Term shall be a condition precedent to the commencement of the Term. The certificates and the insurance policies required by this Section shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire, and limits of liability will not be reduced, without at least 30 days' prior written notice to Landlord. Landlord shall be named as an additional insured under all policies of liability insurance required of Tenant. Landlord's acceptance of a deficient certificate of insurance does not waive any insurance requirement in this Lease. Tenant also shall grant Landlord permission to obtain copies of insurance policies from all insurers providing required coverage to Tenant by executing and delivering to Landlord such authorizations substantially in the form of **Exhibit G** as Landlord may request.

ARTICLE 10. ENVIRONMENTAL MATTERS

10.01 Use of Hazardous Substances. Tenant shall not cause or permit the Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce or process any Hazardous Substance, except as is necessary or useful to Tenant's authorized uses of the Property stated in Section 6.01, and only in compliance with all applicable Environmental Laws. Any Hazardous Substance permitted on the Property as provided in this section, and all containers therefor, shall be handled, used, kept, stored and disposed of in a manner that complies with all applicable Environmental Laws, and handled only by properly trained personnel.

10.02 Prevention of Releases. Tenant shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of Tenant or any of its agents, employees, contractors, tenants, subtenants, invitees or other users or occupants of the Property, a release of any Hazardous Substance onto the Property or onto any other property.

10.03 Compliance with Environmental Laws. Tenant at all times and in all respects shall comply, and will use its best efforts to cause all tenants, subtenants and other users and occupants of the Property to comply, with all Environmental Laws, including without limitation the duty to undertake the following specific actions: (i) Tenant shall, at its own expense, procure, maintain in effect and comply with all conditions of, any and all permits, licenses and other governmental and regulatory approvals required by all Environmental Laws, including without limitation permits required for discharge of (appropriately treated) Hazardous Substances into the ambient air or any

sanitary sewers serving the Property; and (ii) except as discharged into the ambient air or a sanitary sewer in strict compliance with all applicable Environmental Laws, all Hazardous Substances from or on the Property to be treated and/or disposed of by Tenant will be removed and transported solely by duly licensed transporters to a duly licensed treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

10.04 Notice. Tenant shall promptly give Landlord (i) written notice and a copy of any notice or correspondence it receives from any federal, state or other government agency regarding Hazardous Substances on the Property or Hazardous Substances which affect or will affect the Property; (ii) written notice of any knowledge or information Tenant obtains regarding Hazardous Substances or losses incurred or expected to be incurred by Tenant or any government agency to study, assess, contain or remove any Hazardous Substances on or near the Property, and (iii) written notice of any knowledge or information Tenant obtains regarding the release or discovery of Hazardous Substances on the Property.

10.05 Remedial Action. If the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment or disposal at the Property of any Hazardous Substance (i) gives rise to liability (including but not limited to a response action, remedial action or removal action) under any Environmental Law, (ii) causes a significant public health effect, or (iii) pollutes or threatens to pollute the environment, Tenant shall, at its sole expense, promptly take any and all remedial and removal action necessary to clean up the Property and mitigate exposure to liability arising from the Hazardous Substance, whether or not required by law.

10.06 Indemnification. Subject to Section 10.09, Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from and against any and all claims, disbursements, demands, damages (including but not limited to consequential, indirect or punitive damages), losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including experts', consultants' and attorneys' fees and expenses, and including without limitation remedial, removal, response, abatement, cleanup, legal, investigative and monitoring costs), imposed against Landlord, arising directly or indirectly from or out of, or in any way connected with (i) the failure of Tenant to comply with its obligations under this Article; (ii) any activities on the Property during Tenant's past, present or future possession or control of the Property which directly or indirectly resulted in the Property being contaminated with Hazardous Substances; (iii) the discovery of Hazardous Substances on the Property whose presence was caused during the possession or control of the Property by Tenant; (iv) the clean-up of Hazardous Substances on the Property; and (v) any injury or harm of any type to any person or damage to any property arising out of or relating to Hazardous Substances on the Property or from the Property on any other property. The liabilities, losses, claims, damages, and expenses for which Landlord is indemnified under this section shall be reimbursable to Landlord as and when the obligation of Landlord to make payments with respect thereto are incurred, without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and Tenant shall pay such liability, losses, claims, damages and expenses to Landlord as so incurred within 10 days after notice from Landlord itemizing in reasonable detail the amounts incurred (provided that no itemization of costs and expenses of counsel to Landlord is required where, in the determination of Landlord, such itemization could be deemed a waiver of attorney-client privilege).

10.07 Survival of Obligations. The obligations of Tenant in this Article, including without limitation the indemnity provided for in Section 10.06, are separate and distinct obligations from Tenant's obligations otherwise provided for herein and shall continue in effect after the expiration of the Term.

10.08 Claims against Third Parties. Nothing in this Article shall prejudice or impair the rights or claims of Tenant against any person other than Landlord with respect to the presence of Hazardous Substances as set forth above.

10.09 Extent of Tenant's Obligations. Tenant's obligations under this Article apply only to acts, omissions or conditions that (i) occur in whole or in part during the Term or during any time of Tenant's possession or occupancy of the Property prior to or after the Term of this Lease; or (ii) are proximately caused in whole or in part by the occupancy of, use of, operations on, or actions on or arising out of the Property by Tenant or its employees, agents, customers, invitees or contractors.

10.10 Inspection at Expiration of Term. Within 90 days before the expiration of the Term, Tenant shall at its own expense obtain a Phase I environmental inspection of the Property, and conduct any further inspection, including without limitation test holes, that is indicated by the results of the Phase I inspection. Tenant, at its own expense, shall remediate any contamination of the Property that is revealed by the inspections and that is Tenant's responsibility under this Article.

ARTICLE 11. CONDEMNATION

11.01 Article Determines Parties' Rights and Obligations. If any entity having the power of eminent domain exercises that power to condemn the Property, or any part thereof or interest therein, or acquires the Property, or any part thereof or interest therein by a sale or transfer in lieu of condemnation, the interests of Landlord and Tenant in the award or consideration for such transfer and the effect of the taking or transfer upon this Lease will be as provided in this Article.

11.02 Total Taking. If all of the Property is taken or so transferred, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority.

11.03. Partial Taking. If the taking or transfer of part of the Property causes the remainder of the Property to be not effectively and practicably usable in the opinion of the Tenant for the purpose of operation thereon of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority. If the taking or transfer of part of the Property leaves the remainder of the Property effectively and practicably usable in the opinion of Tenant for the operation of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate as to the portion of the Property so taken or transferred on the date title to the Property vests in the condemning authority, but will continue in full force and effect as to the portion of the Property not so taken or transferred, and the Base Rent will abate in the proportion that the portion of the Property taken bears to all of the Property.

11.04 Compensation. Landlord and Tenant each may make a claim against the condemning or taking authority for the amount of just compensation due to it. Tenant shall make no claim against Landlord for damages for termination of the leasehold or interference with Tenant's business, even if Landlord is the condemning or taking authority. Neither Tenant nor Landlord will have any rights in or to any award made to the other by the condemning authority; provided, that if a single award to Landlord includes specific damages for loss of Tenant's leasehold interest separately awarded in the eminent domain proceeding and not as a part of the damages recoverable by Landlord, Landlord will transmit such separately awarded damages to Tenant.

ARTICLE 12. DEFAULT

12.01. Events of Default. Each of the following shall constitute an event of default under this Lease:

(a) The failure of Tenant to pay Rent or any other sum of money due under this Lease within ten (10) days after the date such payment is due.

(b) The failure of Tenant to perform or observe any covenant or condition of this Lease, other than a default in the payment of money described in the preceding subsection (a), which is not cured within thirty (30) days after notice thereof from Landlord to Tenant, unless the default is of a kind that cannot be cured within such 30-day period, in which case no event of default shall be declared so long as Tenant shall commence the curing of the default within such 30 day period and thereafter shall diligently and continuously prosecute the curing of same.

(c) The use of the Property or buildings and improvements thereon for purposes other than those permitted herein, to which Landlord has not given its written consent.

(d) The commencement of a case under any chapter of the federal Bankruptcy Code by or against Tenant, or the filing of a voluntary or involuntary petition proposing the adjudication of Tenant as bankrupt or insolvent, or the reorganization of Tenant, or an arrangement by Tenant with its creditors, unless the petition is filed or case commenced by a party other than Tenant and is withdrawn or dismissed within ninety (90) days after the date of its filing.

(e) The admission in writing by Tenant of its inability to pay its debts when due; the appointment of a receiver or trustee for the business or property of Tenant, unless such appointment shall be vacated within ten (10) days after its entry; Tenant making an assignment for the benefit of creditors; or the voluntary or involuntary dissolution of Tenant.

12.02 Landlord's Remedies. Upon the occurrence of an event default, Landlord has all of the following remedies, all in addition to any other remedies that Landlord may have at law or in equity:

(a) Landlord may terminate this Lease by written notice to Tenant, upon which termination Tenant shall immediately surrender possession of the Property, vacate the Property, and deliver possession of the Property to Landlord. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates this Lease in accordance with this subsection (a), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

(b) Landlord may by written notice declare Tenant's right to possession of the Property terminated without terminating this Lease. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates Tenant's right of possession in accordance with this subsection (b), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

(c) Subject to Section 12.01(e), Landlord may relet the Property in whole or in part for any period equal to or greater or less than the remainder of the Term, as applicable, for any sum that Landlord may deem reasonable.

(d) Landlord may collect any and all rents due or to become due from subtenants or other occupants of the Property.

(e) Landlord may recover from Tenant, with or without terminating this Lease, actual attorney's fees and other expenses incurred by Landlord by reason of Tenant's default and elect to recover damages described under either (1) or (2):

- (1) from time to time, an amount equal to the sum of all Base Rent and other sums that have become due and remain unpaid, less the rent, if any, collected by Landlord on reletting the Property reduced by the amount of all expenses incurred by Landlord in connection with reletting the Property; or
- (2) immediately upon Tenant's default, an amount equal to the difference between the Base Rent and the fair rental value of the Property for the remainder of the Term, discounted to the date of such default at a rate per annum equal to the rate at which Landlord could borrow funds for the same period as of the date of such default.

(f) Reentry or reletting of the Property, or any part thereof, shall not terminate this Lease, unless accompanied by Landlord's written notice of termination to Tenant.

12.03 Assignment of Rents. Tenant immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any subletting of all or a part of the Property, and Landlord, as assignee and attorney-in-fact for Tenant, or a receiver for Tenant appointed on Landlord's application, may collect such rent and apply it toward Tenant's obligations under this Lease, except that Tenant has the right to collect such rent until the occurrence of an event of default by Tenant.

ARTICLE 13. LEASEHOLD MORTGAGES

13.01. Mortgage of Leasehold Interest. Tenant shall have the right at any time, and from time to time, to subject the leasehold estate and any or all of Tenant's improvements situated on the Property to one or more deeds of trust, mortgages, and other collateral security instruments as security for a loan or loans or other obligation of Tenant (each a "Leasehold Mortgage"), subject to the remainder of this Article 13.

13.02 Subordinate to Lease. The Leasehold Mortgage and all rights acquired under it shall be subject and subordinate to all the terms of this Lease, and to all rights and interests of Landlord except as otherwise provided in this Lease.

13.03 Notice to Landlord. Tenant shall give Landlord notice before executing each Leasehold Mortgage, and shall accompany the notice with a true copy of the note and the Leasehold Mortgage as proposed for execution. Upon Landlord's written consent to the Leasehold Mortgage and upon execution of the Leasehold Mortgage by all parties, the mortgagee shall become a Qualified Mortgagee as that term is used in this Lease. Tenant also shall deliver to Landlord a true and correct copy of any notice from a Qualified Mortgagee of default or acceleration of the maturity of the note secured by a Leasehold Mortgage promptly following Tenant's receipt thereof.

13.04 Modification or Termination. No action by Tenant or Landlord to cancel, surrender, or materially modify the economic terms of this Lease or the provisions of Article 11 will be binding upon a Qualified Mortgagee without its prior written consent.

13.05 Notice to Qualified Mortgagee.

(a) If Landlord gives any notice hereunder to Tenant, including without limitation a notice of an event of default, Landlord shall give a copy of the notice to each Qualified Mortgagee at the address previously designated by it.

(b) If a Qualified Mortgagee changes its address or assigns the Leasehold Mortgage, the Qualified Mortgagee or assignee may change the address to which such copies of notices hereunder shall be sent by written notice to Landlord. Landlord will not be bound to recognize any assignment of a Qualified Mortgage unless and until Landlord has been given written notice thereof, a copy of the executed assignment, and the name and address of the assignee. Thereafter, the assignee will be deemed to be the Qualified Mortgagee hereunder with respect to the assigned Leasehold Mortgage.

(c) If a Leasehold Mortgage is held by more than one person, Landlord shall not be required to give notices to the Qualified Mortgagee of the Leasehold Mortgage unless and until all of the holders of the Leasehold Mortgage give Landlord an original executed counterpart of a written designation of one of their number to receive notices hereunder. Notice given to the one so designated is effective as notice to all them.

13.06 Performance of Tenant Obligations.

(a) A Qualified Mortgagee may perform any obligation of Tenant and remedy any default by Tenant under this Lease within the time periods specified in the Lease, and Landlord shall accept such performance with the same force and effect as if furnished by Tenant; provided, however, that the Qualified Mortgagee will not thereby be subrogated to the rights of Landlord.

(b) Tenant may delegate irrevocably to a Qualified Mortgagee the non-exclusive authority to exercise any or all of Tenant's rights hereunder, but no such delegation will be binding upon Landlord unless and until either Tenant or the Qualified Mortgagee gives Landlord a true copy of a written instrument effecting such delegation.

(c) If Tenant defaults in the payment of any monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 10 days after the expiration of any grace or cure periods granted Tenant herein. If Tenant defaults in the performance of any non-monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 30 days after the expiration of any grace or cure periods granted Tenant herein.

13.07 Possession by Qualified Mortgagee. A Qualified Mortgagee may take possession of the Property and vest in the interest of Tenant in this Lease upon the performance of the following conditions:

(a) The payment to Landlord of any and all sums due to Landlord under this Lease, including without limitation accrued unpaid rent.

(b) The sending of a written notice to Landlord and Tenant of the Qualified Mortgagee's intent to take possession of the Property and assume the Lease.

(c) The curing of all defaults not remediable by the payment of money within an additional 30 days after the date upon which such default was required to be cured by Tenant under the terms of this Lease.

13.08 No Liability of Mortgagee Without Possession. A Qualified Mortgagee shall have no liability or obligation under this Lease unless and until it sends to Landlord the written notice described in paragraph 13.07(b). Nothing in this Lease or in the taking of possession of the Property and assumption of the Lease by a Qualified Mortgagee or a subsequent assignee shall relieve Tenant of any duty or liability to Landlord under this Lease.

13.09 New Lease. If a Qualified Mortgagee acquires Tenant's leasehold as a result of a judicial or non-judicial foreclosure under a Leasehold Mortgage, or by means of a deed in lieu of foreclosure, the Qualified Mortgagee thereafter may assign or transfer Tenant's leasehold to an assignee upon obtaining Landlord's written consent thereto, which consent will not be unreasonably withheld or delayed but which assignment will be subject to all of the other provisions of Article 8 and any provisions of the Lease Ordinance concerning acceptable assignees. Upon such acquisition by a Qualified Mortgagee or its assignee of Tenant's leasehold, Landlord will execute and deliver a new ground lease of the Property to the Qualified Mortgagee or its assignee not later than 120 days after such party's acquisition of Tenant's leasehold. The new ground lease will be identical in form and content to this Lease, except with respect to the parties thereto, the term thereof (which will be co-extensive with the remaining Term hereof), and the elimination of any requirements that Tenant fulfilled prior thereto, and the new ground lease will have priority equal to the priority of this Lease. Upon execution and delivery of the new ground lease, Landlord will cooperate with the new tenant, at the sole expense of said new tenant, in taking such action as may be necessary to cancel and discharge this Lease and to remove Tenant from the Property.

ARTICLE 14. GENERAL PROVISIONS

14.01 Authority. Tenant represents and warrants that it has complete and unconditional authority to enter into this Lease; this Lease has been duly authorized by Tenant's governing body; this Lease is a binding and enforceable agreement of and against Tenant; and the person executing the Lease on Tenant's behalf is duly and properly authorized to do so.

14.02 Estoppel Certificates. Either party shall at any time and from time to time upon not less than 30 days prior written request by the other party, execute, acknowledge and deliver to such party, or to its designee, a statement in writing certifying that this Lease is in full force and effect and has not been amended (or, if there has been any amendment thereof, that the same is in full force and effect as amended and stating the amendment or amendments); that there are no defaults existing, (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the Base Rent and other charges have been paid in advance. The requesting party shall pay the cost of preparing an estoppel certificate, including the cost of conducting due diligence investigation and attorney's fees.

14.03 Delivery of Notices -Method and Time. All notices, demands or requests from one party to another shall be delivered in person or be sent by (i) mail, certified or registered, postage prepaid, (ii) reputable overnight air courier service, or (iii) electronic mail or facsimile transmission (accompanied by reasonable evidence of receipt of the transmission and with a confirmation copy mailed by first class mail no later than the day after transmission) to the address for the recipient in Section 14.04 and will be deemed to have been given at the time of delivery or, if mailed, three (3) days after the date of mailing.

14.04 Addresses for Notices. All notices, demands and requests from Tenant to Landlord shall be given to Landlord at the following address:

City Manager
City of Homer
491 East Pioneer Avenue
Homer, Alaska 99603
Facsimile: (907) 235-3148
Email: _____

All notices, demands or requests from Landlord to Tenant shall be given to Tenant at the following address:

John Stewart
BERTH II INC.
4400 Homer Spit Road
Homer, Alaska 99603
Email: _____

Each party may, from time to time, designate a different address or different agent for service of process by notice given in conformity with Section 14.03.

14.05 Time of Essence. Time is of the essence of each provision of this Lease.

14.06 Computation of Time. The time in which any act provided by this Lease is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday or a holiday, and then it is also excluded. The term "holiday" will mean all holidays as defined by the statutes of Alaska.

14.07 Interpretation. Each party hereto has been afforded the opportunity to consult with counsel of its choice before entering into this Lease. The language in this Lease shall in all cases be simply construed according to its fair meaning and not for or against either party as the drafter thereof.

14.08 Captions. The captions or headings in this lease are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Lease.

14.09 Independent Contractor Status. Landlord and Tenant are independent contractors under this Lease, and nothing herein shall be construed to create a partnership, joint venture, or agency relationship between Landlord and Tenant. Neither party shall have any authority to enter into agreements of any kind on behalf of the other and shall have no power or authority to bind or obligate the other in any manner to any third party.

14.10 Parties Interested Herein. Nothing in this Lease, express or implied, is intended or shall be construed to give to any person other than Landlord, Tenant and any Qualified Mortgagee any right, remedy or claim, legal or equitable, under or by reason of this Lease. The covenants, stipulations and agreements contained in this Lease are and shall be for the sole and exclusive benefit of Landlord, Tenant and any Qualified Mortgagee, and their permitted successors and assigns.

14.11 Multi-Party Tenant. If Tenant is comprised of more than one natural person or legal entity, the obligations under this Lease imposed upon Tenant are joint and several obligations of

all such persons and entities. All notices, payments, and agreements given or made by, with, or to any one of such persons or entities will be deemed to have been given or made by, with, or to all of them, unless expressly agreed otherwise by Landlord in writing.

14.12 Broker's Commissions. Each of the parties represents and warrants that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.

14.13 Successors and Assigns. This Lease shall be binding upon the successors and assigns of Landlord and Tenant, and shall inure to the benefit of the permitted successors and assigns of Landlord and Tenant.

14.14 Waiver. No waiver by a party of any right hereunder may be implied from the party's conduct or failure to act, and neither party may waive any right hereunder except by a writing signed by the party's authorized representative. The lapse of time without giving notice or taking other action does not waive any breach of a provision of this Lease. No waiver of a right on one occasion applies to any different facts or circumstances or to any future events, even if involving similar facts and circumstances. No waiver of any right hereunder constitutes a waiver of any other right hereunder.

14.15 Attorney's Fees.

(a) If Landlord is involuntarily made a party to any litigation concerning this Lease or the Property by reason of any act or omission of Tenant, or if Landlord is made a party to any litigation brought by or against Tenant without any fault on the part of Landlord, then Tenant shall pay the amounts reasonably incurred and expended by Landlord, including the reasonable fees of Landlord's agents and attorneys and all expenses incurred in defense of such litigation.

(b) In the event of litigation between Landlord and Tenant concerning enforcement of any right or obligation under this Lease, the non-prevailing party shall reimburse the prevailing party for the attorney's fees reasonably incurred and expended by the prevailing party in the litigation.

14.16 Severability. If any provision of this Lease shall for any reason be held to be invalid, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Lease, such provision shall be construed so as to make it enforceable to the greatest extent permitted, such provision shall remain in effect to the greatest extent permitted and the remaining provisions of this Lease shall remain in full force and effect.

14.17 Entire Agreement, Amendment. This Lease constitutes the entire and integrated agreement between Landlord and Tenant concerning the subject matter hereof, and supersedes all prior negotiations, representations or agreements, either written or oral. No affirmation, representation or warranty relating to the subject matter hereof by any employee, agent or other representative of Landlord shall bind Landlord or be enforceable by Tenant unless specifically set forth in this Lease. This Lease may be amended only by written instrument executed and acknowledged by both Landlord and Tenant.

14.18 Governing Law and Venue. This Lease will be governed by, construed and enforced in accordance with, the laws of the State of Alaska. Any action or suit arising between the parties in relation to or in connection with this Lease, or for the breach thereof, shall be brought in the trial courts of the State of Alaska for the Third Judicial District at Homer.

14.20 Prior Lease Amended and Superseded. Landlord and Tenant are parties to a prior lease affecting the Property dated January, 21st, 2019, a memorandum of which has been recorded in the records of the Homer Recording District under Document No. 2019-000183-0 (the “Prior Lease”). This Lease replaces and supersedes the Prior Lease effective as of _____, 2024, and on and after that date the Prior Lease shall have no force or effect, except that it shall remain in effect as to events, rights, obligations, or remedies arising or accruing under the Prior Lease prior to that date.

TENANT NAME

John Stewart, President

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

Notary Public in and for Alaska
My Commission Expires:

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on _____, 20____, by _____, as _____ (title) of _____ (name of entity) on behalf of _____ (name of entity).

Notary Public in and for Alaska

My Commission Expires: _____

EXHIBIT A

SCHEDULE OF ORGANIZATION, OWNERS, PERCENTAGE OF OWNERSHIP

Tenant, _____, is a _____ organized under the laws of the state of _____. Attached to this exhibit is a certificate issued by that state certifying that Tenant is in good standing and describing its legal organization. If Tenant is a foreign entity authorized to conduct business in Alaska, its certificate of authority is also attached

The _____ (specify whether shareholders, partners, members, etc.) and their percentage of ownership are as follows:

Name _____ %

Address: _____

Name _____ %

Address: _____

Name _____ %

Address: _____

TOTAL 100 %

EXHIBIT B

**CONFORMED COPY OF RESOLUTION AUTHORIZING LEASE AND
AUTHORIZING SIGNERS TO SIGN LEASE AGREEMENT ON BEHALF
OF TENANT**

EXHIBIT C
LOCATION OF PROPERTY
(Section 2.01)

EXHIBIT D
TENANT'S PROPOSED USE OF THE PROPERTY
(Section 6.01)

EXHIBIT E
SITE PLANS
(Section 6.02)

EXHIBIT F
FLOOR PLANS
(Section 6.02)

EXHIBIT G

PERMISSION TO OBTAIN INSURANCE POLICIES

(Section 9.04(d))

The City of Homer is hereby granted permission to request and obtain copies of _____ (“Tenant”) insurance policies from Tenant’s broker and/or insurer, _____. Tenant requests the broker/insurer to provide the City of Homer with information about and copies of all of Tenant’s insurance policies providing the type of coverage required by the Lease between Tenant and the City of Homer.

It is understood that the Tenant may revoke this permission at any time by written notice to City of Homer and to Tenant’s broker and/or insurer; however, such revocation will constitute a default of Tenant’s lease from the City of Homer.

