



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

City of Homer Agenda

City Council Regular Meeting

Monday, October 12, 2020 at 6:00 PM

City Hall Cowles Council Chambers via Zoom Webinar

Dial: +1 669 900 6833 or +1 253 215 8782 or Toll Free 877 853 5247 or 888 788 0099

Webinar ID: 205 093 973 Password: 610853

CALL TO ORDER, PLEDGE OF ALLEGIANCE

AGENDA APPROVAL (Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 2.08.040.)

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

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

- a. Homer City Council Unapproved Special Meeting Minute for September 14, 2020 and Regular Meeting Minutes for September 14 and 28, 2020. City Clerk. Recommend adoption. *(September 28 minutes in Supplemental Packet)*
- b. Memorandum 20-158 from Mayor Castner Re: Appointment of Debbie Speakman to the Economic Development Advisory Commission. Recommend approval.
- c. Ordinance 20-73, An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating an FY2018 State Homeland Security Program Reallocation Grant in the Amount of \$24,376 to fund a 911 Public Safety Answering Point at the Homer Police Station. City Manager/Police Chief. Recommended dates Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020.

Memorandum 20-163 from Police Chief as backup

- d. Ordinance 20-74, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 14.08.040 Water Connection and Extension Permit to Require Property Owners Requesting Connection to the City's Water System be Connected to the City's Sewer System. Smith. Recommended dates Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020

Memorandum 20-166 from Public Works Director as backup

- e. Ordinance 20-76, An Ordinance of the City Council of Homer, Alaska Authorizing the City Manager to Purchase Kenai Peninsula Borough Parcel No. 17714011, T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER OF GL 2 TH S 89 DEG 57'30" E 1094.3 FT TO PT TH S 38 DEG 0' W 310 FT TO POB TH 90 DEG W 75 FT TO CORNER 2 TH S 38 DEG W 75 FT TO CORNER 3 TH 90 DEG E 75 FT TO CORNER 4 TH N 38 DEG E 75 FT TO POB for \$35,000 from the Land Reserves Account and Designating its use as part of Bishops Beach Park. Venuti/Hansen-Cavasos. Recommended dates Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020 (*Supplemental Packet*)

Memorandum 20-167 from PARCAC as backup

- f. Ordinance 20-77, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$13,480 from the City Hall CARMA Fund for Finance Office Remodel and Furnishings. City Manager/Finance Director. Recommended dates Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020.
- g. Resolution 20-094, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Homer Seawall Armor Rock Improvement Project to Jim Psenak, Construction, LLC. of Palmer, Alaska in the Amount of \$570,518 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum 20-159 from City Engineer as backup

- h. Resolution 20-095, A Resolution of the City Council of Homer, Alaska Acknowledging the Sufficiency of the Alder Lane Water Improvement Special Assessment District and Approving the Improvement Plan, Estimated Cost of Improvement, and Assessment Methodology. City Clerk. Recommend Adoption.

Memorandum 20-160 from City Engineer as backup

- i. Resolution 20-096, A Resolution of the City Council of Homer, Alaska Authorizing the City Manager to Apply and Accept a Loan from the State of Alaska Department of Environmental Conservation, Alaska Drinking Water Fund, in an Amount not to Exceed \$945,661, to Finance Costs of the Homer Seawall Armor Rock Improvement Project. City Manager/Public Works Director. Recommend Adoption.

Memorandum 20-164 from Public Works Director as backup

- j. Resolution 20-097, A Resolution of the City Council of Homer, Alaska to Provide Increased Time for Certain Payments to Reduce Financial Hardships During the COVID-19 Emergency. City Manager/Finance Director. Recommend adoption. (*Supplemental Packet*)

VISITORS

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

- a. Worksession Report
- b. Committee Report
- c. Mayor's Report
- d. Borough Report
- e. Library Advisory Board
- f. Planning Commission
- g. Economic Development Advisory Commission
- h. Parks Art Recreation and Culture Advisory Commission
- i. Port and Harbor Advisory Commission
- j. Americans with Disabilities Act Compliance Committee
- k. ERG Programs Report

PUBLIC HEARING(S)

- a. Ordinance 20-64, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.76.040, Duties and Responsibilities of the Commission to Clarify the Role of the Economic Development Advisory Commission. Smith. Introduction: September 28, 2020. Public Hearing and Second Reading October 12, 2020.
- b. Ordinance 20-65, An Ordinance of the City Council of Homer, Alaska, Amending the 2020 Budget by Appropriating Funds in the Amount of \$271,281 for Personnel Costs Associated with COVID-19 Preparation and Response. City Manager. Introduction September 28, 2020 Public Hearing and Second reading October 12, 2020

Memorandum 20-161 from City Manager as backup
Memorandum 20-146 from Finance Director as backup
- c. Ordinance 20-66, An Ordinance of the City Council of Homer, Alaska, Clarifying the Allowed Uses of the Coronavirus Relief Funds provided to the City from the Kenai Peninsula Borough. Mayor. Introduction September 28, 2020 Public Hearing and Second Reading October 12, 2020.
- d. Ordinance 20-67, An Ordinance of the City Council of Homer, Alaska, Providing for a Grant of \$225,000.00 to Homer Senior Citizens, Inc. for the Purposes of Recovery of Losses and Additional Costs Associated with Meeting the Challenges of the Novel Coronavirus and In Support of the Continuation of their Programs and Services. Mayor. Introduction September 28, 2020 Public Hearing and Second Reading October 12, 2020.

- e. Ordinance 20-71, An Ordinance of the City Council of Homer, Alaska, Authorizing the City Manager to Credit the Owners of The Property Known as KPB Parcel #17718013 for the Value of their Armor Rock and Other Materials, Not to Exceed \$36,000 Against the Future Assessment Levied by the City for the Homer Seawall Revetment Project. City Manager/Public Works Director. Introduction September 28, 2020 Public Hearing and Second Reading October 12, 2020

Memorandum 20-149 from Public Works Director as backup

- f. Ordinance 20-72(A), An Ordinance of the City Council of Homer, Alaska, Amending the 2020 Capital Budget an Authorizing the Expenditure of ~~\$1,035,970~~ **\$945,661** from the General Fund to Complete the Homer Seawall Armor Rock Improvement Project. City Manager/Public Works Director. Introduction September 28, 2020 Public Hearing and Second Reading October 12, 2020.

Memorandum 20-153 from Public Works Director as backup

ORDINANCE(S)

- a. Ordinance 20-78, An Ordinance of the City Council of Homer, Alaska, Unencumbering the Unexpended Funds of the City of Homer Economic Relief Grant Programs and City material, service, and personnel costs in the COVID-19 Response Fund. City Manager. Recommended dates Introduction October 12, 2020, Public Hearing and Second Reading October 24, 2020 (*Supplemental Packet*)
- b. Ordinance 20-75, An Ordinance of the City Council of Homer, Alaska Providing for a Grant of \$230,000 to South Peninsula Behavioral Services, Inc. for the Purposes of Recovery of Losses and Additional Costs Associated with Meeting the Challenges of the Novel Coronavirus and in Support of the Continuation of their Programs and Services. Hansen-Cavasos. Recommended dates Introduction October 12, 2020, Public Hearing and Second Reading October 24, 2020
- c. Ordinance 20-79, An Ordinance of the City Council of Homer, Alaska Establishing a Fishermen Economic Recovery Grant (FERG) Program and Amending the 2020 Budget by Appropriating the Amount of \$1.3 Million from the General Fund Fund Balance to Provide Economic Relief to City of Homer-Based Vessel Owners Engaged in Commercial Fishing who are Impacted by the COVID-19 Pandemic. Mayor. Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020
- d. Ordinance 20-80, An Ordinance of the City Council of Homer, Alaska Providing for a Grant of \$34,789.24 to the Homer Foundation Homer Community Chest Fund to Assist Vulnerable Populations in order to Prevent Homelessness During the COVID-19 Pandemic through the Homer Community Chest Fund. Mayor. Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020

- e. Ordinance 20-81, An Ordinance of the City Council of Homer, Alaska Establishing a Mortgage and Rent Relief Grant (MARRG) Program to City of Homer Residents Experiencing Economic Hardship due to the COVID-19 Public Health Emergency, Approving up to \$339,200 to be used for MARRG, and Authorizing the City Manager to Enter into an Agreement with Alaska Housing Finance Corporation (AHFC) for Program Administration. Adherhold. Introduction October 12, 2020 Public Hearing and Second Reading October 26, 2020
- f. Ordinance 20-82, An Ordinance of the City Council of Homer, Alaska, Unencumbering the Unexpended Funds of the City of Homer Economic Relief Grant Programs and City material, service, and personnel costs in the COVID-19 Response Fund to Cover Expenses As Directed by the CARES Act Project Close Out Plan. City Manager. Introduction October 12, 2020, Public Hearing and Second Reading October 24, 2020 (*Supplemental Packet*)

CITY MANAGER'S REPORT

- a. City Manager's Report

PENDING BUSINESS

- a. Ordinance 20-61(A), An Ordinance of the City Council of Homer, Alaska Repealing Emergency Ordinance 20-58 and Amending the 2020 Capital Budget and Authorizing Expenditure of up to ~~\$300,000~~ **\$20,000** from the HART Road Fund to Design and Construct Remedial Solutions for the Horizon Court Landslide. City Manager/Public Works Director. Introduction September 14, 2020 Public Hearing and Second Reading September 28, 2020

Memorandum 20-141 from Public Works Director as backup

Ordinance 20-61(A)(S), An Ordinance of the City Council of Homer, Alaska Repealing Emergency Ordinance 20-58 and Amending the 2020 Capital Budget and Authorizing Expenditure of up to ~~\$300,000~~ **\$20,000** from the HART Road Fund to Design and Construct Remedial Solutions for the Horizon Court Landslide. City Manager/Public Works Director.

Memorandum 20-162 from Public Works Director as backup

- b. Resolution 20-077, A Resolution of the City Council of Homer, Alaska Adopting a Reserve Fund Policy for the Collection and Use of Water and Sewer Depreciation Reserve Funds. Lord/Aderhold.

Memorandum 20-165 from Finance Director as backup

- c. Resolution 20-078, A Resolution of the City Council of Homer, Alaska Amending the Homer Accelerated Water and Sewer Program (HAWSP) Policy Manual to Modernize the Language and Clarify Qualifying Criteria for using HAWSP Funds. Lord/Aderhold.

NEW BUSINESS

- a. Memorandum 20-168 from City Clerk Re: Lobbyist Review Committee Recommendation (*Supplemental Packet*)

RESOLUTIONS

- [a.](#) Resolution 20-098, A Resolution of the City Council of Homer, Alaska Directing the Homer Public Works Department Explore an Engineering Solution to Relocate the Surface Water Discharge at the Confluence of the Sterling Highway and Mount Augustine Drive into a Naturally Occurring Ravine, Gully, Watercourse, or Runnel. Mayor/Evensen.
- [b.](#) Resolution 20-099, A Resolution of the City Council of Homer, Alaska Certifying the Results of the City of Homer Regular Election held October 6, 2020 to Elect a Mayor and two City Councilmembers. City Clerk/Canvass Board.
- [c.](#) Resolution 20-100, A Resolution of the City Council of Homer, Alaska Establishing a Fishermen Economic Recovery Grant (FERG) Program and Approving up to \$1.3 Million from the COVID-19 Response Fund to Provide Economic Relief to City of Homer-Based Vessel Owners Engaged in Commercial Fishing who are Impacted by the COVID-19 Pandemic. Mayor.

Memorandum 20-169 from Port Director/Harbormaster as backup

- [d.](#) Resolution 20-101, A Resolution of the City Council of Homer, Alaska Initiating a Second Round of CARES Act Grants through the Nonprofit Economic Relief Grant Program (NERG2). Aderhold/Lord.
- [e.](#) Resolution 20-102, A Resolution of the City Council of Homer, Alaska Providing for a Grant of \$34,789.24 to the Homer Foundation Homer Community Chest Fund to Assist Vulnerable Populations in order to Prevent Homelessness during the COVID-19 Pandemic through the Homer Community Chest Fund. Mayor.
- [f.](#) Resolution 20-103, A Resolution of the City Council of Homer, Alaska Establishing a Mortgage and Rent Relief Grant (MARRG) Program to City of Homer Residents Experiencing Economic Hardship due to the COVID-19 Public Health Emergency, Approving up to \$339,200 to be used for MARRG, and Authorizing the City Manager to Enter into an Agreement with Alaska Housing Finance Corporation (AHFC) for Program Administration. Aderhold.

Memorandum 20-170 from Councilmember Aderhold as backup

- [g.](#) Resolution 20-104, A Resolution of the City Council of Homer, Alaska, Establishing A CARES Act Program Close Out Spending Plan. City Manager. (*Supplemental Packet*)

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, October 26, 2020 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, via Zoom Webinar.

Session 20-27 a Special Meeting of the Homer City Council was called to order on September 14, 2020 by Mayor Ken Castner at 3:30 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ADERHOLD, HANSEN-CAVASOS, LORD, SMITH, VENUTI

ABSENT: COUNCILMEMBER EVENSEN (excused)

STAFF: CITY MANAGER DUMOUCHEL
CITY CLERK JACOBSEN

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

The following change was made: Memorandum 20-133 from City Clerk Re: Request for Executive Session Pursuant to AS 44.62.310(C)(1) Matters, the Immediate Knowledge of which would Clearly have an Adverse Effect upon the Finances of the Government Unit and Attorney/Client Privilege. (Airport Lease Termination)

Confirmation from lessee's to forego an executive session and documentation regarding lease termination.

LORD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

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

Amanda Moran, lessee, commented regarding the challenges incurred by her business due to COVID-19 and the RAVN bankruptcy, and her and her business partner's efforts to using CARES Act funding they received toward their lease obligations, although it wasn't enough to keep them current on their lease.

PENDING BUSINESS

NEW BUSINESS

- a. Memorandum 20-133 from City Clerk Re: Request for Executive Session Pursuant to AS 44.62.310(C)(1) Matters, the Immediate Knowledge of which would Clearly have an

Adverse Effect upon the Finances of the Government Unit and Attorney/Client
Privilege. (Airport Lease Termination)

Mayor Castner noted the lessees have given consent to discuss their lease termination in a public meeting.

LORD/ADERHOLD MOVED TO FOREGO EXECUTIVE SESSION AND DISCUSS THE AIRPORT LEASE TERMINATION IN THE PUBLIC MEETING.

City Manager Dumouchel reviewed the request from the lessees for early termination and his recommendation to approve that request as well as refunding their security deposit, minus any cost for damages, and forgive the remaining balance due the City. Given the circumstances with COVID-19 and the cessation of flights due to RAVN's bankruptcy, he feels it's a reasonable solution for the City and the airport tenant.

LORD/VENUTI MOVED TO APPROVE THE RECOMMENDATIONS OF THE CITY MANAGER FOR EARLY LEASE TERMINATION FOR THE FLYING WHALE.

Councilmember Aderhold commented in support of the motion. She appreciates the tenants' efforts of using the CARES Act grant funding in an effort to make payment to the City, and giving the circumstances of the pandemic and the airport closure it's appropriate in this instance.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

ADJOURN

There being no further business to come before the Council Mayor Castner adjourned the meeting at 3:50 p.m. The next Regular Meeting is Monday, September 28, 2020 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Melissa Jacobsen, MMC, City Clerk

Approved: _____

Session 20-28 a Regular Meeting of the Homer City Council was called to order on September 14, 2020 by Mayor Ken Castner at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ADERHOLD, HANSEN-CAVASOS, LORD, SMITH, VENUTI

ABSENT: COUNCILMEMBER EVENSEN (excused)

STAFF: CITY MANAGER DUMOUCHEL
CITY CLERK JACOBSEN
SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
PUBLIC WORKS DIRECTOR KEISER
FIRE CHIEF KIRKO
FINANCE DIRECTOR WALTON
CITY ATTORNEY GATTI

AGENDA APPROVAL (Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 2.08.040.)

The following changes were made: **CONSENT AGENDA Ordinance 20-59**, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code to Create Chapter 21.17 Medical Zoning District; Amending Homer City Code 21.58.030, Permission for Communications Towers, Adding the Medical Zoning District; Amending Homer City Code 21.60.060 Signs on Private Property, Adding the Medical Zoning District; Amending Homer City Code 21.10.020 Zoning Districts to Include the Medical District; and Amending the Homer City Zoning Map to Rezone a Portion of the Residential Office (RO) Zoning District to Include Medical (M) Zoning District. Planning Commission. Memorandum 20-143 from Public Works Director as backup **ANNOUNCEMENTS/PRESENTATIONS/REPORTS** Economic Relief Grant Programs Report Written Report **PUBLIC HEARING Tasmania Court Water Improvement Special Assessment District** Memorandum 20-142 from City Clerk as backup; **Ordinance 20-54**, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget by Appropriating \$45,000 from the HART Trails Fund for Completion of the Poopdeck Trail. Venuti. Written public comment and Resolution 17-075(A) **ORDINANCES** Ordinance 20-62, An Emergency Ordinance of the City Council of Homer, Alaska Authorizing the City Manager to Negotiate and Execute an Airport Terminal Lease with Float Shuttle. Mayor/City Manager. Letter from RAVN Alaska as backup; Ordinance 20-63, An Emergency Ordinance of the City Council of Homer, Alaska Amending the 2020 Budget by Appropriating Funds in the Amount of \$1,183,923.18 from the General Fund Fund Balance for the Purpose of COVID-19 Response and Mitigation. City Manager. Memorandum 20-144 from Finance Director as backup.

LORD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Peggi Swisher, Ravn Alaska Homer Station Manager, commented in support of Ordinance 20-62. She noted the letter Council received from Ravn upper management and added that it's essential they are in the terminal as soon as possible to help the community particularly as we head into winter and icy roads. They have a lot of cargo customers and along with passengers, and she knows the community is eager to have Homer flight service back.

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. City Council Unapproved Meeting Minutes of August 24, 2020. City Clerk. Recommend adoption.
- b. Memorandum 20-135 from Mayor Re: Appointment of Leon Galbraith to the Parks Art Recreation & Culture Advisory Commission. Recommend approval.
- c. Memorandum 20-136 from Deputy City Clerk Re: Renewal of Standard Marijuana Cultivation Facility License for Alaska Loven It, LLC. Recommend approval.
- d. Memorandum 20-136 from the City Clerk Re: Confirming Election Judges for the October 6, 2020 City of Homer Regular Election. Recommend approval.
- e. Memorandum 20-140 from Mayor Re: Appointment of Councilmembers Smith and Aderhold to the Lobbyist RFP Review Committee.
- f. Ordinance 20-59, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code to Create Chapter 21.17 Medical Zoning District; Amending Homer City Code 21.58.030, Permission for Communications Towers, Adding the Medical Zoning District; Amending Homer City Code 21.60.060 Signs on Private Property, Adding the Medical Zoning District; Amending Homer City Code 21.10.020 Zoning Districts to Include the Medical District; and Amending the Homer City Zoning Map to Rezone a Portion of the Residential Office (RO) Zoning District to Include Medical (M) Zoning District. Planning Commission. Recommended dates Introduction September 14, 2020 Public Hearing and Second Reading September 28, 2020
- g. Ordinance 20-60, An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating \$2,251,058.85 in Coronavirus Relief Funds from the Kenai Peninsula

Borough to the City's Economic Relief Grant Programs and Authorizing the City Manager to Execute Agreements with the Kenai Peninsula Borough for Cooperative or Joint Administration of Functions or Powers through Subgranting Coronavirus Relief Funds. City Manager. Recommended dates Introduction September 14, 2020 Public Hearing and Second Reading September 28, 2020

- h. Ordinance 20-61, An Ordinance of the City Council of Homer, Alaska Repealing Emergency Ordinance 20-58 and Amending the 2020 Capital Budget and Authorizing Expenditure of up to \$300,000 from the HART Road Fund to Design and Construct Remedial Solutions for the Horizon Court Landslide. City Manager/Public Works Director. Recommended dates Introduction September 14, 2020 Public Hearing and Second Reading September 28, 2020

Memorandum 20-141 from Public Works Director as backup

- i. Resolution 20-079, A Resolution of the City Council of Homer, Alaska Approving and Accepting the Donation of a Sculpture Entitled *Tuyanitum* by Artist Argent Kvasnikoff, of Ninilchik, Alaska from the Bunnell Street Arts Center for the Municipal Art Collection to be placed at Bishop's Beach Park. Aderhold. Recommend adoption.

Memorandum 20-138 from PARCAC as backup

- j. Resolution 20-080, A Resolution of the City Council of Homer, Alaska Clarifying the Eligibility Period for COVID-19 Related Expenses that Qualify for CARES Act Funding is March 1 - December 30, 2020 as Established by the US Treasury, and Amending all City of Homer Economic Relief Program Documents Accordingly. City Manager. Recommend adoption.
- k. Resolution 20-081, A Resolution of the City Council of Homer, Approving a Lease Assignment from AKSNOWGRL Rentals LLC to Homer Enterprises LLC and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents for an Eighteen Year Four Month Lease with Options for Two Consecutive Five Year Renewals for a Portion of Lot 5, Homer Spit at the Reduced Annual Rate of \$4925.46. City Manager. Recommend adoption.

Memorandum 20-139 from Port & Harbor Advisory Commission as backup
Memorandum 20-139 from Port & Harbor Advisory Commission as backup

City Clerk Jacobsen read the consent agenda.

LORD/VENUTI MOVED TO ADOPT THE RECOMMENDATIONS OF THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

a. Unified Command Update (20 minutes)

Lorne Carroll, State of Alaska Public Health Nurse, reported on the current COVID-19 numbers. Globally there are 29 million cases and a million reported deaths. In the US there are 6.5 million cases and nearly 200,000 deaths. In Alaska we're at 6353 cases, approximately 4100 still active and 44 deaths. On the southern Kenai Peninsula we have 117 cases, and 62% have recovered. The Public Health Nurses have been tied up with contact tracing over the past 6 weeks. He reported on statistics of that work, and that they're working on developing a surge team to take on this work to allow the Public Health Nurses time to address other community threats like TB, opioid overdose, and other pre-COVID threats along with community resilience factors that continue to build. He provided a brief vaccine overview and point of dispensing efforts.

Derotha Ferraro, South Peninsula Hospital (SPH) Public Information Officer, reported SPH testing numbers at 8430 tests completed with 8162 negative 113 positive and 131 pending and no new cases tested at SPH since the last report to Council. With the continued low case counts, SPH has started implementing relaxed visitation for most patients, and they are working toward visitation at Long Term Care, which is currently still closed. SPH is now able to process antibody testing in house, and winter planning is completed, testing is being relocated off site and she'll have more information at the next meeting.

Jenny Carroll, City of Homer Public Information Officer, reported on continued efforts for community response through KBBI updates and the City's COVID call line. There have been a lot of question on testing, travel plans, and organizations looking for guidance about reopening to the community. Public outreach to support masking and social distancing continues through newspaper ads, radio ads, and Facebook posts.

Mark Kirko, City of Homer Fire Chief, reported on the City's EOC efforts. Requests for materials and mask distribution are still on going. The case counts remain low, but he reminded listeners we to keep our eye on the ball and remain vigilant. There are ongoing discussions about point of dispensing and how to accomplish that when a vaccine is available.

There was brief discussion on the Mayor's questions regarding metrics and when we can start opening up. The Unified Command team noted there addressed some of the variables in play and data that paints a more complete picture to create helpful decision statements.

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

a. Special Meeting Report

Councilmember Lord reported Council addressed an early airport lease termination lease for the Flying Whale as a result of impacts of COVID-19 and the Ravn closures.

b. Worksession Report

City Manager Dumouchel reported Council heard from Special Projects Coordinator Carroll on the 2021-2026 draft Capital Improvement Plan and recommendations on minor changes to the plan and the need for Council input on their top five legislative priorities.

c. Committee of the Whole Report

Councilmember Lord reported Council discussed ordinances and resolutions on tonight's agenda regarding the Medical Zoning District, the Sport Shed lease reassignment, CARES Funding from the Borough, Tasmania Court Special Assessment district, and funding COVID-19 response and mitigation expenses.

d. Mayor's Report

Mayor Castner commented that a lot of discussion happens at the Committee of the Whole and encouraged the public to listen in. He also shared he thinks it's important for people to take some ownership of the pandemic. We're all in this together, cooperating and following guidance. We've had a remarkable 26 days with no positive cases reported by SPH, he congratulated and thanked everyone for their efforts.

e. Borough Report

Kenai Peninsula Borough President Kelly Cooper reported at their meeting tomorrow they'll be passing the Resolution to enter into an agreement with the City's on the peninsula for a CARES Act funding sub-grant. With the reduced interest rates Borough Finance has been refinancing bonds, saving tax payers almost \$1 million. The bonds are for Bear Creek Fire Service Area, Central Peninsula Hospital, and the schools, and the cost to refinance those bonds is only about \$6,800. They'll be voting on a resolution asking the State Department of Education to use the student enrollment counts from last year for this year's attendance numbers. There is uncertainty of attendance this year at no fault of the School District and this temporary measure will stabilize enrollment numbers for the coming year's funding formula. Joint Resolution 2020-01 was drafted as part of a mitigation plan for COVID-19 and helps promote a united voice encouraging residents to follow CDC guidelines. The Assembly continues to meet via Zoom and they hope to hold their October meeting in the school auditorium, as the School Board did today, where more distancing is possible as they await the Assembly Chambers renovation.

f. Library Advisory Board

Gordy Vernon, Library Advisory Board member reported on the availability of internet access in the Library parking lot, the Friends of the Homer Library book sale, and the Board's continuing work on the endowment fund.

- g. Planning Commission
 - i. Planning Commission Report
- h. Economic Development Advisory Commission

Karin Marks, Economic Development Advisory Commission Chair, reported at their last meeting the Commission approved their amended bylaws and a proposed change to Homer City Code regarding their scope of work. She commented regarding the success of the 2020 Peony Festival and that planning efforts have started for next year's event that will be held July 9-14.

- i. Parks Art Recreation and Culture Advisory Commission
- j. Port and Harbor Advisory Commission
- k. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported the Committee met and made recommendations for the 2021-2026 Capital Improvement Plan.

- l. Economic Relief Grant Programs Report

Sara Perman, Program Coordinator reviewed the informant provided in her written report. NERG, CBERG, and SoSERG programs launched 3 of 4 on Tuesday and applications are coming in. HERG should be opening next week.

PUBLIC HEARING(S)

- a. Tasmania Court Water Improvement Special Assessment District

Mayor Castner opened the Public Hearing.

Michael Hawfield and Beth Graber, property owners in the proposed district, commented in support of the project for neighbors, but requested their lot be removed as they have water to their property through South Slope.

Erica Marley, property owner in the district, commented in support of creating the Special Assessment District.

Mayor Castner closed the public hearing and announced no action is needed tonight and that a resolution regarding the district will come before Council at their next meeting.

- b. Ordinance 20-51, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget by Appropriating Funds in the Amount of \$7,049 from the Police CARMA Fund for Traffic Calming Improvements on Kachemak Drive. City Manager/Police Chief. Introduction August 24, 2020 Public Hearing and Second Reading September 14, 2020

Memorandum 20-120 from Police Chief as backup

Mayor Castner opened the Public Hearing. There were no public comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-51 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was brief discussion regarding the need for traffic calming improvements and encouraging drivers to slow down. This is a small town and no place takes that long to get to.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- c. Ordinance 20-52, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing Expenditure of \$25,000 from the HART Road Fund for and On-Call Services Contract with the Homer Soil and Water Conservation District. City Manager/Public Works Director. Introduction August 24, 2020 Public Hearing and Second Reading

Memorandum 20-125 from Public Works Director as backup

Mayor Castner opened the Public Hearing. There were no public comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-52 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There were comments supporting working with Homer Soil and Water Conservation District as they have valuable information regarding storm water management which is a city-wide issue. Request was made that going forward when requesting funds from this and other programs, if a current balance could be provided so Council is aware of account status.

In response to a question regarding on going need for this service, Public Works Director Keiser explained this is a one-time appropriation for this year and if the services are effective they may look at requesting an annual appropriation in the future.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- d. Ordinance 20-53, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 21.05.030 Measuring Heights to Exclude Elevator Shafts when Measuring the Height of a Building. Planning Commission. Introduction August 24, 2020 Public Hearing and Second Reading September 14, 2020.

Memorandum 20-123 from City Planner as backup

Mayor Castner opened the Public Hearing. There were no public comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-53 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- e. Ordinance 20-54, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget by Appropriating \$45,000 from the HART Trails Fund for Completion of the Poopdeck Trail. Venuti. Introduction August 24, 2020 Public Hearing September 14, 2020

Memorandum 20-121 from Deputy City Planner as backup

Memorandum 20-130 from PARCAC as backup

Mayor Castner opened the Public Hearing.

Joel Cooper, Kachemak Heritage Land Trust (KHLT) Stewardship Director, commented in support of Ordinance 20-54. He noted the detailed letter and trail map he provided on the Poopdeck Platt Community Trail. He summarized the history of the trail, current status, and highlighted other community members and businesses who have contributed, along with the City of Homer and KHLT, to the development of the trail.

Dean Sundmark, Independent Living Center staff member, commented in support of 20-54 and identified benefits of the the trail for community members and visitors with mobility challenges, families with strollers, and others.

Claire Waxman, Poopdeck Plat Community Trail supporter, commented in support of Ordinance 20-54 and commented regarding the community support and collaboration that's gone into this project, and the community benefit of getting people into the town center.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 20-54 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmembers commented in support of the project and providing funds to help it come to completion, and the value to the community. There were comments expressing the need in the future to have more strategic planning for these collaborative projects so the Council and the City know from the beginning what the financial need and commitment by the City will be, rather than multiple requests throughout the project.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- f. Ordinance 20-56, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$550,000 from the Water Depreciation Fund for Designated Urgent Projects. City Manager/Public Works Director. Introduction August 24, 2020 Public Hearing and Second Reading September 14, 2020

Memorandum 20-126 from Public Works Director as backup

Mayor Castner opened the Public Hearing. There were no public comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-56 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Mayor and Council discussed perceived inconsistencies in the names of the utility funds, how to use those funds, and the appropriateness of using the funds for ongoing maintenance versus capital projects.

Mayor Castner shared his feeling that capital project funding should come from the HAWSP fund. He know Council will be working on policy directives for the fund, but he has concerns with comingling tariff money with money collected through assessment or sales tax.

Councilmember Smith concurred with the Mayor's capital projects perspective. He understands the urgency and need to complete these projects but takes some issue that we got to this point of urgency. If we have the right kind of general maintenance plan on our infrastructure plan, these things can be done timely.

Councilmember Lord noted the defined policy work they're undergoing will be helpful. She asserts strongly that these are all capital projects that are for the maintenance and continuation of the existing system to our customer base. Historically HAWSP funds have been used on capital projects that expand and improve the existing water and sewer system beyond its current capacity. She's comfortable with it coming out of depreciation reserves, and she's comfortable with the ordinance as it's presented.

Councilmember Aderhold agrees that it's frustrating to have these urgent projects they haven't been aware of, and thinks they've worked on that in developing a plan. Moving forward we'll be in a better place, and she appreciates the Public Works Director's efforts in setting us up for better future planning. She also agrees these are projects associated with our existing water and sewer system to support our customers, and she supports the ordinance.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- g. Ordinance 20-57, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$484,900 from the Sewer Depreciation Fund for Designated Projects in the 2020 Sewer Capital Improvement Plan. City Manager/Public Works Director. Introduction August 24, 2020 Public Hearing and Second Reading September 14, 2020

Memorandum 20-127 from Public Works Director as backup

Mayor Castner opened the Public Hearing. There were no public comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-57 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Smith reiterated the need to have account balances provided for reference when allocating funds from them.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Castner called for a recess at 7:50 p.m. and called the meeting back to order at 8:00 p.m.

ORDINANCE(S)

- a. Ordinance 20-62, An Emergency Ordinance of the City Council of Homer, Alaska Authorizing the City Manager to Negotiate and Execute an Airport Terminal Lease with Float Shuttle. Mayor/City Manager.

LORD/ADERHOLD MOVED TO ADOPT EMERGENCY ORDINANCE 20-62 BY READING OF TITLE ONLY.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- b. Ordinance 20-63, An Emergency Ordinance of the City Council of Homer, Alaska Amending the 2020 Budget by Appropriating Funds in the Amount of \$1,183,923.18 from the General Fund Fund Balance for the Purpose of COVID-19 Response and Mitigation. City Manager.

Memorandum 20-142 from City Manager as backup

LORD/VENUTI MOVED TO ADOPT EMERGENCY ORDINANCE 20-63 BY READING OF TITLE ONLY.

There was discussion of process with the City Clerk and City Attorney regarding the ability to schedule a public hearing on this ordinance. City Attorney Gatti explained that because it's an emergency ordinance it would have to come back at the next meeting for introduction. City Clerk Jacobsen concurred and referenced HCC 1.08.040 which reads that an emergency ordinance may be adopted, amended and adopted, or rejected at the meeting at which it's introduced.

They also addressed with Special Projects and Communications Coordinator Carroll and Finance Director Walton, timelines of spending related to COVID Funds and the process necessary to incur the expense by an expenditure from the general fund fund balance and have it reimbursed by the CARES Act funds through a separate ordinance following the expenditure.

Councilmember Smith expressed opposition to funding some of the requests made in the emergency ordinance as he feels some of them are opportunistic because they've been identified on the CIP for a number of years, and some he just doesn't support. There are too many to weed through tonight and feels they have time and can get there.

At the request of Council, Fire Chief Kirko shared that he was asked to start looking at how to best utilize some of the CARES Act funding to provide sustainability in the response to COVID. It was discussed at the Department Head level and departments provided a list of what they thought would be beneficial to their response to COVID and sustainability beyond COVID. The projects have to be directly linked to COVID to meet the criteria for CARES dollars. In his research and discussion with vendors, other cities are doing it the same way we are and that's why timelines are a critical component. There are several project that if they aren't funded tonight, will likely come off the list because of the demand on resources and timeliness of receipt. He appreciates Council's concern that this feels rushed, but currently the dollars have to be used by the end of December, but it doesn't mean the emergency will be over with in December. He feels staff has provided a defensible list of needs for Council's consideration.

Upon further questioning from Council, Chief Kirko explained that due to high demand and timeline restrictions, the breathing air compressor will have to be addressed through a capital request at a later date if not approved through this venue, similarly the cardiac monitors and other medical supplies might miss the window. The disaster response infrastructure is a modular response to any type of disaster and would be used for point of dispensary as currently the school can't be used, and can also be used for other types of disasters. The radios requested by the Harbor are a link for communication with patients coming in by air, water taxi, or other services provided through the Port.

Councilmember Smith was asked to identify what he wants removed so they can take some type of action on this ordinance tonight. He identified the iPads for Community Recreation, one CPR machine and one patient lift system, the overhead projector and screen and medical training simulation system, disaster response portable shelter, and repeater and base station radios and all the radios for the port and harbor. That puts the revised expenditure at right around \$620,000.

Councilmembers expressed agreement, some based on Councilmember Smith's reasoning, and others who felt the need to approve what they could tonight and address the others through a future action.

SMITH/ADERHOLD MOVED TO AMEND THE DOLLAR AMOUNT TO \$620,000 ON LINES 8, 49, AND 53.

There was brief discussion. At the request of Council Chief Kirko explained he had requested two CPR machines and two patient lift systems to minimize the exposure to volunteer responders. With the CPR units they can have two fewer people in the back of the ambulance mitigating risk to those responders, and the lift system will reduce the number necessary to lift patients into the ambulance.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

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

VOTE (main motion as amended): NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

a. City Manager's Report

Councilmember Aderhold shared her interest in hearing about the status of the plastic bag ban and interest in hearing how we get back to implementing it. She expressed concern about the issues at the campground and addressing unhoused people as we move into winter, and congratulated Officer Poling on her promotion to Sergeant.

Councilmembers Aderhold and Lord expressed interested in having a report on the current status of late fees and deferred payments, and addressing next steps.

