



Agenda

City Council Special Meeting

Monday, June 17, 2024 at 5:00 PM

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

Homer City Hall

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

Zoom Webinar ID: 922 2201 3235 Password: 411958

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

CALL TO ORDER, PLEDGE OF ALLEGIANCE

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

MAYORAL PROCLAMATIONS AND RECOGNITIONS

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

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 place on the Regular Meeting Agenda at the request of a Councilmember.)

- a. Memorandum CC-24-134 from Mayor re: Appointment of Heath Smith and Re-Appointment of Scott Smith to the Planning Commission. Recommend approval.
- b. Memorandum CC-24-135 from Special Projects & Communications Coordinator re: Council Authorization to Partner with the State of Alaska Department of Transportation and Public Facilities to Submit a Federal FY23 PROTECT Planning Grant Application for the Homer Spit Climate Resiliency Project.
- c. Resolution 24-072, A Resolution of the City Council of Homer, Alaska Awarding a Contract for the Construction of the Homer Airport Terminal Sidewalk Replacement Project to the Firm of Peninsula Builders, LLC of Homer, Alaska in the Amount of \$249,961.36 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum CC-24-137 from Public Works Director as backup.

- d. Resolution 24-073, A Resolution of the City Council of Homer, Alaska, In Support of Amendment 123 to the Fishery Management Plan (FMP) for Groundfish of the Bering Sea and Aleutian Islands (BSAI) Management Area Which Amends Regulations Governing Limits on the Pacific Halibut Prohibited Species Catch (PSC) and Links the Halibut PSC Limit for the Amendment 80 Commercial Groundfish Trawl Fleet in the BSAI Groundfish Fisheries to Halibut Abundance. Mayor. Recommend adoption.
- e. Resolution 24-074, A Resolution of the City Council of Homer, Alaska in Support of Kenai Peninsula Borough Resolution 2024-029 Placing an Area Wide Question on the October 2024 Ballot asking Whether the Borough Should Levy Up to A 12% Tax on Short Term Accommodation Rentals and Overnight Camping Facilities, Exempt these Rentals from the General Sales Tax, and Provide that All Cities within the Kenai Peninsula Borough May Exempt up to One-Half of the Borough's Tax on these Rentals. Mayor/City Council. Recommend adoption.

VISITORS

- a. Kelly Cooper, Borough Assembly Representative

KPB Resolution 2024-029 Area Wide Ballot Proposition Asking Whether the Kenai Peninsula Borough Should Levy up to a 12% Sales Tax on Short Term Accommodation Rentals and Overnight Camping Facilities, Exempt These Rentals from General Sales Tax and Provide that Cities within the Borough May Exempt up to One-Half of the Borough's Tax on these Rentals.

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

PUBLIC HEARING(S)

- a. Ordinance 24-27, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 3.10 Investments and Collateralization of Public Funds by Adding Seciton 3.10.105 Investment Income Allocation. Lord/Davis. Introduction June 10, 2024 Public Hearing and Second Reading June 17, 2024.
- b. Ordinance 24-28, An Ordinance of the City Council of Homer, Alaska, Amending the FY24 Capital Budget by Accepting and Appropriating the FY24 State of Alaska Community Assistance Program Payment in the Amount of \$146,261.39 for the City Hall Elevator Re-certification. City Manager. Introduction June 10, 2024 Public Hearing and Second Reading June 17, 2024.
- c. Ordinance 24-29, An Ordinance of the City Council of Homer, Alaska, Amending the FY24 Capital Budget by Appropriating an Additional \$75,100 from the General CARMA Fund to the Homer Airport Sidewalk Replacement Project. City Manager/Public Works Director. Introduction June 10, 2024 Public Hearing and Second Reading June 17, 2024.

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

- d. Ordinance 24-30, An Ordinance of the City Council of Homer, Alaska, Amending the FY24 Capital Budget by Appropriating \$900,000 from the Gas Line Fund for a Multi-Use Community

Recreation Center Project. Mayor. Introduction June 10, 2024 Public Hearing and Second Reading June 17, 2024.

ORDINANCE(S)

CITY MANAGER'S REPORT

- [a.](#) City Manager's Report

PENDING BUSINESS

NEW BUSINESS

- [a.](#) Memorandum CC-24-136 from HR Director re: City Manager Hiring Process Timeline
Memorandum CC-24-138 from HR Director re: City Manager Interview Vote

RESOLUTIONS

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

COMMENTS OF THE CITY CLERK

COMMENTS OF THE CITY MANAGER

COMMENTS OF THE MAYOR

COMMENTS OF THE CITY COUNCIL

ADJOURNMENT

The next Regular Meeting is **Monday, July 22, 2024 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.



MEMORANDUM

Appointment of Heath Smith and Re-appointment of Scott Smith to the Homer Planning Commission

Item Type: Action Memorandum
Prepared For: Homer City Council
Date: June 13, 2024
From: Mayor Castner

Heath Smith is appointed to the Homer Planning Commission to fill the seat vacated by retiring Commissioner Roberta Highland. The term will expire July 1, 2027.

Scott Smith is reappointed to the Homer Planning Commission. Term will expire July 1, 2027.

Recommendation

Confirm the appointment of Heath Smith and Reappointment of Scott Smith to the Homer Planning Commission.

