

Agenda City Council Regular Meeting

Monday, June 09, 2025 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

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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

- a. Recognition of Wastewater System Award
- b. Recognition of Roberta Highland

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.)

- <u>a.</u> Homer City Council Regular Meeting Minutes of May 27, 2025 and Special Meeting Minutes of June 2, 2025. City Clerk. Recommend adoption.
- <u>b.</u> Memorandum CC-25-156 from City Clerk re: Liquor Licenses/Marijuana Licenses. Recommend Non-Objection.
- <u>c.</u> Memorandum CC-25-157 from City Clerk re: Travel Authorization for Mayor Lord and Councilmembers to Attend AML Summer Conference in Utqiagvik, Alaska August 12-14, 2025. Recommend approval.
- <u>d.</u> Ordinance 25-44, An Ordinance of the City Council of Homer, Alaska, Appropriating up to \$250,000 from the Homer Accelerated Roads and Trails (HART) Trails Fund for the Development of a Trailhead and Trail Segment on the North Side of the Sterling Highway at Green Timbers in Accordance with the Diamond Creek Recreation Area Trails Plan. Aderhold. Introduction June 9, 2025 Public Hearing and Second Reading June 23, 2025.

Memorandum CC-25-162 from Public Works Director as backup.

e. Resolution 25-055, A Resolution of the City Council of Homer, Alaska, Acknowledging the Insufficiency of the Petition for the East End Road Meadow Drive Water and Sewer Improvements Special Assessment District. City Clerk. Recommend adoption.

Memorandum CC-25-158 from City Clerk as backup.

f. Resolution 25-056, A Resolution of the City Council of Homer, Alaska, Approving a Sublease between Happy Face, LLC and Spittoon, LLC Occupying a Section of the Parking Area Identified as FT #1 (designated as a Food Truck Pedestal/Area approximately 200 Sq. Ft.) Located on the Property Entitled T7S R13W SEC 1 Seward Meridian HM 0890034 Homer Spit Amended Lot 32, and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Recommend adoption.

Memorandum CC-25-159 from Port Property Associate as backup.

g. Resolution 25-057, A Resolution of the City Council of Homer, Alaska, Approving a Sublease between Happy Face LLC, and Cove Collective, LLC dba Cove & Co. Occupying Unit #2 (consisting of 1,250 Sq. Ft.) in the Building Located on the Property Entitled T7S R13W SEC 1 Seward Meridian HM 0890034 Homer Spit Amended Lot 32, and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Recommend adoption.

Memorandum CC-25-160 from Port Property Associate as backup.

h. Resolution 25-058, A Resolution of the City Council of Homer, Alaska, Approving a Sublease between Happy Face, LLC and Jurgen Jensen dba The Law Office of Jurgen Jensen Occupying the Northwest Corner Office of the Upper Level of Main Building (consisting of 383 Sq. Ft.) on the Property Entitled T7S R13W SEC 1 Seward Meridian HM 0890034 Homer Spit Amended Lot 32, and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Recommend adoption.

Memorandum CC-25-161 from Port Property Associate as backup.

i. Resolution 25-059, A Resolution of the City Council of Homer, Alaska, Authorizing Task Order 3 to Alaska Harbor Consulting, LLC for Engineering Support for the 2025 Port Infrastructure Development Program Grant Application. City Manager/Port Director. Recommend adoption.

Memorandum CC-25-163 from Port Director as backup.

j. Resolution 25-060, A Resolution of the City Council of Homer, Alaska, Authorizing the Negotiation and Execution and Delivery of a Loan Agreement Required by the State of Alaska Department of Environmental Conservation Under its Clean Water Revolving Loan Program in Connection with a Not to Exceed \$1,235,999 Loan (of which \$500,000 is Eligible for Forgiveness) to Assist in Financing the Beluga Sewer Lift Station Improvement Project. City Manager/Public Works Director. Recommend adoption. Memorandum CC-25-164 from Public Works Director as backup.

VISITORS

a. South Peninsula Hospital Presentation - Derotha Ferraro and Ryan Smith

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. Port and Harbor Advisory Commission

PUBLIC HEARING(S)

a. Ordinance 25-38(S), An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Fiscal Years 2026 and 2027 for the General Fund, Water Fund, Sewer Fund, Port/Harbor Fund and Internal Service Funds. City Manager. Introduction May 12, 2025 Public Hearing and Second Reading June 9, 2025.

Memorandum CC-25-143 from Employee Committee as backup.

<u>b.</u> Ordinance 25-39(S), An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Fiscal Years 2026 and 2027 Capital Budget. City Manager. Introduction May 12, 2025 Public Hearings and Second Reading May 27, 2025 and June 9, 2025.

FY26/27 Budget Amendments

<u>c.</u> Resolution 25-030, A Resolution of the City Council of Homer, Alaska, Amending the City of Homer Personnel Regulations, Chapter 5, Section 5.8.1 Swing Shift, Section 5.8.2 Graveyard Shift, and Section 5.14 On-Call Pay. City Manager/Personnel Director. Introduction May 12, 2025 Postponed to May 27, 2025 and June 9, 2025 for Public Hearings to Follow Budget Ordinance.

Memorandum CC-25-108 from HR Director as backup. Memorandum CC-25-109 from Employee Committee as backup.

d. Ordinance 25-40, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Accepting and Appropriating the FY25 State of Alaska Community Assistance Program Payment in the Amount of \$143,428.05 for Various Capital Projects. City Manager. Introduction May 27, 2025 Public Hearing and Second Reading June 9, 2025.

Memorandum CC-25-168 from City Clerk as backup.

e. Ordinance 25-41, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Accepting and Appropriating a 2024 Commercial Passenger Vessel Tax Program Grant from the State of Alaska for \$4,612.50 and a Commercial Passenger Vessel Tax Program 2024 Pass Through Grant from the Kenai Peninsula Borough in the Amount of \$4,612.50 to Replace Several Benches Along the Harbor Walking Path. City Manager/Port Director. Introduction May 27, 2025 Public Hearing and Second Reading June 9, 2025.

Memorandum CC-25-146 from Port Director as backup.

<u>f.</u> Ordinance 25-42, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Appropriating \$7,000 from Port Reserves for Engineering Support for the 2025 Port Infrastructure Development Program Grant Application. City Manager/Port Director. Introduction May 27, 2025 Public Hearing and Second Reading June 9, 2025.

Memorandum CC-25-147 from Special Projects & Communications Director as backup.

g. Ordinance 25-43, 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 27, 2025 Public Hearing and Second Reading June 9, 2025.

Memorandum CC-25-151 from Finance Director as backup.

ORDINANCE(S)

CITY MANAGER'S REPORT

a. City Manager's Report

PENDING BUSINESS

NEW BUSINESS

<u>a.</u> Memorandum CC-25-166 from Councilmembers Davis and Erickson re: Consideration of a Proposal to Establish a Low Cost Walking Trail Loop above Karen Hornaday Park and Refer to the Parks Art Recreation & Culture Advisory Commission.

Memorandum CC-25-167 from Public Works Director as backup.

RESOLUTIONS

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 23, 2025 at 6:00 p.m., Committee of the Whole at 5:00 p.m. A Joint Worksession with the Planning Commission on the Draft Comprehensive Plan is Wednesday, June 11, 2025 at 5:30 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

CITY OF HOMER HOMER, ALASKA

Honoring the Life and Legacy of Roberta Highland

WHEREAS, Roberta Highland moved to Alaska in 1972, and in 1985 she and husband Robert made Homer their home, bringing spirits of adventure, service, and community; and

WHEREAS, Roberta was so many things - among them a conservationist, organizer, nurse, equestrian, pilot, skier, philanthropist, public servant, and good friend; and

WHEREAS, Roberta's nursing career was marked by innovation and compassion, including co-founding the Home Health Department at South Peninsula Hospital and serving as its director for 11 years, helping patients receive care with dignity and independence; and

WHEREAS, Roberta served on the South Peninsula Hospital Service Area Board since 2010, contributing nearly two decades of passionate advocacy for accessible, quality health care across the Southern Kenai Peninsula; and

WHEREAS, Roberta served the City of Homer on the Planning Commission from February 1, 2010, to June 30, 2024 with fourteen years of thoughtful and unwavering service, during which she championed the values of responsible development, always bringing voice to the importance of green space and environmental stewardship; and

WHEREAS, Roberta's impact on the natural world around us is woven into the fabric of our community, including her role in establishing the Anchor River/Fritz Creek Critical Habitat Area, her and Robert's donation of 28 acres of wild lands to Kachemak Moose Habitat, Inc., and her tireless work preserving lands around Diamond Creek and Kachemak Bay State Park; and

WHEREAS, Roberta served as a founding board member of the Kachemak Heritage Land Trust, a volunteer naturalist and board member of the Center for Alaskan Coastal Studies, and president of the Kachemak Bay Conservation Society, always bringing energy, wisdom, and vision to the organizations that protect our land and waters; and

WHEREAS, Roberta was a steadfast leader in the Homer equestrian community, serving as president of the Kachemak Bay Equestrian Association, playing a central role in establishing the Cottonwood Horse Park, a multi-use riding and community facility that reflects her passion for horses, trails, and open space; and

WHEREAS, Her work was recognized across Alaska, with receipt of the 2013 Celia Hunter Award for Outstanding Volunteer Contributions and the 2020 Woman of Wisdom Award from South Peninsula Haven House; and

WHEREAS, Roberta's memory and example will continue to inspire all who care for this place we call home, reminding us, as she and Robert once held on a sign at the Burning Basket, **to keep a fire burning in our hearts**.

NOW, THEREFORE, BE IT RECOGNIZED, that I, Rachel Lord, Mayor of the City of Homer, do hereby honor the life and legacy of **Roberta Highland** for her extraordinary contributions, her fierce and visionary stewardship of our land, our bay, and our community. May her legacy continue to guide and inspire us all.

Attest:

Dated this 9th Day of June, 2025

Rachel Lord, Mayor

Session 25-14 a Regular Meeting of the City Council of Homer, Alaska was called to order on Tuesday, May 27, 2025 by Mayor Rachel Lord 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. The Council conducted a Worksession at 4:00 p.m. to discuss the FY26/FY27 Proposed Budget, HART Trails Fund & Capital Projects.

PRESENT: COUNCILMEMBERS HANSEN, ADERHOLD, VENUTI, PARSONS, DAVIS AND ERICKSON

STAFF:CITY MANAGER JACOBSEN
CITY CLERK KRAUSE
CITY ATTORNEY GATTI
PORT DIRECTOR HAWKINS
CHIEF TECHNOLOGY OFFICER JIRSA
PUBLIC WORKS DIRECTOR KORT
HR DIRECTOR BROWNING
POLICE CHIEF ROBL
CITY PLANNER FOSTER
FINANCE DIRECTOR FISCHER
SPECIAL PROJECTS & COMM. COORDINATOR CARROLL

CALL TO ORDER, PLEDGE OF ALLEGIANCE

Mayor Lord called the meeting to order and invited everyone present to stand for the Pledge of Allegiance.

City Clerk Krause called attendance and a full Council was present.

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

Mayor Lord read the Supplemental Items into the Record: **CONSENT AGENDA** *Item b*. Memorandum CC-25-144 from City Clerk re: Liquor License Renewals Memorandum of Non-Objection from Homer Police Chief as backup *Item H*. Resolution 25-052 Acknowledging the Cancellation of the FEMA BRIC Grant to Adopt and Implement the 2021 International Building Code Memorandum CC-25-154 from Councilmember Davis *Item j*. Resolution 25-054 2025 ODL Service District Mil Tax Rate Memorandum CC-25-148 Corrected memo number. **PUBLIC HEARINGS** *item c*. Ordinance 25-38, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Fiscal Years 2026 and 2027 for the General Fund, Water Fund, Sewer Fund, Port/Harbor Fund and Internal Service Funds. Ordinance 25-38 (S) of the same title *item d*. Ordinance 25-39, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Fiscal Years 2026 and 2027 Capital Budget. Ordinance 25-39(S) Substitute ordinance of the same title.

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ADERHOLD/VENUTI MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

Mayor Lord proceeded to read the following into the record and stood for pictures:

- Proclamation for June as Pride Month
- Proclamation for June 19, 2025 as Juneteenth
- Recognition of Ash-Lee Waddell

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Mayor Lord invited the public to comment on any item on the agenda with the exception of the following:

Mayor: Invite the public to comment on any item on the agenda with the exception of the following:

- Ordinance 25-36, Amending the Homer City Zoning Map to Rezone a Portion of the Rural Residential (RR) Zoning District to General Commercial 1 (GC1) Zoning District at 3145 Lampert Lane.
- Ordinance 25-37, Amending the Homer City Zoning Map to Rezone a Portion of the Rural Residential (RR) Zoning District to Residential Office (RO) Zoning District at 4410 East Hill Road and 1374 East End Road.
- Ordinance 25-38, Appropriating Funds for the Fiscal Years 2026 and 2027 for the General Fund, Water Fund, Sewer Fund, Port/Harbor Fund and Internal Service Funds.
- Ordinance 25-39, Appropriating Funds for the Fiscal Years 2026 and 2027 Capital Budget.
- Resolution 25-030, Amending the City of Homer Personnel Regulations, Chapter 5, Section 5.8.1 Swing Shift, Section 5.8.2 Graveyard Shift, and Section 5.14 On-Call Pay.

Jessica Tenhoff, commented in support of having someone to provide guidance to businesses in Homer and what her business received assistance on with loans and financing a yurt as a residence.

Sadie Millard, spoke in support of having the SBDC person available to small business owners in Homer.

Click Illg (name not clear) stated he supported the funding of the SBDC position.

Larry Slone, city resident, expressed comments on having building code and the effects on available housing and believed it would be prohibitive.

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 Regular Meeting Minutes of May 12, 2025. City Clerk. Recommend adoption.
- b. Memorandum CC-25-144 from City Clerk re: Liquor License Renewal Applications for The Kannery and Don Jose's Mexican Restaurant. Recommend approval.
- c. Memorandum CC-25-145 from Special Projects & Communications Coordinator re: 2026-2031 Capital Improvement Plan and FY27 Legislative Requests Development Schedule.
- d. Ordinance 25-40, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Accepting and Appropriating the FY25 State of Alaska Community Assistance Program

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Payment in the Amount of \$143,428.05 for Various Capital Projects. City Manager. Introduction May 27, 2025 Public Hearing and Second Reading June 9, 2025.

e. Ordinance 25-41, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Accepting and Appropriating a 2024 Commercial Passenger Vessel Tax Program Grant from the State of Alaska for \$4,612.50 and a Commercial Passenger Vessel Tax Program 2024 Pass Through Grant from the Kenai Peninsula Borough in the Amount of \$4,612.50 to Replace Several Benches Along the Harbor Walking Path. City Manager/Port Director. Introduction May 27, 2025 Public Hearing and Second Reading June 9, 2025.

Memorandum CC-25-146 from Port Director as backup.

f. Ordinance 25-42, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Appropriating \$7,000 from Port Reserves for Engineering Support for the 2025 Port Infrastructure Development Program Grant Application. City Manager/Port Director. Introduction May 27, 2025 Public Hearing and Second Reading June 9, 2025.

Memorandum CC-25-147 from Special Projects & Communications Director as backup.

g. Resolution 25-051, A Resolution of the City Council of Homer, Alaska, Approving New One Year Contracts with Moda Health, VSP, and Prudential with a Renewal Date of July 1, 2025. City Manager. Recommend adoption.

Memorandum CC-25-142 from City Manager as backup. Memorandum CC-25-137 from Employee Committee as backup. Memorandum CC-25-136 from HR Director as backup.

h. Resolution 25-052, A Resolution of the City Council of Homer, Alaska, Acknowledging the Cancellation of the Federal Emergency Management Agency Building Resilient Infrastructure and Communities Grant to Adopt and Implement the 2021 Edition of the International Building Code. City Manager/City Planner. Recommend adoption.

Memorandum CC-25-149 from City Planner as backup.

- i. Resolution 25-053, A Resolution of the City Council of Homer, Alaska, Establishing the City of Homer Property Tax Mil Levy Rate at 4.5 Mils for 2025. City Manager. Recommend adoption.
- j. Resolution 25-054, A Resolution of the City of Homer, Alaska, Establishing a 2025 Mil Rate of 1 Mil for the Ocean Drive Loop Special Service District. City Manager. Recommend adoption.

Memorandum CC-25-148 from City Clerk as backup. (Refer to corrected Memo in supplemental packet)

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

ADERHOLD/VENUTI MOVED TO ADOPT THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

a. City Grants Report from the Homer Foundation - Stacey Schultz, Executive Director

Stacey Schultz, Executive Director, Homer Foundation provided a brief background of her experience and then reported to the Council how the selection committee selects the recipients for the grants, the number of grants distributed, amount of the grant, funding used and the benefits that providing these grants does for the city overall.

Ms. Schultz facilitated a brief discussion on increasing the amount of the annual funding which she believed has not increased in over 20 years.

b. Legislative Update - Representative Vance

Representative Sarah Vance provided Council with a report on legislative actions that she initiated or was a cosponsor on and the status of any legislation that did not make it through this legislative period. She noted that the legislature Alaska's Commercial Fishing Industry, pooling of insurance for fisherman for flexibility, expansion of fisheries product tax credit to allow for all species and this added for expansion to include mariculture, provided a fix for Alaska Commercial Fishing and Agriculture Bank to provide more loans for agriculture. She did note that they did approve a smaller capital budget, reductions of 48%, but it did include projects in or beneficial to Homer, Kachemak Drive, Sterling Highway Milepost 157 to 169, Homer Airport Improvements on the runways and Beluga Slough Trail Enhancements, Homer Harbors Float System repairs and Homer Pedestrian walkway.

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

a. Worksession Report

City Manager Jacobsen reported that Council facilitated discussion on:

- Capital Budget FY26/FY27
 - o Diamond Creek Recreation Area Trail and proposed underpass
- b. Committee of the Whole Report

Councilmember Aderhold reported that Council discussed:

- Resolution 25-052 acknowledging the cancellation of the BRIC grant
 - o Still interested in developing building code and code enforcement
 - What next steps would be without the grant
- Ordinance 25-40 Accepting Community Assistance Funds
 - Inclusion of missing information in whereas clause for the next meeting
- Ordinance 25-42 Appropriating funds for engineering support
 - Clarification on the need for this funding, scope of work and who will be doing the work
- Discussion Topic of the FY26/FY27 Budget funding
 - Funding of proposed amendments: COLA, Rate change for shift differential, etc.

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- Asset Management
- Specific Port & Harbor Budget Requests

c. Mayor's Report

Mayor Lord noted to those present and listening that they can read her newsletter on the city website through the following link, <u>http://www.deskofthehomermayor.substack.com</u>. She then reported on:

- Letter written for recognition of National Maritime Day for Chamber of Commerce and Marine Trades Association
- Letter with translation to the Mayor of Teshio (provided as a laydown)
- Recounted recent experiences on
 - Listening to Strong Towns regarding planning and municipal budgeting
 - Reading an opt-ed about Anchorage taking up in June a resolution regarding a four point economic strategy
 - These topics brought forward her concerns of how they budget for things in the future on the City level
- Appreciation for the hard work that the City Manager and Staff has done to bring the budget to Council
 - o Be flexible in thinking and about the budget and prioritization moving forward
- d. Borough Report

Assembly member Cooper reported the Borough Assembly is :

- Working through their budget process
 - Education funding and encouraging the governor not to line item veto
 - Please contact the Borough representative if he does line item veto so it doesn't leave the school district hanging until January.
- Added Public Hearings on the Budget
 - June 3rd and June 17th
- 2.5% inflationary budget goal
 - Reduction in property tax mil rates for all areas with the exception of Seldovia
- Implementation of the Safe Streets Safety action plan
- Upcoming land sale August 2025
 - Five parcels identified for participation in the program for development related to affordable housing
 - 25% discount to the successful bidder
 - Financing through the Borough
- e. Planning Commission Report

There was no report provided.

f. Economic Development Advisory Commission Report

Karin Marks, Chair, reported on the following:

- Training provided by the City Clerk
- Attendance by the Mayor for discussion on Commission priorities and Council priorities

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- Looking at plans that the city has and how to activate them
- Discussion on the site selection of Town Center for Community Recreation Center
 - Postponed to the June 10th meeting for additional discussion

- Conducted elections she was re-elected as chair and Jonathan Young as vice chair
- Open seat on the commission for resident or non-resident
- May 29th KPEDD meeting at the college on the Comprehensive Economic Development Strategy
- Expressed appreciation and thanks for the Public Works Department and businesses on Pioneer for making the downtown look especially inviting
 - Wayfinding features of banners and benches
- g. Parks, Art, Recreation & Culture Advisory Commission Report

Robert Archibald, Commissioner, reported on the following:

- Worksession visiting the Homer Council on the Arts and Bunnell Avenue Art Center
- Reports from Staff on amenities provided for a camp host at Karen Hornaday Park
- Restrooms in place at Karen Hornaday and Jack Gist Parks
- Discussed Special Events and Fees
 - Requested any new proposal to come before the Commission
- Supported the purchase of the equipment to clear sidewalks and trails but splitting between roads and trails funds
- Discussed the proposed location of the community recreation center
- Drew names out of a hat for new silhouettes on the Nomar Wall Mural
 - Staff will be contacting those persons to confirm consent to be on the wall.
- h. Library Advisory Board

Bea McDonough, Student Representative Boardmember, reported

- Partnership with Porcupine Theater to offer a few free movie passes to library card holders
- E-Rate funding will be continued
- Reviewed a report from Library Director Berry on the history of funding for the library
 - o Supports current funding arrangements
 - Small areas of potential improvements
 - Growing the endowment fund
 - Volunteer appreciation
- Film Screening of Free for All: The Public Library
 - Thursday, May 29th at 6:00 p.m.

PUBLIC HEARING(S)

a. Ordinance 25-36, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.10.030 to Amend the Homer City Zoning Map to Rezone a Portion of the Rural Residential (RR) Zoning District to General Commercial 1 (GC1) Zoning District at 3145 Lampert Lane. Planning Commission. Introduction May 12, 2025 Public Hearing and Second Reading May 27, 2025.

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Memorandum CC-25-128 from City Planner as backup.

Mayor Lord introduced Ordinance 25-36 by reading of the title and opened the public hearing.

Katie Kirsis, Seabright Surveying stated that she was available for questions.

Mayor Lord closed the public hearing and requested a motion.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 25-36 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

b. Ordinance 25-37, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.10.030 to Amend the Homer City Zoning Map to Rezone a Portion of the Rural Residential (RR) Zoning District to Residential Office (RO) Zoning District at 4410 East Hill Road and 1374 East End Road. Planning Commission. Introduction May 12, 2025 Public Hearing and Second Reading May 27, 2025.

Memorandum CC-25-129 from City Planner as backup.

Drawing provided by property owner showing egress provided in supplemental packet

Mayor Lord introduced Ordinance 25-37 by reading of the title and opened the public hearing.

Larry Slone, city resident and property owner, provided comments on the access in relation to the drawing he submitted and included in the supplemental packet and commented on public comment regarding spot zoning stating he has followed all the rules and regulations, approved by the City Planner and the Planning Commission and believed it to be a legal action.

Mayor Lord closed the public hearing and requested a motion.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 25-37 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

c. Ordinance 25-38, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Fiscal Years 2026 and 2027 for the General Fund, Water Fund, Sewer Fund, Port/Harbor Fund and Internal Service Funds. City Manager. Introduction May 12, 2025 Public Hearing and Second Reading May 27, 2025.

Memorandum CC-25-143 from Employee Committee as backup.

Ordinance 25-38(S), An Ordinance of the City Council of Homer, Alaska Appropriating Funds for the Fiscal years 2026 and 2027 for the General Fund, Water Fund, Sewer Fund, Port/Harbor Fund and Internal Service Funds. City Manager.

Mayor Lord introduced Ordinance 25-38 by reading of the title and opened the public hearing.

Larry Slone, city resident, commented on Memorandum CC-25-143 noting that employees are generally helpful, courteous and competent in their efforts to serve him but as a taxpayer he is paying their salaries and in essence so are others who live and reside in the city and area. The question that Council should be asking is how are those residents doing? He noted that inflation hits them too. He then stated that employees are probably leaving for more reasons than not getting a COLA.

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Karin Marks, city resident, commented in support of the amendment to fund the SBDC position noting that the EDC supports this amendment also. She further stated that small businesses provide increased services and in turn offered more employment opportunities in Homer.

Robert Green, SBDC, expressed comments in support of the funding noting the number of hours, number of new businesses, the increased services and revenue generated.

Mayor Lord closed the public hearing and requested a motion.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 25-38 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Lord inquired if there was a motion to substitute.

ADERHOLD VENUTI MOVED TO SUBSTITUTE ORDINANCE 25-38 WITH ORDINANCE 25-38(S) BY READING OF TITLE ONLY.

There was a brief discussion on the difference between the ordinances noting that language in this ordinance was relevant to the Capital Budget and should be reflected in Ordinance 25-39 not this one.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried

VENUTI/PARSONS MOVED TO AMEND THE FY26/FY27 BUDGET TO INCLUDE \$20,000 FOR THE SMALL BUSINESS DEVELOPMENT ADVISOR POSITION.

Discussion ensued with Councilmember Venuti clarifying her intent to include this in the budget.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Lord asked if there were any additional amendments or discussion.

Discussion ensued on the amendment for a cost of living adjustment (COLA) and previous actions by Council to not provide one which then set the stage for Homer being behind by comparison to other communities. Further points made and discussed were:

- Increases in insurance will be matched with a 2.2% COLA
- Breaking the COLA in half 1.1% for each year
 - Making a small adjustment so that they do not get far behind as previously done in the past
- Recommend non-exempt employees receiving the COLA since the exempt employees received 11% at the beginning of 2024
 - o It was noted that this was to catch them up
- Expressed support 2.2% for FY26 but not FY27 as it was unknown what revenues would be like

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o Can address a mid-biennium budget amendment for FY27 COLAs

• Would like to see the cost in numbers for the non-exempt only

ADERHOLD/VENUTI MOVED TO AMEND THE BUDGET TO INCLUDE A 2.2% COLA FOR FY26 FOR NON-EXEMPT EMPLOYEES ONLY.

Mayor Lord facilitated discussion with Councilmembers on the following:

- Funding a COLA would be reducing the unassigned fund balance
- Providing a COLA for non-exempt employees only
 - Exempt Employees received a large increase in early 2024
 - Noted that this was due to being under par in comparison to the other communities and not receiving COLAs in previous years
 - The exempt employees are not as impacted if they do not receive the COLA
 - A COLA impacts the budget each and every year not just a one-time expense such as a capital expenditure
- Impact of increased costs for the health insurance to the unassigned fund balance
- COLA not in the budget due to revenue constraints and that decision rested with the Council
 - Noted vacant positions not being filled to present a cost savings
 - Any positions vacated after July 1 will be reviewed prior to filling
 - Pared down capital budget
- The Wage Scale is an ongoing expense
 - What is the level of service
 - \circ $\;$ What is the level of staffing required to provide that service
- Prioritization of Non-Departmental Expenses
- Additional staff coverage preferred over COLAs
 - Employees serve as a morale survey
 - Consideration of the Employee Committee recommendations for Council decisions
- Status of the Unassigned Fund Balance
 - Consistent Over Budgeting and Underspending provides for a surplus
 - As budget gets larger it eats into that surplus
- Reviewed the historical information Finance Director Fischer provided.
- No HART Fund transfers were included which would impact the unassigned fund balance
- Requested the previous five years from the Budgets as the picture appears significantly different
- Requested information from 2014-2015 to reflect austerity measures that were implemented
- Impact in numbers on providing COLA for 1% up to 2.2%
- Impacts in numbers to the unassigned fund balance passing the Health Insurance and Shift differentials referred to page 163 of the packet Memorandum CC-25-108

ADERHOLD/ERICKSON MOVED TO POSTPONE TO THE JUNE 9, 2025 MEETING.

There was no further discussion.

VOTE. (Amendment COLA). NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Lord inquired if there were any additional amendments, hearing none she requested a motion to postpone.

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ADERHOLD/VENUTI MOVED TO POSTPONE ORD 25-38(S) TO THE JUNE 9, 2025 MEETING

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

d. Ordinance 25-39, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Fiscal Years 2026 and 2027 Capital Budget. City Manager. Introduction May 12, 2025 Public Hearing and Second Reading May 27, 2025.

FY26/FY27 Budget Amendments

Ordinance 25-39(S), An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Fiscal Years 2026 and 2027 Capital Budget. City Manager.

Mayor Lord introduced the ordinance by reading of the title and opened the public hearing. Having and seeing no interest from the public to provide testimony she closed the public hearing and requested a motion.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 25-39 BY READING OF TITLE ONLY.

Mayor Lord inquired if there was any discussion and hearing none she requested a motion to substitute.

ADERHOLD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 25-39 WITH ORDINANCE 25-39(S) BY READING OF TITLE.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Lord facilitated discussion on the following:

- Proposed amendment of \$250,000 for the Green Timbers trailhead parking and connector trails Diamond Creek Recreation Area
 - Preference for a separate ordinance to come forward rather than a budget amendment
- Equipment for sidewalk and trails maintenance to be split between HART Roads and HART Trails

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- Purchase additional attachments i.e. flail mower, mulcher
 - Could be purchased one included in the budget is for the larger equipment
 - Accurate usage on sidewalks versus trails for splitting cost
 - Staff can bring back cost of attachments and projected percentage of usage for accurate split
- Already in the proposed Capital Budget
- Expressed appreciation for the Public Works work on the parks
- Capital Budget adoption requirements
- Couple of items could be impacted by postponing adoption as late as September

ADERHOLD/VENUTI MOVED TO POSTPONE ORDINANCE 25-39(S) TO THE JUNE 9 2025.

There was no further discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

e. Resolution 25-030, A Resolution of the City Council of Homer, Alaska, Amending the City of Homer Personnel Regulations, Chapter 5, Section 5.8.1 Swing Shift, Section 5.8.2 Graveyard Shift, and Section 5.14 On-Call Pay. City Manager/Personnel Director.

Memorandum CC-25-108 from HR Director as backup. Memorandum CC-25-109 from Employee Committee as backup.

Mayor Lord introduced the resolution by reading of the title and opened the public hearing. Having and seeing no interest from the public to provide testimony she closed the public hearing and requested a motion.

ADERHOLD/VENUTI MOVED TO ADOPT RESOLUTION 25-030 BY READING OF TITLE ONLY.

Mayor Lord noted that the resolution would be postponed to follow Ordinance 25-38(S).

City Council entertained a brief discussion on the following:

- Clarification on the costs for the On Call increase that is proposed
- Clarification on the basis that there would not be enough funding for a 2.2% COLA for everyone
 - o This proposed amendment was offered by the Employee Committee before the COLA
 - o It would bring the rates current and comparable to other communities
- Passing of Resolution 25-030 addresses the personnel regulations but does not impact the budget as it is covered by the line item of salaries
 - o Shift differential, Call Out Pay not specifically called out as a line item in the budget
 - Has not been addressed differently in over 20 plus years
 - Line items 5101, 5105 typically have been sufficient in covering the expense
 - New employees filling position cost less than departing so provides a cost savings
 - There are limited positions that incur the Shift differential pay and On Call pay
 - Possible consideration of changes in the future
 - Concerns expressed on possible overage
 - Amounts of projected impact to the payroll are reflected in Memorandum CC-25-108

ADERHOLD/VENUTI MOVED TO POSTPONE TO THE JUNE 9, 2025 MEETING

There was no further discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

a. Ordinance 25-43, 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 27, 2025 Public Hearing and Second Reading June 9, 2025.

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Memorandum CC-25-151 from Finance Director as backup.

Mayor Lord introduced the item by reading of the title and requested a motion.

ADERHOLD/VENUTI MOVED TO INTRODUCE ORDINANCE 25-43 BY READING OF TITLE ONLY.

A brief discussion was entertained that Council discussed this at the previous meetings in depth and requested staff to bring an ordinance forward reflecting the discussion. It was believed that while this ordinance lowered the water rates and increased the sewer it was time to implement a \$20-\$25 service fee on those users who were summer residents and advocated that they start earlier in the process next time.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

a. City Manager's Report

City Manager Jacobsen noted her report was in the packet and would be happy to answer questions.

She provided corrections to the meeting dates of the Economic Development and Parks Art Recreation and Culture Advisory Commissions for June.

Councilmember Aderhold commented on the information received during the Brownfield Report on the HERC and what was required for abatement of those buildings, noting that there would be costs to the city.

b. Monthly FY25 YTD Report

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE

Wayne Aderhold, city resident, expressed comments on Resolution 21-029 where Council supported efforts on safe passing law between vehicles and cyclists and questioned if there has been any response from the State. He then noted the ability outlined in State Administrative Code for multi-step planning decisions and that it did not take the legislature to do that to recognize e-bikes since they are not recognized in Alaska law. Alaska is one of only 2-3 states that does not recognize e-bikes, they are motorized cycles and technically should have all the safety and licensing requirements of motorcycles. But our governor did not support that regulation citing regulating recreation. Mr. Aderhold then related an experience of two visitors trying to find a way to get to the Library without having to walk along Pioneer due to the traffic and noise.

Mark Edens, city resident and pastor at local church, provided comments on issuing proclamations on Pride Month and other divisive topics and while the intent was good, there was a huge constituency that was against the idea, noting the phrase "Go Woke, Go Broke" and expressed concerns on what impacts that expressing DEI support would do for the city and businesses to receive federal funding and grants.

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COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti had no comments.

COMMENTS OF THE CITY CLERK

City Clerk Krause provided the vacancies that were available for Student Representatives, Boardmembers and Commissioners.

COMMENTS OF THE CITY MANAGER

City Manager reported that the HART Policy update is in the hands of staff and should be before Council in June after running through Champions review, expressed appreciation for Council's patience as they work through the budget, she is learning a lot and their questions help her learn.

COMMENTS OF THE MAYOR

Mayor Lord expressed loving summer but hating the traffic that arrives with summer as it can be frustrating but sincerely appreciates the visitors that do come to Homer to spend their time and walk away with a sense of appreciation. She expressed appreciation for the incredible community and residents.

COMMENTS OF THE CITY COUNCIL

Councilmember Hansen commented that it was a great meeting and the sun is still shining and they get to go home. She noted spending time at Karen Hornaday Park watching people coming and taking a look at the portable toilets and seemed to be really happy they were there.

Councilmember Erickson express condolences to the family whose Toy Hauler RV went into the Anchor River and hopes everyone is okay. She then commented on the wonderful sun filled busy weekend with all the visitors coming to Homer noting that the majority were Alaskan travelers, the Girls Softball team took off on the ferry to play a tournament in Kodiak, finally expressing a warning to those traveling with the increased traffic and many baby moose arriving daily.

Councilmember Davis announced the Taste of Homer starts on Saturday and runs through the week culminating in the Homer Harbor Fest on June 7th, lots of restaurants and drink establishments running specials incorporating local ingredients. He then extended his personal heartfelt and sincere appreciation to Mayor Lord for her courage in issuing the Pride Month Proclamation and noted that his Pastor, Lisa Talbot of the Regent Life Methodist Church submitted a letter as she could not attend the meeting tonight and he read an excerpt, *"Shaped by the liberating love of Christ, I affirm the Mayor's Proclamations naming June as both Pride Month and a time to commemorate Juneteenth. These are not simply symbolic gestures, they are theological affirmation of God's justice, equity and beloved community. In celebrating Pride, we affirm the sacred worth of LGBTQ+ people and reject theologies and systems that have denied their humanity. These proclamations call us, not just to remember, but to act, to live the gospel, call, to proclaim release, to the captives, and to let the oppressed go free. The Church must not stand at a distance from this work, it must stand in it, guided by faith that demands justice and a Saviour who consistently centered the marginalized. To affirm Juneteenth and Pride together is to recognize the interconnectedness of liberation. These proclamations are a sign of that transformation, at work in Homer and by God's grace, they are not the end, they are the beginning."*

Councilmember Aderhold expressed appreciation for people attending the meeting and taking part in the public process and hoped the trend will continue. She then reported on the recent Writer's Conference and

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looking forward to the next one with keynote speaker poet Jane Hirshfield which she was pretty excited about. Ms. Aderhold expressed her appreciation for working through the budget process and the discussions that Council is having in being very thoughtful on working through the issues and understanding their fiscal responsibilities.

Councilmember Parsons expressed that his family was one of the nerds at Karen Hornaday Park looking at the new restrooms and they are really impressive, visiting the spit over the weekend and taking Ben Walters back he saw someone riding a mower along the street and it ws Parks Maintenance personnel, Chad Felice out mowing city properties on Saturday, so city staff are just wonderful. He expressed his appreciation for Melissa keeping the Council informed and guiding them through the process, Renee and the Clerk's Office for all that they do and providing the paper this month it was a lot, so thanks.

Councilmember Venuti expressed birthday wishes to Councilmember Davis, complimented the Public Works Staff and Volunteers on how wonderful the Cemetery looks, recent moose births in her neighborhood and appreciation to the City Manager and Mayor for their assistance during the budget process and the City Clerk for her help and advice earlier before the meeting with her motion, and she echoed the sentiments on having the public attendance at the meeting.

ADJOURNMENT

Mayor Lord adjourned the meeting at 8:58 p.m. Next Regular Meeting is Monday, June 9, 2025 at 6:00 p.m., Committee of the Whole at 5:00 p.m. A Worksession at 4:00 p.m. A Special Meeting is scheduled for June 2, 2025 at 5:00 p.m. and a Joint Worksession with Planning Commission on Wednesday June 11, 2025 at 5:30 p.m. on the Comprehensive Plan. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

RENEE KRAUSE, MMC, CITY CLERK

APPROVED:

Session 25-15 a Special Meeting of the City Council of Homer, Alaska was called to order on Monday, June 2, 2025 by Mayor Rachel Lord at 5:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COUNCILMEMBERS HANSEN, ADERHOLD, VENUTI, PARSONS, DAVIS AND ERICKSON

STAFF:CITY MANAGER JACOBSEN
CITY CLERK KRAUSE
CITY ATTORNEY GATTI
PORT DIRECTOR HAWKINS
CHIEF TECHNOLOGY OFFICER JIRSA
PUBLIC WORKS DIRECTOR KORT

CALL TO ORDER, PLEDGE OF ALLEGIANCE

Mayor Lord called the meeting to order.

City Clerk Krause called attendance and a full Council was present.

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

ADERHOLD/VENUTI MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Mayor Lord invited the public to comment on the agenda.

Scott Adams, city resident, expressed questions on the parking area available under Plan 1A, upland development, impacts to traffic with additional traffic on the road.

Mike Jones, city resident, requested the discussion to include the difference when you go from Plan 1B to Plan 2 and the increase in vessel comparison but not the substantial increase in footprint or breakwater, armor rock, dredging etc. Consideration of optimization for very small incremental cost to achieve a really big benefit for additional moorage.

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NEW BUSINESS

Ron McPherson with HDR presented to Council on the following:

- Homer Harbor Expansion with updates on the Alternatives,
- Reviewed the US Army Corps of Engineers Tentatively Selected Plan Analysis
 - Preliminary Alternative Matrix Subject to Change
- Cost Share Implication
 - Construction Cost Share

- o 10% Due at Start of Construction
 - Estimated a 5-7 start date
- 10% financed over 30 years
- Locally Preferred Plan Discussion and Next Steps
 - Plan 2 over Plan 1A
 - City responsible for costs of Corps selected design
 - o Increased costs to the city

Council was hesitantly supportive with not knowing actual costs or estimated costs for Preliminary Plan 2

COMMENTS OF THE AUDIENCE

George Maltz, resident of Fritz Creek expressed comments regarding the development of the Comprehensive Plan and recommending that Council use that document as guidance whether the harbor should be expanded.

William Roth, expressed comments on consideration to include additional crane space, hearing opposition on expansion due to increased costs and questioned if this would increase the rates for moorage.

Heath Smith, city resident, expressed comments in support of Council decision to go with Plan 2.

Mike Jones, city resident, expressed comments in support of Plan 2 and echoed Mr. Smith's comments.

Bruce Friend, Commissioner and Marine Trades Boardmember, commented personally stated it was a positive step, unique place and review of the design and hoped the Feds stepped up as they needed maximum support for the project.

Dave Mastolier, business owner, recounted his experience bringing a replacement vessel from Louisiana and told at first he couldn't park in the harbor but since his first boat burned he was allowed. That indicated to him that he could not increase his business unless he went to another harbor.

Larry Slone, city resident, expressed comments on the uncertainty surrounding the process but playing the game.

Scott Adams, city resident, expressed concerns regarding a 2008 and 2017 report done by the Corps, and that they have been waiting for 20 years to get their road reconstructed but told there is no money and but they are going to expand the harbor and recommended that they include areas outside city limits to pay for the bond.

ADJOURNMENT

Mayor Lord adjourned the meeting at 6:54 p.m. Next Regular Meeting is Monday, June 9, 2025 at 6:00 p.m., Committee of the Whole at 5:00 p.m. A Worksession at 4:00 p.m. and a Joint Worksession with Planning Commission on Wednesday June 11, 2025 at 5:30 p.m. on the Comprehensive Plan. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

RENEE KRAUSE, MMC, CITY CLERK

APPROVED:_____



Beverage Dispensary License Application for Land's End, Distillery Manufacturer and Retail Application for Grace Ridge Brewing, Brewery Manufacturer License Application for Grace Ridge Brewing, and Liquor License Transfer to Vida's Thai Food

Item Type:	Action Memorandum
Prepared For:	Mayor Lord and Homer City Council
Date:	June 9, 2025
From:	Renee Krause, MMC, City Clerk

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

Туре:	Beverage Dispensary License
License #:	645
DBA Name:	Land's End
Service Location:	4786 Homer Spit Road, Homer, AK 99603
Endorsement Type:	Restaurant Endorsement #15136
Licensee:	Land's End Acquisition Corporation
Designated Licensee:	Land's End Acquisition Corporation
Email Address:	sara.m.faulkner@gmail.com; landsendjdf@gmail.com
Phone #:	907-299-0570; 907-399-3410

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

The City Clerk's Office has been notified by the Alcohol and Marijuana Control Office of Liquor License Applications for Brewery Manufacturer, Distillery Manufacturer and Retail within the City of Homer for the following:

License Types:	Distillery Retail	Distillery Manufacturer	Brewery Manufacturer	
License #s:	16429	16428	5433	
Licensee:	Grace Ridge Brewing, Inc.			
DBA:	Grace Ridge Brewing			
Premise Location:	870 Smoky Bay Way, Homer, AK 99603			
Endorsement Type:	Manufacturer Sampling Endorsement			
Designated Licensee:	Steven Stead			
Email Address:	graceridgebrewing@gmail.com			
Phone #:	541-829-9408;907-435	-0601		

Recommendation:

Voice non-objection and recommend AMCO approve Liquor License Applications.