Date: _____

TENANT NAME

By:

_____ (printed name)
_____ (title)

By: _____
_____ (printed name)
_____ (title)



City of Homer

www.cityofhomer-ak.gov

Port and Harbor

4311 Freight Dock Road
Homer, AK 99603

port@cityofhomer-ak.gov

(p) 907-235-3160

(f) 907-235-3152

May 13, 2024

Y & C, LLC
4400 Homer Spit Rd
Homer, AK 99603

Dear Y&C LLC,

As requested, I conducted a review of our records for Y&C LLC's tenancy, and can provide the following statement regarding your history with us:

Y&C LLC has leased the property at 4400 Homer Spit Rd from the City since February 1st of 2019. This business was among those granted a payment plan as a result of the COVID-19 pandemic, and the account has been current since completing that payment plan in September of 2023. We find no reason to withhold the assignment of their lease to another party.

Best,

Amy Woodruff
Administrative Supervisor
City of Homer Port & Harbor
(907) 235-3160
awoodruff@ci.homer.ak.us

10. NEW BUSINESS

- 10.A. Berth II, Inc. Application for Lease Assignment from Y&C LLC for 4400 Homer Spit Rd
Memorandum PHC-24-012 from Port Property Associate as backup

Chair Siekaniec introduced the item by reading of the title. He then requested any Commissioners that had any concerns with the lease assignment to speak up.

Commissioner Zeiset asked Port Director Hawkins if he had any concerns about the lease in looking it over. Mr. Hawkins stated that he had no concerns, citing that the current lease is up to date with payments. He added that this is a lease transfer with the current lease remaining active until 2039 with the extensions in place. The new lease is being requested for a full-term, which would extend the lease until 2044. In terms of the business plan, Mr. Hawkins stated that Berth II plans to take over the building and run it how it's currently being managed.

ZEISET/BRADSHAW MOVED THAT THE COMMISSION SUPPORT THE LEASE ASSIGNMENT FROM THE CURRENT TENANT, Y&C LLC, TO BERTH II, INC., AND FORWARD THE RECOMMENDATION TO CITY COUNCIL.

There was no further discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 24-068

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
APPROVING A LEASE ASSIGNMENT FROM Y & C, LLC TO BERTH II,
INC.. FOR A NEW 20-YEAR LEASE WITH OPTIONS FOR 2
CONSECUTIVE 5 YEAR RENEWALS FOR LOT 32, AS SHOWN ON THE
PLAT NO. 89-34, AT AN ANNUAL RATE OF \$23,653.44 AND
AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE
THE APPROPRIATE DOCUMENTS.

WHEREAS, Berth II, Inc. applied to transfer the Y & C LLC lease as part of its purchase of
the site buildings; and

WHEREAS, Berth II, Inc. submitted a complete application pursuant to Homer City Code
(HCC) Title 18; and

WHEREAS, Berth II, Inc., has indicated in their lease application their intention of
subleasing the existing business space on the first floor, in addition to establishing sleeping
quarters and administrative office space for their pilots and crew on the second floor; and

WHEREAS, Per HCC 18.08.110 the lease is in compliance and the past lease history has
shown contractual obligations are satisfactorily met; and

WHEREAS, The City Administration and the Port and Harbor Advisory Commission on
May 22, 2024 reviewed the application pursuant HCC 18.08.060 and recommend a 20-year lease
with options for 2 consecutive 5-year renewals on Lot 32, as shown on the plat entitled HOMER
SPIT filed as amended plat number 89-34; and

WHEREAS, HCC 18.08.160 (4) states the Council shall approve or deny the request for
lease assignment via resolution.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves the
lease assignment of the aforementioned Lease from Y & C LLC. to Berth II, Inc., and authorizes
the City Manager to execute a 20-year lease with options for 2 consecutive 5-year renewals on
lot 32, as shown on the plat entitled HOMER SPIT filed as amended plat number 89-34, at an
annual base rent of \$23,653.44 for the purpose of operating administrative office space,
temporary pilot accommodations, and subleasing to local businesses.

PASSED AND ADOPTED by the Homer City Council on this 10th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE ACTING CITY CLERK

Fiscal Note: \$\$23,653.44 Annually

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 24-069

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
AMENDING THE 2024 CITY COUNCIL MEETING SCHEDULE FOR
JUNE.

WHEREAS, The 2024 City Council meeting schedule was approved by Resolution 23-124;
and

WHEREAS, City Council meets the second and fourth Mondays of each month with the
exception of one meeting in July and no meetings December; and

WHEREAS, A Special Meeting has been scheduled for June 17, 2024 to take action
related to the City Manager hiring process; and

WHEREAS, Additional special meetings will be scheduled to conclude the City Manager
hiring process; and

WHEREAS, Mayor Castner has proposed taking up public hearings and any other
necessary business items at the June 17, 2024 special meeting and cancelling the June 24, 2024
regular meeting.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
amends its 2024 meeting schedule to cancel the June 24, 2024 regular meeting.

BE IT FURTHER RESOLVED if a situation arose, emergency or otherwise, a special
meeting could be called if needed.

PASSED AND ADOPTED by the Homer City Council on this 10th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal note: N/A



MEMORANDUM

Resolution 24-071, A Resolution of the City Council of Homer, Alaska, Establishing a Right of Way Policy Evaluation Team on Cutting, Clearing or Removal of Trees and Vegetation Located within Public Rights of Way. City Manager/Public Works Director.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and City Council
Date: June 4, 2024
From: Daniel Kort, Public Works Director
Through: Melissa Jacobsen, Interim City Manager

Summary:

The resolution is for consideration of forming a Committee to re-visit the Homer City Code Section HCC 11.36 VEGETATION IN RIGHTS-OF-WAYS and provide edits that will allow the Public Works Department the ability to perform their assigned duties.

Background:

In October of 2016 a new Homer City Code Section HCC 11.36 VEGETATION IN RIGHTS-OF-WAYS was enacted. Prior to October 2016, the City had taken a passive approach to clearing vegetation from Right-of-Ways (ROW) thereby encouraging “creep” of vegetation into the ROWs as defined in the Backup Memorandum from September 23, 2016. The vegetation had created a safety issue where road maintenance equipment was not able to safely access some roadways due to low hanging branches, further damaging road maintenance equipment. It was recognized in this memorandum that it would take many years to reverse the many years’ worth of “vegetative creep” into the ROWs.

In June of 2019, HCC 11.36 was modified to more clearly define the Public Works Director discretion in decisions relating to clearing of vegetation in ROWs. The Public Works Department then made significant efforts in clearing the ROWs. In response to feedback from the public, the Homer City Council introduced and passed Resolution 19-073(S) in October 2019. This Resolution enacted a moratorium on cutting, clearing or removal of trees and vegetation located within Public ROWs between October 15, 2019 and May 1, 2020, and the formation of a committee to evaluate the City’s ROW maintenance policy and propose alternative ROW maintenance policies to the City Council no later than the last Council meeting in March 2020. The committee was made up of two council members, City Manager, and appropriate staff. The committee evaluated the policy to include the following issues of concern:

1. Drainage, snow storage and plowing, sight distances, utility operations and maintenance, and equipment and emergency vehicle response
2. Steep slopes, traffic volumes, zoning districts, and property covenants

3. Debris cleanup and aesthetics, including landmark trees
4. Adjacent landowner concerns including timing and noise
5. Landowner maintenance options and opportunities
6. Legal rights and responsibilities of City and landowners, including enforcement
7. Cost of implementation

In June of 2020, Ordinance 20-26 was enacted, amending HCC 11.36. The amended Code allowed the Public Works Department the ability to resume removing vegetation from the ROWs, however the revised Code created new and unintended challenges with vegetation removal in the ROWs. Under the current version of Code, one property owner who may only be adjacent (abutting or across the street) to the vegetation clearing can object to the work and stop all efforts in clearing the vegetation from the ROW. The Code as written does not define the procedures for remediating the disagreement over what needs to be removed versus what does not need to be removed.

This issue was identified shortly after adoption of the revised HCC 11.36 and was thought to be resolved under the previous City Manager, where the Public Works Department was granted verbal authority to conduct vegetation removal from the road way to the top of the back slope of the established stormwater ditch without prior public notification, and any vegetation removal beyond the top of the back slope of the ditch to the property line would require property owner notification prior to removal. However, this agreement was never a written policy, but rather just a verbal agreement. Therefore, upon the departure of the former City Manager, this verbal policy agreement was no longer valid.

Recommendation:

The Public Works Department, through the Interim City Manager, recommends forming a new Committee to discuss proposed edits to the revised HCC 11.36 to remove ambiguity and define a path to resolve a solution for the vegetation clearing needs of the Public Works Department and the desires of the Council and public. The Public Works Department suggest the formation of this Committee with the full understanding of how sensitive this topic was in 2019 when the first Committee was formed after the brief Moratorium on vegetation removal.

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

RESOLUTION 24-071

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
ESTABLISHING A ROW POLICY EVALUATION TEAM ON CUTTING,
CLEARING OR REMOVAL OF TREES AND VEGETATION LOCATED
WITHIN PUBLIC RIGHTS-OF-WAY

WHEREAS, For many years the Public Works Department did not regularly maintain City Rights-of-Way (ROW), leading to overgrowth and recent increased vegetation clearing activities; and

WHEREAS, Homer City Code (HCC) Chapter 11.36 Vegetation in Rights-of-Way was enacted by Ordinance 16-51 and amended by Ordinance 19-27(S) to clarify the City of Homer's right and obligation to maintain public rights-of-way; and

WHEREAS, The previous version of this law does not address potential concerns in areas of steep slopes, landmark trees, traffic volume, zoning classification, or property covenants but is a "one size fits all" approach; and

WHEREAS, The City had received complaints about vegetation removal activities, including debris, noise, and scope of clearing in the ROW; and

WHEREAS, In October 2019, the Homer City Council adopted Resolution 19-073(S) establishing a moratorium on cutting clearing or removal of trees and vegetation located within public ROW between October 15, 2019 and May 1, 2020 and establishing a ROW Policy Evaluation Team; and

WHEREAS, In June 2020, the Homer City Council adopted Ordinance 20-26 amending HCC Chapter 11.36 Vegetation in Rights-of-Way clarifying the City's right and obligation to maintain public rights-of-way developed by the ROW Policy Evaluation Team; and

WHEREAS, The Public Works Department continues to have difficulty in performing the necessary work of maintaining utilities, stormwater ditches, and safe road ROW's due to the issues related to the current version of HCC 11.36 Vegetation in Rights-of-Way; and

WHEREAS, It is in the City's best interest to examine opportunities to create a ROW maintenance policy that allows the Public Works Department the ability to maintain city infrastructure and promote visibility and safety, in a cost effective way that appreciates

adjacent landowner concerns, while not limiting the Public Works Department in its ability to perform its assigned functions and responsibilities.

NOW, THEREFORE, BE IT RESOLVED that during the aforementioned period, the City Council of Homer Alaska will evaluate the City's ROW maintenance policy by appointing two Council members to work with the City Manager, Public Works Director and appropriate staff, as determined by the City Manager, to propose alternative ROW maintenance policies to City Council no later than July 22, 2024.

BE IT FURTHER RESOLVED that the evaluation team will discuss and evaluate policy to include the following issues of concern:

1. Stormwater drainage, snow storage and plowing, sight distances, utility operations and maintenance, and equipment and emergency vehicle response
2. Steep slopes, traffic volumes, zoning districts, and property covenants
3. Debris cleanup and aesthetics, including landmark trees
4. Adjacent landowner concerns including timing and noise
5. Landowner maintenance options and opportunities
6. Legal rights and responsibilities of City and landowners, including enforcement
7. Cost of implementation

BE IT FURTHER RESOLVED that in order to address these issues, the evaluation team may seek legal counsel from the City Attorney.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 10th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal Note: N/A



MEMORANDUM

Ordinance 24-21 An Ordinance of the City Council of Homer Alaska Amending the FY24 Capital Budget By Re-Appropriating FY22 State of Alaska Community Assistance Program Payment in the Amount of \$98,714.98 From Various ADA Projects to the Airport Terminal Sidewalk Replacement Project. City Manager/Public Works Director.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and City Council
Date: May 3, 2024
From: Leon Galbraith, PE, City Engineer
Through: Melissa Jacobsen, Interim City Manager

- I. **Issue:** The purpose of this Memorandum is to recommend appropriating \$98,714.98 from the FY22 State of Alaska CAP Grant to be applied to the construction funding for the replacement of the sidewalk at the Homer Airport Terminal.
- II. **Background:** The FY24 Capital Budget includes \$76,175 from the General CARMA Fund to replace the sidewalk at the Homer Airport Terminal. The replacement sidewalk would have heat piping to keep it ice free and properly constructed ADA handicap ramps.

Invitations to Bid were advertised in the Homer News on August 24 and September 31, 2023. There were no responsive bidders on this initial effort as well as a second consecutive attempt at bidding.

This project is an urgent need and estimated construction costs have increased in the last two years justifying the need for additional construction funding to be secured.

- III. **Recommendation:** That the City Council re-appropriate the \$98,714.98 CAP Grant funding to the Airport Terminal Sidewalk Replacement Project in addition to the already budgeted \$76,175, thereby making available \$174,889.98 total for sidewalk replacement construction funding.

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/
4 Public Works Director

5 **ORDINANCE 24-21**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY24 CAPITAL BUDGET BY RE-APPROPRIATING
9 FY22 STATE OF ALASKA COMMUNITY ASSISTANCE PROGRAM
10 PAYMENT IN THE AMOUNT OF \$98,714.98 FROM VARIOUS ADA
11 PROJECTS TO THE AIRPORT TERMINAL SIDEWALK REPLACEMENT
12 PROJECT.
13

14 WHEREAS, Ordinance 22-51 accepted and appropriated the FY22 Community
15 Assistance Program Payment in the amount of \$98,714.98 for ADA Improvements, and those
16 projects included:

- 17
 - Citywide ADA Interior Signage and Restrooms;
 - 18 • Parking Lot ADA Regrading Program;
 - 19 • Parks ADA Transition Plan;
 - 20 • Parks ADA Implementation; and
21

22 WHEREAS, The current adopted ADA Transition Plan identifies tasks completed by
23 Public Works staff related to replacing signage and barrier removal in bathrooms in various
24 city facilities funded through the operating budget; and
25

26 WHEREAS, A Parking Lot ADA Regrading Program plan has not been developed; and
27

28 WHEREAS, The ADA Family Restroom project at the airport is near completion and was
29 funded by a \$50,000 appropriation in the FY24/25 Capital Budget; and
30

31 WHEREAS, The Parks ADA Transition Plan was developed in house by City staff and the
32 ADA Advisory Board and adopted by Council with Resolution 23-112; and
33

34 WHEREAS, Parks ADA implementation is beginning with improvements at Bayview Park
35 that are funded through donation and grant funds, and other smaller improvements are
36 occurring that are funded through the operating budget; and
37

38 WHEREAS, The Airport Terminal Sidewalk Replacement Project is an urgent need, has
39 been put out to bid twice with no response, Public Works staff is finalizing drawings and
40 specifications for the project to include in a more substantive Invitation to Bid package; and
41

WHEREAS, The Airport Terminal Sidewalk Replacement Project design will address ADA accessibility by correcting the uneven sidewalk and improving handicap access ramps to the sidewalk that leads to the terminal doors; and

WHEREAS, \$76,175 was appropriated in the FY24/25 Capital Budget and a revised construction cost estimate is in the range of \$150,000 to \$200,000; and

WHEREAS, Community Assistance Program Payments should not sit on the books for multiple years and by re-appropriating the funds to the Airport Terminal Sidewalk Replacement Project fulfills the intent of using the program funds for an ADA barrier removal project.

NOW, THEREFORE, The City of Homer Ordains:

Section 1: The Homer City Council hereby amends the FY24 Capital Budget by re-appropriating the FY22 Community Assistance Program Payment of \$98,714.98 from various ADA projects to the Airport Terminal Sidewalk Replacement Project as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
	CAP Funds	\$98,714.98

Section 2: This is a budget amendment ordinance, is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 28th day of May, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

- 82 First Reading:
- 83 Public Hearing:
- 84 Second Reading:
- 85 Effective Date:

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Finance Director

ORDINANCE 24-22

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
AMENDING THE FY24 CAPITAL BUDGET BY ACCEPTING AND
APPROPRIATING AN ALASKA DEPARTMENT OF ENVIRONMENTAL
CONSERVATION (ADEC) DRINKING WATER FUND LOAN IN THE
AMOUNT OF \$184,578 FOR THE TASMANIA COURT WATER
IMPROVEMENT PROJECT.

WHEREAS, Resolution 21-042 authorized the City Manager to apply for a loan from the
Alaska Department of Environmental Conservation (ADEC) Drinking Water Fund; and

WHEREAS, The City of Homer was awarded the loan and the City Manager signed a
loan agreement (No. 409331-S) totaling \$277,090 for 20 years; and

WHEREAS, Resolution 23-108 certified the final assessment roll for the Tasmania Court
Water Special Assessment District (SAD); and

WHEREAS, The City submitted a disbursement request to ADEC and those funds have
been received.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY24 Capital Budget by accepting
and appropriating an ADEC Drinking Water Fund Loan for Tasmania Court Water
Improvements in the amount of \$184,578 as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
215	ADEC Drinking Water Fund Loan – Tasmania Court Water Improvements	\$184,578

Section 2. This is a budget amendment ordinance, is temporary in nature, and shall
not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this ____ day of _____, 2024.

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CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

Introduction:

Public Hearing:

Second Reading:

Effective Date:

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 23-108

A RESOLUTION OF THE HOMER CITY COUNCIL CONFIRMING THE ASSESSMENT ROLL, ESTABLISHING DATES FOR PAYMENT OF SPECIAL ASSESSMENTS AND ESTABLISHING DELINQUENCY, PENALTY, AND INTEREST PROVISIONS FOR THE TASMANIA COURT WATER AND SEWER IMPROVEMENT SPECIAL ASSESSMENT DISTRICT

WHEREAS, In compliance with Homer City Code Chapter 17, Improvement Districts, the Homer City Council created the Tasmania Court Water Assessment Roll on September 28, 2020 with Resolution 20-083 and the Tasmania Court Sewer Special Assessment District on June 14, 2021 with Resolution 21-045(A); and

WHEREAS, The Notice of Public Hearing and Notice of Right to Object dated August 21, 2023 was mailed to property owners in the district advising that written objections must be filed with the City Clerk no later than September 11, 2023; and

WHEREAS, A second Notice of Public Hearing and Right to Object dated September 12, 2023 was mailed to property owners advising a page was omitted from the original notice and that written objections must be filed with the City Clerk no later than September 25, 2023; and

WHEREAS, Public Hearings were held on September 11 and 25, 2023 to hear objections to the final assessment roll; and

WHEREAS, One objection was filed on September 7, 2023 by Bryan and Ginny Evans; and

WHEREAS, The final assessment roll as presented by the City Clerk is attached hereto as Attachment A, is hereby confirmed as the official assessment roll for the Tasmania Court Water and Sewer Special Assessment Districts and the Mayor and Clerk shall be directed to sign same.

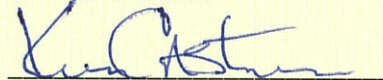
NOW, THEREFORE, BE IT RESOLVED that on or before 5:00 p.m. on February 1, 2024 all assessments in the Tasmania Court Water and Sewer Special Assessment District shall become due and payable in full. All assessments not paid in full by this date shall be considered delinquent and in default and shall have added a penalty the rate of ten and one half percent (10.5%) per annum until paid. Should default occur, the City of Homer will institute a civil action for a foreclosure of the assessment lien. Foreclosure shall be against all property on which assessments are in default. All costs including collection and legal fees resulting from such action, shall be added and incorporated into the assessed amount due plus interest and

penalties and shall be reimbursed from the proceeds of foreclosure sale of the assessed real property.

BE IT FURTHER RESOLVED that an optional twenty (20) year payment plan for the water and sewer assessments is offered whereby the assessments may be paid in equal yearly installments plus interest of one and one half percent (1.5%) per annum on the unpaid balance of the assessment. The first such installment shall be due and payable without interest on or before 5:00 p.m. February 1, 2024 and each installment thereafter shall be due on or before February 1 of each year, plus interest on the unpaid balance of the assessment. If any annual installment payment is not received when due, the entire outstanding principle amount of the assessment shall be in default and shall be immediately due and payable. The entire outstanding assessment principle (including the annual installment) shall have added a penalty of ten and one half percent (10.5%) on the outstanding principle. The principle shall draw an additional interest at the rate of ten and one half percent (10.5%) per annum until paid. Should default occur, the City will institute civil action for foreclosure of the assessment lien. Foreclosure shall be against all property on which assessments are in default. All costs including collection and legal fees resulting from such action shall be added and incorporated into the assessed amount due plus interest and penalties, and shall be reimbursed from the proceeds of foreclosure sale of the assessed real property.

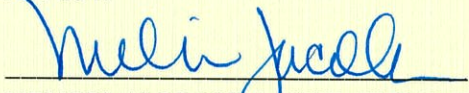
PASSED AND ADOPTED by the Homer City Council on this 9th day of October, 2023.

CITY OF HOMER



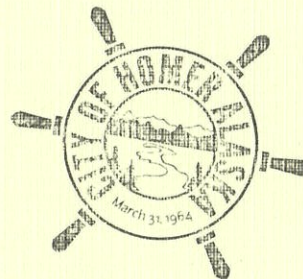
KEN CASTNER, MAYOR

ATTEST:



MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Total design and construction project costs are \$246,104.43 for water improvement and \$304,938.97 for sewer improvement. Assessment methodology is equal shares and the cost per parcel is \$16,779.85 for water and \$20,791.29 sewer.



**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

RESOLUTION 21-042

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA AUTHORIZING THE CITY MANAGER TO APPLY FOR A LOAN FROM THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION, ALASKA DRINKING WATER FUND, IN AN AMOUNT NOT TO EXCEED \$277,090 TO FINANCE COSTS OF THE TASMANIA COURT WATER IMPROVEMENT PROJECT AND SUPERSEDING THE AMOUNT AUTHORIZED BY RESOLUTION 20-105.

WHEREAS, The City Council created the Tasmania Court Water Improvement Special Assessment District (SAD); and

WHEREAS, Council adopted Resolution 20-105 which authorized the City Manager to apply for an Alaska Department of Environmental Conservation, Alaska Drinking Water Fund Loan in the amount of \$216,681 for the project; and

WHEREAS, the following actions have been taken relating to funding:

- | | | | |
|----|----------|---|------------|
| a. | 4-29-20 | Staff generated an estimate for the Total Project Costs for the water district as it was originally proposed | \$277,090. |
| b. | 10-26-20 | Resolution 20-105 Council approved application for ADEC loan in the amount of | \$216,681 |
| c. | 3-22-21 | Resolution 21-023 Council distributed the Principal Forgiveness subsidy to Tasmania Ct Water SAD in the amount of | \$122,822 |
| d. | 5-27-21 | Staff filed Loan Application for Prop. Owner Share of SAD in the amount of | \$207,817 |

WHEREAS, The ADEC advised that in order to receive the maximum amount of the Principal Forgiveness subsidy, which has been allocated to this project (\$122,822) we need to show a Loan Application amount of \$277,090; and

WHEREAS, The Council needs to pass a new resolution authorizing a loan application amount of \$277,090 to receive the maximum benefit of the Principal Forgiveness subsidy; and

WHEREAS, The net effect of the Principal Forgiveness subsidy is that the updated Total Project Costs, to be shared between the City and the property owners, is \$199,852.

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44 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer Alaska hereby the
45 City Manager to apply for a State of Alaska Department of Environmental Conservation loan,
46 in an amount not to exceed \$277,090 from its Alaska Drinking Water Fund for purposes of
47 paying the Total Project Costs in the Tasmania Court Water SAD and superseding the amount
48 authorized by Resolution 20-105.

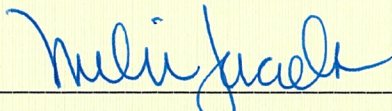
49
50 PASSED AND ADOPTED by the City Council of Homer, ALASKA, this 14th day of June,
51 2021.