Attachments:

Heath Smith application
Scott Smith re-appointment application



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

MAY 31 2024 PM 01:49 /
Office of the City Clerk
491 East Pioneer Avenue
Homer, Alaska 99603
Phone: (907) 235-3130
Fax: (907) 235-3143
clerk@cityofhomer-ak.gov

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

Applicant Information

Full Name: Heath Smith

Physical Address Where you Claim Residency: 570 Lee Drive

Mailing Address: 570 Lee Drive

City: Homer

State: AK

Zip: 99603

Phone Number(s): 9072998226

Email: hptls@live.com

Advisory Body You Are Requesting Appointment To

☒ **Planning Commission** – Meetings held on the 1st and 3rd Wednesday of each month at 6:30 p.m. and Worksessions at 5:30 p.m. prior to each meeting. No first meeting in July or second meetings in November and December.

☐ **Parks, Art, Recreation & Culture Advisory Commission** – Meetings held on the 3rd Thursday of February through June and August through November at 5:30 p.m.

☐ **Port & Harbor Advisory Commission** – Meetings held on the 4th Wednesday of January, February, March, April, September, and October at 5:30 p.m.; the 4th Wednesday of May, June, July, and August at 5:30 p.m.; and the 2nd Wednesday of December at 5:30 p.m.

☐ **Economic Development Advisory Commission** – Meetings held on the 2nd Tuesday of each month at 6:00 p.m.

☐ **Library Advisory Board** – Meetings held on the 3rd Tuesday of each month, excluding June and July, at 5:30 p.m.

☐ **ADA Advisory Board** – Meetings held on the 2nd Thursday in the months of April, May, June, July, October, November, and as needed at 4:00 p.m.

☐ **Other** – Please Indicate _____

Please Answer the Following

Are you a City Resident? ☒ Yes ☐ No If yes, how long have you been a City resident? 27

How long have you been a resident of the South Peninsula Area? 5 50

Background Information

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

Homer City Council six years

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

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

Homer City Council six years

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

Homer is @ a critical juncture with the Camp Plan
Re Write. I'd love to be a part of that process &
serve my community.

FOR PLANNING COMMISSION ONLY:

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

no

FOR PORT & HARBOR ADVISORY COMMISSION ONLY:

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

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



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

Office of the City Clerk

491 East Pioneer Avenue

Homer, Alaska 99603

Phone: (907) 235-3130

Fax: (907) 235-3143

clerk@cityofhomer-ak.gov

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

Applicant Information

Full Name: Gregory Scott Smith

Physical Address Where you Claim Residency: 5770 Clearwater DrBox 959

Mailing Address: Box 959

City: Homer State: AK Zip: 99603

Phone Number(s): (907) 399-2409

Email: scottno2@gmail.com

Advisory Body You Are Requesting Reappointment To

- ☒ Planning Commission
- ☐ Parks, Art, Recreation & Culture Advisory Commission
- ☐ Port & Harbor Advisory Commission
- ☐ Economic Development Advisory Commission
- ☐ Library Advisory Board
- ☐ ADA Advisory Board
- ☐ Other – Please Indicate _____

Please Answer the Following

Do you have a current Public Official Conflict of Interest Disclosure Statement on file with the City Clerk as required by HCC 1.18.043? ☒ Yes ☐ No

What resident type is your current seat? ☒ City Resident ☐ Non-City Resident

Has your residency changed since your last appointment? ☐ Yes ☒ No

How long have you served on this advisory body? 5 yrs

Background Information

Please list any current memberships or organizations that you belong to related to the advisory body you serve on:

N/A

Please explain why you wish to be reappointed to the Advisory Body to which you currently serve. This may include information on accomplishments or projects completed, future goals for the body, or any additional information that may assist the Mayor in the decision making process. You may attach an additional page if needed.

I finally feel like I'm truly understanding the process and responsibility. I want to see the Comp Plan process

through to the end. It is a very important document and I want to help shape it.

I also enjoy the work and people I get to serve on the PC.



MEMORANDUM

Council Authorization to Partner with the State of Alaska Department of Transportation and Public Facilities to Submit a Federal FY23 PROTECT Planning Grant Application for the Homer Spit Climate Resiliency Project.

Item Type: Action Memorandum
Prepared For: Mayor and City Council
Date: June 7, 2024
From: Jenny Carroll, Special Projects & Communications Coordinator
Through: Melissa Jacobsen, Interim City Manager

Summary:

The purpose of this memorandum is to (1) inform City Council about a request from Alaska Department of Transportation and Public Facilities (AKDOT&PF) to partner on a Federal grant application to plan erosion mitigation solutions for the Homer Spit and (2) seek City Council approval for partnering on the grant.

Background:

Last year, the City of Homer partnered with AKDOT&PF to submit a Federal FY23 PROTECT planning grant application for the Homer Spit Climate Resiliency Project. AKDOT&PF worked with Alaska Municipal League to write the grant, with some assistance from City staff. The effort was supported by Homer City Council Resolution 23-073. (PROTECT stands for Promoting Resilient Operations for Transformative, Efficient and Cost Effective Transportation.)

The application was not chosen for award, but AKDOT&PF would like to pursue PROTECT funding again this year (in what is likely to be a combined FY24-26 funding package), and has requested that the City be the primary applicant again.