Attachments:

AMCO Application Packets for:

Lands End Renewal Application

Grace Ridge Brewing New Distillery Manufacturing and Retail Applications

Grace Ridge Brewing Brewery Manufacturing License Application

Y & C, LLC Liquor License Transfer Application to Vida's Thai Food

Homer Police Department Non- Objection Memoranda Kenai Peninsula Borough Non-Objection Memoranda

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 28, 2025

From: <u>Alcohol.licensing@alaska.gov</u>; <u>amco.localgovernmentonly@alaska.gov</u>

Licensee: Land's End Acquisition Corporation
DBA: Land's End
VIA email: sara.m.faulkner@gmail.com
CC: <u>landsendjdf@gmail.com</u>
Local Government 1: City of Homer
Local Government 2: Kenai Peninsula Borough
Via Email: <u>micheleturner@kpb.us</u> ; <u>sessert@kpb.us</u> ; <u>mjenkins@kpb.us</u> ; <u>nscarlett@kpb.us</u> ;
mboehmler@kpb.us; rraidmae@kpb.us; slopez@kpb.us; jrasor@kpb.us; hmills@kpb.us;
mjacobsen@ci.homer.ak.us;

Re: Beverage Dispensary License #645 Combined 2025-2026 Renewal Notice

License Number:	#645
License Type:	Beverage Dispensary License
Licensee:	Land's End Acquisition Corporation
Doing Business As:	Land's End
Physical Address:	4786 Homer Spit Rd
	Homer, AK 99603
Endorsement Type(s):	Restaurant Endorsement #15136
Designated Licensee:	Land's End Acquisition Corporation
Phone Number:	(907) 299-0570; (907) 399-3410
Email Address:	sara.m.faulkner@gmail.com

☑ License Renewal Application

☑ Endorsement Renewal Application

Dear Licensee:

Our staff has reviewed your application after receiving your application and the 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 are 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 24th, 2025** 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 <u>Alcohol.licensing@alaska.gov</u> 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 endorsements, 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 a reasonable opportunity to defend the application before the meeting of the local governing body.

If you have any questions, please email <u>amco.localgovernmentonly@alaska.gov</u>.

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 the 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 <u>Alcohol.licensing@alaska.gov</u>

Sincerely, Kyle Helie, Licensing Examiner II For Kevin Richard, Director



Document reference ID: 4497

Licensing Application Summary

Application ID:	4497	
Applicant Name:	Land's End Acquisition Corporation	
License Type applied for:	Beverage Dispensary License(BDL) (AS 04.09.200)	
Application Status:	In Review	
Application Submitted On:	12/05/2024 02:48 PM AKST	
Entity Information		
Business Structure:	Corporation	
Alaska Entity Number (CBPL):	42006D	
Entity Contact Information		

Entity Address: 4786 Homer Spit Road, Homer, AK, 99603, USA

Ownership / Principal Party Details

Principal Parent Entity	Principal Party	Role	%Ownershi p
Land's End Acquisition Corporation	Jonathan And Sara Faulkner Living Trust Dated 07/15/2013	Stockholder/Sharehold er	55.33
Land's End Acquisition Corporation	Jonathan D Faulkner	President,Treasurer	

Land's End Acquisition Corporation	Sara M Faulkner	Vice President,Secretary	
Land's End Acquisition Corporation	Rebecca Alexander	Stockholder/Sharehold er	10.44
Land's End Acquisition Corporation	Stephen Agni	Director, Stockholder/Sharehold er	23.64
Land's End Acquisition Corporation	Charles Ryan	Director, Stockholder/Sharehold er	10.59

Premises Address

Address:	4786 Homer Spit Road, Homer, AK, 99603, USA
Does the proposed site include a valid street address?	Yes

Basic Business information

Busine	ess/T	rade	Name:

Land's End

Local Government and Community Council Details

City	/Mu	nici	pa	litv
Unit,			Pu	

Borough

Homer

Kenai Peninsula Borough

Attestations

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of the plication or revocation of any license issued.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 305.700.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

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.

I certify that all proposed licensees have been listed with Division of Corporation, Business, and Professional Licensing.

I certify that I and any individual identified in the business entity ownership section of this application, has or will read AS 04 and its implementing regulations.

Signature

This application was digitally signed by : Sara Faulkner on 12/05/2024 02:50 PM AKST

Payment Info

Payment Type : CC

Payment Id: ac6dc4f1-3c68-444c-be9b-258f88599c07

Receipt Number: 100981107

Payment Date: 12/05/2024 02:55 PM AKST



Document reference ID : 4497

Renewal Application Summary

Application ID:	4497
License No:	645
License Type applied for Renewal:	Beverage Dispensary License(BDL)
Licensee Name:	Land's End Acquisition Corporation
Application Status:	In Review
Application Submited On:	12/05/2024 02:48 PM AKST

Entity Information

Business Structure:	Corporation
FEIN/SSN Number:	
Alaska Entity number (CBPL):	42006D
Alaska Entity Formed Date:	
Home State:	

Entity Contact Information

Entity Address:

4786 Homer Spit Road, Homer, AK, 99603

Renewal Information

Are there any changes to your ownership structure that have not been reported to AMCO prior to this application?:

No

As set forth in AS 04.11.330, how many hours did you operate during the first calendar year for this renewal period?:

The license was regularly operated continuously throughout the first calendar year for this renewal period.

As set forth in AS 04.11.330, how many hours did you operate during the second calendar year for this renewal period?:

The license was regularly operated continuously throughout the second calendar year for this renewal period.

Please select the seasonality:

Year-round

Has any person or entity in this application been convicted or disciplined for a violation of Title 04, 3 AAC 304 or 305, or a local ordinance adopted under AS 04.21.010 in the preceding two calendar years?:

No

Have any notices of violation or citations been issued for this license during the preceding two years?:

No

Attestations

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 an $\frac{1}{31}$ derstand 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.

Signature

This application was digitally signed by : Sara Faulkner on 12/05/2024 02:50 PM AKST

Payment Info

Payment Type : CC

Payment Id: ac6dc4f1-3c68-444c-be9b-258f88599c07

Receipt Number: 100981107

Payment Date: 12/05/2024 02:55 PM AKST



MEMORANDUM

Renewal Alcohol License Application for Land's End

ltem Type:	Backup Memorandum
Prepared For:	Renee Krause, MMC, City Clerk
Copy to:	Mark Roble, Chief of Police
Date:	May 30, 2025
From:	Jona Lee Focht, Police Dispatch

The Homer Police Department has no objection to this Liquor License Application Renewal.

Туре:	Beverage Dispensary License
License #:	645
DBA Name:	Land's End
Service Location:	4786 Homer Spit Road, Homer, AK 99603
Endorsement Type:	Restaurant Endorsement #15136
Licensee:	Land's End Acquisition Corporation
Designated Licensee:	Land's End Acquisition Corporation
Email Address:	sara.m.faulkner@gmail.com; landsendjdf@gmail.com
Phone #:	907-299-0570; 907-399-3410

This matter is scheduled for the **June 9, 2025** City Council meeting. Please respond with objections/non-objections to this liquor license application no later than 11:00 a.m. Tuesday, June 3, 2025.

Thank you for your assistance.

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 30, 2025

City of Homer

VIA Email: mjacobsen@ci.homer.ak.us; rkrause@ci.homer.ak.us; clerk@ci.homer.ak.us;

Kenai Peninsula Borough

VIA Email: <u>micheleturner@kpb.us</u>; <u>sessert@kpb.us</u>; <u>mjenkins@kpb.us</u>; <u>nscarlett@kpb.us</u>; <u>mboehmler@kpb.us</u>; <u>rraidmae@kpb.us</u>; <u>slopez@kpb.us</u>; <u>jrasor@kpb.us</u>; <u>hmills@kpb.us</u>

License Type:	Restaurant or Eating Place	License Number:	5819
Licensee:	Vida's Thai Food, LLC		
Doing Business As:	Vida's Thai Food		
Premises Address	397 East Pioneer Avenue, Homer, AK 99603		
Endorsement(s):	None		

New Application

☑ Transfer of Location Application

☑ Transfer of Ownership Application
 □ Transfer of Controlling Interest Application

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 305.085(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

AS 04.11.491 – AS 04.11.509 provide that the board will deny a license application if the board finds that the license is prohibited under as a result of an election conducted under AS 04.11.507.

AS 04.11.420 provides that the board will not issue a license when a local governing body protests an application on the grounds that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the alcohol establishment, unless the local government has approved a variance from the local ordinance.

Sincerely, Anna White, Licensing Examiner II For Kevin Richard, Director amco.localgovernmentonly@alaska.gov



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Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

This transfer license application form is required for all individuals or entities seeking to apply for the transfer of ownership and/or location of an existing liquor license. Applicants should review **Title 04** of **Alaska Statutes** and **Chapter 305** of the **Alaska Administrative Code**. All fields of this form must be completed, per AS 04.11.260, AS 04.11.280, AS 04.11.290, 3 AAC 305.045 and 3 AAC 305.060.

This form must be completed and submitted to AMCO's Anchorage office, along with all other required forms and documents before any license application will be considered complete.

Section 1 – Transferor Information

Enter information for the *current* licensee and licensed establishment.

Licensee:	Y & C LLC		License #:		5819
License Type:	RESTAURANT EATING PLACE LICENSE (REPL)		Statutory Reference:		AS04.09.210
Doing Business As:	Detour Food & Drink				
Premises Address:	4400 Homer Spit Rd				
City:	Homer	State:	AK	ZIP:	99603
Local Governing Body/Bodies:	Homer/Kenai Peninsu	ula Borough			

Transfer Type:

Х	Regular transfer
-	-

Transfer with security interest

Involuntary retransfer

Controlling interest transfer

Location transfer

	OFFICE USE ONLY	
Complete Date:	Transaction #:	
Board Meeting Date:	License Years:	
Issue Date:	Examiner:	



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Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 2 - Transferee Information

Enter information for the new applicant and/or location seeking to be licensed.

	Vida's Thai Food LLC					
Doing Business As:	Vida's Thai Food					
Premises Address:	397 East Pioneer Avenue					
City:	Homer	State:	AK		ZIP:	99603
Community Council, (If applicable):						
Mailing Address:	142 Lee Drive					
City:	Homer	State:	AK		ZIP:	99603
Email:	andymark180@gmail.com	Phone:	907-299-7912			
Designated Licensee:	Wichulada Bunchim					
Contact Phone:	907-299-1791	Business	Phone:	907-29	9-7912	2
Contact Email:	andymark180@gmail.com	vidasthaif	ood@gmail.c	om		
Yes easonal License?	No If "Yes", write your si Section 3 – Prem			od:		
X an existing facility	a new building	a propos	ed building			
	t be completed by beverage dispensar	y (including t	tourism) and <u>p</u>	ackage store	applicar	its only:



Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 4 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 5. If more space is needed, please attach a separate sheet with the required information. The following information must be completed for each licensee and each affiliate (spouse).

Name:		
Address:		
City:	State:	ZIP:
Email:	Phone:	

Name:			
Address:			
City:	State:	ZIP:	1
Email:	Phone:		

Section 5 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 6.

If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a corporation, the application shall be executed by an authorized officer of the Corporation. Information must be completed below for each stockholder who owns 10% or more of the stock in the corporation, and for each president, vice-president, secretary, and managing officer.
- If the applicant is a limited liability organization, whether manager managed or member managed, the following . information must be completed for each member with an ownership interest of 10% or more and for each manager regardless of ownership share.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each partner with an interest of 10% or more, and for each general partner.
- For any entity, identify all affiliates for your organization as defined at 3 AAC 305.950.

Entity Official:	Wichulada Bunchim					2
Title(s):	President	Phone:	907-299-1791	% Ow	ned:	50
Address:	142 Lee Drive					
City:	Homer	State:	AK	ZIP:	996	03
Email:	andymark180@gmail.com	Phone:	907-299-1791			



Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Entity Official:	Andrew Mark Stubblefield					
Title(s):	Member	Phone:	907-299-3353	% Owr	ned:	50
Address:	142 Lee Drive					
City:	Homer	State:	AK	ZIP:	996	03
Email:	andymark180@gmail.com	Phone:	907-299-3353			

Entity Official:		
Title(s):	Phone:	% Owned:
Address:		
City:	State:	ZIP:
Email:	Phone:	

Entity Official:			
Title(s):	Phone:	% Own	ed:
Address:			
City:	State:	ZIP:	
Email:	Phone:		

This subsection must be completed by any applicant that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC). The registered agent is either an individual resident of the state or domestic corporation authorized to transact business in the state and whose business office is the same as the registered office.

CBPL Entity #:	10027355	AK Formed Date:	02/25/2015	02/25/2015 Home State:	
Registered Agent:	Wichulada Bunchim Agent's Phone: 907-299-1791				
Agent's Mailing Address:	142 Lee Drive				
City:	Homer	State:	AK	ZIP:	99603
Email:	andymark180@gmail.com		Phone:	907-299-1791	

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Residency of Agent:

Yes No

Does your registered agent satisfy the requirement of AS 04.11.430?

Х



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Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 6 – Other Licenses		
Ownership and financial interest in other alcoholic beverage businesses:	Yes	No
Does any representative or owner named as a transferee in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?		X
If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in A license number(s) and license type(s):	laska, whi	ch
Section 7 – Authorization		
Communication with AMCO staff:	Yes	No
Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?	X	
If "Yes", disclose the name of the individual and the reason for this authorization:		
Andy Stubblefield is a Member who is authorized. His phone number is 907-299-33 andymark180@gmail.com	53	



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Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 8 – Transferor Certifications

Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

I declare under penalty of perjury that the undersigned represents a **controlling interest** of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) have examined this application, approve of the transfer of this license, and find the information on this application to be true, correct, and complete.

A notary public or other officer completing this certificate verifies only the identity of the Individual who signed the document to which this certificate is attached, and not the truthfulness. Signature of transferor accuracy, or validity of that document. Printed name of transferor Subscribed and sworn to before me this $\underline{28}$ 2025 JEREMY RYAN CARPENTER COMM. #2494146 Notary Public - California Orange County Signature of Notary Public Comm. Expires July 9, 2028 Notary Public in and for the State of My commission expires: A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document. 5 5 Signature of transferor Printed name of transferor Subscribed and sworn to before me this $\underline{\mathcal{V}}$ 2025 day of JEREMY RYAN CARPENTER COMM. #2494146 Votary Public - California RO Signature of Notary Public Orange County Comm. Expires July 9, 2028 Notary Public in and for the State o My commission expires:



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Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 9 – Tra	nsferee Certifications	
Read each line below, and then sign your initials in the box	to the right of each statement:	Initial
I certify that all proposed licensees (as defined in AS 04.11.2	260) and affiliates have been listed on this applic	ation.
I certify that all proposed licensees have been listed with the	he Division of Corporations.	AMS
I certify that I understand that providing a false statement of for rejection or denial of this application or revocation of a		D is grounds
I certify that all licensees, agents, and employees who sell o patron will complete an approved alcohol server education serving alcoholic beverages, will carry or have available to s certifying completion of approved alcohol server education	n course, if required by AS 04.21.025, and, while show a current course card or a photocopy of the	selling or AMS
I agree to provide all information required by the Alcoholic B	everage Control Board in support of this applicat	ion. AMS
I hereby certify that I am the person herein named and sub application, and I know the full content thereof. I declare to other documents submitted are true and correct. I understa response in this application, or any attachment, or docume denying or revoking a license/permit. I further understand 11.56.210 to falsify an application and commit the crime of	hat all the information contained herein, and evi and that any falsification or misrepresentation of ents to support this application, is sufficient grou that it is a Class A misdemeanor under Alaska St	idence or AMS f any item or inds for
I certify that I and any individual identified in the business of AS 04 and its implementing regulations.	entity ownership section of this application, has,	or will read
Inbus hearth Sutton Signature of transferee	Signature of Notary Pu	ublic
Andrew Mark Stubblefield	Notary Public in and for the State of	Haska
Printed name	·	12 15 27

State of Alaska NOTARY PUBLIC Amy Mitchell My Commission Expires Dec 15, 2027

th Subscribed and sworn to before me this _ _day of 20 25

AMCO Received 5/23/2025 Page 7 of 7

[Form AB-01] (rev 7/16/2024)

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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-01: Transfer License Application

Section 9 – Transferee Certifications Read each line below, and then sign your initials in the box to the right of each statement: Initials I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application. WB I certify that all proposed licensees have been listed with the Division of Corporations. I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds WB for rejection or denial of this application or revocation of any license issued. I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 305.700. I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application. 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 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. I certify that I and any individual identified in the business entity ownership section of this application, has, or will read WB AS 04 and its implementing regulations. Signature of Notary Public Signature of transferee Wichulada Bunchim laska Notary Public in and for the State of Printed name My commission expires: State of Alaska NOTARY PUBLIC Subscribed and sworn to before me this

[Form AB-01] (rev 7/16/2024)

Amy Mitchell My Commission Expires Dec 15, 2027

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day of

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Alaska Alcoholic Beverage Control Board

Form AB-02: Premises Diagram

Why is this form needed?

A detailed diagram of the proposed licensed premises is required for all alcohol license applications, per AS 04.11.260, 3 AAC 305.630 and 3 AAC 305.660. Your diagram must include dimensions and must show all entrances and boundaries of the premises, walls, bars, fixtures, and areas of storage, service, consumption, and manufacturing.

This form must be completed and submitted to AMCO's Anchorage office before any license application will be considered complete. You may attach blueprints or other detailed drawings that meet the requirements of this form.

The diagram MUST include:

- You must use a solid, contiguous red line to outline the outer perimeter of your premises with no breaks or separations.
 - The red outline is required to follow a physical barrier (wall, fence and even across doorways).
 - o There should be no red lines within the perimeter
- Each area should be clearly labeled in any color other than red where alcohol is:
 - Stored
 - o Served/Sold
 - o Manufactured
 - o Consumed
- All diagrams must include:
 - o Dimensions (AMCO does not accept diagrams drawn to scale)
 - o Cross streets
 - Points of reference, such as a compass rose indicating True North
 - o All entrances, exits, walls, bars, and fixtures
- If your premises include multiple floors, please include a separate diagram of each floor.
- You must identify the stairs between each floor, and each hallway/corridor that leads to each set of stairs.
- If your premises includes multiple floors, please include a separate diagram of each floor. You must identify
 the stairs between each floor, and each hallway/corridor that leads to each set of stairs.
- If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex.
- Any license applications that include outdoor space are required to submit a security plan that includes
 information about the barriers, practices, and personnel that are to be used to ensure that alcohol is not
 introduced or removed from the permitted premises and to prevent the access of alcohol by a minor during
 the permitted event. A security plan may be requested for other proposed locations on a case-by-case basis.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Vida's Thai Food LLC	License Number:				
License Type:	Restaurant and Eating Place Alcoholic Beverage License					
Doing Business As:	Vida's Thai Food					
Premises Address:	397 East Pioneer Avenue					
City:	Homer	State:	AK	ZIP:	99603	

AMCO Rece 43 11/27/2024



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Alaska Alcoholic Beverage Control Board

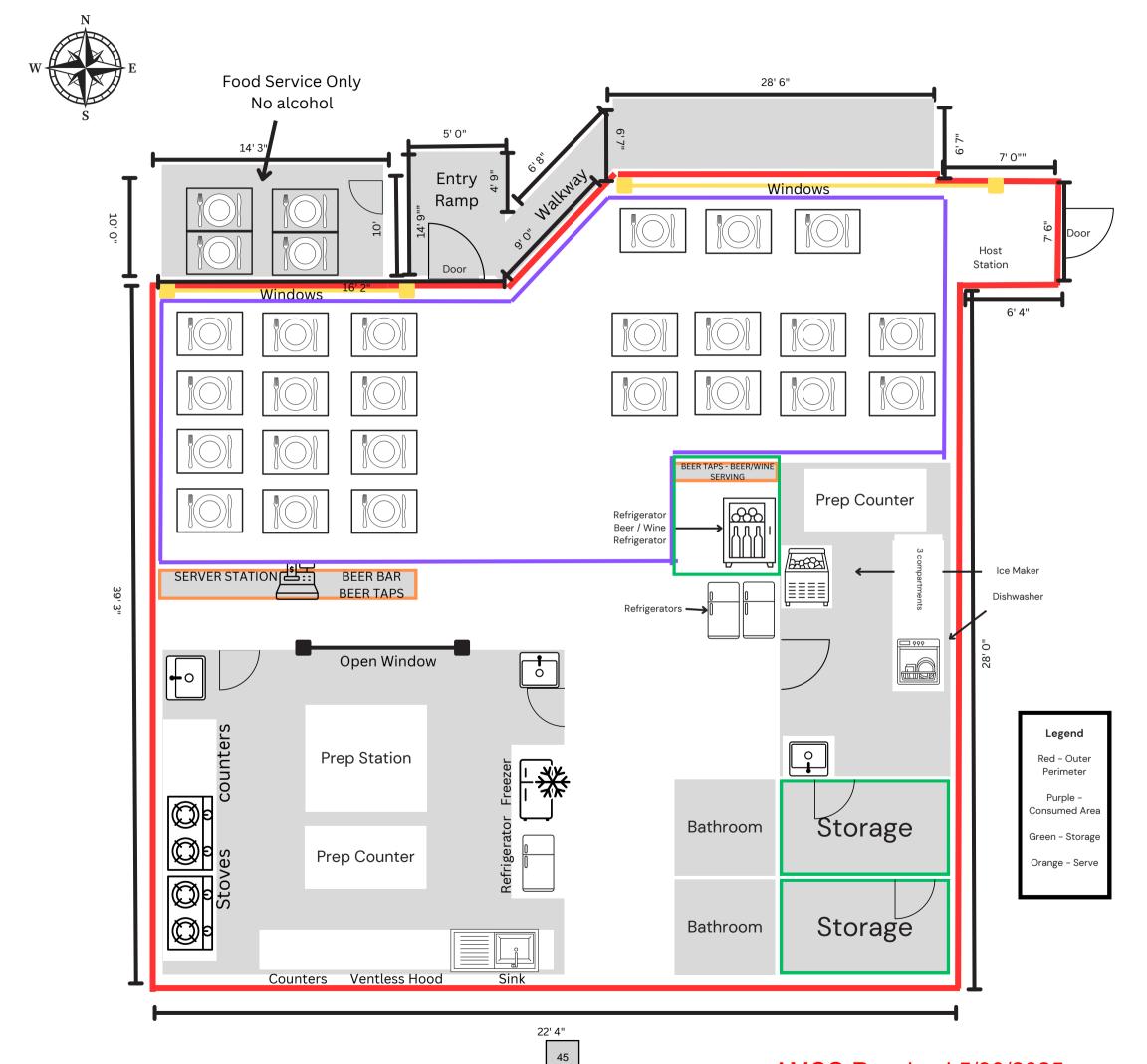
Form AB-02: Premises Diagram

Section 2 – Detailed Premises Diagram

Clearly indicate the boundaries of the premises and the proposed licensed area within that property. See above for detailed instructions.

See attached documents

Pioneer Ave



Vida's Thai Food

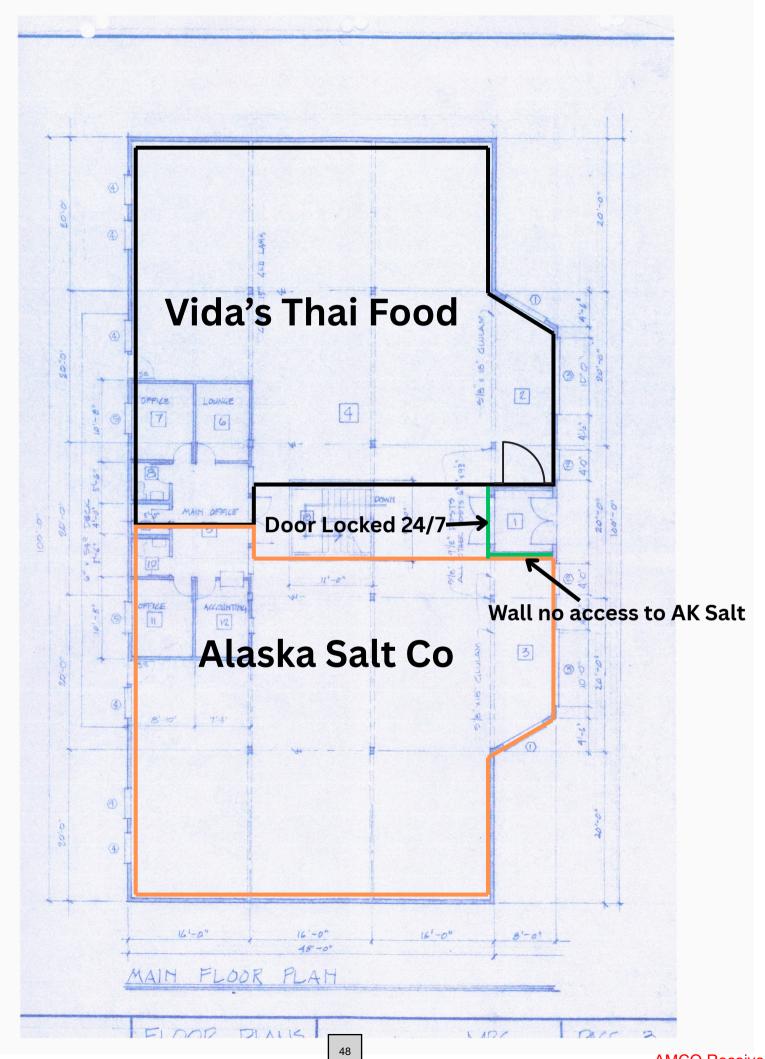


Alaska Salt Co 397 E Pioneer Ave #4 Vida's Thai Food LLC 397 E Pioneer Ave

Vida's Thai Food

Showing Cross Streets

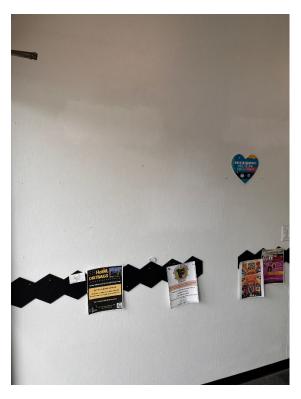




Door Between Vida's Thai Food and Alaska Salt Company



Left Wall



Center - Locked door 24/7



Right side – Door to Vida's Thai Food, unlocked during business hours



Vida's Thai Food

Indoor Serving Security Plan

- 1. No alcohol will be consumed or served outside the restaurant
- 2. All patrons are carded upon ordering alcohol.
- 3. All staff is trained in the identification of fake IDs.
- 4. Underaged persons will be monitored closely by our professionally trained alcohol servers.
- 5. ABC mandated posters as required by law are posted inside Vida's Thai Food.
- 6. All entrances and exits will provide clear notice that NO ALCOHOL IS ALLOWED BEYONG THIS DOOR.
- 7. All servers will closely monitor that only the guests that have been carded will have alcohol beverages.
- 8. Our top priority continues in providing safety for all guests regarding the service of alcohol beverages.



RESTAURANT QUESTIONNAIRE FOR REPL LICENSE UNDER AS 04.09.210- NO FEE REQUIRED

Alaska Alcoholic Beverage Control Board <u>Restaurant Endorsement Application</u>

This endorsement application form is required to apply for a restaurant endorsement to support your underlying license or pending license application. Applicants should review and become familiar with AS 04.09.450, **Title 04** of **Alaska Statutes** and **Chapter 305** of the **Alaska Administrative Code**. This form must be completed and submitted along with all other required forms and documents before any endorsement application will be considered complete and placed in the queue for our licensing examiners review.

Section 1 – Establishment and Contact Information

Enter information for the *current* licensee and licensed establish.

Licensee:	Vida's Thai Food LLC		License #:		5819	
Doing Business As:	Vida's Thai Food		Business As: Vida's Thai Food License Type:		pe:	Roziaurant Eating Place License (REPL)
Licensee Mailing Address:	142 Lee Drive; Homer, AK 99603		Phone Nur	nber:	(907) 299-7912	
Full Premises Address:	397 East Pioneer Avenue; Homer, AK 99603					
City:	llomer	State:	AK	ZiP:	99003	
Local Governing Body:	City of Homer/Kenai Peninsula Borough	Email:	Email: andymark180@gmail.com			

	Section 2 – Endorsement Requested
Restaurant Endorsement:	AS 04.09.450. A restaurant endorsement authorizes the holder of a beverage dispensary license, fair
	license, golf course license, sporting activity or event license, club license, outdoor recreation
Ì	iodge license, destination resort license, or beverage dispensary tourism license.
	The biennial fee for a restaurant endorsement is \$200 with a \$25 application fee.

An application for a restaurant endorsement must specify the establishment or portion of the establishment that constitutes a bona fide restaurant, that there is supervision on the premises adequate to reasonably ensure that a person under 21 years of age will not obtain alcoholic beverages. This **endorsement** application is for the request of a designation as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049, and for the request of the following designation(s) (check all that apply):

1. Dining after standard closing hours: AS 04.16.010(c)

2. **V** Dining by persons 16 – 20 years of age: AS 04.16.049(a)

3. *Dining by persons under the age of 16 years, accompanied by a person over the age of 21: AS 04.16.049(a)*

4. Employment for any persons under 21 years of age: AS 04.16.049(c)

NOTE: Under AS 04.16.049(d), a Department of Labor and Workforce Development work permit is not required to employ a person 18 - 20 years of age.

Section 3 - Access to Persons Under 24_Years of Age

Review AS 04.16.049(a); AS 04.16.049(c)

Be specific in your list where within the premises persons under 21 years of age are anticipated to have access in the course of either dining or employment as designated in Section 2. (Example: Persons under 21 years of age will only be allowed in the dining area OR will only be employed and present in the kitchen).

Persons under 21 years of age will only have access to the dining area.



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Alaska Alcoholic Beverage Control Board <u>Restaurant Endorsement Application</u>

Describe the policies, practices and procedures that will be in place to ensure that persons under 21 years of age do not gain access to alcoholic beverages while dining or employed at your premises. Outline how and where alcoholic beverages are stored on premises. Acknowledge that employees who sell and serve alcoholic beverages must have a current Server Education Card.

-Back stock alcohol will be stored in a locked area. -Persons under the age of 21 years old will not have access to the chill beverage area. -Employees who sell and serve alcoholic beverages will have a current Server Education Card.

Yes	No
~	

...

Section 4 - Food Service Establishment Permit

Per AS 04.21.080(b) for an establishment to qualify as a bona fide restaurant, a Food Service Permit or (for licenses within the Municipality of Anchorage) corresponding Department of Health and Human Services documentation is required.

Link to the Alaska Department of Environmental Conservation (ADEC) Food Safety Website:

http://dec.alaska.gov/eh/fss/food/

during business hours?

Link to the Municipality of Anchorage Food Safety Website:

http://www.muni.org/Departments/health/Admin/environment/FSS/Pages/fssfood.aspx

IF you are unable to certify the below statement, please discuss the matter with the AMCO office:

I have attached a copy of the current food service permit for this premises OR the plan review approval.

Is an owner, manager, or assistant manager who is 21 years of age or older always present on the premises



*Note: If a plan review approval is submitted, a final permit will be required before finalization of any permit or license application.

Section 5 – Hours of Operation

Review AS 04.16.010(c).

Include variances in weekend/weekday hours, and indicate AM/PM:

Days/Hours of Operation

Weekday	From Time Cay	To Time of Day	
Sunday	CLOSED		
Monday	11:00 AM	10:00 PM	
Tuesday	11:00 AM	10:00 PM	
Wednesday	11:00 AM	10:00 PM	
Thursday	11:00 AM	10:00 PM	
Friday	11:00 AM	10:00 PM	
Saturday	11:00 AM	10:00 PM	



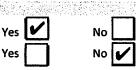
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Alaska Alcoholic Beverage Control Board <u>Restaurant Endorsement Application</u>

Section 6 – Areas Covered by Endorsement

Does the endorsement apply to your entire licensed premises as approved by the ABC Board?

Does the requested endorsement expand your currently licensed premises?



- If no, attach the approved diagram, no larger than 81/2" × 11" of the layout, and identify the portions of the premises covered by various requested endorsements. You must use a solid, contiguous colored line in any color other than red to outline the outer perimeter of the area of the premises covered by the requested endorsement(s).
- If endorsements are overlapping, provide a conspicuous means to distinguish each endorsement from the other (e.g., keyed map with varying colors for each requested endorsement.
- Your drawing MUST include:
 - Dimensions in feet not square feet of all exterior walls and major interior walls (we do not accept diagrams drawn to scale)
 - Include cross-streets
 - A north arrow, and any significant geographical features. Points of reference, such as a compass showing North.
 - All entrances, exits, walls, bars, and fixtures
- If your premises includes multiple floors, please include a separate diagram of each floor. You must identify
 the stairs between each floor, and each hallway/corridor that leads to each set of stairs.
- Any endorsement application that includes outdoor space are required to submit a security plan that includes information about the barriers, practices, and personnel that are to be used to ensure that alcohol is not introduced or removed from the permitted premises and to prevent the access of alcohol by a minor during the permitted event. A security plan may be requested for other proposed locations on a case-by-case basis.

Section 7 – Entertainment & Service

Are any forms of entertainment offered or available within the licensed business or within the proposed licensed premises? Yes No

If yes, describe the entertainment offered or available and the hours in which the entertainment may occur. Entertainment as described by AS 04.09.210, includes dancing, karaoke, live performances, or similar activities, but does not include recorded or broadcast performances without live participation.

 Food and beverage service offered or anticipated is:

 Image: Table Service in the service is:

 Image: Table Service is:<

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Initials

WB

WB

WB

WB

Alaska Alcoholic Beverage Control Board <u>Restaurant Endorsement Application</u>

Section 8 – Attestations

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3AAC 305.340.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

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 of 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, and or endorsement. I further understand that this is a Class A misdemeanor under AS 11.56.210 to falsify an application and commit the crime of unsworn falsification.

Wichulada Bunchim

Printed name of licensee



Date

Signature of licensee

Vida' s Thai Food

Pickup from 397 E pioneer Avenue

Q	Appetizers	Curries	Drinks	Noodle Bowls	Soups	Soups	Salad	More
•					•			

 \equiv

Appetizers

Crab Rangoon 6 pieces

\$12.95

Fresh Rolls

Rice paper wrap with spring mixed salad ,red cabbage,carrot,and basil . Serve with tamarind sauce with peanuts

\$9.95 - \$10.95 \$9.00 - \$9.95

Fried Butterfly Shrimp 5 pieces

\$12.95

Fried Calamari

\$12.95

Fried Du \$10.95	ımplings 6 p	pieces					
Appetizers	Curries	Drinks	Noodle Bowls 57 Soups	Soups	Salad	More	

Fried Tofu

\$11.00

Steamed Dumplings 6 pieces

\$10.95

Thai Hot Wing

Crispy wings covered in tamarind sauce with just a hint of spice

\$17.00

Pork Egg Rolls 2 pieces

\$8.00

Basil Kadfir lime Crispy Shrimp rolls \$15.00 Low stock

Curries

Green C	urry								
Bamboo shoot, broccoli, basil, your choice of meat and green curry paste in coconut milk. Served with jasmine rice.									
\$19.00 - 9	\$24.00								
Appetizers	Curries	Drinks	Noodle Bowls Soups	Soups	Salad	More			

Panang

Broccoli, green beans, Kiefer lime leaf, your choice of meat and Panang curry paste in coconut milk. Served with jasmine rice.

\$19.00 - \$24.00

Red Curry

Your choice of meat, bamboo shoots, broccoli, basil and red curry paste in coconut milk. Served with jasmine rice.

\$19.00 - \$24.00

Pineapple Curry

Pineapple, tomato, broccoli, basil, your choice of meat and red curry paste and coconut milk. Served with jasmine rice.

\$19.00 - \$24.00

Yellow Curry

Potato, onion, carrot, your choice of meat, yellow curry paste in coconut milk. Served with jasmine rice.

\$19.00 - \$24.00

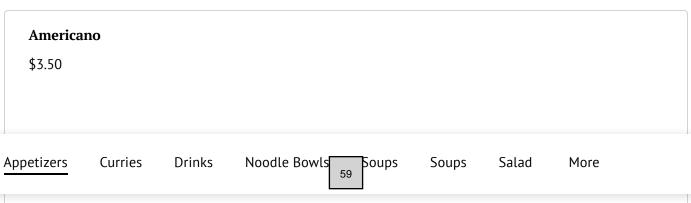
Roasted duck curry

Half of a tender roasted duck with red curry,tomato,pineapple,bamboo shoots,bell pepper,broccoli and Thai basil

\$27.00

Out of stock

Drinks



Hot Tea

\$2.00

Sparkling Water

\$4.00

Cold drinks

\$3.00 - \$6.00

Hot tea or coffee latte

\$4.75

Noodle Bowls

Khao Soi

Ramen noodles, yellow onions, potatoes, carrots in yellow Curry sauce. Garnish with cilantro lime and crispy noodle.

\$20.00 - \$24.00

Pho

Rice noodles and broth with beans sprouts, onions and green onions. Garnished with green onions and cilantro.

Appetizers	Curries	Drinks	Noodle Bowls	Soups	Soups	Salad	More	
			60		•			

Suki Yaki Noodle

Glass noodles, egg, choice of protein, onions, carrots, mushrooms and cabbage in broth. Garnished with green onions and cilantro. Served with sesame garlic chili sauce.

\$15.00 - \$24.00

Thai Creamy Tom Yum

Rice noodles and creamy coconut lemongrass broth with mushrooms, cabbage, shrimp, green onions and cilantro.

\$15.00 - \$24.00

Thai Noodle Soup

Rice noodles in broth with a choice of meat, broccoli, beans sprouts in green onion.

\$15.00 - \$24.00

Tom Kha Noodle

Silky coconut milk, galanga and lemongrass broth with rice noodles, chicken, cabbage and mushrooms. Garnish with green onions and cilantro.

\$15.00 - \$24.00

Wonton Soup

Japanese steamed dumplings with cabbage and bean sprouts in broth. Garnished with green onions sesame oil and sesame seeds.

\$15.00 - \$18.00

Soups

Tom Kha	a								
Silky Coconut galangal soup with your choice of protein, mushrooms, cabbage, green onion and cilantro. It is gluten free.									
\$14.00 - 9	\$24.00								
m ¥7									
Appetizers	Curries	Drinks	Noodle Bowls 61	s Soups	Salad	More			
\$14.00 - X	¢∠4.00								

Soups

Tom Yum

Lemongrass broth with your choice of protein, mushrooms, cabbage, scallions, and cilantro. Gluten free

\$14.00 - \$24.00

Tom Kha

Silky Coconut galangal soup with your choice of protein, mushrooms, cabbage, green onion and cilantro. It is gluten free.

\$14.00 - \$24.00

Soup

\$14.00 - \$24.00

Salad

Satay Salad

Mixed greens with choice of meat, tomatoes and cucumber. Serve with peanut curry sauce.

\$18.00 - \$22.00

Cranberry & Walnut Salad

Make greens with pickled onion, feta cheese, dried cranberries, walnuts and raspberry vinaigrette.

\$14.00 - \$22.00

Chicken Larb

Ground chicken with pan roasted rice, onions with spicy lime juice. Served with a bed of lettuce.

Appetizers	Curries	Drinks	Noodle Bowls 500	ps Soups	Salad	More

House Salad

Mixed greens, tomatoes and cucumber with peanut sauce.

\$10.00 - \$20.00

Asian Salad

Mixed greens with sesame seeds, crispy noodles, Mandarin oranges and Asian Dijon vinaigrette.

\$14.00 - \$22.00

Fried Rice

Panang Curry Fried Rice

Stir fried jasmine rice with Panang Curry, kaffir lime leaf, basil, green beans and broccoli.

\$19.00 - \$24.00

Pineapple Fried Rice

Stir fried jasmine rice with egg, onions, carrots, peas, green onions, raisins, cashew, pineapple, curry powder and cilantro.

\$19.00 - \$24.00

Fried Rice

Stir fried jasmine rice with egg, onions, carrots, peas and green onions.

\$18.00 - \$24.00

Egg fried rice			
\$18.00			

Appetizers	Curries	Drinks	Noodle Bowls 63 Soups	Soups	Salad	More	
Pad Tha	ai						

Stir fried rice noodles with egg, cabbage and green sprouts. Garnished with green onions and peanuts.

\$19.00 - \$24.00

Pad See-ew

Stir fried rice noodles with carrots and broccoli in a special sauce. Topped with an egg.

\$19.00 - \$24.00

Pad Kee Mao

Stir fried rice noodles with onions, carrots, mushrooms, broccoli and basil.

\$19.00 - \$24.00

Drunken spaghetti kee mao

Stir fried spaghetti noodles with onions, carrots, broccoli, mushrooms and basil.

\$19.00 - \$24.00

Chow Mein

Stir fried egg noodles with onions carrots mushrooms cabbage and green onions.

\$19.00 - \$24.00

Pad Won Sen

Glass noodles with cabbage, mushrooms, onions, carrots, egg, bean sprouts and green onions.

\$19.00 - \$24.00

Entrées

Mixed Ve Stir fried	00	vith your chc	vice of meat. Served with steam	ed jasmine	rice.	
Appetizers	Curries	Drinks	Noodle Bowls 64 Soups	Soups	Salad	More

Ginger

Stirfried choice of meat with ginger, carrots, onions, and mushrooms. Served with steamed jasmine rice.

\$19.00 - \$24.00

Garlic

Stirfry choice of proteins and a special garlic sauce served with steamed jasmine rice and a green salad.

\$19.00 - \$24.00

Cashew

Stirfried choice of meat with onion carrots mushrooms and cashews. Served with steamed jasmine rice.

\$19.00 - \$24.00

Broccoli

Stirfried broccoli carrots and your choice of meat with garlic sauce. Served with steamed rice.

\$19.00 - \$24.00

Basil

Stir fried chicken with garlic, mushrooms, carrots, onion, broccoli, and Basil. Served with steamed rice.

\$19.00 - \$24.00

Mongolian Beef

Beef bell pepper onions green onions sesame oil and sesame seed in Mongolian sauced. Served with a side of jasmine rice.

\$20.00

Sweet & \$19.00 - 5							
Appetizers	Curries	Drinks	Noodle Bowls Soups	Soups	Salad	More	

Kids Menu

Butter Noodles

Spaghetti noodles with steamed vegetables.

\$7.00 - \$20.00

Kid Teriyaki Chicken & Noodles

Teriyaki chicken with rice noodles. Served with steamed vegetables

\$7.00 - \$13.00

Kid Teriyaki Chicken & Rice

Teriyaki chicken with steamed rice, served with steamed vegetables.

\$12.00 - \$13.00

Side

Side Streamed Broccoli \$4.00

Side rice noodle

\$3.50

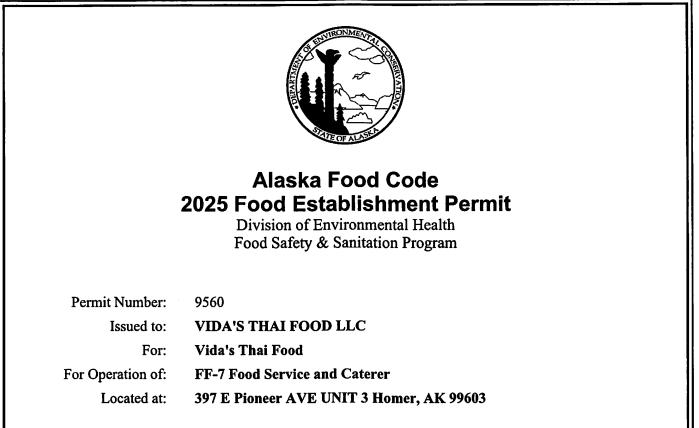
Side Frie \$5.00	d Rice						
Appetizers	Curries	Drinks	Noodle Bowls 66 Soups	Soups	Salad	More	

Side Brown Rice	 	
\$4.00		
Peanuts Sauce		
\$0.75		
Side Steamed Mixed Veg.		
\$5.00		
\$ 5. 00		

Vida' s Thai Food

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This permit, issued under the provisions of 18 AAC 31, is valid until the noted expiration date or unless suspended or revoked by the department.

This permit is not transferable for change of ownership, facility location, or type of operation. It must be posted in plain view in the establishment and is the property of the State of Alaska.