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53 CITY OF HOMER

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57 KEN CASTNER, MAYOR
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59 ATTEST:

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63 MELISSA JACOBSEN, MMC, CITY CLERK





City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907-235-3170

(f) 907-235-3145

Memorandum 21-098

TO: Mayor Castner and City Council
Through: Robert Dumouchel, City Manager
FROM: Janette Keiser, PE, Director of Public Works/Acting City Engineer
DATE: May 31, 2021
SUBJECT: Tasmania Court Water Project

Issue: The Tasmania Court Water Project is in limbo pending the outcome of the Tasmania Court Sewer Special Assessment District. This notwithstanding, we submitted a loan application to the AK Department of Environmental Conservation for the water project to stay on the list for the Principal Forgiveness subsidy. In the course of the loan application process, the ADEC brought to our attention that some of the numbers needed to be reconciled. The purpose of this Memoranda is to explain the issue and recommend a solution.

Background:

The Tasmania Court water main extension project includes installation of 930 of 8" HDPE pipe, two fire hydrants and 11 water service stub-outs. Multiple design adjustments have been made to address property owner concerns and add the "betterment" of a 12" water main to serve a future water storage tank in the neighborhood. These design adjustments have caused the cost estimates to fluctuate over time.

While the design progressed, we sought seeking various authorizations from Council, for funding and approval to submit an ADEC Loan Application as well as submitted documentation to the ADEC. During this process, I got confused and made a mistake.

Here's what happened:

4-29-20 Staff generated an estimate for the Total Project Costs for the water district as it was originally proposed - \$277,090. Later revisions to the design concept reduced the estimate of Total Project Costs to \$234,105.

9-28-20 Resolution 20-83. Council acknowledged the sufficiency of the SAD and approved funds from HAWSP in the amount of \$234,105.

10-26-20 Resolution 20-105 Council authorized staff to pursue an ADEC loan in the amount of \$216,681. This would have been enough to cover the 75% of the estimated project costs attributed to the property owners, with some contingency. At this time, we had not yet considered the benefit of adding the 12" water main to the project so the estimated Total Project Cost did not include the estimated cost of this element.

3-8-21 Ordinance 21-11 Council approved the 12-inch water main "betterment" & appropriated funds from HAWSP in the amount of \$88,569.
(This brought the new estimated Total Project Costs to $\$234,105 + \$88,569 = \$322,674$.)

3-22-21 Resolution 21-023 Council distributed Principal Forgiveness subsidy to Tasmania Court Water SAD in the amount of \$122,822, to be applied to the property owners' share and the City's share of the water project.
(The adjusted estimated Total Project Costs = $\$322,674 - \$122,822 = \$199,852$.)

5-27-21 Staff filed a Loan Application with the ADEC for \$207,817, which represented the property owners' share of the water project, based on the original estimated Total Project Cost of \$277,090, rather than the updated \$234,105. (The value of the Principal Forgiveness subsidy was not taken into consideration because we haven't received a commitment letter yet. This will come further along in the loan application process.)

5-28-21 The ADEC advised that in order to receive the maximum amount of the Principal Forgiveness subsidy, which has been allocated to this project (\$122,822), our loan amount would need to be for the Total Project Cost of \$277,090. Further, the Council would need to pass a new action authorizing this amount.

If the City were to obtain a loan for \$277,090, the value of the loan proceeds would be approximately 86% of the estimated Total Project Costs, rather than the 75% we had originally planned. There would be no penalty for early payoff of the City's share.

Recommendation: That Council pass a Resolution authorizing the City Manager to apply for a State of Alaska Department of Environmental Conservation loan, in an amount not to exceed \$277,090 from its Alaska Drinking Water Fund for purposes of paying the Project costs in the Tasmania Court Water SAD.

Recitals to this resolution are hereby incorporated into this resolution as if fully set forth herein.

Terms not otherwise defined in this resolution shall have the meanings set forth in the recitals to this resolution.

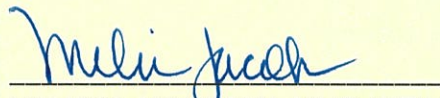
PASSED AND ADOPTED by the Homer City Council this 26th day of October, 2020.

CITY OF HOMER



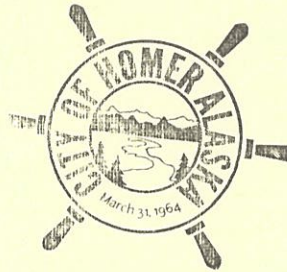
KEN CASTNER, MAYOR

ATTEST:



MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: HAWSP





MEMORANDUM

FY24-25 Mid Biennium Budget Amendments – Departmental Staffing Needs

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Thru: Melissa Jacobsen, Interim City Manager
Date: May 22, 2024
From: Andrea Browning, HR Director
Elizabeth Fischer, Finance Director

At Interim City Manager Jacobsen’s direction, we have prepared this report to provide Council with:

- Any position changes that are incorporated into the FY25 budget
- Additional staffing needs outlined by individual departments

Moving forward, Administration would like to ensure that City Council is informed at all times of City staffing needs. We will provide both “wishlist” type positions, which solely allow us to provide better service to the community, as well as more critical positions for Council consideration.

Administration

Special Projects *The position funding is incorporated into the FY25 budget*

There is currently an unfilled .5 FTE (full-time equivalent) allocated to Administration as a part-time Special Projects position.

Staff Recommendation: Assign the part-time position to Special Projects Coordinator Jenny Carroll, allowing her to hire a part-time employee who reports directly to her.

Fiscal impact: no change

Community Rec *The position funding is incorporated into the FY25 budget*

Currently has one part-time position that was budgeted by Council in FY24.

Staff Recommendation: Convert this part-time position to a full-time position. Remove temporary employee expenses of \$67,396 to help offset the cost.

Fiscal impact: \$11,891 to General Fund

Community Development *The position funding is incorporated into the FY25 budget*

Economic Development There is a current vacancy in Economic Development of 1 full-time position. Staff Recommendation: Reduce this position to 24 hours (part-time).

Fiscal impact: \$44,845 savings to General Fund

Planning Currently has a part-time position in the FY24 budget that has been unfilled for much of FY24.

Staff Recommendation: Assign other .5 FTE from Economic Development to Planning, make this position whole, adding 1 additional full-time position in Planning. Proposed budget reductions totaling \$17,300 between Planning and Economic Development budget will offset fiscal impact.

Fiscal impact: \$14,771 savings to General Fund

Finance Department *The position funding is incorporated into the FY25 budget*

There is currently an unfilled position in Finance, which was unfunded in the FY24 budget.

Fiscal impact: no change

Port and Harbor *The position funding is incorporated into the FY25 budget*

The Port removed the Temporary (seasonal) Ice Plant/Fish Dock allocation when adding a new full-time position to Port budget in FY24. Now OBI (formerly Icicle Seafoods) is unsure if they are going to operate their ice plant this season. If OBI does not produce ice that would mean an additional 1500 tons of ice that our Ice Plant will need to produce to cover their needs.

Staff Recommendation: Add funds to FY25 budget for Temporary/ Seasonal employee.

Fiscal impact: \$26,626 to Port Operations

Public Works *The position funding is incorporated into the FY25 budget*

Parks Parks currently has one full-time staff member. There is \$55,306 in seasonal wages/benefits set aside to assist with parks duties. One year-round person is not enough to operate this division well, and manage the growing needs in the community.

Staff Recommendation: Create a 28-hour/ part-time (year round) position totaling \$56,405. Reduce temporary/casual employee wages/benefits line items of \$55,306 to \$12,891 to help offset the cost. This \$12,891 will allow the Parks division to hire one 3-month temp each summer.

Fiscal impact: \$13,990 to General Fund

Police Department

Jail *The position funding is incorporated into the FY25 budget*

The Jail currently has three (3) full-time positions, and one part-time position. For many years the jail operated with four (4) full-time Jail Officers, as well as Casual (limited hours) staff who filled in. Due to budget constraints years ago, one position was converted to part-time. This means that there are 26 hours per week with no Jail Officer on duty (in a 24-hour facility).

During those hours, Police Officers book arrestees, but monitoring falls on our Public Safety Dispatchers. Sometimes there is only one Dispatcher on shift, and they are busy with 911 calls, requests from officers, walk-in traffic, and much more. They have very little time to even glance at the video monitors, let alone pay close attention. At times observation is the only way to catch behavior build-up of an inmate. Intervention can save an inmate, and greatly reduces the City's liability. Currently if a "high risk" type of inmate comes in when no jailer is on-duty, a Jail Officer or Police Officer is called in to work overtime. Additionally, our jail contract with the State requires us to fully staff the jail with a trained jail officer when a prisoner is present.

Staff Recommendation: Convert the part-time position to a full-time position. Remove temporary/casual employee expenses of \$34,941 to help offset the cost.

Fiscal impact: \$4,967 savings to General Fund

Dispatch *No staffing changes incorporated into FY25 budget.*

Working as a Public Safety Dispatcher is an extremely stressful job that requires an extensive amount of training. The Police Department currently has seven (7) Dispatcher positions. They had an additional 8th position until 2015, when budget cuts necessitated losing one FTE. Since that time, our Dispatch Center has operated with 7, which often means only one Dispatcher on shift. Best-practice says Dispatch should have two people on shift at all times, and in many dispatch centers that is a requirement. In order for Homer Dispatch Center to operate 24/7, as soon as a Dispatcher takes annual or sick leave- it creates overtime for another employee. Additionally, mandatory overtime has an adverse effect on staff. The job is tough, and they need their time away to decompress. Hiring one additional Dispatcher would restore to full staffing level. This is not incorporated into FY25 budget, but fiscal impact is below for Council review.

Fiscal impact: \$81,272 to General Fund

Patrol *No staffing changes incorporated into FY25 budget.*

HPD currently has 13 Police Officer positions. When fully staffed with no injuries or absences, things are manageable. However, as soon as a Police Officer takes annual or sick leave, is injured, or participating in a trial – it creates overtime for another employee. When compared to other agencies with similar caseloads, we have less patrol staffing. When we lose an officer to retirement or resignation, it takes many months to recruit and train a new lateral officer (an officer from another agency). If they are brand new to law enforcement, which is often the case, we have to send them to the DPS Academy in Sitka for 17 weeks. That is followed by a 3 ½ month field training upon return. That is 8 months to get a new officer out on their own! One more Police Officer would alleviate some of the mandatory overtime and burnout at the department. This is not incorporated into FY25 budget, but fiscal impact is below for Council review.

Fiscal impact: \$117,237 to General Fund

Information Technology (IT) *No staffing changes incorporated into FY25 budget.*

The City of Homer needs an additional full-time position in the IT Department. The current workload is more than three individuals can effectively manage if the department is to perform at a level that actually addresses the technology needs of the City. For instance:

- The current team routinely starts each week with a backlog of between 40-60 requests carried over from prior weeks.
- Non-urgent requests average over a week (5.75 business days) before a technician begins to respond.
- The Department has overshot OT budget each of the past two years.

What these figures actually mean is that the IT Department is only serving the basic needs of the City. Many important technology decisions historically have been made without coordination with the in-house IT professionals, and this structure essentially re-enforces habits where staff work around more pressing problems, which drives inconsistency and irregularity across the organization and leads to greater cybersecurity risk. The more important work of planning the development of digital systems that improves how City staff do their jobs and how citizens connect to City government is barely addressed. Benchmarking against similar-sized organizations, including other Alaskan municipalities that are excelling in their IT operations, reveals that they typically maintain a staff of around five (5) full-time IT professionals.

Adding a full-time system administrator/security administrator would address the workload and target the most strategically important duties that are presently shared among the three current positions. The role would oversee server administration, security patching, system backups, and permissions and access control. The security administration duties would include administering the City's antivirus and threat detection software, developing our vulnerability management program, and ensuring overall compliance with NIST standards.

Many of the IT Department's priorities for the coming years involve cybersecurity-related initiatives and programs. These initiatives include things like implementing Multi-factor Authentication (MFA), building up our backup and recovery capabilities, and addressing the findings of our Cybersecurity Risk Assessment. These initiatives will require skilled staff to implement and sustain. Meanwhile, these sorts of initiatives tend to experience delays when daily operations demand urgent attention. If the City can afford it, the department's priority is to add a full-time position of system administrator and security administrator to help further our strategic goals around cybersecurity and infrastructure reliability. This is not incorporated into FY25 budget, but fiscal impact is below for Council review.

Fiscal impact: \$116,189 to General Fund

Fire Department *No staffing changes incorporated into FY25 budget.*

Firefighter/Basic EMT The current model allows for two responders at the station 24/7/365 excluding any vacations, sick, or training vacancies. Run volume is increasing and volunteerism is at an all-time low, nationally and locally. Even when current model is fully staffed, HVFD operates at high risk because much of what we do requires more than a two-person response. A safe and effective crew size, according to Chief Kirko and industry professional organizations is 3-4 people, based on HVFD run volume and services provided. City Council has approved three (3) new Firefighter/EMT positions in the past five years. This is not incorporated into FY25 budget, but fiscal impact for one new Firefighter/Basic EMT is below for Council review.

Fiscal impact: \$102,457 to General Fund

Library *No staffing changes incorporated into FY25 budget*

The Library Department currently has one person officially dedicated to children, the Youth Services Librarian. Ideally, the Library would like to upgrade one current part-time position to a full-time Youth Services Assistant position. This position would assist at the desk, but would have a youth services component built into their job description.

Fiscal impact: \$41,896 to General Fund

Second Priority would be another Library Tech II position. This could be accomplished by creating a new FTE or upgrade a current part-time (Tech I) position to full-time. Cost of upgrading a current part-time Tech I position to full-time below.

Fiscal impact: \$39,067 to General Fund



MEMORANDUM

Recommendation for Mid Biennium Budget Amendment to Add a COLA for the FY25 Budget

Item Type: Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: April 30, 2024
From: Employee Committee
Through: Melissa Jacobsen, Interim City Manager

Summary:

The Employee Committee respectfully requests the Fiscal Year 2025 budget be amended to reflect a 4.5% COLA increase. The FY25 Budget did not include a COLA when Council adopted the Biennium FY24/FY25 Budget via Ordinance 23-23(A-3).

Background:

COLAs are an important way to keep the City's wage scale competitive in the local market. A fair and equitable COLA helps with both recruitment and retention. In FY23, through a mid-biennium review of the prior budget, Council approved a 7% COLA (2022 CPI was 8.1%) as a way to keep pace with the high inflationary environment in which our employees are living. That COLA was a major reason why the wage parity study released by the City in early 2023 showed that the majority of our low- to mid-level positions were competitive with other public agencies with similar characteristics to Homer. The FY24 budget contained a 1.5% COLA (2023 CPI 1.8%). FY25 was left open for renegotiation during the next mid-biennium budget adjustment.

Inflation for Urban Alaska (Anchorage) over the last 12 months from February 2023 to March 2024 is 3.2% in accordance with the published CPI. The cumulative CPI increase from 2018 to 2023 was 17.8%, while our cumulative COLAs were 13.5% showing that overall we are behind by 4.3%.

Research has shown that Federal Employees received a 5.2% COLA, Social Security recipients received a 3.2% COLA (which is based on CPI from October of each year for the upcoming year), many State employees received a 5% COLA, and the Mat-su Borough will be receiving a 4.7% COLA while the City of Kenai has a proposed .9% COLA, City of Soldotna proposed a 1.5% COLA. There was no response from the City of Seward or the Kenai Peninsula Borough at the time.

Recommendation: Approve the request for a 4.5% COLA for FY25

Attachments:

April Consumer Price Index News Release



**Transmission of material in this release is embargoed until
8:30 a.m. (ET) Wednesday, May 15, 2024**

USDL-24-0944

Technical information: (202) 691-7000 • cpi_info@bls.gov • www.bls.gov/cpi

Media contact: (202) 691-5902 • PressOffice@bls.gov

CONSUMER PRICE INDEX – APRIL 2024

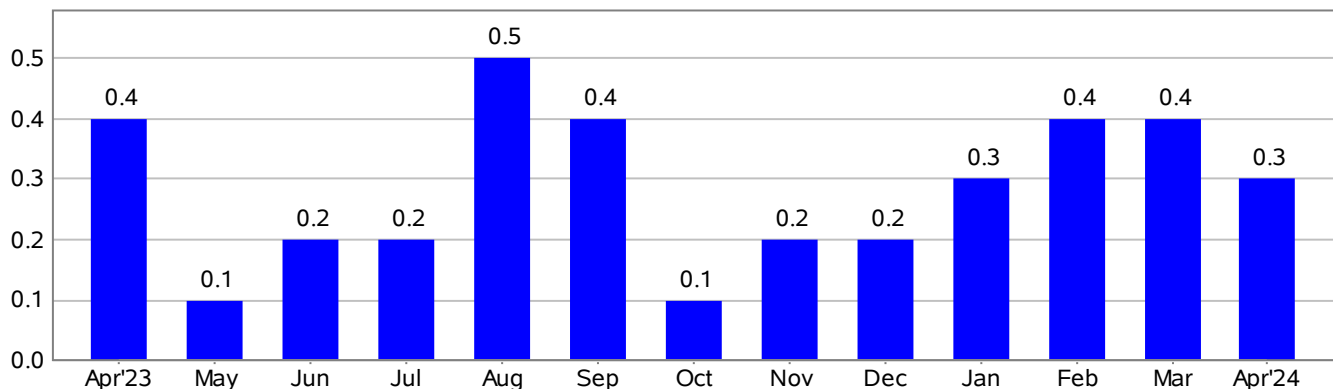
The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in April on a seasonally adjusted basis, after rising 0.4 percent in March, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 3.4 percent before seasonal adjustment.

The index for shelter rose in April, as did the index for gasoline. Combined, these two indexes contributed over seventy percent of the monthly increase in the index for all items. The energy index rose 1.1 percent over the month. The food index was unchanged in April. The food at home index declined 0.2 percent, while the food away from home index rose 0.3 percent over the month.

The index for all items less food and energy rose 0.3 percent in April, after rising 0.4 percent in each of the 3 preceding months. Indexes which increased in April include shelter, motor vehicle insurance, medical care, apparel, and personal care. The indexes for used cars and trucks, household furnishings and operations, and new vehicles were among those that decreased over the month.

The all items index rose 3.4 percent for the 12 months ending April, a smaller increase than the 3.5-percent increase for the 12 months ending March. The all items less food and energy index rose 3.6 percent over the last 12 months. The energy index increased 2.6 percent for the 12 months ending April. The food index increased 2.2 percent over the last year.

Chart 1. One-month percent change in CPI for All Urban Consumers (CPI-U), seasonally adjusted, Apr. 2023 - Apr. 2024
Percent change



Food

The food index was unchanged in April after increasing 0.1 percent in March. The index for food at home decreased 0.2 percent in April. Three of the six major grocery store food group indexes decreased over the month while the remaining three had price advances. The index for meats, poultry, fish, and eggs decreased 0.7 percent in April, led by a 7.3-percent decline in the index for eggs. The fruits and vegetables index declined 0.8 percent over the month, and the nonalcoholic beverages index fell 0.2 percent.

The index for cereals and bakery products increased 0.6 percent in April, after decreasing 0.9 percent in March. The index for other food at home and the index for dairy and related products both increased 0.1 percent over the month.

The food away from home index rose 0.3 percent in April, as it did in March. The index for limited service meals rose 0.4 percent, and the index for full service meals increased 0.3 percent over the month.

The food at home index rose 1.1 percent over the last 12 months. The index for other food at home rose 1.4 percent over the 12 months ending in April, and the index for fruits and vegetables increased 1.7 percent over the year. The nonalcoholic beverages index increased 2.3 percent over that period. The index for meats, poultry, fish, and eggs rose 1.0 percent over the 12 months ending in April, and the index for cereals and bakery products increased 0.6 percent over the same period. In comparison, the dairy and related products index fell 1.3 percent over the year.

The index for food away from home rose 4.1 percent over the last year. The index for limited service meals rose 4.8 percent over the last 12 months, and the index for full service meals rose 3.4 percent over the same period.

Energy

The energy index rose 1.1 percent in April, the same increase as in March. The gasoline index increased 2.8 percent in April. (Before seasonal adjustment, gasoline prices rose 5.2 percent in April.) The fuel oil index increased 0.9 percent in April. In contrast, the index for natural gas fell 2.9 percent in April, and the index for electricity decreased 0.1 percent over the month.

The energy index increased 2.6 percent over the past 12 months. The gasoline index rose 1.2 percent, and the electricity index increased 5.1 percent over this 12-month span. In contrast, the index for natural gas decreased 1.9 percent over the last 12 months and the index for fuel oil fell 0.8 percent over the same period.

All items less food and energy

The index for all items less food and energy rose 0.3 percent in April. The shelter index increased 0.4 percent in April and was the largest factor in the monthly increase in the index for all items less food and energy. The index for rent rose 0.4 percent over the month, as did the index for owners' equivalent rent. The lodging away from home index decreased 0.2 percent in April, after rising 0.1 percent in March.

The motor vehicle insurance index rose 1.8 percent in April, following a 2.6-percent increase in March. The index for apparel increased 1.2 percent over the month. The indexes for personal care, recreation, and education also increased in April.

The medical care index rose 0.4 percent in April after rising 0.5 percent in March. The index for hospital services rose 0.6 percent over the month, and the index for physicians' services increased 0.1 percent. The prescription drugs index rose 0.2 percent in April.

The index for used cars and trucks fell 1.4 percent in April, following a 1.1-percent decrease in March. Over the month, the household furnishings and operations index fell 0.5 percent, the new vehicles index decreased 0.4 percent, and the airline fares index declined 0.8 percent.

The index for all items less food and energy rose 3.6 percent over the past 12 months. The shelter index increased 5.5 percent over the last year, accounting for over two thirds of the total 12-month increase in the all items less food and energy index. Other indexes with notable increases over the last year include motor vehicle insurance (+22.6 percent), medical care (+2.6 percent), personal care (+3.7 percent), and recreation (+1.5 percent).

Not seasonally adjusted CPI measures

The Consumer Price Index for All Urban Consumers (CPI-U) increased 3.4 percent over the last 12 months to an index level of 313.548 (1982-84=100). For the month, the index increased 0.4 percent prior to seasonal adjustment.

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 3.4 percent over the last 12 months to an index level of 307.811 (1982-84=100). For the month, the index increased 0.4 percent prior to seasonal adjustment.

The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 3.2 percent over the last 12 months. For the month, the index increased 0.4 percent on a not seasonally adjusted basis. Please note that the indexes for the past 10 to 12 months are subject to revision.

The Consumer Price Index for May 2024 is scheduled to be released on Wednesday, June 12, 2024, at 8:30 a.m. (ET).



MEMORANDUM

Item Type: Informational Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: May 15, 2024
From: Economic Development Advisory Commission
Through: Julie Engebretsen, Community Development Director

Background

As part of the budget process for FY 24/25, Council voted down a \$15,000 annual request to fund the Homer Small Business Advisor of the Alaska Small Business Development Center (AKSBDC). Thereafter, the Kenai Peninsula Borough was able to increase funding to the AKSBDC, which helped close the budget gap for FY 24. The City Council subsequently approved \$10,000 via ordinance 23-50. The City Council provided financial support via budget amendment for FY 's 22, 23 and 24.

The AKSBDC funding is not a line item in the City budget; rather it has been requested and funded as a separate ordinance for each of the last 3 budget cycles. Funding initially was in the amount of \$25,000 (FY 22), but through increased Borough contributions, \$12,000 is now the amount needed to sustain this service in Homer.

The Economic Development Advisory Commission values having a local small business advisor, and recommends funding the AKSBDC in the amount of \$12,000.

RECOMMENDATION:

Include \$12,000 in the FY 25 budget to fund the Homer Business Advisor Position of the AKSBDC.

Attachments

EDC Staff Report, 4/9/24

EDC minutes excerpt 4/9/24 meeting



MEMORANDUM

Funding for Alaska Small Business Homer Business Advisor

Item Type: Action Memorandum
Prepared For: Economic Development Advisory Commission
Date: April 9, 2024
From: Julie Engebretsen, Community Development Director

Background

As part of the budget process for FY 24/25, Council voted down a \$15,000 annual request to fund the Homer Small Business Advisor position of the Alaska Small Business Development Center (AKSBDC). Council later approved \$10,000 for FY 24, which ends July 1.

The City has begun the process to amend the budget for any changes to FY 25. A City contribution of \$12,000 will support the continued presence of a part time business advisor in Homer.