On June 6, 2024, Interim City Manager Jacobsen, Port Director Hawkins and Special Projects Coordinator Carroll met with AKDOT&PF, Nils Andreassen from Alaska Municipal League (AML) and Bruce Sexauer of the US Army Corps of Engineers to discuss erosion mitigation needs on the Spit, the PROTECT grant and potential involvement of the US Army Corps of Engineers in the planning phase should the PROTECT grant be successful.

The scope of the work under the planning grant is to develop a data-driven, climate-resilient erosion mitigation plan that evaluates an array of alternative erosion mitigation measures, including, long-term nature based solutions (including beach re-nourishment).

If City Council approves moving forward with the grant, AKDOT&PF will work primarily with AML to put the application together, with some technical and possibly letter of support assistance from

City of Homer staff. City staff would prepare and bring forward a Resolution of Support for the grant application for City Council consideration. City staff would also participate in a grant application debrief with PROTECT program managers.

If awarded, the City of Homer would not be the project or grant manager, AKDOT&PF would. The City would enter into a Memorandum of Agreement with AKDOT&PF, who would sign the grant agreement, manage the project, be the responsible party for meeting grant reporting requirements, and collaborate with the City and the US Army Corps of Engineers and other key partners on planning, public outreach, design concept considerations and evaluations, and environmental coordination.

No local match is required for a PROTECT Planning grant, though, it is anticipated that the City would partner with AKDOT&PF and the US Army Corps of Engineers in the planning efforts as key stakeholders.

Staff Recommendation:

Approve partnering with AKDOT&PF on an FY24-26 PROTECT application for Homer Spit Climate Resiliency Project.

Action Required:

Advise staff on whether to accept AKDOT&PF's invitation to partner on the grant application.



MEMORANDUM

Resolution 24-072, Awarding the Contract for the Homer Airport Sidewalk Replacement Project to Peninsula Builders, LLC of Homer, Alaska.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and City Council
Date: June 11, 2024
From: Daniel Kort, Public Works Director
Through: Melissa Jacobsen, Interim City Manager

Summary:

Recommendation of award of the Homer Airport Sidewalk Replacement Project to Peninsula Builders, LLC of Homer, Alaska.

Background:

The City of Homer originally requested a quotation for the Airport Sidewalk Replacement Project in response to the failing condition of the airport sidewalk and subsequent slip, trip, and fall incidents that place the City at risk of potential litigation. The original sole source vendor quote came in much higher than the Public Works Department (PWD) expected. The value of this quote was greater than the threshold of the procurement policy which required a formal bidding process. There never was a formal engineer's estimate for the project, so before the formal bidding process, the City Engineer made an internal estimate for the project using Anchorage project values. When considering the bidding market of Anchorage versus the bidding market of Homer, it was determined the internal engineer's estimate was likely underestimating the value of the project. After the competitive bidding process, the PWD only received one bid, which exceeded the internal engineer's estimate of \$150,000 to \$200,000.

The City of Homer issued an Invitation to Bid in accordance with the Procurement Policy. It was advertised in the Homer News on May 16th and 23rd and in the Anchorage Daily News on May 19, 2024, Three Plan Rooms in the State and on the City Website.

The City issued one addendum and one bid was received from Peninsula Builders, LLC of Homer, Alaska, in the amount of \$249,961.36, which was found to be responsive.

Recommendation:

Recommend City Council award this project to Peninsula Builders LLC of Homer, Alaska in the amount of \$249,961.36.

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

RESOLUTION 24-072

A RESOLUTION OF THE CITY COUNCIL OF HOMER ALASKA
AWARDING THE CONTRACT FOR THE HOMER AIRPORT SIDEWALK
REPLACEMENT PROJECT TO THE FIRM OF PENINSULA BUILDERS,
LLC OF HOMER, ALASKA IN THE AMOUNT OF \$249,961.36 AND
AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE
THE APPROPRIATE DOCUMENTS.

WHEREAS, Competitive Bids were solicited for the Homer Airport Sidewalk Replacement Project in conformance with the City of Homer Procurement Policy by advertisement in the Homer News on May 16 and 23, 2024; the Anchorage Daily News on May 19, 2024, three plans rooms in the state and the city website; and

WHEREAS, One bid was received by Peninsula Builders, LLC on June 4, 2024 and considered responsive. (see Memorandum CC-24-137); and

WHEREAS, This award is not final until written notification is received by Peninsula Builders, LLC from the City of Homer; and

WHEREAS, This award is contingent on the adoption of Ordinance 24-29.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the contract to Peninsula Builders, LLC of Homer, Alaska for the Homer Airport Sidewalk Replacement Project in the Amount of \$249,961.36 and Authorizes the City Manager to Negotiate and Execute the appropriate documents.

