



Agenda

Port & Harbor Advisory Commission Regular Meeting

Wednesday, December 11, 2024 at 5:30 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: 954 2610 1220 Password: 556404

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

CALL TO ORDER, 5:30 P.M.

AGENDA APPROVAL

PUBLIC COMMENTS ON MATTERS ALREADY ON THE AGENDA (3 minute time limit)

RECONSIDERATION

APPROVAL OF MINUTES

- [A.](#) Unapproved November 20, 2024 PHC Minutes

VISITORS / PRESENTATIONS

- [A.](#) Jenny Carroll, Long-Term Homer Spit Erosion Response

STAFF & COUNCIL REPORT / COMMITTEE REPORTS

- [A.](#) Port & Harbor FY25 YTD
- [B.](#) Port & Harbor Staff Report - December 2024
 - Project Updates
 - Commissioner Report to Council for 2025 Council Meetings
- C. Homer Marine Trades Association (HMTA) Report

PUBLIC HEARING

PENDING BUSINESS

NEW BUSINESS

- [A.](#) Leasing Application Process

Memorandum PHC-24-028 from Port Administrative Supervisor as backup
Memorandum from Commissioner Shavelson as backup

[B.](#) Memorandum CC-24-227 re: Harbor Liability Insurance

Memorandum PHC-24-029 from Port Director as backup

INFORMATIONAL MATERIALS

[A.](#) December 2024 Port Operations Report

[B.](#) City Manager's Report

CM's Report for November 25, 2024

COMMENTS OF THE AUDIENCE (3 minute time limit)

COMMENTS OF THE CITY STAFF

COMMENTS OF THE MAYOR

COMMENTS OF THE COMMISSION

ADJOURNMENT

Next Regular Meeting is **Wednesday, January 22, 2025 at 5:30 p.m.** All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar.

1. CALL TO ORDER, 5:30 P.M.

Session 24-09, a Regular Meeting of the Port and Harbor Advisory Commission was called to order by Chair Casey Siekaniec at 5:30 p.m. on November 20, 2024 in the City Hall Upstairs Conference Room located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar.

PRESENT: COMMISSIONERS BRADSHAW, FRIEND, SIEKANIEC, SHAVELSON, ZEISET & STUDENT REPRESENTATIVE ROGERS

ABSENT: COMMISSIONERS PITZMAN & VELSKO (BOTH EXCUSED)

CONSULTING: HARBORMASTER CLARKE & COMMUNITY DEVELOPMENT DIRECTOR ENGBRETSSEN

STAFF: PORT ADMINISTRATIVE SUPERVISOR WOODRUFF & DEPUTY CITY CLERK PETTIT

2. AGENDA APPROVAL

Chair Siekaniec read the supplemental items into the agenda and requested a motion and second to approve the agenda as amended.

ZEISET/BRADSHAW MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA (3 minute time limit)

Kirsten Dixon, owner of La Baleine Café and four other buildings at 4460 Homer Spit Road, opposed renewing Michael Yourkowski's lease, citing 11 years of grievances as his tenant. She criticized his handling of utility reimbursements, sudden rent increases without notice, and the lack of a formal contract. She urged the Commission to open the lease bid to the public for alternative landlord options.

Michael Yourkowski, city resident, shared that Ms. Dixon's remarks caught him by surprise, adding that he and Ms. Dixon's husband have solved most of the problems that have risen at the property. He requested the Commission to consider the application, noting that he has met all the requirements set forth by the City for the lease renewal.

Grady Avant noted that he's a former tenant of the Dixon's, adding that he wasn't given a lease renewal option this past year even though the two parties had spoken about it months in advance. He believes their intention was to prevent him from doing business. He shared that his space was used as housing for one of the Dixon's employees, claiming that this doesn't generate any revenue for the City. He stated that by not allowing a lease renewal, he lost over \$200,000 this past summer. Lastly, he stated that he felt the grievances and tone in the testimony provided by Ms. Dixon were suspect.

Aaron Fleenor, city resident, affirmed the importance of the Large Vessel Haul Out. He opined that the most viable option for a haul out facility would be to have a larger sling lift on the Spit. As the manager for Northern Enterprises Boatyard, he noted that he and his crew cannot meet the demands beyond what they've already reached due to insufficient water depth at their current location. He reasoned that a haul out facility on the Spit could service much large vessels.

4. RECONSIDERATION

5. APPROVAL OF MINUTES

5.A. Unapproved September 25, 2024 PHC Minutes

BRADSHAW/ZEISET MOVED TO APPROVE THE SEPTEMBER 25, 2024 MEETING MINUTES.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

6. VISITORS/PRESENTATIONS

6.A. Jon Erickson, Homer Spit Leasing
Homer Harbor Fuel Dock Slideshow Presentation – Homerun Oil Co. Inc.

Chair Siekaniec introduced the item by reading of the title and opened the floor for Mr. Erickson, who provided a presentation for his vision of a new fuel dock down at the Homer Harbor. He covered the following:

- Homerun Oil Company's history in Homer
- Concerns for the project
 - Environmental, available space, stall income vs. earned wharfage, and future plans for the Harbor
- Proposal for revenue generation
- Harbor expansion and future challenges
- Benefits to the Harbor

There were brief discussions regarding the City's Request for Proposal process, as well as the City's Land Allocation Plan.

7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS

7.A. Port & Harbor FY25 YTD

7.B. Port & Harbor Staff Report – November 2024

Port Administrative Supervisor Woodruff noted that she and Port Director Hawkins met with Commissioners Bradshaw and Siekaniec to discuss the draft financial policy. She added that she received feedback from Finance Director Fischer that is going to take some time to respond to. Ms. Woodruff stated that she intends to meet with Mike Fisher of Northern Economics, who will assist the City with writing something that is enforceable. Lastly, she provided an update on the special projects taking place down at the Harbor.

There was brief discussion regarding why the Commission wasn't involved in the process for Conditional Use Permit 23-08, Doyon's Lighthouse Village Project at the base of the Spit.

7.C. Homer Marine Trades Association (HMTA) Report

Port Administrative Supervisor Woodruff reported that the Association will host its Christmas Party on Friday, December 13th at Breakwater Marine Electric's shop.

8. PUBLIC HEARING(S)

9. PENDING BUSINESS

- 9.A. Large Vessel Haul Out Facility Draft Response
Memorandum PHC-24-024 from Port Administrative Supervisor as backup
Draft Response from Port Administrative Supervisor Woodruff

Chair Siekaniec introduced the item by reading of the title. The Commission and City Staff reviewed the memorandum and the draft response included in the supplemental and regular meeting packets.

ZEISET/BRADSHAW MOVED TO FORWARD THE DRAFT RESPONSE TO CITY COUNCIL AS WRITTEN.

Harbormaster Clarke stated that it was going to be a wonderful winter to watch the activity that takes place in the Haul Out Facility, noting that more activity is expected this year compared to last winter.

Commissioner Shavelson questioned if each vessel will have plywood and plastic coverings. Mr. Clarke asserted that all vessels are required to have ground tarp, and that what they choose to shelter with is based on the extent of the project.