Expiration Date: December 31, 2025

Program Manager:

Kimpuly

If you have questions or concerns regarding safe food handling practices call or text 907-764-9825 or visit our website to file a complaint (dec.alaska.gov/eh/fss/report-illness-issue/)







144 North Binkley Street, Soldotna, AK 99669 | (P) 907-714-2160 | (F) 907-714-2388 | www.kpb.us

Thursday, June 5, 2025

Sent via email: clerk@ci.homer.ak.us

Renee Krause, City Clerk City of Homer

RE: Non-Objection of Application

Licensee/Applicant Business Name License Type License Location License No. Application Type	: : : : : : : : : : : : : : : : : : : :	Vida's Thai Food, LLC Vida's Thai Food Restaurant/Eating Place - Public Convenience 397 East Pioneer Ave Homer AK 99603, City of Homer 5819 Transfer of Location
	•	
License No.	:	5819
Application Type	:	Transfer of Location
		Transfer of Name
		Transfer of Owner

Dear Ms. Krause,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

um

Michele Turner, CMC Borough Clerk

cc: Andymark180@gmail.com;

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 4, 2025

City of Homer VIA Email: <u>mjacobsen@ci.homer.ak.us</u>; <u>rkrause@ci.homer.ak.us</u>; <u>clerk@ci.homer.ak.us</u>;

Kenai Peninsula Borough

VIA Email: <u>micheleturner@kpb.us</u>; <u>sessert@kpb.us</u>; <u>mjenkins@kpb.us</u>; <u>nscarlett@kpb.us</u>; <u>mboehmler@kpb.us</u>; <u>rraidmae@kpb.us</u>; <u>slopez@kpb.us</u>; <u>jrasor@kpb.us</u>; <u>hmills@kpb.us</u>

License Type:	Distillery Manufacturer	License Number:	16428
Licensee:	Grace Ridge Brewing, Inc.		
Doing Business As:	Grace Ridge Brewing		
Premises Address	870 Smoky Bay Way, Homer, AK 99603		
Endorsement(s):	Manufacturer Sampling Endorsement		

New Application

□ Transfer of Location Application

□ Transfer of Ownership Application
 □ Transfer of Controlling Interest Application

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 305.085(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

AS 04.11.491 – AS 04.11.509 provide that the board will deny a license application if the board finds that the license is prohibited under as a result of an election conducted under AS 04.11.507.

AS 04.11.420 provides that the board will not issue a license when a local governing body protests an application on the grounds that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the alcohol establishment, unless the local government has approved a variance from the local ordinance.

Sincerely, Anna White, Licensing Examiner II For Kevin Richard, Director amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board Form AB-00: New License Application

Why is this form needed?

This application for a license is required for all individuals or entities seeking to apply for a new alcoholic beverage license. Applicants should review **Title 04** of **Alaska Statutes and Chapter 30S** of the **Alaska Administrative Code**. All fields of this form must be completed, per AS 04.11.260 and 3 AAC 305.045.

This form must be completed and submitted to AMCO's Anchorage office, along with all other required forms and fees before any license application will be considered complete and placed in the queue for a licensing examiner review.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to be licensed. Applicant: Grace Ridge Brewing, Inc. License Type: 04.09.040 and .340 Distillery manufacture and retail Statutory Reference: **Doing Business As:** Grace Ridge Brewing Premises Address: 870 Smoky Bay Way State: AK ZIP: 99603 City: Homer Local Governing City of Homer, Kenai Peninsula Borough **Body/Bodies: Community Council,** (If applicable):

Mailing Address:	870 Smoky Bay Way					
City:	Homer	State:	AK	ZIP:	99603	

Designated Individual with Binding Authority to apply for this License:	Steven Stead		
Contact Phone:	541-829-9408	Business Phone:	907-435-0601
Contact Email:	graceridgebrewing@)gmail.com	

Seasonal License?

1

If "Yes", write your operating period not exceeding

Six months each year: ____

OFFICE USE ONLY						
Complete Date:	License Years:		License #:			
Board Meeting Date:	Transaction #:		100904	1373		
Issue Date:		Examiner:				

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Page 1 of 5



Premises to be licensed

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-00: New License Application

Section 2 - Premises Information

an existing facility	a new building	a propose	ed building		
The next two questions must package store applicant only	t be completed by an applicant for a <u>b</u> :	everage dispe	ensary or beverage dispen	sary tou	i <u>rism license</u> and
	hortest pedestrian route from the pub rest school grounds? Include the unit			posed p	premises to the
	hortest pedestrian route from the put st church building? Include the unit o			posed (premises to the
9	ection 3 – Sole Proprieto		rehin Information		
If more space is needed, ple The following information mu	ted by any <u>sole proprietor</u> who is appl ase attach a separate sheet with the ust be completed for each licensee and applicant affiliate	required info	rmation.	o Sectio	on 4.
Name:					
Address:					
City:		State:		ZIP:	
Email:		Phone Nun	nber:		
This individual is an: 🔲 a	pplicant 🔲 affiliate				
Name:					
Address:					
City:		State:		ZIP;	
Email:		Phone N	lumber:	¥-	



Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

Section 4 - Entity Ownership Information

This section must be completed by any <u>entity</u>, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 5. If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a <u>corporation</u>, the application shall be executed by an authorized officer of the Corporation. Information must be completed below for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president*, *vice*-
- president, secretary, and managing officer.
 If the applicant is a limited liability organization, whether manager managed or member managed, the following information must be completed for each member with an ownership interest of 10% or more and for each manager regardless of ownership share.
- If the applicant is a **partnership**, including a **limited partnership**, the following information must be completed for each **partner** with an interest of 10% or more, and for each **general partner**.
- For <u>any entity</u>, identify all affiliates for your organization as defined at 3 AAC 305.950.

Entity Official:	Donald Stead				
Title(s):	President	Phone:	907-399-5222	% Ow	/ned: 55.17
Address:	1401 Candlelight Court				
City:	Homer	State:	AK	ZIP:	99603
Email:	don.stead.53@gmail.co	m			

Entity Official:	Steven Stead				
Title(s):	Vice President, Treasurer	Phone:	541-829-9408	% Ov	/ned: 37,93
Address:	1401 Candlelight Court			1.74	
City:	Homer	State:	AK	ZIP:	99603
Email:	stead.steve@gmail.com		•		

Entity Official:	Meagan Stead					
Title(s):	Secretary	Phone:	925-698-7204	% Owr	ned:	3.45
Address:	1401 Candlelight Court					
City:	Homer	State:	AK	ZIP:	99	603

Entity Official:		
Title(s):	Phone:	% Owned:
Address:		
City:	State:	ZIP:
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Page 3 of 5



Yes

V

Yes

No

V

No

Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

This subsection must be completed by any applicant that is a corporation or LLC or who has registered as a business entity with the Division of Corporations, Business, and Professional Licensing (CBPL). Any entity registered or required to be registered with CBPL must be in good standing and have a registered agent as defined at AS 04.11.430.

CBPL Entity #:	10028849	AK Formed Date:	April 16th, 2015	Home State:	AK
Registered Agent:	Donald Stead	ł	Agent's Phone:	907-399-52	22
Agent's Mailing Address:	870 Smoky B	870 Smoky Bay Way			
City:	Homer	State:	AK	ZIP:	99603
Email:	graceridgebrewing@gmail.com				
					Yes No

Does your registered agent satisfy the requirement of AS 04.11.430?

Section 5 - Other Licenses

Ownership and financial interest in other alcoholic beverage businesses.

Does any representative or owner named in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?

If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

Donald Stead, Steven Stead, Meagan Stead hold ownership of Grace Ridge Brewing, Inc. which holds BML #5433 and BRL #15274 both dba Grace Ridge Brewing Company. Steven Stead and Meagan Stead hold ownership of Brew Alaska, LLC which holds SREPTL #16586 dba Brew Alaska

Section 6 - Authorization

Communication with AMCO staff:

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and contact information for the individual, including phone number and email, and the authority for this authorization:



rev 12/12/2023



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

Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

Section 7 – Attestations

Read each line below, and then sign your initials in the box to the right of each statement:

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 305.700.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

I hereby certify that I am the person herein named and subscribing to this 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.

I certify that all proposed licensees have been listed with Division of Corporation, Business and Professional Licensing.

I certify that I and any individual identified in the business entity ownership section of this application, has or will read AS 04 and its implementing regulations.

STEAD WALD

Printed name of licensee

Signature of licensee

Initials

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

Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

Section 7 - Attestations

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I certify that I and any individual identified in the business entity ownership section of this application, has or will read AS 04 and its implementing regulations.

Printed name of licensee

Signature of licensee



Initials



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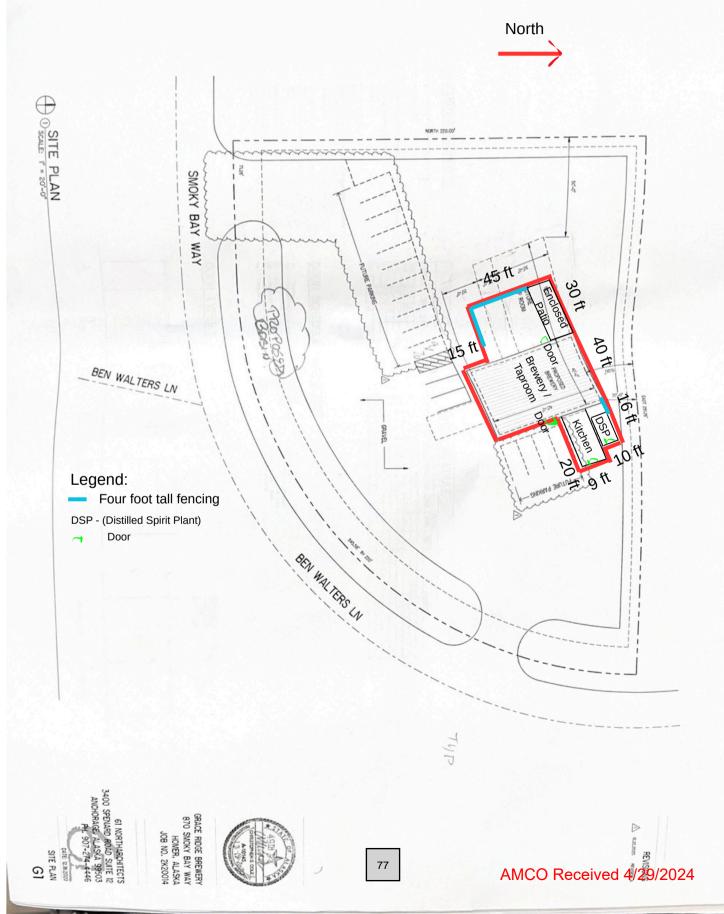


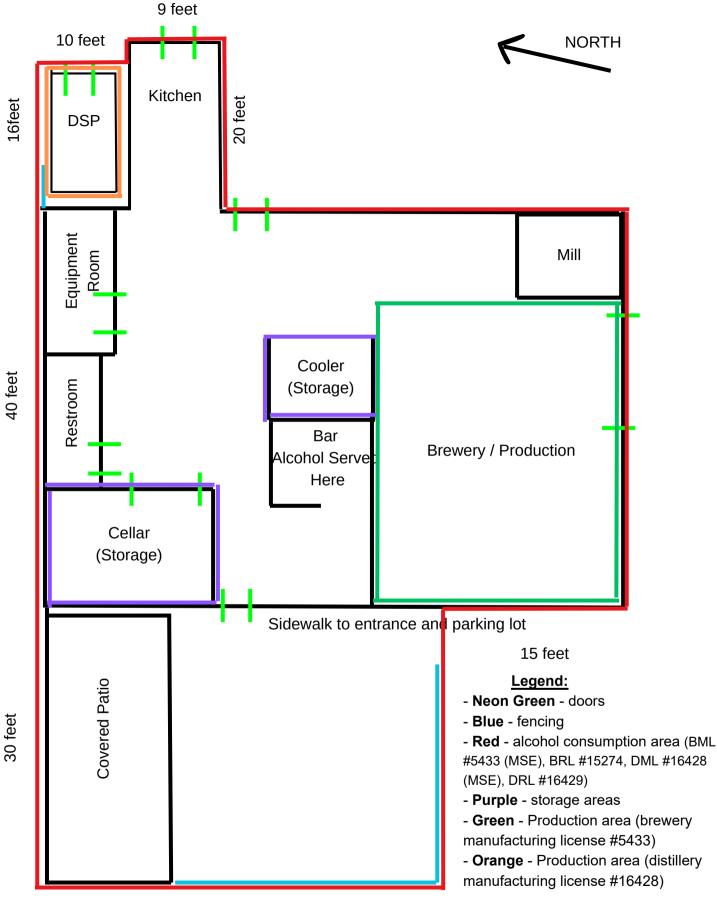
Changes:

Enlarged outdoor space for enclosed patio.

Kitchen added abutting existing roll up door.

DSP (Distillery Manufacturing) added as separate building next to brewery to maintain separation of public from distillation plant (not built, pending application approval).







Grace Ridge Brewing

Security Plan for Outdoor Beer Garden 870 Smoky Bay Way

1. The outdoor area is 30 feet by 50 feet, surrounded by a 5 foot tall cedar wood fence abutting the main building.

2. Entrance and exit to the area is through two gates and a door to the brewery. Only the gate to the south will be unlocked during business hours. The gate to the north is for maintenance.

3. The area will be observed by personnel serving beverages inside the brewery through the window in the door at the entrance to the brewery. There will be two cameras providing surveillance of the area with a screen available to the serving personnel.

4. All serving personnel will be required to obtain a TAPS card to ensure their understanding of the laws.

5. Patrols of the area will be conducted every 15 minutes by serving personnel to monitor customers in the area and clean up.

AMCO SEP - 9 2021



Document reference ID : 5648

Licensing Application Summary

Application ID:	5648
Applicant Name:	Grace Ridge Brewing, Inc.
License Type applied for:	Manufacturing Sampling Endorsement (MSE) (AS 04.09.410)
Application Status:	In Review
Application Submitted On:	05/31/2025 07:53 AM AKDT
Entity Information	

Entity information

Business Structure:	Corporation
Alaska Entity Number (CBPL):	10028849

Entity Contact Information

Entity Address:

870 Smokey Bay Way, Homer, AK, 99603, USA

Initial Application Information

Authority Type:	I am authorized user by the designated licensee with binding authority
Legal First Name:	Steven
Legal Last Name:	Stead
Email Address:	graceridgebrewing@gmail.com
Phone Number:	541-829-9408

Additional Authorized Users

Legal Name

Ownership / Principal Party Details

Principal Parent Entity	Principal Party	Role	%Ownership
Grace Ridge Brewing, Inc.	Steven Stead	Stockholder/Shareholder, Treasurer, Vice President	37.93
Grace Ridge Brewing, Inc.	Meagan Stead	Secretary, Stockholder/Shareholder	3.45
Grace Ridge Brewing, Inc.	Donald Stead	President, Stockholder/Shareholder	55.17

Premises Address

Address:	870 Smoky Bay Way, Homer, AK, 99603-7653, USA
Does the proposed site include a valid street address?	Yes
Primary license number	
Primary License Information	Application ID - 3657 - New Distillery Manufacturer License Application - Initiated
Basic Business information	
Business/Trade Name:	Grace Ridge Brewing
Local Government and Communit	y Council Details
City/Municipality	Homer
Borough	Kenai Peninsula Borough
Premises Diagram	
Will the license or permit embrace the entire premises	address? Yes
Premises Diagram	
 Facility Diagram 5-31-25 with corrections.pdf 	
Security Plan	
Grace Ridge Brewery security plan (1).pdf	

Attestations

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 305.700.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

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.

I certify that all proposed licensees have been listed with Division of Corporation, Business, and Professional Licensing.

I certify that I and any individual identified in the business entity ownership section of this application, has or will read AS 04 and its implementing regulations.

Signature

This application was digitally signed by : Steven Stead on 05/31/2025 07:53 AM AKDT

Payment Info

Payment Type : CC

Payment Id: 4c252fc6-f621-4aeb-99c3-e9f17f5bede5

Receipt Number: 101075074

Payment Date: 05/31/2025 07:55 AM AKDT

Documents

#	File Name	Туре	Added On
1	Facility Diagram 5-31-25 with corrections.pdf	License Location Diagram Document	05/31/2025 07:52 AM AKDT
2	<u>Grace Ridge Brewery security plan (1).pdf</u>	License Location Diagram Security Plan Document	05/31/2025 07:52 AM AKDT
		Download	

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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 4, 2025

City of Homer VIA Email: <u>mjacobsen@ci.homer.ak.us; rkrause@ci.homer.ak.us; clerk@ci.homer.ak.us;</u>

Kenai Peninsula Borough

VIA Email: <u>micheleturner@kpb.us</u>; <u>sessert@kpb.us</u>; <u>mjenkins@kpb.us</u>; <u>nscarlett@kpb.us</u>; <u>mboehmler@kpb.us</u>; <u>rraidmae@kpb.us</u>; <u>slopez@kpb.us</u>; <u>jrasor@kpb.us</u>; <u>hmills@kpb.us</u>

License Type:	Distillery Retail	License Number:	16429
Licensee:	Grace Ridge Brewing, Inc.		
Doing Business As:	Grace Ridge Brewing		
Premises Address	870 Smoky Bay Way, Homer, AK 99603		
Endorsement(s):	None		

New Application

□ Transfer of Location Application

□ Transfer of Ownership Application
 □ Transfer of Controlling Interest Application

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 305.085(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

AS 04.11.491 – AS 04.11.509 provide that the board will deny a license application if the board finds that the license is prohibited under as a result of an election conducted under AS 04.11.507.

AS 04.11.420 provides that the board will not issue a license when a local governing body protests an application on the grounds that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the alcohol establishment, unless the local government has approved a variance from the local ordinance.

Sincerely, Anna White, Licensing Examiner II For Kevin Richard, Director amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board Form AB-00: New License Application

Why is this form needed?

This application for a license is required for all individuals or entities seeking to apply for a new alcoholic beverage license. Applicants should review **Title 04** of **Alaska Statutes and Chapter 30S** of the **Alaska Administrative Code**. All fields of this form must be completed, per AS 04.11.260 and 3 AAC 305.045.

This form must be completed and submitted to AMCO's Anchorage office, along with all other required forms and fees before any license application will be considered complete and placed in the queue for a licensing examiner review.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to be licensed. Applicant: Grace Ridge Brewing, Inc. License Type: 04.09.040 and .340 Statutory Reference: Distillery manufacture and retail **Doing Business As:** Grace Ridge Brewing Premises Address: 870 Smoky Bay Way State: AK ZIP: 99603 City: Homer Local Governing City of Homer, Kenai Peninsula Borough **Body/Bodies: Community Council,** (If applicable):

Mailing Address:	870 Smoky Bay Way				
City:	Homer	State:	AK	ZIP:	99603

Designated Individual with Binding Authority to apply for this License:	Steven Stead		
Contact Phone:	541-829-9408	Business Phone:	907-435-0601
Contact Email:	graceridgebrewing@g	mail.com	

Seasonal License?

1

If "Yes", write your operating period not exceeding

Six months each year: ____

OFFICE USE ONLY					
Complete Date:	License Years:		License #:		
Board Meeting Date:		Transaction #:	100904	1373	
Issue Date:		Examiner:			

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ALCO	HOL MARLUANA CONTROL OFFICE

Page 1 of 5



Premises to be licensed

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-00: New License Application

Section 2 - Premises Information

an existing facility	a new building	a propose	ed building			
The next two questions must be completed by an applicant for a <u>beverage dispensary or beverage dispensary tourism license</u> and <u>package store</u> applicant only:						
	hortest pedestrian route from the pub rest school grounds? Include the unit			posed p	premises to the	
	hortest pedestrian route from the put st church building? Include the unit o			posed p	premises to the	
9	ection 3 – Sole Proprieto		rehin Information			
If more space is needed, ple The following information mu	ted by any <u>sole proprietor</u> who is appl ase attach a separate sheet with the ust be completed for each licensee and applicant affiliate	required info	rmation.	o Sectio	on 4.	
Name:						
Address:						
City:		State:		ZIP:		
Email:		Phone Nun	nber:			
This individual is an: applicant affiliate						
Name:						
Address:						
City:		State:		ZIP;		
Email:		Phone N	lumber:	¥-		



Address:

Email:

Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

Section 4 - Entity Ownership Information

This section must be completed by any <u>entity</u>, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 5. If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a <u>corporation</u>, the application shall be executed by an authorized officer of the Corporation. Information must be completed below for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president*, *vice*-
- president, secretary, and managing officer.
 If the applicant is a limited liability organization, whether manager managed or member managed, the following information must be completed for each member with an ownership interest of 10% or more and for each manager
- regardless of ownership share.
 If the applicant is a <u>partnership</u>, including a <u>limited partnership</u>, the following information must be completed for each *partner* with an interest of 10% or more, and for each general partner.
- For <u>any entity</u>, identify all affiliates for your organization as defined at 3 AAC 305.950.
 Entity Official: Donald Stead
 Title(s): President Phone: 907-399-5222 % Owned:

1401 Candlelight Court

stead.steve@gmail.com

City:	Homer	State:	AK	ZIP:	99603
Email:	don.stead.53@gmail.com				
Entity Official:	Steven Stead	_			
Title(s):	Vice President, Treasurer	Phone:	541-829-9408	% Ow	ned: 37.93
Address:	1401 Candlelight Court			9.07F	
City:	Homer	State:	AK	ZIP:	99603
		•			

Entity Official:	Meagan Stead					
Title(s):	Secretary	Phone:	925-698-7204	% Own	ed:	3.45
Address:	1401 Candlelight Court					
City:	Homer	State:	AK	ZIP:	99	603

Entity Official:		
Title(s):	Phone:	% Owned:
Address:		
City:	State:	ZIP:
		9 W E

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rev 12/12/2023

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STATE OF ALASKA

Page 3 of 5

155.17



Yes

V

Yes

No

V

No

Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

This subsection must be completed by any applicant that is a corporation or LLC or who has registered as a business entity with the Division of Corporations, Business, and Professional Licensing (CBPL). Any entity registered or required to be registered with CBPL must be in good standing and have a registered agent as defined at AS 04.11.430.

CBPL Entity #:	10028849	AK Formed Date:	April 16th, 2015	Home State:	AK
Registered Agent:	Donald Stead	ł	Agent's Phone:	907-399-52	22
Agent's Mailing Address:	870 Smoky Bay Way				
City:	Homer	State:	AK	ZIP:	99603
Email:	graceridgebrewing@gmail.com				
					Yes No

Does your registered agent satisfy the requirement of AS 04.11.430?

Section 5 - Other Licenses

Ownership and financial interest in other alcoholic beverage businesses.

Does any representative or owner named in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?

If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

Donald Stead, Steven Stead, Meagan Stead hold ownership of Grace Ridge Brewing, Inc. which holds BML #5433 and BRL #15274 both dba Grace Ridge Brewing Company. Steven Stead and Meagan Stead hold ownership of Brew Alaska, LLC which holds SREPTL #16586 dba Brew Alaska

Section 6 - Authorization

Communication with AMCO staff:

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and contact information for the individual, including phone number and email, and the authority for this authorization:



rev 12/12/2023



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

Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

Section 7 – Attestations

Read each line below, and then sign your initials in the box to the right of each statement:

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

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I certify that I and any individual identified in the business entity ownership section of this application, has or will read AS 04 and its implementing regulations.

STEAD WALD.

Printed name of licensee

Signature of licensee

Initials

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

Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

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Printed name of licensee

Signature of licensee



Initials



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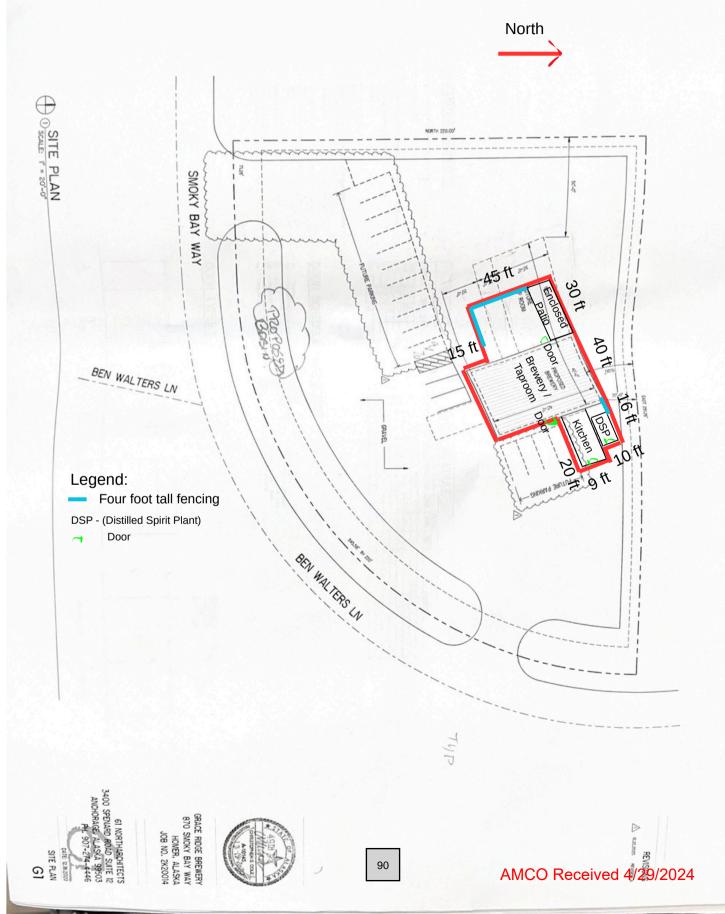
RECEIVED SEP 1 9 2024 ALCOHOL MARIJUANA CONTROL OFFICE STATE OF ALASKA

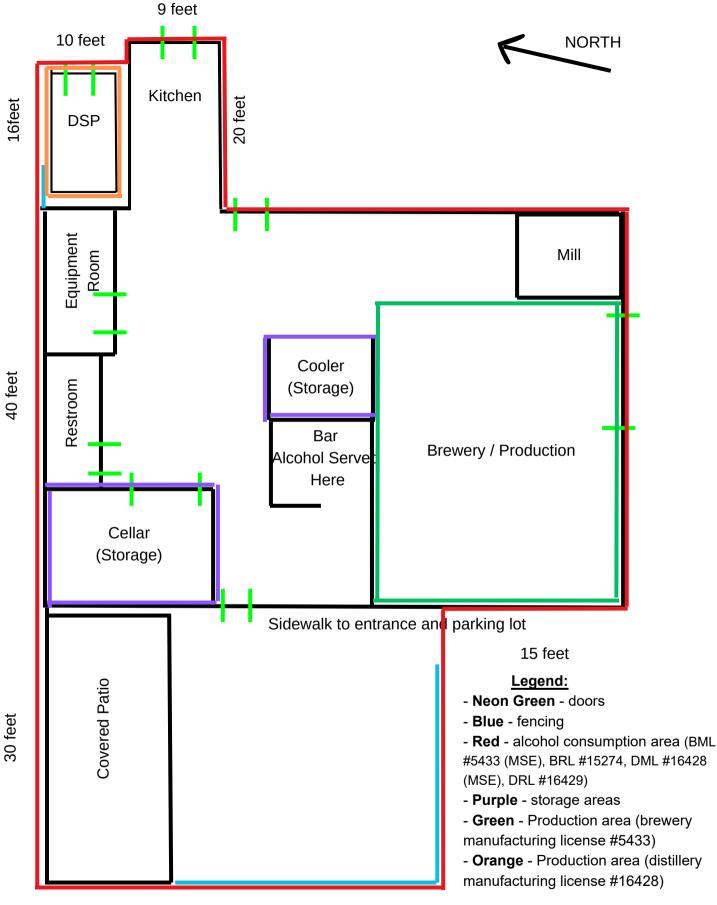
Changes:

Enlarged outdoor space for enclosed patio.

Kitchen added abutting existing roll up door.

DSP (Distillery Manufacturing) added as separate building next to brewery to maintain separation of public from distillation plant (not built, pending application approval).







Grace Ridge Brewing

Security Plan for Outdoor Beer Garden 870 Smoky Bay Way

1. The outdoor area is 30 feet by 50 feet, surrounded by a 5 foot tall cedar wood fence abutting the main building.

2. Entrance and exit to the area is through two gates and a door to the brewery. Only the gate to the south will be unlocked during business hours. The gate to the north is for maintenance.

3. The area will be observed by personnel serving beverages inside the brewery through the window in the door at the entrance to the brewery. There will be two cameras providing surveillance of the area with a screen available to the serving personnel.

4. All serving personnel will be required to obtain a TAPS card to ensure their understanding of the laws.

5. Patrols of the area will be conducted every 15 minutes by serving personnel to monitor customers in the area and clean up.

AMCO SEP - 9 2021

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 4, 2025

City of Homer

VIA Email: mjacobsen@ci.homer.ak.us; rkrause@ci.homer.ak.us; clerk@ci.homer.ak.us;

Kenai Peninsula Borough

VIA Email: <u>micheleturner@kpb.us</u>; <u>sessert@kpb.us</u>; <u>mjenkins@kpb.us</u>; <u>nscarlett@kpb.us</u>; <u>mboehmler@kpb.us</u>; <u>rraidmae@kpb.us</u>; <u>slopez@kpb.us</u>; <u>jrasor@kpb.us</u>; <u>hmills@kpb.us</u>

License Type:	Brewery Manufacturer License Number: 5433		5433
Licensee:	Grace Ridge Brewing, Inc.		
Doing Business As:	Grace Ridge Brewing		
Premises Address	870 Smoky Bay Way, Homer, AK 99603		
Endorsement Type(s):	: Manufacturer Sampling Endorsement		

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

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AS 04.11.420 provides that the board will not issue a license when a local governing body protests an application on the grounds that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the alcohol establishment, unless the local government has approved a variance from the local ordinance.

Sincerely, Anna White, Licensing Examiner II For Kevin Richard, Director amco.localgovernmentonly@alaska.gov



Document reference ID : 5647

Licensing Application Summary

Application ID:	5647
Applicant Name:	Grace Ridge Brewing, Inc.
License Type applied for:	Manufacturing Sampling Endorsement (MSE) (AS 04.09.410)
Application Status:	In Review
Application Submitted On:	05/31/2025 07:49 AM AKDT
Entity Information	

Entity Information

Business Structure:	Corporation
Alaska Entity Number (CBPL):	10028849

Entity Contact Information

Entity Address:

870 Smokey Bay Way, Homer, AK, 99603, USA

Initial Application Information

Authority Type:	I am authorized user by the designated licensee with binding authority
Legal First Name:	Steven
Legal Last Name:	Stead
Email Address:	graceridgebrewing@gmail.com
Phone Number:	541-829-9408

Additional Authorized Users

Legal Name

Ownership / Principal Party Details

Principal Parent Entity	Principal Party	Role	%Ownership
Grace Ridge Brewing, Inc.	Steven Stead	Stockholder/Shareholder, Treasurer, Vice President	37.93
Grace Ridge Brewing, Inc.	Meagan Stead	Secretary, Stockholder/Shareholder	3.45
Grace Ridge Brewing, Inc.	Donald Stead	President, Stockholder/Shareholder	55.17

Premises Address

Address:	870 Smokey Bay Way, Homer, AK, 99603, USA		
Does the proposed site include a valid street address?	Yes		
Primary license number			
Primary License Information	License Number - 5433 - Brewery Manufacturer License (BML) - Homer		
Basic Business information			
Business/Trade Name:	Grace Ridge Brewing		
Local Government and Community Council Details			
City/Municipality	Homer		
Borough	Kenai Peninsula Borough		
Premises Diagram			
Will the license or permit embrace the entire premises	address? Yes		
Premises Diagram			
• Facility Diagram 5-31-25 with corrections.pdf			
Security Plan			
 <u>Grace Ridge Brewery security plan (1).pdf</u> 			

Attestations

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Signature

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Receipt Number: 101075074

Payment Date: 05/31/2025 07:55 AM AKDT

Documents

#	File Name	Туре	Added On
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		Download	

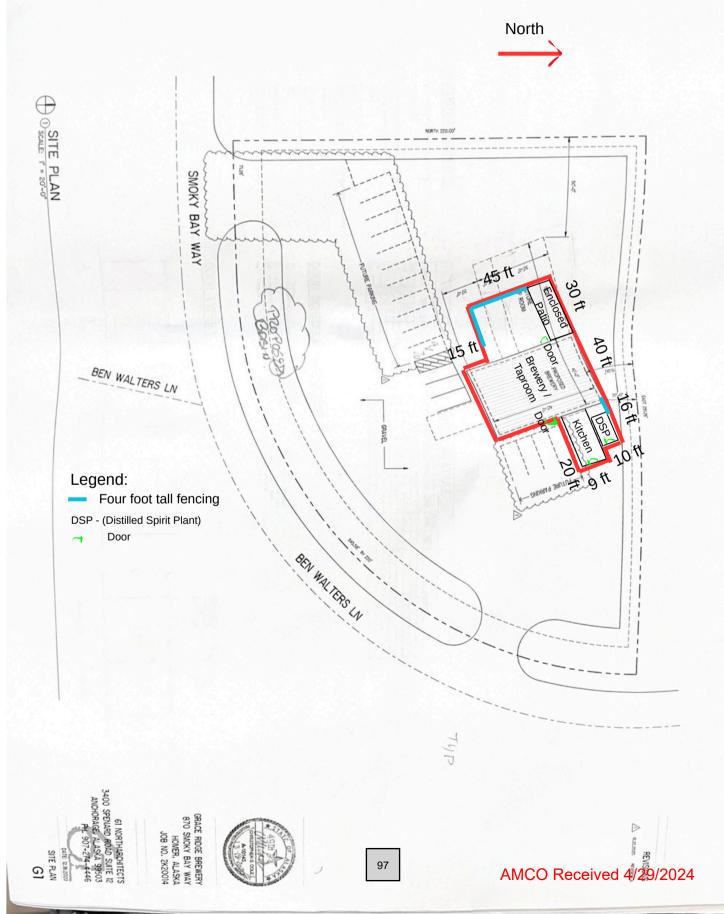
96

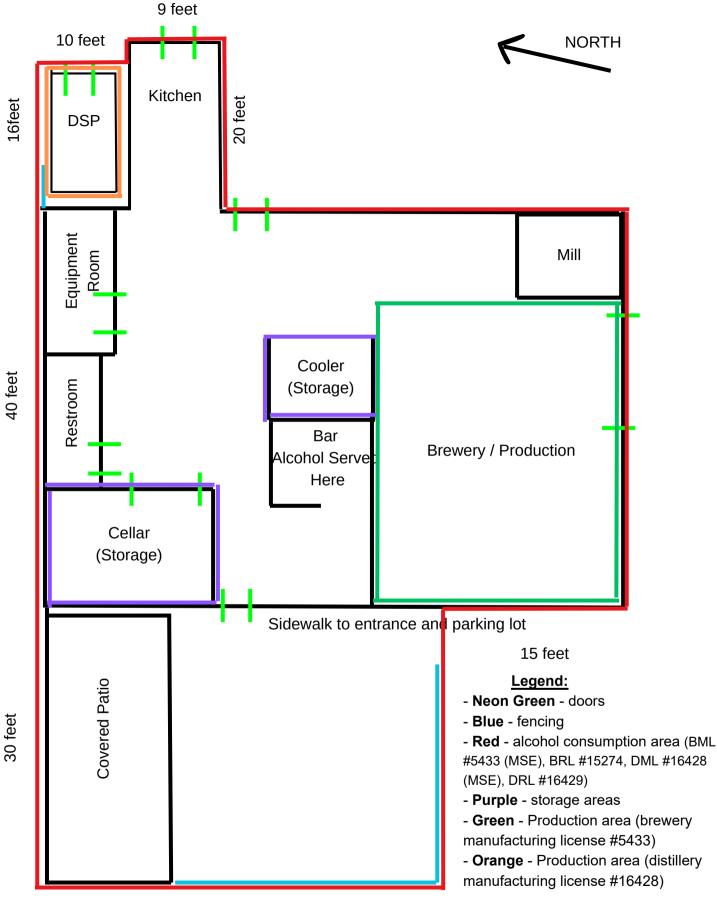
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4. All serving personnel will be required to obtain a TAPS card to ensure their understanding of the laws.

5. Patrols of the area will be conducted every 15 minutes by serving personnel to monitor customers in the area and clean up.

AMCO SEP - 9 2021



Alcohol License Applications for Grace Ridge Brewery and Vida's Thai Food

ltem Type:	Backup Memorandum
Prepared For:	Renee Krause, MMC, City Clerk
Copy to:	Mark Robl, Chief of Police
Date:	June 6, 2025
From:	Jona Focht, Homer Police Dispatch

The Homer Police Department has objection the transfer of a Restaurant or Eating Place License for:

Licensee:	Y & C LLC
License #:	5819
License Type:	Restaurant Eating Place (Repl)
DBA:	Detour Food & Drink
Premises:	4400 Homer Spit Rd, Homer, AK 99603

Transfer to:

DBA Name:	Vida's Thai Food
Service Location:	397 E Pioneer Avenue, Homer, AK 99603
Endorsement Type:	None
Licensee:	Vida's Thai Food, LLC
Designated Licensee:	Wichulada Bunchim
Email Address:	andymark180@gmail.com vidasthaifood@gmail.com
Phone #:	907-299-1791; 907-299-7912

The Homer Police Department has no objection to the applications for a new Distillery Retail, Distillery Manufacturer and Brewery Manufacturer Licenses for:

Distillery Retail	Distillery Manufacturer	Brewery Manufacturer	
16429	16428	5433	
Grace Ridge Brewing, Inc.			
Grace Ridge Brewing			
870 Smoky Bay Way, Homer, AK 99603			
Manufacturer Sampling Endorsement			
Steven Stead			
graceridgebrewing@g	<u>mail.com</u>		
541-829-9408; 907-435	-0601		
	16429 Grace Ridge Brewing, Grace Ridge Brewing 870 Smoky Bay Way, H Manufacturer Samplin Steven Stead graceridgebrewing@g	16429 16428 Grace Ridge Brewing, Inc. Grace Ridge Brewing 870 Smoky Bay Way, Homer, AK 99603 Manufacturer Sampling Endorsement	



Travel Authorization for Mayor Lord, and Council Members to attend the Alaska Municipal League Summer Conference in Utqiagvik, Alaska, August 12-14, 2025

ltem Type:	Action Memorandum
Prepared For:	Mayor Lord and Homer City Council
Date:	May 29, 2025
From:	Renee Krause, MMC, City Clerk

The Alaska Municipal League (AML) Summer Legislative Conference will take place in Utqiagvik, Alaska August 12-14, 2025. Registrations covers the three-day conference and cancellations will be refunded if made prior to July 11, 2025.

The AML is a voluntary, nonprofit, nonpartisan, statewide organization of 140 cities, boroughs, and unified municipalities, representing over 97 percent of Alaska's residents. Originally organized in 1950, the League of Alaska Cities became the Alaska Municipal League in 1962 when boroughs joined the League. The Alaska Municipal League organizes its Winter Legislative Conference every year in Juneau during the legislative session to focus on the legislative agenda.

- Hear from State agency officials
- Learn more about current legislation and activities
- Visit with legislators and legislative staff
- Address priority issues
- Contribute to AML's legislative strategy

The goals of the meeting are to:

- Advance AML's legislative priorities
- Learn more about specific topics relevant to municipal government
- Connect AML members with legislators and administration officials

Cost estimates for travel include round trip airfare from Homer to Utqiagvik \$850 and room rates at \$301.00 per night. Per Diem is \$58 per day, for three meals. Conference cost is \$275. The approximate total cost is \$1852 per person.

In consultation with the City Attorney, it's recommended that not more than three Council members attend the conference to avoid potential complications with the Open Meetings Act.

Recommendation: Approve travel for Mayor Lord and Council Members to attend the AML Summer Legislative Conference in Utqiagvik, Alaska August 12-14, 2025.



То:	Mayor Lord and City Council
Date:	June 2, 2025
From:	Daniel Kort, Public Works Director
Through:	Melissa Jacobsen, City Manager
Subject:	DCRA Trail Project

Background:

There has been a lot of interest in development of the Diamond Creek Recreation Area (DCRA) trail network and connecting these trails to the Diamond Creek State Recreation Site (DCSRS). The City of Homer (City) hired Kinney Engineering to conduct a feasibility study (Study) of a proposed trail route in 2024. Kinney Engineering partnered with Happy Trails Inc. to complete this study.

Discussion:

The intention of the feasibility study was to lay out a conceptual trail system that would demonstrate to the State of Alaska Department of Transportation (DOT) that the City was serious about connecting the DCRA to the DCSRS. The intention of the Study was to encourage the DOT to include a pedestrian tunnel to their upcoming Sterling Highway construction project to connect the two trail networks that would be separated by the highway. The Sterling Highway design is nearly complete and we estimate we have approximately 6 months or less to get the easements in place.

The City has had several meetings with the DOT about if the trail could be located within the State ROW and what level of commitment would need to be demonstrated by the City to have the pedestrian tunnel included in the project. The State had previously indicated that they were not in favor of the trail being within the ROW, however when we gave them the completed Study showing approximately 150-ft of the trail paralleling the highway in the ROW, they indicate they would work with the City to accommodate this. Further, the State had previously indicated that they would require the City to have easements established for the trail in advance of them including the pedestrian tunnel in the design.

A representative of the Homer Trails Alliance (HTA) had previously met with regional managers of the DOT without the City's presence, and the City was informed that the regional managers were not receptive to the proposal of using the DOT's fish passage maintenance road on the west side of the highway as part of the trail. It has come to our attention that a representative of the HTA has met with the Central Regional Director with the DOT without the City's participation. I have heard third hand that this conversation was fruitful, however it's not clear on what was spoken to and what was agreed to.

Memorandum City Council June 9, 2025

If the conversation between the DOT and HTA was fruitful on only allowing the use of the Maintenance Road as the western portion of the trail alignment in the State ROW, that only diverts the trail away from having to cross 1 privately owned property of the 3 privately owned properties, leaving two private properties that will require easements. If the State is allowing the City to use the ROW for the full length needed, then the easement issue is resolved.

Having not been a part of the meeting with the DOT, there still seems to be an unanswered question of whether Phase I of the Happy Trails portion of the study will be sufficient to demonstrate to the State DOT that the City is serious about building a trail through the proposed pedestrian tunnel. I say that because Phase I constructs the Green Timbers Parking Lot and builds a trail leading south and east away from the trailhead through the DCRA property, ending at a "View Point" on the Kenai Peninsula Borough property south of the DCRA. Phase II of the Study builds a new trail from the Phase I trail to a proposed Trailhead on the Kenai Peninsula Borough's property.

Meanwhile, there is not a clear plan for how the City will build the 6,403-ft worth of trail from the Kinney Engineering Study that links the Green Timbers Trailhead to the DCSRS which passes through the pedestrian tunnel. This trail segment would require trail easements across private property, or the DOT to change its position on allowing the trail to be constructed in the ROW for approximately 2,200-feet to avoid private property. Further, Phase I of the Happy Trails Study could be built regardless of the pedestrian tunnel being present or not, and may not demonstrate to the State the City's commitment or ability to construct the trail segment that passes through the pedestrian tunnel.

Summary:

The proposed Phase I trail segment will at minimum meet the intentions of Resolution 13-055 which proposed the goals of building a Trailhead on the western side of the DCRA and beginning to construct trails within the DCRA regardless of whether the City will be able to construct the trail segment crossing the Sterling Highway that connects the proposed Green Timbers Trailhead to the DCSRS through the proposed pedestrian tunnel.