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

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

- 44 Fiscal note: Ordinance 24-29 General Fund CARMA \$75,100; Re-Appropriated FY22 CAP Funds
45 via Ordinance 24-21 \$98,714.98 and FY24/FY25 Capital Budget \$76,175

CITY OF HOMER FINANCIAL SUPPLEMENT

PROJECT NAME	<u>Additional Funding - Airport Sidewalk Replacement</u>	DATE	<u>06/06/2024</u>
DEPARTMENT	<u>Public Works</u>	SPONSOR	<u>City Manager/PW Director</u>
REQUESTED AMOUNT	<u>\$ 75,071</u>		

DESCRIPTION	<p>The FY24/25 Capital Budget includes \$76,175 for the Homer Airport Terminal Sidewalk Replacement Project. Ordinance 24-21 re-appropriated the FY22 Community Assistance Program Payment for ADA Improvements bringing for a total funding allocated up to \$174,889.98. The Airport Terminal Sidewalk Replacement Project is an urgent need and has been previously put out to bid without drawings or formal specifications which received no response, and Public Works staff assembled drawings and specifications for the project to include in a more substantive Invitation to Bid package.</p> <p>The Airport Terminal Sidewalk Replacement Project was put out to bid again with bids due on June 4, 2024 and one bid was received in an amount that exceeds the appropriations to date for this project. Additional funding is necessary to complete the Airport Terminal Sidewalk Replacement Project.</p>
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FUNDING SOURCE(S)	OPERATING	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	0%	100%	0%	0%	0%
	HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA
	0%	0%	0%	0%	0%

FUNDING SOURCE 1: GF CARMA (156)		FUNDING SOURCE 2:	FUNDING SOURCE 3:
Current Balance	<u>\$ 1,754,566</u>	Current Balance	<u> </u>
Encumbered	<u>\$ 941,105</u>	Encumbered	<u> </u>
Requested Amount	<u>\$ 75,071</u>	Requested Amount	<u> </u>
Other Items on Current Agenda	<u>\$ 0</u>	Other Items on Current Agenda	<u> </u>
Remaining Balance	<u>\$ 738,390</u>	Remaining Balance	<u> </u>
FUNDING SOURCE 4:		FUNDING SOURCE 5:	FUNDING SOURCE 6:
Current Balance	<u> </u>	Current Balance	<u> </u>
Encumbered	<u> </u>	Encumbered	<u> </u>
Requested Amount	<u> </u>	Requested Amount	<u> </u>
Remaining Balance	<u> </u>	Remaining Balance	<u> </u>

**CITY OF HOMER
HOMER, ALASKA**

Mayor

RESOLUTION 24-073

A RESOLUTION OF THE CITY COUNCIL HOMER, ALASKA, IN SUPPORT OF AMENDMENT 123 TO THE FISHERY MANAGEMENT PLAN (FMP) FOR GROUND FISH OF THE BERING SEA AND ALEUTIAN ISLANDS (BSAI) MANAGEMENT AREA WHICH AMENDS REGULATIONS GOVERNING LIMITS ON THE PACIFIC HALIBUT PROHIBITED SPECIES CATCH (PSC) AND LINKS THE HALIBUT PSC LIMIT FOR THE AMENDMENT 80 COMMERCIAL GROUND FISH TRAWL FLEET IN THE BSAI GROUND FISH FISHERIES TO HALIBUT ABUNDANCE

WHEREAS, On December 2021, the North Pacific Fishery Management Council (NPFMC) recommended, and the National Marine Fisheries Service (NMFS) proposed, Amendment 123 (A-123) which links the halibut PSC limit for the Amendment 80 (A-80) commercial groundfish trawl fleet in the BSAI groundfish fisheries to halibut abundance thereby intending to minimize halibut PSC to the extent practicable while achieving optimum yield in the BSAI groundfish fisheries on a continuing basis; and

WHEREAS, Based on a review of the scientific information and consideration of the revised National Standard guidelines, the NPFMC and NMFS determined that reducing halibut PSC with declining halibut abundance provides conservation benefits, as defined by the Magnuson-Stevens Act, to the halibut resource; and

WHEREAS, Linking PSC limits to halibut abundance is more equitable than the prior static PSC limit because when BSAI halibut abundance declines, a static level of halibut PSC in the Amendment 80 fisheries can represent a greater proportion of total halibut removals in the BSAI, particularly in Area 4CDE, and can reduce the proportion of halibut available for harvest in directed halibut fisheries; and

WHEREAS, A-123 provides incentives for the A-80 fleet to minimize halibut mortality at all times, and may provide indirect benefits to communities that rely on directed fishing for halibut; and

WHEREAS, The halibut fishery is vital to the City of Homer's local economy, its local fishermen and working families and crews, its social fabric and well-being, and local subsistence users and beneficiaries; and

42 WHEREAS, In order to maximize the benefits of the halibut fishery to the City of Homer,
43 the City has invested in infrastructure that supports the community's local halibut fisheries;
44 and
45

46 WHEREAS, The A-123 Final Rule was published on November 23, 2023, subsequent to
47 which on December 19, 2023, the Groundfish Forum (GFF) in representation of the A-80
48 groundfish trawl sector filed a lawsuit in the United States District Court for the District of
49 Alaska requesting that the Court vacate NMFS' decision approving A-123 and remanding it to
50 NMFS to address serious errors; and
51

52 WHEREAS, On February 6, 2024, in recognition of the importance of supporting the
53 NPFMC's action and NMFS' implementation of A-123, a group of halibut dependent
54 stakeholders known as the Halibut Defense Alliance (HDA) moved to intervene in the lawsuit
55 as defendants on the side of NMFS; and
56

57 WHEREAS, On April 26, 2024, the plaintiff, GFF, filed a Motion for Summary Judgment
58 stating that A-123 is "arbitrary, capricious, and contrary to the law" and requested that it be
59 vacated; and
60