Port Administrative Supervisor Woodruff reviewed the changes discussed at this meeting that she would be implementing into the draft response, suggesting that this would be the Commission's last opportunity to amend the draft response before it's sent off to Council. Commissioner Shavelson encouraged her to include all five points from the City in the draft response summary.

There was no further discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

10. NEW BUSINESS

10.A. End of Season Parking & Camping Reports, ADA Parking on the Homer Spit

Chair Siekaniec introduced the item by reading of the title and deferred to Harbormaster Clarke, who noted the following:

- Annual camping revenues: ~\$200,000 from April 1st – October 31st
 - 6,819 individual camping permits sold during that time
 - ~\$10,000 in camping revenues from Tent Camp West
 - ~\$82,000 in operating revenues for the campgrounds
 - Net take of ~\$117,000 from camping
 - Camping facility upgrades
 - 10 new, recycled plastic tables, 36-inch diameter, heavy steel grade firing, and mobile payment kiosks
- Annual parking revenues: ~\$231,000
 - ~\$30,000 generated from long-term parking passes

Mr. Clarke also reviewed key accomplishments and improvements made to parking in 2024, and provided a look ahead to future projects in 2025. There was also brief discussion regarding ADA parking on the Spit.

10.B. Application for Lease Transfer from Dragging Anchor LLC Memorandum PHC-24-025 from Port Administrative Supervisor as backup

Chair Siekaniec introduced the item by reading of the title and deferred to Port Administrative Supervisor Woodruff, who clarified what the lease transfer application entailed.

ZEISET/BRADSHAW MOVED TO RECOMMEND THAT CITY COUNCIL APPROVE THE LEASE TRANSFER TO DRAGGING ANCHOR LLC AND THE EXTENSION OF THE LEASE TERM.

Commissioner Shavelson encouraged City Council to think about the length of the lease before sending it back to the Commission. He suggested the idea of incorporating performance standards into the lease. Commissioner Bradshaw reasoned that it isn't the Commission's concern whether or not the lease term is being fulfilled, adding that he has a hard time telling someone what to do with their business. Commissioner Zeiset agreed with adding performance standards upfront, but added that it isn't the Commission's place to make a decision on leases that don't have standards outlined in the lease.

There was no further discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

10.C. Application for Non-Competitive Lease from Mike Yourkowski Memorandum PHC-24-026 from Port Administrative Supervisor as backup Letter from Mr. Yourkowski

Letters of Support

Chair Siekaniec introduced the item by reading of the title and deferred to Port Administrative Supervisor Woodruff, who provided an explanation of her memorandum included in the packet.

ZEISET/SHAVELSON MOVED TO SUSPEND THE RULES TO ALLOW MR. YOURKOWSKI TO SPEAK.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

Harbormaster Clarke questioned which permanent structures Mr. Yourkowski owned or was responsible for on his lease. Mr. Yourkowski answered that he only has one building on that parcel, Caroline's Gifts. He further clarified that the other buildings on the property are owned by the business owners that he subleases to.

Commissioner Zeiset questioned if there are any subleasing rules put forth by the City or the Port & Harbor as far as what a tenant can do with subleasing. Ms. Woodruff stated that any subleases are also subject to the terms of the prime lease. Mr. Yourkowski inserted that the terms of his lease don't have any requirements for payments for subleases or any restrictions on that. He clarified that he supplies Alaska Department of Environmental Conservation approved sanitation, water, and trash service.

ZEISET/SHAVELSON MOVED TO RECOMMEND THAT CITY COUNCIL APPROVE THE NON-COMPETITIVE LEASE APPLICATION FOR MIKE YOURKOWSKI.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

10.D. Fuel Dock Services

Memorandum from Commissioner Shavelson as backup

Chair Siekaniec introduced the item by reading of the title and deferred to Commissioner Shavelson, who provided an explanation of his memorandum in the packet.

Commissioner Bradshaw stated that he had a conflict of interest in this matter, reasoning that how he votes on this item could impact his business.

SHAVLESON/ZEISET MOVED THAT COMMISSIONER BRADSHAW HAS A CONFLICT OF INTEREST.

Commissioner Bradshaw explained that Petro Marine opens their fuel dock for him at his request, adding that it's the only place in town that he can fuel his vessel.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

Commissioner Bradshaw left the room for the remainder of this business item.

SHAVELSON/FRIEND MOVED TO ADOPT COMMISSIONER SHAVELSON'S MEMORANDUM REQUESTING THE CITY MANAGER TO WRITE A LETTER TO PETRO MARINE EXPLAINING THE CITY'S OBLIGATION TO ENSURE "THE HIGHEST AND BEST USE" AND "THE MAXIMUM BENEFIT" OF A HIGHLY VALUABLE PROPERTY IN THE HOMER HARBOR, AND ASKING HOW MANY HOURS IT OPERATED THE FUEL DOCK IN 2024 AND HOW MANY HOURS IT EXPECTS TO OPERATE THE SMALL FUEL DOCK IN 2025.

Commissioner Zeiset asked if the Commission would get to review the letter before it is sent out. The Commission informed him that this wasn't likely.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- 10.E. 2025 Meeting Calendar
Memorandum PHC-24-027 from Deputy City Clerk as backup

Chair Siekaniec introduced the item by reading of the title, and asked anyone with conflicts to speak up now.

SHAVELSON/ZEISET MOVED TO APPROVE THE DRAFT RESOLUTION OUTLINING THE PORT & HARBOR ADVISORY COMMISSION MEETING SCHEDULE FOR 2025 AND FORWARD THE RECOMMENDATION TO CITY COUNCIL.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

11. INFORMATIONAL MATERIALS

- 11.A. November 2024 Port Operations Report
- 11.B. City Manager's Reports to Council
 - CM's Report for October 14, 2024
 - CM's Report for October 28, 2024
 - CM's Report for November 12, 2024

Chair Siekaniec noted the informational materials. There was brief discussion regarding the open position for the Port Property Associate, the Winter Power Program, and the recent storm that caused damage to the Spit.

12. COMMENTS OF THE AUDIENCE (3 minute time limit)

Mary Griswold, city resident, shared her disappointment to see another ordinance coming before City Council aiming to provide exemption to seine skiffs from harbor moorage fees, arguing that it's unfair and shifts costs to other harbor users. She highlighted rising moorage fees, limited harbor space, and a pattern of recurring exemptions, and urged the Commission to ensure fair and equitable fees for all vessels.

Kirsten Dixon clarified that she and her husband own six of the eight properties on the lot at 4460 Homer Spit Road. She expressed her opposition for a non-competitive lease renewal for Mr. Yourkowski, adding that it enables him to act as an intermediary landlord indefinitely for her six properties on the Spit. She stated that this discourages her from developing the properties, and that she would prefer to pay the fees directly to the City of Homer, which would benefit the City rather than a private individual. She recognized that this might provide an opportunity to reevaluate leasing practices on the Spit.