1 2	CITY OF HOMER HOMER, ALASKA	
3	·	Aderhold
4	ORDINANCE 25-44	
5		
6	AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA	
7	APPROPRIATING UP TO \$250,000 FROM THE HOMER	
8	ACCELERATED ROADS AND TRAILS (HART) TRAILS FUND FOR THE	
9	DEVELOPMENT OF A TRAILHEAD AND TRAIL SEGMENT ON THE	
10	EAST SIDE OF THE STERLING HIGHWAY AT GREEN TIMBERS IN	
11	ACCORDANCE WITH THE DIAMOND CREEK RECREATION AREA	
12	TRAILS PLAN.	
13		
14	WHEREAS, The City of Homer adopted the Diamond Creek Recreation Area (DCRA) Plan
15	through Resolution 13-055; and	
16		
17	WHEREAS, The DCRA Plan envisioned a "parking area and trailhead facil	
18	western border of the DCRA" (east side of the Sterling Highway near Green Time	•
19	"non-motorized route across the Sterling Highway near Mile Post 168, in order to	
20	recreational corridor to the Diamond Creek State Recreation Site (DCSRS) on the v	vest side of
21	the Sterling Highway"; and	
22	WHEDEAS The Homer Trails Alliance (HTA) a nonnrafit ergenization with a	mission to
23 24	WHEREAS, The Homer Trails Alliance (HTA), a nonprofit organization with a improve access to trails on the north side of Kachemak Bay, is interested in develop	
24 25	connection between DCRA and DCSRS, including fundraising for the purpose; and	ing the trait
26	connection between betward besits, including fundraising for the purpose, and	
27	WHEREAS, The Alaska Department of Transportation and Public Facilities (A	DOT&PF) is
28	in the final stages of designing the Sterling Highway Milepost 157-169 Reconstruct	
29	and is considering including a pedestrian underpass at Diamond Creek; and	loningeet
30		
31	WHEREAS, The City of Homer has worked with ADOT&PF on methods to acco	omplish the
32	trail connection and underpass; and	·
33		
34	WHEREAS, ADOT&PF requires a firm commitment from the City of Homer	that if they
35	incorporate the underpass into the final highway project design that the trail connec	tion would
36	be constructed, including a financial commitment, a maintenance agreement for	the portion
37	of the trail in the right-of-way, as well as the establishment of any required privation	te property
38	easements to facilitate the trail in advance of the underpass being added to the de	sign; and
39		
40	WHEREAS, The Homer City Council has expressed interest in pursuing this t	
41	through the unanimous passage of numerous resolutions, and recognizes th	e highway

42 43	reconstruction project as a once in a generation opportunity to develop an underpass to connect the two recreation areas; and			
44				
45		0	a trailhead at Green Timbers to the underpass	
46			eed for the development of easements across	
47	private property or the	e approval to use ADOT&F	PF right of way.	
48				
49	NOW, THEREFO	DRE, THE CITY OF HOMER	ORDAINS:	
50				
51			opropriates up to \$250,000 from the Homer	
52			d for the development of a trailhead and trail	
53	-	-	ghway from Green Timbers to a pedestrian	
54	underpass at Diamono	d Creek in accordance wit	h the DCRA Trails Plan:	
55				
56	<u>Fund</u>	<u>Description</u>	Amount	
57	165-xxx	HART Trails	\$250,000	
58				
59	<u>Section 2.</u> Use of	of the funds is based on tl	he following criteria:	
60				
61		-	underpass at Diamond Creek as part of their	
62	0	hway reconstruction proj		
63		•	reement with property owners to create trail	
64 65			nd/or with ADOT&PF for the use of the right of	
65 66	-	east side of the highway.		
66			ith the most current version of the HART Policy	
67 68	Manual approved by the Homer City Council. The funds must be used for work on the east side of the Storling Highway.			
68 60	• The funds must be used for work on the east side of the Sterling Highway.			
69 70	• If the first two criteria are met, HTA may include the City Council's appropriation of these funds as a match when applying for grants to complete the full trail			
70 71		DCRA and DCSRS.		
72	0		lhead and trail are not constructed, or if there	
73			ng funds will be returned to the HART fund.	
74	are marrie	inds tere over, att remaining		
75	Section 3. This	is a budget amendment o	ordinance and shall not be codified.	
76				
77	ENACTED BY TH	HE CITY COUNCIL OF HOM	IER, ALASKA THIS day of, 2025.	
78			;;;;;;	
79			CITY OF HOMER	
80				
81				
82				
83			RACHEL LORD, MAYOR	

Page 3 of 3 ORDINANCE 25-44 CITY OF HOMER

84

- 85 ATTEST:
- 86
- 87
- 88
- 89 RENEE KRAUSE, MMC, CITY CLERK
- 90
- 91 YES:
- 92 NO:
- 93 ABSENT:
- 94 ABSTAIN:
- 95
- 96 First Reading:
- 97 Public Hearing:
- 98 Second Reading:
- 99 Effective Date:

CC-25-158



Resolution 25-055, A Resolution of the City Council of Homer, Alaska Acknowledging the Insufficiency of the Petition for the East End Road Meadow Drive Water and Sewer Improvements Special Assessment District. City Clerk.

Item Type:	Backup Memorandum
Prepared For:	Mayor Lord and City Council
Date:	May 29, 2025
From:	Renee Krause, MMC, City Clerk
Through:	Melissa Jacobsen, City Manager

On March 24, 2025 the City Clerk's Office received an application for the creation of a Special Assessment District for Water and Sewer Improvements encompassing E End Road, Meadow Drive and Spruce Lane. A petition was sent via certified mail to 15 property owners for 16 parcels within the district.

On April 22, 2025 notice was sent via US Mail to the property owners notifying them that the due date fell on a holiday and would be extended one day to May 27, 2025.

On May 15, 2025 it was determined that three parcels within the district were already served by water and sewer and at the property owners request would be removed from the district reducing the number of parcels to thirteen.

There were only six signed petitions returned to the Clerk's Office with signatures. Homer City Code 17.02.040 (a)(2) states that 50 percent of the total property owners noticed must sign the petition and return it in order to create the special assessment district and go to the next step. This district required seven signed petitions to be returned in order to be sufficient.

In accordance with the Special Assessment process, City Council is informed and adopts a resolution finding the petition was insufficient and the special assessment fails.

Recommendation:

Adopt Resolution 25-055 to find the East End Road Meadow Drive Water & Sewer Special Assessment District is insufficient.

1 2	CITY OF HOMER HOMER, ALASKA		
$\frac{2}{3}$		City Clerk	
4	RESOLUTION 25-055	· · / · · ·	
5			
6	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA		
7	ACKNOWLEDGING THE INSUFFICIENCY OF THE PETITION FOR THE EAST		
8	END ROAD MEADOW DRIVE WATER AND SEWER IMPROVEMENTS		
9	SPECIAL ASSESSMENT DISTRICT.		
10	WUEDEAC On Manch 24, 2025 on application to initiate a suscial accompany dist		
11 12	WHEREAS, On March 24, 2025 an application to initiate a special assessment distr		
12	and sewer improvements on East End Road, Meadow Drive and Spruce Lane was filed an		
13 14	was created and sent by certified mail to 15 property owners of 16 parcels in the district; a	nu	
14	WHEREAS, Homer City Code 17.02.040 (a)(2) states a special assessment dist	rict may be	
16	initiated by a petition signed by 50 percent of the total record owners who receive notice f	-	
17	Clerk's Office that they will be assessed a portion of the costs of a single capital improvement	-	
18	elerk's once that they will be assessed a portion of the costs of a single capital improvem	cht, and	
19	WHEREAS, Five of the property owners who own six parcels in the proposed distric	t signed the	
20	petition initiating the special assessment district; and		
21			
22	WHEREAS, According to Homer City Code 17.02.040 (a)(2) the required signed petit	ions needed	
23	to be sufficient is seven.		
24			
25	NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Ala	ska, hereby	
26	acknowledges the insufficiency of the petition for the East End Road Meadow Drive Wate	r and Sewer	
27	Improvements Special Assessment District.		
28			
29	BE IT FURTHER RESOLVED this does not preclude further petitioning by property		
30	water and sewer improvements for a modified area or any other type of improvement by initiating a		
31	new petition.		
32			
33	PASSED AND ADOPTED by the City Council of Homer, Alaska, this 9 th day of June <u>,</u>	2025.	
34			
35 36	CITY OF HOMER		
30 37			
38			
39	RACHEL LORD, MAYOR		
40	ATTEST:		
41			
42			
43			
44 45	RENEE KRAUSE, MMC, CITY CLERK		
45 46	Fiscal note: N/A		



MEMORANDUM

Resolution 25-056, A Resolution of the City Council of Homer, Alaska, Approving a Sublease between Happy Face, LLC and Spittoon, LLC Occupying a section of the Parking Area identified as FT #1 (designated as a Food Truck Pedestal/Area approximately 200 Sq. Ft.) located on the property entitled T7S R13W SEC 1 Seward Meridian HM 0890034 Homer Spit Amended Lot 32, and Authorizing the City Manager to Negotiate and Execute the appropriate documents. City Manager/Port Director.

Item Type:	Backup Memorandum
Prepared For:	Mayor Lord and City Council
Date:	May 28, 2025
From:	Mark Bowman, Port Property Associate
Through:	Melissa Jacobsen, City Manager

Happy Face LLC has a lease with the City for the property located at 4400 Homer Spit Road, also identified as Homer Spit Amended Lot 32.

Happy Face LLC and Spittoon LLC have requested that the City consent to a sublease allowing use of the area designated for food truck parking described as FT (Food Truck) #1.

Both Tenants and Subtenants understand that there is a proposed \$500.00 annual fee payable to the City of Homer, Port and Harbor as part of the Sublease. If that fee is approved by Council at a later date, the Fiscal Note for this sublease will be \$500 of annual revenue to 400-0600-4650. Otherwise there is no Fiscal Note.

An application, along with the required supporting documentation, was submitted and reviewed by Port & Harbor Staff. The application is complete and staff recommend approving this lease application.

RECOMMENDATION:

Approve Resolution 25-056

1 2	CITY OF HOMER HOMER, ALASKA
3	City Manager/
4	Port Director
5	RESOLUTION 25-056
6	
7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8	APPROVING A SUBLEASE BETWEEN HAPPY FACE LLC AND
9	SPITTOON LLC OCCUPYING A SECTION OF THE PARKING AREA
10	IDENTIFIED AS FT #1 (DESIGNATED AS FOOD TRUCK
11	PEDESTAL/AREA APPROX. 200 SQ FT) LOCATED ON THE
12	PROPERTY ENTITLED T7S R13W SEC 1 SEWARD MERIDIAN HM
13	0890034 HOMER SPIT AMENDED LOT 32, AND AUTHORIZING THE
14	CITY MANAGER TO NEGOTIATE AND EXECUTE THE APPROPRIATE
15	DOCUMENTS.
16	
17	WHEREAS, Happy Face, LLC is the tenant in good standing of a ground lease for the
18	property at 4400 Homer Spit Road entitled T7S R13W Sec 1 Seward Meridian HM 0890034
19	Homer Spit Amended Lot 32; and
20	
21	WHEREAS, Under HCC 18.08.140, subleases on City Property leases require approval of
22	City Council; and
23	WILEDEAS Henry Free LLC submitted a complete Sublesse Application for the space
24 25	WHEREAS, Happy Face, LLC submitted a complete Sublease Application for the space FT #1, an area of approximately 200 square feet for Spittoon, LLC to park their Food Truck; and
25	FT #1, an area of approximately 200 square reet for spittoon, LEC to park their Food Truck, and
27	WHEREAS, The proposed business aligns with the purpose in the prime lease, the
28	business qualifications are sufficient, and the proposed use is in line with Marine Commercial
29	zoning.
30	
31	NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
32	approves a sublease between Happy Face, LLC and Spittoon, LLC occupying a section of the
33	parking area identified as FT #1, located on the property entitled T7S R13W SEC 1 Seward
34	Meridian HM 0890034 Homer Spit Amended Lot 32, and authorizes the City Manager to
35	negotiate and execute the appropriate documents.
36	
37	PASSED AND ADOPTED by the Homer City Council this 9 th day of June, 2025.
38	
39	CITY OF HOMER
40	
41 42	
42	RACHEL LORD, MAYOR

Page 2 of 2 Resolution 25-056 CITY OF HOMER





www.cityofhomer-ak.gov

port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Sublease Application - Staff Review Checklist

Applicant (Primary Lease Holder) Information
Lessee Name: Happy Face LLC
Sublessee Information
Business Name: Spittoon LLC – Food Truck Primary Contact: Steve Nolan
Sublease Information
Comments regarding description of the subleased premises: A corner of the parking areas is marked and being reserved for the placement of this Food Truck. Parking, vehicle operation and pedestrian traffic is unlikely to be disrupted by the placement of the unit.
Authorized use is consistent with the authorized purpose in the primary lease: Yes <u>X</u> No Comments: The Food Truck will provide BBQ items to customers off the street as well as to the Spittoon – Red Table restaurant operating inside the Happy Face LLC building.
The applicant's experence in the proposed business or venture is adequate: Yes <u>X</u> NoComments: Many years of experience. Fat Olives is another of their operations.
Is information supporting the financial capability adequate? Yes <u>X</u> No_ Comments:
Sublease contains an agreement to the terms and conditions of the primary lease. Yes X No_ Comment:
Sublease includes a requirement that sublessee agrees to maintain insurance for sublessee's leasehold in the manner and form required under the primary lease and names the City of Homer as an additional insured. Yes X No Comment:
The following documents (mark with Y, N or NA) have been provided: Business licenses (Y), KPB Tax Compliance Certification (Pending), Articles of Incorporation (pending), DEC (Y), Permits (List), Other City, KPB and State required documents (List): Mobile Food is pending the COI document.
 Port and Harbor Staff Comments: Port and Harbor staff recommend Sublease approval. The Sublease will be operated by a well establish business and is likely to be of benefit to the community and the tourism industry operating on the Spit. Community Development Comments: Mobile Vendor documents are pending a Certificate of Liability Insurance. City Manager Comments:
Recommended Action to City Council

1

P



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 (1) 907-235-3152

Sublease Application

Applicant (Primary Les	ase Holder) Information
Lessee Name:	HAPPY FACE LLC
Mailing Address:	P.O. BOX 3147, HOMER, AK 99603
Phone Number(s):	907-235-8783
Email Address(es):	swapa@swpilots.net or support@swpilots.net
Sublessee Information	
Business Name:	SPITTOON, LLC Primary Contact: STEVE NOLAN
Mailing Address:	P.O. Box 297, Homer AK 99603
Phone number(s):	509-845-0051
Email Address(es):	TLNOLANAK@GMAIL.COM

Sublease Information

Description of the subleased premises:

Description: PARKING FOR FOOD TRUCK 200 Sq ft:

Authorized use: (Must be consistent with authorized purpose in the primary lease.)

FOOD TRUCK

What is the applicant's experence in the proposed business or venture'

30 yps anning good establishmen

What property improvements are planned as part of this sublease? (At least 30 days prior to construction, plans must be submitted to the Landlord for approval, and often an as-built is required once the work is complete. See your lease for additional requirements and details.)

Information supporting the financial capability or backing including a credit history, prior lease history, and assets that will be used to support the proposed business: (Attach supporting documents.)

Please contact Erick John FNB Homer Branch

Sublease includes a statement that the sublease is subject to all of the terms and conditions of the primary lease.

Initial: SN Sublease Section #: 40 (Attach sublease.) Sublease includes a requirement that sublessee agrees to maintain insurance for sublessee's leasehold in the manner and form fequired under the primary lease and names the City of Homer as an additional insured. Initial: ________Sublease Section π :____40_____ Business licenses, Permits, Articles of Incorporation, KPB Tax Compliance Certification and other documents providing evidence of compliance with City, Kenai Peninsula Borough and State of Alaska laws. Initial: SN (Attach supporting documents.) Additional Notes: Sublease Application Signature Page Primary Lease Holder Signature: I hereby attest that, to the best of my knowledge, the information contained in this document is accurate, complete, and true. Date: 23 N Jac Title: Signature: 0 eve Print Name: Page 1 of 2 John Stewart Signed by: 5/28/2025 D4478C8610FC486...

CITY OF HOMER

CONSENT TO SUBLEASE

SAMPLE OF REQUIRED FORM TO BE SIGNED AFTER CITY APPROVAL

This CONSENT TO SUBLEASE ("**Consent**"), dated as of the [____] day of [____], 2025 (the "Effective Date"), is entered into among:

CITY OF HOMER, an Alaska municipal corporation, having an address at 491 E Pioneer Avenue, Homer, Alaska 99603 (the "**City**"), as landlord,

[TENANT NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE], having an address at [ADDRESS] ("**Tenant**"), as tenant; and

[SUBTENANT NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE], having an address at [ADDRESS] ("**Subtenant**"), as subtenant

(collectively referred to herein as the "Parties" or, individually, a "Party").

RECITALS

WHEREAS, the City is the owner of the land having an address of [_____] (KPB Tax Parcel No. [____]), and legally described as follows: [_____] (the "Property");

WHEREAS, the City and Tenant entered into that certain [TITLE] dated as of [_____] (the "**Primary Lease**"), pursuant to which the City leased to Tenant the Property;

WHEREAS, Tenant and Subtenant entered into a [SUBLEASE TITLE] (the "**Sublease**"), dated as of [_____], pursuant to which Tenant subleased to Subtenant a portion of the Property, as shown on Exhibit A attached hereto and made a part hereof (the "**Subleased Premises**");

WHEREAS, Tenant has requested that City consent to Tenant subletting the Subleased Premises to Subtenant pursuant to the Sublease; and

WHEREAS, City has agreed to consent to the subletting on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. <u>Consent to Subletting</u>. Subject to the satisfaction of the conditions set forth in Section 9, the City hereby consents to the subletting of the Subleased Premises by Tenant to Subtenant on the

terms and conditions set forth herein and as set forth in the Sublease, a true and correct copy of which is attached hereto as <u>Exhibit B</u>.

2. <u>Sublease Subject and Subordinate to Primary Lease</u>. The Sublease is subject and subordinate always to the Primary Lease. In the case of any conflict between the provisions of the Primary Lease and the provisions of the Sublease, the provisions of the Primary Lease will govern.

3. <u>Tenant Not Released</u>. Neither the Sublease nor this Consent releases or discharges Tenant from any covenants, duties, agreements, or liabilities under the Primary Lease. Tenant will remain liable and responsible for the full performance and observance of all the provisions, covenants, and conditions set forth in the Primary Lease on the part of Tenant to be performed and observed. Any breach or violation of any provisions of the Primary Lease by Subtenant will be deemed to be and will constitute a default by Tenant.

4. <u>Consent Limited to Subletting</u>. This Consent is limited solely to the subletting of the Subleased Premises by Tenant to Subtenant pursuant to the Sublease. The City expressly reserves the right to consent to or withhold consent with respect to any other matters in the Primary Lease, including, without limitation, any proposed alterations to the Property or the Subleased Premises or any further subletting either by Tenant or Subtenant.

5. <u>Termination of Primary Lease</u>. If at any time prior to the expiration or termination of the Sublease the Primary Lease expires or terminates for any reason, the Sublease will automatically and simultaneously terminate.

6. <u>Notices</u>. Tenant and Subtenant acknowledge and agree that the City must be copied simultaneously on any notices between Tenant and Subtenant delivered as provided in the Primary Lease. Notices to the City must be sent to:

City of Homer Port and Harbor 4311 Freight Dock Rd. Homer, Alaska 99603

Or by email to: leases@ci.homer.ak.us

7. <u>Fee</u>. Tenant must pay to the City, upon demand, the fee specified in the Primary Lease, or if no fee is specified, the City's fees and expenses (including without limitation the City's reasonable attorneys' fees and expenses) incurred relating to the City's review, negotiation, and processing of all information and documents relating to the Sublease or Subtenant.

8. <u>No Further Modifications</u>. Tenant and Subtenant agree not to amend, modify, or supplement the Sublease without the prior written consent of the City, which consent may be given

or withheld in its sole and absolute discretion. This Consent does not confer any third-party beneficiary rights upon Subtenant, except as expressly set forth herein.

9. <u>CONDITIONS TO CONSENT TO SUBLEASE</u>. THE SUBLEASE AND THIS CONSENT ARE NOT VALID AND SUBTENANT MAY NOT TAKE POSSESSION OF THE SUBLEASED PREMISES UNTIL EACH OF THE FOLLOWING HAS BEEN SATISFIED: (A) THE CITY'S RECEIPT OF AN ORIGINAL, EXECUTED COUNTERPART OF THE SUBLEASE, IN THE FORM ATTACHED HERETO; (B) THE CITY'S RECEIPT OF A CERTIFICATE OF SUBTENANT'S INSURANCE IN FORM AND SUBSTANCE REQUIRED BY THE PRIMARY LEASE; AND (C) PAYMENT TO THE CITY OF THE SUM REQUIRED PURSUANT TO SECTION 7. IF THE CONDITIONS OF THIS SECTION 9 HAVE NOT BEEN SATISFIED ON OR BEFORE TEN (10) DAYS AFTER THE EFFECTIVE DATE, THIS CONSENT WILL BE DEEMED NULL AND VOID AND OF NO FURTHER FORCE OR EFFECT.

10. <u>Entire Agreement</u>. This Consent contains the entire agreement of the Parties and may not be modified orally or in any manner other than by an agreement in writing signed by the Parties or their respective successors in interest.

11. <u>Capitalized Terms</u>. All capitalized terms not defined herein have the meaning given them in the Primary Lease.

12. <u>Paragraph Headings</u>. The paragraph headings appearing herein are for purposes of convenience only and are not deemed to be part of this Consent.

13. <u>Governing Law</u>. This Consent is to be construed in accordance with the laws of Alaska without regard to the choice of law rules of that state.

14. <u>Severability</u>. If any term or provision of this Consent is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Consent or invalidate or render unenforceable such term or provision in any other jurisdiction.

15. <u>Counterparts</u>. This Consent may be executed in counterparts, each of which is deemed an original, but all of which together is deemed to be one and the same agreement. A signed copy of this Consent delivered by email is deemed to have the same legal effect as delivery of an original signed copy of this Consent. Notwithstanding the foregoing, each Party hereto must deliver original counterpart signatures to the other Parties by no later than ten (10) days after the date hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Consent to be executed as of the Effective Date.

CITY OF HOMER:

Ву:
Name:
Title:
TENANT:
[TENANT NAME]
Ву:
Name:
Title:
SUBTENANT:
[SUBTENANT NAME]
Ву:
Name:
Title:

[SIGNATURE PAGE TO CONSENT TO SUBLEASE]

EXHIBIT A

DESCRIPTION OF SUBLEASED PREMISES

[Insert a drawing/plan or description of the Sublease Premises and delete this text]

EXHIBIT B

SUBLEASE

A copy of the Sublease is attached.

City of Homer Consent to Sublease



MEMORANDUM

Resolution 25-057, A Resolution of the City of Homer, Alaska, Approving a Sublease between Happy Face, LLC and Cove Collective, LLC dba Cove & Co. Occupying Unit #2 (consisting of 1,250 square feet) in the building located on the property entitled T7S R13W Sec 1 Seward Meridian HM 0890034 LSEHLD Lot 32 Homer Spit AMD and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director.

ltem Type:	Backup Memorandum
Prepared For:	Mayor Lord and City Council
Date:	May 28, 2025
From:	Mark Bowman, Port Property Associate
Through:	Melissa Jacobsen, City Manager

Happy Face, LLC has a lease with the City for the property located at 4400 Homer Spit Road, also identified as Homer Spit Amended Lot 32.

Happy Face LLC and Cove & Co. have requested that the City consent to a sublease allowing Cove & Co. to use retail space to offer beverages and food to customers.

Both Tenants and Subtenants understand that there is a proposed \$500.00 annual fee payable to the City of Homer, Port and Harbor as part of the Sublease. If that fee is approved by Council at a later date, the Fiscal Note for this sublease will be \$500 of annual revenue to 400-0600-4650. Otherwise there is no Fiscal Note.

An application, along with the required supporting documentation, was submitted and reviewed by Port & Harbor Staff. The application is complete and staff recommend approving this lease application.

RECOMMENDATION:

Approve Resolution 25-057

1 2	CITY OF HOMER HOMER, ALASKA
3	City Manager/
4	Port Director
5	RESOLUTION 25-057
6	
7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8	APPROVING A SUBLEASE BETWEEN HAPPY FACE LLC AND COVE
9	COLLECTIVE, LLC DBA COVE & CO., OCCUPYING UNIT #2
10	CONSISTING OF 1250 SQUARE FEET IN THE BUILDING LOCATED
11	ON THE PROPERTY ENTITLED T7S R13W SEC 1 SEWARD MERIDIAN
12	HM 0890034 HOMER SPIT AMENDED LOT 32, AND AUTHORIZING
13	THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE
14	APPROPRIATE DOCUMENTS.
15	
16	WHEREAS, Happy Face, LLC is the tenant in good standing of a ground lease for the
17	property at 4400 Homer Spit Road entitled T7S R13W Sec 1 Seward Meridian HM 0890034
18	Homer Spit Amended Lot 32; and
19	
20	WHEREAS, Under HCC 18.08.140, subleases on City Property leases require approval of
21	City Council; and
22	
23	WHEREAS, Cove Collective, LLC dba Cove & Co., submitted a complete Sublease
24 25	Application for Unit #2 consisting of 1250 square feet in the building from Happy Face, LLC; and
26	WHEREAS, The proposed business aligns with the purpose in the prime lease, the
27	business qualifications are sufficient, and the proposed use is in line with Marine Commercial
28	zoning.
29	
30	NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
31	approves a sublease between Happy Face, LLC and Cove Collective dba Cove & Co., occupying
32	Unit #2 consisting of 1250 square feet in the building located on the property entitled T7S R13W
33	SEC 1 Seward Meridian HM 0890034 Homer Spit Amended Lot 32, and authorizes the City
34	Manager to negotiate and execute the appropriate documents.
35	
36	PASSED AND ADOPTED by the Homer City Council this 9 th day of June, 2025.
37	
38	CITY OF HOMER
39	
40	
41	
42	RACHEL LORD, MAYOR

Page 2 of 2 Resolution 25-057 CITY OF HOMER





www.cityofhomer-ak.gov

port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Sublease Application - Staff Review Checklist

Applicant (Primary Lease Holder) Information	
Lessee Name: Happy Face LLC	
Sublessee Information	
Business Name: Cove Collective LLC dba Cove & Co Primary Contact: Pulama Chow	
Sublease Information	
Comments regarding description of the subleased premises:	
The 1250 sq. ft. space is one of three units available for lease on the lower level of the Happy Face LLC building.	
Authorized use is consistent with the authorized purpose in the primary lease: Yes <u>X</u> NoComments:	
The applicant's experence in the proposed business or venture is adequate: Yes X No_ Comments: This is a new new business but with experienced team with hand on food, retail and service experience.	
Is information supporting the financial capability adequate? Yes_X_ No_ Comments:	
Sublease contains an areement to the terms and conditions of the primary lease. Yes <u>X</u> No Comment: Owners operators of Homer Fish Processing since 2009.	
Sublease includes a requirement that sublessee agrees to maintain insurance for sublessee's leasehold in the manner and form required under the primary lease and names the City of Homer as an additional insured. Yes_X No Comment:	
The following documents (mark with Y, N or NA) have been provided: Business licenses (Y), KPB Tax Compliance Certification (NA – new bus.), Articles of Incorporation (Y), DEC (Pending), Permits (List), Other City, KPB and State required documents (List): SOA Initial Report, SOA Certificate of Organization	
Port and Harbor Staff Comments: Based on the Sublease Application and responsiveness in providing required documents, Cove and Co. seems likely to be responsible Subtenants contributing to especially the tourism element on the Spit. City Planning Comments: N/A. Community Development Comments: N/A Public Works: N/A City Manager Comments:	
Recommended Action to City Council:	
City Manager Signature: Print: Print: Date:	

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P



Port and Harbor

4311 Freight Dock Road Homer, AK 99603

www.cityofhomer-ak.gov

port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Sublease Application

Applicant (Primary I	Lease Holder) Informatio	'n	
Lessee Name:	HAPPY FACE LLC		
Mailing Address:	P.O. BOX 3147, HOMER	, AK 99603	
Phone Number(s):	907-235-8783		
Email Address(es):	swapa@swpilots.net o	support@swpilots.net	
Sublessee Informati	on		
Business Name:	COVE & CO.	Primary Contact:	PULAMA CHOW
Mailing Address:	P.O. BOX 2044, HOMER	, AK 99603	
Phone number(s):	(808)658-0865		
Email Address(es):	pulama.chow@gmail.c	om	
Sublease Informatio	on		
Description of the sul	bleased premises:		
Sq ft: 1250 D	escription: 4400 Homer S	pit Road Unit #2 Homer, AK 99	603
Authorized use: (Mus	t be consistent with autho	rized purpose in the primary l	ease.)
	•		he work ourselves - making your
			t here in our shop. We're more than
just a store; we're a enjoy.	team of real people who	love creating good things fo	r our community and visitors to
	's experience in the propo	sed business or venture?	
			s in the food, retail, and service
			processing and retail shop, giving us
		hable products, providing ex	xcellent customer service, and
runnning a high-vol			
		0 0	history, prior lease history, and assets
I that will be used to st	apport the proposed busit	ness: (Attach supporting docur	nents.)

We have owned and operated Homer Fish Processing since 2009. References: Bart Chow 299-1118, Star Chow 299-0607

Sublease includes a statement that the sublease is subject to all of the terms and conditions of the primary lease. Initial: <u>PC</u> Sublease Section #:_____40___ (Attach sublease.)

Sublease includes a requirement that sublessee agrees to maintain insurance for sublessee's leasehold in the manner and form required under the primary lease and names the City of Homer as an additional insured. Initial: <u>PC</u> Sublease Section #:_____40____



Port and Harbor 4311 Freight Dock Road Homer, AK 99603

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Business licenses, Permits, Articles of Incorporation, KPB Tax Compliance Certification and other documents providing evidence of compliance with City, Kenai Peninsula Borough and State of Alaska laws. Initial: <u>PC</u> (Attach supporting documents.)

Additional Notes:

Cove & Co. is a wellness-focused business offering a variety of fresh, locally sourced food items, including smoothies, acai bowls, and healthy snacks.

Sublease Application Signature Page

Primary Lease Holder Signature:

I hereby attest that, to the best of my knowledge, the information contained in this document is accurate, complete, and true.

John Stewart D4478C8610FC486.. Signature:

Print Name: <u>Pulama Chow</u>

5/28/2025

Date: 05/14/25

Title: Organizer

CITY OF HOMER

CONSENT TO SUBLEASE

SAMPLE OF REQUIRED FORM TO BE SIGNED AFTER CITY APPROVAL

This CONSENT TO SUBLEASE ("**Consent**"), dated as of the [____] day of [____], 2025 (the "Effective Date"), is entered into among:

CITY OF HOMER, an Alaska municipal corporation, having an address at 491 E Pioneer Avenue, Homer, Alaska 99603 (the "**City**"), as landlord,

[TENANT NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE], having an address at [ADDRESS] ("**Tenant**"), as tenant; and

[SUBTENANT NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE], having an address at [ADDRESS] ("**Subtenant**"), as subtenant

(collectively referred to herein as the "Parties" or, individually, a "Party").

RECITALS

WHEREAS, the City is the owner of the land having an address of [_____] (KPB Tax Parcel No. [____]), and legally described as follows: [_____] (the "Property");

WHEREAS, the City and Tenant entered into that certain [TITLE] dated as of [_____] (the "**Primary Lease**"), pursuant to which the City leased to Tenant the Property;

WHEREAS, Tenant and Subtenant entered into a [SUBLEASE TITLE] (the "**Sublease**"), dated as of [_____], pursuant to which Tenant subleased to Subtenant a portion of the Property, as shown on Exhibit A attached hereto and made a part hereof (the "**Subleased Premises**");

WHEREAS, Tenant has requested that City consent to Tenant subletting the Subleased Premises to Subtenant pursuant to the Sublease; and

WHEREAS, City has agreed to consent to the subletting on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. <u>Consent to Subletting</u>. Subject to the satisfaction of the conditions set forth in Section 9, the City hereby consents to the subletting of the Subleased Premises by Tenant to Subtenant on the

terms and conditions set forth herein and as set forth in the Sublease, a true and correct copy of which is attached hereto as <u>Exhibit B</u>.

2. <u>Sublease Subject and Subordinate to Primary Lease</u>. The Sublease is subject and subordinate always to the Primary Lease. In the case of any conflict between the provisions of the Primary Lease and the provisions of the Sublease, the provisions of the Primary Lease will govern.

3. <u>Tenant Not Released</u>. Neither the Sublease nor this Consent releases or discharges Tenant from any covenants, duties, agreements, or liabilities under the Primary Lease. Tenant will remain liable and responsible for the full performance and observance of all the provisions, covenants, and conditions set forth in the Primary Lease on the part of Tenant to be performed and observed. Any breach or violation of any provisions of the Primary Lease by Subtenant will be deemed to be and will constitute a default by Tenant.

4. <u>Consent Limited to Subletting</u>. This Consent is limited solely to the subletting of the Subleased Premises by Tenant to Subtenant pursuant to the Sublease. The City expressly reserves the right to consent to or withhold consent with respect to any other matters in the Primary Lease, including, without limitation, any proposed alterations to the Property or the Subleased Premises or any further subletting either by Tenant or Subtenant.

5. <u>Termination of Primary Lease</u>. If at any time prior to the expiration or termination of the Sublease the Primary Lease expires or terminates for any reason, the Sublease will automatically and simultaneously terminate.

6. <u>Notices</u>. Tenant and Subtenant acknowledge and agree that the City must be copied simultaneously on any notices between Tenant and Subtenant delivered as provided in the Primary Lease. Notices to the City must be sent to:

City of Homer Port and Harbor 4311 Freight Dock Rd. Homer, Alaska 99603

Or by email to: leases@ci.homer.ak.us

7. <u>Fee</u>. Tenant must pay to the City, upon demand, the fee specified in the Primary Lease, or if no fee is specified, the City's fees and expenses (including without limitation the City's reasonable attorneys' fees and expenses) incurred relating to the City's review, negotiation, and processing of all information and documents relating to the Sublease or Subtenant.

8. <u>No Further Modifications</u>. Tenant and Subtenant agree not to amend, modify, or supplement the Sublease without the prior written consent of the City, which consent may be given

or withheld in its sole and absolute discretion. This Consent does not confer any third-party beneficiary rights upon Subtenant, except as expressly set forth herein.

9. <u>CONDITIONS TO CONSENT TO SUBLEASE</u>. THE SUBLEASE AND THIS CONSENT ARE NOT VALID AND SUBTENANT MAY NOT TAKE POSSESSION OF THE SUBLEASED PREMISES UNTIL EACH OF THE FOLLOWING HAS BEEN SATISFIED: (A) THE CITY'S RECEIPT OF AN ORIGINAL, EXECUTED COUNTERPART OF THE SUBLEASE, IN THE FORM ATTACHED HERETO; (B) THE CITY'S RECEIPT OF A CERTIFICATE OF SUBTENANT'S INSURANCE IN FORM AND SUBSTANCE REQUIRED BY THE PRIMARY LEASE; AND (C) PAYMENT TO THE CITY OF THE SUM REQUIRED PURSUANT TO SECTION 7. IF THE CONDITIONS OF THIS SECTION 9 HAVE NOT BEEN SATISFIED ON OR BEFORE TEN (10) DAYS AFTER THE EFFECTIVE DATE, THIS CONSENT WILL BE DEEMED NULL AND VOID AND OF NO FURTHER FORCE OR EFFECT.

10. <u>Entire Agreement</u>. This Consent contains the entire agreement of the Parties and may not be modified orally or in any manner other than by an agreement in writing signed by the Parties or their respective successors in interest.

11. <u>Capitalized Terms</u>. All capitalized terms not defined herein have the meaning given them in the Primary Lease.

12. <u>Paragraph Headings</u>. The paragraph headings appearing herein are for purposes of convenience only and are not deemed to be part of this Consent.

13. <u>Governing Law</u>. This Consent is to be construed in accordance with the laws of Alaska without regard to the choice of law rules of that state.

14. <u>Severability</u>. If any term or provision of this Consent is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Consent or invalidate or render unenforceable such term or provision in any other jurisdiction.

15. <u>Counterparts</u>. This Consent may be executed in counterparts, each of which is deemed an original, but all of which together is deemed to be one and the same agreement. A signed copy of this Consent delivered by email is deemed to have the same legal effect as delivery of an original signed copy of this Consent. Notwithstanding the foregoing, each Party hereto must deliver original counterpart signatures to the other Parties by no later than ten (10) days after the date hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Consent to be executed as of the Effective Date.

CITY OF HOMER:

Ву:
Name:
Title:
TENANT:
[TENANT NAME]
Ву:
Name:
Title:
SUBTENANT:
[SUBTENANT NAME]
Ву:
Name:
Title:

[SIGNATURE PAGE TO CONSENT TO SUBLEASE]

EXHIBIT A

DESCRIPTION OF SUBLEASED PREMISES

[Insert a drawing/plan or description of the Sublease Premises and delete this text]

EXHIBIT B

SUBLEASE

A copy of the Sublease is attached.

City of Homer Consent to Sublease



MEMORANDUM

Resolution 25-058, A Resolution of the City of Homer, Alaska, Approving a Sublease between Happy Face, LLC and Jürgen Jensen dba The Law Office of Jürgen Jensen occupying the northwest corner office of the Upper Level of Main Building (consisting of 383 square feet) on the property entitled T7S R13W Sec 1 Seward Meridian HM 0890034 LSEHLD Lot 32 Homer Spit AMD and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director.

ltem Type:	Backup Memorandum	
Prepared For:	Mayor Lord and City Council	
Date:	May 28, 2025	
From:	Mark Bowman, Port Property Associate	
Through:	Melissa Jacobsen, City Manager	

Happy Face, LLC has a lease with the City for the property located at 4400 Homer Spit Road, also identified as Homer Spit Amended Lot 32.

Happy Face, LLC and Jürgen Jensen dba The Law Office of Jürgen Jensen have requested that the City consent to a sublease allowing use of the second floor office area to be used as a Law Office.

Both Tenants and Subtenants understand that there is a proposed \$500.00 annual fee payable to the City of Homer, Port and Harbor as part of the Sublease. If that fee is approved by Council at a later date, the Fiscal Note for this sublease will be \$500 of annual revenue to 400-0600-4650. Otherwise there is no Fiscal Note.

An application, along with the required supporting documentation, was submitted and reviewed by Port & Harbor Staff. The application is complete and staff recommend approving this lease application.

RECOMMENDATION:

Approve Resolution 25-058

1 2	CITY OF HOMER HOMER, ALASKA
3	City Manager/
4	Port Director
5	RESOLUTION 25-058
6	
7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8	APPROVING A SUBLEASE BETWEEN HAPPY FACE, LLC AND
9	JÜRGEN JENSEN DBA THE LAW OFFICE OF JÜRGEN JENSEN
10	OCCUPYING THE NORTHWEST CORNER OFFICE OF THE UPPER
11	LEVEL OF THE MAIN BUILDING CONSISTING OF 383 SQUARE FEET
12	ON THE PROPERTY ENTITLED T7S R13W SEC 1 SEWARD MERIDIAN
13	HM 0890034 HOMER SPIT AMENDED LOT 32, AND AUTHORIZING
14	THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE
15	APPROPRIATE DOCUMENTS.
16	
17	WHEREAS, Happy Face, LLC is the tenant in good standing of a ground lease for the
18	property at 4400 Homer Spit Road entitled T7S R13W Sec 1 Seward Meridian HM 0890034
19	Homer Spit Amended Lot 32; and
20	
21	WHEREAS, Under HCC 18.08.140, subleases on City Property leases require approval of
22	City Council; and
23	
24 25	WHEREAS, Jürgen Jensen submitted a complete Sublease Application for the
25 26	northwest corner office on the upper level of the main building for an area consisting of 383
26 27	square feet for law offices; and
27	WHEREAS, The proposed business aligns with the purpose in the prime lease, the
29	business qualifications are sufficient, and the proposed use is in line with Marine Commercial
30	zoning.
31	
32	NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
33	approves a sublease between Happy Face, LLC and Jürgen Jensen dba The Law Offices of
34	Jürgen Jensen, occupying the northwest corner office of the upper level of the main building
35	consisting of 383 square feet located on the property entitled T7S R13W SEC 1 Seward Meridian
36	HM 0890034 Homer Spit Amended Lot 32, and authorizes the City Manager to negotiate and
37	execute the appropriate documents.
38	
39	PASSED AND ADOPTED by the Homer City Council this 9 th day of June, 2025.
40	

Page 2 of 2
Resolution 25-058
CITY OF HOMER

41		
42		CITY OF HOMER
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46		RACHEL LORD, MAYOR
47		
48	ATTEST:	
49		
50		
51		
52	RENEE KRAUSE, MMC, CITY CLERK	
53		
54	Fiscal Note: Refer to Memorandum CC-25-160	
55		





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port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Sublease Application - Staff Review Checklist

Applicant (Primary Lease Holder) Information
--

Happy Face, LLC Lessee Name:

Sublessee Information

Business Name: Jürgen Jensen dba The Law Office of Jürgen Jensen Primary Contact: Jürgen Jensen

Sublease Information

Comments regarding description of the subleased premises: 383 Sq. Ft. of the upstairs office space in the Happy Face building

Authorized use is consistent with the authorized purpose in the primary lease: Yes X No Comments:

The applicant's experence in the proposed business or venture is adequate: Yes X No Comments: 17 years practicing law.

Is information supporting the financial capability adequate?

Sublease contains an areement to the terms and conditions of the primary lease. Yes X No_ Comment:

Sublease includes a requirement that sublessee agrees to maintain insurance for sublessee's leasehold in the manner and form required under the primary lease and names the City of Homer as an additional insured. Yes X No Comment:

The following documents (mark with Y, N or NA) have been provided:

Business licenses (Y), KPB Tax Compliance Certification (Pending), Articles of Incorporation (Sole Proprietorship), DEC (NA), Permits (List)______, Other City, KPB and State required documents (List): KPB **Tax Certificate**

Port and Harbor Staff Comments: Approval of the Law Office is in line with the Lessee's use of the property and City approval is recommended.

City Planning and Community Development Comments as appropriate:

City Manager Comments:

Recommended Action to City Council

City Manager Signature: _____ Print Name: _____ Date: _____

N/A

Yes X No Comments:

Docusign Envelope ID: 3CA7CBDC-CB50-4B6A-845D-8B8501EEDEBE



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

Sublease Application

Applicant (Drimory	
Applicant (Primary	ease Holder) Information
Lessee Name:	HAPPY FACE LLC
Mailing Address:	P.O. BOX 3147, HOMER, AK 99603
Phone Number(s):	907-235-8783
Email Address(es):	swapa@swpilots.net or support@swpilots.net
Sublessee Informat	m
Business Name:	LAW OFFICE OF JÜRGEN JENSEN Primary Contact: JÜRGEN JENSEN
Mailing Address:	P.O. BOX 3104, HOMER, AK 99603
Phone number(s):	907-222-4646
Email Address(es):	jurgen@jurgenjensen.com
Sublease Informatio	1
Sq ft: 383 De	cription: LAW OFFICE
Authorized use: (Mus Practice of law.	cription: LAW OFFICE be consistent with authorized purpose in the primary lease.) s experence in the proposed business or venture?
Authorized use: (Mus Practice of law. What is the applicant 17 years What property impro must be submitted to	be consistent with authorized purpose in the primary lease.) s experence in the proposed business or venture? ements are planned as part of this sublease? (At least 30 days prior to construction, plans the Landlord for approval, and often an as-built is required once the work is complete. Se al requirements and details.)