61 WHEREAS, If successful, the plaintiff's motion would impair the City of Homer's
62 economic interests in the longer term, because juvenile halibut taken as bycatch in the BSAI
63 cannot migrate to other areas such as the Gulf of Alaska to support either the halibut spawning
64 stock or active fisheries there; and
65

66 WHEREAS, If successful, the plaintiff's motion would reverse needed conservation
67 benefits and impede the City of Homer's economic interests through reduced revenues,
68 depressed quota values, increased economic uncertainty, and reduced tax revenues from
69 businesses either participating in or providing services to halibut fisheries, as the history under
70 the prior bycatch limits confirms; and
71

72 WHEREAS, The City of Homer claims the title of "Halibut Capital of the World".
73

74 NOW, THEREFORE, BE IT RESOLVED THAT the City Council of Homer, Alaska approves
75 Resolution 24-073 in support of Amendment 123 linking the halibut PSC limit for the
76 Amendment 80 fleet in the BSAI groundfish fisheries to halibut abundance.
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78 PASSED AND ADOPTED by the Homer City Council on this 17th day of June, 2024.
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CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal Note: N/A

Kenai Peninsula Borough Assembly

MEMORANDUM

TO: Brent Johnson, Assembly President
Members, KPB Assembly

FROM: Tyson Cox, Assembly Vice President *TRC*
Brent Hibbert, Assembly Member *BH*

DATE: June 6, 2024

SUBJECT: Resolution 2024-029, Placing an Areawide Question on the October 2024 Ballot Asking Whether the Borough Should Levy Up To a 12 Percent Tax on Short-Term Accommodation Rentals and Overnight Camping Facilities, Exempt these Rentals from the General Sales Tax, and Provide that All Cities Within the Kenai Peninsula Borough May Exempt Up To One-Half of the Borough's Tax on these Rentals (Cox, Hibbert)

Placing a short-term accommodation rentals tax ("bed tax") question on the Borough ballot has been before the Assembly several times since 2017. Ordinances 2017-29 and 2018-24, which would have asked the voters to approve a bed tax, were defeated by the Assembly. In June of 2019 Ordinance 2019-09, an updated version of the previous ordinances, was passed by the Assembly then vetoed by the Mayor with a veto override failing 4 Yes, 4 No, 1 Abstained. Five years later, we are placing asking that the question be placed on the ballot before introducing and/or enacting an ordinance containing the levy and processes and procedures for implementing and collecting the tax. If approved, the intent would be that this tax will take effect no sooner than January 1, 2026.

Currently 49 Alaska cities and boroughs have a bed tax. The tax rates range from a low of 4% to a high of 12%. Of the 19 organized boroughs in Alaska only the Kenai Peninsula Borough, Aleutians East Borough, North Slope Borough, and North West Arctic Borough do not utilize an additional tax on temporary lodging. Of the five most populated boroughs in Alaska (Anchorage Borough, Matanuska-Susitna Borough, Fairbanks North Star Borough, Kenai Peninsula Borough, and Juneau Borough), only the Kenai Peninsula Borough is without an additional sales tax on short-term accommodation rentals.

Like the other four most populated boroughs in Alaska, the economy of the Kenai Peninsula Borough relies heavily on the several hundred thousand visitors who travel to the Kenai Peninsula each year. This many visitors create a large demand on public services offered within the Borough, which impacts Borough services including solid waste, roads, recreational and senior citizen services, 911 and emergency services, hospital services, and disaster services.

If approved, the sponsors' intent would be to bring forward an ordinance that will enact a new chapter for KPB Code and will include but is not limited to:

- exempt short-term accommodation rentals from the current general sales tax rate of 3%;
- levy a maximum bed tax of 12% on short-term accommodation and overnight camping facilities throughout the Borough;
- adopt an exemption in cities that levy a short-term accommodation rentals and overnight camping facilities tax in a manner similar to the Borough and in an amount equal to the city's tax, up to a maximum of one-half of the Borough's tax with the intent of helping to level the temporary lodging rates inside and outside of the cities in the Borough; and
- adopt processes and procedures for implementing the tax.

The revenue from this tax will help offset visitor costs, help maintain the fund balance, and lower the Borough mill rate as appropriate.

The intent is to postpone the hearing on this to the July 9, 2024 regular Assembly meeting.

Your support in giving Borough residents a chance to vote on including this type of taxation in the Borough is appreciated.

Fiscal Note

Kenai Peninsula Borough
Fiscal Year 2024

Ordinance/Resolution:
Fiscal Note Number:
Publish Date:

Ord _____
6/18/2024

Title: Levy areawide 12% Bed Tax, exempt these rentals from general sales tax and allow cities that levy a similar sales tax to exempt up to one half of the borough's tax on these rentals **EFFECTIVE 1/1/2026**

Department: Assembly

Sponsor(s): Assembly members: Cox & Hibbert

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

	Current Year Estimate	Year 2 Estimate	Current Year Estimate
	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Operating Expenditures to Borough			
Personnel <i>1 FTE Program Manager</i>	234,855	198,666	204,229
Supplies <i>Misc.</i>	200	200	200
Services <i>Printing, Adv, trvl, postage</i>	7,251	7,251	7,251
Capital Outla <i>Software</i>	859,740	107,000	107,000
Other <i>Wkstation/Tools/scanner</i>	3,665	-	-
Total Operating + Capital Cost to Borough	1,105,711	313,117	318,680
Estimated Revenues for the Borough	1,960,000	5,600,000	5,600,000
Net annual impact to the Borough	854,289	5,286,883	5,281,320

Estimated Revenues for ea. Incorporated City w/in Borough:

Kenai	47,250	135,000	135,000
Homer	70,000	200,000	200,000
Seldovia	-	-	-
Seward	-	-	-
Soldotna	124,950	357,000	357,000

Number of Positions

Full-Time	1	1	1
Part-Time			
Temporary	1		

Estimated Supplemental Funding:

1,105,711

ASSOCIATED REGULATIONS

Will the legislation result in procedural or regulation changes within a department?