Michael Yourkowski, city resident, thanked the Commission for their efforts. He rebutted against the previous public comment made by Ms. Dixon, stating that it's wrong on various levels.

13. COMMENTS OF THE CITY STAFF

Deputy City Clerk Pettit warned the Commission to be careful of the precedent they might set by suspending the rules anytime they're reviewing a lease application.

14. COMMENTS OF THE MAYOR

15. COMMENTS OF THE COMMISSION

Commissioner Shavelson stated that he continues to think the leasing issue is a confounding and important issue, and that he believes the Commission should continue to work on it. He thanked everyone for a good meeting.

Commissioner Bradshaw stated that he agreed with Commissioner Shavelson's comments regarding the leasing issue, adding that further discussion on that wouldn't hurt.

Commissioner Zeiset said that he would like to see more conversations regarding leases and how they move forward.

Commissioner Friend thanked the Commission for allowing him to participate remotely. He thanked Commissioner Shavelson for his efforts in drafting the fuel dock memorandum.

Student Representative Rogers thanked the Commission and noted that it was a good meeting.

Chair Siekaniec noted that it was a long meeting, but joked that it wasn't his fault.

16. ADJOURNMENT

There being no further business to come before the Commission Chair Siekaniec adjourned the meeting at 8:55 p.m. The next Regular Meeting is Wednesday, December 11, 2024 at 5:30 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar.

Zach Pettit, Deputy City Clerk

Approved: _____

Homer Spit Resilience Planning



Presentation to the Port & Harbor Advisory Commission
12/11/2024

Homer Spit Resilience Planning



- City Advocacy
- November 16, 2024 Storm Surge Emergency Declaration
 - Short-term emergency response/repair
- Resilience Planning Approaches & Implementation Considerations - *all long-term propositions*
 - AK Department of Transportation
 - PROTECT Grant
 - Hazard Mitigation Grant Program
 - US Army Corps of Engineers
 - General Investigation
 - Planning Assistance to States

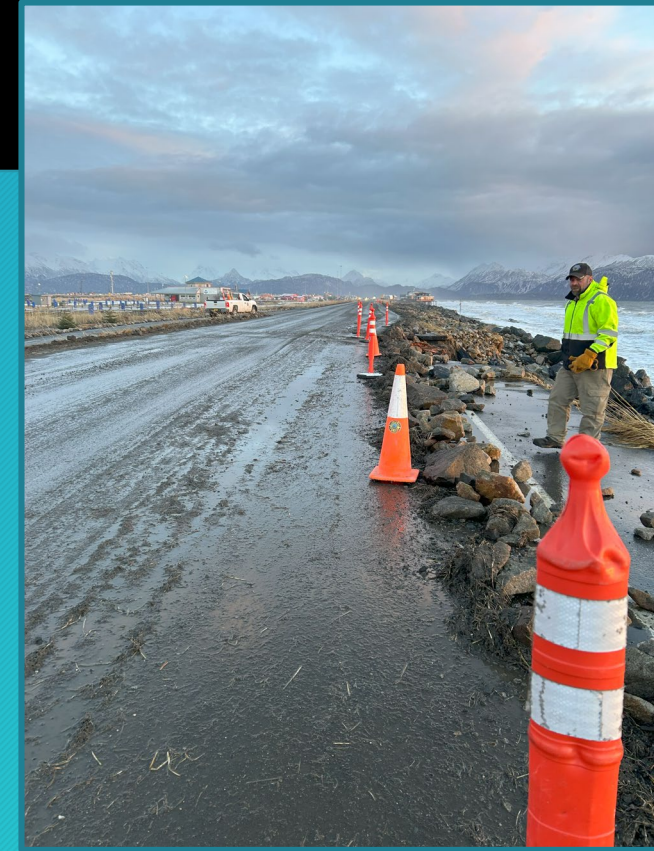
City Advocacy

- Two potential partnerships
 - Alaska Department of Transportation
 - mission is to maintain highway access
 - US Army Corps of Engineers
 - Variety of missions - most relevant
 - National security
 - Economic Vitality
 - Disaster risk reduction
- City of Homer Capital Improvement Plan
 - Consistently in Legislative Priority section
 - City Council & staff annually advocate for partnerships and support at State and Federal level



November 16, 2024 Storm Surge Emergency Declaration

- State Declaration of Disaster Emergency Issued by Governor
 - Waives certain State permitting requirements for ADOT to respond and perform emergency repairs
 - Directs ADOT to work with Federal Highways Administration for emergency relief funding for temporary and permanent repairs.
- Three parts of Disaster Response
 - Initial actions to preserve life, health, safety.
 - Immediate, temporary repairs to restore required to prevent ongoing loss and restore usability. It works, but is not paved and pretty.
 - Permanent repairs.



Immediate, Temporary Repair Phase

- Immediate, temporary repairs to restore functionality
 - Phase 1: ADOT repaired revetment breached by storm surge and restored Spit Road to two lanes
 - Phase 2: ADOT is extending revetment (using 2014 design) 1,100 feet to protect vulnerable section of Spit Road.
- City staff & Mayor Lord met with ADOT Commissioner Anderson, Deputy Commissioner Keith and Central Region Director Sean Holland
 - thanked ADOT for their prompt and coordinated response
 - shared information about the State's continuing stabilization work
 - pointed out additional areas of storm surge vulnerability immediately beyond the end of the planned revetment extension



Immediate, Temporary Repair Phase, cont.

- ADOT Commissioner requested
 - Central Region engage the services of a coastal engineer given that 2014 design is inadequate
 - City provide ADOT with all studies conducted previously on Spit Storm Surge and Erosion Mitigation, as well as contacts of experienced coastal engineers familiar with Homer Spit conditions.
 - maps and information about additional areas requiring immediate mitigation work for consideration; directed project engineer to meet with City staff at project site.
- ADOT Commissioner confirmed:
 - ADOT is preparing a Spit Road project request for inclusion in the State's Statewide Transportation Improvement Plan (STIP)
 - ADOT's intention to continue to pursue funds to develop and implement a long-term mitigation plan.



Permanent Repair/Mitigation Stage

- If Federal Disaster declared, FEMA has third area called permanent repair/mitigation.
- They can look at repairs and authorize a percentage increase to improve the outcome. FEMA will pay the Federal share of the difference.
- The other piece is more significant mitigation if it is cost effective. It is based on historical, repetitive loss.
- Role of Homer is to be a very, very strong advocate for the best comprehensive solution. We are looking at it 50-100 years out and not permit ongoing failures of the road and continued pattern of erosion.



Resilience Planning with AK Department of Transportation

- FY22-23 PROTECT grant application
FY24-26 resubmission
 - Program purpose - planning & implementation
 - help make surface transportation more resilient to natural hazards
 - including climate change, sea level rise, flooding, extreme weather events, and other natural disasters through support of planning activities, resilience improvements
 - \$1.8M planning grant request
 - City is applicant partnering with ADOT who will manage the grant and planning activities



Resilience Planning with ADOT, cont.