Docusign Envelope ID: 3CA7CBDC-CB50-4B6A-845D-8B8501EEDEBE



Port and Harbor 4311 Freight Dock Road Homer, AK 99603

port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Sublease includes a statement that the sublease is subject to all of the terms and conditions of the primary lease. Initial: Sublease Section #:40 (Attach sublease.)					
Sublease includes a requirement that sublessee agrees to maintain insurance for sublessee's leasehold in the manner and form required under the primary lease and names the City of Homer as an additional insured. Initial: Sublease Section #:40 Business licenses, Permits, Articles of Incorporation, KPB Tax Compliance Certification and other documents providing evidence of compliance with City, Kenai Peninsula Borough and State of Alaska laws. Initial: (Attach supporting documents.)					

Sublease Application Signature Page

Primary Lease Holder Signature:

I hereby attest that, to the best of my knowledge, the information contained in this document is accurate, complete,

5/28/2025

and true.	11	John Stewart
Signature:	A	D4478C8610FC486
Print Name: _	JURGEN	JENSEN

Date: 5/27/25 Title: 5/27/25 OWNER

Page 2 of 2

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CITY OF HOMER

CONSENT TO SUBLEASE

SAMPLE OF REQUIRED FORM TO BE SIGNED AFTER CITY APPROVAL

This CONSENT TO SUBLEASE ("**Consent**"), dated as of the [____] day of [____], 2025 (the "Effective Date"), is entered into among:

CITY OF HOMER, an Alaska municipal corporation, having an address at 491 E Pioneer Avenue, Homer, Alaska 99603 (the "**City**"), as landlord,

[TENANT NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE], having an address at [ADDRESS] ("**Tenant**"), as tenant; and

[SUBTENANT NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE], having an address at [ADDRESS] ("**Subtenant**"), as subtenant

(collectively referred to herein as the "Parties" or, individually, a "Party").

RECITALS

WHEREAS, the City is the owner of the land having an address of [_____] (KPB Tax Parcel No. [____]), and legally described as follows: [_____] (the "Property");

WHEREAS, the City and Tenant entered into that certain [TITLE] dated as of [_____] (the "**Primary Lease**"), pursuant to which the City leased to Tenant the Property;

WHEREAS, Tenant and Subtenant entered into a [SUBLEASE TITLE] (the "**Sublease**"), dated as of [_____], pursuant to which Tenant subleased to Subtenant a portion of the Property, as shown on Exhibit A attached hereto and made a part hereof (the "**Subleased Premises**");

WHEREAS, Tenant has requested that City consent to Tenant subletting the Subleased Premises to Subtenant pursuant to the Sublease; and

WHEREAS, City has agreed to consent to the subletting on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. <u>Consent to Subletting</u>. Subject to the satisfaction of the conditions set forth in Section 9, the City hereby consents to the subletting of the Subleased Premises by Tenant to Subtenant on the

terms and conditions set forth herein and as set forth in the Sublease, a true and correct copy of which is attached hereto as <u>Exhibit B</u>.

2. <u>Sublease Subject and Subordinate to Primary Lease</u>. The Sublease is subject and subordinate always to the Primary Lease. In the case of any conflict between the provisions of the Primary Lease and the provisions of the Sublease, the provisions of the Primary Lease will govern.

3. <u>Tenant Not Released</u>. Neither the Sublease nor this Consent releases or discharges Tenant from any covenants, duties, agreements, or liabilities under the Primary Lease. Tenant will remain liable and responsible for the full performance and observance of all the provisions, covenants, and conditions set forth in the Primary Lease on the part of Tenant to be performed and observed. Any breach or violation of any provisions of the Primary Lease by Subtenant will be deemed to be and will constitute a default by Tenant.

4. <u>Consent Limited to Subletting</u>. This Consent is limited solely to the subletting of the Subleased Premises by Tenant to Subtenant pursuant to the Sublease. The City expressly reserves the right to consent to or withhold consent with respect to any other matters in the Primary Lease, including, without limitation, any proposed alterations to the Property or the Subleased Premises or any further subletting either by Tenant or Subtenant.

5. <u>Termination of Primary Lease</u>. If at any time prior to the expiration or termination of the Sublease the Primary Lease expires or terminates for any reason, the Sublease will automatically and simultaneously terminate.

6. <u>Notices</u>. Tenant and Subtenant acknowledge and agree that the City must be copied simultaneously on any notices between Tenant and Subtenant delivered as provided in the Primary Lease. Notices to the City must be sent to:

City of Homer Port and Harbor 4311 Freight Dock Rd. Homer, Alaska 99603

Or by email to: leases@ci.homer.ak.us

7. <u>Fee</u>. Tenant must pay to the City, upon demand, the fee specified in the Primary Lease, or if no fee is specified, the City's fees and expenses (including without limitation the City's reasonable attorneys' fees and expenses) incurred relating to the City's review, negotiation, and processing of all information and documents relating to the Sublease or Subtenant.

8. <u>No Further Modifications</u>. Tenant and Subtenant agree not to amend, modify, or supplement the Sublease without the prior written consent of the City, which consent may be given

or withheld in its sole and absolute discretion. This Consent does not confer any third-party beneficiary rights upon Subtenant, except as expressly set forth herein.

9. <u>CONDITIONS TO CONSENT TO SUBLEASE</u>. THE SUBLEASE AND THIS CONSENT ARE NOT VALID AND SUBTENANT MAY NOT TAKE POSSESSION OF THE SUBLEASED PREMISES UNTIL EACH OF THE FOLLOWING HAS BEEN SATISFIED: (A) THE CITY'S RECEIPT OF AN ORIGINAL, EXECUTED COUNTERPART OF THE SUBLEASE, IN THE FORM ATTACHED HERETO; (B) THE CITY'S RECEIPT OF A CERTIFICATE OF SUBTENANT'S INSURANCE IN FORM AND SUBSTANCE REQUIRED BY THE PRIMARY LEASE; AND (C) PAYMENT TO THE CITY OF THE SUM REQUIRED PURSUANT TO SECTION 7. IF THE CONDITIONS OF THIS SECTION 9 HAVE NOT BEEN SATISFIED ON OR BEFORE TEN (10) DAYS AFTER THE EFFECTIVE DATE, THIS CONSENT WILL BE DEEMED NULL AND VOID AND OF NO FURTHER FORCE OR EFFECT.

10. <u>Entire Agreement</u>. This Consent contains the entire agreement of the Parties and may not be modified orally or in any manner other than by an agreement in writing signed by the Parties or their respective successors in interest.

11. <u>Capitalized Terms</u>. All capitalized terms not defined herein have the meaning given them in the Primary Lease.

12. <u>Paragraph Headings</u>. The paragraph headings appearing herein are for purposes of convenience only and are not deemed to be part of this Consent.

13. <u>Governing Law</u>. This Consent is to be construed in accordance with the laws of Alaska without regard to the choice of law rules of that state.

14. <u>Severability</u>. If any term or provision of this Consent is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Consent or invalidate or render unenforceable such term or provision in any other jurisdiction.

15. <u>Counterparts</u>. This Consent may be executed in counterparts, each of which is deemed an original, but all of which together is deemed to be one and the same agreement. A signed copy of this Consent delivered by email is deemed to have the same legal effect as delivery of an original signed copy of this Consent. Notwithstanding the foregoing, each Party hereto must deliver original counterpart signatures to the other Parties by no later than ten (10) days after the date hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Consent to be executed as of the Effective Date.

CITY OF HOMER:

Ву:
Name:
Title:
TENANT:
[TENANT NAME]
Ву:
Name:
Title:
SUBTENANT:
[SUBTENANT NAME]
Ву:
Name:
Title:

[SIGNATURE PAGE TO CONSENT TO SUBLEASE]

EXHIBIT A

DESCRIPTION OF SUBLEASED PREMISES

[Insert a drawing/plan or description of the Sublease Premises and delete this text]

EXHIBIT B

SUBLEASE

A copy of the Sublease is attached.

City of Homer Consent to Sublease



Resolution 25-059, A Resolution of the City Council of Homer, Alaska, Authorizing Task Order 3 to Alaska Harbor Consulting, LLC, for Engineering Support for the 2025 Port Infrastructure Development Program Grant Application. City Manager/Port Director.

ltem Type:	Backup Memorandum
Prepared For:	Mayor Lord and Homer City Council
Date:	May 28, 2025
From:	Bryan Hawkins, Port Director
Through:	Melissa Jacobsen, City Manager

Summary:

This memo provides background for Task Order 3, which authorizes funding for Alaska Harbor Consulting to provide support engineering for the City of Homer's 2025 Port Infrastructure Development Program (PIDP) harbor float replacement grant application.

Background:

City Council previously authorized staff to move forward with completing a 2025 PIDP grant application utilizing HDR grant writing and technical support with a Benefit Cost Analysis or a Risk Assessment, if necessary.

As part of this effort, the Maritime Administration (MARAD) advised Staff that to strengthen the application's competitiveness, we should enhance the application by including:

- Current cost estimates
- A comprehensive, detailed budget narrative.

Given that the scope for the 2025 PIDP application has changed from the City's previous applications (from both System 4 and System 1 to solely System 4), the project cost estimate will significantly change, and an updated work plan schedule tied to that budget will also be required.

Alaska Harbors Consulting has been the consultant engineer on prior efforts related to these elements of the PIDP grant application. The firm also brings a long history of successful collaboration with Homer Harbor from the principal's previous work at R&M Consulting. This continuity and deep familiarity with our harbor infrastructure are critical strengths that will support the success of our grant application and be cost effective compared to including these services in an amended HDR Task Order.

Recommendation:

Pending adoption of Ordinance 25-42, adopt Resolution 25-059 authorizing the City Manager to negotiate and execute Task Order 3 to Alaska Harbors Consulting to support the City of Homer's 2025 PIDP grant application.

1 2	CITY OF HOMER HOMER, ALASKA	
3		City Manager/
4		Port Director
5	RESOLUTION 25-059	
6		
7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASK	•
8	AUTHORIZING TASK ORDER 3 TO ALASKA HARBOR CONSULTIN	•
9	LLC FOR ENGINEERING SUPPORT FOR THE 2025 POF	
10	INFRASTRUCTURE DEVELOPMENT PROGRAM GRANT (PID	•
11	APPLICATION AN AUTHORIZING THE CITY MANAGER T	0
12 13	NEGOTIATE AND EXECUTE THE APPROPRIATE DOCUMENTS.	
15 14	WHEREAS, The Homer Harbor Critical Float Replacement project	addresses float
15	systems that are in critical condition, do not meet current design or safety	
16	requiring major maintenance, and will soon face load restrictions or decomm	
17		
18	WHEREAS, The City is applying for Federal construction subsidy funds t	hrough the 2025
19	PIDP, which requires a current cost estimate, a comprehensive and detailed b	-
20	and a work plan schedule related to the budget; and	C .
21		
22	WHEREAS, Alaska Harbor Consulting, LLC has demonstrated relevant e	expertise related
23	to this project, has previously been authorized under Resolution 25-046 to sup	port preliminary
24	design elements and permitting of the Float System 4 replacement; and	
25		
26	WHEREAS, In accordance with HCC 3.16.060, based on their specialized	-
27	familiarity with the project, staff has determined that Alaska Harbor Consultir	ng, LLC, qualifies
28	for single-source procurement; and	
29		
30	WHEREAS, The proposed Task Order 3 will provide necessary engine	• • •
31	complete the aforementioned grant application deliverables in a timely ar	id cost-effective
32 33	manner; and	
34	WHEREAS, This is contingent upon City Council's adoption of C	ordinance 25-42
35	appropriating Port & Harbor Reserve funds for professional technical assistar	
36	securing nationally competitive PIDP funds to help replace floats in Homer Sn	• •
37	that are in critical condition.	
38		
39	NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer	, Alaska hereby
40	authorizes Task Order 3 to Alaska Harbor Consulting, LLC, to prepare the cost e	•
41	narrative, and scope/schedule work plan, for an amount not to exceed \$7,000	-
42	the City Manager to negotiate and execute the appropriate documents.	
43		
44	PASSED AND ADOPTED by the Homer City Council this 9th day of June,	2025.

Page 2 of 2 RESOLUTION 25-059 CITY OF HOMER

45		
46		CITY OF HOMER
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50		RACHEL LORD, MAYOR
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52	ATTEST:	
53		
54		
55	RENEE KRAUSE, MMC, CITY CLERK	
56		
57	Fiscal Note: \$7000 refer to Memo CC-25-163	
58		



Resolution 25-060, A Resolution of the City Council of Homer, Alaska, Authorizing the Negotiation and Execution and Delivery of a Loan Agreement Required by the State of Alaska Department of Environmental Conservation under its Clean Water Revolving Loan Program in Connection with a Not to Exceed \$1,235,999 Loan (of which \$500,000 is Eligible for Forgiveness) to Assist in Financing the Beluga Sewer Lift Station Improvement Project. City Manager/Public Works Director.

ltem Type:	Backup Memorandum
Prepared For:	City Council
Date:	May 30, 2025
From:	Daniel Kort, Public Works Director
Through:	Melissa Jacobsen, City Manager

I. Issue: The purpose of this Memorandum is to request approval to allow the City Manager to accept loan funds from the Alaska Department of Environmental Conservation (ADEC) under its Alaska Drinking Water Fund Program (ACWF) for the Beluga Sewer Lift Station Improvement Project. Such acceptance is by means of signing, on behalf of the City, a loan agreement with ADEC.

II. Background:

The purpose of the Beluga Lift Station Improvement is primarily to install a liner on the inside of the lift station to protect the concrete walls of the lift station vault from hydrogen sulfide corrosion. On November 25, 2024, Resolution 24-122 authorized the City Manager to negotiate and execute a contract with East Road Services, Inc. for the construction of the Improvement and a notice to proceed was issued on December 3, 2024.

Much of the Funding for this project is coming from a loan that the City applied for from the ADEC's State Revolving fund. The State Revolving Fund doesn't technically issue grants, but they can issue loans and then forgive a portion of the loan, which they call principal forgiveness. The loan for the Beluga Lift Station Improvement has \$500,000 in principal forgiveness attached. The rest of the project funding is coming from the Sewer CARMA Fund.

Two resolutions are required before the City can fully execute a loan with ADEC. First, a resolution is needed to apply for the loan. Resolution 24-002 authorized the City to apply for a loan for this project. Second a resolution is needed to execute the loan agreement.

III. RECOMMENDATIONS:

That the City Council authorize the City Manager to negotiate and execute and deliver a loan agreement to secure funds from ADEC, in an amount not to exceed One Million Two Hundred Thirty-Five Thousand Dollars (\$1,235,000), subject to Five Hundred Thousand Dollars (\$500,000) being forgiven by an ADEC subsidy for the Beluga Sewer Lift Station Improvement project.

IV. ATTACHMENTS

Loan Agreement No. 409411-S for Beluga Sewer Lift Station Improvements



Department of Environmental Conservation

> DIVISION OF WATER PO Box 111800 Juneau, Alaska 99811-1800 Main: 907.465.6594 Fax: 907.465.5177

May 27, 2025

Ms. Melissa Jacobsen Interim City Manager City of Homer 491 E Pioneer Ave Homer, Alaska 99603

RE: Loan Agreement No. 409411-S for Beluga Sewer Lift Station Improvements

Dear Ms. Melissa Jacobsen:

Enclosed for signature is the loan agreement in the amount of \$1,235,000 for the Beluga Sewer Lift Station Improvements. This loan is provided with \$500,000 in loan forgiveness. Assuming that the loan is fully disbursed, the City of Homer will be responsible to repay \$735,000 in principal plus the finance charge over a 10-year repayment term. The annual finance rate for this loan is 2.0938 percent.

Please return a copy of the fully signed loan agreement to <u>dec.facilities.grants.loans@alaska.gov</u> or mail a hard copy to the address identified below. The signed original agreement should be retained for your records.

Alaska Department of Environmental Conservation Division of Water Attn: State Revolving Loan Program 555 Cordova Street Anchorage, Alaska 99501

This loan is not effective, and no disbursements will be made until the Department has received a copy of the fully signed agreement. If you have any questions regarding the loan agreement you may contact Young Ha, Program Manager, at 907-269-7544 or Josh Alvey, Project Engineer, at 907-269-1065.

Singerely,

Carrie Bohan Facilities Programs Manager

Enclosure: ACWF No. 409411-S Beluga Sewer Lift Station Improvements Loan Agreement

Clean Water State Revolving Fund Loan Agreement No. 409411-S

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Between

State of Alaska Department of Environmental Conservation Division of Water State Revolving Fund Program

And

City of Homer

Beluga Sewer Lift Station Improvements								
Loan Amount	\$1,235,000							
Subsidy Amount	\$500,000							
Repayment Amount	\$735,000							
Finance Charge	2.0938%							
Repayment Term	10 years							

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ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

Loan Agreement

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Article 1. Loan Terms

This loan agreement ("Agreement") is made and entered into as of the date of final signature by the Alaska Department of Environmental Conservation ("Department") and the City of Homer ("Borrower") as identified in Article 4, and continues in full force and effect until the final day of the Agreement Period. This Agreement is made subject to, and conditional upon, the availability of funds.

1.01 Borrower Information

Borrower Name:City of HomerBorrower Mailing Address:491 E Pioneer Ave, Homer, AK 99603Name of Authorized Signatory:Melissa JacobsenResolution Number:24-004

1.02 Project Description

The Borrower shall use this loan to reconfigure and rehabilitate the lift station to reduce corrosion and allow for greater ease of maintenance.

1.03 Loan Amount

\$1,235,000

1.04 Principal Forgiveness

\$500,000

1.05 Repayment Term

10 years

1.06 Finance Charge

Interest Rate: 1.5938% Fee: 0.5% Total Finance Charge: 2.0938%

Article 2. General Terms and Conditions

The Borrower shall comply with all applicable federal, state and local laws, requirements, and ordinances for the planning, design, construction, implementation, and administration of the Project and this Agreement, including but not limited to those identified in the General Terms and Conditions and Attachments.

2.01 Accounting Practices

The Borrower shall separately account for all monies received from the Alaska Clean Water Fund and shall maintain project accounts in accordance with generally accepted governmental accounting principles. The Department shall have the right to audit Borrower's records related to the Project.

2.02 Timely Use of Funds

- a. Concurrent with the execution and delivery of this Agreement, or as soon thereafter as practicable, the Borrower shall take all steps necessary to complete the Project in a timely manner in accordance with all applicable loan conditions.
- b. The Department will, in its discretion, revoke this Agreement if the Borrower has not initiated the Project within one year after signing the Agreement.
- c. If no Disbursement Request is made within the one-year period, the Department may take action to recall the loan.

2.03 Disbursement of Funds

Subject to the terms and conditions of this Agreement, the eligible project costs less other funding sources will be disbursed by the Department upon receipt and approval of Disbursement Requests and Quarterly Project Status Reports.

The Borrower shall submit Disbursement Requests and Quarterly Project Status Reports to the Department via the Division of Water's Online Application System (OASys). OASys may be accessed at the following link: <u>https://dec.alaska.gov/water/oasys</u>.

- a. Disbursement Requests and Quarterly Project Status Reports must be submitted to the Department within 30 days following the end of each calendar quarter.
- b. Should the Borrower fail to submit the Quarterly Project Status Reports as required, the Department will not process subsequent Disbursement Requests until a Quarterly Project Status Report is received.
- c. Departmental approvals required by this Agreement will not be unreasonably withheld.
- d. The Department will disburse funds only as necessary to complete the Project. Any funds remaining after completion of the Project will remain in the Alaska Clean Water Fund.

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

- e. Borrower shall provide the Department with written evidence of materials and labor furnished to and performed upon the Project and such receipts of the payment of the same, releases, satisfactions and other signed statements and forms as the Department may reasonably require.
- f. The Department may at any time review and audit requests for disbursement and make adjustments for, among other things, ineligible expenditures, mathematical errors, items not built or bought, unacceptable work and other discrepancies.

2.04 Principal Forgiveness Disbursement

As part of this Agreement, the Department has offered the Borrower \$500,000 of subsidy, in the form of principal forgiveness.

- a. Subsidy will be applied to each disbursement at 40 % until all available subsidy has been applied.
- b. If no disbursement request is made within one year, the Department may take action to rescind the subsidy offer.

2.05 Loan Repayment

- a. The Borrower shall repay the principal amount and the finance charges on all cash disbursements made to the Borrower according to the repayment schedule. The repayment schedule will be prepared by the Department and confirmed by the Borrower, and will provide that:
 - i. The Borrower shall pay a finance charge of 2.0938% on each disbursement. The finance charge is comprised of a fee of 0.5% on the total loan disbursed, plus the interest rate of 1.5938%. Accrual of the finance charge will begin one year after the date of the first disbursement to the Borrower.
 - ii. The Borrower shall pay back the loan amount within 10 years from initiation of repayment. Repayment of the loan will be made with either equal annual principal payments plus the finance charge or equal annual total payments including the finance charge. Other repayment methods may be negotiated with the Department. Payments shall be applied first to any costs or charges incurred by the Department, outstanding interest, and, finally, to principal.
 - iii. The first repayment is due one year following substantial completion and Initiation of Operation of the Project.
- b. The Borrower hereby grants to the Department a security interest in and irrevocably pledges its Net Operating Revenues of the Borrower's wastewater system to secure payment of and to pay the amounts due under this Loan Agreement. The Net Operating Revenues so pledged and hereafter received by the Borrower shall immediately be subject to the lien of such pledge without physical delivery or further act, and the lien of the pledge shall be superior to all other claims and liens whatsoever, to the fullest extent

permitted by law. The Borrower represents and warrants that the pledge of its Net Operating Revenues hereby made by the Borrower complies with, and shall be valid and binding from the date of this Agreement. The Borrower covenants with the Department and any assignee of this Agreement that, except as otherwise expressly provided herein, the Borrower shall not issue any other obligations which have a pledge or lien on its Net Operating Revenues superior to or on a parity with the pledge herein granted without the written permission of the Department. This Loan is a parity obligation with all other State Revolving Fund (SRF) loans between the Department and the Borrower.

- c. The Borrower represents and warrants to the Department that the Borrower has not pledged revenues for the repayment of this Loan that have been previously pledged or encumbered, unless specifically set forth in the Borrower's Approved Application. The Net Operating Revenues pledged in this Loan Agreement for repayment of this Loan and each separate source of revenue are specifically identified and described in the Borrower's Approved Application.
- d. If the Borrower's Net Operating Revenues are insufficient to meet any loan payment to the Department when due, the Borrower shall pay the deficiency in its loan payment from any legally available funds of the Borrower. Repayment of the Loan shall not be a direct and general obligation of the Borrower.
- e. If the Project Facility is damaged or destroyed prior to completion of the Agreement Period, the Borrower is liable to the Department for all amounts due under this Agreement.

2.06 Late Payment Fee

The Borrower shall be subject to a late charge for any repayment that is delinquent by more than 30 days, in accordance with the following conditions.

- a. If the Borrower is in good standing with the Department and has no late payments on any loans within the last five years:
 - i. And a payment is more than two months late a 1% charge will be applied against the outstanding amount due;
 - ii. And a payment is more than three months late a 3% charge will be applied against the outstanding amount due;
 - iii. And a payment is more than four months late a 5% charge will be applied against the outstanding amount due.
- b. If the Borrower has had late loan payments in the last five years.
 - i. And a payment is more than one month late a 1% charge will be applied against the outstanding amount due;
 - ii. And a payment is more than two months late a 3% charge will be applied against

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

the outstanding amount due;

- iii. And a payment is more than three months late a 5% charge will be applied against the outstanding amount due.
- c. Additionally, interest on the unpaid balance will continue to accrue at the interest rate established in Section 1.06 and must be paid in addition to the late charge. Payments in arrears when the 5% late charge is assessed will be referred to the Alaska Department of Law for collection.

2.07 Loan Default

The Borrower shall be in default, if a loan repayment has not been made within 90 days of the due date, as determined by the repayment schedule prepared by the Department and provided to the Borrower.

The provisions of AS 37.15.575 relating to state aid interception apply to the loan made under this Agreement.

2.08 Notification

Any disbursement or repayment made by the Department or Borrower under this Agreement shall be delivered by electronic transfer or by registered or certified mail.

- a. In order to submit repayments electronically, the Borrower must submit a request to the following email: <u>dec.adec.userfees@alaska.gov</u> to initiate the process and complete required forms.
- b. Any repayment addressed to the Department will be sent to:

Alaska Department of Environmental Conservation Division of Administrative Services Financial Services PO Box 11800 Juneau, AK 99811-1800

c. Any disbursement addressed to the Borrower will be sent to:

Melissa Jacobsen, City Manager City of Homer 491 E Pioneer Ave Homer, AK 99603

2.09 Insurance

a. If applicable, until the Project is completed by the Borrower, the Borrower (or at the option of the Borrower, the contractor) shall maintain insurance for the loss of the Project Facility for the benefit of the Department, the Borrower and the prime

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

contractor, and all subcontractors, as their interests in the Project may appear. The Borrower shall insure the Facility against loss or damage in an amount at least equal to the Eligible Project Costs.

- b. If applicable, an insurance policy issued pursuant to Section 2.09(a) must be written or endorsed to make losses payable to the Department and the Borrower as their interests may appear. The interests of the Department are limited to the unpaid principal balance of the loan and any finance charge and penalties accrued as of the date such loan may be paid in full as a result of any insurance payoff, following destruction or damage to the Project Facility.
- c. In the event the Borrower fails to maintain the full insurance coverage required by this Agreement, the Department may take out the required policies of insurance and pay the premiums. All amounts so advanced by the Department will become an additional obligation of the Borrower to the Department.
- d. The Borrower shall require its contractors and subcontractors to maintain workers compensation, commercial general liability, property damage, and vehicle liability insurance. Until the Project is complete, the Borrower (or at the option of the Borrower, the contractor) shall maintain insurance for the loss of the facility for the benefit of the Department, the Borrower, the prime contractor, and all subcontractors, as their interests in the Project may appear.

2.10 Environmental Review

Prior to initiating the Project, the Borrower shall consult with the Department to determine the required level of environmental review. The Department will notify the Borrower of the type of environmental documentation that will be required, if any.

The Borrower shall complete an environmental review in accordance with the State Environmental Review Process (SERP), and in compliance with state and federal environmental laws prior to any ground disturbing or construction activities conducted as part of this Project. Disbursement Requests for costs related to construction activities will not be accepted until the SERP review has been completed. Any ground disturbing or construction activities that occur prior to the notification to the Borrower, by the Department, that Department's decision has been finalized are ineligible for reimbursement.

Any mitigation measures identified through the environmental review shall be fully implemented by the Borrower.

An environmental determination is valid for five years. Any activities occurring more than five years following the original environmental determination must undergo an additional review.

2.11 Archaeological and Historical Preservation

If historical or cultural artifacts are discovered during the Project, the Borrower shall immediately stop construction and implement reasonable measures to protect the discovery site from further disturbance; take reasonable steps to ensure confidentiality of the discovery site, restrict access to the site; and notify the concerned tribe's cultural staff or committee, the Department, and the State of Alaska's Historical Preservation Officer. If human remains are uncovered, the Borrower shall immediately report the presence and location of the remains to law enforcement, the concerned tribe's cultural staff or committee, and the Department.

2.12 Cost and Effectiveness Analysis

Under the Federal Water Pollution Control Act section 602(b)(13), the Borrower shall certify that they have conducted studies and evaluations for determining the cost and effectiveness of the Project. The cost and effectiveness analysis at minimum requires:

- a. the study and evaluation of the cost and effectiveness of the processes, materials, techniques, and technologies for carrying out the proposed Project or activity for which assistance is sought under this title; and
- b. the selection, to the maximum extent practicable, of a Project or activity that maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account: the cost of constructing the Project or activity; the cost of operating and maintaining the Project or activity over the life of the Project or activity; and, the cost of replacing the Project or activity.
- c. Certification shall be provided to the Department by the Borrower before proceeding with final design or construction. The Borrower must use the certification form supplied by the Department to ensure compliance with this requirement.

2.13 Fiscal Sustainability Plan

- a. The Borrower shall, under amendments to the Federal Water Pollution Control Act, under Section 603(d)(1)(E), have a Fiscal Sustainability Plan (FSP) that covers the funded Project and closely associated components in place by the time of submission of the final disbursement request.
- b. A FSP is a living document that is regularly reviewed, revised, expanded, and implemented as an integral part of the operation and management of the system. The plan, at a minimum, shall include the following:
 - i. An inventory of critical assets that are a part of the treatment works;
 - ii. An evaluation of the condition and performance of inventoried assets or asset groupings;
 - iii. A certification that the Borrower has evaluated and will be implementing water and energy conservation efforts as part of the plan; and
 - iv. A plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities.

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

c. The Borrower shall certify, on a Department supplied form, that they have developed and are implementing a FSP. Department specific FSP development criteria may either be obtained through the contact information given under Article 2.08 of this Agreement, or through the Department's web site at the following web address: <u>http://dec.alaska.gov/water/technical-assistance-and-financing/state-revolvingfund/guidance-and-forms</u>

2.14 Site Access

The Department has the right, at all reasonable times, to enter the Project Site, for the purpose of inspecting the Project and Project Facility.

2.15 Construction

- a. With the exception of land easements, all real estate and personal property constituting the Project Site and the Project must belong to the Borrower.
- b. The Borrower shall not begin construction until the Project has received an Approval to Construct (ATC), if one is required. If an ATC is not required by the Department's Engineering Support and Plan Review (ESPR) Program, the Borrower shall provide a statement from ESPR to that effect.
 - i. In its approvals, the Department may specify changes or conditions to the plans and specifications.
 - ii. The Department must approve any subsequent changes to, or deviations from, approved plans.
- c. If an ATC as described in (b) above is not required, the Borrower shall not begin construction until the plans and specifications have been reviewed and approved by the assigned State Revolving Fund Program engineer.
- d. Any construction contract estimated to equal or exceed \$100,000 shall be awarded through a competitive bidding process and any construction contract estimated to be less than \$100,000 may be negotiated if the Department approves the solicitation and negotiation procedures.
- e. All construction contracts and contractors' estimate forms shall be prepared so that materials and equipment may be readily itemized as to eligible project costs and non-eligible costs.
- f. Any change in a construction contract that will alter the contract specifications, time, price, or will substantially modify the proposed treatment process shall be submitted to the Department for approval.
- g. When applicable, the Borrower shall require each construction contractor to furnish a performance and payment bond in an amount at least equal to 100 percent of the contract price.

- h. Construction of the Project shall conform to applicable federal, state, and local laws, ordinances, and regulations.
- i. The Borrower shall proceed expeditiously and complete the Project in accordance with the Approved Application, project schedule, surveys, plans, profiles, cross-sections, specifications, and amendments.

2.16 Compliance with Laws, Regulations, Etc.

The Borrower shall comply with, and require its contractors and subcontractors to comply with, all applicable federal and state laws, rules, guidelines, regulations, and requirements to include, but not limited to, the following:

- a. The "List of Federal Laws and Authorities (Federal 'Cross-Cutting' Authorities)" as identified in Exhibit "A" and made a part hereof.
- b. Lobbying

No portion of the loan amount may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

c. Davis-Bacon Act

The Borrower must ensure compliance with the Davis-Bacon and Related Acts (DBRA), a collection of labor standards provisions administered by the Department of Labor, that are applicable to loans involving construction. These labor standards include:

- Davis-Bacon Act, which requires payment of prevailing wage rates for laborers and mechanics on construction contracts of \$2,000 or more.
- Copeland "Anti-Kickback" Act, which prohibits a contractor or subcontractor from inducing an employee into giving up any part of the compensation to which he or she is entitled; and
- Contract Work Hours and Safety Standards Act, which requires overtime wages to be paid for over 40 hours of work per week, under contracts in excess of \$100,000.

Applicable federal regulations include 29 CFR 1 – Procedures for Predetermination of Wage Rates and 29 CFR 5 - Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction. All applicable laws, executive orders, regulations, forms and posters are available through the <u>DBRA website</u>: <u>https://www.dol.gov/agencies/whd/government-contracts/construction</u>.

For construction, alteration, and repair of treatment works, the Borrower shall ensure that contract wages paid are the higher of the State or Federal wage rate on a classification-by-classification basis for the construction of the Project. Both prevailing wage rates established for the locality by the Alaska Department of Labor under AS

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36.05.010, and Federal standards in accordance with 40 U.S.C. Subtitle II Part A Subchapter IV (commonly referred to as the "Davis Bacon Act") apply. Laborers and mechanics employed by contractors and subcontractors shall be paid wages not less often than once a week and at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor.

- i. The Borrower shall obtain the wage determination for the area in which the project is located prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) less than 10 days before posting. Wages are locked-in at bid opening if awarded within 90 days. Wages must be updated if contract award is more than 90 days after bid opening. Once a Davis-Bacon wage rate has been locked, it stays in effect for the duration of the project. These wage determinations shall be incorporated into solicitations and any subsequent contracts. In addition, the wage determination and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor or subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.
- ii. The Borrower shall ensure that the required EPA contract language regarding Davis-Bacon Wages is in all contracts and sub-contracts in excess of \$2,000. Borrower shall ensure no contracts are awarded to contractors excluded from federal contracts. The Borrower may access suspension and debarment information at <u>http://www.sam.gov</u>.
- iii. The Borrower shall periodically interview a representative portion of the work force entitled to Davis-Bacon prevailing wages to verify that contractors or subcontractors are paying the appropriate wage rates. Borrowers shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. As provided in 29 CFR 5.6(a)(5), all interviews must be conducted in confidence. The Borrower must use Standard Form 1445 or equivalent documentation to memorialize the interviews.
- iv. The Borrower shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. In addition, during the examinations, the Borrower shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions. The Borrower shall maintain records sufficient to document compliance with DBRA, and make such records available for review upon request.
- v. In addition, the Borrower shall consult with the Department on any required contract or bid document language to ensure that appropriate federal DBRA material is included in the documentation. The Borrower must include the following text on all contracts: "By accepting this contract, the contractor acknowledges and agrees to the terms provided in the <u>DBRA Requirements for Contractors and Subcontractors Under EPA Grants.</u>"

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

Loan Agreement

d. Title I - Employment of the Americans with Disabilities Act of 1990

When applicable, the Borrower shall comply with Title I-Employment of the Americans with Disabilities Act of 1990 (P.L. 101-336) and in accordance with Title I of that Act, shall not discriminate against a qualified individual with a disability because of the disability of such individual in regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions, and privileges of employment.

e. Title II-Public Services of the Americans with Disabilities Act of 1990

When applicable, the Borrower shall comply with Title II-Public Services of the Americans with Disabilities Act of 1990 (P.L. 101-336) and in accordance with Title II of the Act, no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any such entity.

f. Title II, Part 35, Section 35.151 of the Americans with Disabilities Act "New Construction and Alterations"

When applicable, the Borrower shall comply with Title II, Part 35, Section 35.151 of the Americans with Disabilities Act "New Construction and Alterations."

- i. Design and construction: Each facility or part of a facility constructed by, on behalf of, or for the use of a public entity shall be designed and constructed in such manner that the facility or part of the facility is readily accessible to and usable by individuals with disabilities, if the construction was commenced after January 26, 1992.
- ii. Alteration: Each facility or part of a facility altered by, on behalf, of or for the use of a public entity in a manner that affects or could affect the usability of the facility or part of the facility shall, to the maximum extent feasible, be altered in such manner that the altered portion of the facility is readily accessible to and usable by individuals with disabilities, if the alteration was commenced after January 26, 1992.
- iii. Accessibility standards: Design, construction or alteration of facilities in conformance with the Uniform Federal Accessibility Standards (UFAS) (Appendix A to 41 CRF part 101-19.6) or with the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities (ADAAG) (Appendix A to 28 CFR Part 36) shall be deemed to comply with the requirements of this section with respect to those facilities, except that the elevator exemption contained at section 4.1.3(5) and section 4.1.5(1)(j) of ADAAG shall not apply.
- g. Title III, Part 36, Section 36.401 of the Americans with Disabilities Act "New Construction"

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

When applicable, the Borrower shall comply with Title III, Part 36, Section 36.401 of the Americans with Disabilities Act "New Construction." Except as provided in paragraph (b) and (c) of the Act, discrimination for purposes of this part includes a failure to design and construct facilities for first occupancy after January 26, 1993, that are readily accessible to and usable by individuals with disabilities.

h. Title III, Part 36, Section 36.402 of the Americans with Disabilities Act "Alterations"

When applicable, the Borrower shall comply with Title III, Part 36, Section 36.402 of the Americans with Disabilities Act "Alterations."

- i. General: Any alteration to a place of public accommodation or a commercial facility, after January 26, 1992, shall be made so as to ensure that, to the maximum extent feasible, the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.
- ii. Alteration: An alteration is a change to a place of public accommodation or a commercial facility that affects or could affect the usability of the building or facility or any part thereof.
- i. 2 CFR Part 180, Responsibilities of Participants Regarding Transactions

The Borrower shall fully comply with Subpart C of 2 CFR Part 180, entitled "Responsibilities of Participants Regarding Transactions." The Borrower is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of 2 CFR Part 180, entitled "Covered Transactions," includes a term or condition requiring compliance with Subpart C. The Borrower is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. The Borrower acknowledges that failing to disclose the information required under 2 CFR Part 180 may result in the delay or negation of this assistance Agreement, or pursuance of legal remedies, including suspension and debarment.

j. American Iron and Steel

Per Section 608 of the Clean Water Act, none of the funds made available to the Borrower shall be used for a project for the construction, alteration, maintenance, or repair of a treatment works unless all of the iron and steel products used in the project are produced in the United States.

The Borrower may request a waiver to this requirement if:

- i. It is inconsistent with the public interest;
- ii. Iron and steel products that are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
- iii. Inclusion of iron and steel products produced in the United States that will increase the cost of the overall Project by more than 25 percent.

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

Waiver requests shall be submitted to the Department by the Borrower; the Department will then forward the request to the Environmental Protection Agency (EPA) for consideration. EPA will make a copy of the request, and information available to the Administrator concerning the request, available to the public on an EPA website for at least fifteen days for informal public input prior to making a finding.

2.17 **Project Completion**

- a. Prior to initiation of operations, the Borrower shall submit to the Department the following:
 - i. Criteria for project performance.
 - ii. An adopted sewer use ordinance and a user charge.
- b. Upon substantial completion of the Project, the Borrower shall initiate operation of the Project Facility and immediately notify the Department in writing of Initiation of Operation. If construction is complete except for minor items, and the facility is operating, but the Borrower has not sent a notice of Initiation of Operation, the Department will, in its discretion, assign an Initiation of Operations date.
- c. For any Project that requires an Approval to Construct from the Department, the Borrower must obtain a Final Approval to Operate.
- d. Upon Initiation of Operation, the Borrower shall certify that the Project Facility is and will be operated by sufficiently qualified operating personnel certified at the system classification level by the State of Alaska.
- e. Within one year of the initiation of operation, the Borrower shall:
 - i. Be subject to a final inspection by the Department;
 - ii. Submit to the Department a manual for operations and maintenance of the Project Facility for Department approval;
 - iii. Submit to the Department a Project Performance Certification certifying that the facility is or is not performing up to design standards.
- f. Nothing contained in this Agreement shall be construed as an obligation or pledge of the Borrower to appropriate or expend general funds and general revenues of the Borrower to operate or maintain the Project Facility.

2.18 Amendments and Modifications

This Agreement may only be modified or amended in writing and executed by the authorized representatives of all parties to this Agreement.

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

Page 15 of 22

2.19 Disputes

The Borrower shall raise any concerns or issues it may have regarding the Project with the Department promptly and prior to project completion. If those concerns or issues are not satisfactorily resolved, the Borrower shall promptly give written notice to the Department with a detailed description of the continuing concerns or issues. Jurisdiction and venue for any legal dispute shall be in the Superior Court for the State of Alaska, Third Judicial District at Anchorage, and in no other court or location. In the event of a legal dispute, both parties knowingly and voluntarily waive their right to trial by jury (including any advisory jury) and elect to have the dispute tried only to a judge. In the event of litigation, the prevailing party shall be entitled to an award of its reasonable, actual attorney's fees and costs of litigation. Each party has had an opportunity to review this Agreement with legal counsel of its choosing (or waived such opportunity), therefore this Agreement shall not be interpreted in favor of either party. This Agreement shall be governed by the laws of the State of Alaska.

2.20 Termination

The Department may cancel all or any part of this Agreement if:

- a. Any representation or other statement made by the Borrower to the Department in connection with its application for a loan from the Alaska Clean Water Fund is incorrect or incomplete in any material respect;
- b. The Borrower has violated commitments made in the Approved Application and supporting documents, has not adhered to the regulations of the Alaska Clean Water Fund (18 AAC 76), has violated any of the terms of this Agreement; or
- c. The financial position of the Borrower has, in the opinion of the Department, suffered a materially adverse change.

2.21 Indemnification

The Borrower shall defend with counsel of the Department's choosing, indemnify, and hold harmless the Department and the State of Alaska, and their agents, servants, contractors, and employees, from and against any and all claims, demands, causes of action, actions, and liabilities arising out of, or in any way connected with this funding or the Project for which the funding is made, howsoever caused, except to the extent that such claims, demands, causes of action, actions or liabilities are the proximate result of the sole negligence or willful misconduct of employees or agents of the Department or the State of Alaska.

2.22 Change of Ownership

The Borrower may not sell, transfer, assign, or encumber any of its rights, obligations, or assets related to this loan or Project without express prior written consent of the Department. If the Borrower intends to sell, transfer, assign, or encumber any of the rights, obligations, or assets related to the loan or Project, it must provide the Department with at least 60 days written notice prior to the sale, transfer, assignment, or encumbrance. If the Department has not consented to the sale, transfer, assignment, or encumbrance of the rights, obligations, or assets related to the loan or Project, upon that sale, transfer, assignment, or encumbrance, and at the Department's sole discretion, the loan may be immediately due and payable in full. Alternatively, at the Department's sole discretion, the Department may approve the new owner to take on the rights, obligations, or assets related to the loan or Project, contingent upon successful approval by the Department of the same Financial Capacity Assessment and approvals that the original Borrower was subject to. In the event of any sale, transfer, or assignment of the rights, obligations, or assets related to the loan or Project, the Project must continue to adhere to the project description as outlined in the original loan agreement.

In all cases, the owner of the rights, obligations, or assets related to the loan or Project must maintain the Project for the life of the Project.

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

Article 3. Definitions

Except where the context clearly indicates otherwise, terms used in this Agreement will have the meaning ascribed to them in this section.

- a. "Approved Application" means the application submitted to the Department on August 1, 2024, together with all attachments and supporting documentation, as approved by the Department.
- b. "Finance Charge" means 2.0938 percent per annum.
- c. "Agreement Period" means the time period commencing on the date this Agreement is signed by the Department's Finance Officer and terminating on the date the Borrower repays the loan in full.
- d. "Eligible Project Costs" include the following costs disbursed from the Alaska Clean Water Fund, estimated to not exceed \$1,235,000 for demolition, construction, engineering, machinery, furnishings, equipment, surveys, plans, estimates, specifications, necessary insurance, financial and environmental investigations, laboratory testing, resident engineering and inspection fees, force account, legal expenses, and any other necessary miscellaneous expenditures, minus the amount of any grant applicable to foregoing costs.
- e. "Initiation of Operation" means the date of which the project or project facility begins operating for the purposes for which it was planned, designed, or built.
- f. "Iron and Steel Products" means the following products are primarily of iron and steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps, and restraints, vales, structural steel, reinforced precast concrete, construction materials.
- g. "Net Operating Revenues" means revenues of Borrower's system after payment of operation and maintenance costs of the system.
- h. "Project" means the activities described in Article 1.02.
- i. "Project Facility" means wastewater treatment plant, collection system, or related facilities in which the Project activities are occurring.
- j. "Project Site" means the location at which the Project activities are occurring.
- k. "Subsidy" means principal forgiveness awarded under this Agreement.