RECOMMENDATION:

Recommend the City Council fund the AKSBDC Homer Business Advisory in the amount of \$12,000 for FY 25.

Commissioner Brown reiterated Commissioner Arevalo's previous comments about needing to know what this is going to accomplish for the City.

Commissioner Brennan stated that she didn't understand the purpose behind the City business license since realizing that there would be no means of enforcement. She added that she was on board with the idea of a business license at the previous meeting, but was a little disappointed to receive the direction from City Council without any foreseen benefits for businesses.

Commissioner Hasche provided that he had informally asked members of the community about the potential of a City business license after the last meeting, and stated that most people are surprised the City doesn't already require a business license. He added that the overall sentiment of the community seems to be "if it isn't broke, don't fix it."

Commissioners agreed that if they had a concise list of potential benefits to the City that the business license would create, they then would be more open to assessing the creation of such a license. Community Development Director Engebretsen suggested creating an outline with scheduled tasks for the Commission to work on at various future EDC meetings. There was general consensus from the Commission that more clarity was needed regarding why the City wants to implement a business license, and that further discussion was necessary regarding a business license.

B. Comprehensive Plan

Community Development Director Engebretsen noted that there was a great open house event two weeks ago. She added that Agnew::Beck will be launching a six-week survey within the coming weeks, and that the consultants will be making their second community visit during the second week of May. Visiting that week will enable the consultants to attend meetings with City Council, the EDC, the Planning Commission, and the Parks Art Recreation and Culture Advisory Commission, in addition to meeting with other user groups and City departments.

NEW BUSINESS

A. Alaska Small Business Development Center Small Business Advisory Funding

Community Development Director Engebretsen informed the Commission that she requested this in her budget request to the City Manager. She provided a brief background on the small business development center and how it is funded. She added that the request for this year is \$12,000, and that the City has funded anywhere from \$10,000-25,000 in the past.

HASCHE/KIM MOVED TO RECOMMEND THE CITY COUNCIL FUND THE ALASKA SMALL BUSINESS DEVELOPMENT CENTER HOMER BUSINESS ADVISORY IN THE AMOUNT OF \$12,000.

Commissioner Kim voiced his support for the funding, stating that every dollar the City invests pays tenfold. He inquired about the possibility of partnering with Robert Green at the Small Business Development Center to amplify Mr. Green's influence.

There was no further discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- B. Land Allocation Plan
Memorandum from Community Development Director as backup

Community Development Director stated that the City reviews the land allocation plan annually to determine which properties should be out for lease. She added that there might be space at the airport this year, but with the runway construction taking place and other internal construction that the City is doing, she doesn't see space at the airport being feasible for leasing this year. She reviewed her staff report in conjunction with the land allocation plan for the Commission. There were in-depth discussions regarding the over slope areas on the land allocation plan.

BRENNAN/HASCHE MOVED TO REMOVE OVER SLOPE AREA 1 FROM THE LANDS AVAILABLE FOR LEASE PORTION OF THE LAND ALLOCATION PLAN.

There was no further discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

- A. City Manager's Report
- B. City of Homer Newsletter
- C. EDC Strategic Plan 2024-2025
- D. EDC Meeting Calendar

Chair Marks noted the informational materials and volunteered herself to deliver the report to City Council on April 22nd.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY STAFF

COMMENTS OF THE MAYOR/COUNCIL MEMBER (If Present)

COMMENTS OF THE COMMISSION

Commissioner Hasche said that this is his favorite time of year watching Homer wake up with all the action happening on the Spit.

Commissioner Brown thanked Community Development Director. She also thanked former Commissioner Pitzman for his analysis on the housing market at the previous EDC meeting.

Commissioner Arevalo mentioned that the Homer Soil and Water Conservation District has set up a meeting to offer the chance for public comment on the Fox River Flats RS 2477 right-of-way. She added that there will be flyers going around town on April 16th, and that the public comment period runs through April 26th. The meeting will take place at the Kachemak Bay Campus on Tuesday, April 16th.



MEMORANDUM

FY24-25 Mid Biennium Request – Additional Parks Personnel

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Thru: Melissa Jacobsen, Interim City Manager
Date: May 17, 2024
From: Parks, Art, Recreation & Culture Advisory Commission

Background Information: The parks maintenance division within public works department is down to one FTE with approximately \$50,000 budgeted for seasonal staffing.

Public works reports that they are struggling to hire seasonal employees and that the parks division has a broad scope of duties and responsibilities related to parks, trails, fields, playgrounds, etc.

The request from Commissioner Keiser is to create an additional one FTE for the parks division utilizing the already budgeted \$50,000 for seasonal staff with the remaining balance to be covered by the general fund.

At the May 16, 2024 PARCAC meeting, the commissioners approved the FY25 mid-biennium request the general fund to create an additional full time position for parks maintenance by unanimous vote.

Recommendation: Approve the FY25 mid-biennium budget request for an amount to be determined by the Finance Director from the general fund to add one FTE to parks maintenance.

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department PARCAC

Date 4/10/2024

<input checked="" type="checkbox"/> Request for Additional Personnel: Position Title <u>Parks Maintenance Tech</u> Salary Range & Step _____ Full-time <input checked="" type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____	<input type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title _____ Fund Name: <u>General Fund</u> Account Name: _____ Account # _____ Estimated Cost: _____
(FINANCE DEPT WILL COMPLETE)	
5101 Permanent Employees	_____
5102 Fringe Benefits	_____
5103 P/T Employees	_____
5104 Fringe Benefits P/T	_____
5105 Overtime	_____
Total Personnel Cost	\$0

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The parks maintenance division within public works department is down to one FTE with approximately \$50,000 budgeted for seasonal staffing. Parks coordinator reports that they are struggling to hire seasonal employees and that the parks division has a broad scope of duties and responsibilities related to parks, trails, fields, playgrounds, etc. The request from Commissioner Keiser is to create an additional one FTE for the parks division utilizing the already budgeted \$50,000 for seasonal staff with the remaining balance to be covered by the general fund.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: _____ **Dept Head Approval** _____
Date _____

City Manager Recommendation: ☐ Approved ☐ Denied ☐ Amended

Comments:



MEMORANDUM

Recommendation to Amend the FY24 – FY25 Budget for Additional Parks Maintenance Personnel

Item Type: Action Memorandum
Prepared For: Parks, Art Recreation and Culture Advisory Commission
Date: May 7, 2024
From: Janet Keiser, Commissioner
Through: Mike Ilg, Recreation Manager/PARC Staff Liaison

Background:

It is time for the Biennial Budget Review. This is when the City Council adjusts the City's Operating and Capital Budgets to provide for conditions, which may have changed since the two-year budget was adopted in 2023. This is our opportunity to make recommendations for budget adjustments to address matters that concern us. I have been advised by the Interim City Manager that the Commissions are empowered to make specific recommendations to the City Council for budget adjustments.

I propose we address staffing for parks and community recreation as an issue of concern by recommending additional full-time staffing for both Parks and Community Recreation.

Mike Ilg has already asked for our support for his request to convert Community Recreation's part-time position to a full-time position. Mike made a strong argument (1) that it is difficult to hire seasonal personnel and (2) that the increase in community recreation programs requires an increase in staffing to properly support those programs. We voted to support Mike's request at our April meeting.

Issue:

The same issue applies to Parks. Chad Felice does a great job! That said, Chad is a crew of one and in past years, has relied on seasonal employees. As with Community Recreation, it's become harder and harder to recruit such employees.

Like Community Recreation, Parks needs more full-time support. Even with that, Chad may still need contractor support to help with seasonal work, such as landscaping and grounds keeping, as he has in the past. But, a reliable two-person team, consistently available year-around can work wonders. They could help, even if they can't find seasonal help, move the needle from parks that are shabby in

all ways, except their own natural beauty, to parks (a) we can be proud of and (b) that provide the recreational and economic development opportunities benefit they have the potential to generate.

The funding to support an additional Parks-related FTE already exists within the City's Operating Budget, so this is not a big ask.

Recommendation:

PARCAC recommend to the City Council that the City's Operating Budget be adjusted during the Biennial Budget review to add one FTE to Parks maintenance.

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 24-23

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
AMENDING THE FY25 OPERATING BUDGET TO PROVIDE FOR
NECESSARY MID-BIENNIUM BUDGET ADJUSTMENTS.

THE CITY OF HOMER ORDAINS:

Section 1. The Operating Budget for the General, Water, Sewer, and Port and Harbor funds are hereby amended to provide funding for the fiscal year ending June 2025:

General Fund	\$ 16,602,741
Water Fund	\$ 2,504,619
Sewer Fund	\$ 2,222,334
Port/Harbor Fund	<u>\$ 5,897,497</u>

Total Expenditures	\$ 27,227,191
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Internal Service Funds	\$ 2,463,447
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Section 2. This is a budget amendment ordinance only, is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of _____, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

43
44 YES:
45 NO:
46 ABSTAIN:
47 ABSENT:
48
49 First Reading:
50 Public Hearing:
51 Second Reading:
52 Effective Date:

FUND 100 - GENERAL FUND						
DEPT 0110 - CITY MANAGER						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5101	Salary and Wages	92,622	72,622	(20,000)	-22%	Move wages to cover increased budget in professional services
5206	Food and Staples	10,000	11,500	1,500	15%	Costs have continued to increase for catering/hospitality/city end of year party
5210	Professional Services	30,000	50,000	20,000	67%	Additional need for contractual support
5216	Freight and Postage	1,000	500	(500)	-50%	Declining reason to send mail or freight
5238	Printing and Binding	2,500	1,500	(1,000)	-40%	Decreasing reasons to print materials
DEPT 0112 - ECONOMIC DEVELOPMENT						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5101	Salary and Wages	179,502	110,799	(68,703)	-38%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5102	Fringe Benefits	97,061	53,510	(43,551)	-45%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5105	Overtime	3,000	1,000	(2,000)	-67%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5231	Tools and Equipment	1,000	500	(500)	-50%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5235	Membership Dues	2,000	1,500	(500)	-25%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5238	Printing and Binding	1,000	500	(500)	-50%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5603	Employee Training	10,000	7,000	(3,000)	-30%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
DEPT 0114 - HERC						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5210	Professional Services	1,500	2,500	1,000	67%	Increased costs
5218	Water	820	1,000	180	22%	
5219	Sewer	552	1,000	448	0%	
DEPT 0115 - COMMUNITY RECREATION						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5103	Part-time Wages	42,179	22,063	(20,116)	-48%	Decrease to offset costs associated with converting Part-Time position to Full-Time
5104	Part-time Benefits	25,218	22,777	(2,441)	-10%	Decrease to offset costs associated with converting Part-Time position to Full-Time
5238	Printing and Binding	-	1,800	1,800	0%	
DEPT 0130 - PLANNING						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5105	Overtime	3,000	1,500	(1,500)	-50%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5228	Books	1,000	500	(500)	-50%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5235	Membership Dues	3,800	3,000	(800)	-21%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5238	Printing and Binding	1,000	500	(500)	-50%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
5603	Employee Training	17,500	10,000	(7,500)	-43%	Decrease to offset costs associated with converting Planning Part-Time position to Full-Time
DEPT 0145 - LIBRARY						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5231	Tools and Equipment	4,250	5,250	1,000	24%	General increases due to inflation
5233	Computer Related Items	3,500	5,500	2,000	57%	Ongoing, gradual replacement of smaller computer items
5635	Software	14,500	19,500	5,000	34%	Switch to managing public computers through a Google Admin account
5639	Subscription Databases	10,000	23,500	13,500	135%	Additional databases, increased costs, and increase checkout limit for Kanopy videos

DEPT 0150 - FIRE ADMINISTRATION						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5216	Freight and Postage	800	1,200	400	50%	Shipping cost increases
5231	Tools and Equipment	10,000	11,000	1,000	10%	Based on current prices and cost for service
DEPT 0160 - POLICE ADMINISTRATION						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5215	Communications	48,000	65,000	17,000	35%	Increased prices for records management software and CAD system
DEPT 0164 - JAIL						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5107	Part-time Overtime	7,000	-	(7,000)	-100%	Eliminating Part-Time position
DEPT 0171 - GENERAL MAINTENANCE						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5208	Equipment Maintenance	5,000	7,000	2,000	40%	Unplanned expenses
DEPT 0175 - PARKS						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5103	Part-time Wages	50,913	44,452	(6,461)	-13%	Decrease to offset costs associated with converting Part-Time position to Full-Time
5104	Part-time Benefits	6,174	21,638	15,464	250%	Converting Part-Time position to Full-Time
DEPT 0176 - MOTOR POOL						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5105	Overtime	2,838	4,000	1,162	41%	Snowfall events

FUND 200 - UTILITY FUND						
DEPT 0401 - WATER TREATMENT PLANT						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5105	Overtime	17,387	21,000	3,613	21%	Annual call outs
5208	Equipment Maintenance	23,000	25,000	2,000	9%	Increased maintenance needs
DEPT 0402 - WATER SYSTEM TESTING						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5226	Testing and Analysis	17,000	20,000	3,000	18%	Increased cost of lab services
DEPT 0500 - SEWER SYSTEM ADMINISTRATION						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5601	Uniform	350	500	150	43%	Inflation
DEPT 0501 - SEWER PLANT OPERATIONS						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5204	Chemicals	66,000	76,000	10,000	15%	Increase in chemical prices
5208	Equipment Maintenance	22,000	26,000	4,000	18%	Inflation
5210	Professional Services	30,000	70,000	40,000	133%	Biosolids KPB fee is tripling (phased increase, likely more in FY26/27)
DEPT 0504 - COLLECTION SYSTEM						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5105	Overtime	3,644	5,000	1,356	37%	Increased call outs

FUND 400 - PORT AND HARBOR ENTERPRISE FUND						
DEPT 0600 - ADMINISTRATION						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5215	Communications	8,000	10,000	2,000	25%	Additional cell phones added for harbor personnel
5252	Credit Card Expenses	104,000	125,000	21,000	20%	Fees are increasing, additional merchant account fees related to camping, etc.
DEPT 0601 - HARBOR						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5231	Tools and Equipment	2,000	4,000	2,000	100%	Anticipate purchase of generator and grounds keeping equipment
5601	Uniform	3,000	5,000	2,000	67%	Need to purchase full equipment for new employees including PPE and all weather gear
5603	Employee Training	9,500	12,000	2,500	26%	Need to certify/recertify HAZWOPER for several employees
DEPT 0603 - FISH DOCK						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5208	Equipment Maintenance	37,000	50,000	13,000	100%	Increased need for repairs and refurbishment on cranes
DEPT 0606 - FISH GRINDER						
A/C NUMBER	EXPENSE DESCRIPTION	FY25 ADOPTED BUDGET	FY25 AMENDED BUDGET	PROPOSED AMENDMENTS \$	PROPOSED AMENDMENTS %	NOTES
5210	Professional Services	-	15,000	15,000	100%	Dedicated line item for outside labor that operates fish grinder
5234	Record and Permits	-	2,000	2,000	100%	DEC permit

	FY25
Total Proposed Amendments	<u>\$ 20,001</u>

<u>Page #</u>	<u>Fund</u> <u>Dept A/C</u>	<u>Requests Description</u>	<u>BY</u>	<u>Amount</u>	<u>City</u> <u>Manager</u> <u>Approval</u>	<u>Council</u> <u>Approved</u>
		Personnel/Operating Budget Requests				
	100-0115	Full-time Recreational Assistant	Com. Rec.	11,891	11,891	
	100-0175	Part-Time Parks	Parks	13,990	13,990	
	400-0603	Seasonal Ice Plant	Port	26,626	26,626	
	100	4.5% COLA - General Fund Share	City Manager	342,974	342,974	
	200	4.5% COLA - Water Fund Share	City Manager	43,898	43,898	
	200	4.5% COLA - Sewer Fund Share	City Manager	37,847	37,847	
	400	4.5% COLA - Port and Harbor Fund Share	City Manager	99,088	99,088	
	Total Personnel/Operating Budget Requests			576,313	576,313	-



MEMORANDUM

FY24-25 Mid Biennium Capital Request

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Thru: Melissa Jacobsen, Interim City Manager
Date: May 17, 2024
From: Parks, Art, Recreation & Culture Advisory Commission

Background Information:

The Community Recreation program has recognized the growing demand for indoor volleyball from community members who would like to have additional playing days and times. Currently we offer volleyball three times a week, 2 hours at each scheduled time. In addition to a robust adult population of players, there is a growing demand for teen and youth volleyball programs, camps and instruction.

While Community Recreation is able to utilize the volleyball nets at Homer High and Homer Middle School, there are many challenges with finding reasonable days and times as the City must work around the varying school districts activities, practices, and games, as well as maintenance related closures. This summer there will be at least four weeks of gym closures at Homer High due to light replacements and floor refinishing and next summer the HHS gym floor will be completely replaced. As a result, there will not be a place for indoor volleyball. The Homer Middle School gym is not available during the summer months due to the lack of budgeted custodial staffing.

The purchase of a volleyball net system will allow the flexibility and improved level of access to indoor volleyball with a quality volleyball net system for competitive play at the HERC gymnasium. The volleyball net system includes: nets, cables, hand crank, fasteners and poles. The equipment is removable and would be able to be utilized for other locations such as the potential new recreation center.

This is a capital request for \$4,500.

At the May 16, 2024 PARCAC meeting, the Commission supported the FY25 mid-biennium capital request from the general fund to purchase a volleyball net system by unanimous vote.

Recommendation: Approve the FY25 mid-biennium budget capital request for the purchase of a volleyball net system for the estimated amount of \$4,500.

CITY OF HOMER
HOMER, ALASKA

City Manager

ORDINANCE 24-24

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
AMENDING THE FY25 CAPITAL BUDGET TO PROVIDE FOR
NECESSARY MID-BIENNIUM BUDGET ADJUSTMENTS.

THE CITY OF HOMER ORDAINS:

Section 1. The Capital Budget for the following funds are hereby amended to provide funding for the fiscal year ending June 2025:

Capital Projects Funds:

General Fund Fleet CARMA (152)	\$ 57,000
General Fund CARMA (156)	\$ 614,900
Utility CARMA (256)	\$ 305,000
Port Fleet Reserves (452)	\$ 0
Port Reserves (456)	\$ 68,000
HART Roads (160)	\$ 95,000
HART Trails (165)	\$ 0
HAWSP (205)	\$ 185,000
General Fund Unassigned (100)	<u>\$ 350,000</u>
Total Capital Expenditures	\$ 1,674,900

Section 2. This is a budget amendment ordinance only, is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of _____, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

43
44 YES:
45 NO:
46 ABSTAIN:
47 ABSENT:
48
49 First Reading:
50 Public Hearing:
51 Second Reading:
52 Effective Date:

Page #	Fund Dept A/C	Requests (>=\$5000) Description	BY	Amount	City Manager Approval	Council Approved
		General Fund				
	152	Pumper Tanker Purchase - Additional Funding	Fire	7,000	7,000	
	152	Utility 1 Replacement	Fire	85,000	-	
	152	Utility 2 Replacement	Fire	85,000	-	
	152	Brush Truck/Mini Pumper	Fire	450,000	-	
	152	Medic 2 Replacement	Fire	450,000	-	
	152	Replacement E-126 Bldg Maintenance Vehicle	PW	50,000	50,000	
	156-0369	Seawall Maintenance - For FY25 Only	PW	900	900	
	156	Public Computer Replacement	Library	12,000	12,000	
	156	Rolling Tables	Library	6,000	6,000	
	156	Fire Bay Doors and Motors	Fire	50,000	50,000	
	156	Security Fencing - Additional Funding	Police	7,000	7,000	
	156	Library HVAC Control System Upgrade	PW	16,000	16,000	
	156	Fuel Island	PW	350,000	350,000	
	156	City Hall Elevator	PW	150,000	150,000	
	156	City Hall ADA Ramp	PW	23,000	23,000	
		Total General Fund Requests		1,741,900	671,900	-
		Water/Sewer				
	256-0378	Water SCADA Upgrades (split 50/50)	PW	37,500	37,500	
	256-0378	Raw Water Pump House Communication Line	PW	150,000	150,000	
	256-0379	Sewer SCADA Upgrades (split 50/50)	PW	37,500	37,500	
	256-0379	Portable Back-Up Generator	PW	95,000	-	
		Total Water and Sewer CARMA		320,000	225,000	-
		Port and Harbor				
	456-0373	USCGC Berth Space Maintenance - For FY25 Only	Port	20,000	20,000	
	456-0380	MB Sweeper	Port	5,000	5,000	
	456-0380	Campground Items	Port	18,000	18,000	
	456-0380	Camera Pole Installation	Port	25,000	25,000	
		Total Port Reserves		68,000	68,000	-
		HART				
	160	Green Infrastructure Research - Appraisals	PW	50,000	50,000	
	160	Green Infrastructure Research - Appraisals	PW	10,000	10,000	
	160	Ground Water Research	PW	35,000	35,000	
		Total HART		95,000	95,000	-
		HAWSP				
	205	Ground Water Research	PW	35,000	35,000	
		Total HART		35,000	35,000	-
		Total Capital Requests Only		2,224,900	1,059,900	-

CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET

Requesting Department HVFD

Date 5/12/2024

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Pumper tanker purchase</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u><u>\$7,000</u></u>
---	--

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

When we purchased the truck in 2022 we anticipated some cost increases due to the 2.5 year build time. We estimated a 25,000 dollar contingency that has fallen short now that we have the engineering of the build complete. So if we add 7,000 to the 25,000 we will have enough to meet the final cost obligation.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

This to complete an existing capital project that was started in 2022 and will provide the city with a pumper tanker that will be used for life safety and fire protection.

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: Kirko

Dept Head Approval Kirko

Date 5/12/2024

City Manager

Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments:

CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET

Requesting Department HVFD

Date 5/12/2024

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Brush Truck, Mini p[umper]</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u><u>\$450,000</u></u>
---	--

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

In 2022 I had to take the 1990 Brush truck out of service after it was deemed unsafe to use by the City Mechanic. We have been actively trying to replace the truck since 2017 and have been unsuccessful due to prioritizing other city projects. It will take 2-3 years to have one built and we are in a vulnerable position of inadequate response to wildland and hillside fires until that happens. There are many structures that could also be protected by this vehicle in the rural areas of Homer that pose an access challenge to the larger vehicles in our fleet.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Our primary responsibility to public safety is Fire, EMS and rescue response, this requested truck would have the ability to provide all of those services.

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: kirko

Dept Head Approval Kirko

Date 5/12/2024

City Manager

Recommendation: ☐ Approved ☒ Denied ☐ Amended

Comments: Listed as anticipated FY26/27 in current capital budget.

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department HVFD

Date _____

☐ Request for Additional Personnel:
Position Title _____

Salary Range & Step _____

Full-time ☐

Part-time ☐ Hours Per Year _____

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____

5102 Fringe Benefits _____

5103 P/T Employees _____

5104 Fringe Benefits P/T _____

5105 Overtime _____

Total Personnel Cost _____

☒ Capital Request (for acquiring/constructing
a major, long-term asset valued at \$5,000 or more)

☐ Operating Line Item
Increase

Request Title Ambulance

Fund Name: _____

Account Name: _____

Account # _____

Estimated Cost: \$450,000

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Need to replace the 24-year old ambulance. The current ambulance is obsolete and does not have many of the required features used in today's EMS system. It will take up to 3 years to have a new one built so we could be in a vulnerable position if one of the newer units becomes unusable for any length of time. With our run volume continuing to grow, this third unit will become more of a frontline unit and in higher demand.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

We need reliable and up to date medical care units capable of serving the community and visitors of Homer.

Priority of Need:

This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name:

Kirko

Dept Head Approval

Kirko

Date

5/12/2024

City Manager

Recommendation:

☐ Approved

☒ Denied

☐ Amended

Comments:

This was denied in the FY24/25 budget requests.

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Library Date _____

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Public Computers</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u><u>\$12,000</u></u>
---	---

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The public computers in the library are due for replacement under IT's replacement schedule. We would like to put in Google Chromeboxes instead of PCs. They're much cheaper and easier to manage centrally, and may finally give us the ability to handle wireless printing. The monitors and peripherals do not need replacing.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

The library computers get heavy use for internet access and printing.

Priority of Need: This budget request item ranks # of the department's budget requests.