- PROTECT grant objective
 - Planning grant
 - produce climate-sensitive roadway repair and nature-based design solutions based on a data-driven understanding of short- and long-term climate impacts to the roadway facility.
- Five primary tasks:



Five Tasks of PROTECT grant with AK Department of Transportation

1. Climate Risk and Vulnerability Assessment (RVA)

- produce a prioritized list of assets most at risk; identify strategies to mitigate that risk to protect human life, transportation facilities and businesses.
- Document baseline and erosion conditions to support planning activities and feasibility of performing nature-based solutions such as a living shoreline or beach nourishment along the Homer Spit.
- Roadway Assessment
 - analyzing existing roadway data (historical aerial imagery, existing geotechnical reports, existing hydrologic and hydraulic reports, asphalt performance data, and as-builts) to establish a baseline understanding of the durability of prior rehabilitation and pavement preservation projects/

Five Tasks of PROTECT grant with AK Department of Transportation, cont.

2. Develop an array of solution strategies based on
 - Best practices and literature review.
 - Inclusive of options to protect, adapt and recover
3. Develop array of site-specific mitigation alternatives, including
 - Nature based solutions such as beach nourishment and hard structures
 - Feasibility of options for sand production for beach nourishment
4. Evaluate alternative designs and identify a preferred alternative that
 - reduces the potential for overtopping and mitigates continued pattern of erosion
 - feasibility of sand engine and locations of offshore sediment sources and potential impacts sediment removal will have to the Spit (positive and adverse).
5. Stakeholder engagement and public outreach throughout the planning process.

Other Resilience Planning with AK Department of Transportation

- Hazard Mitigation Grant Program application
 - HMGP program is managed by the State using FEMA funds allocated to the State in Federally Declared Disasters
 - ADOT worked with Alaska Municipal League to repurpose the PROTECT grant for HMGP
 - AML submitted the grant
 - Not approved because AML is not an eligible applicant; ADOT is.
- City currently in discussion with ADOT about the re-application, due February 24, 2025.

Resilience Planning with US Army Corps of Engineers

- General Investigation (feasibility study)
 - same process as the HHE General Investigation
 - 3+ years; \$3M+ and three levels of USACE review
 - Cost shared 50% Federal - 50% Local Sponsor
- Steps required to get to General Investigation
 - New Start General Investigation is in the USACE Alaska District Work Plan, has for a few years, but has not been funded.
 - Unlocking funds for new start GI's requires
 - advocacy and ideally State of Alaska involvement as a partner
 - backing of the Alaska Congressional Delegation
 - Potentially do a Planning Assistance to States preliminary study \$100,000 (50% Federal 50% local sponsor)

Implementation Considerations

Pros of State Partnership

- Could leverage additional grant funds for implementation,
 - but State primarily interested only in roadway preservation
- Scope and scale of Spit Erosion mitigation more than ADOT can afford
- Engages ADOT as a partner in larger Spit resilience effort
- Products from grant-funded planning effort could inform the USACE's General Investigation
- Help leverage State investment in a General Investigation

Cons

Pros of USACE Partnership

- Scope and scale of Spit Erosion Mitigation is more than ADOT or City of Homer can afford
- Particularly when long-term maintenance of structures is taken into account
- If deemed cost effective could bring Federal construction and long-term maintenance.
- USACE maintenance of Homer Spit through their Civil Works Division would require new authorization for the USACE

FUND 400 - PORT & HARBOR ENTERPRISE FUND				12/4/2024		
REVENUE DETAIL BY LINE ITEM, SORTED BY TYPE				42.7% of FY elapsed		
A/C Num.	Revenue Categories & Descriptions	FY23	FY24	FY25 YTD ACTUAL		FY25
		7/1/22 - 6/30/23	7/1/23 - 6/30/24			7/1/24 - 6/30/25
		ACTUAL	ACTUAL	\$	%	BUDGET
0600	HARBOR ADMINISTRATION					
4515	Ferry Lease	18,000	18,000	-	0.0%	18,000
4650	Rents & Leases	597,344	541,035	252,725	50.5%	500,000
	Operating Revenue - Admin	615,344	559,035	252,725	48.8%	518,000
4527	PERS Revenue	32,821	-	-		-
4634	Port Storage Fee	207,662	186,535	78,480	81.6%	96,164
4635	Port Impound Fee	816	2,017	1,020		-
4705	Business Licenses	20	30	5		-
4801	Interest On Investments	73,468	132,076	-		-
4901	Surplus Property	2,187	-	1,220		-
4902	Other Revenue	11,189	-	-		-
	Non-Operating Revenue - Admin	328,162	320,658	80,725	83.9%	96,164
0601	HARBOR					
4245	Waste Oil Disp	1,079	-	100		-
4249	Oil Spill Recovery	-	-	-		-
4318	Parking Revenue	158,725	187,621	129,835	57.7%	225,000
4319	Electrical Supplies	1,449	1,014	357	15.0%	2,380
4402	Non Moving Fine	100	12,294	5,911		8,000
4624	Berth Transient Monthly	716,742	750,018	344,512	47.8%	720,640
4625	Berth Reserved	1,628,043	1,822,633	1,927,998	105.5%	1,828,236
4626	Berth Transient Annual	325,749	361,422	173,711	52.2%	332,805
4627	Berth Transient Semi Annual	132,878	152,941	22,788	14.6%	156,364
4628	Berth Transient Daily	159,413	170,535	85,636	55.4%	154,599
4629	Metered Energy	140,575	146,080	38,092	42.6%	89,472
4644	Pumping	-	-	41	0.0%	-
4645	Wooden Grid	4,089	6,010	3,656	75.6%	4,833
4646	Commerical Ramp	49,562	70,886	25,643	46.6%	55,000
4647	Berth Wait List	15,082	13,425	2,121	16.8%	12,623
4648	Steel Grid Fees	6,969	2,605	-	0.0%	8,000
4654	Spit Camping	35,018	217,711	141,064	128.2%	110,000
4663	Trans Energy 110v	34,863	45,379	23,456	54.9%	42,746
4664	Trans Energy 220v	20,569	29,451	14,054	48.9%	28,744
4665	Trans Energy 208v	204,723	193,837	49,467	31.1%	159,228
4666	Commerical Ramp Wharfage	41,055	67,182	36,763	91.9%	40,000
	Operating Revenue - Harbor	3,676,683	4,251,045	3,025,206	76.0%	3,978,670
4802	Penalty/Int	7,797	14,884	7,737	119.0%	6,500
4902	Other Revenue	66,923	67,272	30,693	51.0%	60,167
	Non-Operating Revenue - Harbor	74,720	82,156	38,429	57.6%	66,667