There was brief discussion on these topics and City Manager Dumouchel said he would report back.

b. Bid Report

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

- a. Resolution 20-082, A Resolution of the City Council of Homer, Alaska Supporting Kenai Peninsula Borough Resolution 2020-067 and Inclusion in Joint Resolution 2020-01 Encouraging all Residents to take the Necessary Precautions and Follow Recommended Preventative Measures of the Center for Disease Control to Reduce the Spread of COVID-19 in our Community during the Health Emergency. Mayor.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 20-082 BY READING OF TITLE ONLY.

Mayor Castner noted Assembly Member Cooper's earlier comments regarding the Joint Resolution.

Councilmember Aderhold thanked the Mayor for bringing this forward.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti had no comment.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen announced absentee in person voting starts at City Hall on Monday, September 21st. It will be available during regular business hours Monday through Friday until October 5th.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel commented he heard Council's message regarding including unencumbered balance information into reports.

COMMENTS OF THE MAYOR

Mayor Castner commented that during their discussion of the CIP at the worksession he asked how it lines up with our Comprehensive Plan. He thinks it's like government 101 where you come up with the policy and then fund it. Our major policy document is the Comprehensive Plan and there should at least be a check box as to CIP Projects in the Comprehensive Plan. At their next meeting they'll be discussion water and sewer rates.

COMMENTS OF THE CITY COUNCIL

Councilmember Aderhold said it was a good meeting and appreciates everyone efforts working through things. She's been thinking about the ongoing wildfires and recalling this time last year's Swan Lake fire, and how easily it could be us. We as a community need to be thinking about it. UAA is wanting to learn more from people who were affected by last year's wildfires for a research study, people can call 503-893-2520 if they're interested in participating. She announced September 19-26 is National Estuaries Week, we have the only National Estuary Research Reserve here in Homer and we rely on the resource of our estuary in Kachemak Bay, so do what you can to celebrate.

Councilmember Smith went to the CDC website and in the first 2 weeks in August there were roughly 13,250 deaths associated with COVID, and in the first two weeks of September there were 771. It hasn't been that low since mid-March. That's a huge swing and a positive trend

that he hopes continues. The Homer High football team has been playing for a few weeks, they're 2 and 1 with a home game this week. Only 250 attendees are allowed at the game so get there early to watch some football. The Census recorded over 80% response in Alaska and in our area and he thanked everyone involved in that. It's important that we take time to vote and encouraged everyone to get educated about who and what they're voting for and get out and do it.

Councilmember Hansen-Cavasos gave a shout out for all the parents and students out there. It's been a big transition for everyone and she encouraged everyone to hang in there, things will get better.

Councilmember Lord commented the wildfires have been sobering and recognizes the Kenai Peninsula is a tinder box waiting to go. It's important to be fire wise, and clearing and ensuring defensible space. She was able to take a tour of the new Police Station with her kids and it's super awesome and she was very proud of all the work that was done by this and previous Councils to make it happen. Currently the library is taking appointments to go into the building, she looks forward to it reopening, and thanked staff for currently providing a safe option.

Councilmember Venuti shared her concern for the wildfires and encouraged everyone to have a plan and not have to wait around for someone to tell you what you have to do. She thanked Owen Meyer for his work with Special Projects & Communications Coordinator Carroll on the CIP, and wished Ravn luck on getting back to providing service here in Homer.

ADJOURN

There being no further business to come before Council Mayor Castner adjourned the meeting at 9:09 p.m. The next Regular Meeting is Monday, September 28, 2020 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Melissa Jacobsen

Approved: _____



City of Homer

www.cityofhomer-ak.gov

Office of the Mayor

491 East Pioneer Avenue
Homer, Alaska 99603

mayor@ci.homer.ak.us

(p) 907-235-3130

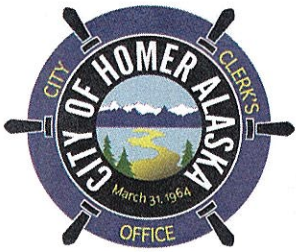
(f) 907-235-3143

Memorandum 20-158

TO: HOMER CITY COUNCIL
FROM: MAYOR CASTNER
DATE: OCTOBER 7, 2020
SUBJECT: APPOINTMENT OF DEBBIE SPEAKMAN TO THE ECONOMIC DEVELOPMENT
ADVISORY COMMISSION

Debbie Speakman is appointed to the Economic Development Advisory Commission to fill the seat vacated by Anders Gustafson. The term expires April 1, 2020.

Recommendation: Confirm the appointment of Debbie Speakman to the Economic Development Advisory Commission.



CITY OF HOMER
APPLICATION TO SERVE ON ADVISORY BODY
COMMISSION, BOARD, COMMITTEE, TASK FORCE

CITY CLERK'S OFFICE
CITY OF HOMER
491 E. PIONEER AVE
HOMER, AK 99603
PH. 907-235-3130
FAX 907-235-3143
clerk@cityofhomer-ak.gov

The information below provides some basic background for the Mayor and Council
This information is public and will be included in the Council Information packet

Name: Debbie Speakman Date: 09/25/20

Physical Address: 59980 Golden Plover - Kachemak City

Mailing Address: P.O. Box 93

Phone #: _____ Cell #: 907.399.8588 Work #: _____

Email Address: debbie@kenaipeninsula.org

The above information will be published in the City Directory and within the city web pages if you are appointed by the Mayor and your appointment is confirmed by the City Council

Please indicate the advisory body that you are interested in serving on by marking with an X.
You may select more than one.

ADVISORY PLANNING COMMISSION

1ST & 3RD WEDNESDAY OF THE MONTH AT 6:30 PM
WORKSESSION PRIOR TO EACH MEETING AT 5:30 PM

PARKS ART RECREATION & CULTURE ADVISORY COMMISSION

3RD THURSDAY OF THE MONTH AT 5:30 PM
NO MEETINGS IN JANUARY, JULY & DECEMBER

PORT & HARBOR ADVISORY COMMISSION

4th WEDNESDAY OF THE MONTH
OCT-APRIL AT 5:00 PM
MAY - SEPT AT 6:00 PM

ECONOMIC DEVELOPMENT ADVISORY COMMISSION

2ND TUESDAY OF THE MONTH AT 6:00 PM

CITY COUNCIL

2ND & 4TH MONDAY OF THE MONTH
SPECIAL MEETINGS & WORKSESSIONS AT 4:00 PM
COMMITTEE OF THE WHOLE AT 5:00 PM
REGULAR MEETING AT 6:00 PM

LIBRARY ADVISORY BOARD

1ST TUESDAY OF THE MONTH AT 5:30 PM
NO MEETINGS IN JANUARY, JUNE AND JULY

OTHER - PLEASE INDICATE

Received
City Clerk's Office
SEP 25 2020
City of Homer
Alaska

I have been a resident of the city for _____ years. I have been a resident of the area for 9.5 years.

I am presently employed at Kenai Peninsula Tourism Marketing Council/Small Homer biz owner

Please list any special training, education or background you may have which is related to your choice of advisory body.

From 2012-2014 and 2017-2019 I worked for the Homer Chamber of Commerce & Visitor Center.

I have experience in marketing, small business development and tourism development.

I am currently the Executive Director of the Kenai Peninsula Tourism Marketing Council.

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

I served on the Community Advisory Committee for Seldovia Village Tribe Health and Wellness as

well as a Board member for KBBI and HoWL.

Why are you interested in serving on the selected advisory body?

I have a passion for economic development in Homer and for the lower Kenai Peninsula. I want

to help continue to support small business growth and recruitment to our area.

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

Homer Chamber of Commerce as an individual and business member. Kenai Peninsula Tourism

Marketing Council.

Please answer the following only if you are applying for the Advisory Planning Commission:

Have you ever developed real property other than a personal residence, if so briefly explain:

My husband and I purchased a building on the Homer Spit in 2019 and currently operate a vacation

rental and candy store. We also have a long term rental located within the City of Homer.

Please answer if you are applying for the Port & Harbor Advisory Commission:

Do you use the Homer Port and/or Harbor on a regular basis?

Yes

No

What is your primary use? Commercial

Recreational

Please include any additional information that may assist the Mayor in his/her decision making:

I have lived in Alaska since 2001, the majority of that time I have been employed in the tourism

industry. I have lived and traveled all over the State of Alaska and been successful in marketing

for both visitation and relocation. My family consciously support local businesses by shopping local.

When you have completed the application please review and return to the City Clerk's Office. You may also email this to clerk@cityofhomer-ak.gov or fax 27 907-235-3143. Thank you for applying!

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-73

An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating an FY2018 State Homeland Security Program Reallocation Grant in the Amount of \$24,376 to fund a 911 Public Safety Answering Point at the Homer Police Station.

Sponsor: City Manager/Police Chief

1. City Council Regular Meeting October 12, 2020 Introduction
 - a. Memorandum 20-163 from Police Chief as backup

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/Police Chief

4 **ORDINANCE 20-73**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
7 ACCEPTING AND APPROPRIATING AN FY 2018 STATE HOMELAND
8 SECURITY PROGRAM REALLOCATION GRANT IN THE AMOUNT OF
9 \$24,376 TO FUND A 911 PUBLIC SAFETY ANSWERING POINT AT
10 THE HOMER POLICE STATION.

11
12 WHEREAS, The Alaska Division of Homeland Security and Emergency Management
13 (DHS&EM) makes funds available to strengthen a City's ability to provide emergency response
14 operations; and

15
16 WHEREAS, Effective emergency response is dependent on the delivery of timely
17 communications; and

18
19 WHEREAS, With only two dispatch stations, Homer Police Department had no backup
20 dispatch capability which renders our communications system less resilient and less readily
21 able to respond to a large scale emergency; and

22
23 WHEREAS, Ordinance 19-45 accepted and authorized DHS&EM funding to purchase a
24 third dispatch console for the police department to allow for immediate expansion of dispatch
25 capability during an emergency event and to allow immediate recovery from a failure in either
26 of the two other stations; and

27
28 WHEREAS, The recently acquired dispatch console requires additional software and
29 hardware to allow it to take and respond to 9-1-1 calls, making it fully functional as a Public
30 Safety Answering Point.

31
32 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

33
34 Section 1. The Homer City Council hereby accepts and appropriates an FY2018 State
35 Homeland Security Reallocation Grant to the City of Homer in the amount of \$24,376 for the
36 purposes as follows:

37
38 Revenue:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	FY20 State Homeland Security Grant Program	\$24,376

43 Expenditure:

44 <u>Account No.</u>	<u>Description</u>	<u>Amount</u>
45 151-7019	Homer Police Department Public Safety	
46	Answering Point Hardware/Software	\$24, 376

47

48 Section 2. Homer City Council hereby authorizes The City Manager is authorized to
 49 execute the appropriate documents.

50

51 Section 3. This is a budget amendment ordinance, is temporary in nature, and shall
 52 not be codified.

53

54 Section 4. Sole source procurement from the manufacturer is hereby authorized.

55

56 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this __ day of _____, 2020.

57

58

59 CITY OF HOMER

60

61 _____

62 KEN CASTNER, MAYOR

63

64 ATTEST:

65

66 _____

67 MELISSA JACOBSEN, MMC, CITY CLERK

68

69 YES:

70 NO:

71 ABSTAIN:

72 ABSENT:

73

74 Introduction:

75 Public Hearing:

76 Second Reading:

77 Effective Date:

78

79 Reviewed and approved as to form:

80

81 _____

82 Rob Dumouchel, City Manager

83 _____

84 Michael Gatti, Attorney

84 Date: _____

Date: _____



City of Homer

www.cityofhomer-ak.gov

Police Department

4060 Heath Street
Homer, Alaska 99603

police@cityofhomer-ak.gov

(p) 907-235-3150

(f) 907-235-3151/ 907-226-3009

Memorandum 20-163

TO: Robert Dumouchel, City Manager
FROM: Mark Robl, Chief of Police
DATE: September 29, 2020
SUBJECT: 2018 Homeland Security Grant

We have received another Homeland Security grant for \$24,376 to fund the purchase of an additional 911 position. This position will be added to our recently acquired third dispatch console to make it a fully operational station. I request that we obtain council approval to accept this grant and procure the position through a sole source purchase with Solacom Technologies Inc.

Solacom is the company that has furnished and installed the other two 911 positions in our dispatch center. This equipment and software is proprietary to Solacom. It is the only equipment that will interface with our system and the borough's. It is not available from any other vendors.

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-74

An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 14.08.040 Water Connection and Extension Permit to Require Property Owners Requesting Connection to the City's Water System be Connected to the City's Sewer System.

Sponsor: Smith

1. City Council Regular Meeting October 12, 2020 Introduction
 - a. Memorandum 20-166 from Public Works Director as backup

**CITY OF HOMER
HOMER, ALASKA**

Smith

ORDINANCE 20-74

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING HOMER CITY CODE 14.08.040 WATER CONNECTION
AND EXTENSION PERMIT TO REQUIRE PROPERTY OWNERS
REQUESTING CONNECTION TO THE CITY'S WATER SYSTEM BE
CONNECTED TO THE CITY'S SEWER SYSTEM.

WHEREAS, In 2019, the Homer City Council reviewed the City code provisions relating to the City's public utility provisions to "*ensure they were up to date, clear and consistent*"; and

WHEREAS, This resulted in substantial changes to Title 14, Homer Public Water System, and Title 17, Improvement Districts, but did not specify that it was necessary to be connected to City sewer in order to be issued a Water Connection Permit; and

WHEREAS, Numerous properties in the City rely on on-site sewage disposal systems, which are challenging in Homer because of bad soils, high ground water and copious quantities of surface water from rainfall, open springs and storm water runoff; and

WHEREAS, On-site sewage disposal systems are no longer, as a practical matter regularly inspected by the Alaska Department of Environmental Conservation, due to budget cutbacks; and

WHEREAS, People connected to City water usually use more water than those who rely on hauled water, which exacerbates the challenges related to septic systems in neighborhoods with poor soils and high ground water; and

WHEREAS, The costs of installing and maintaining a properly functioning on-site sewage system would typically exceed the normal costs of a sewer assessment; and

WHEREAS, The City is typically able to offer long term, low interest financing for utility assessment and allows a 3-year grace period for connecting to new utilities ; and

WHEREAS, It is in the best interests of the public health and welfare, and not a substantial burden, to require people who want access to City water to connect to City sewers.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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Section 1. Homer City Code 14.08.040 Water Connection and Extension Permit is hereby amended as follows:

14.08.040 Water connection and extension permit.

a. All property owners connecting to the water system must obtain a permit prior to starting construction.

b. The water system connection and extension permit application shall be available at the City Clerk’s office, the Public Works Department, and/or on the City’s website. The permit fee must be paid at the time the application is submitted. The criteria for the permit shall be included in the application.

c. The Public Works Director or his or her designee may revoke, modify or impose conditions upon a water system permit if he or she finds, in his or her sole discretion, that revocation, conditions or modifications to the permit are required to prevent or stop damage to the water system or protect public health or sanitation. ~~Except when immediate action is necessary to protect the water system and prevent immediate harm to public health and sanitation, the Public Works Director shall provide notice to the property owner at least 30 days before revoking or modifying a water system permit.~~

d. Installation of a water system connection or extension of a water main must meet the standards and specifications in the permit application, the Homer City Code, and any applicable State or Federal law or regulations, including but not limited to State of Alaska Department of Labor Occupational Safety and Health requirements. **Except as otherwise provided for in the Homer City Code, permits for connections to the water system or an extension of a water main to properties that are not served with City sewer service, will not be issued.**

e. A property owner installing an on-site water connection line or extending a water main is solely responsible for all costs and liability associated with or arising from the excavation, connection, and installation of the on-site water line or water main extension. [Ord. 19-23(S-2)(A) § 4, 2019].

17.02.170 Water and sewer connections required.

(a) Except as otherwise provided in the code, the owner of property in a water or sewer special assessment district that contains an occupied building shall connect to the improvement constructed in the district within three years after the date that the resolution confirming the assessment roll for the district becomes final. [Ord. 19-23(S-2)(A) § 5, 2019].

86 **(b) Property owners and developers interested in initiating water special**
87 **assessment districts should review the provisions of Homer City Code Section**
88 **14.08.040, which provides that “[e]xcept as otherwise provided in the Homer**
89 **City Code, permits for connections to the water system or an extension of a**
90 **water main to properties that are not served with City sewer service, will not**
91 **be issued”. Thus, Special Assessment Districts for water main extensions will**
92 **only be formed (1) where city sewer is available or (2) if a Special Assessment**
93 **District for a sewer main extension is also formed.**

94
95 Section 2. This Ordinance is of a permanent and general character and shall be included
96 in the City Code.

97
98 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of _____, 2020.

99
100 CITY OF HOMER

101
102
103 _____
104 KEN CASTNER, MAYOR

105 ATTEST:

106
107 _____
108 MELISSA JACOBSEN, MMC, CITY CLERK

109
110 YES:

111 NO:

112 ABSTAIN:

113 ABSENT:

114
115
116 Reviewed and approved as to form:

117
118 _____
119 Robert Dumouchel, City Manager

117
118 _____
119 Michael Gatti, City Attorney

120
121 Date: _____

120
121 Date: _____



Memorandum 20-166

TO: City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, Director of Public Works
DATE: October 7, 2020
SUBJECT: Linking water service permits to connections to City sewers

Issue: Currently, there is no requirement that people requesting connection to the City’s water system be connected to the City’s sewer system, thereby creating the potential for public health hazards. The purpose of this memorandum is to propose that this be corrected.

Background:

In 2019, the Homer City Council reviewed the City code provisions relating to the City’s public utility provisions. The purpose was to “ensure they were up to date, clear and consistent”. This resulted in substantial changes to Title 14, Homer Public Water System, and Title 17, Improvement Districts. The purpose of the changes proposed in this Memorandum is to take the 2019 Council’s efforts a step further. Specifically, the proposed changes would make a connection between (1) having access to City sewer access and (2) getting access to City water.

Numerous properties in the City are not served by City sewer, but rely on on-site sewage disposal systems. These systems must be permitted by the Alaska Department of Environmental Conservation when they are installed. At one time, this agency conducted regular inspections of such systems. However, due to budget cutbacks, this is no longer the case. On-site septic systems are challenging in Homer because of bad soils, high ground water and copious quantities of surface water from rainfall, open springs and storm water runoff.

Installing a properly operating septic system in such conditions is expensive. Prices for septic tank/leachfield systems in Homer range between \$20-\$30,000. Further, they are expensive to maintain and replace. We know at least one property owner in the Tasmania Court neighborhood replaced their septic leachfield in the past year, at the cost of about \$11,000. The combined assessment for both water and sewer mains in the Tasmania Court neighborhood is currently projected to be \$20,967.

People want City water because it offers higher quality, ever-present reliability and lower cost than hauled water. We get multiple requests for water special improvement districts, to extend water lines to new customers, every year. This comes with a price – it can trigger public health risks. People

connected to City water usually use more water than those who rely on hauled water; typical household water use for municipal water is 150 gallons per person per day, instead of 25 or fewer gallons per day for households using hauled water. It is reasonable to expect that access to City water will exacerbate the challenges related to septic systems in neighborhoods with poor soils and high ground water. It is in the best interests of the public health and welfare to require people who want access to City water to connect to City sewers.

This would mean that people requesting a water special assessment district would also need to be part of a sewer special assessment district. This need not be a substantial financial hardship. First, the City is usually able to offer long term, low-interest financing on such assessment districts. Second, current code gives property owners three years to connect, once city utilities become available in their neighborhood. By that time, homeowners may be more than happy to connect to a problem-free sewer main!

We propose to edit the Homer City Code as follows:

14.08.040 Water connection and extension permit.

- a. All property owners connecting to the water system must obtain a permit prior to starting construction.
- b. The water system connection and extension permit application shall be available at the City Clerk's office, the Public Works Department, and/or on the City's website. The permit fee must be paid at the time the application is submitted. The criteria for the permit shall be included in the application.
- c. The Public Works Director or his or her designee may revoke, modify or impose conditions upon a water system permit if he or she finds, in his or her sole discretion, that revocation, conditions or modifications to the permit are required to prevent or stop damage to the water system or protect public health or sanitation. *Except when immediate action is necessary to protect the water system and prevent immediate harm to public health and sanitation, the Public Works Director shall provide notice to the property owner at least 30 days before revoking or modifying a water system permit.*
- d. Installation of a water system connection or extension of a water main must meet the standards and specifications in the permit application, the Homer City Code, and any applicable State or Federal law or regulations, including but not limited to State of Alaska Department of Labor Occupational Safety and Health requirements. **Except as otherwise provided for in the Homer City Code, permits for connections to the water system or an extension of a water main to properties that are not served with City sewer service, will not be issued.**
- e. A property owner installing an on-site water connection line or extending a water main is solely responsible for all costs and liability associated with or arising from the excavation, connection, and installation of the on-site water line or water main extension. [Ord. 19-23(S-2)(A) § 4, 2019].

17.02.170 Water and sewer connections required.

- (a) Except as otherwise provided in the code, the owner of property in a water or sewer special assessment district that contains an occupied building shall connect to the improvement constructed in the district within three years after the date that the resolution confirming the assessment roll for the district becomes final. [Ord. 19-23(S-2)(A) § 5, 2019].

(b) Property owners and developers interested in initiating water special assessment districts should review the provisions of Homer City Code Section 14.08.040, which provides that “[e]xcept as otherwise provided in the Homer City Code, permits for connections to the water system or an extension of a water main to properties that are not served with City sewer service, will not be issued”. Thus, Special Assessment Districts for water main extensions will only be formed (1) where city sewer is available or (2) if a Special Assessment District for a sewer main extension is also formed.

Recommendations:

That the City Council adopt the proposed edits to HCC 14.08.040 and 17.02.170.

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-76

An Ordinance of the City Council of Homer, Alaska Authorizing the City Manager to Purchase Kenai Peninsula Borough Parcel No. 17714011, T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER OF GL 2 TH S 89 DEG 57'30" E 1094.3 FT TO PT TH S 38 DEG 0' W 310 FT TO POB TH 90 DEG W 75 FT TO CORNER 2 TH S 38 DEG W 75 FT TO CORNER 3 TH 90 DEG E 75 FT TO CORNER 4 TH N 38 DEG E 75 FT TO POB for \$35,000 from the Land Reserves Account and Designating its use as part of Bishops Beach Park.

Sponsor: Venuti/Hansen-Cavasos

1. City Council Regular Meeting October 12, 2020 Introduction
 - a. Memorandum 20-167 from PARCAC as backup



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: PARKS, ART, RECREATION AND CULTURE ADVISORY COMMISSION

THRU: RENEE KRAUSE, MMC, DEPUTY CITY CLERK

DATE: SEPTEMBER 1, 2020

SUBJECT: BISHOP'S BEACH LAND PURCHASE

The PARC Advisory Commission was presented information at the regular meeting on August 20, 2020 regarding the opportunity to purchase an adjacent parcel, 0.13 acre (about 5,662 square foot), to Bishops Beach Park and US Fish and Wildlife land. This seller is interested in selling it to the City. The listed price is \$35,000. The current tax assessed value is \$17,400.

Following is an excerpt of the minutes from that meeting and recommendation made by the Commission:

A. Memorandum from Acting City Planner Engebretsen re: Bishop's Beach Land Purchase Opportunity

Chair Lewis introduced the item on the agenda by reading of the title.

Acting City Planner Engebretsen reviewed her staff report for the Commission.

Extensive discussion ensued between Acting City Planner Engebretsen and the Commission on the following:

- Location and zoning is in the Central Business District*
- Opportunity to add to parks land few and far between*
- Use of land reserves over the parks reserves since that funding source covers repairs and maintenance is preferred*
- Would be appropriate location for a new restroom*
- Recommendation could include a combination of the funding sources*
- Land Trust is interested in larger 5 acres or more plus habitat*
- Availability of additional land in this area*

HARRALD/ARCHIBALD MOVED THAT PARKS, ART, RECREATION AND CULTURE SUPPORTS THE PURCHASE OF THE ADJACENT PROPERTY AND RECOMMENDS CITY COUNCIL AUTHORIZE THE CITY MANAGER TO ENTER INTO NEGOTIATIONS TO PURCHASE THE PORTION OF LAND IDENTIFIED AS T 6S R 13W SEC 20

SEWARD MERIDIAN HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER OF GL 2 TH S 89 DEG 57'30" E 1094.3 FT TO PT TH S 38 DEG 0' W 310 FT TO ROB TH 90 DEG W 75 FT TO CORNER 2 TH S 38 DEG W 75 FT TO CORNER 3 TH 90 DEG E 75 FT TO CORNER 4 TH N 38 DEG E 75 FT TO POB PARCEL #17714011 AND FURTHER RECOMMEND THAT THE PURCHASE PRICE NOT TO EXCEED \$35,000 AND FUNDING SHOULD COME FROM THE LAND RESERVES ACCOUNT.

There was a brief discussion on negotiating the price down from the \$35,000.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Recommendation: City Council approve the request to purchase the parcel of land using funds from the Land Reserves Account, not to exceed \$35,000 and Authorize the City Manager to enter negotiations to purchase the land.



Kenai Peninsula Borough

Assessing Department
144 N. Binkley Street
Soldotna AK 99669

Aug 26 2020 2:03PM

General Information

HACIENDA INVESTMENTS LLC 823 W 53RD AVE ANCHORAGE, AK 99518-1014	Property ID	17714011
	Address	
	Document / Book Page	20170015730
	Acreage	0.1300

Owners

Property ID	Display Name	Address
17714011	HACIENDA INVESTMENTS LLC	823 W 53RD AVE

Legal Description

Description

T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER OF GL 2 TH S 89 DEG 57'30" E 1094.3 FT TO PT TH S 38 DEG 0' W 310 FT TO POB TH 90 DEG W 75 FT TO CORNER 2 TH S 38 DEG W 75 FT TO CORNER 3 TH 90 DEG E 75 FT TO CORNER 4 TH N 38 DEG E 75 FT TO POB

Value History

Year	Reason	Assessed		
		Land	Structures	Total
2020	Main Roll Certification	\$17,400	\$0	\$17,400
2019	Main Roll Certification	\$17,400	\$0	\$17,400
2018	Main Roll Certification	\$17,600	\$0	\$17,600
2017	Main Roll Certification	\$25,300	\$0	\$25,300
2016	Main Roll Certification	\$28,300	\$0	\$28,300
2015	Main Roll Certification	\$28,300	\$0	\$28,300
2014	Main Roll Certification	\$28,300	\$0	\$28,300
2013	Main Roll Certification	\$28,300	\$0	\$28,300
2012	Main Roll Certification	\$28,300	\$0	\$28,300
2011	Main Roll Certification	\$44,900	\$0	\$44,900
2010	Main Roll Certification	\$44,900	\$0	\$44,900
2009	Main Roll Certification	\$44,900	\$0	\$44,900
2008	Main Roll Certification	\$42,600	\$0	\$42,600
2007	Main Roll Certification	\$32,800	\$0	\$32,800
2006	Main Roll Certification	\$32,800	\$0	\$32,800
2005	Main Roll Certification	\$29,800	\$0	\$29,800
2004	Main Roll Certification	\$14,700	\$0	\$14,700
2003	Main Roll Certification	\$14,700	\$0	\$14,700
2002	Main Roll Certification	\$14,700	\$0	\$14,700
2001	Main Roll Certification	\$14,700	\$0	\$14,700

Land Details

Primary Use	Land Type	Acres	Eff Frontage	Eff Depth	Asd Value
	Residential City/Residential B	0.1300	0.00	0.00	\$17,400



City of Homer

www.cityofhomer-ak.gov

Planning

491 East Pioneer Avenue
Homer, Alaska 99603

Planning@ci.homer.ak.us

(p) 907-235-3106

(f) 907-235-3118

To: Parks, Art, Recreation and Culture Advisory Commission
From: Julie Engebretsen, Deputy City Planner
Date: August 12, 2020
Subject: Bishops Beach Land Purchase

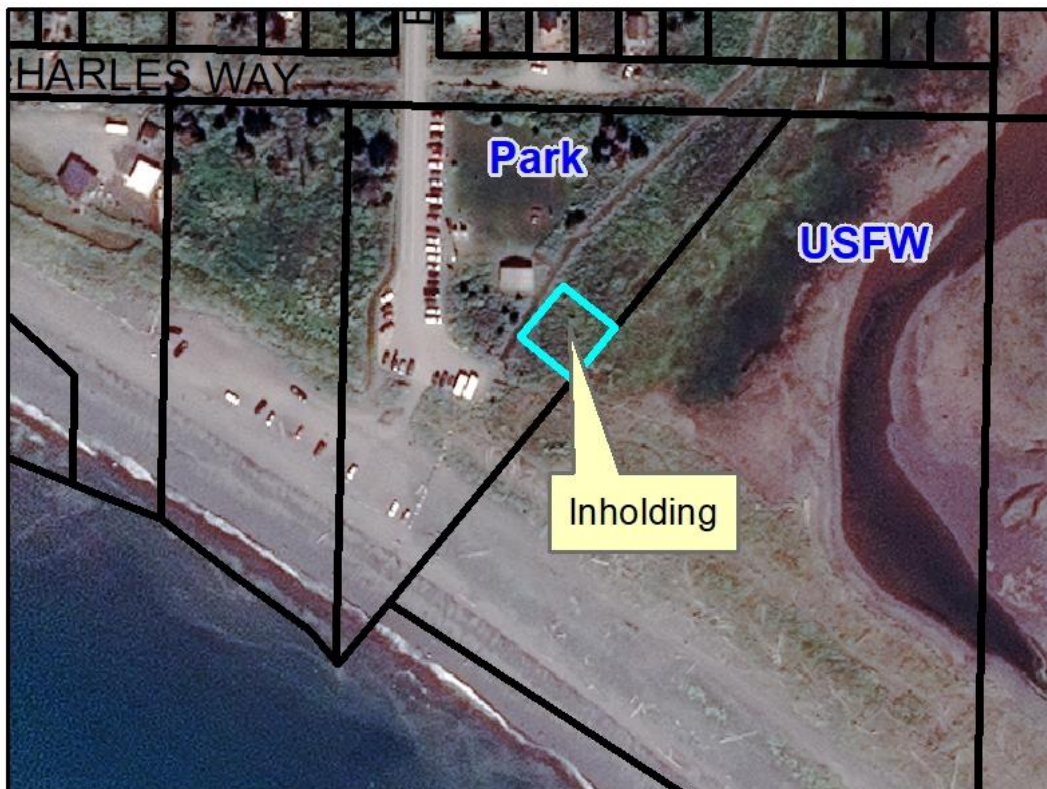
Requested Action: Make a recommendation to purchase, or not purchase, land adjacent to Bishops Beach Park, the maximum the city should pay for the lot, and where the money should come from.

There is a 0.13 acre (about 5,662 square foot) parcel beside Bishops Beach Park and US FW land. This property is for sale, and the seller is interested in selling it to the City. The listed price is \$35,000. The current tax assessed value is \$17,400.

Please make a motion with recommends to Council to:

- Purchase or not purchase the land
- If there is a maximum amount the city should spend
- If the money should come from Parks Reserves (approximately \$60,000 balance) or Land Reserves (\$200,000 balance).

If The Commission thinks the City should purchase the land, the Commission will need to find a Councilmember to sponsor and ordinance.



ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-77

An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$13,480 from the City Hall CARMA Fund for Finance Office Remodel and Furnishings.

Sponsor: City Manager/Finance Director

1. City Council Regular Meeting October 12, 2020 Introduction

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Finance Director

ORDINANCE 20-77

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE 2020 CAPITAL BUDGET AND AUTHORIZING THE
EXPENDITURE OF \$13,480 FROM THE CITY HALL CARMA FUND
FOR FINANCE OFFICE REMODEL AND FURNISHINGS.

WHEREAS, Council authorized the hiring of additional Finance personnel through Ordinance 20-44; and

WHEREAS, No workspace currently exists for additional personnel; and

WHEREAS, Funds authorized by this ordinance will accommodate the cost of a cubicle, labor to install, and furnishings.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The budget is hereby amended as follows:

<u>Account:</u>	<u>Description:</u>	<u>Amount:</u>
156-0384	Finance Office Remodel	\$13,480

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

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this __ day of _____, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

44 YES:
45 NO:
46 ABSTAIN:
47 ABSENT:
48
49 First Reading:
50 Public Reading:
51 Second Reading:
52 Effective Date:
53
54

55 Reviewed and approved as to form:
56

57 _____
58 Rob Dumouchel, City Manager

Michel Gatti, City Attorney

59
60 Date: _____
61

Date: _____
62

63 Section 2. This Ordinance is of a permanent and general character and shall be included
64 in the City Code.
65

66 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of _____, 2020.
67

CITY OF HOMER

68
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70
71
72
73 ATTEST:
74

KEN CASTNER, MAYOR

75 _____
76 MELISSA JACOBSEN, MMC, CITY CLERK
77

78 YES:
79 NO:
80 ABSTAIN:
81 ABSENT:
82

83
84 Reviewed and approved as to form:
85

86 _____
87 Robert Dumouchel, City Manager

88
89 Date: _____

90

Michael Gatti, City Attorney

Date: _____

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager
4 Public Works Director

5 **RESOLUTION 20-094**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AWARDING THE CONTRACT FOR THE HOMER SEAWALL ARMOR
9 ROCK IMPROVEMENT PROJECT TO JIM PSENAK CONSTRUCTION,
10 LLC. OF PALMER, ALASKA IN THE AMOUNT OF \$570,518 AND
11 AUTHORIZING THE CITY MANAGER TO EXECUTE THE
12 APPROPRIATE DOCUMENTS.

13
14 WHEREAS, In accordance with the Procurement Policy the Invitation to Bid was
15 advertised the Homer News on September 3 and September 10 and in the Anchorage Daily
16 News on September 6, sent to two in-state plans rooms, and posted on the City of Homer
17 website; and

18
19 WHEREAS, Bids were due September 17, 2020 and 5 bids were received; and

20
21 WHEREAS, Jim Psenak Construction, LLC. of Palmer, Alaska was found to be the lowest
22 responsive and responsible bidder; and

23
24 WHEREAS, This award is not final until written notification is received by the firm from
25 the City of Homer.

26
27 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the
28 Contract for the Homer Seawall Armor Rock Improvement Project to Jim Psenak Construction,
29 LLC of Palmer, Alaska in the amount of \$570,518, and authorizes the City Manager to execute
30 the appropriate documents.

31
32 PASSED AND ADOPTED by the Homer City Council this 12th day of October, 2020.

33
34 CITY OF HOMER

35
36
37 _____
38 KEN CASTNER, MAYOR

39 ATTEST:

40
41 _____
42 MELISSA JACOBSEN, MMC, CITY CLERK

43
44 Fiscal note: 151-0742 \$570,518



MEMORANDUM 20-159

To: Rob Dumouchel, City Manager
From: Carey Meyer, City Engineer
Thru: Jan Keiser, Public Works Director
Date: October 6, 2020
Subject: **Award of Construction Contract
Homer Seawall Revetment Project**

On September 17, 2020, bids were received for the above referenced project. The project was advertised the Homer News on September 3 and September 10 and in the Anchorage Daily News on September 6. Competitive bidding was completed in accordance with the City's procurement regulations.

5 (five) responsive bids were received from qualified firms. The bid results were evaluated and the results are as follows:

Responsive Bidder	Location	Bid
Granite Construction Company	Anchorage	\$ 638,600
Cruz Construction, Inc.	Palmer	\$ 1,445,500
Alaska Marine Excavation, LLC	Anchor Point	\$ 800,000
Tutka General Contractor, LLC	Wasilla	\$ 657,000
Jim Psenak Construction, LLC	Palmer	\$ 570,518
Engineer's Estimate		\$ 860,930

Public Works has reviewed the experience and qualifications of the low bidder and finds them technically qualified to and financially capable of completing the work.