Requestor's Name: _____ Dept Head Approval _____
Date _____

City Manager
Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Library Date _____

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Tables</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u><u>\$6,000</u></u>
---	--

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Purchase 5 or 6 conference tables on wheels, each 30" x 60". This would allow us to convert study room 5 and the copy room into more usable public spaces. If decent tables are available elsewhere, we could do this for free.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

The two rooms beside the checkout desk are prime public real estate, and there is often a lot of demand for study spaces. Neither room is being used to capacity, but some simple changes in the furnishings and moving equipment around would free them up. The only new furnishings are mobile meeting tables of the sort in the main meeting room.

Priority of Need: This budget request item ranks # 5 of the department's 6 budget requests.

Requestor's Name: _____ Dept Head Approval _____
Date _____

City Manager
Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department HVFD

Date _____

☐ Request for Additional Personnel:
Position Title _____

Salary Range & Step _____

Full-time ☐

Part-time ☐ Hours Per Year _____

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____

5102 Fringe Benefits _____

5103 P/T Employees _____

5104 Fringe Benefits P/T _____

5105 Overtime _____

Total Personnel Cost _____

☒ Capital Request (for acquiring/constructing
a major, long-term asset valued at \$5,000 or more)

☐ Operating Line Item
Increase

Request Title Fire Bay Doors & Motors

Fund Name: _____

Account Name: _____

Account # _____

Estimated Cost: \$50,000

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The fire department has 7 bay doors with lift motors that are all experiencing frequent failures. There are 3 different models, all of which are over 20 years old and becoming difficult to get parts for when failures occur causing greater down times. We have talked with a local company that can provide a newer motor with increased speed of operation that is useful during emergencies. The newer motors will also have dual control openers with greater range and flexibility to interchange between doors.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

The FD doors get used on a daily basis, sometimes the same doors are opened multiple times a day and are essential for a timely response to emergency situations.

Priority of Need:

This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name:

Kirko

Dept Head Approval

Kirko

Date

5/12/2024

City Manager

Recommendation:

☒ Approved

☐ Denied

☐ Amended

Comments:

CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET

Requesting Department Police

Date _____

☐ Request for Additional Personnel:

Position Title _____

Salary Range & Step _____

Full-time ☐

Part-time ☐ Hours Per Year _____

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____

5102 Fringe Benefits _____

5103 P/T Employees _____

5104 Fringe Benefits P/T _____

5105 Overtime _____

Total Personnel Cost _____

☒ Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more)

☐ Operating Line Item Increase

Request Title Security Fencing

Fund Name: _____

Account Name: _____

Account # _____

Estimated Cost: \$7,000

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

We budgeted for security fencing and a vehicle access gate around the back of the police station in FY24. This was awarded in the capital budget. We did not request enough money to provide an operator for the access gate. This request will provide enough additional funding to purchase and install the operator.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

The security fencing provides controlled access to the rear entry's of our building and our onsite impound yard. Having an operator on the gate will help to ensure the gate is closed at all times helping us meet the goal of enhanced police station security.

Priority of Need:

This budget request item ranks # 4 of the department's 4 budget requests.

Requestor's Name:

Chief Robl

Dept Head Approval MHR

Date 4/24/2024

City Manager

Recommendation:

☒ Approved

☐ Denied

☐ Amended

Comments:

CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET

Requesting Department Public Works

Date _____

☐ Request for Additional Personnel:
Position Title _____
Salary Range & Step _____
Full-time ☐
Part-time ☐ Hours Per Year _____

☒ Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) ☐ Operating Line Item Increase

Request Title _____
Library HVAC Control System Upgrade

Fund Name: _____

Account Name: _____

Account # _____

Estimated Cost: \$16,000

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____
5102 Fringe Benefits _____
5103 P/T Employees _____
5104 Fringe Benefits P/T _____
5105 Overtime _____
Total Personnel Cost _____

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Controller upgrade, computer hardware and software replacement due to achieving the end of its lifecycle. The current system is based off of Windows 7 and is no longer a supported platform.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: _____ Dept Head Approval _____

Date _____

City Manager

Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Public Works

Date _____

☐ **Request for Additional Personnel:**
Position Title _____
Salary Range & Step _____
Full-time ☐
Part-time ☐ **Hours Per Year** _____

☒ **Capital Request** (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) ☐ **Operating Line Item Increase**

Request Title _____
Fuel Island

Fund Name: _____

Account Name: _____

Account # _____

Estimated Cost: \$350,000

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____
5102 Fringe Benefits _____
5103 P/T Employees _____
5104 Fringe Benefits P/T _____
5105 Overtime _____
Total Personnel Cost _____

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Public Works has been informed that the underground fuel tanks certification expires around the end of August and cannot be recertified. This has been a project under consideration for a few years. This project cost does not include the cost of removal of the existing tanks or the costs associated with any potential environmental remediation associated with the existing underground tanks. The proposed tanks will be aboveground and skid mounted so they will be able to be relocated to the future Public Works campus when the time comes.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Fuel tanks are mission critical to the Department. Due to the delay in this decision, there will likely be a short period of time where fuel may need to be purchased from a local vendor rather than bulk delivery to a City owned fuel system.

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: _____ **Dept Head Approval** _____

Date _____

City Manager

Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: This is a necessary expenditure. Recommend dividing costs between General Fund,
Utility Fund, and Port and Harbor in an equitable usage division.

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Public Works

Date _____

☐ **Request for Additional Personnel:**
Position Title _____
Salary Range & Step _____
Full-time ☐
Part-time ☐ **Hours Per Year** _____

☒ **Capital Request** (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) ☐ **Operating Line Item Increase**
Request Title City Hall Elevator
Fund Name: General Fund CARMA
Account Name: _____
Account # _____
Estimated Cost: \$150,000

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____
5102 Fringe Benefits _____
5103 P/T Employees _____
5104 Fringe Benefits P/T _____
5105 Overtime _____
Total Personnel Cost _____

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The City Hall elevator certification expires in August 2025.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: _____ **Dept Head Approval** _____

Date _____

City Manager

Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments:

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Public Works

Date _____

☐ **Request for Additional Personnel:**
Position Title _____
Salary Range & Step _____
Full-time ☐
Part-time ☐ **Hours Per Year** _____

☒ **Capital Request** (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) ☐ **Operating Line Item Increase**

Request Title _____
City Hall ADA Ramp

Fund Name: _____

Account Name: _____

Account # _____

Estimated Cost: \$11,000

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____
5102 Fringe Benefits _____
5103 P/T Employees _____
5104 Fringe Benefits P/T _____
5105 Overtime _____
Total Personnel Cost _____

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Additional design considerations and elevated construction costs increased the cost from \$14,000 to \$25,000. Additional considerations include possibly switching the door swing direction, expanding the landings to meet ADA requirements and allow decreased slope, and relocation of location of the end of the ramp due to re-sloping ramp. May require a new ADA curb cut in curb.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: _____ **Dept Head Approval** _____

Date _____

City Manager

Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET

Requesting Department Public Works

Date _____

☐ Request for Additional Personnel:
Position Title _____
Salary Range & Step _____
Full-time ☐
Part-time ☐ Hours Per Year _____

☒ Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) ☐ Operating Line Item Increase
Request Title Water/Sewer SCADA Upgrades
Fund Name: Utility CARMA
Account Name: _____
Account # _____
Estimated Cost: \$75,000

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____
5102 Fringe Benefits _____
5103 P/T Employees _____
5104 Fringe Benefits P/T _____
5105 Overtime _____
Total Personnel Cost _____

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Water and Sewer SCADA upgrades to include computer hardware and software. Existing hardware and software is beyond end of life and has been identified as being a susceptible cybersecurity threat.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: _____ Dept Head Approval _____
Date _____

City Manager
Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Public Works

Date _____

☐ **Request for Additional Personnel:**
Position Title _____
Salary Range & Step _____
Full-time ☐
Part-time ☐ **Hours Per Year** _____

☒ **Capital Request** (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) ☐ **Operating Line Item Increase**

Request Title _____
Raw Water Pumphouse Communication Line

Fund Name: Utility CARMA - Water

Account Name: _____

Account # _____

Estimated Cost: \$150,000

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____
5102 Fringe Benefits _____
5103 P/T Employees _____
5104 Fringe Benefits P/T _____
5105 Overtime _____
Total Personnel Cost _____

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Reliable communication between the Raw Water Pumphouse and the Water Treatment Plant is a critical element of the production of Drinking Water. The two elements must function as one complete process to efficiently operate. The existing communication via a dedicated ACS communication line has routinely failed over the past several years, resulting in staff having to provide 24-hour monitoring to provide water from the reservoir to the Water Treatment Plant. Numerous efforts have been made by ACS to troubleshoot and repair this line. ACS does not have the motivation to replace this dedicated communication line. There is an opportunity to replace this communication line with a privately owned fiber optic line as part of the Raw Water Transmission Line Replacement Project and therefore realize significant cost savings by incorporating this effort as part of one project while a contractor is onsite installing the pipe.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: _____ **Dept Head Approval** _____

Date _____

City Manager

Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Public Works

Date _____

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Portable Back up Generator</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u>\$95,000</u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Public Works currently has 2 mobile back up generators that are used to provide power to the 7 liftstations in the event of a power loss. Staff "hopscotch" these generators between lift stations to prevent sewage back up. However during high flow situations, one generator may require to be left at one of the liftstations continuously due to high flows, meaning they are left with one mobile generator to operate the remaining 6 liftstations. Further, there is no back-up to the back-up generator at the Wastewater Treatment Plant, and there has been a failure of that generator in the past that caused backup of sewage into houses in the past. When this happened in the past, PW was able to borrow one from HEA, however there is no guarantee this would be available in the future. This generator would have the capacity to back up the WWTP. Lastly, the mobile generators have been used at the Airport during power outages. The Airport does not have a back up generator. Having an additional generator available would provide additional capacity to provide power to the airport as needed.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: _____ **Dept Head Approval** _____

Date _____

City Manager Recommendation: ☐ Approved ☒ Denied ☐ Amended

Comments: Recommending this request for Community Assistance Program funding.
The CAP funding amount is \$76,060.10. The balance will be requested by a future ordinance.

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Port Date

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>MB Sweeper</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u><u>\$5,000</u></u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Replace current equipment that is not operational

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Walk behind sweepers are used to remove snow from the floats in the winter and to sweep the walkways in the parking lots in the summer. We have found that by sweeping the floats when there is a light snow helps reduce ice accumulation.

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: Bryan Hawkins Dept Head Approval
Date

City Manager Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET

Requesting Department Port Date

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Campground items</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u><u>\$18,000</u></u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

10x Recycled plastic picnic benches and fire rings to refurbish campsites

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Essential amenities at our campsites include picnic tables and fire rings. Although currently made of wood, our future objective is to gradually replace the tables with durable plastic ones that are resistant to rot. It should be noted that not all campsites are equipped with fire rings. Our aim is to get the permanent campsites set up with both fire rings and tables for the convenience of our visitors.

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: Bryan Hawkins Dept Head Approval
Date

City Manager
Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Port Date _____

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Camera Pole Installation</u> Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: <u><u>\$25,000</u></u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Install five poles for future installation of cameras at ramps 1 through 5 on the Spit road side of the harbor.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Our ultimate goal for enhancing harbor security includes expanding camera coverage to ramps 1 through 5 on the western side of the harbor. The design contract for these ramp locations was successfully finalized in the 2022-23 budget. A major challenge we faced was the cost of camera poles, but our team is dedicated to finding a more cost-effective solution. A local contractor recently acquired a vibratory pile-driving hammer for his mobile crane, which presents an opportunity for us to make progress on this project. By using salvaged steel pile from our inventory, we can install suitable poles near ramps 1 through 5. Pending approval, this work is scheduled to be completed in the fall. Additionally, our staff is developing a plan to

Priority of Need: This budget request item ranks # ☐ of the department's ☐ budget requests.

Requestor's Name: Bryan Hawkins Dept Head Approval _____
Date _____

City Manager
Recommendation: ☒ Approved ☐ Denied ☐ Amended

Comments: _____

City Council/Boards & Commissions Operating Budget Amendments - FY25

FY25

Request Name	Sponsor	Amount	Funding Source	Status
Homer Business Advisor (AKSBDC)	Venuti	\$ 12,000		
Mayor/City Council Food & Staples	Lord	\$ 800	Reduce Mayor/City Council Professional Services line item	
Federal Lobbying Support	Lord	\$ 20,000	Reduce Mayor/City Council Professional Services line item, Reduce Transfer to Port Reserves, Reduce Transfer to Water/Sewer CARMA	
Parks Maintenance Tech - Full Time	PARCAC	\$ 76,041		

City Council/Boards & Commissions Capital Budget Amendments - FY25

FY25

Request Name	Sponsor	Amount	Funding Source	Status
Volleyball Net System	PARCAC	\$4,500	General Fund CARMA	

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Community Development

Date 5/1/2024

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input checked="" type="checkbox"/> Operating Line Item Increase Request Title <u>AKSBDC Advisor</u> Fund Name: <u>General Fund</u> Account Name: <u>Non-Departmental Professional Services</u> Account # <u>100.0350.5210</u> Estimated Cost: <u>\$12,000</u>
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Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The City of Homer has been providing matching funding for the Alaska Small Business Development Center, Homer Advisor position for several years. Funding for this position additionally comes from the University of Alaska, the Kenai Peninsula Borough, and the Homer Chamber of Commerce provides office space and in kind services. Staff supports this funding; the City does not have staff or capacity to advise the many locally owned small businesses that support Homer's economy. City funding has been requested outside of the annual budget process. This year, the Economic Development Advisory Commission has considered the request and recommended approval to the City Council. Rather than continue to request funding outside the budget process, staff recommends a line in term increase in the operating budget.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Homer's economy is heavily reliant on small businesses and entrepreneurs. The local Homer Advisor of the AKSBD provides essential business planning services and helps companies access capital to buy, sustain and grow local businesses. This has a direct impact on sales tax revenue and jobs.

Priority of Need: This budget request item ranks # 2 of the department's 3 budget requests.

Requestor's Name: Julie Engebretsen **Dept Head Approval** _____
Date _____

City Manager Recommendation: ☐ Approved ☒ Denied ☐ Amended

Comments: _____
This is a non-departmental budget request.

FY25 Proposed Budget Amendment Form

Fund Name: GF: Mayor/Council Food & Staples

Project Name:

Account #	Account name	Page #	Increase	Decrease	Balance
100-0100-5206	Food and Staples		\$ 800		
100-0100-5210	Professional Services			\$800	

Rationale:

Our Commissions and Boards spend considerable time in meetings, especially during consideration of issues of high community importance.

This budget amendment is intended to allow Commissioners access to the Council fridge during their meetings.

This is intended to cover the ADA Advisory Board, EDC, LAB, PARCAC, Planning, and Port & Harbor. The amount was estimated by the City Manager to cover the additional food as well as the joint KPB Assembly dinner when they are here in August.

The current FY25 food budget is \$2,500 and this would bring that total to \$3,300. I suggest reducing the Council/Mayor Professional Services budget by \$800 to balance this proposed amendment, bringing that budgeted item for FY25 to a still-robust \$24,200.

Requested By: _____
Rachel Lord

Prepared By: _____
Rachel Lord

FY25 Proposed Budget Amendment Form

Fund Name: GF/Enterprise/Utility

Project Name: Federal Lobbying Support

Account #	Account name	Page #	Increase	Decrease	Balance
100-0100-5248	Lobbying		\$ 11,000		
400-0600-5248	Lobbying		\$ 7,000		
200-0400-5248	Lobbying		\$ 1,000		
200-0500-5248	Lobbying		\$ 1,000		
100-0110-5210	Professional Services			\$ 11,000	
400-0600-5990	Transfer to Port Reserves			\$ 7,000	
200-0400-5990	Transfer to Water CARMA			\$ 1,000	
200-0500-5990	Transfer to Sewer CARMA			\$ 1,000	

Rationale:

The City of Homer has been working tirelessly to submit federal grants and engage our state and federal partners to leverage resources for infrastructure and planning investments. We have realized the value of having state lobbyists, and we should strongly consider setting aside funds for federal lobbyists. In addition to engaging with key members of Congress, additional assistance would be invaluable in developing strategies, understanding timing, and realizing timely opportunities that align with the goals and priorities of the City. Because of the broad suite of projects across City funds, I suggest splitting this cost 55% GF, 35% Enterprise, 10% Utility Funds. The current FY25 budget has \$52,000 budgeted for lobbying from the GF (\$12,000 in the City Manager and \$40,000 in Council/Mayor), \$35,000 from the Enterprise, and 0 from the Utility Fund for a total of \$87,000. This covers our state lobbyist contract @ \$42,000 (which is renewed in December on an annual basis, our current contract is Dec. '23-Dec '24) and staff/Council/Mayor travel to Juneau and DC. I suggest we start with \$50,000 set aside for federal lobbying support, continue to support our state lobbyists at \$42,000/yr, and include an additional \$15,000 for JNU and DC travel and contingencies which would equal \$107,000 and require additional appropriation of \$20,000 above the already budgeted amount for FY25 split three ways.

I'm not sure why the lobbying amount is split in the GF between the CM and the Council/Mayor. As a team, I believe this should be consolidated in one place for transparency and ease of use.

Requested By: _____

Rachel Lord

Prepared By: _____

Rachel Lord

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department PARCAC

Date 4/10/2024

<input checked="" type="checkbox"/> Request for Additional Personnel: Position Title <u>Parks Maintenance Tech</u> Salary Range & Step _____ Full-time <input checked="" type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) <table style="width: 100%;"><tr><td>5101 Permanent Employees</td><td style="text-align: right;">\$44,573</td></tr><tr><td>5102 Fringe Benefits</td><td style="text-align: right;">\$31,468</td></tr><tr><td>5103 P/T Employees</td><td></td></tr><tr><td>5104 Fringe Benefits P/T</td><td></td></tr><tr><td>5105 Overtime</td><td></td></tr><tr><td>Total Personnel Cost</td><td style="text-align: right;">\$76,041</td></tr></table>	5101 Permanent Employees	\$44,573	5102 Fringe Benefits	\$31,468	5103 P/T Employees		5104 Fringe Benefits P/T		5105 Overtime		Total Personnel Cost	\$76,041	<input type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title _____ Fund Name: <u>General Fund</u> Account Name: _____ Account # _____ Estimated Cost: _____
5101 Permanent Employees	\$44,573												
5102 Fringe Benefits	\$31,468												
5103 P/T Employees													
5104 Fringe Benefits P/T													
5105 Overtime													
Total Personnel Cost	\$76,041												

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

The parks maintenance division within public works department is down to one FTE with approximately \$50,000 budgeted for seasonal staffing. Parks coordinator reports that they are struggling to hire seasonal employees and that the parks division has a broad scope of duties and responsibilities related to parks, trails, fields, playgrounds, etc. The request from Commissioner Keiser is to create an additional one FTE for the parks division utilizing the already budgeted \$50,000 for seasonal staff with the remaining balance to be covered by the general fund.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # of the department's budget requests.

Requestor's Name: _____ Dept Head Approval _____

Date _____

City Manager

Recommendation: ☐ Approved ☐ Denied ☐ Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
FY25 BUDGET**

Requesting Department Community Recreation

Date 5/6/2024

☐ **Request for Additional Personnel:**
Position Title Community Rec Programmer

Salary Range & Step _____

Full-time ☐
Part-time ☐ **Hours Per Year** _____

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees _____

5102 Fringe Benefits _____

5103 P/T Employees _____

5104 Fringe Benefits P/T _____

5105 Overtime _____

Total Personnel Cost \$0

☒ **Capital Request** (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) ☐ **Operating Line Item Increase**

Request Title Volleyball Net System

Fund Name: General Fund

Account Name: _____

Account # _____

Estimated Cost: \$4,500

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

This capital request is for a volleyball net system that would be installed and utilized at the city's HERC gymnasium. The Community Recreation drop in volleyball is very popular for adults, teens and there is a strong interest in providing some dedicated youth volleyball programs as well. We also have offered numerous volleyball tournaments and volleyball leagues with very limited options to make them happen due to equipment and gym space not being available. The recreation program is at the whim of the school district's limited gymnasium days and times to offer volleyball, therefore with the purchase of an adequate and quality net at the HERC we will then have the ability to help meet the strong demand for playing volleyball in our community. The net system is removable and would be a usable piece of equipment for a future new recreation facility as well. The estimated cost includes shipping.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Priority of Need: This budget request item ranks # 2 of the department's 2 budget requests.

Requestor's Name: Mike Illg **Dept Head Approval** _____

Date _____

City Manager

Recommendation: ☐ Approved ☐ Denied ☐ Amended

Comments: _____

Project	Ord	Fund	Budget	Actual	Remaining	FY Expire	Status	Notes
Off-Road Firefighting Apparatus	23-23(A-3)	152 Fleet CARMA	45,000	17,500	27,500	FY26	Open	
Deputy Chief Vehicle Replacement	23-23(A-3)	152 Fleet CARMA	95,000		95,000	FY26	Open	
Pumper/Tanker Contingency	23-23(A-3)	152 Fleet CARMA	25,000		25,000	FY26	Open	Need additional funding of \$7,000
MEDIC1 Replacement	23-23(A-3), 22-81	152 Fleet CARMA	405,000	403,191	1,809	FY26/FY25	Open	
Ladder Truck	23-22	152 Fleet CARMA	230,000	185,095	44,905	FY25	Open	
Mobile Radio for Police Vehicle	23-07	152 Fleet CARMA	6,950	6,632	318	FY25	Close	
Airport Sanding Truck - GF Unassigned Transfer	22-05(A)	152 Fleet CARMA	60,000	60,000	0	FY24	Close	
Replacement E-103 Bldg Maint Van	21-36(S-2)(A)	152 Fleet CARMA	50,000	42,126	7,874	FY24	Close	
Replacement E-126 Bldg Maint Vehicle	21-36(S-2)(A)	152 Fleet CARMA	50,000		50,000	FY24	Close	close appropriation and bring forward new request - vehicle is ordered (expected Dec)
HPD Vehicle Replacement (4 Patrol Vehicles, 1 Jail Van)	21-36(S-2)(A), 21-09	152 Fleet CARMA	305,000	239,407	65,593	FY24/FY23	Close	
Bi-Directional Amplifier System	24-14	156 General CARMA	16,156	16,156	0	FY26	Close	
40th Anniversary Sister City (Teshio, Japan)	24-11(A)	156 General CARMA	20,000	-	20,000	FY26	Open	
Licensed Microwave WAN - expires 6/30/24	23-56, 21-66, 18-44(A)	156 General CARMA	130,000	135,782	(5,782)	FY24	Close	
Seawall Maintenance - Annual Appropriation (FY24 ONLY)	23-44	156 General CARMA	900	189	711	FY24	Close	setup new appropriation for FY25
Fire Hose Replacement	23-23(A-3)	156 General CARMA	78,000	73,901	4,099	FY26	Open	
Replace Library Chairs	23-23(A-3)	156 General CARMA	1,000	-	1,000	FY26	Open	
Police Station Fencing	23-23(A-3)	156 General CARMA	27,000	24,480	2,520	FY26	Open	Need additional funding of \$7,000
Hornaday Park Playground Improvements	23-23(A-3)	156 General CARMA	25,000	22,280	2,720	FY26	Open	
ADA-Family Restroom at Airport	23-23(A-3)	156 General CARMA	50,000	31,353	18,647	FY26	Open	
Airport Terminal Sidewalk Repairs	23-23(A-3)	156 General CARMA	76,175	-	76,175	FY26	Open	
HERC I Roof Inspection	23-23(A-3)	156 General CARMA	15,000	-	15,000	FY26	Open	Reso 24-042 reallocated funds to purchase roof materials for repair
Karen Hornaday Park Master Plan	23-23(A-3)	156 General CARMA	50,000	-	50,000	FY26	Open	
New Comprehensive Plan Development	23-23(A-3), 23-11	156 General CARMA	650,000	46,055	603,945	FY26	Open	
Live Scan Fingerprinting Machine Replacement	23-23(A-3)	156 General CARMA	23,000	19,386	3,615	FY26	Open	
Telephone System Repairs - EMERGENCY ORDINANCE	23-47, 23-38	156 General CARMA	35,000	37,067	(2,067)	10/14/2023	Close	
Short Term Rental Tracking Services	23-05	156 General CARMA	20,239	8,433	0	FY25	Close	closed
Fencing Around the Skyline Drive Fire Station	22-57	156 General CARMA	15,000	11,400	3,600	FY25	Open	
Demolish HERC2	22-45	156 General CARMA	153,000	58,349	94,651	FY25	Open	
Professional IJJA Grant Writing Services	22-39	156 General CARMA	125,000	102,650	22,350	FY25	Open	
Vending Stations at Library	22-33	156 General CARMA		301	(301)		Close	closed - expenditure posted
Mariner Park Lagoon Maintenance	21-36(S-2)(A)	156 General CARMA	6,000	4,300	1,700	FY24	Close	
Skatepark Upkeep	21-36(S-2)(A)	156 General CARMA	10,000	1,367	8,633	FY24	Close	final invoice to post, then close
Public Computer Replacement	21-36(S-2)(A)	156 General CARMA	40,000	30,788	9,212	FY24	Close	
Videoconference System Replacement	21-36(S-2)(A)	156 General CARMA	7,000	154	6,846	FY24	Close	
Email System Upgrade	21-36(S-2)(A)	156 General CARMA	30,000	19,541	10,459	FY24	Close	
Network Switches	21-36(S-2)(A)	156 General CARMA	32,000	24,113	7,887	FY24	Close	
Airport ADA - Restrooms, Fountain, etc.	21-36(S-2)(A)	156 General CARMA	14,400	5,320	9,080	FY24	Close	
City Hall ADA - Ramp	21-36(S-2)(A)	156 General CARMA	14,400	2,034	12,366	FY24	Close	close appropriation and bring forward new request w/ additional funding of \$11,000
Airport Terminal Painting (Exterior)	21-36(S-2)(A)	156 General CARMA	21,000	-	21,000	FY24	Close	will bring forward future budget request - scope has changed