FUND 400 - PORT & HARBOR ENTERPRISE FUND				12/4/2024		
REVENUE DETAIL BY LINE ITEM, SORTED BY TYPE				42.7% of FY elapsed		
A/C Num.	Revenue Categories & Descriptions	FY23	FY24	FY25 YTD		FY25
		7/1/22 - 6/30/23	7/1/23 - 6/30/24	ACTUAL		7/1/24 - 6/30/25
		ACTUAL	ACTUAL	\$	%	BUDGET
0602	PIONEER DOCK					
4631	USCG Leases	38,976	40,495	16,858	54.7%	30,796
4637	Seafood Wharfage-PD	-	-	-		-
4638	PD Fuel Wharfage	198,654	193,311	109,784	51.1%	214,809
4639	Pioneer Dock - Wharfage	-	-	-		-
4641	PD Water Sales	9,291	7,204	2,889	27.5%	10,500
4642	PD Docking	39,991	45,610	18,864	41.0%	46,000
	<u>Operating Revenue - Pioneer Dock</u>	<u>286,911</u>	<u>286,621</u>	<u>148,396</u>	<u>49.1%</u>	<u>302,106</u>
0603	FISH DOCK					
4620	Ice Sales	243,997	342,780	188,365	70.9%	265,742
4621	Cold Storage	22,319	24,603	3,013	12.1%	25,000
4622	Crane Rental	203,818	202,286	92,226	48.5%	190,306
4623	Card Access Fees	6,144	5,933	1,716	30.1%	5,700
4637	Seafood Wharfage	20,530	24,621	7,288	42.1%	17,324
4700	Other Wharfage Fish Dock	9,945	68	-	0.0%	9,843
	<u>Operating Revenue - Fish Dock</u>	<u>506,754</u>	<u>600,290</u>	<u>292,608</u>	<u>56.9%</u>	<u>513,915</u>
4206	<u>Fish Tax</u>	<u>116,236</u>	<u>78,772</u>	<u>122,128</u>	<u>189.2%</u>	<u>64,562</u>
0604	DEEP WATER DOCK					
4633	Stevedoring	49,565	9,834	9,042	75.3%	12,000
4637	Seafood Wharfage	-	-	-	0.0%	-
4640	Deep Water Dock Wharfage	152,709	8,402	10,962	23.5%	46,651
4643	Deep Water Dock Docking	121,387	116,074	67,629	67.6%	100,000
4668	Dwd Water Sales	41,651	21,435	18,946	63.2%	30,000
4672	Port Security Revenues	-	-	-	0.0%	-
	<u>Operating Revenue - DW Dock</u>	<u>365,311</u>	<u>155,745</u>	<u>106,578</u>	<u>56.5%</u>	<u>188,651</u>
0605	OUTFALL LINE					
4704	<u>Outfall Line</u>	<u>4,800</u>	<u>4,800</u>	<u>0</u>	<u>0.0%</u>	<u>4,800</u>
0606	FISH GRINDER					
4706	<u>Fish Grinder</u>	<u>6,803</u>	<u>10,393</u>	<u>6,460</u>	<u>87.4%</u>	<u>7,390</u>
0615	LOAD AND LAUNCH RAMP					
4653	L & L Ramp Revenue	120,243	147,506	57,332	44.1%	130,000
	<u>Operating Revenue - L & L Ramp</u>	<u>125,519</u>	<u>147,506</u>	<u>57,332</u>	<u>44.1%</u>	<u>130,000</u>
	<u>Total Revenues</u>	<u>6,107,243</u>	<u>6,497,020</u>	<u>4,130,587</u>	<u>70%</u>	<u>5,870,925</u>
	<u>Net Surplus (Deficit)</u>	<u>1,302,144</u>	<u>950,000</u>	<u>2,261,188</u>		<u>(26,572)</u>

FUND 400 - PORT & HARBOR ENTERPRISE FUND				12/4/2024		
COMBINED EXPENDITURES				42.7% of FY elapsed		
A/C Num.	Expenditure Categories & Descriptions	FY23	FY24	FY25 YTD		FY25
		7/1/22 - 6/30/23	7/1/23 - 6/30/24	ACTUAL		7/1/24 - 6/30/25
		ACTUAL	ACTUAL	\$	%	BUDGET
Salaries and Benefits						
5101	Salary and Wages	1,200,096	1,359,272	547,559	35.3%	1,552,986
5102	Fringe Benefits	197,813	933,465	341,373	39.1%	873,798
5103	Part-time Wages	171,551	125,076	83,033	44.9%	184,933
5104	Part-time Benefits	19,895	14,587	9,706	41.9%	23,173
5105	Overtime	29,798	29,746	10,490	26.6%	39,439
5107	Part-time Overtime	164	506	-	0.0%	3,879
5108	Unemployment Benefits	-	4,932	645	0.0%	-
5112	PERS Relief	32,821	-	-	0.0%	-
Total Salaries and Benefits		1,652,138	2,467,583	992,806	37.1%	2,678,207
Maintenance and Operations						
5201	Office Supplies	6,257	3,644	1,665	35.4%	4,700
5202	Operating Supplies	21,809	24,058	15,401	59.2%	26,000
5203	Fuel and Lube	43,534	47,343	14,686	40.5%	36,300
5204	Chemicals	-	4,408	2,133	35.6%	6,000
5207	Vehicle and Boat Maintenance	18,002	31,509	8,817	35.3%	25,000
5208	Equipment Maintenance	69,361	54,846	24,378	31.7%	77,000
5209	Building & Grounds Maintenance	56,517	38,171	26,354	39.3%	67,000
5210	Professional Services	47,195	19,359	11,242	30.8%	36,500
5211	Audit Services	16,196	40,630	13,444	31.7%	42,468
5213	Survey and Appraisal	-	17,500	-	0.0%	12,500
5214	Rents & Leases	3,716	4,563	2,065	29.5%	7,000
5215	Communications	8,840	11,931	4,560	45.6%	10,000
5216	Freight and Postage	1,492	2,028	(507)	-9.2%	5,500
5217	Electricity	649,413	654,842	176,408	22.0%	803,495
5218	Water	85,913	138,976	104,605	114.3%	91,528
5219	Sewer	11,977	12,383	8,096	50.9%	15,919
5220	Refuse and Disposal	52,883	52,288	16,241	25.7%	63,300
5221	Property Insurance	88,108	106,791	116,336	100.0%	116,336
5222	Auto Insurance	9,740	10,907	11,950	103.7%	11,522
5223	Liability Insurance	77,367	86,006	100,515	122.8%	81,843
5226	Testing and Analysis	-	3,280	3,140	44.9%	7,000
5227	Advertising	4,345	6,217	1,931	27.6%	7,000
5228	Books and Subscriptions	107	-	-		-
5231	Tools and Equipment	17,252	5,137	8,956	47.9%	18,700
5234	Record and Permits	-	-	55	1.4%	4,000
5235	Membership Dues	7,435	6,045	775	11.1%	7,000
5236	Transportation	12,464	1,344	277	6.9%	4,000
5237	Subsistence	8,765	317	-	0.0%	4,000
5238	Printing and Binding	3,993	282	-	0.0%	3,500
5248	Lobbying	21,245	20,803	8,750	20.8%	42,000
5249	Oil Spill Response	-	-	-	0.0%	1,000
5250	Camera Area Network	214	2,423	-	0.0%	18,000
5252	Credit Card Expenses	101,699	132,045	69,804	54.1%	129,000