The low bid is within the budget approved by the City Council. Public Works recommends awarding to the low bidder. The City's local bidder's preference does not apply to the award of this contract, since federal loan funds are involved.

Recommendation:

City Council pass a resolution awarding the construction contract for Homer Seawall Revetment Project in the amount of \$570,518 to Jim Psenak Construction, LLC of Palmer, Alaska and authorizing the City Manager to execute all appropriate documents necessary to complete this project.

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 20-095

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
ACKNOWLEDGING THE SUFFICIENCY OF THE ALDER LANE WATER
IMPROVEMENT SPECIAL ASSESSMENT DISTRICT AND APPROVING
THE IMPROVEMENT PLAN, ESTIMATED COST OF IMPROVEMENT
AND ASSESSMENT METHODOLOGY.

WHEREAS, A petition was initiated by property owners within Alder Lane to form a water improvement special assessment district; and

WHEREAS, The Alder Lane Special Assessment District boundary includes property fronting Alder Lane; and

WHEREAS, The estimated cost of the water improvements is \$253,193.00 with property owners paying 75% and the Homer Accelerated Water and Sewer Program (HAWSP) paying 25% of the costs; and

WHEREAS, The deadline to receive written objections was September 27, 2020 and two written objection(s) were received, one from Herreman and one from Lexicon, LLC.; and

WHEREAS, A Public Hearing was held on September 28, 2020; and

WHEREAS, Pursuant to HCC 17.02.050 (b) if owners of real property that would bear 50 percent or more of the assessed cost of the improvement file timely written objections, the Council may not proceed with the improvement unless it revises the improvement plan to reduce the assessed cost to less than 50% of the assessed cost of the improvement; and

WHEREAS, The estimated project cost is \$253,193, the estimated property owner share is \$189,894; and

WHEREAS, The value of the objecting property owners estimated assessed cost is \$81,121, which is less than 50% of the assessed cost of the improvement; and

WHEREAS, Council finds the petition bears sufficient support and that the water improvement is necessary and to the benefit the following nine properties that shall be included in the Alder Lane Water Improvement Special Assessment District:

43

Legal Description	Record Owner	Parcel #	Estimated Assessment
T 6S R 13W SEC 15 Seward Meridian HM 0720764 COOPER SUB LOT 2 BLK 2	HAALAND TRUST ALEX HAALAND	17929010	\$14,875
T 6S R 13W SEC 15 Seward Meridian HM 0720764 COOPER SUB LOT 3 BLK 2	DALE BANKS SHARON ROUFA	17929011	\$17,199
T 6S R 13W SEC 15 Seward Meridian HM 0720764 COOPER SUB LOT 4 BLK 2	ALLEN J WHITE	17929012	\$16,502
T 6S R 13W SEC 15 Seward Meridian HM 0720764 COOPER SUB LOT 5 BLK 2	ALEX G & LINDSAY TRIEWEILER	17930010	\$25,566
T 6S R 13W SEC 15 Seward Meridian HM 0850106 COOPER SUB LOTS 6 & 9 BLK 2 RENF REW ADDN LOT 6A BLK 2	JOSEPH YOUNG JAMES EMMETT DANIEL YOUNG WILSON BRIDGER	17930021	\$11,621
T 6S R 13W SEC 15 Seward Meridian HM 0850106 COOPER SUB LOTS 6 & 9 BLK 2 RENF REW ADDN LOT 6B BLK 2	DANIEL WAYNE YOUNG	17930022	\$11,621
T 6S R 13W SEC 15 Seward Meridian HM 2012043 COOPER SUB HAALAND ADDN LOT 7-A	JASON K HERREMAN	17930048	\$10,691
T 6S R 13W SEC 15 Seward Meridian HM 2012043 COOPER SUB HAALAND ADDN LOT 7-B	JAMES C PARKER JESSICAL J MOORE	17930049	\$11,389
T 6S R 13W SEC 15 Seward Meridian HM 0700591 TIETJEN SUB TRACT E	LEXICON, LLC	17928011	\$70,430

44

45 WHEREAS, The nine properties will be assessed through a Benefitted Area methodology
 46 as identified in the table above.

47

48 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska
 49 acknowledges the sufficiency of the Alder Lane Water Improvement Special Assessment and
 50 approves the improvement plan, estimated cost of improvement, and assessment
 51 methodology.

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53 PASSED AND ADOPTED by the Homer City Council this 12th day of October, 2020.

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CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: HAWSP \$63,298



MEMORANDUM 20-160

To: Rob Dumouchel, City Manager
 From: Carey Meyer, City Engineer
 Thru: Jan Keiser, Public Works Director
 Date: October 6, 2020
 Subject: **Alder Lane Water Improvement SAD**

Justification for Use of “Benefitted Area” Assessment Method:

At the neighborhood meeting, where potentially benefitted property owners are provided the opportunity to learn more about and provide input into the SAD initiation process, three different assessment methodologies (equal share, frontage foot and benefitted area) were presented (shown below):

Owner		Area (Acres) Benefitted	Frontage (Feet)	Assessment Method		
				Equal Share	Frontage Foot	Benefitted Area
Cooper Subd Lot 2, BLK 2	Haaland	0.64	140.0	\$21,099	\$14,948	\$14,875
Cooper Subd Lot 3, BLK 2	Banks	0.74	160.0	\$21,099	\$17,083	\$17,199
Cooper Subd Lot 4, BLK 2	White	0.71	155.0	\$21,099	\$16,550	\$16,502
Cooper Subd Lot 5, BLK 2	Trieweiler	1.10	240.0	\$21,099	\$25,625	\$25,566
Cooper Subd Lot 6 & 9, BLK 2	Young	0.50	107.5	\$21,099	\$11,478	\$11,621
Cooper Subd Lot 6 & 9, BLK 2	Young	0.50	107.5	\$21,099	\$11,477	\$11,621
Haaland Addn Lot 7-B	Parker	0.49	170.3	\$21,099	\$18,186	\$11,389
Haaland Addn Lot 7-A	Herreman	0.46	38.2	\$21,099	\$4,079	\$10,691
Tietjen Subd Tract E	Lexicon	3.03	660.0	\$21,099	\$70,469	\$70,430
		8.17	1778.5	\$189,894	\$189,894	\$189,894

When the lots within a SAD district are similar in size and land use is consistent within the district, **equal share** can be the fairest way of levying assessments. In this case, lots sizes vary considerably and land use on the west side of Alder Lane is Rural Residential, but on the east side is East End Mixed Use.

When lots within a SAD are configured in a similar manner, **frontage foot** can be a fair method of levying assessments, since the cost of providing water service to a property is directly related to the width of the lot as it fronts the main. In this case, lots with the same land use exist with significantly different frontages (see Parker and Herreman lots; 7-B and 7-A above).

When lots within a SAD district vary in size (especially when the potential exists for future subdividing), **benefitted area** can be the fairest method of levying assessments. When assessing very large lots, the benefitted area is limited to an area immediately adjacent to and directly benefitted from the SAD improvements. The benefitted area of the large lot on the east side of Alder Lane (Lexicon; Tract E) is limited to the front 200'. This is consistent with the depth of lots on the west side of Alder Lane.

See the attached map showing the configuration of the lots within the proposed district and the area used to calculate assessments (highlighted in yellow) using the benefitted area method.

Although it was not unanimous, a majority of property owners that attended the neighborhood meeting thought the benefitted area method was the most fair. Based on the configuration of the lots within the proposed SAD, the differing land uses, the varying lot sizes, and the potential for future subdividing; Public Works recommends the benefitted area method of determining assessments be used in this case.

Justification for Including Herreman; Lot 7-A in the SAD Boundary

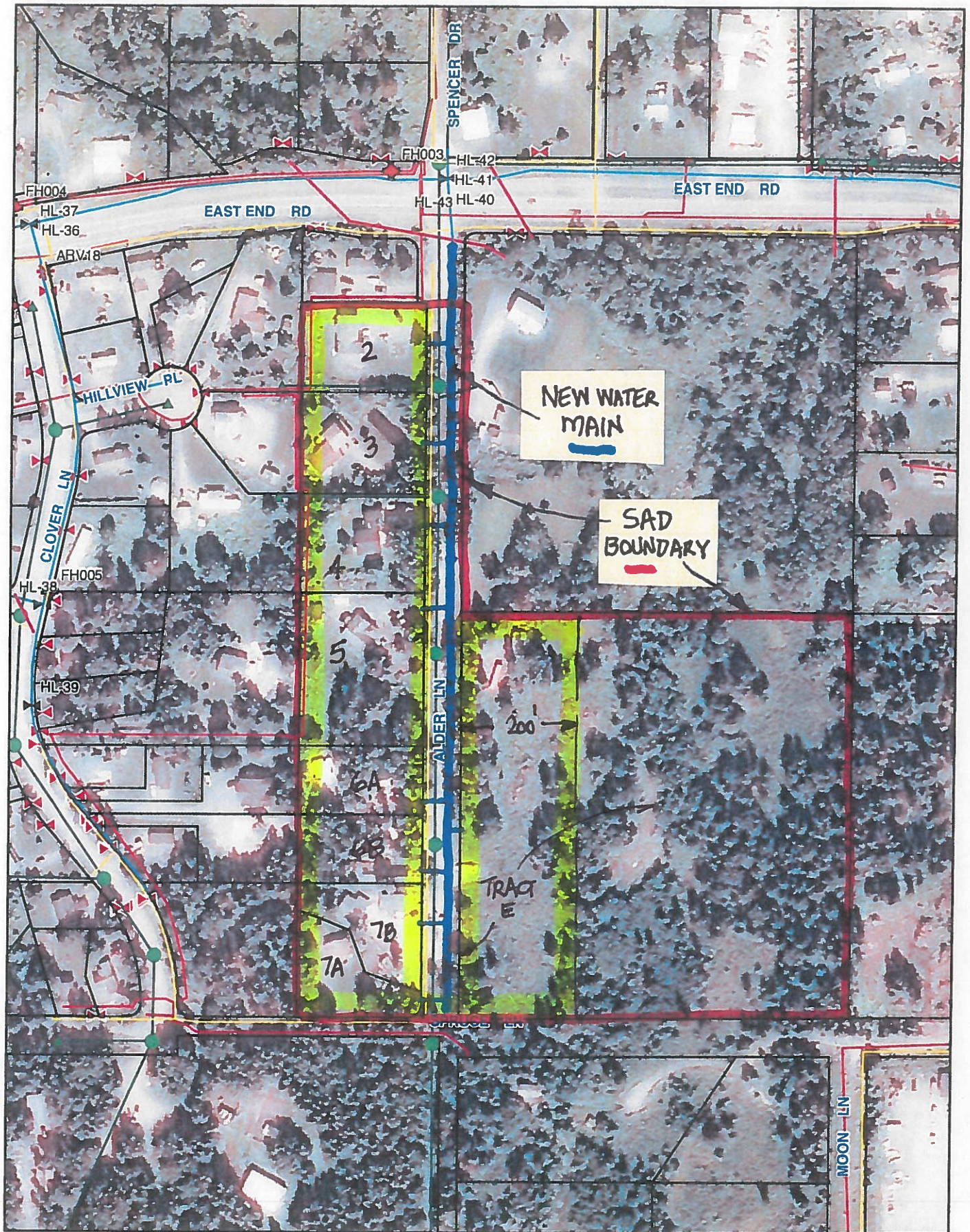
Lot 7-A is the farthest south lot on the east side of Alder Lane (see attached map). The owner has objected to being included in the SAD. The lot is currently served with water thorough a "spaghetti line" that crosses the adjacent lot to the west and runs up Clover Lane to an existing water main.

The Council amended the Homer City Code a few years ago to eliminate any new spaghetti lines and stipulates that when mains are installed across the front of property served by existing spaghetti lines, the lot owners are required to pay their fair share and connect.

The proposed water main needs to be extended to the bottom of Alder Lane to serve the large lot (Tract E) on the east side of Alder Lane. Service cannot be provided to any lot unless it is completely fronted by a water main. Since the proposed main needs to be extended across the entire frontage of Tract E, it will front the entire frontage of Lot 7-A.

If Lot 7-A is not included in this SAD, the other members of the district will have to share in the cost of extending a main that benefits Lot 7-A.

Public Works recommends that Lot 7-A be included in the SAD, since it will necessarily be served by the proposed water main improvement and would increase the cost to other property owners if it is not included in the proposed SAD.

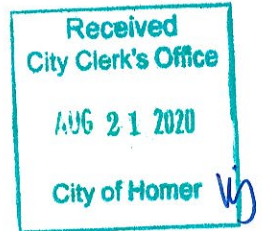


 BENEFITTED LOT ARE

1 inch = 200 feet

STATEMENT OF OBJECTION

TO SPECIAL ASSESSMENT DISTRICT



SPECIAL ASSESSMENT DISTRICT: Alder Lane Water Improvement Special Assessment District

I/we affirm that I/we are the owner(s) of the following lot(s) in the Special Assessment District
(give legal description):

Lot 7: T6S R13W Seward Meridian HM
2012043 Cooper Sub Hualand ADDN Lot 7-A
KPB # 17930048

I/We object to the Alder Lane Water Improvement Special Assessment District.

Reasons/Comments: We do not believe our lot should be included in
the water improvement special assessment district. If
our lot is removed we will remove our objections.

PROPERTY OWNER'S PRINTED NAME, SIGNATURE, AND DATE:

<u>Jason Kerremann</u> (Print Name)	<u>Jason K Kerremann</u> (Signature)	<u>8/19/2020</u> (Date)
<u>Jennifer Bando</u> (Print Name)	<u>JR Bando</u> (Signature)	<u>8/19/2020</u> (Date)
_____ (Print Name)	_____ (Signature)	_____ (Date)

NOTE: PLEASE MAKE SURE THAT ALL THE PROPERTY OWNERS OF RECORD PRINT, SIGN, AND DATE THIS DOCUMENT. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK NO LATER THAN THE DAY BEFORE THE DATE OF THE SCHEDULED PUBLIC HEARING. THE PUBLIC HEARING WILL BE HELD MONDAY, SEPTEMBER 28, 2020 AT 6:00.

City of Homer
Office of the City Clerk
491 E. Pioneer Avenue
Homer, Alaska 99603

Statement of objection

City of Homer property owner's Statement of objection

8/13/2020



To: Special Assessment District (SAD): Alder Lane Water Improvement Special Assessment District

We, Lexicon LLC, property owners of the following lot, T 6S R 13W SEC Seward Meridian HM 0700591 TIETJEN SUB TRACT E KPB #1792801, object to the Alder Lane Water Improvement Special Assessment District in its current form of assessment methodology "Benefitted Area Method". Of the (9) nine SAD properties who would receive (1) one service line, (13) thirteen properties directly benefit from access to the waterline for increased property values, fire hydrants, decreased insurance rates, and many more benefits. Average of the other (8) eight properties on the SAD are \$321,000 compared to our \$80,000 property value and we are set to absorb 37% cost of the project for an equal (1) single waterline needed access.

If the assessment methodology was changed to "Equal Area Method" while the projected cost for the project is still high, we would support it because in our view, benefits are the same for the (9) properties in the "Alder Lane Water Improvement Special Assessment District", so cost of getting the waterline should be the same.

Regards,

Michael A. Basargin
Manager of Lexicon LLC

A handwritten signature in black ink, appearing to read "Michael A. Basargin".

8-13-2020

**Concept Cost Estimate
ALDER STREET WATER IMPROVEMENT**

Construction Cost

	quantity	unit	unit price	cost
Mobilization	1	LS	\$3,500	\$3,500
Clearing/Grubbing	1	LS	\$3,000	\$3,000
8" HDPE Main	1250	LF	\$90	\$112,500
8" Valve	2	EA	\$5,500	\$11,000
Fire Hydrant	3	EA	\$7,000	\$21,000
1" water service	9	EA	\$2,000	\$18,000
Connect to Existing	1	EA	\$1,750	\$1,750
Type II Gravel	760	CY	\$30	\$22,800
Pipe Bedding	100	CY	\$27	\$2,700
Seeding	20	MSF	\$55	\$1,100
Construction Survey	1	LS	\$4,500	\$4,500
SWPP Plan	1	LS	\$3,800	\$3,800
Geotextile Fabric	600	SY	\$6	\$3,600
				\$209,250

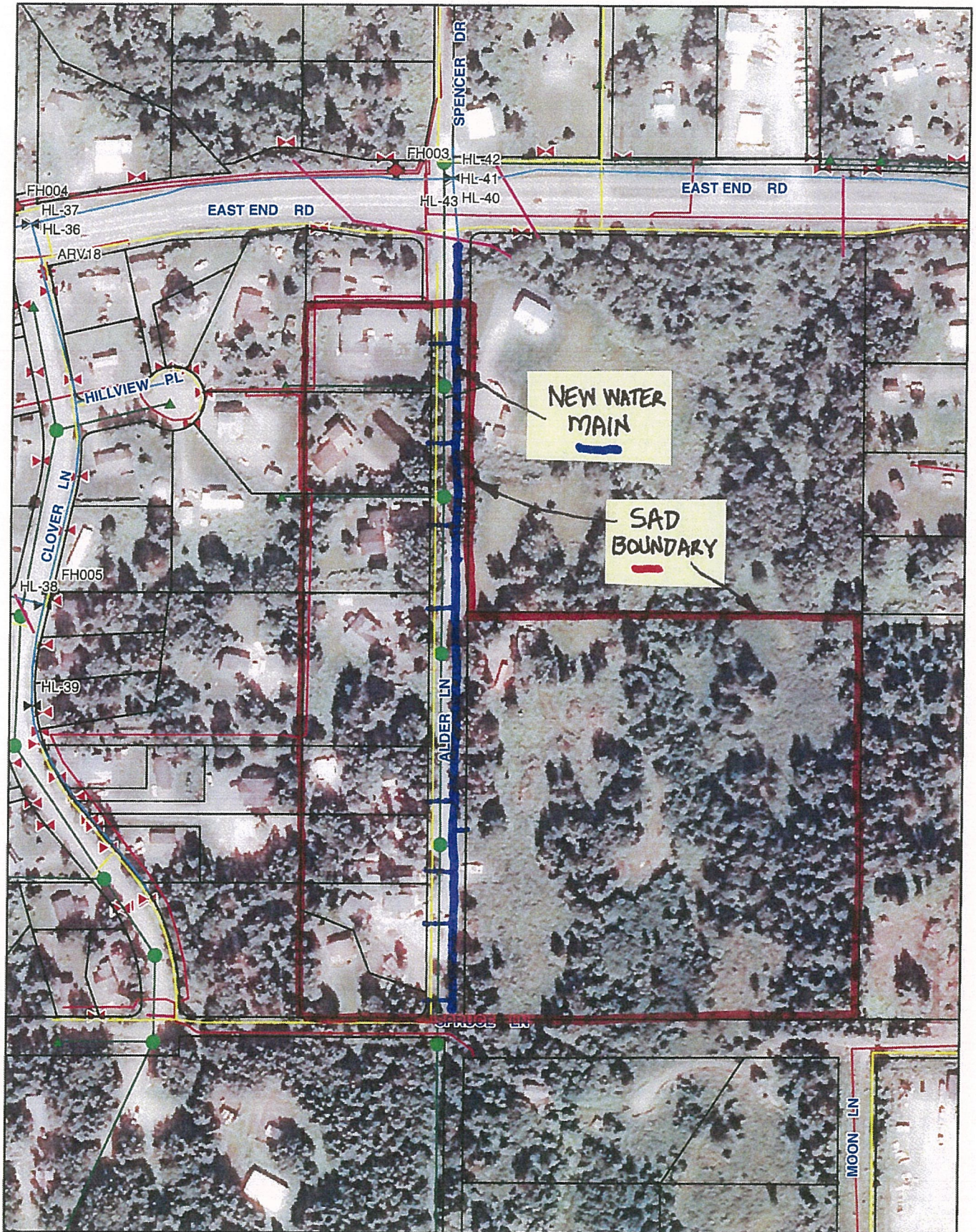
Construction	\$209,250
Design (12%)	\$25,110
Inspection (4%)	\$8,370
City Administration (5%)	<u>\$10,463</u>

Total Project Cost \$253,193

Property Owner Share	\$189,894
City (HAWSP) Share	\$63,298

Owner	Area (Acres) Benefitted	Frontage (Feet)	Assessment Method			
			Equal Share	Frontage Foot	Benefitted Area	
Cooper Subd Lot 2, BLK 2	Haaland	0.64	140.0	\$21,099	\$14,948	\$14,875
Cooper Subd Lot 3, BLK 2	Banks	0.74	160.0	\$21,099	\$17,083	\$17,199
Cooper Subd Lot 4, BLK 2	White	0.71	155.0	\$21,099	\$16,550	\$16,502
Cooper Subd Lot 5, BLK 2	Trieweiler	1.10	240.0	\$21,099	\$25,625	\$25,566
Cooper Subd Lot 6 & 9, BLK 2	Young	0.50	107.5	\$21,099	\$11,478	\$11,621
Cooper Subd Lot 6 & 9, BLK 2	Young	0.50	107.5	\$21,099	\$11,477	\$11,621
Haaland Addn Lot 7-B	Parker	0.49	170.3	\$21,099	\$18,186	\$11,389
Haaland Addn Lot 7-A	Herreman	0.46	38.2	\$21,099	\$4,079	\$10,691
Tietjen Subd Tract E	Lexicon	3.03	660.0	\$21,099	\$70,469	\$70,430
		8.17	1778.5	\$189,894	\$189,894	\$189,894

with 20 years financing, interest rate 2%
 estimated annual payments (equal share) = \$ 1,290 (\$108/mo)



1 inch = 200 feet

PRELIMINARY ASSESSMENT ROLL

PROJECT NAME: **Alder Lane Water Improvement Special Assessment District**

DATE: **July 13, 2020**

TOTAL ESTIMATED PROJECT WATER: **\$253,193.00**

Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District: **\$189,894**

HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: **\$63,298**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT BENEFITTED AREA METHOD
1	HAALAND TRUST HAALAND ALEX 26 NORSE RD. SOUTH DENNIS, MA 02660-2818	T 6S R 13W SEC 15 Seward Meridian HM 0720764 COOPER SUB LOT 2 BLK 2 KPB #17929010	\$ 530,000.00	\$14,875
2	DALE BANKS & SHARON ROUFA P.O. BOX 2888 HOMER, AK 99603-2888	T 6S R 13W SEC 15 Seward Meridian HM 0720764 COOPER SUB LOT 3 BLK 2 KPB #17929011	\$ 317,300.00	\$17,199
3	ALLEN J. WHITE P.O. BOX 1486 HOMER, AK 99603-1486	T 6S R 13W SEC 15 Seward Meridian HM 0720764 COOPER SUB LOT 4 BLK 2 KPB #17929012	\$ 440,700.00	\$16,502
4	ALEX G. & LINDSAY TRIEWEILER 4937 ALDER LN. HOMER, AK 99603-8115	T 6S R 13W SEC 15 Seward Meridian HM 0720764 COOPER SUB LOT 5 BLK 2 KPB #17930010	\$ 404,500.00	\$25,566
5	JOSEPH YOUNG, JAMES EMMETT DANIEL YOUNG, WILSON BRIDGER 4905 ALDER LN HOMER, AK 99603-8115	T 6S R 13W SEC 15 Seward Meridian HM 0850106 COOPER SUB LOTS 6 & 9 BLK 2 RENF REW ADDN LOT 6A BLK 2 KPB #17930021	\$ 196,000.00	\$11,621
6	DANIEL WAYNE YOUNG 3351 HOMER SPIT RD. HOMER, AK 99603-8014	T 6S R 13W SEC 15 Seward Meridian HM 0850106 COOPER SUB LOTS 6 & 9 BLK 2 RENF REW ADDN LOT 6B BLK 2 KPB #17930022	\$ 197,400.00	\$11,621
7	JASON K. HERREMAN 2554 SPRUCE LN. HOMER, AK 99603-9484	T 6S R 13W SEC 15 Seward Meridian HM 2012043 COOPER SUB HAALAND ADDN LOT 7-A KPB #17930048	\$ 235,500.00	\$10,691

PRELIMINARY ASSESSMENT ROLL

PROJECT NAME: **Alder Lane Water Improvement Special Assessment District**

DATE: **July 13, 2020**

TOTAL ESTIMATED PROJECT WATER: **\$253,193.00**

Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District: **\$189,894**

HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: **\$63,298**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT BENEFITTED AREA METHOD
8	JAMES C. PARKER JESSICA J. MOORE P.O. BOX 3581 HOMER, AK 99603-3581	T 6S R 13W SEC 15 Seward Meridian HM 2012043 COOPER SUB HAALAND ADDN LOT 7-B KPB #17930049	\$ 248,100.00	\$11,389
9	LEXICON, LLC P.O. BOX 2000 HOMER, AK 99603-2000	T 6S R 13W SEC 15 Seward Meridian HM 0700591 TIETJEN SUB TRACT E KPB #17928011	\$ 79,400.00	\$70,430

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/
4 Public Works Director

5 **RESOLUTION 20-096**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8 AUTHORIZING THE CITY MANAGER TO APPLY AND ACCEPT A LOAN
9 FROM THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL
10 CONSERVATION, ALASKA DRINKING WATER FUND, IN AN
11 AMOUNT NOT TO EXCEED \$945,661, TO FINANCE COSTS OF THE
12 HOMER SEAWALL ARMOR ROCK IMPROVEMENT PROJECT.
13

14 WHEREAS, The Homer Seawall Armor Rock Improvement Project (“Project”) includes
15 the following work: design, acquire and construct armor rock erosion protection to protect
16 private property and infrastructure of the City of Homer, Alaska (“City”); and
17

18 WHEREAS, The City seeks to secure necessary financial assistance for purposes of
19 designing, acquiring and constructing the Project; and
20

21 WHEREAS, The State of Alaska, Department of Environmental Conservation (“ADEC”) has available funding for Project costs through its Alaska Drinking Water Fund; and
22
23

24 WHEREAS, ADEC has included funding of the Project, from the Alaska Drinking Water
25 Fund, on its priority list for Fiscal Year 2021; and
26

27 WHEREAS, The ADEC loan would be in the principal amount of not to exceed \$945,661
28 and repaid over no more than a 30-year term, with a finance rate calculated pursuant to 18 AAC
29 76.255 (for a ADEC Drinking Water Fund loan); and
30

31 WHEREAS, on September 28, 2020, the City Council adopted Resolution No. 20-090
32 (“Initial Resolution”), authorizing the City Manager to apply for and accept an ADEC loan; and
33

34 WHEREAS, following consultations with City officials and consultants, it has been
35 determined this resolution will supersede in all respects the Initial Resolution.
36

37 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska Authorizes
38 the City Manager to apply for, and Accept, a State of Alaska Department of Environmental
39 Conservation loan, in an amount not to exceed \$945,661, from ADEC’s Alaska Drinking Water
40 Fund for purposes of paying costs of the Homer Seawall Armor Rock Improvement Project.
41

42 BE IT FURTHER RESOLVED that this resolution supersedes the Initial Resolution in all
43 respects and all actions taken by the City pursuant to the Initial Resolution are hereby ratified
44 and confirmed.

45
46 Terms not otherwise defined in this resolution shall have the meanings set forth in the
47 recitals to this resolution.

48
49 PASSED AND ADOPTED by the Homer City Council this 12th day of October, 2020.

50
51 CITY OF HOMER

52
53
54 _____
55 KEN CASTNER, MAYOR

56
57 ATTEST:
58
59
60 _____
61 MELISSA JACOBSEN, MMC, CITY CLERK

62
63 Fiscal Note: HAWSP \$69,273



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907- 235-3170

(f) 907-235-3145

Memorandum 20-164

TO: City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Janette Keiser, Director of Public Works

DATE: October 8, 2020

SUBJECT: Amendment to Total Project Budget for Homer Seawall Revetment Project

I. Issue: We are in the middle of the process to form a Special Assessment District for the Homer Seawall Revetment Project. It is our intent that this project will be financed by a loan from the Alaska Department of Environmental Conservation Drinking Water Revolving Loan Fund, which will be repaid by the property owners through assessments. The City needs a way to pay for the projects costs first and subsequently seek reimbursement from the loan funds.

II. Background:

A Special Assessment District for the Homer Seawall Revetment Project has been formed. The Total Project Budget was revised at the City Council meeting of September 28, 2020 to \$945,661 and adopted in Resolution 20-092(A). However, one of the documents related to this Special Assessment District, is Resolution 20-090, which granted authorization for the City Manager to accept a loan from the Alaska Department of Environmental Conservation, which will be used to finance the project. Resolution 20-090 was passed in the Consent Agenda before the Council took action on Resolution 20-092(A). When Resolution 20-092(A) was passed, we forgot to go back and revise Resolution 20-090.

The Total Project Budget was changed for the following reasons:

a. **The 5% Contingency was deleted.** The value of the construction contract listed in the Total Project Budget includes a contingency to cover the possibility the contractor will install rock that that goes beyond the “neat line”; that is, the line which would be made if the contractor were able to place the armor rock precisely within the dimensions shown on the plan sheets. The reality is that this is not always possible. The specification allows a 1’ tolerance, which means the contractor can install rock as much as 1’ beyond the

“neatline” and still be paid for it. This potentially adds \$279,072 to the price of the construction contract. Since the 5% contingency was added to accommodate the possibility that more rock would be needed and this possibility is already accounted for, we felt adding the extra 5% contingency was unwarranted.

- b. **The 5% SAD City Administrative Fee was deleted.** The Council deemed this would be deleted as an additional part of the City’s contribution to the project.
- c. The new Total Project Budget is \$945,661.

III. Action Recommendation.

That a new resolution be adopted to reconcile the authorization to accept the ADEC loan with the Total Project Budget set forth in Resolution 20-092(A), \$945,661.

Total Project Budget

a. Engineering	\$38,596	
b. Design Survey	\$ 3,975	
Total Preconstruction Costs		\$42,571
c. Construction Contract	\$849,590	
d. Inspection	\$ 28,500	
e. Backfill existing wall	\$ 25,000	
Total Construction Costs		\$903,090
f. City Admin. Fee (5% Construction Cost)		\$45,154.50
g. Project Contingency (5% Construction Cost)		\$45,154.50
Total Estimated Project Costs		\$1,035,970

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-64

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.76.040, Duties and Responsibilities of the Commission to Clarify the Role of the Economic Development Advisory Commission.

Sponsor: Smith

1. City Council Regular Meeting September 28, 2020 Introduction
2. City Council Regular Meeting October 12, 2020 Public Hearing and Second Reading

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Smith

4 **ORDINANCE 20-64**
5

6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING HOMER CITY CODE 2.76.040, DUTIES AND
8 RESPONSIBILITIES OF THE COMMISSION TO CLARIFY THE ROLE
9 OF THE ECONOMIC DEVELOPMENT ADVISORY COMMISSION.
10

11 WHEREAS, The City of Homer Comprehensive Economic Development Strategy was
12 found to be outdated and would require significant amount of time and resources to update;
13 and
14

15 WHEREAS, The Kenai Peninsula Economic Development District (KPEDD) restructured
16 their Comprehensive Economic Development Strategy (CEDs) to include all municipalities in
17 the Kenai Peninsula; and
18

19 WHEREAS, The Economic Development Advisory Commission (EDC) reviewed the
20 KPEDD CEDs and found that it would be beneficial to use that document versus updating the
21 City document; and
22

23 WHEREAS, It was determined that by using the KPEDD CEDs, the Homer City Code
24 2.76.040, Duties and Responsibilities would require updating.
25

26 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
27

28 Section 1. Homer City Code 2.76.040 Duties and Responsibilities of the Commission is
29 amended to read as follows:
30

31 **2.76.040 Duties and responsibilities of the Commission.**

32 ~~It shall be the duty of the Commission to act in an advisory capacity to the City Manager and~~
33 ~~the City Council on the overall economic development planning for the City of Homer. The~~
34 ~~Comprehensive Economic Development Strategy was adopted by the City Council on April 26,~~
35 ~~1993. Further duties shall include:~~

36 ~~a. Revisions, amendments and extensions of the Comprehensive Economic Development~~
37 ~~Strategy (CEDs) which may be adopted by the City Council after consideration and report by~~
38 ~~the Commission.~~

39 ~~b. Provide continued review and evaluation of the CEDs.~~

40 ~~c. Supervise and monitor the implementation of the CEDs.~~

41 **a. Oversee responsibility of the City of Homer's work with KPEDD in developing a 2-page**
42 **strategic plan for the specific Homer portion of the regional CEDs that is written every 5**
43 **years.**

- 44 **1. Co host with KPEDD public meetings to collect comments on local strengths,**
45 **opportunities, weaknesses and threats especially relating to the economy to**
46 **determine the City’s needs and wants. This is done to broaden public**
47 **involvement**
48 **2. Review and comment on yearly CEDS updates.**
49 **3. Monitor the implementation of the regional CEDS in terms of the Homer**
50 **portion**

51
52 **d. b.** Collect and analyze data to evaluate existing City of Homer resources.

53
54 **e. c.** Formulate and develop the overall long-range economic development goals of the
55 residents of the City of Homer through public hearing process.

56
57 **f. d.** Identify specific alternatives or projects to accomplish the City’s objectives.

58
59 **g. e.** Recommend priorities for the projects or alternatives.

60
61 **h. f.** Promote public interest in overall economic development.

62
63 **i. g.** Make inquiries regarding matters related to economic development.

64
65 **j. h.** Commission may take part in activities with the Chamber of Commerce, Kenai Peninsula
66 Borough Economic Development District, and Kenai Peninsula Borough Tourism Marketing
67 Council upon the approval of the Council.

68
69 **k. i.** Commission should provide a representative for the KPB Economic Development District
70 Board.

71
72 **l. j.** Any recommendation the Commission may have regarding economic development is to be
73 directed to the City Council through the City Manager or the recommendations of the
74 Commission concerning policy issues shall be sent directly to the Council upon request of the
75 Commission.

76
77 **m. k.** The Commission shall consider any specific proposal, problem or project as directed by
78 the City Council and any report or recommendations thereon shall be made directly to the
79 Council, unless otherwise directed by the Council.

80
81 **n. l.** The City Council may at a future date expand or withdraw duties and responsibilities of
82 the Commission. [Ord. 93-15(S)(A), 1993; Ord. 06-25 § 1, 1993. Code 1981 § 1.78.040].

83
84 **Section 2.** This Ordinance is of a permanent and general character and shall be
85 included in the City Code.

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ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of October, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Robert Dumouchel, City Manager

Michael Gatti, City Attorney

Date: _____

Date: _____

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-65

An Ordinance of the City Council of Homer, Alaska, Amending the 2020 Budget by Appropriating Funds in the Amount of \$271,281 for Personnel Costs Associated with COVID-19 Preparation and Response.

Sponsor: City Manager

1. City Council Regular Meeting September 28, 2020 Introduction
Memorandum 20-146 from Finance Director as backup
2. City Council Regular Meeting October 12, 2020 Public Hearing and Second Reading
Memorandum 20-161 from City Manager as backup

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4 **ORDINANCE 20-65**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING THE 2020 BUDGET BY APPROPRIATING FUNDS IN THE
8 AMOUNT OF \$271,281 FOR PERSONNEL COSTS ASSOCIATED
9 WITH COVID-19 PREPARATION AND RESPONSE.

10
11 WHEREAS, On March 11, 2020, the Governor of the State of Alaska issued a Public Health
12 Disaster Emergency Declaration for COVID-19; and

13
14 WHEREAS, On March 13, 2020, the President of the United States of America declared a
15 national emergency due to COVID-19; and

16
17 WHEREAS, On March 18, 2020, the Mayor of the City of Homer declared a Local Health
18 Emergency due to COVID-19 which has been extended through October 27, 2020 with the
19 passage of Resolution 20-069; and

20
21 WHEREAS, Preparing and responding to COVID-19 requires available funding as the City
22 did not anticipate these expenditures; and

23
24 WHEREAS, The City Manager will present Council with an ordinance to reappropriate
25 CARES Act dollars to ensure expenses incurred from the COVID-19 pandemic are reimbursed
26 by this funding mechanism.