Article 4. Signatures

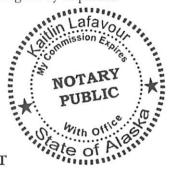
This Agreement is binding upon the parties specified below, and to any person, office, or board succeeding either of the parties. This Agreement may not be assigned by the Borrower without written consent of the Department.

Nothing in this Agreement, whether or not accepted, may be deemed to constitute a contractual obligation on the part of the Department until the Agreement is signed by all parties.

Alaska Department of Environmental Conservation

By:

Carrie Bohan, Facilities Programs Manager Division of Water



ACKNOWLEDGEMENT STATE OF ALASKA First Judicial District

The foregoing instrument was acknowledged before me this 27^{+n} day of <u>May</u>, 2025

Notary Public, State of Alaska My commission expires: With office

Alaska Department of Environmental Conservation

By:

Cathy Dallaire, Administrative Operations Manager Division of Administrative Services

> ACKNOWLEDGEMENT STATE OF ALASKA First Judicial District



The foregoing instrument was acknowledged before me this day of _____

2025

Notary Public, State of Alaska My commission expires: with office

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

Loan Agreement

κ.,

City of Homer

By:

Melissa Jacobsen City Manager

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ACKNOWLEDGEMENT STATE OF ALASKA Third Judicial District

The foregoing instrument was acknowledged before me this _____ day of _____, 2025

Notary Public, State of Alaska My commission expires: _____

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Exhibit "A" – List of Federal Laws and Authorities (FEDERAL CROSS-CUTTING AUTHORITIES)

Environmental and Cultural Authorities:

- Archeological and Historic Preservation Act of 1974, Public Law 93-291
- Archeological Resources Protection Act, Public Law 96-95 as amended
- Bald and Golden Eagle Protection Act, 16 U.S.C. 668-668c
- Clean Air Act, Public Law 95-95, as amended
- Clean Water Act, Public Law 92-50, as amended
- Coastal Barriers Resources Act, Public Law 97-348
- Coastal Zone Management Act of 1972, Public Law 92-583, as amended
- Consultation and Coordination with Indian Tribal Governments, Executive Order 13175
- Endangered Species Act, Public Law 93-2015 as amended
- Environmental Justice, Executive Order 12898
- Essential Fish Habitat Consultation Process under the Magnuson-Stevens Fishery Conservation and Management Act, Public Law 94-265, as amended
- Farmland Protection Policy Act, Public Law 97-98
- Fish and Wildlife Coordination Act, Public Law 85-624, as amended
- Floodplain Management, Executive Order 11988, as amended by Executive Order 13690
- Marine Mammal Protection Act, 16 U.S.C. 1361
- Migratory Bird Treaty Act, 16 U.S.C. 703
- National Historic Preservation Act of 1966, Public Law 89-665
- Native American Graves Protection and Repatriation Act, Public Law 101-601
- Protection and Enhancement of the Cultural Environment, Executive Order 11593
- Protection of Wetlands, Executive Order 11990, as amended by Executive Order 12608
- Rivers and Harbors Act, 33 U.S.C. 403
- Safe Drinking Water Act, Public Law 93-523, as amended
- Wild and Scenic Rivers Act, Public Law 90-542

Social Policy Authorities:

- Age Discrimination Act of 1975, Public Law 94-135
- Title VI of the Civil Rights Act of 1964, Public Law 88-352
- Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500 (the Clean Water Act)
- Section 504 of the Rehabilitation Act of 1973, Public Law 93-112
- Equal Employment Opportunity, Executive Order 11246
- Disadvantage Business Enterprise Provisions
 - Promoting the Use of Small, Minority, and Women-owned Businesses, Executive Orders 11625, 12138, and 12432
 - Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Public Law 100-590
 - Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies appropriations Act of 1993, Public Law 102-389

ACWF 409411-S City of Homer Beluga Sewer Lift Station Improvements

Economic Authorities:

- Procurement Prohibitions Under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, included Executive Order 11738, Administration of the Clean Water Act with Respect to Federal Contracts, Grants, or Loans
- Demonstration Cities and Metropolitan Development Act of 1996, Public Law 89-754 as amended

Miscellaneous Authority:

- Debarment and Suspension, Executive Order 12549
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646 as amended
- Preservation of Open Competition and Government Neutrality Towards Government contractors' Labor Relations on Federally Funded Constructed Projects, Executive Order 13202, as amended by Executive Order 13208
- Prohibition Against Sex Discrimination Under the Federal Water Pollution Control Act, Section 13 of Public Law 92-500
- 40 CFR Part 34, New Restrictions on Lobbying

1 2	CITY OF HOMER HOMER, ALASKA
3	City Manager/
4	Public Works Director
5	RESOLUTION 25-060
6	
7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8	AUTHORIZING THE NEGOTIATION AND EXECUTION AND DELIVERY
9	OF A LOAN AGREEMENT REQUIRED BY THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION UNDER ITS
10 11	CLEAN WATER REVOLVING LOAN PROGRAM IN CONNECTION
12	WITH A NOT TO EXCEED \$1,235,000 LOAN (OF WHICH \$500,000 IS
13	ELIGIBLE FOR PRINCIPLE FORGIVENESS) TO ASSIST IN
14	FINANCING THE BELUGA SEWER LIFT STATION IMPROVEMENT
15	PROJECT.
16	
17	WHEREAS, The City of Homer, Alaska ("City") is a first class city organized and existing
18	under the Constitution and laws of the State of Alaska and may exercise all legislative power
19	not prohibited by law and the City has determined that matters set forth in this resolution are
20	not prohibited by law; and
21	
22	WHEREAS, Pursuant to Resolution 24-004, adopted by the City Council on January 8,
23	2024 the City Manager was authorized to apply for a loan from the State of Alaska, Department
24	of Environmental Conservation ("ADEC"), from amounts held in its Clean Water Revolving Loan
25	Program Fund, to assist in financing the reconfiguration and rehabilitation of the Beluga Sewer
26	Lift Station improvement project ("Project"); and
27 28	WHEREAS, ADEC has conditionally approved the City's loan application for an amount
28 29	not to exceed One Million Two Hundred Thirty-Five Thousand Dollars (\$1,235,000) ("Loan"),
30	subject to terms and conditions set forth in a loan agreement ("Loan Agreement") attached
31	hereto; and
32	
33	WHEREAS, ADEC has represented to City staff that the Loan is eligible for Five Hundred
34	Thousand Dollars (\$500,000) loan forgiveness, with such term being set forth in the Loan
35	Agreement; and
36	
37	WHEREAS, The City of Homer will be responsible to repay the Loan amount of not to
38	exceed Seven Hundred Thirty-Five Thousand Dollars (\$735,000), plus interest and finance
39	charges , over a ten-year repayment term; and
40	
41	WHEREAS, It is in the best interest of the City to authorize the execution and delivery of
42	the Loan Agreement by the City to secure the ADEC funding to assist in funding costs of the
43	Project.

Page 2 of 2 RESOLUTION 25-060 CITY OF HOMER

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HOMER,
ALASKA:
Section 1. The Council hereby authorizes the City to borrow funds from the Alaska
Department of Environmental Conservation ("ADEC"), in an amount not to exceed One Million
Two Hundred Thirty-Five Thousand Dollars (\$1,235,000), subject to Five Hundred Thousand
Dollars (\$500,000) being forgiven by an ADEC subsidy. Such funds are being secured by the City
to pay costs of the Project (as defined above).
<u>Section 2.</u> The Council hereby approves, and authorizes the negotiation, execution
and delivery by the City Manager of the Loan Agreement ("Loan Agreement") by and between
the City and ADEC, in substantially the draft form presented to Council at this meeting. The City
Manager is further authorized to delegate responsibility to appropriate City of Homer staff to
carry out technical, financial, and administrative activities in connection with the Loan
Agreement.
Section 3. That this Resolution shall take effect immediately upon passage.
PASSED AND ADOPTED by the Homer City Council this 9 th day of June, 2025.
CITY OF HOMER
RACHEL LORD, MAYOR
ATTEST:
RENEE KRAUSE, MMC, CITY CLERK
Fiscal Note: See Memorandum CC-25-164



MEMORANDUM

Employee Wage COLA 2025

ltem Type:	Backup Memorandum
Prepared For:	Mayor Lord and City Council
Date:	May 12, 2025
From:	Aaron Glidden, Chair, Employee Committee
Through:	Melissa Jacobsen, City Manager

Summary:

The Employee Committee respectfully requests a 2.2% COLA for upcoming fiscal year.

Background:

The Employee Committee met on March 5, 2025, and several more times since, to discuss the upcoming budget and the feasibility of a COLA. After gathering feedback from all departments, the EC overwhelmingly supports the addition of a 2.2% COLA, to keep pace with inflation.

The Employee Committee recognizes the budgetary hardship caused by the shortfall of sales tax revenue for the upcoming fiscal year, and does not envy the hard decisions that Council will have to make to come up with a balanced budget. We hope that Council understands that not implementing a COLA is essentially a pay cut, as our wages do not have the same buying power that they did a year ago.

We believe that wages that keep up with the Cost of Living go a long way to help with employee morale and retention.

Recommendation:

The Employee Committee recommends that the Council secure the funds to implement a 2.2% COLA for the upcoming year.

Attachments:

AK Department of Labor CPI Tables (2019-present) COLA comparison across municipalities

<u>Home</u>

Department of Labor and Workforce Development



RESEARCH AND ANALYSIS

MENU

CPI TABLES (2019 - PRESENT)

Urban Alaska

(Index value and 12-month percent change)

YEAR	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	ост.	NOV.	DEC.	ANNUAL	HALF 1	HALF 2
2019		227.183 2.5%		228.553 2.7%		234.179 2.5%		230.406 0.7%		227.552 -0.3%		226.527 0.0%	228.676 1.4%	228.858 2.6%	228.495 0.2%
2020		226.51 -0.3%		222.909 -2.5%		225.245 -3.8%		226.984 -1.5%		228.343 0.3%		227.259 0.3%	226.153 -1.1%	225.049 -1.7%	227.258 -0.5%
2021		229.478 1.3%		233.519 4.8%		239.296 6.2%		239.899 5.7%		242.708 6.3%		243.568 7.2%	237.188 4.9%	232.679 3.4%	241.698 6.4%
2022		246.369 7.4%		251.041 7.5%		268.916 12.4%		258.149 7.6%		261.093 7.6%		256.634 5.4%	256.423 8.1%	252.271 8.4%	260.576 7.8%
2023		256.856 4.3%		258.866 3.1%		259.93 -3.3%		263.407 2.0%		263.984 1.1%		261.178 1.8%	260.372 1.5%	257.938 2.2%	262.806 0.9%
2024		261.34 1.7%		267.046 3.2%		267.559 2.9%		267.313 1.5%		269.404 2.1%		267.312 2.3%	266.208 2.2%	264.376 2.5%	268.039 2.0%
2025		269.022 2.9%													

U.S. City Average (Index value and 12-month percent change)

YEAR	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	ост.	NOV.	DEC.	ANNUAL	HALF 1	HALF 2
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	255.657	254.412	256.903
	1.6%	1.5%	1.9%	2.0%	1.8%	1.6%	1.8%	1.7%	1.7%	1.8%	2.1%	2.3%	1.8%	1.7%	1.9%
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.28	260.388	260.229	260.474	258.811	257.557	260.065
	2.5%	2.3%	1.5%	0.3%	0.1%	0.6%	1.0%	1.3%	1.4%	1.2%	1.2%	1.4%	1.2%	1.2%	1.2%
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.31	276.589	277.948	278.802	270.97	266.236	275.703
	1.4%	1.7%	2.6%	4.2%	5.0%	5.4%	5.4%	5.3%	5.4%	6.2%	6.8%	7.0%	4.7%	3.4%	6.0%
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	292.655	288.347	296.963
	7.5%	7.9%	8.5%	8.3%	8.6%	9.1%	8.5%	8.3%	8.2%	7.7%	7.1%	6.5%	8.0%	8.3%	7.7%

Homer Cordova Kenai Palmer Seward Wasilla Kenai Penir Average CPI
2010 0% 2% 1.10% 0 0 2% 3.00% 1.16% 1.80%
2011 0% 2% 1.10% 0 1% 2% 1.19% 3.20%
2012 0% 3% 0.90% 0 1.80% 4.60% 1.76% 2.2%
2013 0.0% 2.25% 3.60% 0 2.50% 2.50% 1.84% 3.1%
2014 2.0% 3.10% 2% 3% 2% 2.23% 1.6%
2015 0.0% 3.50% 3% 2.50% 2.50% 0.5%
2016 0.0% 1.50% 0 0 2% 1% 0.64% 0.4%
2017 1.5% 1.50% 0 0 0 2% 0.50% 0.79% 0.5%
2018 0.5% 0.80% 0.80% 2.10% 2.10% 0.50% 3.0%
2019 0.5% 0.20% 0.20% 0 0 2% 0.50% 0.74% 1.4%
2020 3.0% 2% 2% 0 0 0 2% 2.00% 1.57% 1.57%
2021 1.0% 2.2% 0.22% 0 0 2.00% 1.03% 4.9%
2022 7.0% 0 4.35% 0 0 2% 1.50% 2.12% 8.1%
2023 1.5% 1.5%
2024 3.5% 2.2 %

1 2		CITY OF HOMER IOMER, ALASKA		
3			City Manager	
4	ORDINANCE 25-38(S)			
5 6	AN ORDINANCE OF THE HOMER CITY COUNCIL APPROPRIATING			
7	FUNDS FOR THE FISCAL YEARS 2026 and 2027 FOR THE GENERAL			
8	FUND, THE WATER FUND, THE SEWER FUND, THE PORT/HARBOR			
9	FUND, AND INTERNAL SERVICE FUNDS.			
10				
11	THE CITY OF HOMER ORDAINS:			
12				
13 14	<u>Section 1</u> . Pursuant to the authority of Alaska Statutes Title 29, the following appropriations are made for the fiscal year ending June 2026:			
15				
16	General Fund	\$16,636,358		
17	Water Fund	\$ 2,522,112		
18	Sewer Fund	\$ 2,157,567		
19	Port/Harbor Fund	<u>\$ 6,287,824</u>		
20				
21	Total Expenditures	\$27,603,861		
22		40,400,001		
23	Internal Service Funds	\$3,126,681		
24	Continue 2. Deserve at the the	when the of Alaska Chatakan Title 20	the fellowing	
25 26	<u>Section 2</u> . Pursuant to the authority of Alaska Statutes Title 29, the following appropriations are made for the fiscal year ending June 2027:			
26	appropriations are made for the fiscal y	ear ending June 2027:		
27 28	General Fund	\$17 124 207		
	Water Fund	\$17,134,397 \$ 2,649,471		
29 20	Sewer Fund	\$ 2,264,144		
30	Port/Harbor Fund	\$ 2,264,144 <u>\$ 6,458,249</u>		
31		<u>30,438,245</u>		
32	Total Expenditures	\$28,506,261		
33	Total Expenditures	\$28,500,201		
34 35 36	Internal Service Funds	\$3,270,225		
-	Section 3 The amounts appropr	riated by this ordinance are appropriated	to the objects	
37 38	<u>Section 3</u> . The amounts appropriated by this ordinance are appropriated to the objects and purposes stated in the adopted budget.			
30 39	and purposes stated in the adopted budget.			
39 40	Section 4. Grant funds.			

Page 2 of 3 ORDINANCE 25-38(S) CITY OF HOMER

(a)-If grant funds that are received during the fiscal year exceed the amounts of such		
funds appropriated by this ordinance by not more than \$25,000, the affected		
appropriation is increased by the amount of the increase in receipts.		
(b) If grant funds that are received during the fiscal year exceed the amounts		
appropriated by this ordinance by not more than \$25,000, the appropriation from		
city funds for the affected program may be reduced by the excess if the reduction is		
consistent with applicable federal and state statutes.		
(a) If event funds that are reasized during the fixed way fall shout of the evenuets		
(c) If grant funds that are received during the fiscal year fall short of the amounts		
appropriated by this ordinance, the affected appropriation is reduced by the		
amount of the shortfall in receipts.		
Continu E. 4 Departieurs en eleviteble contributions. If departieurs en contributions en		
Section 5. 4 Donations or charitable contributions. If donations or contributions are		
received during the fiscal year that exceed the amounts of such funds appropriated by this		
ordinance by not more than \$5,000, the affected appropriation is increased by the amount of		
the increase in receipts.		
Continue C. E. A. annual film and an tool built and the soutified builts. City Claub and film in		
Section-6. 5 A copy of the adopted budget shall be certified by the City Clerk and filed in		
the office of the City Clerk.		
<u>Section-7</u> . 6 The supporting Line Item Budget detail as presented by the Administration		
and reviewed by the City Council is incorporated as part of this Budget Ordinance.		
<u>Section-8</u> . 7 The property tax mill levy is set at 4.5 mills for 2025.		
Section 9. 8 This Ordinance is limited to approval of the budget and appropriations for		
Fiscal Year 2026 and 2027, is a non-code Ordinance and shall become effective July 1, 2025.		
ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this day of, 2025.		
CITY OF HOMER		
RACHEL LORD, MAYOR		
ATTEST:		
RENEE KRAUSE, MMC, CITY CLERK		

Page 3 of 3 ORDINANCE 25-38(S) CITY OF HOMER

- 83
- 84 YES:
- 85 NO:
- 86 ABSTAIN:
- 87 ABSENT:
- 88
- 89 First Reading:
- 90 Public Hearing:
- 91 Second Reading:
- 92 Effective Date:

1 2 3	2 HOMER, ALASKA	City Manager						
4		, ,						
5								
6		AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA						
7		CAL YEARS 2026 AND						
8								
9								
10 11								
11		a Statutes Title 29 the following						
12								
13								
15								
16		0						
17	7 General Fund CARMA (156) \$ 261,6	00						
18	8 Utility CARMA (256) \$ 189,2	00						
19	9 Port Fleet Reserves (452) \$ 0							
20	0 Port Reserves (456) \$ 260,0	00						
21	1 HART Roads (160) \$ 0							
22	2 HART Trails (165) \$ 265,0	00						
23	3 HAWSP (205) \$ 0							
24	4							
25	5 Total Capital Expenditures \$ 1,054	,800						
26	6							
27								
28		027:						
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40		UU						
41 42								
42	2 <u>Section 3. Grant funds.</u>							

43 44 45 46	(a) <u>If grant funds that are received during the fiscal year exceed the am</u> <u>such funds appropriated by this ordinance by not more than \$25,</u> affected appropriation is increased by the amount of the increase in re	<u>000, the</u>
40 47 48	(b) <u>If grant funds that are received during the fiscal year exceed the</u> appropriated by this ordinance by not more than \$25,000, the appro	
40 49	from city funds for the affected program may be reduced by the exce	
50	reduction is consistent with applicable federal and state statutes.	<u></u>
51		
52	(c) If grant funds that are received during the fiscal year fall short of the	amounts
53	appropriated by this ordinance, the affected appropriation is reduce	d by the
54	amount of the shortfall in receipts.	
55		
56	Section 3. 4 The amounts appropriated by this ordinance are appropriate	ed to the
57	purposes stated in the adopted budget.	
58		
59	<u>Section-4</u> . <u>5</u> This Ordinance is limited to approval of the Budget and appropria	
60	Fiscal Year 2026 and 2027, is a non-code Ordinance and shall become effective July 1	, 2025.
61		2025
62 63	ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this day of	,2025.
64	CITY OF HOMER	
65	CITIONER	
66		
67		
68	RACHEL LORD, MAYOR	
69	ATTEST:	
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71		
72		
73	RENEE KRAUSE, MMC, CITY CLERK	
74		
75		
76 77	YES:	
77 78	NO:	
78 79	ABSTAIN: ABSENT:	
79 80		
81	First Reading:	
82	Public Hearing:	
83	Second Reading:	
84	Effective Date:	

Operating Budget Amendments - FY26/27

		FY	26	F	Y27		
Request Name	Sponsor	Amo	unt	Am	ount	Funding Source	Status
Homer Business Advisor (AKSBDC)	Venuti	\$ 2	20,000	\$	20,000	General Fund Unassigned Fund Balance	

Capital Budget Amendments - FY26/27

		F	Y26	FY27																																						
Request Name	Sponsor	Sponsor Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount		Amount	Funding Source	Status
Green Timbers Trailhead, Parking Lot, and Connector Trails	Aderhold	\$	250,000		HART Trails																																					
Trackless MT7 Municipal Sidewalk Tractor	PARCAC	\$	250,000		SPLIT - \$125,000 HART Roads, \$125,000 HART Trails																																					

FY26 Proposed Budget Amendment Form

Fund Name: General Fund Unassigned Fund Balance

Project Name: Homer Advisor, Alaska Small Business Development Center

Account #	Account name	Page #	In	crease	Decrease		e Balance	
100	General Fund Unassigned Fund Balance				\$	20,000	\$	1,787,839
100-0350-5210	Non-Departmental Professional Services	29	\$	20,000			\$	20,000

Rationale:

Homer's support for small businesses is crucial in the current financial landscape shaped by changes from the state and federal governments. The Small Business Development Center's Homer Advisor position, a parternship with the University of Alaska, Borough, and the Homer Chamber of Commerce is a key investment in the small businesses contributing to sales tax and property tax revenue. Importantly, the Economic Development Advisory Commission has recommended approval of this in the budget, further underscoring the need for the Homer Advisor position.

Data was gathered on the 2024 SBDC work on the Peninsula for a February presentation to the Kenai Peninsula Assembly. Despite its smaller population, Homer had the highest demad for SBDC services, surpassing even Soldotna and Kenai. The Homer position, with an office provided by the Homer Chamber of Commerce, is a lifeline for those who need assistance but could not visit the office in person if it were in Soldotna or Kenai. Starting a small business is complicated, but this service supports and follows the business's success in the early stages. Homer's Economy is heavily reliant on small businesses and entrepreneurs.

This small investment increases sales and property taxes. It also sends a message that Homer has the backs of small businesses as they get the information and support needed to succeed.

Requested By: Caroline Venuti Prepared By: Caroline Venuti

FY27 Proposed Budget Amendment Form

Fund Name: General Fund Unassigned Fund Balance

Project Name: Homer Advisor, Alaska Small Business Development Center

Account #	Account name	Page #	Ir	ncrease	De	ecrease	B	Balance
100	General Fund Unassigned Fund Balance				\$	20,000	\$ 1	1,787,839
100-0350-5210	Non-Departmental Professional S	29	\$	20,000			\$	20,000

Rationale:

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This small investment increases sales and property taxes. It also sends a message that Homer has the backs of small businesses as they get the information and support needed to succeed.

Requested By: Caroline Venuti Prepared By: Caroline Venuti

FY26 Proposed Budget Amendment Form

Fund Name: HART Trails

Project Name: Green Timbers trailhead, parking lot, and connector trails

Account #	Account name	Page #	Increase	Decrease	Balance
165-xxxx	HART Trails	84		\$ 250,000	\$ 762,633
165-xxxx	Green Timbers trail reserve	84	\$ 250,000		\$ 250,000

Rationale:

This would set aside funds as match for HTA to seek grant funding to construct a parking lot at Green Timbers and trail to connect the Diamond Creek Recreation Area trails on the north side of Sterling Highway to the Diamond Creek State Recreation Area on the south side of the highway via a culvert under the highway at Diamond Creek that the City is working with DOT&PF to include in their Sterling Highway reconstruction. DOT&PF would like to see a financial commitment from the city before agreeing to include design of the culvert underpass in their final construction plans. If the culvert underpass is not constructed by DOT&PF, the funds would be returned to HART Trails. There may also be ways for the city to work with DOT&PF and the construction contractor to reduce the overall costs to the city.

See also page 84 of the capital budget for PARCAC's description and value of the project.

Requested By: Donna Aderhold Prepared By: Donna Aderhold

FY26 Proposed Budget Amendment Form

Fund Name: HART Roads and HART Trails

Project Name: Trackless MT7 Municipal Sidewalk Tractor

Account #	Account name	Page #	Increase	Decrease	Balance
160-xxxx	HART Roads	17		\$ 125,000	\$ 125,00
165-xxxx	HART Trails	17	\$ 125,000		\$ 125,00

Rationale:

At the May 15, 2025 PARCAC Regular meeting the Parks, Art, Recreation & Culture Advisory Commission requested staff to send a memo on their behalf to the Mayor and City Council regarding the potential FY26 Capital Budget request of a "Trackless - MT7 Municipal Sidewalk Tractor" for the amount of \$250,000. The commission supports the purchase of this tractor but is requesting the capital budget purchase be split from the HART Roads Fund (\$125,000) and the HART Trails Fund (\$125,000) with the rationale that the equipment would be use for both sidewalks and trails.

Requested By: PARCAC Prepared By: PARCAC



Resolution 25-030, A Resolution of the City Council of Homer, Alaska, Amending the City of Homer Personnel Regulations, Chapter 5, Section 5.8.1 Swing Shift, Section 5.8.2 Graveyard Shift, and Section 5.14 On-Call Pay. City Manager/Personnel Director

ltem Type:	Backup Memorandum
Prepared For:	Mayor Lord and City Council
Date:	April 7, 2025
From:	Andrea Browning, Personnel Director
Through:	Melissa Jacobsen, City Manager

Overview

The Personnel Regs are periodically reviewed in order to determine if revision and/or clarifications are necessary.

The following proposed changes take into consideration recommendations by:

- The Employee Committee (after receiving input from their respective departments)
- Department Heads
- Administration

Suggestions were compiled by HR, and discussed with the Employee Committee, Department Heads, and the City Manager. After a careful vetting process and much consideration given to best practices and fiscal impacts, Administration recommends the following revisions.

Recommended Changes

Human Resources Director Browning has worked with the Employee Committee to review other comparable Alaska municipalities current Shift Differential and On-Call rates relative to the City of Homer.

When comparing both Shift Differential rates as well as On-Call rates of pay, it is evident that the City has fallen behind our surrounding municipalities. City Manager Jacobsen has reviewed the data and agrees that an adjustment to both rates is due in order to maintain parity.

The data gathered, as well as recommendations of Administration, are included for your consideration.

Shift Differential

A "shift differential" is extra pay given to employees who work outside of standard business hours, swing or grave shifts (nights). Shift differential essentially compensates them for working less desirable shifts that may disrupt their regular schedule; it is additional pay on top of their regular hourly rate and is paid as a percentage of their base pay to incentivize employees to take on these shifts. As you can see by the table below, the City has fallen behind other municipalities.

Administration's recommendation: Increase the Swing Shift differential to 3%, and Graveyard Shift differential to 6%. The Employee Committee supports this recommendation.

Current Rates	Swing/Graveyard	
City of Homer	2% swing / 4% grave	
City of Cordova	4% for most *Some CBA's are 3% swing/ 6% grave (8 hours or less)	
	*CBA's are 4 ½ % grave (shifts longer than 8 hours)	
City of Kenai	3% swing / 6% grave	
City of Palmer	3% / 6% grave (Police & Dispatch only)	
City of Seward	3% swing/ 6% grave	
City of Soldotna	7% (6pm-6am)	
City of Wasilla	2 ½ % swing / 5% grave + CBA's that vary	
Kenai Peninsula	3.75% / 7.5% Police Dispatch/ Custodians/ IT	
Borough Others are lower, per CBA's		

Current Personnel Regulations read:

Chapter 5 - Salary Administration

- **5.8 Shift Pay.** Additional pay is provided to employees that are assigned to work in a swing or graveyard shift. An employee must work at least half of their scheduled work day in a swing or graveyard shift to be entitled to shift pay. Any continuous shift with at least half of the hours in a higher shift rate shall have the entire shift paid at the appropriate higher shift rate. Shift differential shall be calculated as part of an employee's hourly rate of pay for overtime compensation purposes. All shifts should be scheduled so that each employee works 80 hours within each pay period. Shift differential shall not be paid for any non "working" hours. Fire Department Emergency Services personnel on a fourteen-day work schedule will not receive shift differential.
- **5.8.1** Swing Shift. Employees assigned to work between the hours of 4:00 p.m. and midnight will receive two percent additional pay to their hourly rate of pay for hours worked during a swing shift.

5.8.2 Graveyard Shift. Employees assigned to work between the hours of midnight and 8:00 a.m. will receive four percent additional pay to their hourly rate of pay for hours worked during a graveyard shift.

<u>Change</u>: Increase Swing Shift differential to 3% and Graveyard Shift differential to 6%.

Fiscal impact: The estimated cost citywide would be roughly \$23,800. This value is determined by increasing FY24 actuals by the proposed rate. This is not precise, as the employee demographics can change between the fiscal years.

On-Call Pay

On-call pay is compensation for employees who are available to work outside of their regular hours, even if they aren't actively working. On-call pay compensates employees for being ready to respond to work-related needs and emergencies.

Background: In FY24 there were 22,600.75 hours of On-Call pay, which totaled \$67,803. In FY26 we will be adding the IT department to the on-call schedule. At the current rate of \$3.00/hour, the IT department will cost \$12,189 annually, which accounts for most of the increase from FY24 to FY26 shown below.

FY26: Current \$3.00/ hour, the estimated On-Call cost for all departments in FY26 would be <u>\$84,267</u> (<u>\$38,361 General Fund</u>, <u>\$30,474 Utility Fund</u>, <u>\$15,432 Enterprise Fund</u>).

Increasing the On-Call rate

\$4.25/hour; increases the total estimated cost for FY26 to <u>\$119,378 annually</u>. This is a \$51,575 increase over FY24.

\$5.00/hour; increases the total estimated cost for FY26 to <u>\$140,445 annually</u>. This is a \$72,642 increase over FY24.

On Call Pay	Estimated FY26 Hours	Current \$3.00	\$4.25/hour	\$5.00/hour
IT	4063	\$12,189	\$17,268	\$20,315
Fire	500	\$1,500	\$2,125	\$2,500
Ice Plant	5144	\$15,432	\$21,862	\$25,720
Equipment Oper.	3133	\$9,399	\$13,315	\$15,665
W/WW	8983	\$26,949	\$38,177	\$44,915
Building Maint.	6266	\$18,798 \$84,267	\$26,631 \$119,378	\$31,330 \$140,445

As you can see by the table below, the City has fallen behind other municipalities.

Administration's recommendation: Increase the On-Call Pay to \$5.00 per hour

The Employee Committee supports this recommendation.

Current Rates	On-Call pay per hour
City of Homer	\$3.00/ hour; 2-hr minimum call-out
City of Cordova	\$5.00/hour Police & Fire ; \$2/hour all others
City of Kenai	5% rate computed against Step-A
City of Palmer	2 hours at OT rate per day/period
City of Seward	2 hours at OT rate per day/period
City of Soldotna	\$4.25 hour
City of Wasilla	2 hours at OT rate per day/period
Kenai Peninsula Borough	2-hour minimum call-out

Current Personnel Regs read:

Chapter 5; Salary Administration

5.14 On-Call Pay. All full-time employees that are required to be on call shall be compensated at the rate of \$3.00 per hour for all on-call hours outside of work hours. On-call compensation received shall be calculated as part of the employee's hourly rate of pay for overtime compensation purposes. On-call employees that are called back for unscheduled work after completing their work day shall be paid a minimum of two hours pay at their hourly overtime rate. On-call employees scheduled to work weekend hours outside their normal work week will be paid overtime regardless of the number of hours worked during the workweek. On-call employees should not be on leave or take leave during scheduled on-call periods and should not consume alcohol or drugs while on-call. The on-call duty definition does not pertain to Fire Department personnel when they are not required to be accessible for work assignment.

Change: Increase On-Call Pay to \$5.00 per hour

*Fiscal impact: \$56,178 (*Addition of IT is \$20,315 of that total) Estimated FY26 \$140,445 cost at \$5.00/hour on-call pay Less estimated FY26 \$84,267 cost at \$3.00/hour on-call pay = \$56,178 * Roughly 36% of the on-call hours are charged to the Utility Fund and 18% are charged to the Enterprise Fund.



Resolution 25-030, A Resolution of the City Council of Homer, Alaska, Amending the City of Homer Personnel Regulations, Chapter 5, Section 5.8.1 Swing Shift, Section 5.8.2 Graveyard Shift, and Section 5.14 On-Call Pay. City Manager/Personnel Director

ltem Type:	Backup Memorandum
Prepared For:	Mayor Lord and City Council
Date:	April 2, 2025
From:	Michael Swoboda, Vice Chair Employee Committee
Through:	Melissa Jacobsen, City Manager

Summary:

Propose a cost of living adjustment (COLA) to the on-call pay rates for the On-call employees of the City of Homer. This adjustment aims to ensure that compensation remains fair and competitive, reflecting the increasing living costs in our region. This would keep us in line with other municipalities and help account for wage compression of on-call duties.

Background:

The On-call position plays a crucial role in maintaining the city's infrastructure, ensuring public safety, and providing essential services. Employees assigned to on-call duties are expected to be available beyond regular working hours and within an immediate response range of their location of work, often responding to emergencies that require immediate attention. Currently, the on-call compensation structure is as follows:

Weekdays: \$3/Hour & 1.5x pay for call outs Weekends: \$3/Hour & 1.5x pay for call outs Holidays: \$3/Hour & double pay for call outs

These rates have remained unchanged since at least 2005, with no adjustments made during the tenure of any current employee, despite a significant rise in the cost of living in Homer and addition of job duties and infrastructure expansion.

Rationale for Adjustment:

Increased Living Costs: According to recent data, the cost of living in Alaska has risen significantly, impacting housing, utilities, and other essential expenses. The U.S. Bureau of Labor Statistics reports

a cumulative inflation rate of approximately 64% over the past 20 years, reflecting significant increases in the cost of goods and services. This has resulted in wage compression for employees who have the responsibility to be On-call for after-hours emergencies, with increased job responsibilities due to the growth of Homer and addition of services.

Employee Retention and Morale:

Competitive compensation is vital for retaining skilled personnel. Adjusting on-call pay to align with current living costs demonstrates the city's commitment to its employees' well-being, potentially reducing turnover and enhancing job satisfaction. This also ensures alignment with industry standards in comparable regions and municipalities.

Recommendation:

The Employee Committee recommends implementing a COLA to the current on-call pay rates, effective 07/01/2025. The proposed rates are:

Proposed adjusted pay: Weekdays: \$5/Hour & 1.5x pay for call outs Weekends: \$5/Hour & 1.5x pay for call outs Holidays: \$5/Hour & double pay for call outs

These adjustments are calculated based on the percentage increase in the cost of living since the last pay adjustment, ensuring that compensation remains aligned with current economic conditions. That same \$3 would be equivalent to \$5.61 as of December 2024 The proposed \$5 hourly rate for on-call pay is designed to reflect inflationary trends and ensures alignment with industry standards in comparable regions and municipalities.

Financial Impact:

This adjustment will be funded through a combination of the general fund and the enterprise funds of the city. FY 2026 is expecting 28,089 of on-call worked. This was broken up between 6 departments. Fire, W/WW, ice plant, equipment operators, building maintenance, and IT. This would result in a total financial need of \$140,445.00 this would be an increase of \$56,178. \$28,254 of this would be paid for through enterprise funds of the W/WW and harbor and \$27,924 would be allocated through the general fund.

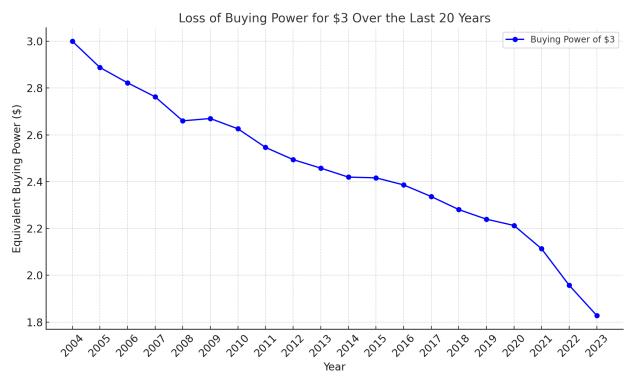
Precedent for Change:

The creation of a separate wage scale for exempt employees was created due to wage compression for exempt employees resulting in an increase in wages of 9% in FY24 and an additional 2% in FY25.

The estimated fiscal impact for FY24 is \$72,697 and \$17,609.50 in FY25 resulting in a total impact of \$90,306.50 this was passed unanimously through council on 2/12/2024.

Conclusion:

Implementing this cost of living adjustment will not only support our dedicated On-Call employees but also enhance the efficiency and responsiveness by fostering a motivated and stable workforce. This proposal is consistent with the City of Homer's commitment to equitable compensation and the well-being of its workforce, ensuring we continue to attract and retain skilled personnel essential to maintaining our city's infrastructure.



Source Reference:

U.S. Bureau of Labor Statistics. (2024). Consumer Price Index Historical Tables for U.S. City Averages. Retrieved from https://www.bls.gov/cpi/tables/home.htm

	CITY OF HOMER	
	HOMER, ALASKA	
		City Manager
		Personnel Directo
	RESOLUTION 25-030	
	A RESOLUTION OF THE CITY COUNCIL OF HOMER,	ΛΙΛςΚΛ
	AMENDING THE CITY OF HOMER PERSONNEL REGUL	•
	CHAPTER 5, SECTION 5.8.1, SWING SHIFT; SECTION	•
	GRAVEYARD SHIFT; AND SECTION 5.14, ON-CALL PAY.	1 5.6.2,
	WHEREAS, Pursuant to Regulation 1.6, Revisions and Amendme	ents, the City Manag
may	recommend revisions to the Personnel Regulations at any time with	
-	the approval of the City Council; and	
	WHEREAS, The City Manager recommends amending Chapter	5, Section 5.8.1 Swi
Shift	to increasing the shift differential from 2% to 3%; and	
	WHEREAS, The City Manager recommends amending Cha	pter 5, Section 5.
Grav	eyard Shift to increasing the shift differential from 4% to 6%; and	
	WHEREAS, The City Manager recommends amending Chapter 5	5, Section 5.14 On-C
Payt	to increasing the on-call pay from \$3.00 per hour to \$5.00 per hour.	
	NOW, THEREFORE, BE IT RESOLVED that the City Council of	
	nds the City of Homer Personnel Regulations, Chapter 5, Section 5.8	3.1 Swing Shift, Secti
5.8.2	Graveyard Shift, and Section 5.14 On-Call Pay, as outlined above.	
	PASSED AND ADOPTED by the Homer City Council this 14 th day of	April. 2025.
	CITY OF HOMER	
	RACHEL LORD, MAYO	R
ATTE	ST:	
RENI	EE KRAUSE, MMC, CITY CLERK	
- .		
FISCa	ıl Note: \$0 to budget; \$23,800 Shift Differential / \$56,178 On-Call Pa	ay actual cost



Ordinance 25-40, An Ordinance of the City Council of Homer, Alaska, Amending the FY25 Capital Budget by Accepting and Appropriating the FY25 State of Alaska Community Assistance Program Payment in the Amount of \$143,428.05 for Various Capital Projects. City Manager.

ltem Type:	Informational Memorandum
Prepared For:	Mayor Lord and City Council
Date:	June 5, 2025
From:	Renee Krause, MMC, City Clerk
Through:	Melissa Jacobsen, City Manager

Background:

A substitute ordinance was requested at the May 27, 2025 Committee of the Whole meeting to correct information that was omitted regarding the narcotics analyzer.

Purpose:

In accordance with the editing authority of the City Clerk that omission was corrected on the original document and provided in the packet.

Recommendation: Informational in nature.

Page 2 of 2 ORDINANCE 25-40 CITY OF HOMER

43 ATTEST: 44 45 46 47 RENEE KRAUSE, MMC, CITY CLERK 48 49 50 YES: NO: 51 52 ABSTAIN: 53 ABSENT: 54 55

- First Reading:
- Public Hearing: 56
- Second Reading: 57
- Effective Date: 58



Ordinance 25-41, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Accepting and Appropriating a 2024 Commercial Passenger Vessel Tax Program Grant from the State of Alaska for \$4,612.50 and Commercial Passenger Vessel Tax Program 2024 Pass-Through Grant from the Kenai Peninsula Borough in the Amount of \$4,612.50 to replace several Benches along the Harbor Walking Path. City Manager/Port Director.

Item Type:	Back-Up Memorandum
Prepared For:	Mayor Lord and Homer City Council
Date:	May 14, 2025
From:	Bryan Hawkins, Port Director
Through:	Melissa Jacobsen, City Manager

This ordinance authorizes the acceptance and appropriation of Commercial Passenger Vessel Tax (CPVT) program grant funds for the City of Homer. These funds, provided by the State of Alaska and the Kenai Peninsula Borough (KPB), are distributed to communities that receive commercial passenger vessels, such as cruise ships.

As outlined in Alaska Statute 43.52.230, CPVT funds must be spent on projects that enhance and benefit passengers of these vessels. Eligible uses include infrastructure improvements, amenities, and services that support or are used by cruise ship passengers.

In 2017 and 2018, the City of Homer allocated CPVT funds for the construction of a new public restroom on the Homer Spit, a facility heavily used by cruise ship passengers. In Ordinance 18-33 approved to use future CPVT funds from the State to pay back the Port and Harbor for the Ramp 2 Restroom Replacement, construction was completed in 2018.

The State of Alaska and the KPB have each awarded \$4,612.50 in CPVT funds to the City of Homer for the calendar year 2024. Approval of Ordinance 25-41 will formally accept these grants and appropriate the funds as follows:

- \$4,612.50 toward the outstanding balance on the Ramp 2 Restroom project, as seen in Ordinance 18-33.
- \$4,612.50 for the replacement of several benches along the Harbor walking path with ADAcompliant benches, which provide improved amenities for cruise ship passengers and other visitors.

These improvements contribute to the overall visitor experience and support Homer's efforts to invest in infrastructure that meets the needs of commercial passenger vessel operations.

Approval of this ordinance will allow the Port and Harbor to contribute \$4,612.50 towards the outstanding balance of the Ramp 2 restroom replacement project and \$4,612.50 for the replacement of several benches with ADA-compliant benches.

Recommendation:

Staff recommends approval.