FUND 400 - PORT & HARBOR ENTERPRISE FUND
COMBINED EXPENDITURES

12/4/2024
42.7% of FY elapsed

A/C Num.	Expenditure Categories & Descriptions	FY23	FY24	FY25 YTD ACTUAL		FY25
		7/1/22 - 6/30/23	7/1/23 - 6/30/24			7/1/24 - 6/30/25
		ACTUAL	ACTUAL	\$	%	BUDGET
5256	Waste Oil Disposal	18,691	39,118	18,480	41.1%	45,000
5258	Float and Ramp Repairs	43,986	20,460	3,466	13.9%	25,000
5287	Electrical Supplies	1,010	-	-	0.0%	2,100
5601	Uniform	5,986	11,490	1,136	9.9%	11,500
5602	Safety Equipment	5,880	6,938	5,742	38.3%	15,000
5603	Employee Training	5,681	30,692	5,908	14.4%	41,000
5606	Bad Debt Expenses	35,622	13,798	3,324	11.1%	30,000
5608	Debt Payment-Interest	-	-	-		-
5624	Legal Services	-	4,388	-	0.0%	100,000
5627	Port Security	-	-	-	0.0%	2,500
5635	Software	134	3,058	2,410	60.3%	4,000
5637	Diving Services	16,045	30,945	-	0.0%	8,500
5638	Signage Parking Delineation	18,065	35,561	18,687	60.3%	31,000
	Total Maint. and Operations	1,596,939	1,736,526	811,230	38.6%	2,100,713
	C/O and Transfers					
5106	Leave Cash Out	57,406	73,867	-	0.0%	49,513
5241	GF Admin Fees	-	-	-		-
5990	Transfers To	1,498,614	1,269,043	65,364	6.1%	1,069,064
	Total Others	1,556,021	1,342,910	65,364	5.8%	1,118,577
	Total	4,805,098	5,547,019	1,869,399	31.7%	5,897,497



Memorandum

To: Port and Harbor Advisory Commission
From: Amy Woodruff, Port Administrative Supervisor
Date: December 4, 2024
Subject: December Staff Report

Homer Harbor Expansion

Because of the holidays and the short timeline between the last Commission meeting and this one, we don't have significant updates on Harbor Expansion. We will keep you informed on the date for the next public meeting once it is selected.

Shore Power Compliance with National Electrical Code

We have updated the information we provide to shore power users about safe use of shore power pedestals in the harbor and will be conducting outreach to any vessels with non-compliant cords this month and next month. Equipment that doesn't comply with NEC standards can create excessive resistance that is a common cause of harbor fires.

Quarterly Reporting of Harbor Data

I've worked with Samantha, the new Administrative Secretary, to pin down how different data on harbor use in the 'monthly statistics' form is calculated. In order to ensure that activity is tracked in the month it occurs, and not in the month that it is reported to us, there will be some delays in providing data to the commission. We'll provide data for each quarter at the meeting following that quarter—so the next statistics will be in the January packet for October-December.

Attachments:

Project Updates



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Port & Harbor Special Project Status Updates Dec 2024

Fish Grinder Building Replacement & Drainage	Project in Progress	Construction underway, some concrete has been poured
Parking Lot Improvements	Project on Hold	No further progress expected until permitting complete.
Paid Parking Program Planning & Permitting	Project in progress	Drafting language for permit application from DOT Right of Way
Outfall Line Pump Controls	Project in Progress	Will be completed when building replacement is complete
Ice Metering System	Project Funded	Delayed, parts are unavailable
Harbor Bottom Survey	Project in Progress	Survey completed, awaiting data
Crane 8 Control Replacement	Project in Progress	Still waiting on parts to complete project
Camera Pole Installation	Project Contract Awarded	Installation will be completed by Alaska Industrial Service
DWD Dolphin Repair	Project Complete	
Float Replacement	Design Funded	Completing the necessary steps to accept grant money from Denali Commission
Wood & Steel Grid Repair or Replacement	Seeking Design Funding	Will be presenting a task order to Council in January for engineering work through RESPEC

Status Categories:

Seeking design funding Design funded Design Contract Awarded Design in progress Design complete	Seeking project funding Project Funded Project Contract Awarded Project in Progress Project Complete
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2025 Council Meetings

Please look over your calendars to see which dates you are available for prior to the meeting. If shared equally, each commissioner will sign up for three meetings.

Date	Commission Report	Commissioner
January 27 th	January Meeting	
February 10 th	--	
February 24 th	--	
March 10 th	February Meeting	
March 24 th	--	
April 14 th	March Meeting	
April 28 th	April Meeting	
May 12 th	--	
May 27 th (Tuesday)	--	
June 9 th	May Meeting	
June 23 rd	--	
July 28 th	June Meeting	
August 11 th	July Meeting	
August 25 th	--	
September 8 th	August Meeting	
September 22 nd	--	
October 13 th	September Meeting	
October 27 th	October Meeting	

November 10 th	--	
November 24 th	November Meeting	



ACTION ITEM REPORT

Leasing Application Process

To: Port and Harbor Advisory Commission
From: Amy Woodruff, Port Administrative Supervisor
Meeting Date: December 11, 2024

Summary Statement:

Commissioner Shavelson has submitted a memorandum regarding the lease application process, and requested that we include a business item on the agenda to allow the commission to make a motion after reflecting on the points he raised.

Commissioner Shavelson is correct that it is in the best interest of all parties involved—applicants, City staff, Commissioners, and Councilmembers— that we all have a shared understanding of the process and the criteria that will be applied to applications submitted to lease City-owned lands.

The Port Property Associate position was vacated in November and we anticipate that the new hire for the role will start later this month.

Staff Recommendation: Discuss the memorandum from Commissioner Shavelson and make a motion to the City Manager with any specific recommendations.

Attachments:

Memorandum from Commissioner Shavelson regarding leases



Memorandum

To: Port & Harbor Commission & Port Director
From: Bob Shavelson, Commissioner
Date: December 2, 2024
Subject: Leasing

INTRODUCTION: I felt unprepared to consider the two leasing decisions we made at the November 20th meeting, and in hindsight, I should have pressed to table the discussions until we reviewed additional information. Having now conducted a more thorough review of those decisions, I believe we continue to fall far short of our fiduciary duty to ensure the City “maximizes the value of City assets” and provides the “highest and best use of City-owned property.” HCC 18.08.005. This matter takes on heightened importance for two reasons: 1) the Homer City Council typically has a full plate, and it relies on the PHC to conduct the due diligence needed to ensure the City meets its fiduciary responsibilities; and 2) we’re dealing with (very) long term leases – e.g., 20-year terms plus two 5-year options – which will lock-up City assets for up to 30 years. This memo will review some of the concerns identified in the recent PHC leasing decisions – with no opinion on the merits of any lease - and make suggestions how we might improve these leases specifically, and our leasing deliberations generally.

DRAGGING ANCHOR LLC

This lease involves a high visibility parcel at the intersection of Homer Spit and Freight Dock Roads:

- The information before the PHC referred to a “lease transfer” or “assignment, but did not indicate the rent amount, the appraised value or the remaining term of the existing lease.
- HCC 18.08.160 requires a determination the existing lease is in full compliance with the lease before an assignment, which was not included.