27
28 NOW, THEREFORE, The City of Homer Ordains:

29
30 Section 1: The FY 2020 budget is hereby amended by appropriating funds in the amount
31 of \$271,281 from the General Fund Fund Balance for the purpose of personnel costs associated
32 with COVID-19 preparation and response:

33
34

Account No.	Description:	Amount:
100-0100	COVID-19 Response	\$271,281

35
36
37 Section 2: The Finance Department will continue to manage the project account for
38 COVID-19 Response in order to track all project related expenses with the intent for their full
39 reimbursement being sought from State, Federal, and Borough assistance.

40
41 Section 3: This is a budget amendment ordinance, is not permanent in nature, and shall
42 not be codified.

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ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 28th day of September, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form.

Rob Dumouchel, City Manager

Michel Gatti, City Attorney

Date: _____

Date: _____



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum 20-161

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: October 7, 2020
SUBJECT: Follow-up to Ordinance 20-65

At the September 28, 2020 meeting where Ordinance 20-65 was introduced, Council had some questions regarding how COVID-related personnel costs will be accounted for moving forward into 2021. This memo adds to the discussion started in Memorandum 20-146 from Finance Director Walton regarding COVID-19 Related Personnel Costs.

I see the COVID-related personnel costs in three categories: existing staff who are spending a significant amount of time on COVID-response-specific tasks, public safety emergency hires, and CARES Act Emergency Relief Grant program hires.

Existing Staff

Existing staff has largely absorbed the impact of COVID-response. The time spent on COVID-related activities is eligible for reimbursement and has been diligently tracked by affected staff members. Because these hours are identifiable and reimbursable we are requesting CARES Act funds to defray the costs to the City of responding to the declared emergency. All of these positions are already included in the 2021 budget and no impacts are anticipated to next year's budget. If administration of our COVID-related response intensifies, we may need to evaluate the value of hiring additional help, or exploration of FEMA reimbursement options for allowable staff hours, but at this time we are not pursuing that option.

Public Safety Emergency Hires

At the beginning of the COVID emergency, the Fire Department went forward with two emergency hires to support their operations in a time of increased need and risk to the health of both the volunteers and paid staff. The emergency hires were intended to provide the safest means of responding to potentially high-risk situations, where mitigation of illness to others was the highest priority. The addition of these hires meant that the daily roster would have two trained EMTs available to respond 24/7 to emergencies. This makes for a safer work environment at the fire station and greatly reduces risk of COVID exposure to both volunteers and paid staff alike. This strategic decision was made with the thought that it would minimize the risk to as many HVFD members as possible. This ensures that if full-time staff succumb to illness, a healthy volunteer crew would still be available to staff the ambulance and to continue to respond to fire calls. This is the best way the City can protect and serve our community during this disaster.

The two emergency hires were brought on with the understanding that these are not permanent positions and will only persist as long as funds and an emergency need exist. Ordinance 20-65 funds these positions

through the end of the CARES Act's defined eligibility window (the end of December 2020). Depending on the level of risk and operational needs of the Fire Department at the end of the year, there may be a discussion brought to Council about accounting for these emergency hires extending into the 2021 budget year.

CARES Act Emergency Relief Grant Program Hires

The CARES Act Emergency Relief Grant (ERG) programs created by the City Council have been paired with two individuals who are assisting City staff with development and implementation of the programs. One is a temporary hire and the other is a private contractor operating on a short-term contract. These positions are wholly funded by CARES Act funds and are not expected to persist beyond the existence of CARES Act funding or impact the 2021 budget. There are no funds appropriated in Ordinance 20-65 which would apply to the ERG program hires.

Staff Recommendation: Approve Ordinance 20-65 as proposed.



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum 20-146

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 24, 2020
SUBJECT: COVID-19 Related Personnel Costs

The purpose of this memo is to provide an update on the City's existing appropriation for COVID-19 related personnel costs, a summary of projected personnel costs through December 30, 2020, and discussion concerning the inclusion of budgeted personnel costs for reimbursement with the City's Cares Act funds.

Existing Appropriation

Total appropriation to date for personnel costs associated with COVID-19 preparation and response is up to \$553,312. This appropriation total includes the following:

- Ordinance 20-25(S) appropriated \$445,000 for approved staffing expenses associated with COVID-19 response. This appropriation included expenses approved in Emergency Ordinance 20-24 (Memo 20-065 provides detail), totaling \$255,000 and "regular budgeted" personnel costs presented in a memorandum in council's laydown packet for the meeting on May 26th totaling just shy of \$190,000. Together these two estimations equate to the \$445,000 appropriated in Ordinance 20-25(S).
 - Ord.20-25(S) also set aside \$90,000 to pay for administrative costs including personnel (hired an SBERG Program Manager) for the SBERG Program. Later, Ord. 20-41 reappropriated \$50,000 of the \$90,000 to pay for administrative costs including personnel (hiring an Economic Relief Grant Program Manager) to assist with the City's expanded CARES Act grant funding programs. This dollar amount is not factored into the above total as it is only to be used for these two new positions and their programs' admin costs.
- Ordinance 20-45(S) appropriated \$108,312 for approved staffing expenses associated with COVID-19 response. This appropriation was broken out in accompanying memo 20-113 from the Finance Director.

Projected Personnel Expenses

The requested appropriation detailed below is intended to account for the City's personnel costs associated with COVID-19 through December 30, 2020. The appropriation

includes regular, budgeted employee time. According to past US Treasury guidance for the use of CARES Act Funds, “statute requires that [CARES funds] be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020.” On September 2nd, Treasury updated guidance on the inclusion of budgeted employee regular time. Discussion of that is provided below.

Update of the appropriations set forth in Ord 20-25(S) and Ord 20-45(S):

Combined Appropriation	\$553,312
Unbudgeted Personnel thru PPE 9/13	(\$265,691)
Budgeted Personnel thru PPE 9/13	(\$235,719)
Remaining after PPE 9/13	\$51,902

There was a summation error reported in Memo 20-144 regarding the breakdown between unbudgeted and budgeted personnel thru PPE 8/30. The costs associated with emergency hires was included in the budgeted total, however it was supposed to be tallied in the unbudgeted total. The error has been corrected in this memo and emergency hires are now properly included in the unbudgeted category.

Breakdown of projected unbudgeted personnel costs through December 30, 2020:

Standby	\$ 0
Overtime	\$49,677
<u>Emergency Hires</u>	<u>\$187,866</u>
Total Projection	\$237,543

Breakdown of projected budgeted personnel costs through December 30, 2020:

Full Time Regular	\$85,640
<u>Part Time Regular</u>	<u>\$ 0</u>
Total Projection	\$85,640

Total Projected Personnel Costs:	\$323,184
Appropriation Remaining:	\$51,902
Additional Funding Requested:	\$271,281

Budgeted Personnel Costs

Throughout the COVID-19 response, the City of Homer has documented COVID-19-related hourly personnel costs and considered these eligible, reimbursable expenses under the CARES Act. On September 2nd, US Treasury updated their guidelines to state that “payroll expenses allocated on an hourly basis to employees’ time dedicated to mitigating or responding to the COVID-19 public health emergency” would qualify as reimbursable

expenses. This confirms the City's position of applying both substantially dedicated employees' time and hourly regular budgeted personnel expenses to CARES.

Recommendation:

Approve additional appropriation of \$271,281 to fund COVID-19 related personnel costs for the remainder of the CARES Act eligibility period (ends December 30, 2020).

Enclosures:

Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments-
Updated September 2, 2020

Coronavirus Relief Fund
Guidance for State, Territorial, Local, and Tribal Governments
Updated September 2, 2020¹

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act established the Coronavirus Relief Fund (the “Fund”) and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.²

The guidance that follows sets forth the Department of the Treasury’s interpretation of these limitations on the permissible use of Fund payments.

Necessary expenditures incurred due to the public health emergency

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

¹ On June 30, 2020, the guidance provided under “Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020” was updated. On September 2, 2020, the “Supplemental Guidance on Use of Funds to Cover Payroll and Benefits of Public Employees” and “Supplemental Guidance on Use of Funds to Cover Administrative Costs” sections were added.

² See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.

Costs not accounted for in the budget most recently approved as of March 27, 2020

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

Finally, the CARES Act provides that payments from the Fund may only be used to cover costs that were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020 (the “covered period”). Putting this requirement together with the other provisions discussed above, section 601(d) may be summarized as providing that a State, local, or tribal government may use payments from the Fund only to cover previously unbudgeted costs of necessary expenditures incurred due to the COVID-19 public health emergency during the covered period.

Initial guidance released on April 22, 2020, provided that the cost of an expenditure is incurred when the recipient has expended funds to cover the cost. Upon further consideration and informed by an understanding of State, local, and tribal government practices, Treasury is clarifying that for a cost to be considered to have been incurred, performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). For instance, in the case of a lease of equipment or other property, irrespective of when payment occurs, the cost of a lease payment shall be considered to have been incurred for the period of the lease that is within the covered period but not otherwise. Furthermore, in all cases it must be necessary that performance or delivery take place during the covered period. Thus the cost of a good or service received during the covered period will not be considered eligible under section 601(d) if there is no need for receipt until after the covered period has expired.

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the Fund. Additionally, the cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient’s usual procurement policies and practices, and it is impractical to track and record when the items were used. A recipient may use payments from the Fund to purchase a durable good that is to be used during the current period and in subsequent periods if the acquisition in the covered period was necessary due to the public health emergency.

Given that it is not always possible to estimate with precision when a good or service will be needed, the touchstone in assessing the determination of need for a good or service during the covered period will be reasonableness at the time delivery or performance was sought, *e.g.*, the time of entry into a procurement contract specifying a time for delivery. Similarly, in recognition of the likelihood of supply chain disruptions and increased demand for certain goods and services during the COVID-19 public health emergency, if a recipient enters into a contract requiring the delivery of goods or performance of services by December 30, 2020, the failure of a vendor to complete delivery or services by December 30, 2020,

will not affect the ability of the recipient to use payments from the Fund to cover the cost of such goods or services if the delay is due to circumstances beyond the recipient's control.

This guidance applies in a like manner to costs of subrecipients. Thus, a grant or loan, for example, provided by a recipient using payments from the Fund must be used by the subrecipient only to purchase (or reimburse a purchase of) goods or services for which receipt both is needed within the covered period and occurs within the covered period. The direct recipient of payments from the Fund is ultimately responsible for compliance with this limitation on use of payments from the Fund.

Nonexclusive examples of eligible expenditures

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
 - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
 - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 - Costs of providing COVID-19 testing, including serological testing.
 - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
 - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
 - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
 - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
 - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
 - Expenses for public safety measures undertaken in response to COVID-19.
 - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
 - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
 - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
 - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
 - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
 - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
 - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
 - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

Nonexclusive examples of ineligible expenditures³

The following is a list of examples of costs that would not be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.⁴
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

³ In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

⁴ See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.

4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

Supplemental Guidance on Use of Funds to Cover Payroll and Benefits of Public Employees

As discussed in the Guidance above, the CARES Act provides that payments from the Fund must be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. As reflected in the Guidance and FAQs, Treasury has not interpreted this provision to limit eligible costs to those that are incremental increases above amounts previously budgeted. Rather, Treasury has interpreted this provision to exclude items that were already covered for their original use (or a substantially similar use). This guidance reflects the intent behind the Fund, which was not to provide general fiscal assistance to state governments but rather to assist them with COVID-19-related necessary expenditures. With respect to personnel expenses, though the Fund was not intended to be used to cover government payroll expenses generally, the Fund was intended to provide assistance to address increased expenses, such as the expense of hiring new personnel as needed to assist with the government's response to the public health emergency and to allow recipients facing budget pressures not to have to lay off or furlough employees who would be needed to assist with that purpose.

Substantially different use

As stated in the Guidance above, Treasury considers the requirement that payments from the Fund be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020, to be met if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost is for a *substantially different use* from any expected use of funds in such a line item, allotment, or allocation.

Treasury has provided examples as to what would constitute a substantially different use. Treasury provided (in FAQ A.3) that costs incurred for a substantially different use would include, for example, the costs of redeploying educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty's ordinary responsibilities.

Substantially dedicated

Within this category of substantially different uses, as stated in the Guidance above, Treasury has included payroll and benefits expenses for public safety, public health, health care, human services, and similar employees whose services are *substantially dedicated* to mitigating or responding to the COVID-19 public health emergency. The *full amount* of payroll and benefits expenses of substantially dedicated employees may be covered using payments from the Fund. Treasury has not developed a precise definition of what "substantially dedicated" means given that there is not a precise way to define this term

across different employment types. The relevant unit of government should maintain documentation of the “substantially dedicated” conclusion with respect to its employees.

If an employee is not substantially dedicated to mitigating or responding to the COVID-19 public health emergency, his or her payroll and benefits expenses may not be covered *in full* with payments from the Fund. A *portion* of such expenses may be able to be covered, however, as discussed below.

Public health and public safety

In recognition of the particular importance of public health and public safety workers to State, local, and tribal government responses to the public health emergency, Treasury has provided, as an administrative accommodation, that a State, local, or tribal government may presume that public health and public safety employees meet the substantially dedicated test, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise. This means that, if this presumption applies, work performed by such employees is considered to be a substantially different use than accounted for in the most recently approved budget as of March 27, 2020. All costs of such employees may be covered using payments from the Fund for services provided during the period that begins on March 1, 2020, and ends on December 30, 2020.

In response to questions regarding which employees are within the scope of this accommodation, Treasury is supplementing this guidance to clarify that public safety employees would include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (*e.g.*, laboratory technicians) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel.

Not substantially dedicated

As provided in FAQ A.47, a State, local, or tribal government may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department. This means, for example, that a government could cover payroll expenses allocated on an hourly basis to employees’ time dedicated to mitigating or responding to the COVID-19 public health emergency. This result provides equitable treatment to governments that, for example, instead of having a few employees who are substantially dedicated to the public health emergency, have many employees who have a minority of their time dedicated to the public health emergency.

Covered benefits

Payroll and benefits of a substantially dedicated employee may be covered using payments from the Fund to the extent incurred between March 1 and December 30, 2020.

Payroll includes certain hazard pay and overtime, but not workforce bonuses. As discussed in FAQ A.29, hazard pay may be covered using payments from the Fund if it is provided for performing hazardous duty or work involving physical hardship that in each case is related to COVID-19. This means that, whereas payroll and benefits of an employee who is substantially dedicated to mitigating or responding to the COVID-19 public health emergency may generally be covered in full using payments from the Fund, hazard pay specifically may only be covered to the extent it is related to COVID-19. For example, a recipient may use payments from the Fund to cover hazard pay for a police officer coming in close

contact with members of the public to enforce public health or public safety orders, but across-the-board hazard pay for all members of a police department regardless of their duties would not be able to be covered with payments from the Fund. This position reflects the statutory intent discussed above: the Fund was intended to be used to help governments address the public health emergency both by providing funds for incremental expenses (such as hazard pay related to COVID-19) and to allow governments not to have to furlough or lay off employees needed to address the public health emergency but was not intended to provide across-the-board budget support (as would be the case if hazard pay regardless of its relation to COVID-19 or workforce bonuses were permitted to be covered using payments from the Fund).

Relatedly, both hazard pay and overtime pay for employees that are not substantially dedicated may only be covered using the Fund if the hazard pay and overtime pay is for COVID-19-related duties. As discussed above, governments may allocate payroll and benefits of such employees with respect to time worked on COVID-19-related matters.

Covered benefits include, but are not limited to, the costs of all types of leave (vacation, family-related, sick, military, bereavement, sabbatical, jury duty), employee insurance (health, life, dental, vision), retirement (pensions, 401(k)), unemployment benefit plans (federal and state), workers compensation insurance, and Federal Insurance Contributions Act (FICA) taxes (which includes Social Security and Medicare taxes).

Supplemental Guidance on Use of Funds to Cover Administrative Costs

General

Payments from the Fund are not administered as part of a traditional grant program and the provisions of the Uniform Guidance, 2 C.F.R. Part 200, that are applicable to indirect costs do not apply. Recipients may not apply their indirect costs rates to payments received from the Fund.

Recipients may, if they meet the conditions specified in the guidance for tracking time consistently across a department, use payments from the Fund to cover the portion of payroll and benefits of employees corresponding to time spent on administrative work necessary due to the COVID-19 public health emergency. (In other words, such costs would be eligible direct costs of the recipient). This includes, but is not limited to, costs related to disbursing payments from the Fund and managing new grant programs established using payments from the Fund.

As with any other costs to be covered using payments from the Fund, any such administrative costs must be incurred by December 30, 2020, with an exception for certain compliance costs as discussed below. Furthermore, as discussed in the Guidance above, as with any other cost, an administrative cost that has been or will be reimbursed under any federal program may not be covered with the Fund. For example, if an administrative cost is already being covered as a direct or indirect cost pursuant to another federal grant, the Fund may not be used to cover that cost.

Compliance costs related to the Fund

As previously stated in FAQ B.11, recipients are permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act, subject to the limitations set forth in 2 C.F.R. § 200.425. Pursuant to that provision of the Uniform Guidance, recipients and subrecipients subject to the Single Audit Act may use payments from the Fund to cover a reasonably proportionate share of the costs of audits attributable to the Fund.

To the extent a cost is incurred by December 30, 2020, for an eligible use consistent with section 601 of the Social Security Act and Treasury's guidance, a necessary administrative compliance expense that relates to such underlying cost may be incurred after December 30, 2020. Such an expense would include, for example, expenses incurred to comply with the Single Audit Act and reporting and recordkeeping requirements imposed by the Office of Inspector General. A recipient with such necessary administrative expenses, such as an ongoing audit continuing past December 30, 2020, that relates to Fund expenditures incurred during the covered period, must report to the Treasury Office of Inspector General by the quarter ending September 2021 an estimate of the amount of such necessary administrative expenses.

Hall, Carolyn H.

From: Bockenstedt, Jason R.
Sent: Thursday, August 20, 2020 11:25 AM
To: Hall, Carolyn H.
Subject: Fwd: Thank you and follow-up

Sent from my iPhone

Begin forwarded message:

From: [REDACTED]@treasury.gov" <[REDACTED]@treasury.gov>
Date: August 20, 2020 at 10:51:43 AM AKDT
To: "Bockenstedt, Jason R." <jason.bockenstedt@anchorageak.gov>, "[REDACTED]@treasury.gov" <[REDACTED]@treasury.gov>
Cc: "Vogel, Kathryn R." <kathryn.vogel@anchorageak.gov>
Subject: RE: Thank you and follow-up

Apologies for the delay. I agree with the summary of our conversation as provided in (1) and (2).

Best,
Dan

From: Bockenstedt, Jason R. <jason.bockenstedt@anchorageak.gov>
Sent: Tuesday, August 18, 2020 4:29 AM
To: Kowalski, Daniel <[REDACTED]@treasury.gov>; Milligan, Stephen <[REDACTED]@treasury.gov>
Cc: Vogel, Kathryn R. <kathryn.vogel@anchorageak.gov>
Subject: Thank you and follow-up

**** Caution:** External email. Pay attention to suspicious links and attachments. Send suspicious email to suspect@treasury.gov **

Dan and Stephen -

Thank you for today's productive and positive conversation. We appreciated the opportunity to ask questions regarding use of Coronavirus Relief Funds (CRF) for property acquisitions and other items approved by our assembly. As we explained, COVID-19 physical distancing requirements resulted in an immediate and lasting loss of over 300 permanent shelter beds in Anchorage, and our assembly has determined that purchasing buildings to house and provide services to our homeless population is

necessary because we lack suitable alternatives. We have kept our Congressional delegation engaged on our plan to use CRF for the buildings and other plans and have committed to providing an update to them on this issue, but first wanted to ensure we have memorialized our conversation accurately.

You confirmed your office has the responsibility of making the policy determinations that Treasury's IG's office will be tasked with monitoring and implementing, and as such, your answers are greatly helpful to us as we move forward in disbursing CRF.

We particularly appreciated learning from you:

- 1) If necessary due to a lack of other suitable alternatives, governments may purchase buildings with CRF to provide housing and services to the homeless displaced by COVID-19 public health measures. As we discussed, many jurisdictions are doing this across the nation, including California, which is spending \$550 million of CRF to purchase buildings. The governments may keep the buildings after the end of the funding period. As part of demonstrating that the buildings are a necessary COVID-19 expenditure we should be providing services to homeless individuals inside the buildings by December 30, 2020. [Although this was not mentioned in the call, we assume if the spending deadline were changed by a subsequent act of Congress, we might have more time to accomplish the purchases and bring homeless individuals into the buildings.]
- 2) A simpler option for local governments like ours is to spend CRF on first responder payroll, as a presumptively eligible expense detailed in FAQ A.2. While you anticipate issuing additional FAQ language on this presumption (possibly in the next two weeks), you do not anticipate it will result in rolling back of the previously issued presumption. Spending on payroll for front-line and public-facing public safety and public health department employees is permitted; and such use of CRF may have the side effect of freeing up municipal general funds that would otherwise have paid those salaries. In other words, the legal presumption allows governments to use CRF on this payroll even if the government had previously budgeted to pay those same individuals with municipal funds. Any municipal general funds freed up by being replaced with federal dollars may then be spent under ordinary rules for spending local money without the risk the IG's office will subsequently determine that the money missed a deadline or was spent incorrectly.

We also understand you have not issued any "private rulings" to jurisdictions and you may address the issue of the purchase of buildings by issuing an updated FAQ providing guidance on when CRF may be used to purchase buildings.

Is this an accurate summary of the conversation? We want to make sure our notes from the conversation are accurate, so our summary is relayed correctly to the delegation, especially on the above two points.

Thank you again for your time and attention to this matter. It was nice to connect with you and we appreciate everything you are doing.

Thanks,
Jason (and Kate)



Jason Bockenstedt

Chief of Staff

Municipality of Anchorage

632 W. 6th Avenue, Suite 840 Anchorage, AK 99501

(907) 343-7105

Jason.Bockenstedt@anchorageak.gov

www.muni.org/Mayor/

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-66

An Ordinance of the City Council of Homer, Alaska, Clarifying the Allowed Uses of the Coronavirus Relief Funds provided to the City from the Kenai Peninsula Borough.

Sponsor: Mayor

1. City Council Regular Meeting September 28, 2020 Introduction
2. City Council Regular Meeting October 12, 2020 Public Hearing and Second Reading

**CITY OF HOMER
HOMER, ALASKA**

Mayor

ORDINANCE 20-66

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
CLARIFYING THE ALLOWED USES OF THE CORONAVIRUS RELIEF
FUNDS PROVIDED TO THE CITY FROM THE KENAI PENINSULA
BOROUGH.

WHEREAS, The City has received a cooperative grant from the Kenai Peninsula Borough
in the amount of \$2,251,058.85; and

WHEREAS, The City has, by and through Ordinance 20-60, fully appropriated the funds
to be added to its existing economic recovery grant programs; and

WHEREAS, The intent of the grant is to supplement or enhance the City's existing
programs and is specifically restricted to the expenses described in the grant agreement; and

WHEREAS, The cooperative grant agreement imposes many administrative
requirements, the costs of which are recoverable as grant expenses; and

WHEREAS, The cooperative agreement includes a provision to "provide funds to senior
citizen centers to support eligible costs for programs and services for senior citizens"; and

WHEREAS, Homer Ordinance 20-60, or existing City duties, provide appropriation
authority for all other required provisions of the cooperative agreement.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Distributions of Coronavirus Relief Funds as provided by the cooperative
agreement with the Kenai Peninsula Borough, and described in Ordinance 20-60, is amended
to include:

- A) An allowance of up to five percent (5%) of the funds received to cover the costs of
satisfying the administrative requirements as established within the cooperative
agreement; and
- B) An allowance of up to 10% of the funds received, distributable by separate
appropriation, to Homer Senior Citizens, Inc., to cover eligible costs for programs
and services.

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

45
46

47 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of ____, 2020.

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CITY OF HOMER

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KEN CASTNER, MAYOR

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56 ATTEST:

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58

MELISSA JACOBSEN, MMC, CITY CLERK

59
60

61 YES:

62

62 NO:

63

63 ABSTAIN:

64

64 ABSENT:

65

66 First Reading:

67 Public Hearing:

68 Second Reading:

69 Effective Date:

70

71 Reviewed and approved as to form:

72

73

Robert Dumouchel, City Manager

Michael Gatti, City Attorney

74
75

76 Date: _____

Date: _____

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-67

An Ordinance of the City Council of Homer, Alaska, Providing for a Grant of \$225,000.00 to Homer Senior Citizens, Inc. for the Purposes of Recovery of Losses and Additional Costs Associated with Meeting the Challenges of the Novel Coronavirus and In Support of the Continuation of their Programs and Services.

Sponsor: Mayor

1. City Council Regular Meeting September 28, 2020 Introduction
2. City Council Regular Meeting October 12, 2020 Public Hearing and Second Reading

HOMER, ALASKA

Mayor

ORDINANCE 20-67

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, PROVIDING FOR A GRANT OF \$225,000.00 TO HOMER SENIOR CITIZENS, INC., FOR THE PURPOSES OF RECOVERY OF LOSSES AND ADDITIONAL COSTS ASSOCIATED WITH MEETING THE CHALLENGES OF THE NOVEL CORONAVIRUS AND IN SUPPORT OF THE CONTINUATION OF THEIR PROGRAMS AND SERVICES.

WHEREAS, On March 13, 2020 Homer Senior Citizens, Inc. (HCS) was mandated to close its cafeteria where hot healthy meals were served to the senior population; and

WHEREAS, All other activities and social programs have been suspended, further isolating seniors from exercise and mental stimulation with the loss of tai chi, strong women, and contract bridge; and

WHEREAS, The State of Alaska mandated a complete lock-down of Assisted Living to protect the vulnerable adults in HSC care; and

WHEREAS, Isolating seniors protects them from the virus, but social isolation has caused an increase in depression and other mental health concerns; and

WHEREAS, Eliminations of services have led to loss revenue and donations; and

WHEREAS, Senior Centers and Senior housing have been identified across the United States as locations of high susceptibility to rapid outbreaks of the Novel Coronavirus; and

WHEREAS, In the first months of the pandemic, HSC suffered the loss of four employees in Adult Day Services and Activities program; and

WHEREAS, HSC experienced a 56% turnover in Assisted Living staff due to the fears of the prevalent outbreaks of the COVID-19 virus in similar facilities; and

WHEREAS, Employee turnover required unexpected expenditures for replacement referral, recruitment and training; and

WHEREAS, Retention of qualified and well-trained employees necessitated increased incentives of bonuses and salary increases; and

42 WHEREAS, HSC was required to procure personal protective supplies and equipment to
43 keep residents and staff safe and make other changes necessary to prevent the airborne
44 spread of the Novel Coronavirus; and

45
46 WHEREAS, HSC has documented the increased cost and accumulated loss due to Novel
47 Coronavirus to be ~\$250,000 at this time; and

48
49 WHEREAS, Each day of the pandemic adds to those costs and losses; and

50
51 WHEREAS, The Kenai Peninsula Borough and the City of Homer have entered into a
52 cooperative agreement to provide Coronavirus Relief Funds to various entities including the
53 Homer Senior Center; and

54
55 WHEREAS, Ordinance 20-xx amends Ordinance 20-60 to comport with the use of funds
56 as described in the cooperative agreement; and

57
58 WHEREAS, Ordinance 20-xx reserved up to 10% of the Kenai Peninsula Borough funds
59 to be used for the benefit Homer Senior Citizens, Inc.

60
61 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

62
63 Section 1. Allocation of funds from Section 1 C (20-xx) is to include:
64 \$225,000 is appropriated to Homer Senior Citizens, Inc. for expenses and increased
65 costs incurred in response to the COVID-19 pandemic for program and service expenditures.

66
67 Section 2. This ordinance is a budget ordinance only, is not permanent in nature, and
68 shall not be codified.

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70 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of _____, 2020.

71
72 CITY OF HOMER

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77 KEN CASTNER, MAYOR

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81 MELISSA JACOBSEN, MMC, CITY CLERK

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YES:
NO:
ABSTAIN:
ABSENT:

Introduction:
Public Hearing:
Second Reading:
Effective date:

Reviewed and approved as to form:

Robert Dumouchel, City Manager

Date: _____

Michael Gatti, City Attorney

Date: _____

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-71

An Ordinance of the City Council of Homer, Alaska, Authorizing the City Manager to Credit the Owners of The Property Known as KPB Parcel #17718013 for the Value of their Armor Rock and Other Materials, Not to Exceed \$36,000 Against the Future Assessment Levied by the City for the Homer Seawall Revetment Project.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting September 28, 2020 Introduction
 - a. Memorandum 20-149 from Public Works Director as backup
2. City Council Regular Meeting October 12, 2020 Public Hearing and Second Reading

1 **HOMER, ALASKA**

2 City Manager/
3 Public Works Director

4 **ORDINANCE 20-71**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AUTHORIZING THE CITY MANAGER TO CREDIT THE OWNERS OF
8 THE PROPERTY KNOWN AS KPB PARCEL #17718013 FOR THE
9 VALUE OF THEIR ARMOR ROCK AND OTHER MATERIALS, NOT TO
10 EXCEED \$36,000, AGAINST THE FUTURE ASSESSMENT LEVIED BY
11 THE CITY FOR THE HOMER SEAWALL REVETMENT PROJECT.
12

13 WHEREAS, City Council has approved the formation of a Special Assessment District
14 (“District”) for the Homer Seawall Revetment Project (“Project”); and
15

16 WHEREAS, Kenai Peninsula Borough Parcel #17718013, currently owned by Heather
17 and Martin Renner, is proposed to be part of this District; and
18

19 WHEREAS, The property owners had already acquired armor rock and other materials,
20 with the intention of placing the armor rock in front of their property for erosion control; and
21

22 WHEREAS, It is in the best interest of the new District to include the subject parcel; and
23

24 WHEREAS, The property owners are amenable to being included so long as:

- 25 (1) They are compensated, as a credit against their future assessment, for the
26 value of the armor rock and materials they have already acquired; and
27 (2) The armor rock placed in front of their property as part of the Project, is
28 armor rock they acquired.
29

30 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
31

32 Section 1. The City Manager is authorized to apply a credit, equal to value of the armor
33 rock and materials purchased by the property owners but not to exceed \$36,000, to the
34 future assessment, from the subject assessment district.
35

36 Section 2. The City Manager will take measures to place armor rock in front of Parcel
37 #177-18-013, from the armor rock stockpile acquired by the property owners.
38

39 Section 3. The City of Homer Seawall Revetment Project budget is hereby amended by
40 appropriating up to \$36,000 from the materials line item for the reimbursement credit
41 to the owners of record of KPB Parcel #17718013 to be applied toward the future special
42 assessment levied on the parcel.

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	Homer Seawall Revetment Project	\$36,000

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

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of _____, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Robert Dumouchel, City Manager

Michael Gatti, City Attorney

Date: _____

Date: _____



Memorandum 20-149

TO: Mayor Castner and City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, Director of Public Works
DATE: September 22, 2020
SUBJECT: Property owned by Heather and Martin Renner on Ocean Loop Drive

I. Issue:

The property owned by Heather and Martin Renner on Ocean Loop Drive has been included in the proposed Special Assessment District for the Homer Seawall Revetment Project. They have already acquired armor rock for their property and it is in the best interests of the Special Assessment District that the City acquire this rock, incorporate it into the project and compensate the Renner's accordingly.

II. Background:

Heather and Martin Renner reside at 811 Ocean Drive Loop, Homer, Alaska, aka KPB Parcel 177180013. This property has been included in the boundary for the Special Assessment District that is proposed for the Homer Seawall Revetment Project. The existing seawall fronts the Renner's property.

They recognized the danger of erosion to their property and purchased armor rock, with the goal of placing it in front of their portion of the seawall. They incurred considerable expense to do this. But, their efforts at self-help were obfuscated by the Corps of Engineers, which took the position that only the City, as the permit-holder, was authorized to take actions affecting the seawall. As a result, the armor rock the Renner's purchased was dumped in front of their property, but has not yet been properly placed. When the special assessment district was formed for the purpose of maintaining the existing seawall, the Renner's asked to be excluded from this district and the City Council accepted their arguments and did so exclude them.

It is necessary for the armor rock revetment that is placed against the seawall be consistent along its entire length. For this reason, the City asked the Renner's if they would consent to being part of the new special assessment district. The Renner's have agreed, so long as they are compensated for the value of the rock they have already purchased and the City agrees to place the rock the Renner's have purchased on the Renner property.

The City Engineer has evaluated the subject rock and found it to be suitable for the purpose of incorporating it into the new armor rock revetment. We propose to give the Renner's a credit, for the value of this rock and related materials, against the value of their assessment.

III. Action Recommended:

That the City Council pass the proposed ordinance, in which the City agrees to

(1) compensate the Renner's for the value of their rock and related materials by a credit of no more than \$36,000, against the Renner's future assessment; and

(2) require the City's contractor to place the Renner's rock on the Renner's property.

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-72

An Ordinance of the City Council of Homer, Alaska, Amending the 2020 Capital Budget and Authorizing the Expenditure of \$1,035,970 from the General Fund to Complete the Homer Seawall Armor Rock Improvement Project.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting September 28, 2020 Introduction
 - a. Memorandum 20-153 from Public Works Director as backup
2. City Council Regular Meeting October 12, 2020 Public Hearing and Second Reading

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Manager/
4 Public Works Director

5 ORDINANCE 20-72(A)
6

7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
8 AMENDING THE 2020 CAPITAL BUDGET AND AUTHORIZING THE
9 EXPENDITURE OF ~~\$1,035,970~~ **\$945,661** FROM THE GENERAL
10 FUND TO COMPLETE THE HOMER SEAWALL ARMOR ROCK
11 IMPROVEMENT PROJECT.
12

13 WHEREAS, The City Council created the Homer Seawall Armor Rock Improvement
14 Special Assessment District (SAD); and

15 WHEREAS, The properties within this district will be assessed 100% of the costs of the
16 project; and
17

18 WHEREAS, The project will be financed through the ADEC/EPA Revolving Loan Program;
19 and
20

21 WHEREAS, Public Works has estimated the cost of this project to be ~~\$1,035,970~~
22 **\$945,661** (See Memorandum 20-153).
23

24 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
25

26 Section 1. The Homer City Council hereby amends the FY 2020 Capital Budget by
27 appropriating \$899,849 from the General Fund for the construction of the Homer Seawall
28 Armor Rock Improvements.
29

<u>Account</u>	<u>Description</u>	<u>Amount</u>
	Homer Seawall Armor Rock Improvements	\$1,035,970
		\$945,661

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34 Section 2. This is a budget amendment ordinance only, is not permanent in nature, and
35 shall not be codified.
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37 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 12th day of October, 2020.
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39 CITY OF HOMER
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KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Reading:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Rob Dumouchel, City Manager

Michel Gatti, City Attorney

Date: _____

Date: _____



Memorandum 20-153

TO: Mayor Castner and City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, Director of Public Works
DATE: September 24, 2020
SUBJECT: Proposed Homer Seawall Revetment Project – Interim Financing

I. Issue: We are in the middle of the process to form a Special Assessment District for the Homer Seawall Revetment Project. It is our intent that this project will be financed by a loan from the Alaska Department of Environmental Conservation Drinking Water Revolving Loan Fund, which will be repaid by the property owners through assessments. The City needs a way to pay for the projects costs first and subsequently seek reimbursement from the loan funds.

II. Background:

The public hearing regarding the formation of a Special Assessment District for the Homer Seawall Revetment Project will be held at the regular Council meeting of September 28. At this same meeting, the Council will be asked to approve a loan from the Alaska Department of Environmental Conservation, which will be used to finance the project. The loan is a reimbursable arrangement; that is, we must incur the costs first, and then seek reimbursement for the documented costs. Thus, we need a way to provide interim financing, for the project costs. We propose to transfer funds from the City’s General Fund to a project account. As we access loan proceeds, they will be used to repay the General Fund. Separate accounting will be put in place to administer loan repayments and assessment collection.