Project	Ord	Fund	Budget	Actual	Remaining	FY Expire	Status	Notes
Heath Street Pavement Restoration	23-62	160 HART Roads	25,000	16,181	8,819	FY26	Close	
Non-motorized Project on West Fairview Ave	23-35(A)	160 HART Roads	110,000	115,568	(5,568)	FY25	Close	
Drainage Management Plan	23-23(A-3)	160 HART Roads	7,000	-	7,000	FY26	Close	
Mt Augustine Surface Water	23-23(A-3)	160 HART Roads	193,000	-	193,000	FY26	Open	
Homer Soil and Water Contract	23-23(A-3)	160 HART Roads	20,000	-	20,000	FY26	Close	
Bunnell Ave Road Restoration Project - Design	23-23(A-3)	160 HART Roads	50,000	-	50,000	FY26	Open	
Beluga Slough Green Infrastructure Project	23-23(A-3)	160 HART Roads	125,900	-	125,900	FY26	Open	
Ben Walters Sidewalk Construction	23-23(A-3)	160 HART Roads	1,700,000	-	1,700,000	FY26	Open	
8005 - Svedlund-Herndon Sidewalk Design	23-23(A-3)	160 HART Roads	75,000	53,573	21,427	FY26	Open	
Iris Court Drainage	23-23(A-3)	160 HART Roads	240,000	-	240,000	FY26	Open	
Kachemak Sponge Green Infrastructure Project Property	23-23(A-3)	160 HART Roads	418,100	-	418,100	FY26	Open	
Vehicle Replacement (E-130 and E-114)	23-23(A-3)	160 HART Roads	51,667	14,042	37,625	FY26	Open	
Lane Dividers for West Fairview / Eric Lane	23-23(A-3)	160 HART Roads	6,000	-	6,000	FY26	Open	
Bayview Park Renovation Project - Accessibility	23-23(A-3)	160 HART Roads	32,000	-	32,000	FY26	Open	
Adams Lane Path	23-23(A-3)	160 HART Roads	55,000	-	55,000	FY26	Open	
Beluga Slough Green Infrastructure Storm Water Treatment	23-16(S)	160 HART Roads	81,313	-	81,313	FY25	Open	
Pavement Restoration Program		160 HART Roads		32,371	(32,371)		Close	project was closed - no appropriation remains
On-call Kachemak Bay Conervation Society	22-77	160 HART Roads	25,000	-	25,000	FY25	Close	costs were incorporated into projects
Master Transportation Plan Update	22-38	160 HART Roads	185,368	170,613	14,755	FY25	Open	
Non-Motorized Transportation Opportunity Fund	22-25	160 HART Roads		14,580	(14,580)		Close	project was closed - no appropriation remains
Green Infrastructure Research - Appraisals	22-08	160 HART Roads	80,000	29,950	50,050	FY24	Extend	In progress - Kachemak Peatland, close and open new appropriation to extend
Green Infrastructure Research	22-08	160 HART Roads	60,000	50,987	9,013	FY24	Extend	In progress - Kachemak Peatland, close and open new appropriation to extend
Design Criteria Manual	22-07	160 HART Roads	15,000	10,855	4,145	FY24	Close	
Ben Walters Way Sidewalk Design & Survey	21-36(S-2)(A)	160 HART Roads	100,000	78,359	21,641	FY24	Close	
Ground Water Research	21-36(S-2)(A), 21-16(A)	160 HART Roads	75,000	40,056	34,944	FY24	Extend	In progress, close and open new appropriation to extend
Tractor and Heavy Duty Truck	24-17	165 HART Trails	118,000		118,000	FY26	Open	
Preliminary Design Diamond Creek/Highway Underpass	24-06(A)	165 HART Trails	25,000		25,000	FY26	Open	
Heath Street Pavement Restoration	23-62	165 HART Trails	25,000		25,000	FY26	Open	
Wayfinding and Streetscape Implementation	23-23(A-3)	165 HART Trails	50,000		50,000	FY26	Open	
Lee Avenue Trail	23-23(A-3)	165 HART Trails	20,000	13,440	6,560	FY26	Open	
Vehicle Replacement (E-129, E-120, E-107, E-101)	23-23(A-3)	165 HART Trails	150,000	42,126	0	FY26	Close	converted to tractor and heavy duty truck
Fairview Ave Trail - East - Construction	23-23(A-3)	165 HART Trails	30,000	23,710	6,290	FY26	Close	work done
Library Trails - West Lot and Storybook - ADA upgrades	23-23(A-3)	165 HART Trails	25,000	12,560	12,440	FY26	Close	work done
Reber Trail Re-Route	23-23(A-3)	165 HART Trails	15,000		15,000	FY26	Close	Funding is insufficient to do plan, and improvements not necessary
Trail Head Improvements	23-23(A-3)	165 HART Trails	12,000		12,000	FY26	Open	
Side-by-Side Attachments for Trails Maintenance	23-23(A-3)	165 HART Trails	10,000		10,000	FY26	Close	converted to tractor and heavy duty truck
930 - Powered Wheelbarrow	23-23(A-3)	165 HART Trails	4,000	3,800	200	FY26	Close	
Tajen Trail - Establishing New Tread	23-23(A-3)	165 HART Trails	10,000		10,000	FY26	Close	Planned improvements are not constructible in available space
Beauregard Court Trail - Establishing New Tread	23-23(A-3)	165 HART Trails	10,000	3,848	6,152	FY26	Open	
Bayview Park Renovation Project - Accessibility	23-23(A-3)	165 HART Trails	20,314		20,314	FY26	Open	
Pest Management	23-23(A-3)	165 HART Trails	20,000		20,000	FY26	Close	costs were incorporated into projects

Project	Ord	Fund	Budget	Actual	Remaining	FY Expire	Status	Notes
Mobile Restrooms (2) - Karen Hornaday Park	24-04	215 HAWSP	150,000	62,757	87,243	FY26	Open	reappropriation from ORD 23-23(A-3)
Karen Hornaday Park - Water/Sewer Extension	23-23(A-3)	215 HAWSP	160,000	-	10,000	FY26/FY27	Open	\$150K was reappropriated in ORD 24-04
Jack Gist Park - Water/Sewer Extension	23-37	215 HAWSP	42,500	6,155	36,345	FY25	Open	
East Bunnell Ave/Charles Way Water & Sewer Improvements	23-10	215 HAWSP	482,412	-	482,412	NA - SAD	Open	work is complete; final assessment roll coming soon
Bunnell Ave/Charles Way Water Main Extension	22-18(S)	215 HAWSP	525,637	595,339	(69,702)	NA - SAD	Open	work is complete; final assessment roll coming soon
Bunnell Ave/Charles Way Sewer Main Extension	22-18(S)	215 HAWSP	418,221	336,000	82,221	NA - SAD	Open	work is complete; final assessment roll coming soon
Alder Lane Water Improvement Project	22-06(S), 20-83	215 HAWSP	333,670	346,158	(12,488)	NA - SAD	Close	completed
Pennock Street Water Main Gap	22-03	215 HAWSP	45,000	-	45,000	FY24	Close	not pursued
Water Main Extension on East Hill Road	21-69	215 HAWSP	70,485	13,434	57,051	FY24	Close	completed
Ground Water Research	21-36(S-2)(A), 21-16(A)	215 HAWSP	75,000	40,340	34,660	FY24	Extend	In progress, close and open new appropriation to extend
Ben Walters Pressure Reducing Station	23-64	256 Water CARMA	300,000	2,556	297,444	FY26	Open	
WTP Membrane Train - FY24	23-57, 23-23(A-3)	256 Water CARMA	115,000	95,462	19,538	FY26	Close	
Fleet Replacement	23-23(A-3)	256 Water CARMA	50,000		50,000	FY26	Open	
Replace Water Meters	23-23(A-3)	256 Water CARMA	50,000		50,000	FY26	Close	
Million Gallon Water Tank Aeration System	23-23(A-3)	256 Water CARMA	60,000		60,000	FY26	Open	
Raw Water Line Replacement Design	23-23(A-3)	256 Water CARMA	86,000		86,000	FY26	Open	
PRV Replacement West Trunk Line	23-23(A-3)	256 Water CARMA	21,000		21,000	FY26	Open	
Paint Brush Booster Station Pump Upgrade	23-23(A-3)	256 Water CARMA	250,000	38,181	211,819	FY26	Open	
Design for Replacing 8" Cast Iron Distribution Line	23-23(A-3)	256 Water CARMA	90,000	38,351	51,649	FY26	Open	
Vehicle Replacement (E-131, E-130, E-114)	23-23(A-3)	256 Water CARMA	66,667	35,105	31,562	FY26	Open	
WTP Membrane Train - FY25	23-23(A-3)	256 Water CARMA	80,000		80,000	FY27	Open	
Fire Hydrant Replacement Program	22-37	256 Water CARMA	100,000		100,000	FY25	Open	
PR Station Hatch Improvement	21-36(S-2)(A)	256 Water CARMA	35,279	21,894	13,385	FY24	Close	completed
Replace Lift Station Access Hatch	23-23(A-3)	256 Sewer CARMA	14,000	7,800	6,200	FY26	Close	completed
Fleet Replacement	23-23(A-3)	256 Sewer CARMA	50,000	21,063	28,937	FY26	Open	
Launch Ramp Lift Station Enclosure	23-23(A-3)	256 Sewer CARMA	13,000		13,000	FY26	Open	
WWTP Digester Blowers	23-23(A-3)	256 Sewer CARMA	48,000	1,531	46,469	FY26	Open	
Transfer Switch, STP	23-23(A-3)	256 Sewer CARMA	38,500		38,500	FY26	Open	
Vehicle Replacement (E-131, E-130, E-114)	23-23(A-3)	256 Sewer CARMA	66,667	14,042	52,625	FY26	Open	
Beluga Lift Station	23-23(A-3)	256 Sewer CARMA	100,000	52,749	47,251	FY26	Open	
Rehab of Electrical Control Works for Lift Stations	22-80	256 Sewer CARMA	271,517	125,220	146,297	FY25	Open	
Broken Clarifier Belt at Waste Water Treatment Plant	22-73(S), 22-55, 22-34(S)	256 Sewer CARMA	966,444	964,191	2,253	FY24/FY25	Close	
Aerators for the Solids Retention Pond	22-43	256 Sewer CARMA	51,000	54,533	(3,533)	FY25	Close	
Manhole Repair for East Hill Repaving Project	22-29	256 Sewer CARMA	150,000	146,996	3,004	FY24	Close	
Repair Pond Liner at Sewer Treatment Plant	21-36(S-2)(A)	256 Sewer CARMA	25,000	-	25,000	FY24	Extend	Still looking to aquire remenants rather than purchase new material.

Project	Ord	Fund	Budget	Actual	Remaining	FY Expire	Status	Notes
Port Maintenance Plow Truck	23-52, 23-23(A-3)	452 P&H Fleet	67,000	71,716	(4,716)	FY26	Close	
Patrol Truck	23-23(A-3)	452 P&H Fleet	55,000		55,000	FY26	Open	
Port Maint. Mobile Welding Van	21-36(S-2)(A)	452 P&H Fleet	17,000	14,880	2,120	FY24	Close	
Crane 8 Control System Replacement	24-18	456 P&H Reserve	15,000		15,000	FY26	Open	
Float System Replacement Design and Cost Estimate	24-13	456 P&H Reserve	7,350	2,669	4,681	FY26	Open	
2024 PIDP Application & BCA	24-12	456 P&H Reserve	30,000		30,000	FY26	Open	
Match Reserves - Homer Harbor GI Study	24-05	456 P&H Reserve	288,524		288,524	FY26	Open	
Fish Grinder Building Replacement	23-63, 21-36(S-2)(A)	456 P&H Reserve	100,000	39,471	60,529	FY26	Open	
DWD Sink Hole Repairs	23-54	456 P&H Reserve	15,000	11,581	3,419	FY26	Close	setup new appropriation for FY25
USCGC Berth Space Maintenance - FY24 only	23-45	456 P&H Reserve	20,000	297	19,703	FY24	Close	
Crane 7 Rebuild	23-34, 22-66	456 P&H Reserve	26,383		26,383	FY26	Close	
Outfall Line Pump	23-23(A-3)	456 P&H Reserve	25,000	26,374	(1,374)	FY26	Close	
Ice Metering System	23-23(A-3)	456 P&H Reserve	145,000		145,000	FY26	Open	
Harbor Bottom Survey	23-23(A-3)	456 P&H Reserve	25,000		25,000	FY26	Open	
Tank 1 Sludge Removal	23-23(A-3)	456 P&H Reserve	40,000		40,000	FY26	Close	
Electrical Works for Sewage Lift Station - Fish Grinder	23-23(A-3)	456 P&H Reserve	40,000		40,000	FY26	Open	
Paid Parking Program Expansion - Planning & Permitting	23-23(A-3)	456 P&H Reserve	60,000		60,000	FY26	Open	
Parking Signage and Mobile Parking Delineation Barriers	23-14	456 P&H Reserve	25,000	25,766	(766)	FY25	Close	
Professional/Technical Support for PIDP Grant Application	23-12	456 P&H Reserve	63,070	63,070	0	FY25	Close	
Parking Support	23-04	456 P&H Reserve	38,775	41,154	(2,379)	FY25	Close	
Owner's Representative	22-79	456 P&H Reserve	408,073	154,340	253,733	FY25	Open	
Design of Parking Improvements to Select Lots	22-78(A)	456 P&H Reserve	49,690	36,347	13,343	FY25	Open	
R&M Consultants - Grant Assistance	22-19(A)	456 P&H Reserve	56,450	48,582	7,868	FY24	Close	
Float Repair for End Caps K thru Q	21-52	456 P&H Reserve	147,900	112,250	35,650	FY24	Close	
Fish Grinder Building Replacement Design	21-36(S-2)(A)	456 P&H Reserve	15,000	11,054	3,946	FY24	Close	
Fish Carcass Trailer x2	21-36(S-2)(A)	456 P&H Reserve	30,000	29,812	188	FY24	Close	
Harbor Office ADA Entry Door Improvements	21-36(S-2)(A)	456 P&H Reserve	10,000	-	10,000	FY24	Extend	Work is beginning, likely will cross over into FY25



MEMORANDUM

Ordinance 24-25, An Ordinance of the City Council of Homer, Alaska, Amending the City of Homer Water and Sewer Rates and Updating the City Fee Schedule Accordingly. City Manager/Finance Director.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Meeting Date: May 28, 2024
From: Elizabeth Fischer, Finance Director
Through: Melissa Jacobsen, Interim City Manager

Purpose:

The purpose of this memo is to provide an overview of the model used to generate the water and sewer rates.

Introduction:

The basic principles and assumptions of this model were developed by the most recent Water and Sewer Task Force. The purpose of this model is to generate a utility rate that is a product of budget assumptions and the backing out of fixed fee components. The intent was to provide the City with a mechanism that connected the water and sewer rates to the actual costs to maintain the infrastructure.

The format of the rate model has changed from the one the Water and Sewer Task Force generated, but the basic principles and assumptions remain the same. These changes were made to more accurately reflect the City's budget structure.

The rate model is to be presented prior to the beginning of the fiscal year and will be directly connected to the budgeted revenue requirements for that year.

Recommendation:

Review the model and approve the rates as proposed.

Water Rate Model:

This model generates a rate based on water revenues and consumption.

Revenues

The revenue inputs are defined as follows:

- FY25 Operating Revenue Required – pulled directly from the operating budget
 - Formula: Total Water Revenue - Water CARMA Transfer –
 - $\$2,504,619 - \$326,689 = \$2,177,929$
- CARMA Budget Transfer – pulled directly from the operating budget
 - Formula: Total Water Operating Expenditures * 15%
 - $\$2,177,929 * 0.15 = \$326,689$
- Deduct Operating Fund Balance – amount of Utility Operating Fund Balance to be used for rate buyback. Not used in FY25 calculation.
- Deduct Portion Collected through Other Revenues – pulled directly from the operating budget
 - Formula: Connection Fees + Services & Meters + Penalty & Interest + Draw on Fund Balance for Exempt Wage Scale
 - $\$17,696 + \$34,490 + \$3,717 + \$4,470 = \$60,374$
- Deduct Portion Collected through Service Fee – Not used in FY25 calculation.
- Hydrant Rents – This is related to the costs associated with maintaining the water hydrants.
 - Formula: Budgeted at 10% of operating revenue required and the costs are shared 50/50 between the General Fund and the Water/Sewer Fund.
 - $(\$2,177,929 / 2) * 10\% = \$108,896$
- Surplus Water Sales (Bulk) Surcharge Only – This amount is determined by applying the bulk surcharge (0.004/gallon) to the prior fiscal year total gallons consumed by bulk users. This is backed out because these expenses are captured by the separate rate for bulk users.
 - $20,962,800 \text{ gallons} * 0.004 = \$83,851$
- Revenue Required for Commodity Rate Calculation – Summation of revenue required less deductions. This represents the amount of revenue necessary to generate to meet operating budget needs for upcoming fiscal year.

Consumption

The water consumption line is determined by prior calendar years gross meters water sales (in gallons). The water usage at the Sewer Treatment Plant has been backed out

of this figure, as it has been determined to be an operational cost. The model rounds up to the nearest million for ease of reporting.

Rates

The water rates are broken into three categories:

1. The commodity rate (per gallon) is generated by dividing the total revenue required by the estimated water sales. This ensures that the whole population of water users are contributing to an equal share of costs.
2. The bulk rate (per gallon) is applying a surcharge of 0.004 per gallon to the set commodity rate.
3. The monthly fees is determined by dividing the budgeted administrative costs by the current number of water meters. This fee was not used in FY25 calculation.

Sewer Rate Model:

This model generates a rate based on sewer revenues and usage.

Revenues

The revenue inputs are defined as follows:

- FY24 Operating Revenue Required – pulled directly from the operating budget
 - Formula: Total Water Revenue - Sewer CARMA Transfer
 - $\$2,222,334 - \$289,870 = \$1,932,464$
- CARMA Budget Transfer – pulled directly from the operating budget
 - Formula: Total Sewer Operating Expenditures * 15%
 - $\$1,932,464 * 0.15 = \$289,870$
- Deduct Operating Fund Balance – amount of Utility Operating Fund Balance to be used for rate buyback. Not used in FY25 calculation.
- Deduct Portion Collected through Other Revenues – pulled directly from the operating budget
 - Formula: Services & Meters + Draw on Fund Balance for Exempt Wage Scale
 - $\$18,509 + \$4,471 = \$22,980$
- Fixed Fee Components
 - Lift Stations Costs - These costs are pulled straight from the current operating budget. These costs are backed out because the users on the lift station bear the complete costs associated with maintaining this infrastructure.

- Pumping Fee - The City RFP's the pumping contract every three years and the costs of the contract is divided up amongst the number of Kachemak City users.
- Dumping Station Fee - These costs come directly from the current operating budget. This fee has been determined to be an operational cost and, as such the fee is not forwarded along to customers.
- Multi-Units and Kachemak City meters - This is an additional fee charged to help offset added costs associated with maintaining such infrastructure.
- Revenue Required for Commodity Rate Calculation – Summation of revenue required less deductions. This represents the amount of revenue necessary to generate to meet operating and capital budget needs for upcoming fiscal year.

Usage

The sewer usage is determined by the by the number of gallons actually billed for in the prior fiscal year. The model rounds up to the nearest million for ease of reporting.

Rates

The sewer rate is broken into two categories:

1. Non-lift rate is generated by dividing the total revenue required by the projected billable volume for non-lift.
2. Lift station rate is generated by dividing the total revenue required by the projected billable volume for only the lift zone.

Rate Analysis:

Current Rates

Water Rates:

Commodity (per gal): \$0.0161
\$0.0167

Bulk (per gal): \$0.0201
\$0.0275

Monthly Fees: \$0

Sewer Rates:

Non-Lift Station:

Lift Station:

Proposed Rates – Scenario 1

Water Rates:

Sewer Rates:

Commodity (per gal): \$0.0172
\$0.0171

Non-Lift Station:

Bulk (per gal): \$0.0212
\$0.0272

Lift Station:

Monthly Fees: \$0

Rate Comparison

	Average Volume		High Volume		Lift-Station (Year-Round)	
	City Hall		Library		Port & Harbor - Maintenance	
	Existing	Scenario 1	Existing	Scenario 1	Existing	Scenario 1
Consumption	3800	3800	6600	6600	1800	1800
Water Rate	0.0161	0.0172	0.0161	0.0172	0.0161	0.0172
Sewer Rate	0.0167	0.0171	0.0167	0.0171	0.0275	0.0272
Charges:						
Water	61.18	65.36	106.26	113.52	28.98	30.96
Sewer	63.46	64.98	110.22	112.86	49.50	48.96
Service	0	0	0	0	0	0
Total Bill	\$ 124.64	\$ 130.34	\$ 216.48	\$ 226.38	\$ 78.48	\$ 79.92
Impact	\$ 5.70		\$ 9.90		\$ 1.44	

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Finance Director

ORDINANCE 24-25

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE CITY OF HOMER WATER AND SEWER RATES AND
UPDATING THE CITY FEE SCHEDULE ACCORDINGLY.

WHEREAS, Water and sewer utility services shall be reviewed annually and shall take effect the first full billing period in July 2024; and

WHEREAS, Based on a the water sewer rate model prepared by the Water Sewer Rate Task Force and adopted by the Homer City Council in Resolution 13-048(S-2)(A-3) adjustments to the rates are recommended and warranted to reflect the true cost of water and sewer services.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The City Council of Homer, Alaska hereby amends the City Fee Schedule under water and sewer fees as follows:

WATER

A 4.85% of total charges charged to every customer outside of city limits in lieu of city sales tax will be applied to those water accounts outside city limits.

Customer Classification Definitions for Determining Water Connection and Extension Permit Fees

Single Family Residential: A unit providing housing for one household; with less than 25% of the building area used for business or commercial purposes.

Multi-Family Residential: A building or lot occupied by more than one household: contained within one building or several building within one complex. Examples of multi-family units includes duplexes, four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one lot (where units are normally rented or occupied for longer than one month at a time). Examples of units not considered as multi-family include hotels, motels, B&B's seasonal rooms/cabins (where units are routinely rented or occupied for less than one month at a time.)

Commercial: Any user not defined as Residential.

Water Connection Fee	
Single Family	\$300.00*

Multi-Family/Commercial	\$375.00*
*All other fees for delayed or deferred services, in lieu of assessments and necessary right-of-way permits, shall be in addition to the permit fee. A property owner installing a water connection which qualifies for a deferred assessment payment or makes a payment in lieu of assessment shall pay the assessment prior to issuance of the connection permit.	