Y N (circle one)

If yes, by what date are the regulations to be adopted, amended or repealed?

1/1/2026

Supplemental appropriation will be needed for personnel, to change the sales tax form, make changes to the sales tax

Prepared By: Brandi Harbaugh, Finance Director

Brandi Harbaugh



Kenai Peninsula Borough

144 North Binkley Street
Soldotna, AK 99669

Legislation Text

File #: 2024-029, **Version:** 1

Introduced by:

Cox, Hibbert

Date:

06/18/24

Action:

Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2024-029**

**A RESOLUTION PLACING AN AREAWIDE QUESTION ON THE OCTOBER 2024
BALLOT ASKING WHETHER THE BOROUGH SHOULD LEVY UP TO A 12
PERCENT TAX ON SHORT-TERM ACCOMMODATION RENTALS AND
OVERNIGHT CAMPING FACILITIES, EXEMPT THESE RENTALS FROM THE
GENERAL SALES TAX, AND PROVIDE THAT ALL CITIES WITHIN THE KENAI
MAY EXEMPT UP TO ONE-HALF OF THE BOROUGH'S TAX ON THESE RENTALS**

WHEREAS, the Kenai Peninsula Borough ("borough") must raise revenue to protect the general fund which is declining because of losses in tax revenues due to our generous borough tax exemptions, to the continuing decline in state assistance to municipalities, and to the increasing reliance on borough funding for education; and

WHEREAS, currently, 49 Alaska municipalities including cities and boroughs have a short-term accommodation rentals tax, also referred to as a room tax, bed tax or short term lodging rental tax, in addition to other sales taxes, with such bed or lodging tax rates ranging from a low of 4 percent to a high of 12 percent; and

WHEREAS, of the 19 organized boroughs in Alaska only the Kenai Peninsula Borough, Aleutians East Borough, North Slope Borough, and North West Arctic Borough do not utilize an additional tax on short-term accommodations; and

WHEREAS, of the 5 most populated boroughs in Alaska (Anchorage Borough, Matanuska-Susitna Borough, Fairbanks North Star Borough, Kenai Peninsula Borough, and Juneau Borough) only the Kenai Peninsula Borough is without an additional sales tax on short-term accommodations; and

WHEREAS, like the other 4 most populated boroughs in Alaska, the economy of the Kenai Peninsula Borough relies heavily on the several hundred thousand visitors who travel to the Kenai Peninsula each year; and

WHEREAS, this many visitors create a large demand on public services offered within the borough, which impact borough services including solid waste, roads, recreational & senior citizen services, 911 & emergency services, hospital services, and disaster services; and

WHEREAS a short-term accommodation rentals tax would be defined to include a rental that is less than one month in duration; and

WHEREAS, a short-term accommodation rentals tax of 12 percent is estimated to generate an additional revenue of approximately \$1,960,000 in FY2026, \$5,600,000 in FY2027, and \$5,600,000 in FY2028, not including any revenue collected from overnight camping facilities; and

WHEREAS, the estimated operating and capital cost to implement and collect a short-term accommodation rentals tax of 12 percent is \$1,105,711 in FY2026, \$313,117 in FY2027, and \$318,680 in FY2028; and

WHEREAS, the tax cap of \$500 on sales in the borough outlined in KPB 5.18.430 will not apply to the tax levied on any short-term accommodations; and

WHEREAS, to enable the cities to levy a similar tax and allow the tax to apply evenly throughout the borough, the intent would be for the ordinance that enacts the levy and code will exempt from the borough's 12 percent short-term accommodation rentals tax an amount equal to a similar city tax of up to one-half of the borough's tax on such rentals; and

WHEREAS, this resolution puts the question on the ballot, if approved, the borough would then follow-up with a short-term accommodation rentals and overnight camping facilities chapter of borough code, which will provide the levy, implementation, and process and procedure for the tax including specifically authorizing all cities within the borough to levy a short-term accommodation rentals tax, pursuant to AS 29.45.700(a), via future ordinance;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That a ballot proposition shall be placed before borough voters at the regular election held on October 1, 2024 to read as follows:

Shall the Kenai Peninsula Borough levy a tax of up to 12 percent on short-term accommodation rentals and overnight camping facilities, exempt such rentals from the general sales tax, and provide that all cities within the Kenai Peninsula Borough may exempt up to one-half of the Borough's short-term accommodations tax?

Yes _____ A "yes" vote means you approve of a borough tax on short-term accommodation rentals and overnight camping facilities of up to 12 percent that will remove the general sales tax on these rentals.