III. Project Costs:

Attached is a Project Budget. Here are some explanatory notes.

- a. Engineering – This is the design contract executed with HDR for the design work.
- b. Design survey – This is for the survey services, which supported the design work.
- c. Construction Contract. The low bid was \$570,518.00. However, this is a Unit Price contract; that is, the bid is based on a set of assumed quantities and unit prices. The actual price

paid to the contractor will be based on actual quantities, which will differ from the assumed quantities set forth in the bid documents. For example, the estimated quantities in the bid were based on the “Neat Line” design cross-section; that is, it assumes the contractor is able to place the armor rock precisely within the dimensions shown on the plan sheets; the quantity of armor rock using this measure is 3,500 CY.

While the actual rock thickness is not allowed to be less than the dimensions shown on the plans, it can be more. There is a tolerance – in our case, the tolerance is 1 foot. This means the contractor can place rock as much a foot beyond the dimensions shown on the plans and still be paid for it. If you compute the total value of the rock within the tolerance, there is a total possible volume of 6,036 cubic yards (“CY”), or 2,448 CY more than the design neat line. This extra volume of rock, at the unit price offered by the apparent low bidder of \$114 per CY, would mean an extra \$279,072 could be spent for armor rock. If we spent all of this, the total construction contract would come to \$849,590. I have used this number as the basis of our Total Project Budget.

- d. Construction Survey & Inspection. This is for surveys during construction, which will be used to compute the volumes of rock placed. It is also for 3rd party inspection services.
- e. Backfill of existing wall. There are some sinkholes behind the existing wall. These need to be backfilled and stabilized.
- f. SAD City Administrative Fee. This is a standard fee charged by the City to administer assessment districts.
- g. Contingency. We believe a modest contingency is appropriate.

IV. Action Recommendation. That a transfer be made from the General Fund to a Capital Project Account to provide interim financing for the Homer Seawall Revetment Project, in the amount of \$1,035,970.

Total Project Budget

- a. Engineering \$38,596
- b. Design Survey \$ 3,975

Total Preconstruction Costs \$42,571

- c. Construction Contract \$849,590
- d. Inspection \$ 28,500
- e. Backfill existing wall \$ 25,000

Total Construction Costs \$903,090

- f. City Admin. Fee
(5% Construction Cost) \$45,154.50

- g. Project Contingency
(5% Construction Cost) \$45,154.50

Total Estimated Project Costs \$1,035,970

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-75

An Ordinance of the City Council of Homer, Alaska Providing for a Grant of \$230,000 to South Peninsula Behavioral Services, Inc. for the Purposes of Recovery of Losses and Additional Costs Associated with Meeting the Challenges of the Novel Coronavirus and in Support of the Continuation of their Programs and Services.

Sponsor: Hansen-Cavasos

1. City Council Regular Meeting October 12, 2020 Introduction

**CITY OF HOMER
HOMER, ALASKA**

Hansen-Cavasos

ORDINANCE 20-75

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
PROVIDING FOR A GRANT OF \$230,000.00 TO SOUTH PENINSULA
BEHAVIORAL SERVICES, INC FOR THE PURPOSES OF RECOVERY
OF LOSSES AND ADDITIONAL COSTS ASSOCIATED WITH MEETING
THE CHALLENGES OF THE NOVEL CORONAVIRUS AND IN
SUPPORT OF THE CONTINUATION OF THEIR PROGRAMS AND
SERVICES

WHEREAS, South Peninsula Behavioral Health Services (SPBHS) operates out of six buildings in Homer; and

WHEREAS, SPBHS’s services are in the fields of Mental Health, Substance Misuse and Developmental Disability; and

WHEREAS, SPBHS has provided treatment and support services to patients and their families in Homer for forty years; and

WHEREAS, At the onset of the novel Coronavirus pandemic, many of the programs, housed in the various facilities, were discontinued; and

WHEREAS, Quarantine and “hunkering down” mandates by the State of Alaska resulted in shifting into health and medical care delivered by alternative, but far less personal, technologies; and

WHEREAS, SPBHS has withstood losses of about \$23,000 a week over the course of the pandemic; and

WHEREAS, SPBHS has maintained its workforce and services thus far only due to having sufficient reserves and obtaining some supplemental grants; and

WHEREAS, It seems likely that SPBHS will continue with “telehealth” practices into 2021; and

WHEREAS, The City of Homer has received CARES Act funds that may be used to respond to, and recover from, the effects of the novel Coronavirus.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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Section 1. \$230,000 is appropriated to South Peninsula Behavioral Health Services, Inc. for expenses and increased costs incurred in response to the COVID-19 pandemic for program and service expenditures.

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

THE CITY OF HOMER FURTHER ORDAINS that the City Manager is authorized to execute a grant agreement with SPBHS, and may establish and make amendments to grant guidelines as necessary to carry out the lawful and efficient administration of the program.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of ____, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

Introduction:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Rob Dumouchel, City Manager

Michael Gatti, Attorney

Date: _____

Date: _____



**South Peninsula
Behavioral Health Services, Inc.**

3948 Ben Walters Lane, Homer, Alaska 99603

September 30, 2020

To the Homer City Council-

I'm writing this in hopes of accessing a City of Homer grant to assist with our continued operations during this pandemic.

For the past forty years South Peninsula Behavioral Health Services has provided services, treatment and support to the community of the Southern Peninsula. Our Mental Health, Substance Misuse, and Developmental Disability services annually reach over 400 individuals and families.

During this pandemic we've seen the need for our services increase even as easy access to our services decreased. Many of our current clients, due to State Mandates, were unable to leave their homes or have us visit them in-person. A service that used to include three hours in the community developing skills, learning new coping strategies, and finding new social connections was reduced to thirty minutes on a video screen or, on occasion, from the front patio through a plate glass window.

Additionally, as SPBHS has navigated this pandemic, we have worked closely with our community partners, the local hospital and police department, to implement telehealth access into the emergency room to assist with timely response as well as helping to keep our staff safe and the communities crisis centers free of extraneous staff. We are still developing the capacity to do the same thing in the jail.

Our switch to telemedical service has been a double edged sword. Over the past six months, we have seen the number of many of our service contacts increase, as expected during such trying times. Conversely, the duration of those contacts has decreased, as longer video and telephone contacts are difficult for families, children, and specific symptomologies. Unfortunately, our services are not reimbursed if the contact is less than thirty minutes. Since we continue to meet with all of our clients, regardless of payment, we have seen a loss across all of our services that has averaged approximately \$23,000 per week.

Since March, we have continued to provide all of our services and we have maintained all of our staffing. We have been able to do that with assorted grants and support as well as dipping into our reserves. We did not anticipate that by the end of September we would still be facing a national crisis.

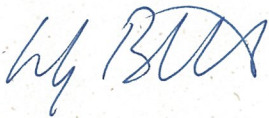
We are asking for \$230,000 to help cover the costs over the last quarter of 2020. This grant from The City of Homer will allow us to fully fund our staff, and provide all of our services without interruption, through the end of the calendar year.

Our goal is simple. We will look to continue providing the same quality Mental Health, Substance Misuse, and Developmental Disability services to our community for anyone that needs it, regardless of their ability to pay.

This grant will ensure we can meet that goal.

Thank you and we appreciate the consideration,

Jay

A handwritten signature in blue ink, appearing to read "Jay Bechtol".

Jay Bechtol, CEO
South Peninsula Behavioral Health Services

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-79

An Ordinance of the City Council of Homer, Alaska Establishing a Fishermen Economic Recovery Grant (FERG) Program and Amending the 2020 Budget by Appropriating the Amount of \$1.3 Million from the General Fund Fund Balance to Provide Economic Relief to City of Homer-Based Vessel Owners Engaged in Commercial Fishing who are Impacted by the COVID-19 Pandemic.

Sponsor: Mayor

1. City Council Regular Meeting October 12, 2020 Introduction

**CITY OF HOMER
HOMER, ALASKA**

Mayor

ORDINANCE 20-79

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, ESTABLISHING A FISHERMEN ECONOMIC RECOVERY GRANT (FERG) PROGRAM AND AMENDING THE 2020 BUDGET BY APPROPRIATING THE AMOUNT OF \$1.3 MILLION FROM THE GENERAL FUND FUND BALANCE TO PROVIDE ECONOMIC RELIEF TO CITY OF HOMER-BASED VESSEL OWNERS ENGAGED IN COMMERCIAL FISHING WHO ARE IMPACTED BY THE COVID-19 PANDEMIC.

WHEREAS, The City of Homer received \$7,899,085.29 in federal funding under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) from the State of Alaska that allows municipalities to provide small business grants to businesses that suffer economic impacts costs with the Covid-19 pandemic; and

WHEREAS, The City of Homer-based commercial fishing fleet is an important sector of Homer's diverse economy providing jobs and supporting local marine trades and chandleries, job provision and fish deliveries; and

WHEREAS, The Commercial fishing industry has suffered economic loss due to the softening of markets, including restaurants, public and private gatherings and the general loss of normal distribution outlets; and

WHEREAS, Commercial fishermen have suffered economic loss due to reductions or elimination of stock assessments and surveys which have led to more conservative management with reduced quotas or fishing time; and

WHEREAS, Commercial fishermen have suffered economic loss due to the added expenses of meeting quarantine, social distancing, and other restrictions that have been placed on the commercial fleets during the COVID 19 pandemic; and

WHEREAS, the continued disruption of economic re-openings around the world may prolong the softening of markets, creating a serious, and in many cases critical, danger to their economic viability; and

WHEREAS, The Homer City Council believes the Covid-19 pandemic and actions taken as a result to protect public health as described above have created immediate necessity for economic relief to the City of Homer-based commercial fishing fleet.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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Section 1. The Fisherman Economic Relief Grant (FERG) program is hereby established in accordance with the FERG policy document for the purpose of providing economic relief through the FERG program to City of Homer-based vessel owners engaged in commercial fishing who are impacted by the covid-19 pandemic.

Section 2. The FY2020 budget is hereby amended by appropriating funds in the amount of \$1,300,000.00 for the FERG program.

Section 3. The Finance Department will continue to manage the project account for COVID-19 Response in order to track all project related costs.

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

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 26 day of October, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Robert Dumouchel, City Manager

Michael Gatti, City Attorney

Date: _____

Date: _____

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-80

An Ordinance of the City Council of Homer, Alaska Providing for a Grant of \$34,789.24 to the Homer Foundation Homer Community Chest Fund to Assist Vulnerable Populations in order to Prevent Homelessness During the COVID-19 Pandemic through the Homer Community Chest Fund.

Sponsor: Mayor

1. City Council Regular Meeting October 12, 2020 Introduction

**CITY OF HOMER
HOMER, ALASKA**

Mayor

ORDINANCE 20-80

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
PROVIDING FOR A GRANT OF \$34,789.24 TO THE HOMER
FOUNDATION HOMER COMMUNITY CHEST FUND TO ASSIST
VULNERABLE POPULATIONS IN ORDER TO PREVENT
HOMELESSNESS DURING THE COVID-19 PANDEMIC THROUGH
THE HOMER COMMUNITY CHEST FUND.

WHEREAS, The Homer Foundation’s Community Chest Fund is dedicated to providing emergency and bridge funding as a safety net for families with children in times of need, and other individuals as extraordinary circumstances might dictate; and

WHEREAS, The Homer Community Chest Fund distributes this funding through the Non-Food Emergency Aid program in partnership with the Homer Food Pantry, which is one of the only programs to help those in need in the community address non-food crises that could otherwise threaten a household’s ability to stay sheltered, healthy, and able to meet other needs like transportation, employment and medical care; and

WHEREAS, Meeting these needs for Homer’s vulnerable population is necessary to assist in preventing homelessness, which in turn facilitates a families compliance with COVID-19 public health precautions; and

WHEREAS, It is in the best interest of the City to support this safety net, which keeps people housed, supported, and as healthy as possible to mitigate the effects of COVID-19 and its transmission in the Homer community; and

WHEREAS, Since the pandemic began in March through August 2020, the Non-Food Emergency Aid program has spent \$16,789.24 supporting individuals and households in need; and

WHEREAS, Based on historical data to project expenses for September through December, the Homer Foundation anticipates the Homer Community Chest will need an additional \$18,000 to cover Non-Food Emergency Aid program expenses; and

WHEREAS, According to the September 2, 2020 Coronavirus Relief Fund Frequently Asked Questions document, providing a consumer grant program to prevent eviction and assist in preventing homelessness is considered an eligible expense for Cares Act funds; and

WHEREAS, The Homer Foundation considers this direct grant to the Homer Community Chest Fund as a means to cover necessary expenses incurred due to the COVID-19 public health emergency.

44 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
45

46 Section 1. \$34,789.24 is appropriated to the Homer Community Chest for expenses
47 incurred or will be incurred in response to the COVID-19 pandemic associated with the Non-
48 Food Emergency Aid program
49

50 Section 2. This is a budget amendment ordinance, is not permanent in nature, and
51 shall not be codified.
52

53 THE CITY OF HOMER FURTHER ORDAINS that the City Manager is authorized to
54 execute a sub-recipient grant agreement with the Homer Foundation for the administration
55 of the grant, and may establish and make amendments to grant guidelines as necessary to
56 carry out the lawful and efficient administration of the program.
57

58 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 26 day of October, 2020.
59

60 CITY OF HOMER
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62 _____
63 KEN CASTNER, MAYOR
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64 ATTEST:
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66 _____
67 MELISSA JACOBSEN, MMC, CITY CLERK
68

69 YES:

70 NO:

71 ABSTAIN:

72 ABSENT:
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74 First Reading:

75 Public Hearing:

76 Second Reading:

77 Effective Date:
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79 Reviewed and approved as to form:
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81 _____
82 Robert Dumouchel, City Manager
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81 _____
82 Michael Gatti, City Attorney
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84 Date: _____

Date: _____



City of Homer
Attn: Jenny Carroll, Special Projects & Communications Coordinator
491 East Pioneer Ave
Homer, AK 99603

Via email: jcarroll@ci.homer.ak.us

Re: CARES Funding for Community Chest

October 7, 2020

Dear Ms. Carroll:

The Homer Foundation is requesting consideration for additional CARES Act funding of \$34,789.24 specifically to support the Community Chest Fund.

This fund supports the Non-Food Emergency Aid program of the Homer Food Pantry. This fund is one of the only programs to help those in need in the community. This fund assists local residents with addressing non-food crises, which may threaten their ability to stay sheltered, healthy and able to meet other needs like transportation to employment, medical care etc. Meeting these needs for Homer's vulnerable population is necessary to assist in preventing homelessness, enabling compliance with COVID-19 public health precautions and mitigating COVID-19 health effects and its transmission in the community. Some areas the program supports are:

Utilities (Gas, Electric, Water/Sewer,etc)

Housing/ Rent/Deposits

Emergency Automotive Repairs

Heating Costs

Emergency & Temporary Housing

Laundry

Medical/Prescriptions

Special Dietary Foods

Showers/hygiene

Transportation

Since the COVID-19 Pandemic began in March through August of 2020, the Emergency Non-Food Aid program has expended \$16,789.24. Looking at historical data, we project additional costs of approximately \$16,000 -\$18,000 between September and the end of 2020.

If you have any question about this program, please do not hesitate to contact me at 907-235-0551 or mikemiller@homerfoundation.org

Regards,

Mike Miller
Executive Director

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-81

An Ordinance of the City Council of Homer, Alaska Establishing a Mortgage and Rent Relief Grant (MARRG) Program to City of Homer Residents Experiencing Economic Hardship due to the COVID-19 Public Health Emergency, Approving up to \$339,200 to be used for MARRG, and Authorizing the City Manager to Enter into an Agreement with Alaska Housing Finance Corporation (AHFC) for Program Administration.

Sponsor: Aderhold.

1. City Council Regular Meeting October 12, 2020 Introduction

**CITY OF HOMER
HOMER, ALASKA**

Aderhold

ORDINANCE 20-81

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA ESTABLISHING A MORTGAGE AND RENT RELIEF GRANT (MARRG) PROGRAM TO CITY OF HOMER RESIDENTS EXPERIENCING ECONOMIC HARDSHIP DUE TO THE COVID-19 PUBLIC HEALTH EMERGENCY, APPROVING UP TO \$339,200 TO BE USED FOR MARRG, AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH ALASKA HOUSING FINANCE CORPORATION (AHFC) FOR PROGRAM ADMINISTRATION.

WHEREAS, On May 26, 2020, the Homer City Council passed Resolution 20-051 to accept \$7,899,085.29 in grant funds from the State of Alaska, Department of Commerce, Community and Economic Development for necessary expenditures due to the COVID-19 public health emergency; and

WHEREAS, these funds were made available to State, Local and Tribal governments through the Coronavirus Aid, Relief and Economic Security (CARES) Act to cover necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, to be eligible for reimbursement through CARES Act funding, expenses must be incurred during the period that begins on March 1, 2020 and ends on December 30, 2020; and

WHEREAS, the Alaska Housing Finance Corporation (AHFC) administered the Alaska Housing Relief Program earlier this summer, which provided up to \$1,200 as a one- time payment to assist with housing costs for each eligible household, payable directly to their lender or landlord; and

WHEREAS, approximately ninety households in the City of Homer qualified and took advantage of this statewide funding opportunity for one month of mortgage and rent relief payments; and

WHEREAS, these households have an income that is at or below 80% of the community's area median income as calculated by the US Department of Housing and Urban Development and were able to demonstrate how their household income was reduced on or after March 11, 2020 as a result of COVID-19 related closures, hour reductions or other lost income that is attributable to COVID-19; and

43 WHEREAS, The ongoing COVID-19 pandemic contributes to an ongoing need for
44 housing support which will continue and grow as the public health emergency extends into the
45 fall and winter; and

46
47 WHEREAS, the MARRG program compliments the Household Economic Relief Grant
48 (HERG) program previously established by Homer City Council in that it allows qualifying
49 households to utilize HERG funds for eligible expenses other than rent or mortgage payments;
50 and

51
52 WHEREAS, AHFC has agreed to continue administering the housing relief program for
53 Homer residents via a sub-recipient grant agreement with the City, and

54
55 WHEREAS, providing grants to residents experiencing economic hardship and housing
56 insecurity follows CARES Act requirements as interpreted by the US Department of the
57 Treasury's guidance for local governments, which allows for necessary expenditures incurred
58 due to the COVID-19 public health emergency and for second order effects of the emergency;
59 and

60
61 WHEREAS, it is necessary and in the best interest of the City of Homer to approve grant
62 funding for emergency rent and mortgage relief to assist Homer residents and households
63 affected by COVID-19.

64
65 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

66
67 Section 1. \$339,200.00 is appropriated for AHFC to carry out the MARRG program which
68 will provide individual grants to qualifying households in the City of Homer of up to \$ 1, 200 per
69 month for each of the four months from September through December, 2020 for mortgage or
70 rent relief.

71
72 Section 2. The City Manager is authorized to execute a Memorandum of Agreement with
73 AHFC for the administration of the grant, and may establish and make amendments to grant
74 guidelines as necessary to carry out the lawful and efficient administration of the program.

75
76 Section 3. This is a budget amendment ordinance, is not permanent in nature, and
77 shall not be codified.

78
79 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 26 day of October, 2020.

80
81 CITY OF HOMER

82
83 _____
84 KEN CASTNER, MAYOR

85 ATTEST:

86

87 _____

88 MELISSA JACOBSEN, MMC, CITY CLERK

89

90

91 YES:

92 NO:

93 ABSTAIN:

94 ABSENT:

95

96 First Reading:

97 Public Hearing:

98 Second Reading:

99 Effective Date:

100

101 Reviewed and approved as to form:

102

103 _____

104 Robert Dumouchel, City Manager

105

106 Date: _____

Michael Gatti, City Attorney

Date: _____



City of Homer

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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: October 8, 2020
SUBJECT: City Manager's Report for October 12th Council Meeting

RAVN Air Service

Shortly after our last meeting the “new” RAVN provided my office with a signed lease, I signed the lease the same day. There were two additional items that needed to be completed before air service could official resume, both are nearly complete. The “old” RAVN lease has been officially rejected by the debtor and the State of Alaska’s leasing office has indicated that it will approve the sublease (I expect this to happen before we meet October 12th). The date upon which RAVN will start flying commercial passengers in and out of Homer Airport is not known at this time, but I expect it will be relatively soon and well publicized within the community. I’d like to thank our partners at Float (RAVN), the Alaska Department of Transportation and Public Facilities Aviation Leasing Division, Attorney Gary Sleeper from JDO, and Rachel Friedlander from the City Manager’s office for your help in bringing air service back to Homer.

Site Visit with Army Corps of Engineers at Port & Harbor

Colonel Damon Delarosa took command of the U.S. Army Corps of Engineers - Alaska District in mid-August and visited with myself and Port Director Hawkins on September 29th. The Colonel was joined by the District’s Director of Programs and Project Management Randall Bowker. We had a productive conversation about the port’s history, present context, and plans for future expansion. I look forward to working with the Colonel and his staff on priority City projects along the Spit and in the port and harbor.

Campaign to Reduce Parking in Rights-of-Way

In my September 28th report, I noted that a team including staff from my office, Public Works, and the Homer Police Department were collaborating on some ways to change behaviors related to individuals who park vehicles and private property within City rights-of-way. Even now, before the first snow has fallen, Public Works crews are challenged by vehicles in the right-of-way as they attempt to grade gravel roads before the ground begins to freeze. We have developed basic messaging and some flyers/handouts which can be left on vehicles that are in violation of City code. The intent of this campaign is to start with proactive public education in the hopes that we don’t have to escalate to enforcement (i.e. fines or towing). Throughout the month of October, staff will continue to seek opportunities to get the “plows not parking” message out via different marketing channels.

2nd Quarter Sales Tax Review

Finance Director Walton has prepared some materials regarding sales tax and the second quarter numbers released by the Kenai Peninsula Borough. Her memo also includes some foundational discussion on the

basics of sales tax as a refresher to both Council and the public. The memo and attachments are included as enclosures to this report and are anticipated to be an item of discussion during Committee of the Whole.

Commission Staffing

I am making some changes in staffing to two of the City's commissions. The Economic Development Commission will be staffed by Deputy City Planner Julie Engebretsen and the Parks, Art, Recreation & Culture Advisory Commission will be staffed by Recreation Manager Mike Illg. Staff will work out handoff details to ensure as smooth of a transition for the Commissions as possible.

Homer Police Station Ribbon Cutting

A well-attended, yet COVID-conscious, ribbon cutting was held at the new Homer Police Station on October 8th. Mayor Castner and Chief Robl gave brief remarks before they were joined by Mayors Zak and Wythe to cut the ribbon. Due to COVID restrictions we weren't able to do tours of the facility, but a video tour of the building is forthcoming in the very near future to provide the public with a way to view the building despite the pandemic. I would like to thank Special Projects Coordinator Jenny Carroll for producing the event, and Library staffer Kevin Co for providing audio/visual support.

COVID-Related Updates

Staff Adaptation during COVID and Thoughts on Re-Opening

Chief Kirko and I, along with input from Public Health Nurse Lorne Carroll, have had discussions regarding COVID-related risk, adaptation, and threats for our City. I have attached a memo to this report which provides an in-depth discussion of how COVID risks are being assessed and what that means for City operations. COVID response is a dynamic process, and the attached document is a snapshot of how we perceive risk at this specific point in time during the pandemic. Our methods and processes are very likely to continue to change as the situation evolves.

COVID Signage Vandalism

COVID-related signage at WKFL Park and the Baycrest Overlook were damaged and/or stolen between the dates of September 29th and October 2nd. The banner at WKFL Park was stolen and City staff replaced it with a banner from a different location. The replacement banner was then slashed in half. Parks Maintenance removed the remnants of the banner and reported both events to the Police Department. At the Baycrest Overlook, the COVID banner was also stolen. The PIOs have ordered additional banners to replace those that have been either stolen or destroyed and will include some additional banners as backup in case this happens again.

Library Hours Update

On October 5th, the Library began admitting patrons to the building without appointments. Patrons are welcome to freely enter and exit the building at the following times on Monday through Friday: 10:00-11:30, 1:30-3:00, and 4:00-5:30. These times match the appointment-only hours which had been in effect previously. During periods when the doors are closed, staff clean the computer stations, bathrooms, and high-touch surfaces such as doorknobs and tables. Library Director Berry provided the following comments on the change to Library access protocols:

"We're conducting this experiment as a way of improving access for the community while still being mindful of the virus. So far, patrons have demonstrated remarkable consideration for everyone's health—wearing their masks, keeping up with social distancing and staying only as long as needed to complete their business. Everything obviously depends on how COVID progresses, but if the citizens of

Homer continue doing a stellar job of looking after one another, we will consider expanding the service windows and opening up more spaces. We appreciate every small step towards normality. Please help us stay open by taking care of those around you.”

HERG Video

In an effort to provide application assistance to households applying for Household Economic Relief Grant (HERG) funds, Special Project and Communications Coordinator Jenny Carroll and Library Director Barry teamed up to produce a short video: <https://vimeo.com/465083022>

CARES Act Funds Update

SBERG1 is complete and a final report from SBERG manager Jody Mastey is attached as an enclosure to this report. I am in negotiations with Ms. Mastey to help us process SBERG2 applications. We are approximately \$265,000 away from meeting the spending threshold for our second CARES Act funds disbursement from the State. I expect to provide updated stats and graphs as part of a supplemental packet. Checks for ERG programs are typically cut on Fridays and delaying this part of my report allows for a more accurate accounting of CARES Act expenditures at the Council meeting.

Enclosures:

1. Vehicles in the Right-of-way flyer
2. 2ND Quarter Sales Tax Review
3. Memo: City Organizational Framework for COVID Risk Assessment
4. Library flyers
5. SBERG1 Final Report from Program Manager Mastey
6. Letter of Support for Kachemak Bay State Parks Grant Application



The Right-of-Way is for

Plows Not Parking Graders Not Gardens Snow Storage Not SUVs



The City of Homer respectfully requests that you keep vehicles, fences, gardens, and other private property outside of the right-of-way.

The right-of-way is a space between the road and your property which is used for utilities, transportation of storm water via ditches, storage of snow when plowing, and other uses that benefit the public. Keeping this space clear allows the City's Public Works crews to provide critical services that protect property and keep you and your neighbors safe.

Vehicles parked in the right-of-way may be subject to fines and even towing if creating a hazard or blocking access to utilities.

If you have questions about the right-of-way and how it applies to your home or business, please call the City of Homer Public Works Department at 907-235-3170

Park the RIGHT way, NOT in the Right-of-Way



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Memorandum

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: October 7, 2020
SUBJECT: 2nd Quarter Sales Tax Analysis

The purpose of this memo is to provide contextual information associated with the 2nd quarter sales tax figures.

Basic Sales Tax Information:

Sales tax is one of the primary drivers of revenue for the General Fund as it represents roughly 44% of total revenue for the FY20 budget. The sales tax rate for the City of Homer is 4.85%. Some components of the sales tax have dedicated purposes, while other portions of the tax cover the expenses associated with providing core services. Dedicated purposes of the City of Homer share of sales tax are as follows: HART (3/4 of 1%), HAWSP (3/4 of 1%), Public Safety Operations and Infrastructure (0.35%).

An important reminder is that the City of Homer does not collect sales tax directly. The City elects for the Kenai Peninsula Borough (KPB) to collect, administer and then remit sales tax revenue to us. KPB remits sales tax revenue to the City on a monthly basis, but there is a two month “lag” in the revenue received. This means that the revenue that is received by the City in one month is not a reflection on sales tax actually earned in that particular month. Finance makes an accounting entry at the end of the year to adjust for this delay. This is important to keep in mind when comparing sales tax revenue received vs. taxable sales.

Other Major Revenue Sources:

Although sales tax represents a significant majority of General Fund revenue it is also important to look at the other major components of revenue. These components are property tax and operating transfers.

Property taxes represent another significant component of revenue collected for the General Fund and it represents roughly 28% of total revenue for the FY20 budget. It is important to keep in mind that property tax revenue is primarily collected in September and November. However, this year we did see a spike in property tax revenue collected in July due to the early PFD payment. Therefore, we could see a slight drop in revenue collected in our normal timeframes as some property owners opted to pay this tax early.

Operating transfers are also significant for the General Fund and they represent roughly 16% of total revenue collected for the FY20 budget. Operating transfers for the General Fund include transfers from other funds (water/sewer, Port, HAWSP and HART) for overhead. Also included in this transfer figure is the allowable transfer from HART for roads and trails maintenance.

Current Climate and Potential Budgetary Impacts:

It is important to understand that the economic climate created by the COVID emergency puts the City in a constant stage of change. Our budget methodology incorporates data regarding historical revenue received and that has allowed for the City to experience less significant impacts associated with the uncertainty of the economic climate. For example, the City did not incorporate remote sales tax in the budget for FY20 revenue as we had yet to experience it.

There is always a huge focus on comparative data and performing an analysis on historical trends. The City has experienced several significant changes with sales tax collection over the last couple of years and it makes it difficult to find a “normal” year. These changes include diverting HART sales tax, transferring allowable HART revenue, and the increase in sales tax to cover bond payment and long term maintenance. In order to find a “normal” year we would have to go back at least 4 years and that can pose its own complications, as spending trends have evolved over time. It is important to keep these factors in mind when reviewing historical data and attempting to identify a “normal” year.

If the current economic situation remains, there is a potential for the City to tap into other financial sources to maintain operations. Council took great strides when updating HCC 3.05.049, which created an emergency fund balance within the General Fund. It is important to continue to monitor the financial status of the individual funds within the City and make spending decisions that don’t require the frequent use of our emergency funds or other reserve funds.

The Federal Government provided the City of Homer with \$7,899,085.29 in CARES funding and the Kenai Peninsula Borough provided the City with an additional \$2,251,058.85. This funding has allowed the City to infuse a significant amount of money into the local community through grants for local businesses, nonprofits and households. Please note that the City is not able to utilize this funding as revenue replacement and cannot be used to fill gaps left by weakened sales tax receipts.

The current fiscal climate created by the COVID emergency has brought significant operational challenges citywide. The City has taken a conservative approach to spending to ensure it is able to continue to provide core services to the community during an uncertain time. While reviewing current year financial reports it is important to remember that the decreased spending is a sign that some repairs and maintenance work may have been delayed in an effort to protect the City’s financial status this fiscal year. There could be requests in the coming fiscal years to make up for this deferment, as the expenses were not simply cut.

Enclosures:

Accompanying this memo are four documents to help provide context to the historical trends associated with sales tax revenue.

Attachment A provides a data set of sales tax revenue collected on a quarterly basis going back to 2015. The sales tax data is broken out by the funds that received a portion of the total revenue. One thing to note is that HART sales tax was diverted into the General Fund for fiscal years 2016-2018. In 2019, HART began receiving their respective share of the overall revenue. Also to note in 2019, the sales tax rate increased to fund debt service payments and maintenance of the police station facility.

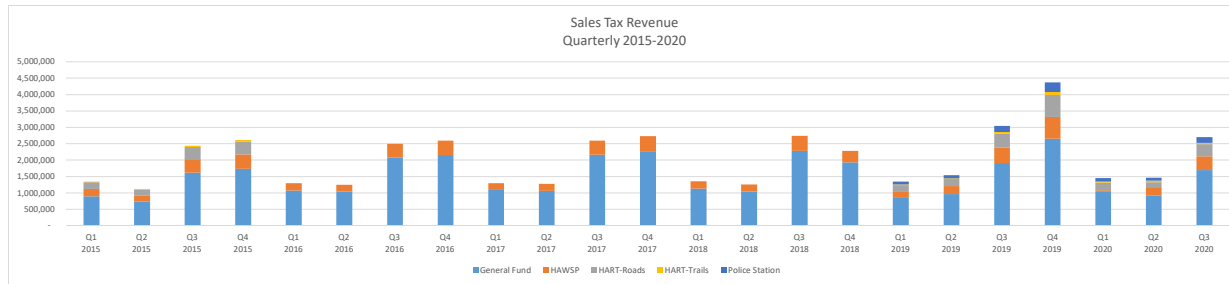
Attachment B provides a data set of sales tax revenue collected thru the 3rd quarter of each fiscal year going back to 2015. The purpose of this chart is to provide YTD sales tax revenue comparison with previous fiscal years.

Attachment C provides a data set comparing the Lines of Business (LOB) taxable sales on a quarterly basis back to 2016. The LOB categories are determined and reported by KPB.

Attachment D provides a data set of LOB taxable sales for the 2nd quarter going back to 2016. Looking at this attachment you can see that almost all of the business sectors experienced some level of a loss in taxable revenues. The biggest dollar share in taxable sales comes from the retail trade sector and it only experienced roughly a 5% loss comparative to the 2nd quarter in 2019. Most of the more significant sectors that experienced the more sizable losses are connected to the tourism industry. Overall, the City experienced a roughly 18% decrease in taxable sales comparative to the 2nd quarter in 2019.