- The information before the PHC did not discuss or evaluate the criteria for leasing proposals required by HCC 18.08.060, including the lack of a development plan, the proposed capital investment and other issues.
- The proposal did not fulfill the narrative and schematic requirements for Property Plans listed on the City of Homer Lease Application Form. The proposal included blurry plat drawings but no as-built drawings to understand the existing uses of the parcel, or drawings showing the proposed location/number of parking spaces, landscaping or the use of seasonal out-buildings (e.g., coffee shack).

YOURKOWSKI LEASE

This is a non-competitive lease renewal in a high traffic area of the Spit:

- The staff memo does not highlight the apparent conflict in HCC 18.08.110(c) (no automatic renewals or extensions if lease and all options exhausted) and HCC 18.08.130(a) (non-competitive leasing allowed) (See Recommendations, below).
- While the application discusses overslope development, overslope development does not appear to be part of the proposed lease, and the application does not include any “binding commitment[s] to future capital investment.” (HCC 18.08.130(d)(1)).
- HCC 18.08.140 requires written subleases, though none were in the application materials (the information provided to PHC did not include the existing lease, which may have exempted this requirement).
- The materials reviewed by PHC provided no information on building ownership on the parcel.

RECOMMENDATIONS:

- Ensure information provided to the PHC prior to its deliberations allows it to fairly consider all factors listed in HCC 18.08.060 (Criteria for Evaluating & Approving Proposals), an as-built survey under HCC 18.08.090 and the most recent appraisal of the subject parcel pursuant to HCC 18.08.100 (Ideally, the City of Homer Leasing Application Form should be revised to mirror the specific requirements in the leasing ordinance, so completion of the application can provide apples-to-apples comparison for compliance with the ordinance).



- Ensure all elements listed in the Property Plan section of the City Lease Application Form are fully completed to provide an accurate depiction of proposed parcel usage over the lease term.
- Understand the phases and timetables of development on the leased parcel, along with the proposed capital investment (HCC 18.08.060(a)(2) & (3)), and tie them to enforceable performance standards in the lease. Because these are long term leases, there's a safe assumption the lease will undergo some development or modification over the term of the lease. There's also a strong argument the City should require periodic upgrades and investments to ensure it "maximizes the value" of City-owned assets over 20-30 years. Accordingly, they should be considered as enforceable performance standards at the leasing stage.
- All lease applications should discuss relevant goals of the City of Homer Comprehensive Plan and the Land Allocation Plan, and the City should strive to include enforceable performance standards in every lease to help attain them.
- Clarify the apparent conflict between HCC 18.08.110(c) and HCC 18.08.130(a). HCC 18.08.110(c) states: "A lessee whose initial lease and all options have expired shall have no automatic right of further renewal or extensions." Yet HCC 18.08.130(a) allows the HCC to "exempt the renewal of a lease from competitive bidding if Council finds such exemption serves the City's best interests." There is, however, no definition of "automatic right," and whether it includes a non-competitive leasing process.
- For each leasing decision, there should be a chronological list of all lease decisions, complaints, infractions, etc., up to the current date;
- When draft final leases come to the PHC before City Council consideration under HCC 18.08.040(a), include a red-lined version of the existing/prior lease to compare with the proposed lease.

CONCLUSION: A central goal of leasing is predictability – so lessees have the stability to make sound business and investment decisions, and so the City of Homer has the certainty to fulfill its fiduciary responsibility to manage our public assets for the highest and best use.

Predictability is especially important in the context of long-term leases, because conditions and provisions set-down at the leasing stage typically endure throughout the life of the lease. Pursuant to the lease approval process (HCC 18.08.040(a); Ord. 24-20(A) §1), the PHC will review the final draft lease language prior to HCC consideration, and a central purpose of this



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memo is to inject more clarity and predictability into this review to help us meet our fiduciary-role on the subject leases and beyond.



ACTION ITEM REPORT

Memo CC-24-227 re: Harbor Liability Insurance

To: Port and Harbor Advisory Commission

From: Bryan Hawkins, Port Director

Meeting Date: December 11, 2024

Summary Statement:

At the last council meeting, there were questions raised regarding the insurance requirements for recreational vessels, which were approved during the commission's review of the 2025 tariff revisions. Specifically, concerns were expressed about the \$300,000 insurance requirement for recreational vessel owners using the harbor. The council feels that this may be an unrealistic requirement for smaller vessels of that fleet that use the facility.

When we initially discussed insurance limits last year, I consulted with several insurance agents, and \$300,000 seemed to be a reasonable average limit for recreational and private boat owners that use Homer's harbor facility. However, upon further reflection, it's clear that for smaller boats—such as open skiffs or lower-cost vessels—this amount may be difficult to achieve. In addition, we reached out to neighboring harbors in South Central Alaska, and of the harbors that do require insurance, not all of them set specific coverage limits. One agency we spoke with agreed that \$300,000 was a good average, but noted that they would not write a policy for less than \$100,000.

Staff Recommendation:

After careful consideration, staff recommends eliminating the \$300,000 insurance limit requirement for recreational and private boat owners. Instead, we propose simplifying the requirement to state that vessel owners must provide proof of liability insurance for moorage in the harbor, with the city named as a certificate holder.

We believe that the insurance limit issue will be resolved as vessel owners consult with their insurance providers. Let's allow the industry to address the finer details. This adjustment will ensure the harbor remains accessible to all boat owners, regardless of vessel size, while maintaining the necessary liability protection for our public facility.

Attachments: Memo CC-24-227 Harbor Liability Insurance



MEMORANDUM

Harbor Liability Insurance Requirements Approved by Ordinance 24-53

Item Type: Action Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: November 5, 2024
From: Donna Aderhold, Councilmember

The City Council passed Ordinance 24-53, adopting revised Port of Homer Terminal Tariff No. 1, at our October 28, 2024, regular meeting. Section 5.05 of the ordinance (see page 269-270, lines 84-94 of the October 28 regular meeting packet) states that “vessel owners using the City of Homer’s Terminal Facilities are required to carry liability insurance with a minimum of \$300,000 coverage and add the City as a certificate holder. ...”

Liability insurance is important for vessel owners to carry for their own protection. However, for small private vessels not used for any commercial purpose and that are not likely to cause damage to harbor facilities, is \$300,000 too much to require?

What is fair and reasonable?

What is the cost to the vessel owner of carrying \$300,000 in liability insurance?

What is required at similar sized harbors in Alaska?

What does the \$300,000 Liability Insurance cover and what does it not cover?

Evaluate and consider a sliding scale for smaller vessels.

The meeting minutes from the Port and Harbor Commission’s September 25, 2024, meeting when the draft ordinance was discussed (see page 267 of the October 28 regular meeting packet) states that “There was a brief discussion regarding moorage, the right to deny access to vessels who don’t have insurance and the work skiff exemption.” The minutes do not include the nature of the Commission’s discussion regarding insurance requirements.