39

40 **Customer Classification Definitions for Determining Water Rates**

41 **Bulk Water Customers:** The bulk water customers are the resellers of water or water users who
42 purchase water from the water plant directly and are not in the metered water distribution system.

43 **Non-Bulk Customers:** All customers who receive water from the metered water distribution system.

44 **Multi-Units:** An additional \$5 monthly charge shall apply to each of the units of a building or lot
45 occupied by more than one household or commercial entity contained within one building or several
46 buildings within one complex. Examples of multi-family units include duplexes, four-plexes and up,
47 apartments, condominiums, co-housing projects, and multiple structures on one lot (where units are
48 normally rented or occupied for longer than one month at a time). Examples of units not considered as
49 multi-family include hotels, motels, and B&B's seasonal rooms/cabins (where units are routinely rented
50 or occupied for less than one month at a time.)

51 This fee applies to all multi-unit structures defined in the sewer section of this for apartments, rental
52 units or multi-unit buildings where each unit would have one or more restrooms and are intended to
53 be rented on a monthly basis where there is only one meter installed, excluding a rental building
54 restroom used for shared or public use.

55

56 **Water Rate Schedule**

57 All water utility services shall be billed according to the following schedule. This schedule is for monthly
58 water service and is in addition to any charges for connecting or disconnecting the service, installation
59 of the service or any assessment of the improvements.

Water Rates

Table III

Customer Classification	Monthly Service	Usage Charge/Gallon
Non-Lift-Station Customer	\$0.00	\$0.0161 \$0.0172
Lift-Station Customer	\$0.00	\$0.0161 \$0.0172
Multi-units (additional per unit)	\$5.00	
Bulk Water	\$0.00	\$0.0201 \$0.0212

60

61 **Meter Size Deposits**

62 \$750 meter deposit shall apply to metered fire hydrant connections. The deposit will be returned when
63 the meter is returned undamaged. This deposit may be waived upon the recommendation of the Public
64 Works Superintendent.

65 If a bulk water customer purchases a meter from the City for measuring the quantity of water
66 purchased, it shall be exempt from the monthly meter service charge. It is the responsibility of the bulk

water customer to maintain that meter so the City can accurately determine the amount of water being purchased. In the event the meter fails, it is the bulk water customer's responsibility, at its expense, to repair it or purchase a replacement meter from the City. The City may at any time test the meter for accuracy.

Size (inches)	Residential Users	Non-residential Users
5/8	\$75.00	\$220.00
3/4	\$80.00	\$230.00
1	\$90.00	\$250.00
1-1/2	\$115.00	\$310.00
2	\$150.00	\$370.00
3	\$220.00	\$525.00
4	\$310.00	\$730.00
6	\$520.00	\$1,225.00

SEWER

Customer Classification Definitions for Determining Sewer Connection and Extension Permit Fees

Single Family Residential: A unit providing housing for one household; with less than 25% of the building area used for business or commercial purposes.

Multi-Family Residential: A building or lot occupied by more than one household: contained within one building or several buildings within one complex. Examples of multi-family units includes duplexes, four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one lot (where units are normally rented or occupied for longer than one month at a time). Examples of units not considered as multi-family include hotels, motels, B&B's seasonal rooms/cabins (where units are routinely rented or occupied for less than one month at a time.)

Commercial: Any user not defined as Residential.

Sewer Connection Permit Fee	
Single Family	\$255.00*
Multi-Family/Commercial	\$330.00*
*All other fees for delayed or deferred services, in lieu of assessments and necessary right-of-way permits, shall be in addition to the permit fee. A property owner installing a sewer connection which qualifies for a deferred assessment payment or makes a payment in lieu of assessment shall pay the assessment prior to issuance of the connection permit.	

Customer Classification Definitions for Determining Sewer Rates

Lift Station Zone Customer: There are eleven sewage lift/pump stations that are used for pumping wastewater or sewage from areas with lower elevation than the treatment plant. Customers who are located in these areas shall be charged additional fees for the cost added to the services (see Table I and II).

Non-Lift Station Zone Customer: Customers who are located in the zone that do not need lift/pump station services.

Sewer System Dischargers (Sewer ONLY customers): Customers who use sewer service only shall be charged a monthly fee of \$5 plus sewer usage fee based on assessed volume of 3,000 gallons per month multiplied by the applicable sewage rate (see Table II). Kachemak City Local Improvement District (LID) members have contributed to the initial cost of the sewer treatment plant and the collection system. For Kachemak City LID dischargers connected within the LID, the City of Homer shall bill Kachemak City in one single bill at the Lift-Station Zone Rate of ~~\$88.50~~ **\$87.85** (~~\$82.50~~ **\$81.60** + ~~\$6.00~~ **\$6.25**) per month per customer. Kachemak City shall be billed a \$5 monthly service charge to cover all Kachemak City sewer customers and shall be responsible for payment to the City of Homer.

Sewer Rate Schedule

All sewer utility services shall be billed according to the following schedule (Table I, II). This schedule is for monthly sewer services and is in addition to any charges for connecting or disconnecting the service, installation of the service, or any assessment of the improvements.

Sewer Rates

Table I

Customer Classification	Monthly Service	Usage Charge/Gallon
Non-Lift-Station Customer		\$0.0167 \$0.0171
Lift-Station Customer		\$0.0275 \$0.0272
Multi-units (additional per unit)	\$5.00	N/A

Sewer ONLY Customers Rates

Table II

	Fees/Rate/Usage	Per Customer Per Month
Non-Lift-Station Customer	\$0.0167/Gal \$0.0171/Gal	\$50.10 \$51.30
Lift-Station Customer	\$0.0275/Gal \$0.0272/Gal	\$82.50 \$81.60
Monthly Service	\$5.00/customer/mo.	\$5.00 (Kachemak City customers will be exempt from \$5 monthly service fee. Kachemak City will be billed a \$5 monthly service fee to cover all Kachemak City sewer customers.)
Pumping Fee (If Applicable)		\$6.00 \$6.25
Assumption: Avg. Sewer Usage	3,000 Gal/Mo.	

Domestic sewer service customers who use large quantities of City water in addition to their domestic use shall be allowed, with the Public Works Director's approval, to install an additional water meter on the domestic water use line for the purpose of metering and charging for domestic sewer system use. Sewer system use will be billed monthly.

The City will allow, upon approval by Public Works and a permit from the Public Works Department, a second water usage meter – called a seasonal sewer meter – for each customer that desires to measure the flow of City water that is not discharged to the sewer system during the summer growing season, June 15 through September 15. Rates noted above do not apply.

Seasonal Sewer Meter Fee is \$251.75.

This second meter will be read monthly during the summer and sewer charges will be credited monthly. The meter may not be subject to read during the fall and winter months. Any charges accrued during that period will be reflected the first billing cycle the meter is read.

Section 2. This ordinance is a budget ordinance only, it is not permanent in nature and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of _____, 2023.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

YES:

NO:

ABSENT:

ABSTAIN:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Rate Calculations

WATER Rate Model	
Revenues	
FY25 Operating Revenue Required - Water	\$ 2,177,930
CARMA Transfer Requirement	326,689
Deduct Operating Fund Balance - Rate Buydown	0
Deduct Portion Collected through Other Revenues	(60,374)
Deduct Portion Collected through Service Fee	
Hydrant Rents (10% of Total)	(108,896)
Multi-Units (\$5/unit/mo.)	(38,400)
Surplus Water Sales (Bulk) surcharge only	(83,851)
Revenue Required for Commodity Rate Calculation	\$ 2,213,098
Water Consumption (Gallons)	
Gross Meters Water Sales	129,126,600
Total Estimated Water Sales	129,000,000
Water Rates:	
Commodity Rate (per gal)	\$ 0.0172
Bulk Rate (per gal)	\$ 0.0212
Monthly Service Fees	\$ -
Consumption Additional Information:	
CY23 Gross Meters Water Sales (Gallons)	129,126,600
SEWER Rate Model	
Revenues	
FY25 Operating Revenue Required - Sewer	\$ 1,932,464
CARMA Transfer Requirement	289,870
Deduct Operating Fund Balance - Rate Buydown	0
Deduct Portion Collected through Other Revenues	(22,980)
Lift Stations Costs	(231,645)
Pumping Fee	(10,125)
Dumping Station Fees	(6,024)
Multi-Units (\$5/unit/mo.)	(38,400)
Revenue Required for Commodity Rate Calculation	\$ 1,913,160
Sewer Usage (Gallons)	
Projected Billable Volume	89,000,000
Projected Billable Volume - Lift Zone Only	23,000,000
Total Projected Billable Volume	112,000,000
Sewer Rate	
Non-Lift Station Rate	\$ 0.0171
Lift Station Rate	\$ 0.0272
Lift Station Additional Information:	
CY23 Actually Billed Gallons (Lift Zone Only)	22,687,300



MEMORANDUM

Ordinance 24-26, An Ordinance of the City Council of Homer, Alaska, Amending the FY24 Capital Budget By Redistributing Funds within the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund and within the General Fund Fleet Capital Asset Repair and Maintenance Allowance (CARMA) Fund To Establish Subaccounts. Lord/Davis.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Meeting Date: May 28, 2024
From: Councilmembers Lord and Davis

Background:

In 2021, the Council rolled up all of the GF Fleet CARMA subaccounts into one primary account and GF CARMA subaccounts into one primary account, while also keeping a subaccount open for Seawall, HERC, and Fishing Hole. At the time, there were negative balances in some of the accounts from capital project close-outs and cleanup, and the City Manager and Mayor proposed this solution for clearing that problem. As the Council has allocated funds for different projects, Finance has continued to track those encumbrances by subaccounts internally.

Since the CARMA roll-ups, spending from GF CARMA and Fleet CARMA has been challenging without a transparent understanding of cross-department implications. By re-allocating the available balances out of “General” and into subaccounts that the Council reviews regularly, we have the opportunity to understand what it is we are trying to save for and prioritize across all of the assets and capital needs of the City’s General Fund services.

There has been expressed concern that these subaccounts provide Department Heads with feelings of entitlement to spend all the money. To the extent this has been true in the past, we must remember that the Council holds all powers of appropriation.

How we manage that responsibility is up to us, and expectations around that responsibility is a shared responsibility between the Council and the City Manager.

Through transparency, we can avoid spending down our reserve funds on those that can tell the best story - ALL of the CARMA needs across the City should be necessary and valid. And we know that financial resources are finite. So when we buy item A for Department 1, it means we are either not buying item B for Department 1 or we're not buying item A for Department 6.

Without subaccounts to track this prioritization, we're playing whack-a-mole and spending without an accessible way to assess the implications of our decisions.

The list in this ordinance provides a proposal for allocation. The rationale is taken from the FY24/25 Capital Budget, where longer-term projects are listed out by Department/Division. We encourage the City Manager to work with Department Heads to develop a rolling "Top 10" list for the Council to understand and prioritize Citywide CARMA needs.

The included spreadsheet outlines the existing balances through Council actions, the "General" amounts that we are looking to allocate through this ordinance, and the proposed distribution of those "General" amounts with brief notes from the Capital Budget as justification.

Recommendation:

Adopt Ordinance 24-26

Attachments:

CARMA Reallocation Spreadsheet

**CITY OF HOMER
HOMER, ALASKA**

Lord/Davis

ORDINANCE 24-26

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY24 CAPITAL BUDGET BY REDISTRIBUTING FUNDS WITHIN THE GENERAL FUND CAPITAL ASSET REPAIR AND MAINTENANCE ALLOWANCE (CARMA) FUND AND WITHIN THE GENERAL FUND FLEET CAPITAL ASSET REPAIR AND MAINTENANCE ALLOWANCE (CARMA) FUND TO ESTABLISH SUBACCOUNTS.

WHEREAS, Within the General Fund, the City of Homer maintains a Capital Asset Repair and Maintenance Allowance (CARMA) fund and a CARMA Fleet fund, both of which working as reserve accounts with the stated purpose of “extending the life and use of taxpayer funded assets, facilities and infrastructure” (HCC 03.05.047); and

WHEREAS, In 2021 the City Council passed Ordinance 21-30(S) and Ordinance 21-036(S-2)(A) which rolled up unencumbered funds within subaccounts of the General Fund CARMA Fund and of the General Fund Fleet CARMA Fund; and

WHEREAS, The intention as outlined in Memorandum 21-086 was to fix negative balances in accounts as part of a larger effort to reset capital projects accounting for the City moving forward; and

WHEREAS, CARMA spending should happen based on prioritized and understood asset repair, maintenance, and replacement schedules in addition to a buffer for the unexpected; and

WHEREAS, Each department in the City has various repair, maintenance, and replacement needs that are not easily comparable and understood across the City departments; and

WHEREAS, The City Council has the sole authority and substantial responsibility to authorize spending on behalf of the City; and

WHEREAS, Having two large general accounts for all General Fund departments leaves the Council without adequate information to weigh the relative impacts of CARMA spending across departments; and

WHEREAS, Re-developing CARMA and CARMA Fleet subaccounts will allow the City Council to better track, prioritize, and manage appropriations across the City departments.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS

Section 1. The Homer City Council hereby amends the FY24 Capital Budget by transferring \$561,820 within the General Fund CARMA Fund as follows:

Transfer from:

<u>Fund No.</u>	<u>Description</u>	<u>Amount</u>
156-0375	General Fund CARMA	\$561,820

Transfer to:

<u>Fund No.</u>	<u>Description</u>	<u>Amount</u>
156-0369	Seawall	\$0
156-0372	ADA	\$60,000
156-0375	General	\$0
156-0384	City Hall	\$20,820
156-0385	Recreation	\$0
156-0387	Community Development	\$25,000
156-0388	Airport	\$10,000
156-0390	Library	\$65,000
156-0393	Fire	\$85,000
156-0394	Police	\$60,000
156-0395	Public Works	\$100,000
156-0396	HERC	\$65,000
156-0397	Fishing Hole	\$0
156-0398	IT	\$71,000
156-0399	Sister City	\$0

Section 2. The Homer City Council hereby amends the FY24 Capital Budget by transferring \$279,210 within the General Fund Fleet CARMA Fund as follows:

Transfer from:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
152-0375	General Fund Fleet CARMA	\$279,210

Transfer to:

<u>Fund No.</u>	<u>Description</u>	<u>Amount</u>
152-0380	Administrative	\$20,000
152-0381	Fire	\$100,000
152-0382	Police	\$84,210
152-0383	Public Works	\$75,000

Section 3. This is a budget amendment ordinance only, is not permanent in nature,
and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this __ day of _____, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

General Fund Fleet CARMA		Estimated	Encumbered	Available	the "what are we saving for" columns below are from the FY24/25 capital budget, looking ahead at 26/27 projects										
und # - Account	Account Name	YTD Balance FY 2024			PROPOSED Balances	Difference from what is encumbered	WHAT ARE WE SAVING FOR?								
152-0375	General	279,210	0	279,210	\$0	-\$279,210	this is the fund being reallocated to subaccounts								
152-0380	Administrative	0	0	0	\$20,000	\$20,000	IT vehicle								
152-0381	Fire	189,607	189,607	0	\$289,607	\$100,000	pumper truck, utility vehicles								
152-0382	Police	65,910	65,910	0	\$150,120	\$84,210	two patrol vehicles								
152-0383	Public Works	135,142	135,142	0	\$210,142	\$75,000	graders, dump trucks, etc.								
Total		669,869	390,660	279,210	\$669,869	\$0									
General Fund CARMA		Estimated	Encumbered	Available											
und # - Account	Account Name	Ending Balance FY 2024			PROPOSED Balances	Difference from what is encumbered	WHAT ARE WE SAVING FOR?								
156-0369	Seawall	50,730	711	50,019	\$50,730	\$0	same as existing balance								
156-0372	ADA	0	0	0	\$60,000	\$60,000	meeting various needs in the ADA transition plans - these cross other areas like PW, but want to highlight and keep separate								
156-0375	General	561,820	0	561,820	\$0	-\$561,820	this is the fund being reallocated to subaccounts								
156-0384	City Hall	22,350	22,350	0	\$43,170	\$20,820	add offices within existing footprint								
156-0385	Recreation	2,720	2,720	0	\$2,720	\$0	same as existing balance, the only thing in the cap budget request is an unfunded \$15k bouncy house								
156-0387	Community Development	665,751	665,751	0	\$690,751	\$25,000	subdivision code update								
156-0388	Airport	97,175	97,175	0	\$107,175	\$10,000	a little additional on top of the existing								
156-0390	Library	17,212	17,212	0	\$82,212	\$65,000	new siding, HVAC, drainage								
156-0393	Fire	7,699	7,699	0	\$92,699	\$85,000	start looking at fire hall redevelopment design								
156-0394	Police	6,135	6,135	0	\$66,135	\$60,000	noise abatement, body cameras, computer replacements								
156-0395	Public Works	50,426	50,426	0	\$150,426	\$100,000	Bishops Beach restrooms, restrooms all around, PW facility design, wayfinding/streetscaping, etc.								
156-0396	HERC	219,922	109,651	110,271	\$284,922	\$65,000	We suggest pulling these funds into a separate Capital Projects Fund to seed money for a Community Recreation Center								
156-0397	Fishing Hole	91,351	0	91,351	\$91,351	\$0	same as existing balance								
156-0398	IT	33,573	33,573	0	\$104,573	\$71,000	citywide cloud productivity upgrade; council chambers tech overhaul, etc								
156-0399	Sister City	20,000	20,000	0	\$20,000	\$0	same as existing balance								
Total		1,846,863	1,033,402	813,461	\$1,846,863	\$0									



City of Homer

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Office of the City Manager

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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Melissa Jacobsen, Interim City Manager
DATE: June , 2024
SUBJECT: City Manager's Report for June 10, 2024 Council Meeting

A BIG Thank You to Senator Murkowski!

The City thanks Senator Murkowski for selecting two of Homer's Community Designated Spending requests to move forward for Appropriations Subcommittee consideration.

The Senator forwarded the [Homer Spit Climate Resiliency Project](#) to the [Commerce, Justice, Science and Related Agencies subcommittee](#) and the [Subcommittee on Commerce, Justice, Science and Related Agencies](#) for funding consideration. The project develops resiliency data and evaluates a range of coastal erosion mitigation measures for the Homer Spit to inform and produce a climate resiliency action plan. The State of Alaska Department of Transportation and the US Army Corps of Engineers would be lead participants in the project under agency agreements. She also advanced the Design and Permitting phase of the Homer Harbor Critical Float Replacement project to the [Transportation, Housing and Urban Development Subcommittee](#).

Senator Murkowski's selections is great news, but is just one step in a long decision-making process. The next step is for the individual appropriations bills to be drafted, amended and approved by the Appropriations Committees. After that comes floor consideration and bicameral negotiations on final spending levels and individual provisions. Senator Murkowski's office said they would keep the City informed as they learn more about which Alaska projects are able to be funded, and at what level, towards the fall.

Capital Improvement Plan Update Underway

The annual cycle of updating the City's Capital Improvement Plan (CIP) kicked off after approval of the CIP development schedule at the last Council meeting. The CIP is a 6-year planning document for major acquisition and construction projects. While most of the CIP projects are specific to City government infrastructure and services (e.g. roads, water/sewer projects, harbor or public safety projects), the CIP contains a separate section for projects sponsored by area non-profits. Organizations can propose a new project for the FY26 CIP by filling out a Nomination Form and submitting it to the City by the end of June. To be eligible, projects must have a value of \$25,000 or greater, result in a fixed asset with a useful life of at least three years and provide benefits to the Homer community. Go to <https://www.cityofhomer-ak.gov/citymanager/city-homer-solicits-nominations-2025-2030-capital-improvement-plan> for more information.

Work on the CIP will continue through the summer, to gather comments and recommendations from City departments and advisory bodies, and into the fall, with final City Council adoption of the entire CIP and the City's legislative priority list in September.

Spit Parking

If you've been out on the spit recently you've probably noticed the new parking delineations in the free parking areas and a new area for RV day use parking. I've attached a few photos here, along with a memo and area map from the Port Director that includes all the details for parking this summer. A big thank you to the Port and Harbor Advisory Commission and Port and Harbor staff for all your work on parking around the harbor!



Electoral and Public Information Signs

Elections are coming up! And with that comes Election Signs. It's important for candidates and their supporters to remember a few key points about displaying signs. We're also seeing other signs with a similar appearance to electoral signs that are more of a public information type sign. For clarification Homer City Code 21.60 defines-

- **An electoral sign** is any sign used to advertise or promote a political party, or the election or defeat of a candidate initiative, referendum or proposition at an election and,
 - Can be placed on private property with the permission of the owner
 - Must not impede visibility for turning vehicles
 - Can be a maximum of 16 square feet in area (per side if double sided)
 - May be placed up to 60 days prior to an election and removed within 7 days after
- **A public sign** is an off premise sign, other that provides direction or information, identifies public facilities, or a district of the City. There are specific rules for public signs in Homer City Code 21.60.097 but the important message for this report is,
 - No public sign is allowed without a permit from the City.

Sometimes there is some confusion when it comes to City and State right-of-way. State Roads include the Sterling Highway to the end of the Spit, East End Road, and Diamond Ridge Road over the ridge to East Skyline, as well as East Hill, West Hill, and Kachemak Drive. A State press release is attached for more information regarding signage.