Attachments:

Ordinance 18-33

1 2	CITY OF HOMER HOMER, ALASKA	
3		City Manager
4 5	ORDINANCE 18-33	
6 7 8 9	AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE EXPENDITURE OF ACCUMULATED COMMERCIAL PASSENGER VESSEL (CPV) FUNDS AND FUNDS FROM THE PORT AND HARBOR FUND TO COMPLETE THE RAMP 2	
. 10	RESTROOM REPLACEMENT PROJECT.	
11		·
12	WHEREAS, Replacing the forty-three year old Ramp 2 public restroom t	
13 14	the public has been recognized as a capital need in the City of Homer 2018 Improvement Plan; and	3-2023 Capital
-15	improvement r tan, and	
16	WHEREAS, City of Homer Ordinance 18-28 accepted and appropriated a 2	2017 Land and
17	Water Conservation Fund (LWCF) matching grant in the amount of \$263,340 to	
18	the Ramp 2 public restroom; and	1 10
19		
20	WHEREAS, City of Homer Ordinance 17-19 accepted 2016 Commercial Pa	ssenger Vessel
21	(CPV) Tax Program grant funds from the Kenai Peninsula Borough, committing	those funds to
22	the Ramp 2 Public Restroom Replacement project; and	
23		
24	WHEREAS, City of Homer Resolution 17-067 further committed accumula	
25 26	CPV grant funds to meet match requirements for the LWCF grant and for comple 2 Restroom replacement project; and	ting the Ramp
26 27	z kestroom replacement project, and	
28	WHEREAS, The State of Alaska and Kenai Peninsula Borough CPV grant m	nanagers have
29	confirmed that using future CPV funds to pay back the Port and Harbor for Ran	
30	replacement is an eligible grant expense, estimated at a 2-year payback; and	
31		
32	WHEREAS, A final design for the Ramp 2 Restroom rebuild has been co	•
33	requests for proposals have been issued for construction to commence	e in the fall.
34		
35	NOW, THEREFORE, THE CITY OF HOMER ORDAINS:	
36 27	Section 1. The Homer City Council bareby outbaring face at the	
37 38	<u>Section 1</u> . The Homer City Council hereby authorizes \$263,340 to be construct the new Ramp 2 public restroom from the accounts described below:	expended to
39	construct the new nump 2 public restruction nom the accounts described below.	
40	Funding Source:	
41		<u>\mount</u>

42 43	CPV Tax Program Fund Port & Harbor Fund Balance		\$168,678 \$ 94,662
44			
45	Expenditure:		
46	Description		<u>Amount</u>
47	Ramp 2 Public Restroom Replacement		\$263,340
48			
49	<u>Section 2</u> . This is a budget amendment o	rdinance, is temporary in natu	re, and shall
50	not be codified.		
51		0.3rd	ly
52	ENACTED BY THE CITY COUNCIL OF HOME	R, ALASKA, this 25th day of Jun	re, 2018.
53			
54	•		
55		CITY OF HOMER	
56		h $1h$	
57		Phine Solt	
58			
59		BRYAN ZAK, MAYOR	
60			
61	ATTEST:		
62	Mapin Xicobo -	\mathbf{V}	
63	TVCCVC / http://		
64	MELISSA JACÓBSEN, MMC, CITY CLERK		
65			
66	YES: 5		
67	NO: 6		
68	ABSTAIN: O		
69 70	ABSENT: \		
70 71	International IniCl&		
71	Introduction: 6.25.18		
72 72	Public Hearing: 7.23.18		
73	Second Reading: 7.23-18		
74 75	Effective Date: 7.24-18		
75 _.			
76 77	Deviewed and approved as to form		
77 78	Reviewed and approved as to form:	A AR ALL H	
78 79	Postie Coester		
79 80	Mary K. Koester, City Manager	Holly Wells, Attorney	
80 81		Hony Mens, Allottiey	
82	Date: 7-25-18	Date: 11-26-18	

1 2	CITY OF HOMER HOMER, ALASKA
3	City Manager/
4	Port Director
5	ORDINANCE 25-41
6	
7	AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
8	AMENDING THE FY25 CAPITAL BUDGET BY ACCEPTING AND
9	APPROPRIATING A 2024 COMMERCIAL PASSENGER VESSEL TAX
10	PROGRAM GRANT FROM THE STATE OF ALASKA FOR \$4,612.50 AND A COMMERCIAL PASSENGER VESSEL TAX PROGRAM 2024
11 12	PASS-THROUGH GRANT FROM THE KENAI PENINSULA BOROUGH
12	IN THE AMOUNT OF \$4,612.50 TO REPLACE SEVERAL BENCHES
14	ALONG THE HARBOR WALKING PATH.
15	
16	WHEREAS, Over the years, the City of Homer has received revenues commensurate with
17	local cruise ship landings from the State of Alaska and the Kenai Peninsula Borough under the
18	Commercial Vessel Passenger Tax (CPVT) Program; and
19	
20	WHEREAS, The State of Alaska has awarded the Port & Harbor \$4,612.50 in CPVT
21	revenues from calendar year 2024; and
22	
23	WHEREAS, The Kenai Peninsula Borough (KPB) awarded the Port & Harbor \$4,612.50 in
24	CPVT revenues from calendar year 2024; and
25	
26	WHEREAS, Alaska Statutes 43.52.230 requires, "A city or borough that receives a
27	payment under this subsection shall use the funds for port facilities, harbor infrastructure, and
28 29	other services provided to the commercial passenger vessels and the passengers on board those vessels."; and
29 30	
31	WHEREAS, In 2018, the Port and Harbor identified the Ramp 2 Restroom Project in
32	Ordinance 18-33 as eligible for future funding through the State's CPVT program; and
33	
34	WHEREAS, The City has identified replacing several benches along the Harbor walking
35	path with ADA compliant benches as an eligible project to utilize grant funds from the KPB
36	CPVT fund.
37	
38	NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
39	
40	Section 1. The Homer City Council hereby amends the FY25 Capital Budget by accepting
41	the State of Alaska CPVT Program pass through grant and the Kenai Peninsula Borough CPVT
42 42	Program pass through grant for 2024 as follows:
43	

44 45 46	<u>Fund</u> 460-xxxx 460-xxxx	<u>Description</u> State of Alaska CPVT CY2024 F KPB CPVT CY2024 Pass-Throug	•	<u>Amount</u> \$4,612.50 \$4,612.50	
47 48 49 50 51	<u>Section 2.</u> The Homer City Council hereby amends the FY25 Capital Budget by appropriating the State of Alaska CPVT Program pass through grant and the Kenai Peninsula Borough CPVT Program pass through grant for 2024 as follows:				
52	Transfer to:				
53	Fund	<u>Description</u>		<u>Amount</u>	
54	415-xxxx	Ramp 2 Restroom		\$4,612.50	
55	415-xxxx	ADA Bench Replacement		\$4,612.50	
56		·			
57	<u>Section 3.</u> T	he City Manager is authorized t	o negotiate and execute	the appropriate	
58	documents.				
59					
60		his ordinance is a budget amend	ment only, is not permane	ent nature, and is	
61	a non code ordinan	ice.			
62					
63	ENACTED BY	(THE CITY COUNCIL OF HOMER, A	LASKA thisday of _	,2025.	
64					
65					
66			CITY OF HOMER		
67					
68 60					
69 70					
70 71			RACHEL LORD, MAY	UK	
72					
72	ATTEST:				
74					
75					
76 77	RENEE KRAUSE, MM	AC, CITY CLERK			
78	YES:				
79	NO:				
80	ABSENT:				
81	ABSTAIN:				
82					
83	First Reading:				
84	Public Hearing:				
85	Second Reading:				
86	Effective Date:				



Ordinance 25-42, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating \$7,000 from the Port Reserves for Engineering Support for the 2025 Port Infrastructure Development Program Grant Application. City Manager/Port Director.

ltem Type:	Back Up Memorandum
Prepared For:	Mayor Lord and Homer City Council
Date:	May 14, 2025
From:	Jenny Carroll, Special Projects & Communications Coordinator
Through:	Melissa Jacobsen, City Manager & Bryan Hawkins, Port Director

Summary Statement: The purpose of this Memorandum is to recommend appropriating Port & Harbor Reserve Funds for the purpose of developing a Task Order for professional engineering services to produce a cost estimate, budget narrative and a scope/schedule work plan required for the FY25 Port Infrastructure Development Program (PIDP) grant application.

Background: The Port and Harbor is developing a 2025 PIDP grant application for construction subsidy funds to replace Float System 4 in Homer Harbor.

The City of Homer has engaged HDR for 2025 PIDP grant-writing support services, including producing a Benefit Cost Analysis or a Cost and Schedule Risk Analysis, if necessary. Funding for HDR's services was approved by Ordinance 25-09; Resolution 25-13 approved the Task Order with HDR.

The 2025 PIDP application requires an updated, detailed cost estimate and budget narrative, and a revised scope/schedule work plan. After discussion with HDR about including these deliverables under their task order, staff determined that contracting with Alaska Harbor Consulting, LLC would provide more comprehensive and cost-effective services for developing the detailed cost estimate, budget narrative, and scope/schedule work plan required for the 2025 PIDP application.

Alaska Harbor Consulting brings significant relevant experience to this project, having completed the 2022 Homer Harbor Condition Assessment, provided the project cost estimate for the City's 2023 PIDP grant application, and is currently authorized under Resolution 25-046 (Task Order 2) to complete 35% design and permitting of Float System 4 under the Denali Commission grant.

While Alaska Harbor Consulting's work under Task Order 2 will contribute valuable information to support the 2025 PIDP application, the cost estimate, budget narrative and work plan are outside of the scope of the Denali Commission approved activities and needs to be contracted for

separately. The City seeks Council approval of Port and Harbor Reserve funds to task Alaska Harbor Consulting with the deliverables that extend beyond the scope of Task Order 2 to support a competitive 2025 PIDP grant application.

Recommendation:

Adopt Ordinance 25-42 to appropriate funds needed to develop a Task Order to Alaska Harbors Consulting LLC for FY25 PIDP Grant application assistance. If City Council appropriates the funds, staff will bring a Resolution to City Council that authorizes a Task Order for HDR services.

Attached:

Ordinance 25-09

Resolution 25-046

1	CITY OF HOMER
2	HOMER, ALASKA
3	City Manager/Port Director
4	ORDINANCE 25-09
5	
6 7	AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING THE FY25 CAPITAL BUDGET BY APPROPRIATING
7 8	\$50,000 FROM THE PORT RESERVES FUND FOR THE PURPOSE OF
9	OBTAINING PROFESSIONAL GRANT WRITING SERVICES TO
10	ASSIST WITH A FEDERAL FY2025 PORT INFRASTRUCTURE
11	DEVELOPMENT PROGRAM GRANT APPLICATION TO REPLACE
12	FLOAT SYSTEMS 4 AND 1 IN THE SMALL BOAT HARBOR.
13	
14	WHEREAS, The City has long recognized the need to replace floats in the Small Boat
15	Harbor that have reached or are near the end of their useful life; and
16	
17	WHEREAS, The project is designated a Legislative Priority project in the City's FY2026
18	Capital Improvement Plan; and
19	
20	WHEREAS, The federal Port Infrastructure Development Program (PIDP), with
21	augmented funding from the five-year Federal Infrastructure Improvement and Jobs Act,
22	provides a key opportunity to leverage outside funds for the project; and
23	
24	WHEREAS, In 2023 and 2024, the City applied to the PIDP for federal assistance to
25	replace Float Systems 4 and 1 in Homer's Small Boat Harbor; and
26	WHEDEAS After Federal review, the City's preject Hemer Dert EDEICHT, was submitted
27 28	WHEREAS, After Federal review, the City's project, Homer Port FREIGHT, was submitted to the Secretary of the US Department of Transportation for final funding consideration, but
28 29	was ultimately not selected for award; and
30	was utilinately not selected for award, and
31	WHEREAS, The US Department of Transportation Maritime Administration has
32	published a preliminary Notice of Funding Opportunity for the FY 2025 PIDP for projects that
33	improve the safety, efficiency, and reliability of the movement of goods around a port; and
34	
35	WHEREAS, To be successful, a project's application must demonstrate competitiveness
36	on a national level in alignment with the program's merit criteria and support a positive benefit
37	cost ratio, which requires significant project planning time, engagement of partners and the
38	public, environmental review, technical benefit-cost analyses and grant writing; and
39	
40	WHEREAS, HDR, a term contractor with the City of Homer, experienced with
41	transportation infrastructure project planning and developing Federal grant applications,

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Page 2 of 2 ORDINANCE 25-09 CITY OF HOMER

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42 43 44	assisted city staff with the FY2023 and FY2024 PIDP grant applications and attended the application debriefs; and			
45 46 47	WHEREAS, Administration requested an estimate from HDR to provide FY2025 PIDF application revision and resubmission support; and			
48 49 50	WHEREAS, If funds are appropriated, Administration will present a Resolution to City Council for authorization of a Task Order for FY2025 PIDP grant re-submission services.			
51 52	NOW, THEREFORE	, THE CITY OF HOMER ORD	AINS:	
53 54 55	<u>Section 1:</u> The H appropriating \$50,000 as	omer City Council hereb follows:	y amends the FY	25 Capital Budget by
56 57 58	<u>Fund</u> 456-0380	Description 2025 PIDP Application &	≩ BCA	<u>Amount</u> \$50,000
59 60 61	<u>Section 2</u> : This is a not be codified.	budget amendment ordina	ance, is not perman	ent in nature, and shall
62 63	ENACTED BY THE C	CITY COUNCIL OF HOMER, A	LASKA, this 10th d	ay of February, 2025.
64 65		C	ITY OF HOMER	
66 67		ζ	Jana	
68 69	ATTEST:	D	ONNA ADERHOLD,	MAYOR PRO TEM
70 71	Renée Krau	se		
72 73	RENEE KRAUSE, MMC, CIT	YCLERK		5 AL
74 75	YES: 6 NO: 6			
75 76	ABSTAIN:			
77 78	ABSENT: $ ot\!$		March 31, 1964	
79	First Reading: 1/27/25	2		
80	Public Hearing: 2102	5		
81 82	First Reading: 1/27/25 Public Hearing: 2/10/2 Second Reading: 2/10/2 Effective Date: 2/11/2	\$ 25		

1 2	CITY OF HOMER HOMER, ALASKA
3	City Manager/
4	Port Director
5	RESOLUTION 25-046
6 7	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
, 8	AUTHORIZING A TASK ORDER TO ALASKA HARBOR CONSULTING,
9	LLC FOR ENGINEERING AND PROFESSIONAL SERVICES TO
10	COMPLETE PRELIMINARY DESIGN ENGINEERING TO SUPPORT
11	REPLACEMENT OF SYSTEM 4 IN THE HOMER HARBOR AND
12	AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE
13	THE APPROPRIATE DOCUMENTS.
14	
15	WHEREAS, The Homer Harbor Critical Float Replacement project includes System 4 of
16	the Homer Harbor, which is in critical condition, does not currently meet design or safety
17	standards, and is at risk of restrictions or decommissioning if not addressed; and
18	
19	WHEREAS, Homer Harbor Critical Float System Replacement is identified as a
20	Legislative Priority project in the City of Homer FY26 Capital Improvement Plan; and
21	
22	WHEREAS, Alaska Harbor Consulting, LLC, a term contractor with the City of Homer, has
23	previously provided engineering services for the Port & Harbor, is familiar with the scope and
24 25	requirements of harbor infrastructure projects; and
25 26	WHEREAS, Staff recommends authorizing Alaska Harbor Consulting, LLC, an
20	engineering company with familiarity with the scope of the project; and
28	engineering company with familianty with the scope of the project, and
29	WHEREAS, Ordinance 25-17(S) accepted a FY24 Denali Commission Transportation
30	Program Grant to complete design and permitting for the Float System Replacement Project.
31	
32	NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
33	authorizes a Task Order to Alaska Harbor Consulting, LLC, to complete the preliminary design
34	engineering to support the replacement of System 4 and authorizes the City Manager to
35	negotiate and execute the appropriate documents.
36	
37	PASSED AND ADOPTED by the Homer City Council this 12th day of May, 2025.
38	
39	CITY OF HOMER
40	ADMED
41	
42	RACHEL LORD, MAYOR
	1. 196h

Page 2 of 2 RESOLUTION 25-046 CITY OF HOMER

43

ATTEST: 44

45 ence Grause 46

47 RENEE KRAUSE, MMC, CITY CLERK

48

49 Fiscal Note: See Memorandum CC-25-131

50

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1		CITY OF HOMER		
2		HOMER, ALASKA		
3			City Manager/	
4			Port Director	
5		ORDINANCE 25-42		
6				
7		NCE OF THE CITY COUNCIL OF HOMER, ALASH		
8	AMENDING THE FY25 CAPITAL BUDGET BY APPROPRIATING			
9	\$7,000 FROM THE PORT RESERVES FOR ENGINEERING SUPPORT			
10	FOR THE 2025 PORT INFRASTRUCTURE DEVELOPMENT			
11	PROGRAM GI	RANT APPLICATION.		
12				
13	WHEREAS, The City is preparing a FY2025 grant application to the Port Infrastructure			
14	Development Program (PIDP) for construction funds to replace Float System 4 in the Homer			
15	Port and Harbor; and			
16		and Harber has an read with HDD Engineering the	ough Tool Ordor	
17	WHEREAS, The Port and Harbor has engaged with HDR Engineering through Task Order			
18 19	25-01 to provide certain grant writing support services, including a Benefit Cost Analysis or a Cost and Schedule Risk analysis, if necessary, as approved by Resolution 25-013; and			
20	Cost and Schedule Risk and	aysis, in necessary, as approved by Resolution 25-0	15, anu	
20	WHEREAS The 2025	PIDP application also requires an undated detail	ed cost estimate	
22	WHEREAS, The 2025 PIDP application also requires an updated, detailed cost estimate and budget narrative, and a revised scope and schedule work plan; and			
23	una baaget narrative, and t	a revised scope and senedate work plan, and		
24	WHEREAS. Term cor	ntractor Alaska Harbor Consulting, LLC, having con	npleted the 2022	
25	Homer Harbor Condition Assessment, having provided the project cost estimate for the City's			
26	2023 PIDP grant application, and currently is completing 35% design of Float System 4 brings			
27	significant relevant experience to this project; and			
28	0			
29	WHEREAS, Tasking Alaska Harbor Consulting, LLC with preparing the cost estimate,			
30	budget narrative and scope/schedule work plan rather than HDR under Task Order 25-01 is the			
31	most comprehensive and cost effective approach.			
32				
33	NOW, THEREFORE,	THE CITY OF HOMER ORDAINS:		
34				
35	Section 1. The Homer City Council hereby amends the FY25 Capital Budget by			
36	appropriating \$7,000 as follows:			
37				
38	<u>Fund</u>	<u>Description</u>	<u>Amount</u>	
39	456-0380	2025 PIDP Application Cost Estimate,		
40		Budget Narrative, Scope/Schedule Work Plan	\$7,000	
41	• •• • •• ••			
42	Section 2. The City N	Ianager is authorized to execute the appropriate d	locuments.	
43				

44	Section 3. This ordinance is a budget ame	ndment only, is temporary in nature and shall
45	not be codified.	
46		
47	ENACTED BY THE CITY COUNCIL OF H	OMER, ALASKA this 9 th day of June, 2025.
48		
49		
50		CITY OF HOMER
51		
52		
53		
54		RACHEL LORD, MAYOR
55		
56		
57	ATTEST:	
58		
59		-
60	RENEE KRAUSE, MMC, CITY CLERK	
61 62	YES:	
62	NO:	
63 64	ABSTAIN:	
64 65	ABSENT:	
65 66	ADSENT.	
67	First Reading:	
68	Public Hearing:	
69	Second Reading:	
70	Effective Date:	
, 0		

CITY OF HOMER FINANCIAL SUPPLEMENT

PROJECT NAME	Engineering Support for 2025 PIDP Grant Application	DATE	05/22/2025	
DEPARTMENT	Port and Harbor	SPONSOR	City Manager/Port Director	
REQUESTED AMOUNT	\$ 7,000			
DESCRIPTION	The City is preparing a FY2025 grant application to the Port Infrastructure Develop in the Homer Port and Harbor. The Port and Harbor has engaged with HDR Engin- support services, including a Benefit Cost Analysis or a Cost and Schedule Risk an application also requires an updated, detailed cost estimate and budget narrative Harbor Consulting, LLC, having completed the 2022 Homer Harbor Condition Asse PIDP grant application, and currently is completing 35% design of Float System 4 Harbor Consulting, LLC with preparing the cost estimate, budget narrative and sco most comprehensive and cost effective approach.	eering through Task Order 25- alysis, if necessary, as approve e, and a revised scope and sche essment, having provided the p brings significant relevant exp	D1 to provide certain grant writing d by Resolution 25-013. The 2025 PIDP edule work plan. Term contractor Alaska project cost estimate for the City's 2023 erience to this project. Tasking Alaska	

FUNDING SOURCE(S)	OPERATING	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	0%	0%	0%	100%	0%
	HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA
	0%	0%	0%	0%	0%

FUNDING SOURCE 1: PORT RESE	RVES	FUNDING SOURCE 2:	FUNDING SOURCE 3:
Current Balance \$ 973,016		Current Balance	Current Balance
Encumbered	\$ 504,998	Encumbered	Encumbered
Requested Amount	\$ 7,000	Requested Amount	Requested Amount
Other Items on Current Agenda	\$0	Other Items on Current Agenda	Other Items on Current Agenda
Remaining Balance	\$461,018	Remaining Balance	Remaining Balance
FUNDING SOURCE 4:		FUNDING SOURCE 5:	FUNDING SOURCE 6:
Current Balance		Current Balance	Current Balance
Encumbered		Encumbered	Encumbered
Requested Amount		Requested Amount	Requested Amount
Remaining Balance		Remaining Balance	Remaining Balance



Ordinance 25-43, 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.

ltem Type:	Backup Memorandum
Prepared For:	Mayor Lord and City Council
Date:	May 21, 2025
From:	Elizabeth Fischer, Finance Director
Through:	Melissa Jacobsen, City Manager

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.

Worksessions were held on February 10th and 24th of this year to discuss the rate model structure and the possible re-introduction of a monthly service fee. The discussion concluded with a decision to keep the current model structure intact and to not incorporate a monthly service fee at this time. Future worksessions will be held during FY26 to discuss the rate model in more detail.

Water Rate Model:

This model generates a rate based on water revenues and consumption.

Revenues

The revenue inputs are defined as follows:

• FY26 Operating Revenue Required – pulled directly from the operating budget

- o Formula: Total Water Revenue Water CARMA Transfer -
 - \$2,522,112 \$328,971 = \$2,193,141
- CARMA Budget Transfer pulled directly from the operating budget
 - Formula: Total Water Operating Expenditures * 15%
 - \$2,193,141 * 0.15 = \$328,971
- Deduct Operating Fund Balance amount of Utility Operating Fund Balance to be used for rate buyback. <u>Not used in FY26 calculation.</u>
- Deduct Portion Collected through Other Revenues pulled directly from the operating budget
 - Formula: Connection Fees + Services & Meters + In Lieu of City Sales Tax + Penalty & Interest
 - \$16,384 + \$34,302 + \$560 + \$8,146 = \$59,392
- Deduct Portion Collected through Service Fee <u>Not used in FY26 calculation</u>.
- 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.
 - (\$2,193,141 / 2) * 10% = \$109,657
- 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.
 - 22,364,700 gallons * 0.004 = \$89,459
- 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. <u>This fee was not used in FY26 calculation.</u>

Sewer Rate Model:

This model generates a rate based on sewer revenues and usage.

Revenues

The revenue inputs are defined as follows:

- FY26 Operating Revenue Required pulled directly from the operating budget
 - Formula: Total Water Revenue Sewer CARMA Transfer
 - \$2,157,567 \$281,422 = \$1,876,145
- CARMA Budget Transfer pulled directly from the operating budget
 - Formula: Total Sewer Operating Expenditures * 15%
 - \$1,876,146 * 0.15 = \$281,422
- Deduct Operating Fund Balance amount of Utility Operating Fund Balance to be used for rate buyback. <u>Not used in FY26 calculation.</u>
- Deduct Portion Collected through Other Revenues pulled directly from the operating budget
 - Formula: Services & Meters
 - \$17,577
- 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:		Sewer Rates:	
Commodity (per	gal): \$0.0172	Non-Lift Station:	\$0.0171
Bulk (per gal):	\$0.0212	Lift Station:	\$0.0272
Monthly Fees:	\$0		

Proposed Rates - Scenario 1

Water Rates:	
Commodity (per ga	l): \$0.0165
Bulk (per gal):	\$0.0205

\$0

Monthly Fees:

Sewer Rates:	
Non-Lift Station:	\$0.0186
Lift Station:	\$0.0294

Rate Comparison

F	Low V	olume	Average	Volume	High V	olume	Lift-Station	(Year-Round)
		Shelter		Hall		rary		or - Maintenance
[Existing	Scenario 1	Existing	Scenario 1	Existing	Scenario 1	Existing	Scenario 1
Consumption	2400	2400	4000	4000	5900	5900	1800	1800
Water Rate	0.0172	0.0165	0.0172	0.0165	0.0172	0.0165	0.0172	0.0165
Sewer Rate	0.0171	0.0186	0.0171	0.0186	0.0171	0.0186	0.0272	0.0294
Charges:								
Water	41.28	39.60	68.8	66.00	101.48	97.35	30.96	29.70
Sewer	41.04	44.64	68.40	74.40	100.89	109.74	48.96	52.92
Service	0	0	0	0	0	0	0	0
Total Bill	\$ 82.32	\$ 84.24	\$ 137.20	\$ 140.40	\$ 202.37	\$ 207.09	\$ 79.92	\$ 82.62
Impact		\$ 1.92		\$ 3.20		\$ 4.72		\$ 2.70

Recommendation:

Review the model and approve the rates as proposed.

Rate Calculation - Scenario 1

Revenues	
FY26 Operating Revenue Required - Water	\$ 2,193,14
CARMA Transfer Requirement	328,97
Deduct Operating Fund Balance - Rate Buydown	/-
Deduct Portion Collected through Other Revenues	(59,39
Deduct Portion Collected through Service Fee	
Hydrant Rents (10% of Total)	(109,65
Multi-Units (\$5/unit/mo.)	(39,00
Surplus Water Sales (Bulk) surcharge only	(89,45
Revenue Required for Commodity Rate Calculation	\$ 2,224,60
Water Consumption (Gallons)	
Gross Meters Water Sales	135,288,20
Total Estimated Water Sales	135,000,00
Water Rates:	
Commodity Rate (per gal)	\$ 0.016
Bulk Rate (per gal)	\$ 0.020
Monthly Service Fees	\$ -
Consumption Additional Information:	
FY24 Gross Meters Water Sales (Gallons)	135,288,20
FY24 Gross Meters Water Sales (Gallons)	135,288,20
	135,288,20
ER Rate Model	135,288,20
ER Rate Model Revenues	
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer	\$ 1,876,14
R Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement	\$ 1,876,14
R Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown	\$ 1,876,14 281,42
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues	\$ 1,876,14 281,42 (17,57
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs	\$ 1,876,14 281,42 (17,57 (237,18
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee	\$ 1,876,14 281,42 (17,57 (237,18 (9,80
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.)	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37 (39,00
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees	\$ 1,876,14 281,42 (17,57 (237,18 (9,86 (10,37 (39,00
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons)	\$ 1,876,14 281,42 (17,55 (237,18 (9,80 (10,33 (39,00 \$ 1,843,63
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons) Projected Billable Volume	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37 (39,00 \$ 1,843,63 77,000,00
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons) Projected Billable Volume Projected Billable Volume - Lift Zone Only	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37 (39,00 \$ 1,843,63 77,000,00 22,000,00
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons) Projected Billable Volume	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37 (39,00 \$ 1,843,63 77,000,00 22,000,00
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons) Projected Billable Volume Projected Billable Volume - Lift Zone Only	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37 (39,00 \$ 1,843,63 77,000,00 22,000,00
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons) Projected Billable Volume Projected Billable Volume - Lift Zone Only Total Projected Billable Volume	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37 (39,00 \$ 1,843,63 77,000,00 22,000,00 99,000,00
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons) Projected Billable Volume Projected Billable Volume - Lift Zone Only Total Projected Billable Volume	281,42 (17,57 (237,18 (9,80 (10,37 (39,00
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons) Projected Billable Volume Projected Billable Volume - Lift Zone Only Total Projected Billable Volume	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37 (39,00 \$ 1,843,63 77,000,00 22,000,00 99,000,00 \$ 0.018
ER Rate Model Revenues FY25 Operating Revenue Required - Sewer CARMA Transfer Requirement Deduct Operating Fund Balance - Rate Buydown Deduct Portion Collected through Other Revenues Lift Stations Costs Pumping Fee Dumping Station Fees Multi-Units (\$5/unit/mo.) Revenue Required for Commodity Rate Calculation Sewer Usage (Gallons) Projected Billable Volume Projected Billable Volume - Lift Zone Only Total Projected Billable Volume	\$ 1,876,14 281,42 (17,57 (237,18 (9,80 (10,37 (39,00 \$ 1,843,63 77,000,00 22,000,00 99,000,00 \$ 0.018

1	CITY OF HOMER
2	HOMER, ALASKA
3	City Manager/
4	Finance Director
5	ORDINANCE 25-43
6	
7	AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8	AMENDING THE CITY OF HOMER WATER AND SEWER RATES AND
9	UPDATING THE CITY FEE SCHEDULE ACCORDINGLY.
10	
11	WHEREAS, Water and sewer utility services shall be reviewed annually and shall take
12	effect the first full billing period in July; and
13	
14	WHEREAS, Based on the water sewer rate model prepared by the Water Sewer Rate
15	Task Force and adopted by the Homer City Council in Resolution 13-048(S-2)(A-3) adjustments
16	to the rates are recommended and warranted to reflect the true cost of water and sewer
17	services.
18	
19	NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
20	Continuit. The City Council of Henry Alaska handles around the City Fee Colordula
21	Section 1. The City Council of Homer, Alaska hereby amends the City Fee Schedule
22	under water and sewer fees as follows:
23	
24	WATER
25	A 4 0.50/ of total charges charged to every sustement outside of situ limits in lieu of situ cales to will be
26 27	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.
28	applied to those water accounts outside city innits.
29	Customer Classification Definitions for Determining Water Connection and Extension
30	Permit Fees
31	
32	Single Family Residential: A unit providing housing for one household; with less than 25% of the
33	building area used for business or commercial purposes.
34	
35	<u>Multi-Family Residential:</u> A building or lot occupied by more than one household: contained within one
36	building or several building within one complex. Examples of multi-family units includes duplexes, four-
37	plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one lot
38 39	(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
39 40	routinely rented or occupied for less than one month at a time.)
40 41	routinety rented of occupied for tess than one month ded time.

42 <u>Commercial:</u> Any user not defined as Residential.

Water Connection Fee			
Single Family	\$300.00*		
Multi-Family/Commercial	\$375.00*		
permits, shall be in addition to the permit fe	s, in lieu of assessments and necessary right-of-way ee. A property owner installing a water connection ayment or makes a payment in lieu of assessment the connection permit.		

43

44 **Customer Classification Definitions for Determining Water Rates**

45

Bulk Water Customers: The bulk water customers are the resellers of water or water users who
 purchase water from the water plant directly and are not in the metered water distribution system.

- 48
- 49 <u>Non-Bulk Customers:</u> All customers who receive water from the metered water distribution system.
- 50

51 <u>Multi-Units:</u> An additional \$5 monthly charge shall apply to each of the units of a building or lot 52 occupied by more than one household or commercial entity contained within one building or several 53 buildings within one complex. Examples of multi-family units include duplexes, four-plexes and up, 54 apartments, condominiums, co-housing projects, and multiple structures on one lot (where units are 55 normally rented or occupied for longer than one month at a time). Examples of units not considered as 56 multi-family include hotels, motels, and B&B's seasonal rooms/cabins (where units are routinely rented 57 or occupied for less than one month at a time.)

58

59 This fee applies to all multi-unit structures defined in the sewer section of this for apartments, rental

60 units or multi-unit buildings where each unit would have one or more restrooms and are intended to

be rented on a monthly basis where there is only one meter installed, excluding a rental building

- 62 restroom used for shared or public use.
- 63

64 Water Rate Schedule

65 All water utility services shall be billed according to the following schedule. This schedule is for monthly

66 water service and is in addition to any charges for connecting or disconnecting the service, installation

67 of the service or any assessment of the improvements.

Table III

Water Rates		
Customer Classification	Monthly Service	Usage Charge/Gallon
Non-Lift-Station Customer	\$0.00	\$0.0172
Lift-Station Customer	\$0.00	\$0.0172
Multi-units (additional per unit)	\$5.00	
Bulk Water	\$0.00	\$0.0212

68

69 Meter Size Deposits

Page 3 of 5 ORDINANCE 25-43 CITY OF HOMER

- 70 A \$750 meter deposit shall apply to metered fire hydrant connections. The deposit will be returned
- 71 when the meter is returned undamaged. This deposit may be waived upon the recommendation of the
- 72 Public Works Superintendent.
- 73 If a bulk water customer purchases a meter from the City for measuring the quantity of water
- 74 purchased, it shall be exempt from the monthly meter service charge. It is the responsibility of the bulk
- 75 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
- 78 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

79

80 SEWER

81 Customer Classification Definitions for Determining Sewer Connection and Extension

- 82 Permit Fees
- 83

84 <u>Single Family Residential</u>: A unit providing housing for one household; with less than 25% of the 85 building area used for business or commercial purposes.

86

87 <u>Multi-Family Residential:</u> A building or lot occupied by more than one household: contained within one

88 building or several buildings within one complex. Examples of multi-family units includes duplexes,

- 89 four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one
- 90 lot (where units are normally rented or occupied for longer than one month at a time). Examples of
- 91 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.)
- 93
- 94 <u>Commercial:</u> Any user not defined as Residential.

Sewer Connection Permit Fee	
-----------------------------	--

Single Family	\$255.00*
Multi-Family/Commercial	\$330.00*
shall be in addition to the permit fee. A property o	ieu of assessments and necessary right-of-way permits, wner installing a sewer connection which qualifies for a t in lieu of assessment shall pay the assessment prior to

Page 4 of 5 ORDINANCE 25-43 CITY OF HOMER

95 **Customer Classification Definitions for Determining Sewer Rates**

96

97 <u>Lift Station Zone Customer:</u> There are eleven sewage lift/pump stations that are used for pumping 98 wastewater or sewage from areas with lower elevation than the treatment plant. Customers who are 99 located in these areas shall be charged additional fees for the cost added to the services (see Table I 100 and II).

101

102 <u>Non-Lift Station Zone Customer:</u> Customers who are located in the zone that do not need lift/pump 103 station services.

- 104 <u>Sewer System Dischargers (Sewer ONLY customers)</u>: Customers who use sewer service only shall be 105 charged a monthly fee of \$5 plus sewer usage fee based on assessed volume of 3,000 gallons per month
- 106 multiplied by the applicable sewage rate (see Table II). Kachemak City Local Improvement District (LID)
- 107 members have contributed to the initial cost of the sewer treatment plant and the collection system.
- 108
- 109 For Kachemak City LID dischargers connected within the LID, the City of Homer shall bill Kachemak City
- 110 in one single bill at the Lift-Station Zone Rate of \$87.85 **\$92.95** (\$81.60 **\$88.20**+\$6.25 **\$4.75**) 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.

114 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.
- 118

113

Sewer Rates

Customer Classification	Monthly Service	Usage Charge/Gallon
Non-Lift-Station Customer		\$0.0171
Lift-Station Customer		\$0.0272
Multi-units (additional per unit)	\$5.00	N/A

Sewer ONLY Customers Rates

Table II

Table I

	Fees/Rate/Usage	Per Customer Per Month
Non-Lift-Station Customer	\$0.0171/Gal \$0.0186/Gal	\$51.30 \$55.80
Lift-Station Customer	\$0.0272/Gal \$0.0294/Gal	\$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)		\$6.25
Assumption: Avg. Sewer Usage	3,000 Gal/Mo.	

119

Page 5 of 5 ORDINANCE 25-43 CITY OF HOMER

120 121 122 123	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.
124	
125	The City will allow, upon approval by Public Works and a permit from the Public Works Department, a
126	second water usage meter – called a seasonal sewer meter – for each customer that desires to measure
127	the flow of City water that is not discharged to the sewer system during the summer growing season
128 129	June 15 through September 15. Rates noted above do not apply.
130	Seasonal Sewer Meter Fee is \$251.75.
131	
132	This second meter will be read monthly during the summer and sewer charges will be credited monthly.
133	The meter may not be subject to read during the fall and winter months. Any charges accrued during
134	that period will be reflected the first billing cycle the meter is read.
135	
136	Section 2. This ordinance is a budget ordinance only, it is not permanent in nature and
137	shall not be codified.
138	
139	ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this day of, 2025.
140	
141	CITY OF HOMER
142	
143	
144	
145	RACHEL LORD, MAYOR
146	
147 148	ATTEST:
149	
150	
151	RENEE KRAUSE, MMC, CITY CLERK
152	
153	YES:
154	NO:
155	ABSENT:
156	ABSTAIN:
157	
158	First Reading:
159	Public Hearing:
160	Second Reading:
161	Effective Date:
101	

Office of the City Manager 491 East Pioneer Avenue

Homer, Alaska 99603



www.cityofhomer-ak.gov

City of Homer

citymanager@cityofhomer-ak.gov (p) 907-235-8121 x2222 (f) 907-235-3148

Memorandum

TO:	Mayor Lord and Homer City Council
FROM:	Melissa Jacobsen, City Manager
DATE:	June 4, 2025
SUBJECT:	City Manager's Report for June 9, 2025 Council Meeting

Meeting with Senator Sullivan

Senator Dan Sullivan stopped in Homer on Friday, May 30th as part of his recent visit to Alaska. Elaina Spraker, the Senator's Kenai Peninsula/Kodiak Regional Director, coordinated a meeting with City staff including Port Director Hawkins, Special Projects and Communications Coordinator Carroll and myself. Senator Sullivan shared about major topics of his agenda for Alaska including support for the US Coast Guard (USCG) and reopening the Adak Naval Base. He expressed his support for the Homer Harbor Expansion project and we discussed the project's importance for fisheries, Western Alaska, USCG, defense, and the Alaska LNG gas line project. He highlighted how the new administration is working to streamline Federal permitting and offered his assistance to respond to any permitting stalls we may experience in our port projects. He also shared that leadership for the US Army Corps of Engineering (USACE) will be going through confirmation hearings, as well as the ne Commandant for the USCG. We discussed the lack of commitment from the USCG related to the harbor expansion, and he said he'd like to bring the new Commandant to Homer for a tour of the harbor when he visits Alaska. He informed us that the Budget Reconciliation Bill has a massive recapitalization of \$22B for the USCG, which could make it more feasible for USCG to make a commitment to the harbor expansion. Discussion turned to Homer Spit Erosion and we alerted him to our work with Alaska Department of Transportation and Public Facilities (AKDOT&PF) to assist with initial planning/design concepts through State PROTECT formula funds they have programmed. We stated that previously, Homer Spit Erosion mitigation involved all three stakeholders (City, State and USACE) and that we would like to see a reauthorization of the Homer Spit Revetment General Investigation. The Senator said he would look in to whether reauthorization was possible, or if the study is deemed closed by the USACE. We spoke at the end about Homer Harbor Critical Float Replacement and our intention to submit a 2025 PIDP request, and he offered a letter of support. We thanked him and also asked for his support of project funding if it makes it to the Secretary's desk, emphasizing that until the new harbor is built, the current harbor floats are working double duty and that the impacts of condemning a float system are dire for Alaska's maritime transportation needs. We appreciate Senator Sullivan taking time to come to Homer and his interest these major projects for the City.

Kachemak Peatlands Project Parcels

The Kenai Peninsula Borough (KPB) has released their proposed list vacant land parcels for disposal as part of the KPB 2025 General Land Sale process. In their listings, they have included two of the eight properties that were being considered for the Kachemak Peatlands project. This has created some stir in the community, particularly with folks involved with the Homer Drawdown group who have distributed a Call to Action. One point they've raised is that the City and KPB need to come back to the table and try again. I want to take this opportunity to emphasize that this is an important project to the City of Homer; and the City, KPB, and our partners at the Kachemak Bay Estuarine Research Reserve (KBNERR) and Kachemak Heritage Land Trust (KHLT) have been and continue to communicate regarding the significance of these properties to the City for erosion mitigation, storm water treatment, and bird and moose habitat. As a bit of history, the KBP took the 8 properties in the peatlands proposal off their land disposal list in 2021 while we navigated the NOAA grant with the University of Ancho

into place. Property appraisals were done on the KPB parcels as part of the grant requirements and the appraisals came in well below the KPB assessed value. In addition, the City Council acknowledged with 24-124(S) and accompanying memorandums that the cost to install the infrastructure, as proposed in the plan, is cost prohibitive for the City. Council expressed support for continued land acquisition through the grant to conserve the Kachemak Peatlands and recognizes there are likely more affordable opportunities for installing future infrastructure. The KPB recognizes the value of their properties and with the low appraisal value for the eight properties, they have reconsidered two lots that have value for resale, and are still considering the remaining lots for inclusion in the Kachemak Peatlands. Also, two additional privately owned properties are being appraised for potential inclusion in the project. We at the City look forward to continued partnership with the KPB, KBNERR, and KHLT on acquiring properties in the Kachemak Peatlands.

Grant Application Update

The City of Homer applied for a NOAA grant in the amount of \$1.5M to purchase land in the Bridge Creek Watershed Protection District and install weather monitoring equipment (Resolution 24-77). Staff was recently notified that NOAA has recommended the project for funding – great news – but this is not an actual award of funds. Under the current administration, the grant application requires minor revisions and then will undergo further review prior to an award decision. Staff is working hard to meet the very short revised application deadline. Final word on funding may come in September, with an October 1 project start date. If this grant is awarded, an ordinance will be brought forward to Council.

Trail Planning for Hornaday Park Area

Good news: last week the National Park Service notified the City they are now able to accept new project applications for the Rivers, Trails and Conservation Assistance (RTCA) Program. This is a free program which offers technical assistance for open space projects such as trails and open space planning, and partnerships with area land owners. The City has participated in similar projects for the Kachemak Bay Water Trail, Woodard Creek Plan, and Western Library Lot. If the City wishes to submit an application, staff requests a Council sponsor for a future resolution.

Special Olympics Torch Run

On May 17th Homer Police Department hosted the Homer leg of the annual Alaska Law Enforcement Torch Run. At 10:00 a.m. that day law enforcement in participating communities of Anchorage, Central Peninsula, Craig, Delta Junction, Homer, Juneau, Kodiak, Nome, Seward, Sitka, Valdez, Ketchikan, Mat-Su Valley, North Slope, Tanana Valley, and Unalaska lead the 5k family fun run. Participants are encouraged to obtain pledges to raise funds for their communities to support participants with sports training and competition at the Special Olympics, Alaska. Thank you HPD for stepping up to support this great effort!!



Volleyball at the HERC

The volleyball nets and equipment have arrived and people are now playing volleyball at the HERC! This was a midbiennium FY25 budget capital request and we were able 226 chase two long nets, one high quality net for the rolling volleyball poles, two custom weighted sand bags for the rolling volleyball poles, 8 new volleyballs, a volleyball cart, volleyball antennas, four durable carabineers, sand for weighted sand bags, and special floor tape (to mark the volleyball court). Special thanks to Rafael de la Uz from Community Rec and Patrick Houlihan from Public Works maintenance crew for their efforts to problem solve and install this very unique set up. With everything purchased, installed and a few more minor items to charge towards this project, the total cost should come to around \$3,600 which is \$900 under the \$4,500 capital budget allocation.



Even though the ceiling is low for traditional competitive play, the participants are very grateful and happy to have a place to play and we will be pursuing some youth volleyball programs very soon. We will still pursue to use the school gyms as the first option because of the higher ceilings and the ability to have two nets set up (sometimes there are up to 20 players!) but we will use the HERC gym as a last resort if there is time/space available. I will also share that this summer we needed to schedule evening volleyball at the HERC on Thursday evenings

because of conflicts high school programs at HHS and as a result we had to cancel an on-going pickleball event to accommodate this need. Certainly there were some citizens who were not happy with this change but we have very little time and space to accommodate all of the recreational needs of the community and this was a necessary change to try and serve all interests to best of our capacity.