Attachment A
 Quarterly Sales Tax Revenue
 Presented October 12, 2020

	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
General Fund	901,537	748,551	1,628,397	1,744,277	1,081,421	1,045,450	2,084,965	2,164,351	1,098,377	1,068,738	2,167,895	2,282,295	1,136,958	1,049,686	2,285,324	1,937,016	848,744	972,481	1,917,010	2,656,754	1,058,824	924,369	1,700,041
HAWSP	225,384	187,138	407,099	435,992	216,284	209,096	417,093	433,081	203,692	213,799	433,683	456,366	227,446	209,988	457,167	349,894	208,708	239,135	471,396	663,850	31,541	227,304	418,043
HART-Roads	202,846	168,424	366,389	392,393	-	-	-	-	-	-	-	-	-	-	-	-	187,837	215,221	424,256	675,890	234,330	182,762	376,239
HART-Trails	22,538	18,714	40,710	43,289	-	-	-	-	-	-	-	-	-	-	-	-	20,871	23,913	47,140	81,879	26,037	44,542	41,804
Police Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83,483	95,654	188,558	297,006	104,147	90,922	167,217
Total	\$ 1,352,305	\$ 1,122,827	\$ 2,442,596	\$ 2,615,951	\$ 1,297,705	\$ 1,254,546	\$ 2,502,058	\$ 2,597,431	\$ 1,302,069	\$ 1,282,537	\$ 2,601,579	\$ 2,738,660	\$ 1,364,404	\$ 1,259,673	\$ 2,742,491	\$ 2,286,910	\$ 1,349,642	\$ 1,546,404	\$ 3,048,360	\$ 4,375,378	\$ 1,454,878	\$ 1,469,898	\$ 2,703,344

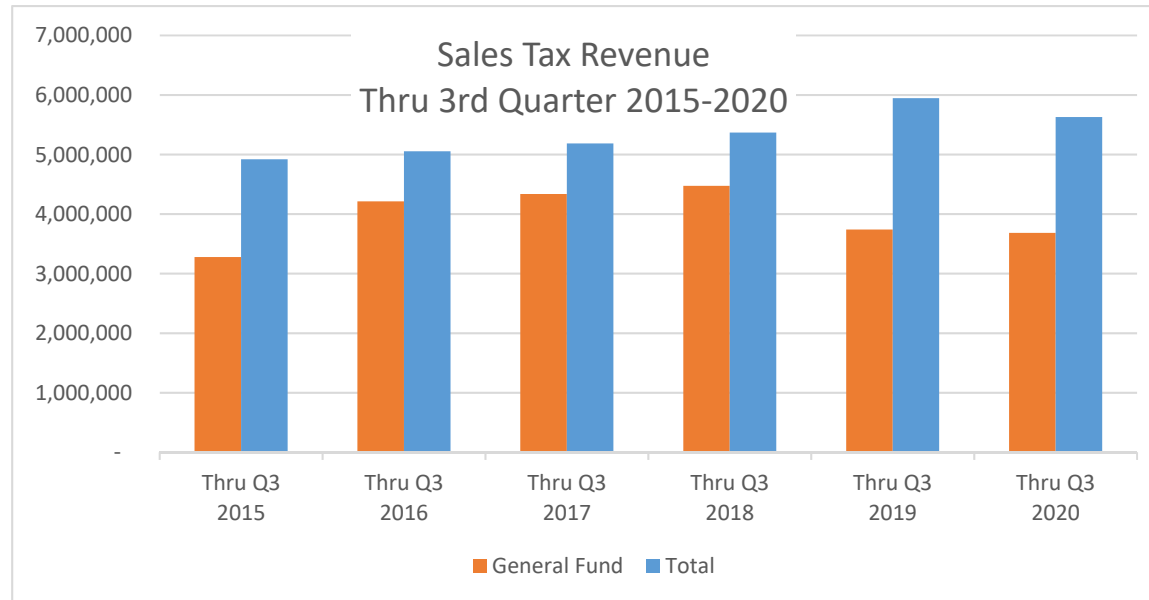


Key Points:
 - HART Sales Tax was diverted into the General Fund from 2016-2018
 - Sales Tax increased in 2019 to fund debt service payments associated with Police Station bond

Attachment B

Thru Third Quarter Sales Tax Revenue
Presented October 12, 2020

	Thru Q3 2015	Thru Q3 2016	Thru Q3 2017	Thru Q3 2018	Thru Q3 2019	Thru Q3 2020
General Fund	3,278,486	4,211,836	4,335,011	4,471,968	3,738,234	3,683,234
HAWSP	819,621	842,474	851,174	894,601	919,238	676,887
HART-Roads	737,659	-	-	-	827,314	793,330
HART-Trails	81,962	-	-	-	91,924	112,383
Police Station	-	-	-	-	367,695	362,285
Total	4,917,729	5,054,310	5,186,185	5,366,569	5,944,405	5,628,120



Attachment C
Quarterly LOB Taxable Sales
Presented October 12, 2020

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
ADMINISTRATIVE, WASTE MAN	214,519	307,936	401,661	224,073	207,412	305,688	336,793	164,649	155,528	203,986	204,971	155,250	136,996	210,867	202,322	166,876	126,571	115,955
AGRICULTURE, FORESTRY, FI	4,143	110,003	144,270	22,190	14,600	144,996	205,859	49,869	33,710	203,853	234,217	37,022	640,248	155,585	202,286	44,149	18,712	111,415
ARTS AND ENTERTAINMENT	253,949	417,206	677,310	268,703	249,016	472,227	674,135	328,352	249,287	501,469	737,507	277,357	253,475	545,213	731,228	303,677	216,312	165,688
CONSTRUCTION CONTRACTING	372,572	477,737	486,586	406,932	484,978	438,379	381,548	372,787	315,934	409,170	385,926	386,079	333,640	353,421	336,222	364,590	367,431	392,005
EDUCATIONAL SERVICES	66,901	50,233	47,609	73,547	71,272	52,994	53,633	66,973	61,687	54,866	55,190	78,859	58,316	56,828	75,184	90,528	72,931	42,283
FINANCE AND INSURANCE	15,710	17,884	16,893	16,324	19,204	23,980	28,566	30,128	27,385	25,820	25,924	27,189	28,275	31,896	29,481	26,563	26,553	19,785
GUIDING LAND	41	65,599	132,975	500	-	94,324	169,829	5,898	-	105,778	228,047	-	-	123,664	258,602	-	-	42,822
GUIDING WATER	104,823	2,687,936	6,225,895	78,346	36,497	2,697,548	6,158,152	117,984	79,447	2,869,368	6,061,804	134,694	187,753	2,973,716	5,988,975	120,809	110,697	1,359,274
HEALTH CARE AND SOCIAL AS	45,037	76,757	131,576	63,034	77,243	126,554	134,541	54,418	80,890	95,062	80,786	50,658	78,958	82,195	45,090	38,063	21,795	15,422
HOTEL/MOTEL/BED & BREAKFA	1,789,574	4,657,728	7,026,750	1,712,384	1,532,096	4,558,923	7,153,924	1,641,953	1,490,223	4,422,516	7,518,922	1,455,582	1,543,084	4,457,808	8,375,973	1,734,109	1,279,481	2,828,851
INFORMATION	1,127,408	1,115,491	1,108,504	1,043,506	1,020,993	1,084,186	1,093,603	985,693	972,981	1,061,677	1,031,736	1,008,965	984,852	978,052	1,037,924	992,162	983,669	883,165
MANAGEMENT OF COMPANIES	-	-	-	-	-	-	-	-	-	-	-	-	-	126,214	311,026	-	-	10,508
MANUFACTURING	237,863	470,938	581,747	326,180	225,385	503,806	633,841	318,410	249,843	530,866	641,802	339,803	281,903	602,471	715,234	406,462	344,961	505,214
MINING/QUARRRING	-	-	-	-	500	-	-	-	-	-	150	150	150	1,150	10,926	19,981	3,220	14,961
PROFESSIONAL, SCIENTIFIC	654,874	773,463	732,636	647,970	698,422	708,767	771,398	700,387	691,012	756,620	770,672	680,434	648,929	780,729	761,163	635,037	702,504	767,048
PUBLIC ADMINISTRATION	644,546	954,300	2,150,884	1,188,557	1,100,933	1,309,629	2,560,676	999,094	816,016	1,427,693	2,458,720	1,143,132	829,928	1,432,237	2,845,900	1,022,188	971,581	1,368,423
REMEDATION SERVICES	32,704	-	-	-	32,666	-	-	-	38,717	-	-	-	33,767	-	-	-	-	-
RENTAL COMMERCIAL PROPERTY	42,061	59,602	63,881	59,815	58,558	96,775	101,707	61,466	69,250	85,800	130,158	64,428	196,565	99,765	95,207	60,191	58,935	80,696
RENTAL NON-RESIDENTIAL PRO	128,148	170,232	256,561	171,965	128,347	180,793	246,013	146,382	144,070	187,303	238,829	148,707	138,064	183,990	234,955	126,417	92,816	90,896
RENTAL OF SELF-STORAGE &	249,716	296,770	643,544	385,338	201,259	248,428	561,005	284,593	232,561	265,933	528,323	276,934	217,415	272,863	537,757	294,635	231,287	271,739
RENTAL PERSONAL PROPERTY	132,816	166,630	229,364	147,841	138,081	197,202	242,233	150,791	148,701	210,142	259,883	157,676	141,046	221,419	229,691	174,262	165,835	194,678
RENTAL RESIDENTIAL PROPERT	1,020,110	1,510,996	1,799,042	1,052,578	1,035,396	1,512,623	1,835,339	1,140,120	1,146,434	1,638,398	1,880,675	1,089,752	1,077,295	1,559,698	1,834,018	1,116,156	1,101,887	1,402,570
RESTAURANT/BAR	3,145,686	6,149,338	8,195,446	3,149,958	2,787,404	6,211,565	8,780,547	3,337,515	3,101,373	6,773,895	9,542,688	3,482,700	3,179,549	6,655,645	9,553,633	3,501,273	2,514,895	3,762,292
RETAIL TRADE	12,275,910	24,767,175	29,665,962	14,894,226	12,505,192	24,992,523	30,421,714	15,948,127	12,769,708	27,043,054	34,053,544	17,314,037	14,151,272	26,325,212	34,490,183	18,463,774	15,612,943	27,598,497
SERVICES	1,675,348	2,384,956	2,202,016	1,708,265	1,799,351	2,703,585	2,645,475	2,078,565	1,894,742	2,768,109	2,305,938	2,071,964	1,749,725	2,471,128	2,586,137	2,001,089	1,608,833	2,196,866
TELECOMMUNICATIONS	387,800	396,570	419,879	430,659	408,560	430,719	428,326	440,014	449,669	469,468	511,781	534,464	401,118	338,293	332,138	334,477	335,461	440,569
TELECOMMUNICATIONS-CABLE	75	653	235	130	627	642	1,811	2,771	574	1,202	1,305	519	495	6,604	691	429	861	516
TIMBERING	487	-	-	-	500	-	430	-	-	-	-	-	505	-	-	-	-	-
TRANSPORTATION AND WAREHO	141,573	664,934	1,110,780	144,554	190,285	780,040	1,569,692	178,728	177,563	853,236	1,545,966	168,374	196,800	884,990	1,410,586	165,792	195,409	347,778
UTILITIES	2,070,114	1,772,903	1,602,262	1,993,120	2,322,217	1,992,650	1,795,759	2,156,588	2,445,497	2,058,123	1,757,390	2,045,862	2,503,521	2,114,934	1,727,760	2,028,860	2,710,459	2,197,539
WHOLESALE TRADE	231,382	340,526	193,516	404,805	262,379	317,823	214,032	421,454	325,567	355,069	298,755	355,568	296,494	390,950	280,016	223,920	273,328	338,319
TOTAL	27,065,890	50,864,496	66,247,784	30,615,500	27,609,373	52,187,369	69,200,581	32,183,709	28,168,369	55,378,476	73,491,609	33,486,659	30,290,138	54,437,537	75,240,308	34,456,469	30,149,367	47,565,777

Attachment D

2nd Quarter LOB Taxable Sales
Presented October 12, 2020

	2016	2017	2018	2019	2020	% Δ 2020 - 2019
ADMINISTRATIVE, WASTE MAN	307,936	305,688	203,986	211,749	115,955	-45%
AGRICULTURE, FORESTRY, FI	110,003	144,996	203,853	160,020	111,415	-30%
ARTS AND ENTERTAINMENT	417,206	472,227	501,469	548,940	165,688	-70%
CONSTRUCTION CONTRACTING	477,737	438,379	409,170	373,100	392,005	5%
EDUCATIONAL SERVICES	50,233	52,994	54,866	56,928	42,283	-26%
FINANCE AND INSURANCE	17,884	23,980	25,820	36,654	19,785	-46%
GUIDING LAND	65,599	94,324	105,778	125,677	42,822	-66%
GUIDING WATER	2,687,936	2,697,548	2,869,368	2,985,820	1,359,274	-54%
HEALTH CARE AND SOCIAL AS	76,757	126,554	95,062	62,473	15,422	-75%
HOTEL/MOTEL/BED & BREAKFA	4,657,728	4,558,923	4,422,516	4,629,194	2,828,851	-39%
INFORMATION	1,115,491	1,084,186	1,061,677	978,052	883,165	-10%
MANAGEMENT OF COMPANIES	-	-	-	126,214	10,508	-92%
MANUFACTURING	470,938	503,806	530,866	756,819	505,214	-33%
MINING/QUARRYING	-	-	-	1,150	14,961	1201%
PROFESSIONAL, SCIENTIFIC	773,463	708,767	756,620	785,571	767,048	-2%
PUBLIC ADMINISTRATION	954,300	1,309,629	1,427,693	1,432,737	1,368,423	-4%
REMEDATION SERVICES	-	-	-	-	-	0%
RENTAL COMMERCIAL PROPERT	59,602	96,775	85,800	99,765	80,696	-19%
RENTAL NON-RESIDENTAL PRO	170,232	180,793	187,303	184,240	90,896	-51%
RENTAL OF SELF-STORAGE &	296,770	248,428	265,933	272,863	271,739	0%
RENTAL PERSONAL PROPERTY	166,630	197,202	210,142	221,419	194,678	-12%
RENTAL RESIDENTAL PROPERT	1,510,996	1,512,623	1,638,398	1,632,238	1,402,570	-14%
RESTAURANT/BAR	6,149,338	6,211,565	6,773,895	6,848,886	3,762,292	-45%
RETAIL TRADE	24,767,175	24,992,523	27,043,054	29,033,873	27,598,497	-5%
SERVICES	2,384,956	2,703,585	2,768,109	2,701,456	2,196,866	-19%
TELECOMMUNICATIONS	396,570	430,719	469,468	337,618	440,569	30%
TELECOMMUNICATIONS-CABLE	653	642	1,202	6,282	516	-92%
TIMBERING	-	-	-	-	-	0%
TRANSPORTATION AND WAREHO	664,934	780,040	853,236	925,578	347,778	-62%
UTILITIES	1,772,903	1,992,650	2,058,123	2,114,934	2,197,539	4%
WHOLESALE TRADE	340,526	317,823	355,069	398,831	338,319	-15%
TOTAL	50,864,496	52,187,369	55,378,476	58,049,081	47,565,777	-18%



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

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(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: October 8, 2020
SUBJECT: City Organizational Framework for COVID Risk Assessment

There has been a growing interest in how the City is determining risk and modifying its operations in the face of the COVID-19 pandemic. At this time, the City is very much open for business and virtually all services are available, although some have required modifications to reduce COVID-related risks for staff and the public. Our staff, with support from the City Council, have done an excellent job adapting to our current COVID situation. The public should also be applauded for their flexibility in accepting modified methods of doing business with the City, it is very much appreciated.

Since my arrival in mid-August 2020, I have been having discussions with the leadership team attempting to determine what is appropriate for our local context in regards to opening facilities and interacting with the public for the current phase of the COVID emergency. As an organization, we are focusing on maintaining uninterrupted service delivery. Because an outbreak among staff could have major implications for the delivery of these critical services, I have continued to take a similar, conservative approach to how “open” City operations are that was in place when I arrived in Homer.

This memo will show how Homer fits into the global pandemic, what triggers are likely to impact our local system, the general overview of the “stoplight” framework staff is developing to assess operational risk levels, and the current state of the organization in regards to perceived risk and facility statuses.

The Big Picture: How Homer Fits into a Global Pandemic

The nature of a local government facing an emergency is to view the challenges and opportunities through a local lens. This is useful in a discrete event which impacts a limited geographic area. When faced with a global challenge, local governments must expand their thinking to include the impacts of systems outside of their jurisdictional boundaries.

Judging by the Southern Kenai Peninsula (SKP) Average Daily Incident Rate in conjunction with the SKP total case count and the Homer seven and fourteen day rolling averages, we are doing great as a community. However reports of rising case counts throughout the State of Alaska need to be accounted for within our risk assessments because they impact the available number of beds for COVID patients in the State. For instance, if there are no hospital beds for COVID patients in Anchorage, that reduces the resiliency of our local system.

The illustration in Figure 1 shows the series of geographical systems in which Homer/SKP is nested. Risk factors in systems above Homer can cascade down through this model creating increased COVID risk, even if COVID isn't currently prevalent within the immediate community.

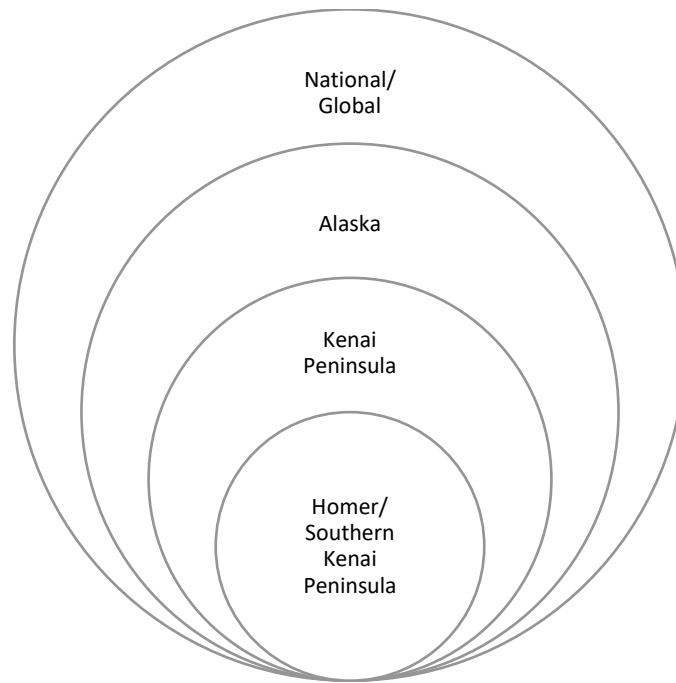


Figure 1: Systems which contribute to COVID risk in Homer

Triggers Potentially Impacting Homer/Southern Kenai Peninsula

When assessing COVID-related risks to the organization, we need to consider local and external factors. Table 1 shows examples of factors at the levels described in Figure 1. What this document does not include is specific number thresholds. Specific numbers, or ratios, are a discussion that staff needs to continue to have with Public Health professionals. Additionally, numeric baselines are likely to shift over time as circumstances change throughout all of our interconnected systems.

Table 1: Factors impacting COVID risk at different system levels

GEOGRAPHIC SYSTEM	POTENTIAL RISK IMPACT FACTORS
HOMER/SOUTHERN KENAI PENINSULA	<ul style="list-style-type: none"> • Rolling average of active COVID cases in Homer/SKP • Number of COVID cases in City organization • Known exposure of City staff • Available COVID beds in Homer • Loss of access to local testing • Unrelated local emergency (i.e. earthquake, tsunami, fire, etc.) • Spread of influenza
KENAI PENINSULA	<ul style="list-style-type: none"> • Rolling average of active COVID cases as reported by Kenai Peninsula Borough • Community transmission connected to popular regional shopping destinations for Homer residents (i.e. Fred Meyer in Soldotna) • Unrelated regional emergency (i.e. earthquake, tsunami, fire, etc.)
STATE OF ALASKA	<ul style="list-style-type: none"> • State public health orders • Number of COVID cases as reported by the State • Available COVID beds in Anchorage • Significant decrease in the Statewide ability to process COVID tests

NATIONAL/GLOBAL	<ul style="list-style-type: none"> • Unrelated emergency with significant impact on Statewide systems • National public health orders • Development of a vaccine • Availability of influenza vaccines
------------------------	---

Homer Stoplight Risk Assessment Framework

A red, yellow, green “stoplight” approach has become popular within the region and is used by school districts and other local governments. In coordination with the Fire Chief/EOC Incident Commander, we have been developing a City of Homer-appropriate stoplight model that factors in local context, regional context, and higher level national/global concerns. Our model includes an extra stop, orange, because the connotation of a “green” status that includes COVID restrictions is confusing to the public.

RISK LEVEL	GENERAL DESCRIPTION
GREEN	<ul style="list-style-type: none"> • No COVID Emergency exists
YELLOW	<ul style="list-style-type: none"> • Regular operations, continue to wear masks and practice social distancing • Most City doors can be opened to the public • Meetings can be held in person in spaces that can accommodate social distancing or other COVID precautions • General City COVID safety messaging continues; City and community maintain constant vigilance and continue to observe all CDC recommended guidelines
ORANGE	<ul style="list-style-type: none"> • City closes majority of facilities to the public, but continues normal operations inside • Meetings should be limited to small numbers of participants within large open spaces (i.e. garages, Council Chambers, etc.), or held outdoors • City COVID safety messaging to suggest that bars, restaurants, and other places people gather consider restricting their operations
RED	<ul style="list-style-type: none"> • City closes facilities to public and reverts to a distributed (remote) work model as much as possible • Meetings should be held by Zoom, phone, or in small numbers outdoors with masks and social distancing • City COVID safety messaging encourages maximum COVID safety measures (expected that the State would likely issue orders to close and/or quarantine when we hit this stage)

While the framework presented here is focused specifically on City operations, I believe public broadcast of the City’s perceived COVID risk level would influence the actions of some individuals, businesses, and other organizations throughout the community. Because the City lacks specific health powers, we cannot direct others to take particular health protection measures. We can, however, be a good role model for others and strive to provide public information that is clear, accurate, and focused on maintaining health and safety within the community.

Current City Status

My opinion, which is in concurrence with the Fire Chief/EOC Incident Commander, is that the City is currently operating under “Yellow” conditions. At a local and Kenai Peninsula level, case counts are low, local hospital beds are available for COVID patients, there has not been a major influenza outbreak, and there is not an ongoing co-emergency stressing City resources. At a State level, the case counts in Anchorage are reportedly on the rise and available beds for COVID patients are reported to be decreasing. At a national level, no vaccine

is available. If the conditions in Anchorage degrade significantly, it may result in a shift from “Yellow” to “Orange” for City operations.

Regarding the current status of City facilities, while some doors remain locked, the City has been open for business throughout the COVID event with exception of some short disruptions at the very beginning of the emergency. Table 2 provides a breakdown of facilities important to public-facing City operations and information concerning their open status and notes on modifications to either processes or physical environments.

Table 2: City facility open/closed statuses

FACILITY	OPEN?	NOTES
AIRPORT	No	Airport is not closed for COVID, it is waiting for RAVN to resume services
CITY HALL	Yes for voting and public meeting participation; By appointment only for all other visits	Plexiglass barriers have been installed at various counters throughout the building; signage regarding masks and social distancing has been posted
HARBORMASTER’S OFFICE	Yes	Front office has been modified with plexiglass barriers; signage regarding masks and social distancing has been posted
HOMER FIRE HALL	Yes, by appointment only	Most non-emergency business with the Fire Department can be achieved via phone and internet
HOMER POLICE DEPARTMENT	Yes	The public can access the lobby of the recently opened building
LIBRARY	Yes, with limited hours	Implemented curb-side pick-up followed by appointment-only visits, recently shifted to accept walk-ins during certain hours; plexiglass barriers installed at public counters; additional “no touch” methods doing library business are being acquired
PUBLIC WORKS CAMPUS	Yes, limited access by appointment only	Most public business with Public Works can be achieved via phone or internet
RECREATION FACILITIES: HERC	Yes, limited access by appointment only	Limited opportunities for small groups to participate in pickleball, Zumba, non-contact karate, and social bubble open gym
RECREATION FACILITIES: SCHOOL DISTRICT	No	Facilities are currently off-limits to City programs per the School District’s direction

Looking Forward

The response to COVID continues to evolve and the analysis and framework within this memo are expected to change with the situation. My office, in coordination with the EOC, will continue to evaluate the situation

and our response as it applies to the day-to-day operations of the City organization. As we recognize shifts in the risk landscape, we will adjust operations as necessary. Anytime a significant adjustment is made the City's status, City Council will receive notification from the City Manager.

Doors open Monday-Friday

10:00-11:30

1:30-3:00

4:00-5:30

Curbside pickup Monday-Friday

10:00-5:45

Help us stay open! Masks are required in city buildings (but we're happy to give you one). Please keep your distance from other patrons. Brief visits are best.



Homer Public Library

Call 907-235-3180 or email us at

circ@ci.homer.ak.us

Library is full!
Please wait a little
while



141

For the sake of public health, we ask patrons not to crowd the building. We will welcome you in when there are fewer people here!

Small Business Economic Relief Program (SBERG) Program

UPDATE 10.07.20

412 TOTAL APPLICATIONS

279 online

133 paper

356 TOTAL APPROVED APPLICATIONS

07.06.20 **68 applications** have been approved and turned into finance department

07.13.20 **58 applications** have been approved and turned into finance department

07.20.20 **38 applications** have been approved and turned into finance department

07.27.20 **36 applications** have been approved and turned into finance department

08.03.20 **31 applications** have been approved and turned into finance department

08.10.20 **25 applications** have been approved and turned into finance department

08.17.20 **21 applications** have been approved and turned into finance department

08.24.20 **11 applications** have been approved and turned into finance department

08.31.20 **5 applications** have been approved and turned into finance department

09.08.20 **21 applications** have been approved and turned into finance department

09.14.20 **10 applications** have been approved and turned into finance department

09.21.20 **15 applications** have been approved and turned into finance department

10.01.20 **16 applications** have been approved and turned into finance department

10.08.20 **01 applications** have been approved and turned into finance department

\$1,068,000 TOTAL GRANTS AWARDED

21 APPLICATIONS VOIDED - voids due to duplicate application or incorrect information on application

20 APPEALS

16 - applications approved

04 - applications denied

35 TOTAL DENIED APPLICATIONS

[10] Not in City Limits

[7] Nonprofit - Does not collect sales tax

[2] General tax exempt - medical - one business does not have a current business license, the other never filed an appeal after tax exempt status was incorporated into approval criteria.

[4] General tax exempt - commercial fishing

[4] New business - collected sales tax after 1st quarter 2020

[3] Business Closed

[4] Not Compliant with KPB sales tax division

[1] duplicate - business did not confirm duplicate application



City of Homer

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(f) 907-235-3148

Eric Clarke
Alaska State Parks
95 Sterling Hwy Ste. 2
Homer AK, 99603

September 21, 2020

Mr. Clarke,

The City of Homer is in support of Kachemak Bay State Park's efforts to receive grant funding for improvements along the existing Saddle Trail alignment from the trailhead to the junction of Glacier Lake Trail. The improvements proposed include reshaping the trail's tread surface, backslope, critical edge and the slope below the tread to ensure proper water drainage with minimal amount of erosion along slopes. Work will also remove a log causeway damaged last winter and construct a turnpike in its place.

With Kachemak Bay being a critical habitat area, any efforts to enhance trail safety while minimizing our footprint in the Park will be of great benefit to the environment and Homer residents and visitors alike.

Best,

Rob Dumouchel
City Manager

ORDINANCE REFERENCE SHEET
2020 ORDINANCE
ORDINANCE 20-61

An Ordinance of the City Council of Homer, Alaska Repealing Emergency Ordinance 20-58 and Amending the 2020 Capital Budget and Authorizing Expenditure of up to \$300,000 from the HART Road Fund to Design and Construct Remedial Solutions for the Horizon Court Landslide.

Sponsor: City Manager/Public Works Director.

1. City Council Regular Meeting September 14, 2020 Introduction
 - a. Memorandum 20-141 from Public Works Director as backup
2. City Council Regular Meeting September 28, 2020 Public Hearing
 - a. Memorandum 20-141 from Public Works Director as backup
3. City Council Regular Meeting October 14, 2020 Second Reading
 - a. Memorandum 20-162 from Public Works Director as backup

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/
4 Public Works Director

5 **ORDINANCE 20-61(A)**
6

7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 REPEALING EMERGENCY ORDINANCE 20-58 AND AMENDING THE
9 2020- CAPITAL BUDGET AND AUTHORIZING EXPENDITURE OF UP
10 TO ~~\$300,000~~ **\$20,000** FROM THE HART-ROAD FUND TO DESIGN
11 AND CONSTRUCT REMEDIAL SOLUTIONS FOR THE HORIZON
12 COURT LANDSLIDE.
13

14 WHEREAS, On August 24, 2020 the Homer City Council approved Emergency Ordinance
15 20-58, declaring the landside and potentially imminent road failure at Horizon Court
16 constitutes an emergency; and
17

18 WHEREAS, Pursuant to Homer City Code 1.08.040, emergency ordinances are effective
19 for 60 days; and
20

21 WHEREAS, Repealing Emergency Ordinance 20-58 and enacting Ordinance 20-61(**S**)
22 allows the City's notice and public hearing and extends the project beyond 60 days; and
23

24 WHEREAS, Horizon Court is a road that was not built to City standards, but was
25 accepted for City maintenance as part of the statutory annexation process; and
26

27 WHEREAS, A portion of the road has sloughed off, creating a landslide into a water-
28 soaked ravine, thereby creating a hazard to the traveling public and putting the road at high
29 risk of complete failure resulting in an continuing emergency situation until the project
30 remediation can be completed; and
31

32 WHEREAS, The City will make emergency repairs to the road, these repairs are a short-
33 term solution, to keep the road from immediate failure, while a long term solution is
34 engineered and constructed; and
35

36 WHEREAS, The City needs to be positioned to take immediate action in the event the
37 earth continues to move and complete road failure occurs or when the engineered solution is
38 ready for implementation; and
39

40 WHEREAS, The City Council adopted Resolution 17-038, on April 24, 2017, amending the
41 Homer Accelerated Roads and Trails Program (HART) Policy Manual; and
42

43 WHEREAS, The HART Manual identify various criteria for projects that may be
44 considered for HART funding; and

45
46 WHEREAS, The criteria, which would be met by repairing Horizon Court, include
47 protecting “life, safety and traffic flow”.

48 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

49
50 Section 1. The Homer City Council of Homer, Alaska, hereby repeals Emergency
51 Ordinance 20-62-~~58~~ upon the effective date of this ordinance.

52
53 Section 2. The City Council directs the City Manager and staff to execute a short-term
54 solution, while a long term solution is designed and constructed.

55
56 Section 3. The City Council declares the landside and potentially imminent road failure
57 at Horizon Court constitutes a continuing emergency and authorizes the City Manager, per HCC
58 3.16.060, to execute exemptions to the procurement procedures set forth in Homer City Code
59 Chapter 3.16, to expedite the procurement of contracts necessary to remediate the ~~continuing~~
60 emergency ~~with short term and long term solutions~~.

61
62 Section 4. The City of Homer’s 2020 Capital Budget is hereby amended by appropriating
63 ~~up to \$300,000~~ **\$20,000** from the HART-Roads Fund for the Horizon Court Road Repair Project.

64

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	HART Roads	\$300,000 <u>\$20,000</u>

65
66
67

68 Section 5. This ordinance reaffirms the ~~\$300,000~~ appropriation approved by Emergency
69 Ordinance 20-58. Any additional funding for this project must be appropriated by the City
70 Council.

71
72 Section 6. This is a budget amendment ordinance, is not permanent in nature, and shall
73 not be codified.

74
75 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of _____, 2020.

76
77 CITY OF HOMER
78
79
80
81 _____
82 KEN CASTNER, MAYOR
83
84

85 ATTEST:

86

87 _____

88 MELISSA JACOBSEN, MMC, CITY CLERK

89

90 YES:

91 NO:

92 ABSTAIN:

93 ABSENT:

94

95

96 Reviewed and approved as to form:

97

98 _____

99 Robert Dumouchel, City Manager

Michael Gatti, City Attorney

100

101 Date: _____

Date: _____

43 WHEREAS, The HART Manual identify various criteria for projects that may be
44 considered for HART funding; and

45
46 WHEREAS, The criteria, which would be met by repairing Horizon Court, include
47 protecting “life, safety and traffic flow”.

48 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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51 Ordinance 20-62-~~58~~ upon the effective date of this ordinance.

52
53 Section 2. The City Council directs the City Manager and staff to execute a short-term
54 solution, ~~while a long term solution is designed and constructed.~~

55
56 Section 3. The City Council declares the landside and potentially imminent road failure
57 at Horizon Court constitutes a continuing emergency and authorizes the City Manager, per HCC
58 3.16.060, to execute exemptions to the procurement procedures set forth in Homer City Code
59 Chapter 3.16, to expedite the procurement of contracts necessary to remediate the ~~continuing~~
60 emergency ~~with short term and long term solutions.~~

61
62 Section 4. The City of Homer’s 2020 Capital Budget is hereby amended by appropriating
63 ~~up to \$300,000~~ **\$20,000** from the HART-Roads Fund for the Horizon Court Road Repair Project.

64

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	HART Roads	\$300,000 <u>\$20,000</u>

65
66
67

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70 Council.

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74
75 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of _____, 2020.

76
77 CITY OF HOMER

78
79
80
81 _____
82 KEN CASTNER, MAYOR

83
84

85 ATTEST:

86

87 _____

88 MELISSA JACOBSEN, MMC, CITY CLERK

89

90 YES:

91 NO:

92 ABSTAIN:

93 ABSENT:

94

95

96 Reviewed and approved as to form:

97

98 _____

99 Robert Dumouchel, City Manager

Michael Gatti, City Attorney

100

101 Date: _____

Date: _____



Memorandum 20-162

TO: City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Jan Keiser, PE, JD, Director of Public Works
DATE: October 8, 2020
SUBJECT: Cost to stabilize Horizon Court had decreased

I. **Issue:** The City Council adopted Ord. 20-58 authorizing the expenditure of \$300,000 from the HART-Road Fund to stabilize a side slope on Horizon Court that had failed. We have completed the repairs and wish to formally reduce the authorized funds.

II. **Background:**

In early August we observed that a downhill side slope of Horizon Court. We asked the City Council to declare this an emergency and to authorize funding to stabilize the road. At that time, we believed we needed to deploy a short term fix, to make sure the road stayed open to traffic and then, investigate a long term solution. We didn't know what had caused the slope failure. We believed the long term solution would require engineering expertise and a potentially expensive retaining system of some kind.

The Public Works road crew mobilized equipment and explored what was going on. We used the Vactor Truck to drill "test holes" on the roadside. All of the holes were dry, except for one – which gurgled with water. We had found an underground spring. We engaged the services of Geoff Coble, a local geophysicist who specializes in hydrology to review the situation. He concluded the spring had saturated the immediate area, causing the soils to slide. He recommended we install "french drains", a.k.a. known as a "burrito wrap", to create a pathway for the water to drain out of the road bed. The crew installed the burrito wrap, put the road back together and stabilized the sloughed area with rock. To do all this, we bought some filter fabric, a couple truckloads of drainrock and some culvert. The invoices aren't all in yet, but the cost should be under \$20,000.

Our goal was to stabilize the road, not rebuild it. We believe we've accomplished the mission. Thus, we invite the City Council to revise the spending authority in Ord. 20-58 to \$20,000.



Memorandum 20-141

TO: City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, Director of Public Works
DATE: September 3, 2020
SUBJECT: Update on Horizon Court repair

- I. **Issue:** We need more time than the existing emergency declaration allows to implement a long-term solution to the mini-landslide at Horizon Court, which is putting a City-maintained road at risk.
- II. **Background:** At their August 24, 2020, meeting, the Homer City Council passed Emergency Ordinance 20-58, declaring the earth movement at Horizon Court to constitute an emergency, a designation that lasts 60 days. We are in the process of enacting short-term repairs to the road and have commissioned the design of long-term repairs, which will involve supporting the ravine with some kind of earth retaining structure. In all likelihood, we will not be able to enact the long-term repairs within the 60 days allowed under the existing emergency declaration.

In the event the situation deteriorates, we may need to take immediate action so local residents could continue to access their homes. An extension of the emergency declaration would allow us to deploy exemptions to the Homer Procurement Code, in exigent circumstances. We will not exercise such exemptions unless it became necessary.

III. **Actions Recommended:**

That the City Council pass an ordinance allowing for additional time to address repairs needed for the continuing emergency situation on Horizon Court.

44 Section 3. The City Manager is authorized, per HCC 3.16.060, to execute exemptions to
45 the procurement procedures set forth in Homer City Code Chapter 3.16, to expedite the
46 procurement of contracts necessary to remediate the emergency, with short term and long
47 term solutions.

48
49 Section 4. The City of Homer's 2020 Capital Budget is hereby amended by appropriating
50 up to \$300,000 from the HART-Roads Fund for the Horizon Court Road Repair Project.

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	HART Roads	\$300,000

51
52
53
54
55 Section 5. This is a budget amendment ordinance, is not permanent in nature, and
56 shall not be codified.

57
58 Section 6. That no action taken herewith precludes the City Council from taking any
59 later action that may cause a local improvement district to be formed.

60
61 Section 7. This is an emergency ordinance of general character and will be effective for
62 60 days in accordance with HCC 1.08.040.

63
64 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 24 day of August, 2020.

65
66 CITY OF HOMER
67 Ken Castner
68 _____
69 KEN CASTNER, MAYOR

70 ATTEST:
71 Melissa Jacobsen
72 _____
73 MELISSA JACOBSEN, MMC, CITY CLERK

74
75 YES: 6
76 NO: 0
77 ABSTAIN: 0
78 ABSENT: 0



79
80 Reviewed and approved as to form:

81 Robert Dumouchel
82 _____
83 Robert Dumouchel, City Manager

84
85 _____
Michael Gatti, City Attorney

86 Date: 28 AUG 20

87 Date: _____



Memorandum 20-127

TO: City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Jan Keiser, PE, JD, Director of Public Works
DATE: August 20, 2020
SUBJECT: Request for Emergency Declaration Related to Horizon Court (road)

- I. **Issue:** A portion of the side slope of Horizon Court has failed, creating a small landslide into an adjacent ravine which is placing the road at imminent risk of substantial damage.. Public Works is currently responding to this emergency with short term remediation but the establishment of immediate permanent repairs are necessary -- --:Consequently the City Council hereby declares the following:
- That an emergency to repair Horizon Drive exists;
 - That the City Manager authorized to use HCC 3.16.060 Emergency Procurements and the provisions of the procurement manual contained titled Emergency Procurement Policy, to retain contractors to perform required repairs to Horizon Court.-
 - Funding from the HART-Roads Fund.