Contact City Planning for information on signs in City Limits, planning@ci.homer.ak.us



Illegal sign in State ROW

Attachments:

- June Employee Anniversaries
- Grant Summary Update
- Spit Parking Memo and Map
- AKDOT Sign Information
- Letter from Homer Food Pantry



City of Homer

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Memorandum

TO: MAYOR CASTNER AND CITY COUNCIL
FROM: Andrea Browning
DATE: June 10, 2024
SUBJECT: June Employee Anniversaries

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

Melissa Jacobsen	Clerks	20	Years
Mike Illg	Admin	18	Years
Mike Szocinski	Public Works	12	Years
Jessica Poling	Police	7	Years
Bethany Christman	Public Works	5	Years
Russell Anderson	Public Works	5	Years
James Tingley	Public Works	4	Years
Zach Pettit	Clerks	1	Year
Andrew Williamson	Public Works	1	Year

FY23 Project Supported	TPC	Grant Fund	Grant Funds Req	Match/Local Cost	Status	Notes
Slope Stability- Erosion Mitigation Program						
Kachemak Drive Peatland Water Quality Improvement (Kahcemak Sponge)	\$4,388,791	NOAA Habitat Conservation KBNERS led/City partner	\$ 1,188,275.00 (land acquisition)	\$ 418,000.00 (land acquisition)	Submitted Awarded 4/1/2023 Award Executed	UAA accepted award; sent sub-award agreement to City Ord 23-46 to accept sub-award introduced 6/26/23 Grant is for Kachemak Drive peatlands acquisition
Beluga Slough Stormwater Treatment System	\$ 690,000.00	Alaska Clean Water Actions	\$ 153,307.00	\$ 107,182.00	Submitted 11/9/2022 Awarded 3/1/2023 Accepted via Ord 23-16(S)	City Council approved grant agreement Ord City costs in-kind + eligible for funds from ADEC Clean Water Revolving Loan Fund
Transportation						
Transportation Planning	\$ 960,000.00	Safe Streets For All KPB Applic/City partner	\$ 960,000.00	\$ 23,000.00 (in-kind)	Award announced KPB executing grant agreement	Application approved Reso 22-063
Non-Motorized Transp Network (REACH Project)	\$ 2,050,000.00	Fed FY24 RAISE Planning Grant	\$ 2,050,000.00	\$ -	Submitted 2/28/24 Awaiting award decision	FY23 RAISE REACH applic (approved Ord 23-012) finalist, not awarded but a Merit application and encouraged to apply in FY24. Reso 24-007 approving HDR grant writing assistance Reso 24-018 Supporting FY24 application
Homer All-Ages & Abilities Pedestrian Pathway	\$ 3,900,000.00	State of AK Transportation Alternatives (TAP) (AK DOT&PF manages/constructs)	\$ 3,432,000.00	\$ 468,000.00	Submitted 2/15/2023 Advanced to final round: Public Evaluation Board (PEB) TAP funding awarded, awaiting negotiations with DOT on a Memorandum of Agreement	HAPP sections in PW's 5-year road plan Project support Reso 23-011 approved PEB Review 12/202024 (\$500,000 set aside in HART for grant matching)
Main Street Rehab/ Sidewalk South	\$ 4,200,000.00	State of AK Community Transportation Program (CTP)	\$ 3,696,000.00	\$ 504,000.00	Submitted 2/15/2023 Advanced to final round Not funded	Main St in 7-10 year horizon in PW Road Plan Project support Reso 23-011 approved PEB Review 12/202024 (\$500,000 set aside in HART for grant matching)
Port & Harbor						
Float Systems 4 & 1 Replacement	\$ 60,240,898.00	FY24 Fed Port Infrastructure Development Projects (PIDP)	\$47,891,514	\$ 12,349,384.00 (20.5% match)	Submitted 5/10/24	Applic approved Reso 23-040 FY23 applic made it to Secretary's desk but was not funded Added to draft STIP as illustrative project HDR application support Ords 24-12 & 24-13 Revenue bond or TIFIA loan for match
		Municipal Harbor Grant			Grant for construction only must complete design to apply	If funded, leverages State match to lower City match on Federal PIDP Grant
	\$ 2,205,000.00	Denali Commission Grant Design/Env Review/Permitting	\$ 1,102,500.00	\$ 1,102,500.00 (from budgeted match funds)	Grant deadline 4/12/24 Submitted, awaiting decision	Can be used as non-Federal Match for PIDP application If funded, leverages Denali Commission match to lower City match.
	\$ 2,205,000.00	FY25 CPF(Appropriations) Req Design/Env Review/Permitting	\$ 1,543,500.00	\$ 661,500.00 (from budgeted match funds)	Submitted 3/22/2024	5/13/2024 Rep Peltola forwarded to PIDP Committee 6/4/2024 Sen Murkowski forwarded to THUD Committee

designates grants awarded

designates grants NOT awarded

designates updates since the 04/15/24 grant update

FY23 Project Supported	TPC	Grant Fund	Grant Funds Req	Match/Local Cost	Status	Notes
Fish Grinding Building Replace & Drainage Improvements	\$ 374,978.00	ADFG Dingle-Johnson	\$ 250,000.00 (preliminary)	\$ 93,744.50 (preliminary)	Submitted 7/12/2022 Prelim award announced 7/7/2023 \$41,950 awarded for Phase 1	\$100,000 allocated in FY23 City Capital Budget; for final design and partial match; additional match to meet 25% of construction cost may be necessary Ordinance 24-16 accepted grant
Building Code Development	\$ 587,500.00	State BRIC Sub-Grant (Building Resilient Infrastructure & Communities)	\$ 470,000.00	\$ 117,500.00	Submitted 12/21/2022 Accepted for further review Awaiting decision	Council Approved application Reso 22-086 25% local match required 1st Req. for Information submitted to FEMA 5/17/24
Parks & Recreation						
Bayview Park Renovations	\$ 139,230.00	State of AK Healthy & Equitable Community Round 2	\$ 74,919.00	\$ 52,314.00 Addl redistribution funds requested	Submitted 4/24/2023 Awarded 5/8/2023 Accepted via Ord 23-36	Council Approved Resolution 23-031 \$12,000 donation from Kach Bay Rotary Additional funds from HART approved in COH Cap budget
HERC HazMat Assesement & Remediation		EPA Multipurpose Brownfield Federal Discretionary Grant	\$1,000,000		Submitted 11/13/2023 Not awarded.	Appllc approved via Council Resolution 23-117
		AK DEC Brownfields Assesment & Cleanup (DBAC)			Submitted 2/15/2024 DBAC services approved	DBAC Services pending EPA review No local match required; State provides the services
Utilities - Infrastructure						
Spit Road Erosion Mitigation	\$ 1,812,052.00	FY23-24 Federal PROTECT Program	\$ 1,812,052	-	Submitted 8/18/2023 Not Awarded	Application requested planning funds for Homer Spit Erosion Mitigation. City of Homer is project sponsor, but it awarded City will enter MOU with DOT to implement grant activities
		FEMA BRIC Grant			Submitted Awaiting decision	State of AK submitted applic with AML's assistance State to pay 25% match
	\$ 1,794,420	FY25 CDS (Appropriations) Request	\$ 1,414,420	\$ 380,000 (State of AK match)	Submitted 3/22/2024	Selected by Senator Murkowski to move to Appropriations Committee
Raw Water Transmission Main		FEMA Disaster Mitigation	\$ 1,988,650 (direct project costs)	-	Submitted 1/30/2020 Obligating Award Document Recd 11/3/2023	4/11/23: Responded to latest FEMA request for information 5/2/23: Congressional Delegation approved award 7/11/23: FEMA Received Period of Performance Waiver 11/13 Ordinance to accept the grant approved 4/1/2024 Grant Kick-off Meeting with DHS&EM
A-Frame Water Transmission Main		CDS (Appropriations) Request	\$ 794,360	\$ 264,787 (AK Revolving Loan Funds)	Submitted 3/22/2024	Awaiting decision
IT - Communications						
FY22 Cybersecurity (City-wide Cybersecurity Assessment and Remote Backup System for Cybersecurity Response & Recovery)	\$ 252,794.00	AK Division of Homeland Security FY22 State & Local Cyberscurity Grant Program	\$ 50,000	-	Submitted 8/31/2023 Award announced	\$50,000 awarded for Cybersecurity Assessment Ord 24-15 accepected award
FY22-23 Cybersecurity - Remote BU system, SIEM, Cybersec Plan	\$ 328,943	AK Division of Homeland Security	\$ 328,943	-	3/8/2024 Grant Deadline Submitted 3/8/2024	Awaiting Decision
Public Safety Communications (HPD Backup Repeater & Radio Equip HVFD APX-600 Radio Upgrade)	\$ 119,046.56	AK Division of Homeland Security FY23 State Homeland Security Grant Program	\$ 88,196.56	\$ -	Submitted 1/31/2023 Prelim Award 9/18/2023 Obligating Award Document Recd	11/13 Ordinance 23-55 to accept approved



MEMORANDUM

Spit Parking Plan/Updates for the Season (2024)

Item Type: Informational Memorandum
Prepared For: Homer City Council & Mayor Castner
Date: June 5, 2024
From: Bryan Hawkins, Port Director
Through: Melissa Jacobsen, Acting City Manager

As we move into another busy summer season we're gearing up for the crowd out at the Harbor. Part of that preparation always includes our parking facilities and how we can best use the limited space available. Staff, commissions, and the public have been weighing in, planning, and thinking about 2024 since last fall. I know Council is already aware of fee changes in the parking realm via the recent adoption of the amendment to our tariff, but I'd also like to provide and update of the physical changes and space management for this upcoming year. The following changes are the ones we've settled on for 2024. Please see below:

- 2024 Parking Updates Steel Grid Parking Lot
 - Memorial Day – Labor Day:
 - \$10 Calendar Day Fee Parking
 - No Long-term Parking
 - Vehicles 20' & Under
 - Labor Day – Memorial Day:
 - Free Short-term parking up to 7 consecutive days
 - Long-term parking by permit only

In an effort toward grouping similar areas under the same management/fee type, the paved area adjacent to the steel grid will be treated the same way as the paved areas at the tops of each of the ramps.

- 2024 Parking Updates Ramps 3-5
 - No Vehicles Exceeding 20' in length (maximum vehicle size limit is 20')
 - 7-Day free short-term parking
 - Long-term vehicle parking by permit only.

Longer vehicles and RVs, when parked in these areas, have been found to cause impaired line of sight for vehicles attempting to exit onto the roadway. They also have been found to cause flow pattern and other parking issues. For safety and efficiency of space, vehicles exceeding 20' in length will no longer be allowed in these areas. The newly created parking (signed with a highway traffic reader board) lot behind Bob's Trophy Charters with its egress driveways exiting onto the less trafficked Outer Dock Rd instead of the main Sterling Hwy will be dedicated to oversized vehicles.

As an additional safety measure for the Ramp 3 to 5 areas, we will be installing parking delineation from ramp 3 to Freight Dock road at the transition point between the parking lot and roadway/right of way, separating the parked vehicles from the main roadway and creating dedicated "driveways". In its current configuration, vehicles were able to exit at any point along the 1500' of parking lot and this causes sightline issues for drivers with concern to pedestrians and bicycles using the shoulder corridor. The delineation will provide designated parking lot entrances and exits, signaling to everyone that this is an area to approach and exit with caution as you join traffic in the roadway. The delineation consists of black parking pylons that will effectively separate the parking from the highway but will be temporary and removed after the season in September.

➤ 2024 Parking Updates Ramp 2 Restrooms

- Bus loading Zone is discontinued and replaced with short-term, 1-hour parking

This area was found to be too congested to provide safe and easy access for large buses, additionally it was often full, or blocked by other vehicles. Three new areas with better approaches and more space, located with access to the walking trails and shops, have been created (see update for lot 9&10 and Bob's trophy lot west)

➤ 2024 Parking Updates Lots 9 & 10, and area next to chamber of commerce kiosk (ramp 4 parking area)

- The shoulder lane between the lot 9 spit walking trail and Homer Spit Road will be designated as a passenger bus loading zone.
- An area in front of the chamber of commerce kiosk by ramp 4 parking area will be designated as a passenger bus loading zone

➤ 2024 Parking Updates Bob's Trophy Lot West

- The parking lot will be dedicated to Oversized Vehicle Parking Only, 21' Minimum Limit
- Free 7-day Short-term parking
- Long-term parking by permit only

- No Camping
- The area in the red will be dedicated to passenger bus loading zones

For an overview of the whole parking plan and areas of interest, please see our attached current parking map.

RECOMMENDATION:

Informational. No action needed.

Attached: Homer Spit Parking Map

City of Homer Port & Harbor Facilities Vehicle Parking



(Restrictions for vehicles over 20'. See Reverse Side for Parking Areas where vehicles over 20' are allowed.)



City of Homer

www.cityofhomer-ak.gov

Port and Harbor

4311 Freight Dock Road
Homer, AK 99603

port@cityofhomer-ak.gov

(p) 907-235-3160

(f) 907-235-3152

Annual / Monthly / Weekly Long Term Vehicle Parking Passes

Long term means vehicles that are parked anywhere in the port facility (excluding leased lots) in excess of seven consecutive calendar days. Annual and monthly passes are available for vehicles under 20'. Monthly passes are available for vehicles over 20'. **All Vehicles over 20' are Restricted to the Seafarer's Memorial parking lot, 7 Day free trailer parking area, or Parking area at the junction of Homer Spit Rd/Outer Dock Rd across from Pier one campground.**

- Regular annual price: **\$150.00**
- Discounted annual price for vessel owners with reserved stall or pay transient annual moorage: **\$100.00**
- Monthly pass for vehicles less than 20': **\$70.00**
- Monthly pass for vehicles over 20': **\$85.00**
- Annual passes are valid January 1 to December 31 of the year being used. Monthly passes are 30 consecutive days.
- Weekly pass for vehicles less than 20': **\$25.00**
- Weekly pass for vehicles over 20': **\$35.00**
- Restricted long-term parking areas from May 1 to October 1 – See map for seasonal restricted areas.
- Passes are purchased at the Harbormaster's Office, or online at tocite.net/HomerAK
- Only ONE vehicle can be registered under each permit.

Seasonal Fee-Pay Vehicle Parking Lot Pass

During the summer, the paved ramp access parking areas become PAID parking lots. For individuals that frequently use these areas, a fee-pay parking pass, good for the season, can be purchased in lieu of paying \$10.00 each day.

- Pass price: **\$150.00**
- Passes are valid Memorial Day to Labor Day.
- Park in the Paid Parking Areas located in between ramps 1&2, in the paved areas at the top of Ramp 3 & 4 and the steel grid
- Only vehicles less than 20' allowed.
- Passes are purchased at the Harbormaster's Office, or online at tocite.net/HomerAK
- Only ONE vehicle can be registered under each permit.
- Monthly Fee-Pay Vehicle Parking Lot Pass also available for **\$100.00**
- No long term parking allowed in these parking areas May 1 through October 1.

Monthly Boat Trailer Parking (No Boats on Trailers)

- For boat trailers parked for more than 7 consecutive days
- \$7/per foot per month
- Passes are purchased at the Harbormaster's Office. A numbered plastic tag will be issued.
- Paid Boat Trailer parking located across Freight Dock Road from the Harbormaster's Office



Alaska Department of Transportation and Public Facilities
OFFICE OF THE COMMISSIONER

You are here: [DOT&PF](#) > [Office of the Commissioner](#) > [Newsroom](#) > Press Release

FOR IMMEDIATE RELEASE: Sept. 11, 2018

Press Release: 18-1040

Contact:

Shannon McCarthy, (907) 269-0448, shannon.mccarthy@alaska.gov

Meadow Bailey, (907) 451-2240, meadow.bailey@alaska.gov

DOT&PF campaign sign laws clarified

(JUNEAU, Alaska) – On Sept. 10, 2018, the Alaska Superior Court ordered the Alaska Department of Transportation & Public Facilities (DOT&PF) to clarify how laws restricting outdoor advertising will be applied during the current campaign season to political signs within and outside of state highway rights of way.

The Alaska Superior Court directs:

- Unauthorized signs within state highway rights of way, including both commercial and political signs, remain illegal under AS 19.25.75-180. DOT&PF will continue to enforce this ban; any sign placed within a state highway right of way may be removed by DOT&PF crews without prior notice.
- Small, temporary, political campaign signs no larger than 4' x 8' may be displayed on private property adjacent to state highway rights of way by the owners or occupants of that property, provided they have not been paid to display the signs.
- DOT&PF will continue its current practice of not removing small, temporary, political campaign signs from private property outside highway rights of way.
- All signs that pose a safety concern to roadway users will be subject to removal by DOT&PF regardless of the content of the signs or whether they are located on private property.

In 1998, Alaskans overwhelmingly voted to keep the state free from [outdoor advertising](#), both within and along the state's public rights of way. Alaska [statutes](#) and [regulations](#) address unauthorized signs, including such signs displayed on parked vehicles and some signs on private property. Those statutes and regulations remain in full force and effect, except for small, temporary, political campaign signs permitted by the Court's order outside highway rights of way.

A copy of the order can be viewed [here](#).

The Alaska Department of Transportation and Public Facilities oversees 237 airports, 9 ferries serving 35 communities along 3,500 marine miles, over 5,600 miles of highway and 839 public facilities throughout the state of Alaska. The mission of the department is to "**Keep Alaska Moving** through service and infrastructure."

#

[Main Newsroom Page](#)



Homer Community Food Pantry

770 East End Road

Homer, AK 99603

907 235-1968

EIN 92-0153030

homerfoodpantry@gmail.com

City of Homer
City Council Members
491 E Pioneer Avenue
Homer, AK 99603

RE: Thank you for the City of Homer Grant funded through the Homer Foundation

Dear Mayor Castner and Council Members,

On behalf of the Homer Community Food Pantry board of directors, volunteers and clients, I'd like to extend our sincere appreciation for your generous grant funded through the Homer Foundation in the amount of \$4,170.

With ongoing inflation, we have seen a significant increase in the need in our community due to the higher cost of food, rent, and utilities. We are currently serving more than 160 families on a weekly basis, an increase of about 20% over last year. Clearly more families are struggling, which has placed stress on our available funds to meet the needs of our most vulnerable.

We are currently purchasing food at an average of \$12,000 per month with another \$3,000 - \$4,000 per month in emergency aid, mostly for rent and utilities. We look for every possible cost-saving measure available as we've noticed that inflation has also affected our donors ability to give as much as they have in years past.

Thank you for your unending support of the Food Pantry. Your award of \$4,170 will be instrumental in providing consistency for our clients as we assist them while they navigate through this difficult time.

To all of you, a heartwarming thanks from all of us at the Food Pantry! We are so fortunate to live in such a caring community.

Be well,

Cinda Martin
Homer Community Food Pantry Treasurer
(907) 399-4574
homerfoodpantry@gmail.com



The Pantry Door



Published monthly by the Homer Community Food Pantry – May, 2024

Scan to donate!

The City of Homer Provides for HCFP!

We have been awarded a check in the amount of \$4,170 for the Food Pantry from the City of Homer through the Homer Foundation. Our work of providing assistance to those in need would simply not happen without YOU!

Just a reminder...Homer Fish Processing has offered to process any fish you want to donate to the Homer Food Pantry for free! They are located at 1302 Ocean Dr. 907-235-1997. Just let them know it's for the Pantry!

Fish In, Out, On!

Sharon and Jerry Froeschle stopped by the food pantry this week with a large container of vacuum sealed halibut! They said they were cleaning out their freezer & preparing for another year of fish and decided to donate last year's fish. Halibut is such a treasured catch for the pantry!



A big THANKS to the Kenai Peninsula Food Bank!

Every week we purchase food at a greatly reduced price from the KPFB. This week we had a great haul of 600+ lbs of a variety of fish. We appreciate all that you do for the Homer Food Pantry!

Providing food and emergency assistance, 296 compassion, to those seeking our services.

770 East End Rd., Homer, Alaska 99603

907-235-1968 text or voice

homerfoodpantry@gmail.com

Thank You to USDA Local Food Assistance!



Kyra Harty is shown donating eggs from **Empire Homestead**

Kyra Harty, manager of **Alaska Food Hub**, informed us that Farmers Markets across the state have access to USDA Local Food purchase Assistance (LFPA) which allows managers to purchase local foods at full market price and donate to anti-hunger organizations. This is a win for our local farmers and those who need it most! We are thrilled to receive these farm fresh eggs, which are utilized by our cooks to prepare meals for the Community Free Fridge. Many vendors have their products available every Wednesday at the **Alaska Food Hub**, which operates out of Homer United Methodist Church. Check it out!

Senior Center Sandwich Club!



Sandy Christen said to me one day, "Have you ever seen the movie, **The Starfish Throwers**?" It's a beautiful documentary about altruism and things people have done to help feed people around the world. One of those things is a former teacher who makes totes of sandwiches and delivers them to the homeless in the wee hours of the night, every night. To make a long story short, out of that sprung her idea of the seniors at the Senior Center making sandwiches for our Community Free Fridge! (Pictured above are **Sharon Shealy**, **Sandy Christen** and **Mary Sanders**.) What a beautiful way to give back to our community! We welcome and give gratitude to **The Senior Sandwich Club**!

A special thanks to...

- ***Gary Porter** from **Bald Mountain Air Service** for his donations of cereal, cheese, hot dogs and buns.
- ***Mike Hiller** who has offered to help us out with some of our food container purchasing needs.
- *All of **YOU** who show up weekly in support of the pantry through your labor and/or donations. We are **nourished and blessed** through the generosity of those who are dedicated in so many ways to the **Homer Community Food Pantry**.



MEMORANDUM

Resolution 24-070, Authorizing A Change Order to the Ben Walters Lane Sidewalk Improvement Project in the Amount of \$56,300 to Reduce the Sidewalk Width to Eight Feet and Widen the Roadway Repaving to Include the Distance from New Curb to the Centerline of Ben Walters Lane and Authorizes the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and City Council
Date: May 31, 2024
From: Daniel Kort, Public Works Director
Through: Melissa Jacobsen, Acting City Manager

Summary:

This resolution is for consideration of a proposed Change Order #1 to the Ben Walters Lane Sidewalk Improvements project.

Background:

Questions were raised during the bidding of the project and again after the project was awarded on the possibility of narrowing the proposed 10-ft wide sidewalk, as well as the possibility of widening the asphalt replacement of the roadway resurfacing. The proposals are to narrow the 10-ft wide sidewalk to an 8-ft wide sidewalk; and widen the 4-ft wide roadway asphalt replacement to either an 8-ft wide replacement, or asphalt replacement to the centerline of the roadway.

The benefits of narrowing the sidewalk is that it will be easier to construct. The project design missed some utility conflicts and keeping the 10-ft wide sidewalk will require the City to acquire private property easements at an undetermined cost to relocate the electric utility pedestals outside of the sidewalk pathway. These conflicts will be eliminated by narrowing the sidewalk. An 8-ft wide sidewalk will match the width of the sidewalks along East End Road, Lake Street, and Homer Spit Road. The City's long term objective is to connect all of these sidewalks creating a contiguous 8-ft wide pathway for pedestrian and non-motorized traffic.

The original design included a 4-ft wide roadway asphalt replacement to facilitate the forming and pouring of the new concrete curb as well as to accommodate the installation of the new storm water catch basins. The decision to only do a 4-ft wide replacement was a cost savings measure to reduce the total cost of the project; however this places the construction joint near the path of travel of the vehicles outer tires. These construction joints are typically a source of premature failure due to the water intrusion during the freeze/thaw cycle, and this is further exacerbated by it being near the line of travel of vehicle tires. The narrow 4-ft asphalt replacement also forces the contractor to match any existing asphalt defects and undulations such as low spots that do not drain as they resurface the

roadway. Widening the asphalt road allows the contractor to fix the roadway defects making for a better final work product.

Widening the asphalt roadway replacement from 4-ft to 8-ft places the construction joint to near the pathway of the vehicles inside tires or underneath the vehicle. This improves the roadway surface by reducing the number of roadway defects, however it is still subject to the same issue relating to water intrusion during the freeze/thaw cycle.

Widening the asphalt roadway replacement from 4-ft to the centerline of the roadway places the construction joint in the normal location of a crowned roadway, allowing for the best driving surface. This provides the best final work product for the City and the longest life roadway surface in terms of resiliency to water intrusion at the construction joints.

Costs of the proposed changes were requested from the Contractor and are presented as the following 3 options:

A. <u>Narrow Sidewalk from 10-ft to 8-ft</u>	- (\$59,950)
Total Change Order	-((\$59,950)
B. <u>Narrow the Sidewalk from 10-ft to 8-ft</u>	- (\$59,950)
<u>Widen Roadway Asphalt replacement from 4-ft to 8-ft</u>	\$58,125
Total Change Order	-((\$1,825)
C. <u>Narrow the Sidewalk from 10-ft to 8-ft</u>	- (\$59,950)
<u>Widen Roadway Asphalt replacement from 4-ft to Centerline</u>	\$116,250
Total Change Order	\$56,300

The City bid the replacement of the Pressure Reducing Valve Station on Ben Walters Lane in combination with the Ben Walters Lane Sidewalk Improvements project as one project. The engineer's estimate for the sidewalk portion of the project was \$1,658,675 and the City budgeted \$1,700,000 for the sidewalk portion of the project. The winning bid for the sidewalk portion of the project was \$1,319,202, and the remaining \$135,500 of the total bid price of \$1,454,702 represents the Pressure Reducing Valve Station Replacement construction cost.

Recommendation:

The difference between the City's budgeted \$1,700,000 and the bid price of \$1,319,202 leaves \$380,798 of budget remaining for the Sidewalk Improvements project. Therefore, the Public Works Department is recommending the City Council Select Option C where the sidewalk is narrowed from 10-ft to 8-ft and widening the roadway asphalt replacement to the centerline of Ben Walters Lane in order to provide a more robust finished product for an additional change order contract cost of \$56,300.

**CITY OF HOMER
HOMER, ALASKA**

City Manager
Public Works Director

RESOLUTION 24-070

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
AUTHORIZING A CHANGE ORDER TO THE BEN WALTERS LANE
SIDEWALK IMPROVEMENTS PROJECT IN THE AMOUNT OF \$56,300
TO REDUCE THE SIDEWALK WIDTH TO 8-FT AND WIDEN THE
ROADWAY REPAVING TO INCLUDE THE DISTANCE FROM THE NEW
CURB TO THE CENTERLINE OF BEN WALTERS LANE AND
AUTHORIZES THE CITY MANAGER TO NEGOTIATE AND EXECUTE
THE APPROPRIATE DOCUMENTS.

WHEREAS, Ordinance 23-23(A-3) approved \$1,700,000 for the construction of the Ben
Walters Lane Sidewalk Improvements Project; and

WHEREAS, Resolution 24-052 approved the award of the Ben Walters Lane Sidewalk
Improvements Project to East Road Services, Inc. in the amount of \$1,454,702; and

WHEREAS, The proposed Change Order of \$56,300 to the construction contract will not
exceed the total budgeted amount for the Ben Walters Lane Sidewalk Improvements Project.

NOW THEREFORE BE IT RESOLVED that the Homer City Council hereby authorizes
Change Order #1 to the Ben Walters Lane Sidewalk Improvements Project in the amount of
\$56,300 and authorizes the City Manager to negotiate and execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 10th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal note: Ordinance 23-23(A-3)