Roadway Striping

Councilmembers Erickson and Parsons met with me to discuss roadway striping and traffic calming. The City has a maintenance agreement (Exchange of Responsibilities Agreement) with AKDOT&PF. In this agreement AKDOT&PF transfers obligation to perform maintenance work on Pioneer Avenue. This work includes snow plowing/removal, ice grading, slush removal, glacier control, wing back, steam thawing, and sanding in the winter; and sweeping and ditching in the summer. Although it's not called out in the agreement, AKDOT&PF also does the striping on City streets in the area, which is a significant savings for a task we can't complete on our own. The Councilmembers shared feedback on safety concerns and that some studies suggest that double yellow lines in residential areas can potentially encourage speeding and reduce safety. This is because they can signal to drivers that the street is a through route, leading to higher speeds. There is also value in considering that road markings are crucial for safety and traffic flow by providing guidance, warnings, and information to drivers and pedestrians. They help to maintain lane discipline, delineate boundaries of the road, guide drivers in parking and navigating traffic, and can also alert visually impaired pedestrians. Traffic calming is on the list of priorities that Council developed at the beginning of the year, and I look forward to working with Council and the citizens on a plan for our community. A copy of the City of Homer Road Striping map is included in this report.

Future Community Rec Center Location

A new Multi-Use Community Recreation Center has long been a city priority, as identified through previous and current comprehensive plans and other community surveys. Having ranked it #2 on the <u>City of Homer's Capital Improvement</u> <u>Plan</u>, the City Council appropriated 1.3 million dollars in 2024 toward its eventual construction. The next step is to select a location, and community member input is requested on the following property. More than a year of research by a dedicated working group has recommended it as the most advantageous location, taking into account proximity, availability, initial and long-term costs, utility considerations, and road access. Parcel ID 17719234 is a vacant lot already owned by the City of Homer. It is centrally located on over 4.5 acres to the south of Alice's Champagne Palace. Currently there is road access from 209 East Pioneer Avenue, but other routes are also under consideration.



We invite your feedback on this proposed location, at upcoming public meetings or by commenting on the City Website.

https://www.cityofhomer-ak.gov/planning/proposedproperty-future-community-rec-center

Tuesday, June 10, 2025 6:00pm Economic Development Advisory Commission

Wednesday, June 18, 2025 6:30 pm Planning Commission

Thursday, June 19, 2025 5:30 pm Parks, Art, Recreation, and Culture Advisory Commission

City Manager Meetings and Events:

May 29th – Attended the KPEDD Community Economic Development Strategy public meeting May 30th – Attended the Northrim Bank Annual Economic Summit, met with a resident regarding his natural gas assessment, met with Senator Sullivan

June 2nd – Met with our State Lobbyists and J&H Consulting

June 3rd – Attended KPB Land Committee Meeting and Borough Assembly Meeting (virtually)

Attachments:

- AKDOT&PF 2016 Maintenance Agreement and Homer Road Striping Map
- AKDOT&PF 2025 Construction Notice and Attachments
- June Employee anniversaries
- Memorandum from Public Works Director re: Heath Street Crosswalk



TRANSFER OF RESPONSIBILITIES AGREEMENT BETWEEN THE STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES AND CITY OF Homer

This Agreement is effective upon execution by the State of Alaska, Department of Transportation and Public Facilities (hereinafter called the State) and the **City of Homer** (hereinafter called the City).

Section 1. Purpose

The City and Department have entered into a maintenance agreement (Exchange of Responsibilities Agreement for Pioneer Avenue) concerning the maintenance of Department owned road facilities located within Homer, Alaska.

Section 2. Transfer of Responsibility

The Department hereby transfers to the City all its right and obligation to perform maintenance work on the state route, Pioneer Avenue. The Department retains responsibility for the cost of operating and maintaining the existing street lighting system. The Department will continue to accomplish pavement marking in conjunction with the striping of other Department owned roads in the Homer area. The city agrees to maintain this roadway to a standard that is acceptable to the Department.

The Department shall retain full title and ownership of the specified state route and shall retain all rights incident to such ownership interest that are not expressly transferred to the City under this agreement.

Section 3. Consideration

In consideration of the receipt of the facilities, the city agrees to be responsible for the maintenance, operation, and repair described in Attachment "B" for the facilities after the effective date of this agreement.

In consideration of the receipt of the facilities, the Department agrees to reimburse the City for the maintenance, operation, and repair of facilities described in Attachment "A". The Department agrees to pay a total amount of \$34,000.00 to the City for the cost of roadway maintenance for the period from July 1 through June 30. Upon execution of this agreement, payment will be remitted to the city within sixty (60) days.

Section 4. Term of Agreement

- (A) This agreement shall become effective upon the date and time of final signatures and shall remain in full force and effect until amended or terminated.
- (B) This agreement may be amended, in writing, any time upon mutual consent of the parties thereto and this agreement may be terminated for cause by either party where the other party fails in any material way to perform its obligations under this agreement. Termination under this subsection is subject to the condition that the terminating party notify the other party of its intent to terminate, stating with reasonable specificity the grounds thereof, and the other party fails to cure the default within thirty (30) days after receiving this notice.

Section 5. Integration

This agreement and any writings incorporated by reference herein embody the entire agreement of the parties. This agreement shall supersede all previous communications, representations, or agreements, whether oral or written, between the parties hereto.

Section 6. Notices

Any notice provided for herein shall be given in writing and transmitted by personal delivery or prepaid first class registered or certified mail addressed as follows:

Katie Koester, Manager City of Homer Soldotna District Homer, Alaska 995 Randy Vanderwood, P.E. M&O Chief Central Region P.O. Box 196900 Anchorage, Alaska 99519

or to such other persons or addresses as the City or Department may from time to time designate in writing.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first, here written

CITY OF HOMER

0 By: Date

Katie Koester City Manager Homer, Alaska

STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

Date

Randy Vanderwood, P.E. M&O Chief Central Region

Attachment "A"

STATE ROAD FACILITIES TO BE EXCHANGED

(1) Pioneer Avenue - from Lake Street to Homer Bypass (.988 miles).

é

Any work that goes beyond the scope of limited maintenance must be approved by both parties prior to starting work.

Attachment "B"

CITY OF HOMER ACTIVITY LIST

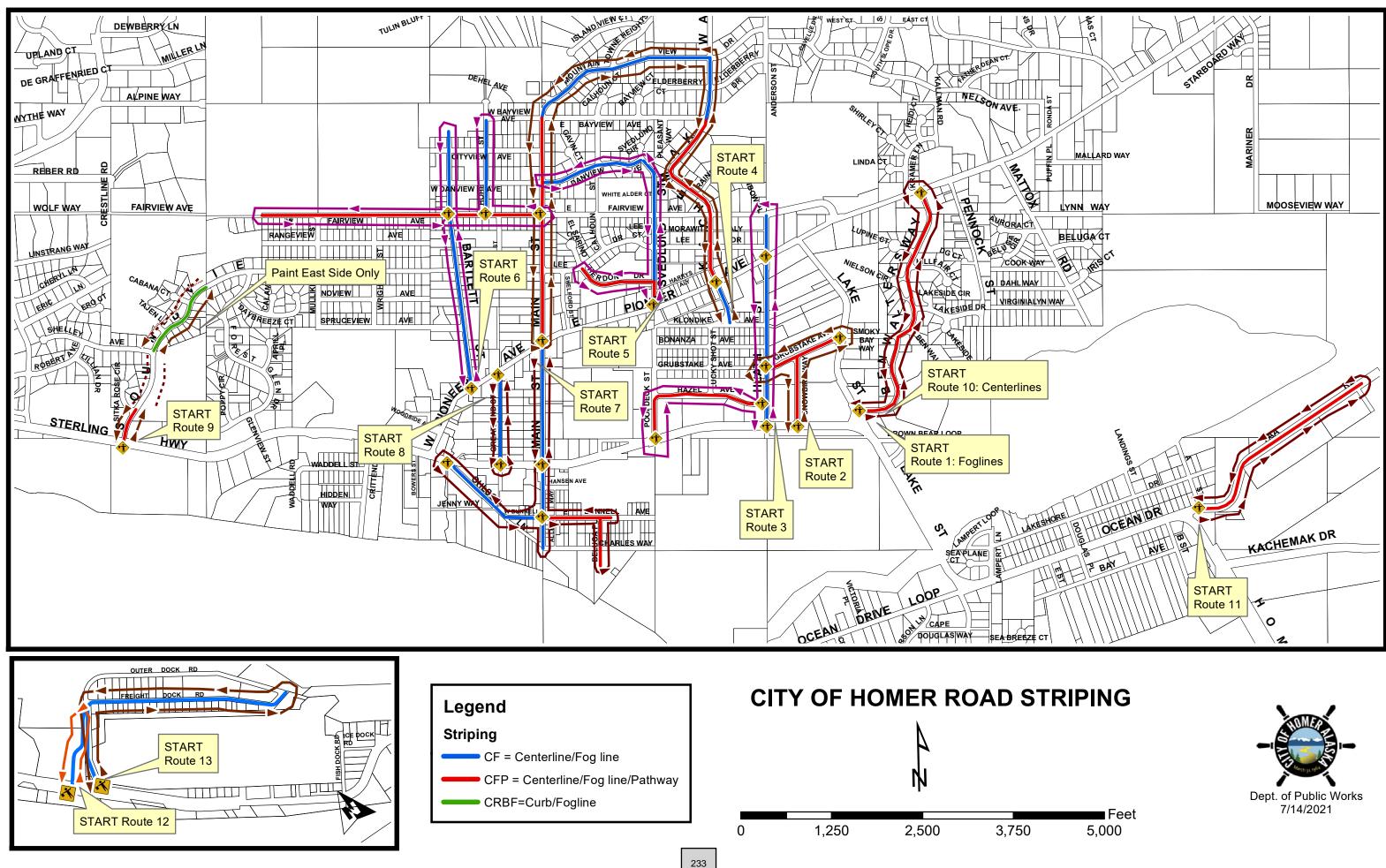
Winter Activities

Snow Plowing / Removal Ice Grading Slush Removal Glacier Control Wing Back Steam Thawing Sanding

Summer Activities

~

Sweeping Ditching







OFFICE OF THE COMMISSIONER Ryan Anderson, P.E., Commissioner

> PO Box 112500 Juneau, Alaska 99811-2500 Main: 907.465.3900 dot.alaska.gov

May 28, 2025

City of Homer 491 E. Pioneer Ave. Homer, AK 99603

Dear City of Homer:

As the 2025 construction season begins, we are pleased to share information about upcoming transportation projects in your community. This year's active season reflects a significant investment in infrastructure improvements across the state, with a continued emphasis on delivering safe, resilient, and modern systems that support Alaska's communities and economy.

Alaskans can expect continued progress in the way transportation projects are planned and delivered. Modern tools and strategies are expanding transparency, improving communication, and helping address challenges more effectively. Through ongoing engagement with communities and improved processes, Alaska's transportation program reflects local priorities—ensuring projects bring lasting value across the state.

The following projects are expected to be active in your community during the 2025 season:

- Homer Airport Improvements
- Kachemak Drive MP 0-3.5 Pavement Preservation
- Kenai Peninsula Bridge Deck Rehabilitations 2023
- Sterling Highway MP 157-169 Reconstruction
- Sterling Highway Milepost 169 to 175 Pavement Preservation

Enclosed with this letter are project information sheets that include an overview of each project, maps, schedules, and contact information.

To support your awareness and planning throughout the season, we also encourage the use of the following online resources:

2025 DOT&PF Construction Website: <u>https://dot.alaska.gov/construction</u> Explore an interactive map of road, airport, and facilities projects statewide. Click on any project to view scope, traffic impacts, schedules, funding information, and more.

"Keep Alaska Moving the derived and infrastructure."

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Alaska 511 Traveler Information System: <u>https://511.alaska.gov</u> Access real-time road conditions, construction alerts, traffic cameras, and maintenance updates. You can also use the 511 Alaska mobile app or dial 5-1-1.

Please feel free to share these resources with others in your community. If you have any questions or require further information about a specific project, we encourage you to contact the project staff listed in the attached materials. You may also contact my office at any time by email at dot.commissioner@alaska.gov or by phone at (907) 465-3900.

We are honored to serve your community and remain committed to delivering a productive and successful construction season.

Sincerely,

RrAL

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

Enclosure(s)

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Albedro Product litrolenages

2025 Construction Project Overview

Homer Airport Improvements

Project Number: CFAPT00491

Project Description:

The purpose of the project is to improve safety for runway operations, taxiing, and aircraft parking, extend the service life of airport facilities, and increase availability of leased tie-down facilities for general aviation users.

Improvement work includes: rehabilitate the runway and runway safety area; remove terrain obstructing the runway object free area; rehabilitate taxiways A, B, and a portion of D; remove a portion of taxiway D and convert it to an airfield service road; construct a new turnaround taxiway (taxiway G) near the runway 22 threshold; rehabilitate and expand the general aviation apron; construct drainage improvements including replacement of culverts crossing the runway and taxiways; remove existing visual approach slope indicators and replace with precision approach path indicators; replace runway and taxiway lighting and sign systems.

Project Website:

https://dot.alaska.gov/creg/ homerairport/

Anticipated/Actual Start: 06-2023

Anticipated End: 06-2025

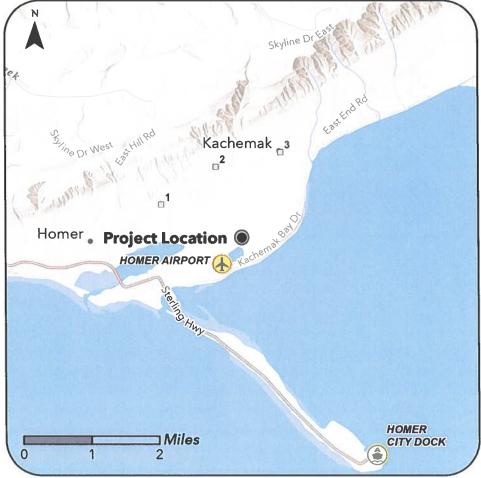
Project Contact:

Jason Baxley jason.baxley@alaska.gov 907-242-4889

Visit the APEX website:



https://dot.alaska.gov/construction



It is the policy of the Alaska Department of Transportation and Public Facilities (DOT&PF) that no one shall be subject to discrimination on the basis of race, color, national origin, sex, age, or disability, regardless of the funding source, including Federal Transport in inistration, Federal Aviation Administration, Federal Highway Administration 236 al Motor Carrier Safety Administration and State of Alaska funds.







2025 Construction Project Overview

Kachemak Drive MP 0-3.5 Pavement Preservation

Project Number: CFHWY00602

Project Description:

Resurface Kachemak Drive from Sterling Highway to East End Road. This project will include: Pavement Preservation Roadside Hardware, Drainage improvements, Intersection improvements, ADA improvements (to include curb ramps) and Utilities.

Project Website:

https://tinyurl.com/ CFHWY00602

Anticipated/Actual Start: 2025

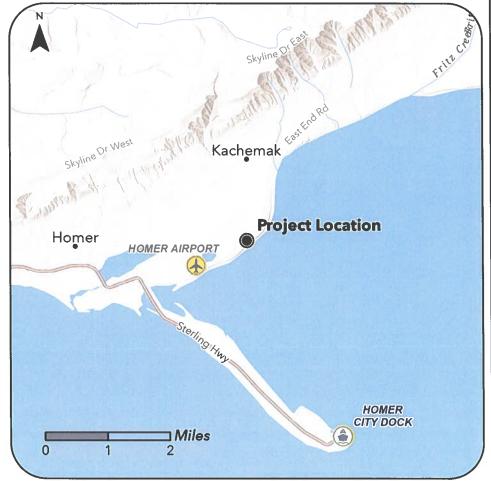
Anticipated End: 2026

Project Contact: Lorett Nabong lorett.nabong@alaska.gov 907-269-0450

Visit the APEX website:



https://dot.alaska.gov/construction



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2025 Construction Project Overview

Kenai Peninsula Bridge Deck Rehabilitations 2023

Project Number: CFHWY00946

Project Description:

Rehabilitate Cooper Landing and Schooners bridge decks and perform other bridge preservation work, including bridge deck polyester concrete overlays, structural retrofits, miscellaneous structural repairs, expansion joints, bridge rail upgrades, guardrail and end terminals, paving, and striping.

Project Website:

https://tinyurl.com/ CFHWY00946

Anticipated/Actual Start: 04-2025

Anticipated End: 10-2025

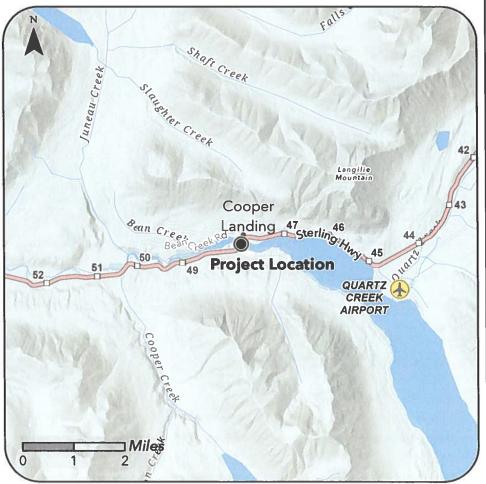
Project Contact:

Summer Garvey summer.garvey@alaska.gov 907-242-7142

Visit the APEX website:



https://dot.alaska.gov/construction



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2025 Construction Project Overview

Sterling Highway MP 157-169 Reconstruction

Project Number: CFHWY01210

Project Description:

Reconstruction and upgrading of 12 miles of Sterling Highway along existing corridor. Project upgrades include widening, construction of passing lanes, resurfacing, scenic turnouts, drainage improvements, minor realignment, and configuration to current AASHTO geometric standards. Also, rehabilitation/replacement of the North Fork Anchor River and Anchor River Bridges.

Project Website: https://tinyurl.com/ CFHWY01210

Anticipated/Actual Start: 10-2025

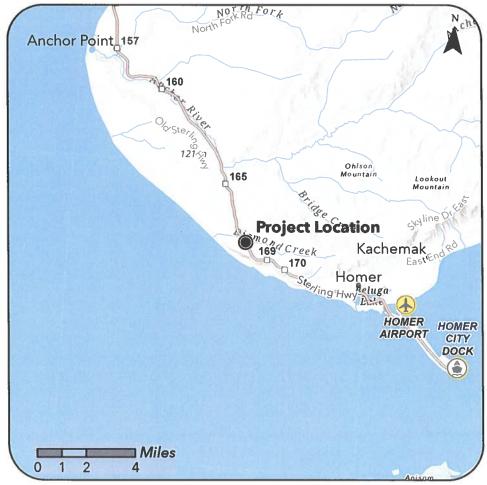
Anticipated End: 10-2027

Project Contact:

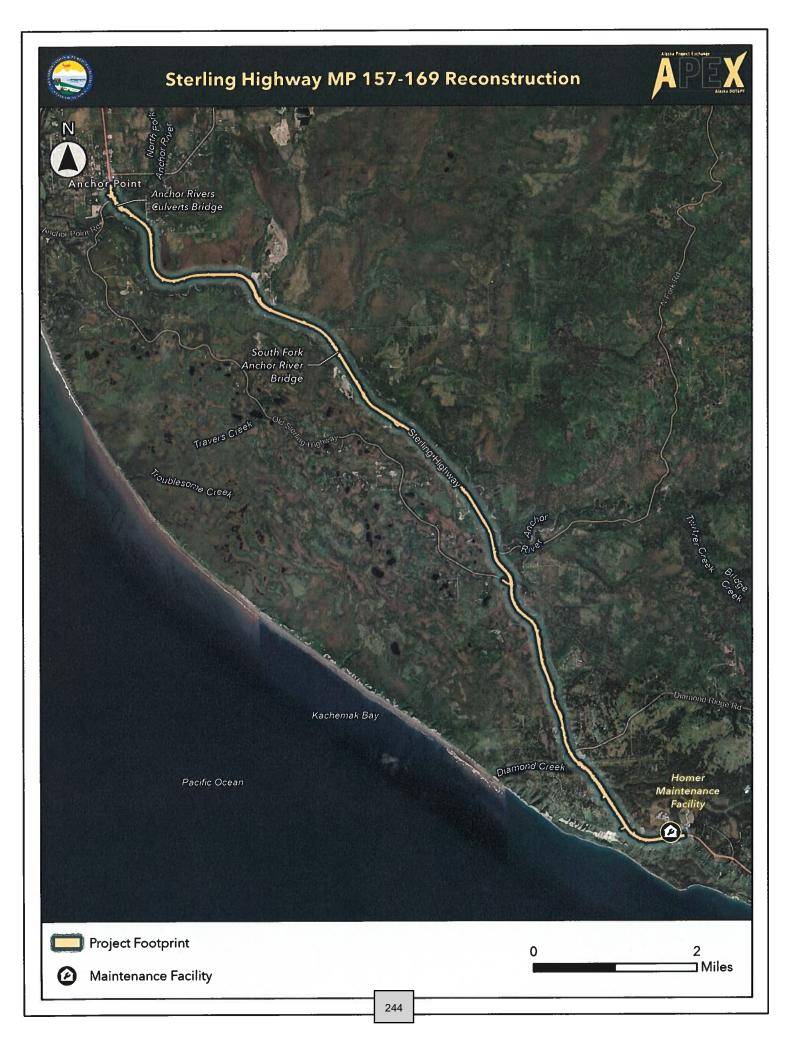
Jacob Gondek jacob.gondek@alaska.gov 907-269-0445

Visit the APEX website:

https://dot.alaska.gov/construction



It is the policy of the Alaska Department of Transportation and Public Facilities (DOT&PF) that no one shall be subject to discrimination on the basis of race, color, national origin, sex, age, or disability, regardless of the funding source, including Federal Transport inistration, Federal Aviation Administration, Federal Highway Administration 243 al Motor Carrier Safety Administration and State of Alaska funds.







2025 Construction Project Overview

Sterling Highway: Milepost 169 to 175 Pavement Preservation

Project Number: CFHWY00857

Project Description:

This is a pavement preservation project for Sterling Highway from Homer Hill to Kachemak Bay Drive. This project includes resurfacing, roadside hardware, drainage improvements, ADA improvements, and utilities as necessary.

Project Website: https:// tinyurl.com/CFHWY00857

Project Contact: Julia Hanson julia.hanson@alaska.gov 9072690753

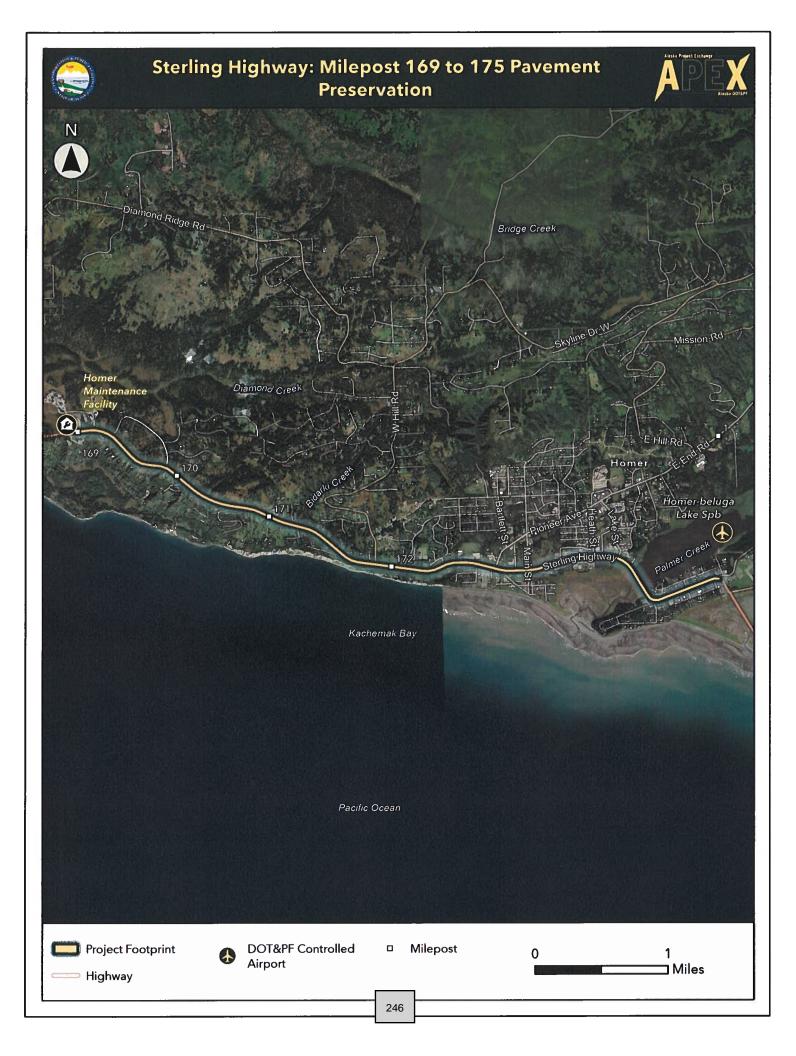
Visit the APEX website:



https://dot.alaska.gov/construction



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MEMORANDUM

June City Employee Anniversaries

ltem Type:	Informational Memorandum
Prepared For:	Mayor Lord and City Council
Date:	June 9, 2025
From:	Andrea Browning, HR Director
Through:	Melissa Jacobsen, City Manager

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

Melissa Jacobsen	Admin	21	Years
Mike IIIg	Admin	19	Years
Mike Szocinski	Public Works	13	Years
Bethany Christman	Public Works	6	Years
Russell Anderson	Public Works	6	Years
Zach Pettit	Clerks	2	Years
Randon Birchette	Dispatch	1	Year



MEMORANDUM

То:	Mayor and Council
Through:	Melissa Jacobsen, City Manager
From	Daniel Kort, Public Works Director
Date:	June 2, 2025
Subject:	Heath Street Crosswalk

Background:

The City of Homer (City) did a design to reconstruct Heath Street in 2023. There have been several interested individuals within the community that have expressed interest in expediting the sidewalk crossing between the Post Office and the Library sooner than later. The Public Works Department has worked up a cost estimate to expedite this work for the sidewalk improvement only to fulfill this request.

Discussion:

The Public Works Department has worked up two parallel design options. Option 1 would exclude the signalized pedestrian crossing and leave the addition of the signal to the Heath Street Reconstruction project that is planned in the future, while Option 2 includes the signalized crossing as part of this effort.

Option 1 – Crosswalk without Signalized Crossing	\$110,987.50
Option 2 – Crosswalk with Signalized Crossing	\$143,987.50

In anticipation for all of the questions of "why this is so expensive", we will begin an explanation of what drives this cost. To begin with, you cannot construct a new crosswalk without an ADA ramp curb cut. Therefore, one must create the design to accommodate the ADA ramp for the crosswalk.

Secondly (and most importantly), the slope of Heath Street does not allow for the construction of an ADA compliant crossing without significant work done to decrease the slope of Heath Street at the crossing. The existing road profile (or slope) of Heath Street at this crossing is 9.48% slope. This 9.48% slope is perpendicular to the crosswalk, so the crosswalk itself will have a 9.48% sideslope. Federal guidance for crosswalk design is for the cross slope to be nearly level and allowing for a maximum cross slope of 2%. This means that the road profile must be adjusted up gradient and down gradient

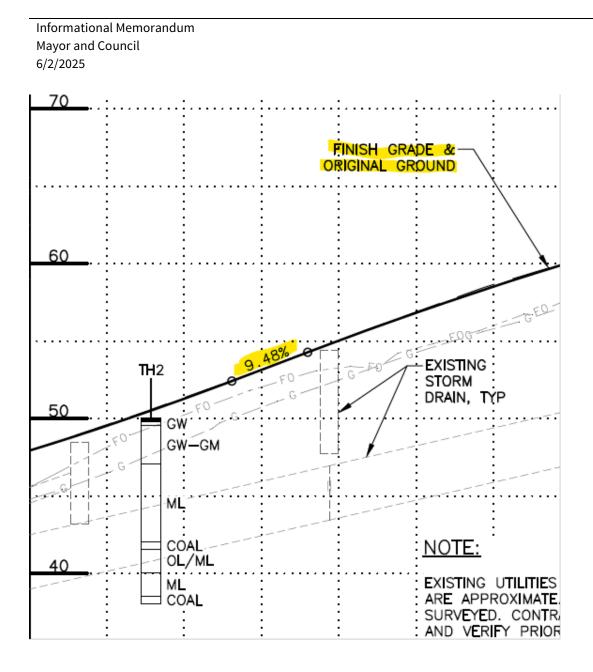
Informational Memorandum Mayor and Council 6/2/2025

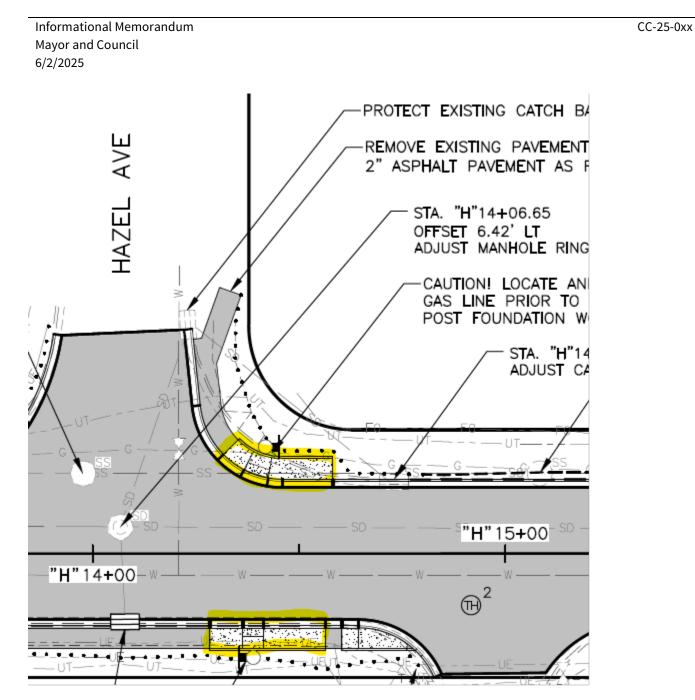
of the crosswalk to accommodate the proposed sidewalk. This essentially creates a "table top" that allows safe passage of the ADA person without risk of going downhill out of the crossing.

All streets modifications (including this one) need to keep in mind stormwater, and when you begin making adjustments to the geometry and slope of a road, you also need to make adjustments to the stormwater infrastructure so the new road is not subject to flooding or glaciation. Besides the slope modification that would be need to be made, the Heath Street design done in 2023 included a change in the radius and geometry of the northern radius entering Hazel Avenue. The existing radius of Hazel Avenue is wide and sweeping which creates an unsafe condition for the crosswalk and therefore was reduced to a much sharper radius for the 2023 design. It would not make sense to build a crosswalk "temporarily" and not include the changed geometry that was intended to improve safety.

One further issue to bring up is that Heath Street has significant deformation in the road surface (ruts) and potholes which is part of what is driving the Heath Street Reconstruction Project. The new asphalt that will be placed from this proposed project from installing the crosswalk will be demoed once we reconstruct Heath Street in a year or two. This is because the contractor will be forced during this effort to match the new asphalt surface to the existing asphalt surface deformation (ruts) because if they construct a clean new level surface down slope of the upper portion of the road that contains deformations, the water flowing downhill within the ruts will be dammed up causing ice and premature failure, and the winter maintenance equipment's blade will likely rip the new asphalt up.

Below are some images from the 2023 design that provide insight to some of these issues that were brought up in this memo.





Summary:

The cost estimate listed above is only a budgetary cost estimate, and the price of doing this small project could increase due to the small nature of the proposed project. Further, Council must keep in mind that this work is unlikely to decrease the future cost to reconstruct Heath Street, and it is more likely that the City will be incurring the cost to construct this crosswalk twice; once now; and once when we rebuild Heath Street. What would be gained is one or two years use of a crosswalk that is already planned as the City's next large scale construction project.



Consideration of a Proposal to Establish a Low Cost Walking Trail Loop above Karen Hornaday Park and Refer to the Parks Art Recreation & Culture Advisory Commission

ltem Type:	Action Memorandum
Prepared For:	Mayor Lord and City Council
Date:	May 25, 2025
From:	Councilmembers Davis and Erickson

PURPOSE

Review and discuss a proposal to establish a low-cost walking trail loop on newly acquired city property above Karen Hornaday Park, and if there is support for the concept, refer it to Public Works for implementation, or the Parks, Art Recreation and Culture Advisory Commission (PARCAC) for further evaluation and recommendations.

BACKGROUND

The City's recent acquisition of property above Hornaday park offers an opportunity to enhance recreation by creating a walking trail loop, without requiring significant investment in formal trail construction, by utilizing and connecting existing informal paths and game trails.

The proposed trail would (see map):

- Start at the switchbacks on the old road at the east end of Karen Hornaday Park.
- At the northern edge of the new property, follow existing footpaths west along an adjacent city-owned lot.
- Descend via game trails along a ridge and through a meadow, returning to the park's west end near the campground.

As noted in a recent memo from Public Works (CC-25-152), people are already starting to use the new lot for hiking and recreation. Under the scenario we are proposing, City staff would offer hikers guidance to their walks by marking the desired route—using existing paths, game trails, and new connectors across meadows—with posts or flags and installing signage (e.g., "Undeveloped Trail – Use at Own Risk"). Certain areas may eventually warrant switchbacks or footbridges, and initial use by the public can help clarify those needs.

This approach, inspired by American Trails' Guidance for Managing Informal Trails (2019), has succeeded in places like Great Falls Park, Virginia, where unimproved trails (e.g., River Trail) use

existing paths with minimal intervention. Signage warns of hazards (e.g., uneven terrain, wildlife), and Virginia's recreational use statute (similar to Alaska's AS 09.65.202) limits liability.

RECOMMENDED ACTION:

If this course of action is acceptable to Public Works, implementation can begin immediately. If further input or review is desired, make a motion to refer the proposal to the Parks, Art, Recreation and Culture Advisory Commission (PARCAC) for evaluation and implementation recommendations.

Proposed Walking Trail Loop:





MEMORANDUM

То:	Mayor Lord and City Council
Date:	May 29, 2025
From:	Daniel Kort, Public Works Director
Through:	Melissa Jacobsen, City Manager
Subject:	Karen Hornaday Park Trail

Background:

There is a proposal for City Staff to install flagging for a proposed rudimentary trail route using a combination of existing paths and game trails for a new trail network on the new City owned property above Karen Hornaday Park. The proposal suggests using volunteers to cut vegetation and create a well-defined footpath similar to a Level I Trail as an inexpensive way to kick off a hiking trail into the newly acquired property rather than conducting a more formalized approach at developing a trail network.

Discussion:

We appreciate that trails enthusiasts are anxious to get out on a new local trial right in the heart of Homer, and we look forward to bringing that dream into fruition. The Public Works Department has been working toward a formal design and construction plan for a trail network on the newly acquired property above Karen Hornaday Park. The vision of this proposed trail by the Parks Division is for it to be a "scenic vista trail" that would complement both the Karen Hornaday Park and re-opened Campground. It's a project we'd hoped to initiate this summer but with other projects vying for HART Trails fund it may likely be delayed.

Developing a rudimentary trail with volunteers removing vegetation raises concerns for staff because this City property is on a steep slope. Planning staff confirmed the lot has an average slope over 15% making it subject to the steep slope development standards in Homer City Code (HCC). HCC 21.44.030 Slope Development Standards explain that no development activity, including clearing and grading may occur before the issuance of zoning permit under Chapter 21.70.

HCC 21.03 defines that "Clearing" means the removal of trees and brush from the land, but shall not include the ordinary pruning of trees or shrubs or mowing of grass. Alders are already being cut down along the area.

Memorandum City Council June 9, 2025

Additionally, previous development activities including construction of the existing road/trail which is now overgrown with alder brush, had resulted in slope stability issues and landslides. This is the backbone of the existing planned trail. The cutting of alder along this route in combination with the development of a primitive trail, could allow previous slope stability issues to return.

The Public Works Department takes the conservative position that the City should follow HCC 21.44 because foot paths, trails and sidewalks fall under the definition of development in this section, and 21.70 for proper permitting. This will also provide for review and input from the Parks, Art, Recreation, and Culture Advisory Commission and possibly the Planning Commission.

Attachments:

Public Works trail concept HCC 21.44 PHASE I - Karen Hornaday Park Trail



The Red dots indicate locations for scenic overviews of the City and Kachemak Bay. The City is considering placement of benches and or picnic tables at these locations.

The location of Phase II trail's are to be determined.

Chapter 21.44

SLOPES AND COASTAL DEVELOPMENT

Sections:

- 21.44.010 Purpose and intent.
- 21.44.020 Applicability.
- 21.44.030 Slope development standards.
- 21.44.040 Exceptions to setback requirements.
- 21.44.050 Site plan requirements for slope development.

21.44.010 Purpose and intent.

This chapter regulates development activity and structures in areas affected by slopes, bluffs, ravines, and the coastal edge, and provides the means for additional review and protection to encourage safe and orderly growth to promote the health, welfare and safety of Homer residents. [Ord. 22-32 § 2, 2022; Ord. 08-29, 2008].

21.44.020 Applicability.

a. This chapter applies to all development activity that disturbs the existing land surface, including without limitation clearing, grading, excavating and filling in areas that are subject to any of the following conditions:

1. Lots with average slopes 15 percent or greater, bluffs, coastal edge and ravines;

2. Located within 40 feet of the top or within 15 feet of the toe of a steep slope, bluff, coastal edge or ravine; and

3. Any other location where the City Engineer determines that adverse conditions associated with slope stability, erosion or sedimentation are present.

b. This chapter imposes regulations and standards in addition to the requirements of the underlying zoning district(s). [Ord. 22-32 § 2, 2022; Ord. 08-29, 2008].

21.44.030 Slope development standards.

The following standards apply to all development activity on a site described in HCC 21.44.020:

a. No development activity, including clearing and grading, may occur before the issuance of a zoning permit under Chapter 21.70 HCC.

b. Area of Development.

1. Except where the City Engineer approves a site plan under HCC 21.44.050 that provides for a larger area of development, the area of development on a lot with an average slope:

a. Of 15 to 30 percent shall not exceed 25 percent of the total lot area.

b. Greater than 30 percent but less than 45 percent shall not exceed 10 percent of the total lot area.

2. The area of development on a lot with an average slope of 45 percent or greater shall not exceed the area of development described in a site plan approved by the City Engineer under HCC 21.44.050.

c. Setbacks. Subject to the exceptions to setback requirements in HCC 21.44.040, all development activity is subject to the following setback requirements:

- 1. No structure may be closer to the top of a ravine, steep slope or bluff than the lesser of:
 - a. Forty feet; or
 - b. One-third of the height of the bluff or steep slope, but not less than 15 feet.

2. No structure may be closer than 15 feet to the toe of a bluff.

3. Structures shall be set back 40 feet from the coastal edge starting at the eastern extent of the City of Homer, adjacent to Kachemak Bay extending to the north-south section line dividing Sections 19 and 24 Township 6 South Range 14 West Seward Meridian, and excluding all property South of Mile Post 175 of the Sterling Highway. All structures west of the section line shall be set back 60 feet from the coastal edge. No structure may be placed closer than 15 feet from the toe of a coastal edge.

d. Natural Drainage. The site design and development activity shall not restrict natural drainage patterns, except as provided in this subsection.

1. To the maximum extent feasible, the natural surface drainage patterns unique to the topography and vegetation of the site shall be preserved. Natural surface drainage patterns may be modified only pursuant to a site plan approved by the City Engineer under HCC 21.44.050, and upon a showing that there will be no significant adverse environmental impacts on the site or on adjacent properties. If natural drainage patterns are modified, appropriate soil stabilization techniques shall be employed.

2. The site shall be graded as necessary to ensure that drainage flows away from all structures for a distance of at least 10 feet, especially where building pads are cut into hillsides.

3. The development activity shall not cause an adverse effect on adjacent land and surrounding drainage patterns.

e. Erosion Control.

1. Erosion control methods approved by the City Engineer, including without limitation sediment traps, small dams and barriers, shall be used during construction and site development to protect water quality, control soil erosion and control the velocity of runoff.

2. Winter Erosion Control Blankets. If development on a slope is not stabilized by October 15th, erosion control blankets (or a product with equivalent performance characteristics) must be installed upon completion of the seasonal work, but no later than October 15th. The erosion control blankets shall remain in place until at least the following May.

3. Vegetation shall remain undisturbed except as necessary to construct improvements and to eliminate hazardous conditions, in which case it must be replanted with approved materials including ground cover, shrubs and trees. Native vegetation is preferred for replanting operations, and will be used where practicable.

4. Grading shall not alter the natural contours of the terrain except as necessary for building sites or to correct unsafe conditions. The locations of buildings and roads shall be planned to follow and conform to existing contours as nearly as possible. [Ord. 22-32 § 2, 2022; Ord. 08-29, 2008].

21.44.040 Exceptions to setback requirements.

a. Any of the following may be located within a setback required by HCC 21.44.030(c):

1. A deck extending no more than five feet into the required setback.

2. An unoccupied accessory structure having a building area not greater than 200 square feet that is no closer than 15 feet to the top of any bluff or ravine.

3. A boardwalk, sidewalk, foot path or stairway that provides access to a beach, bluff or accessory structure, and that is located at or within three feet above ground level.

4. Development activity that the City Engineer determines is reasonably intended to stabilize an eroding coastal edge.

b. No structure other than a structure described in subsection (a) of this section may be located in a required setback without a conditional use permit issued in accordance with Chapter 21.71 HCC and a site plan approved by the City Engineer under HCC 21.44.050. [Ord. 22-32 § 2, 2022; Ord. 08-29, 2008].

21.44.050 Site plan requirements for slope development.

a. No permit for development activity for which HCC 21.44.030 or 21.44.040(b) requires a site plan may be approved unless the City Engineer approves a site plan for the development activity that conforms to the requirements of this section. The City Engineer shall accept or reject the plan as submitted or may require that specific conditions be complied with in order for the plan to meet approval.

b. The site plan shall be prepared by a qualified geotechnical engineer licensed to practice in the State of Alaska and shall include the following information:

1. The location of all watercourses, water bodies, and wetlands within 100 feet of the location of the proposed development activity.

2. The location of all existing and proposed drainage structures and patterns.

3. Site topography shown by contours with a maximum vertical interval of five feet.

4. The location of all proposed and existing buildings, utilities (including on-site well and septic facilities), driveways and streets.

5. The location of all existing vegetation types including meadow, forest and scrub lands, identifying all areas of vegetation that will be removed as well as vegetation to be preserved or replaced. Specifications for revegetation shall also be included.

6. Specific methods that will be used to control soil erosion, sedimentation, and excessive stormwater runoff during and after construction.

7. A description of the stability of the existing soils on site and a narrative and other detail sufficient to demonstrate the appropriateness of the development and construction methods proposed.

8. A grading plan for all areas that will be disturbed by the development activity.

9. A slope stability analysis including the following:

a. Summary of all subsurface exploration data, including subsurface soil profile, exploration logs, laboratory or in situ test results, and groundwater information;

b. Interpretation and analysis of the subsurface data;

c. Summary of seismic concerns and recommended mitigation;

d. Specific engineering recommendations for design;

e. Discussion of conditions for solution of anticipated problems;

f. Recommended geotechnical special provisions;

g. An opinion on adequacy for the intended use of sites to be developed by the proposed grading as affected by soils engineering factors, including the stability of slopes. [Ord. 22-32 § 2, 2022; Ord. 10-56 § 2, 2011].