No _____ A "no" vote means you oppose a borough tax on short-term accommodation rentals and overnight camping facilities of up to 12 percent that will remove the general sales tax on these rentals.

SECTION 2. That, if approved by a majority of the qualified voters voting on the quest, the intent would be to follow-up by enacting a new chapter of KPB Code, the code will:

- 1) Establishes a borough tax of up to 12 percent on short-term accommodations or rentals, and overnight camping with no daily sales cap of \$500;
- 2) Exempts short-term accommodations and overnight camping rentals from the current borough general sales tax of 3 percent;
- 3) Exempt any similar tax levied by a city. This exemption in the cities cannot exceed one-half of the borough's short-term accommodations tax on these rentals;
- 4) Allow cities that levy a similar sales tax on short-term accommodations and overnight camping to exempt up to one-half of the borough's tax on these rentals with the intent of helping to level the short-term accommodations rates inside and outside of the cities in the borough;
- 5) Define "Short-term accommodation rentals".
- 6) Define "Overnight camping facilities".
- 7) Is effective January 1, 2026.

SECTION 3. That this resolution takes effect immediately.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF *, 2024.

Brent Johnson, Assembly President

ATTEST:

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent:

**CITY OF HOMER
HOMER, ALASKA**

Mayor/City Council

RESOLUTION 24-074

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA IN SUPPORT OF KENAI PENINSULA BOROUGH RESOLUTION 2024-029 PLACING AN AREA WIDE QUESTION ON THE OCTOBER 2024 BALLOT ASKING WHETHER THE BOROUGH SHOULD LEVY UP TO A 12% TAX ON SHORT-TERM ACCOMMODATION RENTALS AND OVERNIGHT CAMPING FACILITIES, EXEMPT THESE RENTALS FROM THE GENERAL SALES TAX, AND PROVIDE THAT ALL CITIES WITHIN THE KENAI MAY EXEMPT UP TO ONE-HALF OF THE BOROUGH'S TAX ON THESE RENTALS.

WHEREAS, The Kenai Peninsula Borough (KPB) will introduce Resolution 2024-029 on June 18, 2024 and will conduct a public hearing on July 9, 2024; and

WHEREAS, Currently 49 Alaska cities and boroughs have a bed tax with tax rates that range from 4% to 12%; and

WHEREAS, Of the five most populated cities and boroughs in Alaska (Anchorage, Matanuska-Susitna, Fairbanks North Star, and Juneau) only the Kenai Peninsula Borough is without additional sales tax on short-term accommodations; and

WHEREAS, The KPB, like other boroughs, relies heavily on the several hundred thousand visitors who travel to the Kenai Peninsula each year and place a large demand on public services offered within the borough; and

WHEREAS, The revenue from this tax will help offset visitor costs and help maintain the fund balance.

NOW THEREFORE BE IT RESOLVED that the City Council of Homer, Alaska hereby supports KPB Resolution 2024-029 putting the question of an up to 12% tax on short-term accommodation rentals and overnight camping facilities and exemptions related to this tax.

PASSED AND ADOPTED by the Homer City Council this 17th day of June, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

44 ATTEST:

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46

47 _____
RENEE KRAUSE, MMC, ACTING CITY CLERK

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49 Fiscal note: N/A

**CITY OF HOMER
HOMER, ALASKA**

Lord/Davis

ORDINANCE 24-27

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

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

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

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

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

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

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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

Chapter 3.10

INVESTMENT AND COLLATERALIZATION OF PUBLIC FUNDS

Sections:

3.10.010 Scope.

3.10.015 Objectives.

3.10.020 Delegation of authority.

3.10.030 Prudence.

3.10.040 Authorized investments.

3.10.050 Placement of City investments.

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

3.10.105 Investment income allocation

3.10.110 Reporting.
3.10.120 Definitions.
3.10.130 *Repealed.*

3.10.105 Investment income allocation.

Investment income should be allocated in three methods:

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

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

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

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 24-28

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

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

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

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

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

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

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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

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

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

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

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

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

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

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:



MEMORANDUM

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

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

Summary:

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

Background:

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

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

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

Recommendation:

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

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

ORDINANCE 24-29

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

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

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

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

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

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

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

NOW, THEREFORE, The City of Homer Ordains:

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

Transfer from:

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

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

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

48 not be codified.

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

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52 CITY OF HOMER

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54 _____

55 KEN CASTNER, MAYOR

56 ATTEST:

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58 _____

59 RENEE KRAUSE, MMC, ACTING CITY CLERK

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61 YES:

62 NO:

63 ABSTAIN:

64 ABSENT:

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66 First Reading:

67 Public Hearing:

68 Second Reading:

69 Effective Date:

From: [janie leask](#)
To: [Department Clerk](#)
Cc: [Homer Pickleball Club](#); [Holly Van Pelt](#); [Shan Burson](#); [Christopher Mullikin](#); [Paul Allan](#); [Eric Tutt](#); [Kathy Vogl](#)
Subject: Ordinance 24-30
Date: Tuesday, June 11, 2024 2:29:34 PM

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

Mayor Castner and members of the Homer City Council

I'm writing in support of Ordinance 24-30 introduced by Mayor Castner to amend the FY24 Capital Budget to appropriate \$900,000 from the Gas Line Fund for a Multi-Use Community Recreation Center Project.