II. **Background:**

Horizon Court is located in outer edge of the northwest corner of the City Limits. (This road was part of the area that was annexed into the City some years ago. The road was accepted for City maintenance, though it was not built to City standards-.

The downhill side slope of Horizon Court has dramatically moved – a combination of geography, bad soils, percolating ground water and poor construction, causing a mini-landslide into a steep, water-soaked ravine. The landslide creates a high risk for the traveling public – there are 6-8 homes beyond the ravine. Left to normal natural causes, the water-soaked earth will continue to move, potentially taking the whole road out. You can already see cracks in the earth at the top of the road “shoulder”.

Public Works is working on a short-term and long-term solution. The short-term solution will be to move the traveled way as far from the edge of the slope as possible and put some concrete Jersey barriers in place to keep people from falling into the ravine. We think we can do this in 1-2 days, starting as soon as we can notify neighbors, get utility locates, etc. This

will buy us some time, hopefully getting us through the winter, while we work on the longer term solution. We will need to watch it and be very careful when plowing snow.

The longer term solution will require (1) some geotechnical engineering to design some kind of retaining wall and (2) a construction contractor with the know-how and equipment to install whatever retaining system is developed.

I request that we ask the Council to declare the Horizon Drive landslide an emergency and authorize an exemption from traditional procurement processes so the City can secure remedial services as needs arise. Public Works would appreciate it if this could be done as soon as possible. If it starts to rain the Horizon Drive problem could be exacerbated with resultant increased costs and impacts to the public..

- III. Funding is available.** The City Council, on April 24, 2017, passed Resolution 17-038, which adopted the Homer Accelerated Roads and Trails Program (“HART”) Manual. The HART Manual identified a set of criteria for projects that may be considered for HART funding. The criteria that would be addressed by the Horizon Court Repair Project include protecting “life, safety and traffic flow”.

There is currently over \$5 million in the HART-Roads Fund that could be used to fund this project. I propose a budget of \$300,000. As we get more information about what the long term solution will be, we can update this budget accordingly. Funds that are not expended from this budget will remain in the HART Fund.

Further, the Council may wish to consider initiating a local improvement district so the property owners benefitting from the project could share in the costs.

IV. Actions Recommended:

- a. That the City Council pass the proposed ordinance (1) declaring the landslide on Horizon Court to constitute an emergency; (2) authorizing staff to employ exemptions to the Procurement Manual; and (3) authorizing expenditure of \$300,000 from the HART-Roads Fund for the Horizon Court Road Repair
- b. That the City Council be invited to consider whether it wants to fund the road repairs 100% with City monies or initiate a local improvement district to recover some of the costs from benefiting property owners.

**CITY OF HOMER
HOMER, ALASKA**

Lord/Aderhold

RESOLUTION 20-077

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
ADOPTING A RESERVE FUND POLICY FOR THE COLLECTION AND
USE OF WATER AND SEWER DEPRECIATION RESERVE FUNDS.

WHEREAS, Homer City Council instituted a two-year budget in December 2019 (Ordinance 19-51(A)); and

WHEREAS, As part of that budgeting process, Homer City Council discussed and initiated the process of establishing reserve fund policies; and

WHEREAS, Water and Sewer Depreciation Reserve funds are collected by Homer water and sewer rate payers; and

WHEREAS, Per Homer City Code 9.16.010(b), the City of Homer collects a three-quarters percent tax to fund the Homer Accelerated Water and Sewer Program (HAWSP); and

WHEREAS, Concurrently with developing a policy for Water and Sewer Depreciation Reserve funds, Homer City Council is revising the HAWSP policy manual to modernize the language and clarify qualifying criteria for using HAWSP funds; and

WHEREAS, The City of Homer Public Works Department is developing Capital Improvement Plans for water and sewer infrastructure; and

WHEREAS, Having clear policies regarding the use of Water and Sewer Depreciation Reserve funds and HAWSP funds supports the development and implementation of the Capital Improvement Plans.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska adopts the Reserve Fund Policy for the Collection and Use of Water and Sewer Reserve Funds.

PASSED AND ADOPTED by the Homer City Council on this _____ day of _____ 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

43 ATTEST:

44

45 _____

46 MELISSA JACOBSEN, MMC, CITY CLERK

47

48 Fiscal Note: N/A

CITY of HOMER WATER and SEWER DEPRECIATION RESERVES POLICY MANUAL

Table of Contents

- I. Purpose
- II. Definitions
- III. Qualifying Project Criteria
- IV. Financing
- V. Special Provisions
- VI. History

I. PURPOSE

The intent of the City of Homer Water and Sewer Depreciation Reserves is to fund improvements, repairs, and replacements to the City's existing water system and sewer system.

In addition to the Water and Sewer Depreciation Reserve funds, the City has a Homer Accelerated Water and Sewer Program (HAWSP). The intent of the Water and Sewer Reserve is to fund projects associated with the existing water and sewer system. HAWSP is intended to fund new water and sewer projects (see HAWSP policy manual for more information).

II. DEFINITIONS

- a. **Capital Improvement Plan (CIP)** – A multi-year document that lays out priorities for capital projects, including descriptions of each project, rationale for why each project is needed, schedule and progress to date, and estimated total cost
- b. **Fund Balance** – The balance within the water and sewer reserve funds that are not allocated to a project
- c. **HART** – Homer Accelerated Roads and Trails program, a fund established by the voters of the City of Homer and funded by a voter-approved dedicated sales tax, intended to improve roads, sidewalks, and trails within the City of Homer, thereby improving property values and quality of life
- d. **HAWSP** – Homer Accelerated Water and Sewer Program, a fund established by the voters of the City of Homer and funded by a voter-approved dedicated sales tax, intended to improve the health and welfare of the Citizens of Homer by connecting residences to City water and/or sewer, thereby increasing the number of users on the system, increasing property values, and improving the quality of life; the funds may also be used on other water and sewer infrastructure that expand the systems

- e. Water and Sewer System Improvements** – Any work, such as planning, design or construction, etc., which improves the City’s water and sewer infrastructure, including, but not limited to, the extension, expansion, repair or rehabilitation of
- i. The City’s water supply, raw water transmission lines, water treatment facilities, water storage facilities, water distribution lines, fire-fighting devices, and related or similar appurtenances.
 - ii. The City’s sewer collection lines, sewer lift stations, RV Dump Stations, waste water treatment facilities, discharge outfall and related or similar appurtenances.
 - iii. Other facilities related to providing public access to clean water and the sanitary disposal of human wastes to protect public health.

III. QUALIFYING PROJECT CRITERIA

Criteria for Qualifying Water and Sewer System Improvements: Water and Sewer Reserve funds may be used for projects, which meet ### of the criteria below are met:

- A. The project must be located within City limits.
- B. The project is listed on the citywide CIP, Water or Sewer CIPs, or Water/Sewer Master Plan.
- C. The project addresses exigent issues related to public health and safety as well as actual or imminent regulatory changes.
- D. The project repairs, rehabilitates, or corrects deficiencies in existing water or sewer systems.
- E. The project would reduce maintenance costs.
- F. Other factors deemed appropriate by the City Council.

G. FINANCING

- Water and sewer reserve expenditures are subject to the availability of funds.
- Projects may be funded through the reserve fund, bonds, grants, or a combination of these or other funding mechanism that may be identified by the City.
- Depending on the nature of the project, reserve and HAWSP funds may be used to fund a project. Reserve funds should be used for portions of the project that improve, repair, or replace existing water or sewer infrastructure while HAWSP funds should be used for portions of the project that result in new water or sewer infrastructure.

H. SPECIAL PROVISIONS

- The City Council shall review the Water and Sewer Reserve funds biannually during the budget process.
- The Public Works Department will maintain CIPs for Water and Sewer that are presented to City Council for review annually. The Public Works Department may nominate projects from the Water and Sewer CIPs to the Citywide CIP

I. HISTORY

Listing of Ordinances & Resolutions



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum 20-165

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: October 6, 2020
SUBJECT: Water and Sewer Rate Model – Rate Scenarios

There has been some interest in performing a what-if analysis on adjusting the reserve requirement and its implications on the utility rates. Staff spent time identifying a couple different scenarios that aligned with previous council conversations. Below are descriptions on four different rate scenarios. Included as supplemental information to this memo are detailed rate models for each scenario and a comparison chart. This chart compares each of the proposed rates with our existing 2020 rate.

Scenario 1 – Maintain Current Rate Model (15% Reserve Requirement)

This scenario keeps everything status quo and utilizes a 15% reserve requirement. All other line items and definitions remain consistent with the original proposed model.

The model under these terms proposes the following rates:

Water Rates:

Commodity (per gal): \$0.0133

Bulk (per gal): \$0.0173

Monthly Fees: \$13

Sewer Rates:

Non-Lift Station: \$0.0157

Lift Station: \$0.0256

Scenario 2 – Utilize Current Rate Model, Amend to 10% Reserve Requirement

This scenario utilizes rate model, but amends the reserve requirement to 10% (instead of the original 15%). All other line items and definitions remain consistent with the original proposed model.

The model under these terms proposes the following rates:

Water Rates:

Commodity (per gal): \$0.0126

Bulk (per gal): \$0.0166

Monthly Fees: \$13

Sewer Rates:

Non-Lift Station: \$0.0149

Lift Station: \$0.0247

Scenario 3 – Utilize Current Rate Structure, Amend Inputs to match 2021 Budgeted Costs

This scenario utilizes current rate model structure, but amends inputs to match the adopted 2021 budgeted costs. The following line items in the water model were adjusted to match the budget: total revenue required, reserve requirement and service fee deduction. The hydrant rents line item is amended, as it is a fraction of the total revenue required. All other line items and definitions remain consistent with the original proposed model.

The model under these terms proposes the following rates:

Water Rates:

Commodity (per gal): \$0.0130

Bulk (per gal): \$0.0170

Monthly Fees: \$14

Sewer Rates:

Non-Lift Station: \$0.0148

Lift Station: \$0.0249

Scenario 4 – Utilize Current Rate Model, Amend to 2021 Budgeted Reserve Transfer

This scenario utilizes the current rate model, but amends the reserve requirement to match the FY21 budgeted reserve transfer (instead of the original 15%). All other line items and definitions remain consistent with the original proposed model.

The model under these terms proposes the following rates:

Water Rates:

Commodity (per gal): \$0.0127

Bulk (per gal): \$0.0167

Monthly Fees: \$13

Sewer Rates:

Non-Lift Station: \$0.0138

Lift Station: \$0.0237

Current Rates:

To provide additional context our current rates are as follows:

Water Rates:

Commodity (per gal): \$0.0132

Bulk (per gal): \$0.0172

Monthly Fees: \$13

Sewer Rates:

Non-Lift Station: \$0.0145

Lift Station: \$0.0224

Recommendation:

Without a detailed analysis on the budgetary implications of changing the inputs of the rate model it would seem to be worth considering Scenario 3, as it would further connect the model with our budget.

Future considerations should be given to adjusting the schedule of water/sewer rate passage. Some efficiencies could be found in timing the rate setting discussion around our budget schedule.

Scenario 1 - Rate Calculations

WATER Rate Model	
Revenues	
2020 Total Revenue Required - Water	\$ 1,911,348
15% Reserve Requirement	286,702
Deduct Portion Collected through Service Fee	(286,547)
Hydrant Rents (10% of Total)	(95,567)
Surplus Water Sales (Bulk) surcharge only	(67,796)
Revenue Required for Commodity Rate Calculation	\$ 1,748,140
Water Consumption (Gallons)	
Total Estimated Water Sales	131,000,000
Water Rates:	
Commodity Rate (per gal)	\$ 0.0133
Bulk Rate (per gal)	\$ 0.0173
Monthly Fees	\$ 13
<u>Consumption Additional Information:</u>	
FY19 Gross Meters Water Sales (Gallons)	131,478,500
SEWER Rate Model	
Revenues	
2020 Total Operating Revenue Required - Sewer	\$ 1,627,400
15% Reserve Requirement	244,110
Lift Stations Costs	(217,160)
Pumping Fee	(10,050)
Dumping Station Fees	(5,978)
Multi-Units and K-city (\$5/unit/mo.)	(70,320)
Revenue Required for Commodity Rate Calculation	\$ 1,568,002
Sewer Usage (Gallons)	
Projected Billable Volume	78,000,000
Projected Billable Volume - Lift Zone Only	22,000,000
Total Projected Billable Volume	100,000,000
Sewer Rate	
Non-Lift Station Rate	\$ 0.0157
Lift Station Rate	\$ 0.0256
<u>Lift Station Additional Information:</u>	
FY 19 Actually Billed Gallons (Lift Zone Only)	21,706,300

Scenario 2 - Rate Calculations

WATER Rate Model	
Revenues	
2020 Total Revenue Required - Water	\$ 1,911,348
10% Reserve Requirement	191,135
Deduct Portion Collected through Service Fee	(286,547)
Hydrant Rents (10% of Total)	(95,567)
Surplus Water Sales (Bulk) surcharge only	(67,796)
Revenue Required for Commodity Rate Calculation	\$ 1,652,573
Water Consumption (Gallons)	
Total Estimated Water Sales	131,000,000
Water Rates:	
Commodity Rate (per gal)	\$ 0.0126
Bulk Rate (per gal)	\$ 0.0166
Monthly Fees	\$ 13
Consumption Additional Information:	
FY19 Gross Meters Water Sales (Gallons)	131,478,500
SEWER Rate Model	
Revenues	
2020 Total Operating Revenue Required - Sewer	\$ 1,627,400
10% Reserve Requirement	162,740
Lift Stations Costs	(217,160)
Pumping Fee	(10,050)
Dumping Station Fees	(5,978)
Multi-Units and K-city (\$5/unit/mo.)	(70,320)
Revenue Required for Commodity Rate Calculation	\$ 1,486,632
Sewer Usage (Gallons)	
Projected Billable Volume	78,000,000
Projected Billable Volume - Lift Zone Only	22,000,000
Total Projected Billable Volume	100,000,000
Sewer Rate	
Non-Lift Station Rate	\$ 0.0149
Lift Station Rate	\$ 0.0247
Lift Station Additional Information:	
FY 19 Actually Billed Gallons (Lift Zone Only)	21,706,300

Scenario 3 - Rate Calculations

WATER Rate Model	
Revenues	
2021 Total Revenue Required - Water	\$ 1,962,599
Reserve Requirement - 2021 Budgeted Transfer	206,071
Deduct Portion Collected through Service Fee	(301,116)
Hydrant Rents (10% of Total)	(98,130)
Surplus Water Sales (Bulk) surcharge only	(67,796)
Revenue Required for Commodity Rate Calculation	\$ 1,701,629
Water Consumption (Gallons)	
Total Estimated Water Sales	131,000,000
Water Rates:	
Commodity Rate (per gal)	\$ 0.0130
Bulk Rate (per gal)	\$ 0.0170
Monthly Fees	\$ 14
Consumption Additional Information:	
FY19 Gross Meters Water Sales (Gallons)	131,478,500
SEWER Rate Model	
Revenues	
2021 Total Operating Revenue Required - Sewer	\$ 1,734,023
Reserve Requirement - 2021 Budgeted Transfer	54,594
Lift Stations Costs	(222,021)
Pumping Fee	(10,050)
Dumping Station Fees	(6,156)
Multi-Units and K-city (\$5/unit/mo.)	(70,320)
Revenue Required for Commodity Rate Calculation	\$ 1,480,070
Sewer Usage (Gallons)	
Projected Billable Volume	78,000,000
Projected Billable Volume - Lift Zone Only	22,000,000
Total Projected Billable Volume	100,000,000
Sewer Rate	
Non-Lift Station Rate	\$ 0.0148
Lift Station Rate	\$ 0.0249
Lift Station Additional Information:	
FY 19 Actually Billed Gallons (Lift Zone Only)	21,706,300

Scenario 4 - Rate Calculations

WATER Rate Model	
Revenues	
2020 Total Revenue Required - Water	\$ 1,911,348
Reserve Requirement - 2021 Budgeted Transfer	206,071
Deduct Portion Collected through Service Fee	(286,547)
Hydrant Rents (10% of Total)	(95,567)
Surplus Water Sales (Bulk) surcharge only	(67,796)
Revenue Required for Commodity Rate Calculation	\$ 1,667,509
Water Consumption (Gallons)	
Total Estimated Water Sales	131,000,000
Water Rates:	
Commodity Rate (per gal)	\$ 0.0127
Bulk Rate (per gal)	\$ 0.0167
Monthly Fees	\$ 13
Consumption Additional Information:	
FY19 Gross Meters Water Sales (Gallons)	131,478,500
SEWER Rate Model	
Revenues	
2020 Total Operating Revenue Required - Sewer	\$ 1,627,400
Reserve Requirement - 2021 Budgeted Transfer	54,594
Lift Stations Costs	(217,160)
Pumping Fee	(10,050)
Dumping Station Fees	(5,978)
Multi-Units and K-city (\$5/unit/mo.)	(70,320)
Revenue Required for Commodity Rate Calculation	\$ 1,378,486
Sewer Usage (Gallons)	
Projected Billable Volume	78,000,000
Projected Billable Volume - Lift Zone Only	22,000,000
Total Projected Billable Volume	100,000,000
Sewer Rate	
Non-Lift Station Rate	\$ 0.0138
Lift Station Rate	\$ 0.0237
Lift Station Additional Information:	
FY 19 Actually Billed Gallons (Lift Zone Only)	21,706,300

City of Homer
 Water and Sewer Rates Comparison
 Presented October 12, 2020

	Average Volume City Hall				High Volume Library				Lift Station (Year-Round) Port & Harbor - Maintenance					
	Scenario 1 3800	Scenario 2 3800	Scenario 3 3800	Scenario 4 3800	Existing 6600	Scenario 1 6600	Scenario 2 6600	Scenario 3 6600	Scenario 4 6600	Existing 1800	Scenario 1 1800	Scenario 2 1800	Scenario 3 1800	Scenario 4 1800
Consumption	3800	3800	3800	3800	6600	6600	6600	6600	6600	1800	1800	1800	1800	1800
Water Rate	0.0132	0.0133	0.0126	0.0130	0.0132	0.0133	0.0126	0.013	0.0127	0.0132	0.0133	0.0126	0.013	0.0127
Sewer Rate	0.0145	0.0157	0.0149	0.0148	0.0145	0.0157	0.0149	0.0148	0.0138	0.0224	0.0256	0.0247	0.0249	0.0237
Charges:														
Water	50.16	50.54	47.88	49.40	87.12	87.78	83.16	85.80	83.82	23.76	23.94	22.68	23.40	22.86
Sewer	55.10	59.66	56.62	56.24	95.7	103.62	98.34	97.68	91.08	40.32	46.08	44.46	44.82	42.66
Service	13	13	13	14	13	13	13	14	13	13	13	13	14	13
Total Bill	\$ 118.26	\$ 123.20	\$ 117.50	\$ 119.64	\$ 195.82	\$ 204.40	\$ 194.50	\$ 197.48	\$ 187.90	\$ 77.08	\$ 83.02	\$ 80.14	\$ 82.22	\$ 78.52
Impact		\$ 4.94	\$ (0.76)	\$ 1.38	\$	\$ 8.58	\$ (1.32)	\$ 1.66	\$ (7.92)	\$	\$ 5.94	\$ 3.06	\$ 5.14	\$ 1.44

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Lord/Aderhold

4 **RESOLUTION 20-078**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
7 AMENDING THE HOMER ACCELERATED WATER AND SEWER
8 PROGRAM (HAWSP) POLICY MANUAL TO MODERNIZE THE
9 LANGUAGE AND CLARIFY QUALIFYING CRITERIA FOR USING
10 HAWSP FUNDS.

11
12 WHEREAS, The Homer Accelerated Water and Sewer Program (HAWSP) was authorized
13 June 28, 1999 by Resolution 99-53 and most recently updated May 9, 2016 by Resolution 16-
14 041(S-2)(A); and

15
16 WHEREAS, Per Homer City Code 9.16.010, HAWSP is funded by a "... consumer's sales
17 tax in the amount of three-quarters percent is hereby levied by the City of Homer on all sales,
18 rents and services within the City except as the same may be otherwise exempted by law, for
19 the purpose of funding debt retirement of the sewer treatment plant improvements, and to the
20 extent revenues from such tax exceed such debt retirement obligations, for the purpose of
21 funding water and sewer systems"; and

22
23 WHEREAS, The current revision of the HAWSP manual is unclear, not user friendly, and
24 leads to confusion regarding the use of HAWSP funds for new water and sewer infrastructure
25 versus maintenance, repairs, and upgrades to existing water and sewer infrastructure; and

26
27 WHEREAS, Homer City Council is in process of establishing policies for reserve funds,
28 including the Water and Sewer Depreciation Reserves, and clarifying how and when HAWSP
29 funds and Water and Sewer Depreciation Reserve funds should be used for water and sewer
30 infrastructure; and

31
32 WHEREAS, In revising the HAWSP manual, Homer City Council reviewed the history of
33 legislation associated with the program.

34
35 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska amends the
36 HAWSP Policy Manual

37
38 PASSED AND ADOPTED by the Homer City Council on this _____ day of _____, 2020.

39
40 CITY OF HOMER
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KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A

H.A.W.S.P. POLICY MANUAL

(Homer Accelerated Water and Sewer Program)

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- I. Purpose
- II. Definitions
- III. Qualifying Project Criteria
- IV. Financing and Assessments
- V. Special Provisions
- VI. History

I. PURPOSE

The intent of the Homer Accelerated Water and Sewer Program (HAWSP) as established by the voters of the City of Homer is to improve the health and welfare of the Citizens of Homer **by connecting residences to City water and/or sewer**, thereby increasing the number of users on the system, increasing property values and improving the quality of life. The HAWSP is funded by a voter-approved dedicated sales tax, and assessments levied on adjacent benefited properties (HCC 9.16.010(b)).

The intention of the HAWSP has been since its inception, as defined through adopted legislation and the original voter initiative, is to:

- “provide for utility improvements without the heavy financial burden placed on individual property owner(sic) and will increase users to the system(s), thereby increasing revenues to the Water and Sewer Enterprise Funds.” Resolution 99-53
- “to promote construction of additional improvements to the City water and sewer **systems**” Ordinance 99-14(S)(A)
- “Shall the entire amount of the ¾ of 1 percent sales tax levy be dedicated **to water and sewer system improvements?**” Excerpt from the proposition approved by voters on October 5, 1999 and adopted within Ordinance 99-14(S)(A)

In addition to HAWSP, the City of Homer has a **Water and Sewer Depreciation Reserve fund**. HAWSP is intended to fund water and sewer projects that are in the best interest of the public at large, such as extending water and sewer infrastructure. The intent of the Water and Sewer Depreciation Reserve Fund is to fund projects that benefit existing ratepayers, such as upgrades and repairs to the existing water and sewer treatment systems.

II. DEFINITIONS

- a. **Fund Balance** – The unreserved balance within the HAWSP fund that is not allocated to pay the City portion of a project
- b. **HART** – Homer Accelerated Roads and Trails program

Commented [JK1]: Was this the only stated intent? It seems to say we can't use HAWSP for projects that don't involve extensions of the system to new residences. Do we want to expand this intent?

Commented [DA2R1]: Language in city code states: for the purpose of funding debt retirement of the sewer treatment plant improvements, and to the extent revenues from such tax exceed such debt retirement obligations, for the purpose of funding water and sewer systems.

I suggest changing this language to “by funding water and sewer systems,”

Commented [JK3]: This language suggests we can use HAWSP for projects not related to an “extension”. Do we need to get the voters to ratify this idea?

Commented [JK4]: This language is much broader than limiting HAWSP to projects that “connect [new] residences”

Commented [DA5]: Suggested language to differentiate the 2 funds. Rerword as appropriate.

Commented [DA6]: Or depreciation funds?

Commented [JK7]: I suggest we define “water and sewer system improvement”. **See proposed language.**

Commented [DA8R7]: Do we also want to define reserve and depreciation funds? Or is that getting too far in the weeds?

Commented [RL9R7]: I think the paragraph above helps to flesh out the difference.

- c. **Special Assessment District** –Created for the purpose of acquiring, installing or constructing a capital improvement that primarily benefits real property in the district, in contrast to capital improvements that benefit the entire community and are paid for with general government resources or improvements that benefit a specific individual parcel
- d. **Water and Sewer System Improvements** – Any work, such as planning, design or construction, etc., which improves the City’s water and sewer infrastructure, including, but not limited to, the extension, expansion, repair or rehabilitation of
 - i. The City’s water supply, raw water transmission lines, water treatment facilities, water storage facilities, water distribution lines, fire-fighting devices, and related or similar appurtenances.
 - ii. The City’s sewer collection lines, sewer lift stations, RV Dump Stations, waste water treatment facilities, discharge outfall and related or similar appurtenances.
 - iii. Other facilities related to providing public access to clean water and the sanitary disposal of human wastes to protect public health.

Commented [RL10]: I read this definition as working to a liberal use of HAWSP to fund “improvements” that

Commented [JK11]:

Commented [JK12R11]: I want to propose the use of HAWSP to rebuild/upgrade public restrooms. What do you think about this idea?

Commented [DA13R11]: I feel like this would be outside the original intention of HAWSP and it could be appropriate to ask the voters that question. It is worth discussion at the council table to get a sense from the body. The restrooms definitely benefit the public at large and we have many needs in this regard.

Commented [RL14R11]: I agree with Donna – restrooms would be beyond the original intent of this tax. I would argue that public restrooms (and their maintenance) should NOT be payed out of any part of the utility fund.

III. QUALIFYING PROJECT CRITERIA

All projects will be authorized only after a public hearing to assure public participation in the process pursuant to HCC 17.

- A. **Criteria for Qualifying Water and Sewer System Improvements:** HAWSP funds may be used for projects, which meet the following criteria:
 - a. The project must be located within City limits.
 - b. If the proposed improvement involves the extension of water/sewer lines to private residences via a special assessment district (SAD) process, the resulting assessment district must have been approved by property owners in accordance with HCC Title 17. HAWSP funds are available for 25% of a qualifying project.
 - c. If the proposed improvement is for existing infrastructure:
 - i. the project repairs, rehabilitates, or corrects deficiencies in existing systems that benefit the health and safety of Homer residents in general;
 - ii. would reduce maintenance costs
 - iii. The project is listed in the City’s Water or Sewer Capital Improvement Plan or Water/Sewer Master Plan.
 - d. If involving privately built systems, the systems must have been built to City standards.
 - e. HAWSP funds may be used in accordance with Title 17 to pay a developer for the costs of providing excess capacity at the City’s request.
 - f. Other factors deemed appropriate by the City Council, which may include: system-wide vs. localized issues, economic development, public health and safety, actual or imminent regulatory changes.
- B. All HAWSP projects and connections to the water/sewer system will be to City standards.

Commented [DA15]: How would we differentiate what comes from HAWSP and what comes from reserves?

C. FINANCING AND ASSESSMENTS

- All HAWSP projects must follow all provisions within HCC Title 17.

DRAFT 2020 HAWSP Policy Re-write (v. 8/19/2020)

- All water and/or sewer projects and utility connections must follow all provisions within HCC Title 14.
- Expenditures under HAWSP are subject to the availability of funds.
- HAWSP-eligible assessment districts may be initiated by citizens or City Council on a rolling basis (i.e. first-come first-served). City Council shall assess the health of the HAWSP fund prior to approving a new assessment district (see Special Provisions).
- The City may attempt to secure long-term financing for up to ten years for the private share of funding.
- Interest, if any, generated from the program will remain with program funds.
- The City will pay all costs, with HAWSP funds, for any additional improvements required when deemed necessary by the City and subject to approval by City Council.
- Non-existing water and sewer assessment districts shall be encouraged whenever possible, including lots immediately adjacent to the water and/or sewer main lines within the project boundaries as defined by Public Works.
- Certain water and sewer utility relocations and extensions in conjunction with roads projects may be paid for with HART funds (see the HART policy manual).

- Commented [JK16]: What's a "rolling basis"?
- Commented [DA17R16]: On a first come, first served basis?
- Commented [JK18]: Are you sure you want to use the word "will"?
- Commented [DA19R18]: I agree! Will is a bad word! But what's a better one?
- Commented [DA20]: How would reserve or depreciation funds play in this arena?
- Commented [JK21]: What's this "catch all" sentence for?
- Commented [RL22R21]: I don't really know. It's in the current policy.
- Commented [JK23]: What does this refer to?
- Commented [RL24R23]: Also don't really know. Also in the current policy.

D. SPECIAL PROVISIONS

- The City Council shall review the HAWSP fund bi-annually during the budget process. All efforts shall be made to ensure the assessment payments levied on benefited properties cover the annual debt service of the fund.
- When financing a HAWSP project, the City shall provide cash for its required percentage whenever possible. Alternatives must be approved by the City Council.
- Whenever and wherever practical, road improvements shall be done in conjunction with water and/or sewer projects but not before.
- Certain lands that will not be developed due to Conservation Easements or owned by organizations that conserve land for public purpose and/or habitat protection may be exempted from HAWSP-funded assessment district assessments on a case by case basis (Resolution 05-50).
- All SADs are governed by the provisions of Homer City Code and the HAWSP Policy Manual at their time of inception.
- *A comment from Heath at the March 9 worksession that I'm not sure how/where to work in: HAWSP funds may be used to pay off HAWSP-project debt, subject to Council approval.*
- When the balance of the HAWSP fund exceeds \$3 million, the City Manager shall propose projects from the Water and Sewer Capital Improvement plans that utilize the funds to the Homer City Council for consideration. The City Manager must include at least two alternative projects meeting project criteria above for consideration by City Council. (Resolution 13-078(S)(A))
- To ensure that funds remain in place for the development of SADs, the debt service ratio of the HAWSP fund should be maintained above 1.25. If the fund balance results in a debt service ratio below 1.25, the City Council will evaluate a moratorium on use of the fund until the debt service ratio rises above 1.25.

- Commented [DA25]: Biannually?
- Commented [JK26]: Does this mean if there is no water/sewer line in a road, a Road Assessment District will not be considered?
- Commented [DA27R26]: I believe the intent is that we don't redo road work when a water/sewer project is planned for a road that also requires road work. But this could be worded much better.
- Commented [RL28R26]: I'm open to suggestions for wording. This is copied from the current policy, and there is sister-policy within HART policy. This came up recently (past couple of years) for a proposed HART district off East Hill.
- Commented [JK29]: Please clarify – what do you mean by this? What about smaller projects?
- Commented [RL30R29]: This language is from the 2013 resolution
- Commented [JK31]: What does this mean?
- Commented [RL32R31]: This is all from the 2013 resolution
- Commented [DA33]: This is a really interesting resolution. I revised the paragraph to provide context from the whereas clauses. I think this is a good resolution to present to council to determine whether it continues to meet our intent. How does it relate to our intent of maintaining a debt service ratio above 1.25? What if we are planning for a large project in the future?2
- Also, I'm pretty sure HART does not make such a reference and may not be in compliance with this resolution. But I'll have to review HART again.
- Commented [DA34]: I added this language because it feels like the debt service ratio conversations we've had are at odds with the paragraph above. It's also highlighted below in text by Rachel. I have no druthers where it goes, but we need to make sure our policies are consistent and work together.

- Insert here (or somewhere else in the policy) criteria for assessing the health of the fund and forecasting for budgeting and giving a green light to projects. Resolution 16-041(S-2)(A) sets the 1.25 debt-service coverage ratio, however it's not defined and we've had extensive conversations about metrics. Consider clearly describing what needs to be presented to Council from Finance Dept. and PW for their consideration of this question. Notes from March 9th → *Mayor: No debt service ratio/no forward funding. Make sure that our projected tax revenue is never less than the debt service. Keep it simple. 1:1 ratio if we only look at tax revenue. Look at ability to repay debt and the fund balance. When looking at 'forward funding' the debt service, consider a 'floor' of the coming year's debt service payments. Heath: consider restricting 6 months of debt payments. Joey: maybe 8 months. Hedging the risks.*

E. HISTORY

Listing of Ordinances & Resolutions

**CITY OF HOMER
HOMER, ALASKA**

Mayor/Evensen

RESOLUTION 20-098

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA DIRECTING THE HOMER PUBLIC WORKS DEPARTMENT EXPLORE AN ENGINEERING SOLUTION TO RELOCATE THE SURFACE WATER DISCHARGE AT THE CONFLUENCE OF THE STERLING HIGHWAY AND MOUNT AUGUSTINE DRIVE INTO A NATURALLY OCCURRING RAVINE, GULLY, WATERCOURSE OR RUNNEL.

WHEREAS, The City is presently preparing a storm water management plan and has identified a potential storm water management project located near the intersection of the Sterling Highway, a public road owned and maintained by the Alaska Department of Transportation and Public Facilities (“ADOT/PF”), and Mount Augustine Drive, a public road owned and maintained by the City of Homer, which serves the Baycrest Subdivision; and

WHEREAS, The Public Works Department has indicated that there is a possibility to engineer a solution which will divert this storm water into a naturally occurring ravine, gully, watercourse, or runnel.

NOW, THEREFORE BE IT RESOLVED that the City of Homer directs the Homer Department of Public Works to explore an engineering solution to redirect storm water discharge from the confluence of the Sterling Highway and Mount Augustine Drive, into a natural occurring ravine, gully, watercourse or runnel.

PASSED AND ADOPTED by the Homer City Council this 12th day of October, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Staff time

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

City Clerk/Canvass Board

3
4 **RESOLUTION 20-099**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 CERTIFYING THE RESULTS OF THE CITY OF HOMER REGULAR
8 ELECTION HELD OCTOBER 6, 2020 TO ELECT A MAYOR AND TWO
9 CITY COUNCILMEMBERS.
10

11 WHEREAS, In compliance with Homer City Code 4.35, the Canvass Board of the City of
12 Homer has opened, counted, and tallied the votes on absentee ballots including special needs
13 ballots, and question ballots found to be valid, that were cast in the City of Homer Regular
14 Election held on October 6, 2020; and
15

16 WHEREAS, The total number of voters voting in the City Regular Election was ___ and
17 reflects the number of voters, not the number of votes cast or ballots counted; and
18

19 WHEREAS, In accordance with Homer City Code 4.35, the Canvass Board of the City of
20 Homer had inspected the precinct reports, Election Central Logs and entered the the results of
21 the absent and questioned ballots on the Certification of Election along with the results of the
22 precinct counts; and
23

24 WHEREAS, The results of the City Regular Election held October 6, 2020, attached as
25 Exhibit A, is presented in the Canvass Board's Certificate of Election in accordance with the
26 Homer City Code.
27

28 NOW, THEREFORE, BE IT RESOLVED that the City Council hereby certifies the results of
29 the City Regular Election held October 6, 2020, as presented in the Canvass Boards Certificate
30 of Election, attached as Exhibit A, in accordance with the Homer City Code.
31

32 BE IT FURTHER RESOLVED that the following candidate is declared elected to office of
33 Mayor, having received at least 40% of the votes cast for a two-year term of office:
34

35 MAYOR
36
37 _____
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39 BE IT FURTHER RESOLVED that the following candidates are declared elected to office
40 of City Councilmember, having received at least 20% of the votes cast for a three-year term of
41 office:
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COUNCILMEMBERS (TWO THREE-YEAR TERMS)

BE IT FURTHER RESOLVED that the Canvass Board's Certificate of Election (Exhibit A) be attached permanently as part of this Resolution.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 12th day of October, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Mayor

4 **RESOLUTION 20-100**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 ESTABLISHING A FISHERMEN ECONOMIC RECOVERY GRANT
8 (FERG) PROGRAM AND APPROVING UP TO \$1.3 MILLION FROM
9 THE COVID-19 RESPONSE FUND TO PROVIDE ECONOMIC RELIEF
10 TO CITY OF HOMER-BASED VESSEL OWNERS ENGAGED IN
11 COMMERCIAL FISHING WHO ARE IMPACTED BY THE COVID-19
12 PANDEMIC.