I am interested in asking the Port and Harbor Advisory Commission to revisit Section 5.05 of the Port of Homer Terminal Tariff No. 1 as it relates to small, privately owned vessels that are not used for commercial purposes and to discuss the questions listed above and provide City Council with answers to the questions and a draft ordinance amending this section of the tariff if that is warranted by the end of March 2025.

Recommendation: Discuss memorandum and vote on whether to send the memorandum to the Port and Harbor Advisory Commission for review and consideration.

Harbor Operations Staff Report

- Harbor occupancy is currently around 366 vessels
- The Marine Repair Facility is busy with two barges and four large vessels
- Staff was on the front lines of the Spit Rd storm damage and assisted with delineating traffic and rock staging
- Staff prepped for two scrap steel load outs at the Deep Water Dock
- Pioneer Dock and Deep Water Dock traffic included: Tustumena, Kate Francis, Perseverance, Endeavor, Ann T Cheramie, and the Samson/Triangle Recycle Barges.
- The Fish Grind Shack is under construction: concrete apron and drain are finished and concrete block walls are up
- Assisted with diagnostics and troubleshooting for electrical billing
- Staff completed City required online safety training
- Snow removal throughout the Harbor
- Staff has been working to update the Harbor's shore power cord policy to make it align with National Electrical Code.



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Memorandum

TO: Mayor Lord and Homer City Council
FROM: Melissa Jacobsen, City Manager
DATE: November 21, 2024
SUBJECT: City Manager's Report for November 25, 2024 Council Meeting

Harbor Float Replacement Not Selected for Competitive Port Infrastructure Development Program Grant Funding

I regret to inform the City Council that our application for the Homer Harbor Critical Float Replacement project was not selected for federal grant funding through the FY24 Port Infrastructure Development Program (PIDP). The following link will take you to the Maritime Administration's awards announcement:

<https://www.maritime.dot.gov/newsroom/investing-america-biden-harris-administration-announces-nearly-580-million-ports>. The only large project awarded in Alaska was for the Don Young Port of Alaska to replace a cargo terminal. Five small awards, ranging from \$9 million to \$11 million were also awarded to Alaska projects.

This was the City's second submission to the program. Our FY23 application scored well and made it to the Secretary of Transportation's desk, and revisions were made to the FY24 application based on agency feedback and suggestions from the Maritime Administration's Pacific Northwest and Alaska Gateway director, but was ultimately not awarded funding. Funding of the PIDP under the Federal Infrastructure Improvement and Jobs Act will continue through 2026; staff will request a debrief from the Agency to learn about areas to improve competitiveness of a potential third application, which could potentially be requesting a lower grant amount for System 4 only.

The Homer Harbor Critical Float Replacement Project was successful in garnering Denali Commission and potentially appropriation funding for design, environmental review and permitting activities, which could help another application's PIDP competitiveness. Staff is currently working with the Denali Commission on a grant award agreement, which will come to Council for consideration in early 2025. Maintaining the port and harbor float system infrastructure is a top priority, and we remain committed to seeing these improvements through. As we look ahead, we recognize the valuable role our Congressional Delegation plays in federal funding decisions. Engaging our federal legislative advocates more extensively in future grant applications may help strengthen our position in these competitive processes.

Utility Billing Software

The City has successfully transitioned to Xpress Bill Pay to accept secure online water and sewer bill payments. Customers are encouraged to pay their utility bill online automatically, and those who already had autopay set up will need to set up an Xpress Bill pay account before December 15th when the next bills are due. Easy to follow instructions are on the City's website <https://www.cityofhomer-ak.gov/finance/create-log-and-make-utility-payments-xpress-bill-pay> or contact the Finance Department at 907-435-3114 during regular business hours.

November 16 Storm Surge and Coastal Erosion

On Saturday afternoon, November 16th, the west side of the Homer Spit was hit with a 23-foot-high tide and strong southwesterly winds sending waves up and over the Homer Spit Road damaging the road, depositing debris on the bike path across the street, damaging buildings, and severely eroding an area of the beach past just past the revetment wall.

We really appreciate the State's quick and coordinated response to make repairs to road, and QAP and their team who were quick to staff up and get rock delivered and placed to secure the roadway. I'd like to give a shout out to our Fire Department, Police Department, Port and Harbor and Public Works staff for their speedy response to manage traffic immediately following the tidal event and to respond at the affected areas to ensure utilities were intact and look for immediate potential safety issues. A team from State Emergency Operations Center and Kenai Peninsula Borough Office of Emergency Management were onsite Wednesday to conduct a preliminary assessment and initiate coordination with other entities who can assist with recovery.



Attachment:

- Revised FY26/27 Budget Development Schedule
- Employee Anniversaries December

City of Homer
REVISED Budget Development Schedule
for Fiscal Year 2026 and 2027

Dates	Event
July 2024	Begin FY26/27 budget discussions with departments
7/22/2024	Budget Development Schedule delivered to Council
August - October 2024	Budget Worksessions (Council and Commissions)
10/28/2024	Committee of the Whole, Council to discuss budget priorities for the coming year
	Regular Meeting, Public Hearing - public input on budget priorities for the coming year
Beginning of November 2024	Submit to departments, budget work sheets including salary and fringe benefit costs
11/25/2024	During Committee of the Whole, Council to discuss Revenue Sources for General Fund and preliminary budget assumptions.
End of December 2024	Departmental Draft Budget and narratives to Finance
January 2025	City Manager - Begin Budget Review with Finance Director and Department Heads
1/20/2025	Worksession (4-7pm) - Department Budget Discussions
2/3/2025	Worksession (4-7pm) - Department Budget Discussions
2/10/2025	Worksession - Utility Rate Model Discussion
2/24/2025	Worksession - Utility Rate Model Discussion (if needed)
3/24/2025	Worksession - Reserved for Budget Discussions
4/14/2025	City Manager's Budget (Proposed Budget) and Utility Rate Model to Council
	Committee of the Whole, Council to discuss budget
	Regular Meeting - Public Hearing
4/28/2025	Committee of the Whole, Council to discuss budget
	Regular Meeting - to introduce Budget Ordinance and Fee/Tariff Ordinances
5/12/2025	Committee of the Whole, Council to discuss budget
5/27/2025	Committee of the Whole, Council to discuss budget
	Regular Meeting - Public Hearing
6/9/2025	Regular Meeting - Public Hearing & FY 26/27 Budget Adoption



MEMORANDUM

December Employee Anniversaries

Item Type: Informational Memorandum
Prepared For: Mayor Lord and City Council
Date: November 20, 2024
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.

Mark Robl	Police	40	Years
Bryan Hawkins	Port	25	Years
Todd Cook	Public Works	15	Years
Sean Perry	Police	10	Years
Mike Zelinski	Public Works	10	Years
Josh Mershon	Port	5	Years
Regina Johanos	Library	4	Years
Jenna Luchaco	Public Works	3	Years
Del Masterhan	Port	3	Years
Matt Dominguez	IT	2	Years