The Homer Pickleball Club's Board of Directors and our 180+ members, greatly appreciate the Mayor taking this first step to set aside funds as it will visibly show the City's support for this much-needed Center.

I urge the Council to support of this ordinance. As one of the many user groups who would use this Center, we look forward to working with you in making this project a reality.

Respectfully submitted,

Janie Leask
Homer resident
President, Homer Pickleball club

[Sent from Yahoo Mail for iPhone](#)

**CITY OF HOMER
HOMER, ALASKA**

Mayor

ORDINANCE 24-30

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

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

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

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

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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

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

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

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

CITY OF HOMER

KEN CASTNER, MAYOR

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46 ATTEST:

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49 _____
RENEE KRAUSE, MMC, ACTING CITY CLERK

50

51 YES:

52 NO:

53 ABSTAIN:

54 ABSENT:

55

56 First Reading:

57 Public Hearing:

58 Second Reading:

59 Effective Date:



City of Homer

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Office of the City Manager

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(p) 907-235-8121 x2222

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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Melissa Jacobsen, Interim City Manager
DATE: June 13, 2024
SUBJECT: City Manager's Report for June 17, 2024 Council Meeting

Mission Road Utility and Trail Easements

The City of Homer is working with property owners in the Stream Hill Park and Mission Road area to explore the idea of extending city water, sewer and trail access from the end of Craftsman Road, up to Mission Road. There is a lot of background on this topic, but the essential information is that the City interest is in acquiring water, sewer and trail easements for this infrastructure. Long term, construction of these facilities will enable water and sewer service along Mission Road, improve water flow through the Stream Hill Park subdivision to provide adequate flow for fire protection, and create legal access for pedestrians between Mission Road and East End Road. Updates will be provided to Council as the conversation with land owners progresses.

Ben Walters Sidewalk Project

The Ben Walters Lane Sidewalk Improvements project construction is well underway. Clearing, excavation, fabric and earthwork embankment for the new sidewalk is being constructed and other improvement materials are being reviewed and ordered for installation. Utility coordination, storm water permitting and traffic control are all in place and ongoing. The new storm drain, curb, and fresh pavement will follow later this summer. Excavation and below ground work to replace a critical pressure reducing valve in the water system will be taking place soon.





MEMORANDUM

City Manager Application Review

Item Type: Action Memorandum
Prepared For: City Council
Date: June 7, 2024
From: Andrea Browning, HR Director
Through: Mayor Castner

Background:

The City Manager job posting ran from April 15, 2024 to May 27, 2024. We ended up with 32 applicants for Council consideration.

Council binders were broken into four (4) tiers:

1. Internal COH Applicants
2. Applicants who meet both educational and government experience requirement
3. Applicants who meet the educational requirement, but do not have recent, direct municipal government employment or service (less qualified)
4. Applicants who appear to not meet the minimum qualifications for the position

There were multiple candidates who have previously applied for Homer's City Manager position. Notes next to candidate names indicate whether they participated in telephonic or Zoom/ in-person interviews.

Applicant Review Instructions:

Please keep in mind when considering applicants, only their qualifications for the position should be considered. An applicant's: sex, race, color, religion, national origin, age, disability, or any other protected status under applicable federal, state, or local law should not be a factor.

In addition, any notes (handwritten or typed documentation) should be submitted to HR at the conclusion of the hiring process. This includes anything written during Zoom and in-person interviews. HR retains all notes on City applicants for one year.

Staff Recommendation for June 17, 2024 meeting:

1. City Council decide on list of CM applicants to be invited to participate in Zoom interviews
2. Set dates for Zoom interviews (week of June 24th or week of July 1st keeps things moving along)
3. Instruct HR Director Browning to schedule Zoom interviews directly with candidates, and distribute schedule to City Council upon completion.

Draft Timeline for CM Hiring 2024

04/15/2024 – 05/27/2024	Advertisement/ Position Open
05/27/2024 (evening)	Binders available for Council pickup
06/17/2024	Applicant review @ City Council Special Meeting
Week of 06/24/2024 or Week of 07/01/2024	Zoom interviews conducted
July	In-person interviews (dates depending on how many interviews, candidate availability)
Next day	Background Authorizations sent to finalists
-----	Selection made
-----	Negotiations
-----	Estimated start date will depend on applicant's notice requirements
-----	New Manager Sworn in on next Council Meeting date



MEMORANDUM

City Manager Interview Vote

Item Type: Action Memorandum
Prepared For: City Council
Date: June 13, 2024
From: Andrea Browning, HR Director
Through: Mayor Castner

Attached is the Tally Sheet prepared for the Selected Candidates to be interviewed. Currently shown are the nine applicants nominated by the City Manager Hiring Advisory Committee.

City Council is requested to nominate candidates to be added to the list to be interviewed. There is no limit on the number of candidates to be interviewed.

Council is requested to nominate their candidates and have those nominations seconded.

Each member of Council can vote for as many as they want to add to the list for interviews.

When the votes are turned into the HR Director, those receiving four votes or more will be added to the Finalist list of candidates to be interviewed.

Recommendation

Council members select their candidate(s) and bring the nomination to the floor. "*I nominate Candidate_____*". A Council member will need to second the nomination.

Name	x for interview
Armstrong	
Bork	
Harvell	
Illg	
Jacobsen	
Oborn	
Robertson	
Stinnett	
Zoukee	