13
14 WHEREAS, The City of Homer received \$7,899,085.29 in federal funding under the
15 Coronavirus Aid, Relief, and Economic Security Act (CARES Act) from the State of Alaska that
16 allows municipalities to provide small business grants to businesses that suffer economic
17 impacts costs with the Covid-19 pandemic; and

18
19 WHEREAS, The City of Homer-based commercial fishing fleet is an important sector of
20 Homer's diverse economy providing jobs and supporting local marine trades and chandleries,
21 job provision and fish deliveries; and

22
23 WHEREAS, The Commercial fishing industry has suffered economic loss due to the
24 softening of markets, including restaurants, public and private gatherings and the general loss
25 of normal distribution outlets; and

26
27 WHEREAS, Commercial fishermen have suffered economic loss due to reductions or
28 elimination of stock assessments and surveys which have led to more conservative
29 management with reduced quotas or fishing time; and

30
31 WHEREAS, Commercial fishermen have suffered economic loss due to the added
32 expenses of meeting quarantine, social distancing, and other restrictions that have been
33 placed on the commercial fleets during the COVID 19 pandemic; and

34
35 WHEREAS, the continued disruption of economic re-openings around the world may
36 prolong the softening of markets, creating a serious, and in many cases critical, danger to their
37 economic viability; and

38
39 WHEREAS, The Homer City Council believes the Covid-19 pandemic and actions taken
40 as a result to protect public health as described above have created immediate necessity for
41 economic relief to the City of Homer-based commercial fishing fleet; and

42 WHEREAS, the Administration has developed and presented the City Council with a
43 spending plan, which designates CARES Act funds into several different expense categories,
44 including funds intended to provide direct support to Homer businesses who have been
45 financially impacted by the COVID-19 public health emergency.

46
47 NOW, THEREFORE BE IT RESOLVED that the City of Homer establishes a Fishermen
48 Economic Recovery Grant program (FERG) to provide economic relief to vessel owners
49 operating out of the Homer Harbor and engaged in commercial fishing within the waters of the
50 State of Alaska who have experienced economic loss due to the COVID-19 pandemic.

51
52 BE IT FURTHER RESOLVED that the parameters and program policies of the FERG
53 Program are adopted under Resolution 20-XXX.

54
55 BE IT FURTHER RESOLVED that this program will be issued with a given application
56 period to assess whether additional funds for the programs are needed or to assess if unspent
57 funds allocated to FERG need to be reappropriated to meet other needs.

58
59 PASSED AND ADOPTED by the Homer City Council this 12th day of October, 2020.

60
61 CITY OF HOMER

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63
64 _____
65 KEN CASTNER, MAYOR

66
67 ATTEST:
68
69
70 _____
71 MELISSA JACOBSEN, MMC, CITY CLERK



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

Memorandum 20-169

TO: HOMER CITY COUNCIL & MAYOR CASTNER
FROM: BRYAN HAWKINS, HARBORMASTER/PORT DIRECTOR
THRU: ROBERT DUMOUCHEL, CITY MANAGER
DATE: OCTOBER 7, 2020
SUBJECT: FISHERMEN ECONOMIC RELIEF GRANT PROGRAM (FERG)

The COVID -19 pandemic is a public health emergency with wide spread financial impacts on businesses and individual households alike. In the City's ongoing effort to put federal relief dollars to work where they will do the most good for the community, economic relief programs have been developed for small businesses, nonprofits and households that suffered loss due to the COVID-19 emergency. However commercial fishing did not qualify for relief under any of the City of Homer grant relief programs.

There are a large number of commercial fishing vessel owners who base their operations out of Homer during the course of a year and who are likewise experiencing financial loss related to the COVID-19 pandemic. Port and Harbor admin staff worked with the City Manager's office and the Mayor to develop FERG and qualifying criteria to provide economic relief to this essential segment of Homer's economy: Homer-based commercial fishing vessels.

After reviewing the Borough's Commercial Fish Relief Program standards, and meeting with industry leaders, staff wrote the included baseline standards:

- Applicant must provide proof of ownership for a named commercial fishing vessel (US Coast Guard Documentation OR current Alaska Division of Motor Vehicles registration.
- Alaska Division of Fish and Game commercial fishing registration.
- Applicant must be a commercial fishing vessel that is currently active in catching fish, by either submitting a fish ticket that shows that the vessel had a fish delivery in the qualifying year or, as in the case of a fishing tender vessel, show proof of a contract with a fish buyer/processor for 2020.
- Applicant's vessel must show proof of having moored in the Homer Harbor or that the vessel was in dry storage in one of the Homer area boat yards at some time between January 1, 2020 and September 30, 2020

- Applicant must be an Alaskan resident with a primary residence on the Kenai Peninsula (PFD or voter registration proof).
- Applicant must certify that they have not already received CARES Act relief funding or other government assistance for the same expenses claimed in the FERG application.
- A business may only apply one time for this grant.
- One grant per commercial fishing vessel owner.

Commercial fishing vessel owners will be required to meet these benchmarks in order to qualify for funding through this program. FERG is intended for commercial fishing vessel owners who live in our local community on the Kenai Peninsula. Port and Harbor staff looked at the eligibility criteria and estimate that this program could reach as many as 450 active commercial fishing vessels who used the City's harbor system during the 2020 qualifying year,.

I believe that Cares Act dollars injected into the local commercial fishing fleet in order to help them respond to the economic hardship caused by the pandemic will help stabilize a portion of our local economy that Homer depends on year after year. It's been my experience that a commercial vessel owner, on average, will spend approximately 10% of the value of their vessel in maintenance each year on the vessel to keep it competitive and safe. These vessel maintenance dollars are what helps our community get through the winter on the off tourist season. The financial impacts caused by COVID-19 may make a commercial fishing vessel owner defer maintenance and other necessary tasks to the upcoming year, so it's for that reason that I see this FERG program as beneficial to the City of Homer's economic recovery from the COVID-19 public health emergency.

Recommendation

I would like to thank the Mayor and Council for their continued work in getting us through this crisis and for supporting the commercial fishing industry's response to COVID-19 through this important relief program.

Fiscal Note

Unexpended Small Business Economic Relief Grant (SBERG) program funds from the State CARES Act grant to the City at \$1,932,000 are proposed to fund this program. The SBERG2 \$2 million allocation is proposed to come out of Kenai Peninsula Borough CARES Act grant funds (\$1,775,953.96) and the State Cares Act grant (\$224,046.04).

**CITY OF HOMER COVID-19
FISHERMEN ECONOMIC RELIEF GRANT (FERG) PROGRAM POLICY
GRANT PROCEDURES AND CRITERIA**

Purpose

The Fishermen Economic Relief Grant (FERG) Program is designed to provide financial relief grants to Homer-based commercial fishing vessel owners/businesses who certify they have suffered a loss of revenue due and/or increased expenses due to the novel coronavirus (Covid-19) pandemic. The City of Homer, using Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, has allocated \$1,300,000 to be distributed through this program in up to \$4,500 grants.

Eligibility Criteria

1. Must provide proof of ownership of the named commercial fishing vessel, USCG Documentation, or in the case of a small boat fishermen a current State of Alaska Division of Motor Vehicle registration.
2. Current Alaska Division of Fish and Game commercial fishing registration.
3. Must be a commercial fishing vessel that is currently active in catching fish, verified by either a fish ticket that shows that the vessel had a fish delivery in the qualifying year or as in the case of a fishing tender show proof of a contract with a fish buyer/processor for 2020.
4. Provide proof that the named vessel has moored in Homer Harbor between January 1, 2020 and September 30, 2020.
5. Vessel owner must be an Alaska Resident who maintains a primary residence on the Kenai Peninsula and spends the majority of the year as a resident of the Kenai Peninsula Borough. This will be confirmed with either PFD records or voter registration.
6. All applicants must certify and provide a brief explanation as to how the business suffered a loss of revenue as a result of the Covid-19 pandemic.
7. Applicants must provide a budget itemizing uses of FERG grant funds and agree to provide documentation in the event the program/grant recipient is audited.
8. A business may only apply one time for this grant.

Grant funds are eligible for:

1. Payment of rents or required monthly loan payments
2. Payments of essential wages, taxes, and normal benefits to employees essential to maintain business

3. Normal operating expenses that are included in "operating expenses" on businesses' income statement (utilities, insurance, professional services, etc.)
4. Normal draw or wages on a weekly or monthly basis to owner

Grant funds ineligible for:

1. Any expense that would not be considered an eligible business expense by IRS rules.
2. Political contributions.
3. Bonuses to owners or employees.
4. Wages to any member of owner's family who is not a bona fide employee.
5. Charitable contributions.
6. Gifts or parties.
7. Draw or salary to owner that exceed the amount that they were paid on a weekly or monthly basis for the same period in 2019.
8. Pay down or pay off debt by more than required in underlying debt instrument
9. Any expense considered ineligible under the State of Alaska CARES Act grant program.

Process

1. The business owner must fill out the application available online at the City of Homer website or paper application available from the Clerk's office.
2. The complete application must be submitted with a W-9 form from the Internal Revenue Service.
3. Upon completion of application review and verification that the applicant meets the eligibility requirements, a grant payment for eligible expenses up to \$4,500 shall be disbursed. Payments shall be dispersed to eligible applicants on a rolling basis in a defined application period.
4. A 1099 Misc. income form will be included with the distribution.
5. It is incumbent upon the applicant to determine whether:
 - a. Proceeds from the grant are taxable, or
 - b. The receipt of a grant under this program might preclude eligibility for any other grant or aid programs.

Reporting

City administration will provide a report to the Homer City Council with the number of applications received, number of applications processed, and account balances of the program fund.

**CITY OF HOMER
HOMER, ALASKA**

Aderhold/Lord

RESOLUTION 20-101

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
INITIATING A SECOND ROUND OF CARES ACT GRANTS THROUGH
THE NONPROFIT ECONOMIC RELIEF GRANT PROGRAM (“NERG2”).

WHEREAS, Resolution 20-71 established the Nonprofit Economic Relief Grant Program (NERG) and Ordinance 20-45 (S) appropriated \$750,000 in CARES Act funding to fund NERG; and

WHEREAS, The first round of the NERG Program finished on October 2, 2020 and the maximum grant amount a nonprofit could receive was \$10,000; and

WHEREAS, Thirty-five nonprofits demonstrated economic hardship as a result of COVID-19 and the City distributed a total of \$233,072.50 to assist in their response and recovery, which leaves an unexpended balance of \$516,927.50; and

WHEREAS, Of the thirty-five nonprofits, 29 requested the maximum grant amount; and

WHEREAS, Nonprofits that qualified for the first round of NERG may have had needs exceeding the \$10,000 cap that would benefit from additional Cares Act funding made available through a second round of NERG (“NERG2”); and

WHEREAS, There may also be nonprofits that did not experience economic hardship as a result of COVID-19 during the first round of NERG that now have eligible expenses incurred during the period that begins on March 1,2020 and ends on December 30,2020 that would qualify for funding through NERG2; and

WHEREAS, The unexpended balance dedicated to NERG can be used to fund eligible requests received during the second round; and

WHEREAS, The pandemic is now in its eighth month and nonprofits that serve City of Homer residents are still suffering from the strain of lost revenue as a result of COVID-19 due to actions taken to protect public health.

NOW, THEREFORE BE IT RESOLVED that the City of Homer establishes a Round 2 Nonprofit Economic Relief Grant (NERG2) Program to respond to the continued economic hardships for nonprofits providing services to the City of Homer as a matter of necessity as a result of the COVID-19 pandemic and associated health mandates.

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BE IT FURTHER RESOLVED that NERG2 will use the unexpended balance of \$516,927.50 appropriated under Ordinance 20-45(S) as this opportunity is a continuation of the Nonprofit Economic Relief Grant Program; and

BE IT FURTHER RESOLVED that the parameters of the second round of the NERG program are adopted as the NERG Round 2 Program Policy under this resolution.

BE IT FURTHER RESOLVED that the City of Homer will exercise best efforts to communicate the opportunity for this program throughout the community and provide technical assistance to those working to submit successful applications to the grant program.

BE IT FURTHER RESOLVED that City administration will provide regular reports to the Homer City Council about the status of NERG2 including information such as the number of applications received, number of applications processed, and account balances of the program fund.

BE IT FURTHER RESOLVED that these programs will be issued with a given application period to assess whether additional funds for the programs are needed or to assess if unspent funds allocated to these programs need to be reappropriated to meet other needs.

PASSED AND ADOPTED by the Homer City Council this 12th day of October, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A

1 **CITY OF HOMER COVID-19 NERG 2 PROGRAM POLICY**
2 **NON-PROFIT ECONOMIC RELIEF GRANT ROUND 2**
3 **GRANT PROCEDURES AND CRITERIA**

4 **Purpose**

5 Round 2 of the Nonprofit Economic Relief Grant (NERG2) Program is designed to
6 respond to the continued economic hardships non-profits serving the residents of the
7 City of Homer are suffering due to lost revenue as a result of the Covid-19 pandemic
8 and associated health mandates. The City of Homer, using Coronavirus Aid, Relief, and
9 Economic Security (CARES) Act funding, is using the remaining NERG balance of
10 \$516,927.50 to be distributed through this second round in grants up to \$20,000 based
11 on eligible expenses not to exceed percentage of revenue loss in 2020 relative to 2019.

12
13 **Eligibility Criteria**

- 14 1. Must be a 501(c)(3), (c)(4), (c)(5), (c)(6), (c)(19), 501(e) or 501(k) designated
15 nonprofit entity under the Internal Revenue Service or Nonprofit corporations formed
16 under Alaska Statute AS 10.20.005 and in good standing with Alaska Department of
17 Commerce, Community and Economic Development, Division of Corporations, Business
18 and Professional Licensing. Faith-based nonprofit organizations are eligible to apply
19 as long as they provide services available to the general public regardless of
20 religious affiliation. Nonprofit organizations that are principally engaged in
21 teaching, instructing, counseling, or indoctrinating religion or religious beliefs,
22 whether in a religious or secular setting, or primarily engaged in political or
23 lobbying activities are not eligible (as per 13 CFR § 120.110(k) in the Code of
24 Federal Regulations).
- 25 2. Must provide regular, ongoing services to the residents of the City of Homer,
26 however nonprofits are not required to have their main office physically located
27 within Homer.
- 28 3. Must have been in operation serving City of Homer residents since at least
29 January 1, 2020.
- 30 4. Must be directed by a voluntary board of directors or local advisory board whose
31 majority of members are residents of the state of Alaska. A local affiliate of a
32 national organization must have a local advisory or governing board.
- 33 5. Must be in good standing within the State of Alaska Corporations database, and,
34 unless Federally exempt, have a current or 2018 IRS Form 990 or a current year
35 filing extension on file with the IRS. For those nonprofits that do not file with the
36 IRS, the City will accept an audited financial statement or an unaudited statement
37 by a third-party preparer.
- 38 6. All applicants must disclose, certify, and document that the nonprofit suffered a
39 loss of revenue and/or incurred additional expenses either through rapid

- 40 expansion or adaptation to serve the community or because of forced closure in
41 the name of public health between March 1, 2020 and December 30, 2020.
- 42 7. Any misuse of funds or falsification in an application will result in repayment of the
43 funds and potential fines.
- 44 8. Grantees of the prior City of Homer NERG program are presumptively qualified
45 provided they:
- 46 a. certify additional financial need for eligible Covid-19 emergency related
47 expenses that have not been or are not expected to be reimbursed
48 through any other loan/grant program, and/or
49 b. provide supplemental financial documents for grant requests over
50 \$10,000.
51 b. Any nonprofit receiving Cares Act grants from the City of Homer at or
52 exceeding \$50,000 must provide the City with the organization's DUNS
53 number to confirm good standing with the IRS.
- 54 9. The City reserves the right to interpret the terms of this program.
55
56

57 **Grant funds are eligible for:**

- 58 1. Payment of rent or required monthly loan payments
59 2. Payments of essential wages, taxes, and normal benefits to employees essential
60 to maintain operations.
61 3. Normal operating expenses (utilities, insurance, professional services, etc.) that
62 remain unpaid as a result of loss of revenue from COVID-19.
63 4. Purchase of personal protective equipment and/or other measures
64 recommended by the CDC to enhance COVID-19 safety measures in the
65 workplace.
66 5. Expenses incurred to replenish inventory, necessary re-opening expenses,
67 temporary housing for quarantined employees, hiring necessary additional staff,
68 or responding to additional non-budgeted needs related to COVID responses not
69 paid for by another grant.

70 Please note: Grant proceeds are to be used for eligible Covid-19 emergency related
71 expenses, whether those expenses were previously paid by the grantee personally and
72 not through another loan/grant, are currently unpaid, or are held in arrears between
73 March 1, 2020 and December 30, 2020; additional guidance is provided in the "Grant
74 Funds Ineligible For" section.

75 **Grant funds ineligible for:**

- 76 1. Any expense considered ineligible under the State of Alaska CARES Act grant
77 program and any expense that would not be considered an eligible expense by
78 IRS rules.
- 79 2. Political contributions or lobbying.
- 80 3. Bonuses to employees or Directors.
- 81 4. Wages to any member of staff or board member family who is not a bona fide employee.
- 82 5. Charitable contributions.
- 83 6. Gifts or events.
- 84 7. Draw or salary to employees that exceeded the amount that they were paid on a
85 weekly or monthly basis for the same period in 2019.
- 86 8. Pay down or pay off debt by more than required in underlying debt instrument.
- 87 9. Any expenses that have already been reimbursed by other funding sources.
- 88 Grantees will be required to keep payment records to show how the funds were
89 used.
- 90 10. Any expense considered ineligible under the State of Alaska CARES Act grant program.
- 91 11. Any other activity not listed under the 'Grant Funds are Eligible for' section.

92

93 **Grant amounts:**

94 All grant awards are based on financial need and according to an itemized list of eligible
95 expenditures provided by the applicant.

96

97 **Option 1: Award based on percentage loss.**

98 NERG2 grant award is based on eligible expenses and percentage of loss when
99 comparing gross income reported on a 2019 or 2018 IRS Form 990 on file with the IRS
100 with gross income reported on a profit/loss statement of the first three quarters of 2020.
101 The 4th quarter of 2020 will be averaged to populate a total gross income for 2020.
102 Award is capped at an amount not to exceed prior year earnings, or \$20,000, whichever
103 is less. For those nonprofits that do not file with the IRS, the City will accept an audited
104 financial statement or an unaudited statement by a third-party preparer. Grant award will
105 not allow nonprofits to exceed earnings of the prior year earnings and must be itemized
106 with eligible expenses. (Example – if reported gross earnings for 2019 totals \$50,000,
107 estimated income for 2020 is \$40,000, and the nonprofit requests \$20,000 grant award
108 could not exceed \$10,000.)

109

110 **Option 2: Standard NERG award.**

111 First time NERG applicants who choose not to submit annual income reports can
112 request up to \$10,000 based on eligible expenses.

113 **Application Process**

- 114 1. An authorized agent for the nonprofit must fill out the application available online
115 at the City of Homer website or paper application available from the Clerk's
116 office. Applications must be submitted within the advertised application period.
117 2. If not submitted with a previous City of Homer NERG application, applicant must
118 submit a signed IRS W-9 form with their application.
119 3. The applicant's current or 2018 IRS Form 990 must have been timely made, and
120 the nonprofit must be in good standing with the IRS, and not have any missed
121 filings.
122 4. All applications received by the deadline will go through a review and verification
123 process to insure applicants meet the eligibility requirements.
124 5. Applicants who submit incomplete applications will be notified by email.
125 Applications may be amended before the deadline.
126 6. Applicants whose requests are denied will be notified via email. A grantee who is
127 denied may appeal in writing to the City Manager no later than 5 PM the 10th
128 calendar day after the applicant receives notice from the City.
129 7. Once all applications have been reviewed and verified, grant payments covering
130 eligible, documented expenses may be dispersed to eligible applicants. In the
131 unlikely event more funds are requested than is allocated to NERG2, payments
132 to first-time NERG2 applicants requesting a standard grant will be dispersed first,
133 followed by awards based upon percentage of loss, with nonprofits with highest
134 percentage of loss ranking highest. Grantees will be notified via email once their
135 grant award has been approved.
136 8. Information provided in the NERG2 application will be kept confidential to the
137 extent authorized by law.
138 9. Grant funds received must be fully expended by December 30, 2020. If funds
139 have not been expended, they must be returned to the City. Funds must be used
140 in accordance with the guidelines of this program.
141 10. An IRS 1099 Misc. income form will be issued by January 31, 2021.
142 11. It is incumbent upon the applicant to determine whether:
143 a. Proceeds from the grant are taxable, or
144 b. The receipt of a grant under this program might preclude eligibility for
145 any other grant or aid programs.
146
147

148 **Reporting**

149 Grantees are required to expend grant funds in accordance to the budget they provide
150 as part of the NERG2 application itemizing how grant funds are to be used to reimburse
151 eligible expenses associated with COVID-19 and incurred or reasonably expected to be
152 incurred from March 1, 2020 to December 30, 2020. Grant funds received must be fully
153 expended by December 30, 2020. If funds have not been expended, they must be
154 returned to the City. Funds must be used in accordance with the guidelines of this
155 program. Grants received under this program are subject to audit and may be randomly
156 selected to produce documentation for program evaluation. This may include the
157 completion of a reporting form provided by the City documenting how the funds were

158 used. Grantees are required to maintain records and receipts for grant expenditures for
159 a period of six years and make them available upon request.

**CITY OF HOMER
HOMER, ALASKA**

Mayor

RESOLUTION 20-102

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
PROVIDING FOR A GRANT OF \$34,789.24 TO THE HOMER
FOUNDATION HOMER COMMUNITY CHEST FUND TO ASSIST
VULNERABLE POPULATIONS IN ORDER TO PREVENT
HOMELESSNESS DURING THE COVID-19 PANDEMIC THROUGH
THE HOMER COMMUNITY CHEST FUND.

WHEREAS, The Homer Foundation’s Community Chest Fund is dedicated to providing emergency and bridge funding as a safety net for families with children in times of need, and other individuals as extraordinary circumstances might dictate; and

WHEREAS, The Homer Community Chest Fund distributes this funding through the Non-Food Emergency Aid program in partnership with the Homer Food Pantry, which is one of the only programs to help those in need in the community address non-food crises that could otherwise threaten a household’s ability to stay sheltered, healthy, and able to meet other needs like transportation, employment and medical care; and

WHEREAS, Meeting these needs for Homer’s vulnerable population is necessary to assist in preventing homelessness, which in turn facilitates a families compliance with COVID-19 public health precautions; and

WHEREAS, It is in the best interest of the City to support this safety net, which keeps people housed, supported, and as healthy as possible to mitigate the effects of COVID-19 and its transmission in the Homer community; and

WHEREAS, the Administration has developed and presented the City Council with a spending plan, which designates CARES Act funds into several different expense categories, including funds intended to provide direct support to Homer residents who have been financially impacted by the COVID-19 public health emergency; and

WHEREAS, Since the pandemic began in March through August 2020, the Non-Food Emergency Aid program has spent \$16,789.24 supporting individuals and households in need; and

WHEREAS, Based on historical data to project expenses for September through December, the Homer Foundation anticipates the Homer Community Chest will need an additional \$18,000 to cover Non-Food Emergency Aid program expenses; and

43 WHEREAS, According to the September 2, 2020 Coronavirus Relief Fund Frequently
44 Asked Questions document, providing a consumer grant program to prevent eviction and
45 assist in preventing homelessness is considered an eligible expense for Cares Act funds; and
46

47 WHEREAS, The Homer Foundation considers this direct grant to the Homer Community
48 Chest Fund as a means to cover necessary expenses incurred due to the COVID-19 public health
49 emergency.

50 NOW, THEREFORE, BE IT RESOLVED, that the City of Homer City Council approves
51 \$34,789.24 from the COVID-19 Response Fund to provide a direct grant to the Homer
52 Foundation Community Chest Fund for expenses incurred or will be incurred in response to the
53 COVID-19 pandemic associated with the Non-Food Emergency Aid program.
54

55 BE IT FURTHER RESOLVED that the City Manager is authorized to execute a sub-recipient
56 grant agreement with the Homer Foundation for the administration of the program, and may
57 establish and make amendments to grant guidelines as necessary to carry out the lawful and
58 efficient administration of the program.
59

60 PASSED BY THE HOMER CITY COUNCIL THIS _____ day of _____, 2020.
61

62
63 CITY OF HOMER

64
65 _____
66 KEN CASTNER, MAYOR

67 ATTEST:

68
69 _____
70 MELISSA JACOBSEN, MMC, CITY CLERK

71
72 Fiscal Note: N/A

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

Aderhold

3
4 **RESOLUTION 20-103**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
7 ESTABLISHING A MORTGAGE AND RENT RELIEF GRANT (MARRG)
8 PROGRAM TO CITY OF HOMER RESIDENTS EXPERIENCING
9 ECONOMIC HARDSHIP DUE TO THE COVID-19 PUBLIC HEALTH
10 EMERGENCY, APPROVING UP TO \$339,200 TO BE USED FOR
11 MARRG, AND AUTHORIZING THE CITY MANAGER TO ENTER INTO
12 AN AGREEMENT WITH ALASKA HOUSING FINANCE CORPORATION
13 (AHFC) FOR PROGRAM ADMINISTRATION.
14

15 WHEREAS, On May 26, 2020, the Homer City Council passed Resolution 20-051 to accept
16 \$7,899,085.29 in grant funds from the State of Alaska, Department of Commerce, Community
17 and Economic Development for necessary expenditures due to the COVID-19 public health
18 emergency; and
19

20 WHEREAS, these funds were made available to State, Local and Tribal governments
21 through the Coronavirus Aid, Relief and Economic Security (CARES) Act to cover necessary
22 expenditures incurred due to the public health emergency with respect to the Coronavirus
23 Disease 2019 (COVID-19); and
24

25 WHEREAS, to be eligible for reimbursement through CARES Act funding, expenses must
26 be incurred during the period that begins on March 1, 2020 and ends on December 30, 2020;
27 and
28

29 WHEREAS, the Alaska Housing Finance Corporation (AHFC) administered the Alaska
30 Housing Relief Program earlier this summer, which provided up to \$1,200 as a one- time
31 payment to assist with housing costs for each eligible household, payable directly to their
32 lender or landlord; and
33

34 WHEREAS, approximately ninety households in the City of Homer qualified and took
35 advantage of this statewide funding opportunity for one month of mortgage and rent relief
36 payments; and
37

38 WHEREAS, these households have an income that is at or below 80% of the
39 community's area median income as calculated by the US Department of Housing and Urban
40 Development and were able to demonstrate how their household income was reduced on or
41 after March 11, 2020 as a result of COVID-19 related closures, hour reductions or other lost
42 income that is attributable to COVID-19; and

43 WHEREAS, The ongoing COVID-19 pandemic contributes to an ongoing need for
44 housing support which will continue and grow as the public health emergency extends into the
45 fall and winter; and

46
47 WHEREAS, the MARRG program compliments the Household Economic Relief Grant
48 (HERG) program previously established by Homer City Council in that it allows qualifying
49 households to utilize HERG funds for eligible expenses other than rent or mortgage payments;
50 and

51
52 WHEREAS, AHFC has agreed to continue administering the housing relief program for
53 Homer residents via a sub-recipient grant agreement with the City, and

54
55 WHEREAS, providing grants to residents experiencing economic hardship and housing
56 insecurity follows CARES Act requirements as interpreted by the US Department of the
57 Treasury's guidance for local governments, which allows for necessary expenditures incurred
58 due to the COVID-19 public health emergency and for second order effects of the emergency;
59 and

60
61 WHEREAS, it is necessary and in the best interest of the City of Homer to approve grant
62 funding for emergency rent and mortgage relief to assist Homer residents and households
63 affected by COVID-19; and

64
65 WHEREAS, the Administration has developed and presented the City Council with a
66 spending plan, which designates CARES Act funds into several different expense categories,
67 including funds intended to provide direct support to Homer residents who have been
68 financially impacted by the COVID-19 public health emergency; and

69
70 NOW, THEREFORE BE IT RESOLVED, that the City of Homer City Council approves up to
71 \$339,200.00 from the COVID-19 Response Fund so that the AHFC may provide individual grants
72 to qualifying households in the City of Homer of up to \$ 1, 200 per month for each of the four
73 months from September through December, 2020 for mortgage or rent relief.

74
75 BE IT FURTHER RESOLVED that the City Manager is authorized to execute a sub-
76 recipient grant agreement with AHFC for the administration of the program at no cost to the
77 City other than the use of the Cares Act grant funds allocated to MARRG for rental or mortgage
78 assistance, and may establish and make amendments to grant guidelines as necessary to carry
79 out the lawful and efficient administration of the program.

80
81 BE IT FURTHER RESOLVED that the City of Homer shall take proactive measures to
82 communicate the opportunity for this program throughout the community and provide
83 technical assistance to those working to submit successful applications to the grant program.
84

85 PASSED BY THE HOMER CITY COUNCIL THIS _____ day of _____, 2020.

86

87

CITY OF HOMER

88

89

90

91

KEN CASTNER, MAYOR

92

93 ATTEST:

94

95

96

MELISSA JACOBSEN, MMC, CITY CLERK

98

99 Fiscal Note: N/A



Memorandum 20-170

TO: Mayor Castner and Homer City Council
FROM: Councilmember Aderhold
DATE: October 12, 2020
SUBJECT: Mortgage and Rent Relief Grant (MARRG) Program through Alaska Housing Finance Corporation to Compliment Household Economic Relief Grant

I received a call from Kenai Peninsula Borough Assembly Member Tyson Cox regarding the use of CARES Act funds for a program to pay for household rents and mortgages up to \$1,200/month through Alaska Housing Finance Corporation (AHFC). The program was initiated by the State of Alaska last spring, in which the State paid for one month of rent or mortgage expenses to qualified households through AHFC. The State program ended this summer. Since that time, the City of Soldotna has implemented a rent/mortgage program with AHFC and Assembly Member Cox is bringing a resolution to the Kenai Peninsula Borough Assembly for consideration at their meeting on October 13. He is interested in cities having similar programs so rent and mortgage relief is equally available throughout the Borough.

When Homer City Council began the process of distributing CARES Act funds into our community, the AHFC program was one that we discussed and did not pursue. I've brought it forward formally now as a compliment to the Household Economic Relief Grant (HERG) program and to provide similar support to what Borough residents will likely receive.

If we authorize the MARRG program the City will enter an agreement with AHFC. AHFC will run the program with no administrative costs. For households that apply for rent/mortgage support, AHFC will pay landlords and mortgage holders directly as they have done for the State and other municipalities. The resolution includes funds for up to 4 months of rent/mortgage relief payments (September through December) with September paid retroactively.

AHFC provided data to the City based on the approximately 90 households in Homer that applied and qualified for the State sponsored rent/mortgage relief program that was used to determine funding for the program proposed in the resolution (please see the table on the next page). The average request was for \$848. Assuming 100 households apply and qualify to the City program for 4 months, the total needed for the program is \$339,200 (\$848 x 100 households x 4months).

Recommendation: Discuss and approve authorizing the MARRG program and \$339,200 expense

Enc:

-Draft agreement with AHFC which will be modified for the City of Homer jurisdiction.

Borough	Kenai Peninsula Borough
City	Homer

Housing Type	Applications	People Living in Applicant's Home	Average Income Prior to COVID-19	Average Income After COVID-19	Average Monthly Housing Payment	Average Monthly Housing Relief Requested	Average Date COVID Income Loss Took Place	Total Housing Relief Requested
Own	50	140	\$50,258	\$26,125	\$1,313	\$915	4/3/2020	\$45,755
Rent	43	88	\$34,177	\$16,336	\$973	\$770	4/2/2020	\$33,131
Total	93	228	\$42,659	\$21,499	\$1,152	\$848	4/3/2020	\$78,886

HOUSING RELIEF IN THE CITY OF HOMER CITY LIMITS

Program Budget

\$339,200.00

General Description

Alaska Housing Finance Corporation and the City of Homer (“the Parties”) have expressed interest in collaborating to continue providing housing relief to homeowners and renters adversely affected by the COVID-19 pandemic.

In an effort to leverage the information and programmatic framework currently in place and still operational from the Alaska Housing Relief program, the Parties have expressed a desire to build upon the existing Alaska Housing Relief program for households within the City of Homer through an expanded application round unique to the City of Homer that also extends existing program’s duration.

Purpose

To provide Rental and Mortgage assistance for residents of the City of Homer adversely impacted by the COVID-19 pandemic.

Duration

September through December, 2020. Duration cannot be extended by mutual agreement of both parties in writing unless US Treasury Guidelines are amended to extend the eligibility period for Cares Act dollars beyond December 30, 2020.

Population to be Served

- a) Qualified households for the Alaska Housing Relief program (approximately 90), plus
- b) New applications received from the City of Homer “MARRG” Program- only application round.

Eligibility

- a) All households served will have a demonstrated income loss attributable to the COVID-19 pandemic that occurred on or after March 11, 2020.
- b) Up to \$1,200 per month of City of Homer “MARRG” Housing Relief will be available to qualified applicants for a maximum of two months.
 - a. City of Homer “MARRG” Housing Relief can cover 4 mortgage or rent payments respectively.
 - b. City of Homer “MARRG” Housing Relief may be applied to a maximum of \$XX in past due rent or mortgage payments that are still outstanding. However, the maximum housing assistance that may be provided for each month of past due rent or mortgage costs will not exceed \$1,200.
 - c. Households assisted will receive the lesser of

- i. \$1,200 in monthly assistance,
 - ii. The monthly reduction in household income attributable to COVID-19 on or after March 11, 2020.
- d. Households served through the City of Homer “MARRG” Housing Relief will have an annualized income at or below 80% of the Area Median Income Annualized household income will be based on the households earnings after the COVID-19 income reduction.
- e. Annualized household income will not be adjusted by household size.
- f. Annualized household income will be based on:
 - i. Verbal certification of pre and post COVID-19 income, or
 - ii. Recertification of post COVID-19 income for households previously served through the Alaska Housing Relief program.

AHFC Responsibilities

- 1) AHFC will set up the online application system for the City of Homer “MARRG” Housing Relief.
- 2) AHFC will review the list of applications and remove households who are already served through AHFC’s public housing. These households have access to AHFC’s “Safety Net” program and do not require this form of housing relief.
- 3) AHFC will utilize a nonprofit service provider to process the applications and payments. This service provider will be a grantee of AHFC and subrecipient of the funding.
- 4) AHFC will provide grant management and oversight for the nonprofit sub-recipient.
- 5) AHFC will ensure that the subrecipient performs the following tasks:
 - a. Confirms income eligibility for assisted households;
 - b. Verifies the identity of the applicant households;
 - c. Verifies the lease or mortgage documentation, and income, to ensure the assistance provided does not exceed programmatic limits;
 - d. Collects the tax id information for the Landlord or Mortgagor;
 - e. Pays the landlord or mortgagor on behalf of the applicant household.

City of Homer Responsibilities

- 1) Work with AHFC to review the online application system for City of Homer “MARRG” Housing Relief, and
- 2) Establish parameters for the application queue based on funds available and requests.
- 3) Establish the reporting guidelines and programmatic deliverables expected from AHFC to City of Homer prior to the signing of the subrecipient agreement. This includes AHFC’s willingness to verify qualifying households did not use City of Homer HERG funds to pay for rent or mortgage expenses for September – December 2020 to avoid duplication of how funds were used.
- 4) Subgrant the budgeted funding to Alaska Housing Finance Corporation.

Fees

- 1) Alaska Housing Finance Corporation will perform the assigned responsibilities at no cost to City of Homer for the initial duration of the City of Homer "MARRG" Housing Relief.
- 2) Alaska Housing Finance Corporation will provide any administrative support to the nonprofit sub-recipient necessary to perform the responsibilities outlined in this scope.