



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Katie Koester, City Manager
DATE: December 4, 2019
SUBJECT: December 9 City Manager's Report

Alaska Municipal Manager Association/ Alaska Municipal League Travel Report

What an action packed week we had in Anchorage for AML! I was pleased so many members of Council and the Mayor could make it; we were well represented. I flew up Sunday morning to attend a planning meeting for Alaska Municipal Management Association (AMMA) and the 4th quarter meeting of the Southern Kenai Peninsula Managers. The Peninsula Manager meeting focused on regional alignment and the organizational structure of the Remote Sellers Tax governing body. Monday I helped lead a New Manager Orientation which was a great success; Managers of all stages turned out to provide support to our colleagues. We know that our communities are successful when their managers feel supported and have the tools they need to do their job. The afternoon session included a representative from our national organization, International City Manager Association (ICMA), presenting on implicit bias and a session on how to gain support in your community for projects. I learned some great tips on how to make sure the outspoken few don't derail a municipal priority.

All day Tuesday was spent "in the basement" on various professional development activities (where the managers are relegated to – AML likes to joke that it is because we represent the foundation of our municipalities...) Topics ranged from a panel discussion on council-manager relations to a joint session with the attorneys regarding the perils of social media (we have a social media guide on our website, if you are interested). During the business meeting, we reinforced our support of rural managers with a robust scholarship program for attendance to AMMA; appointed committees to work on conference planning, professional development and communications; and elected a board of directors for 2020. Along with many of you, I was fortunate enough to drop in on the Clerks dinner that evening and honor the Alaska Municipal Clerks Conference incoming president, Melissa Jacobsen.

Wednesday and Thursday were full days with breakout sessions and keynotes that many of you also attended (along with some City Council packet prep since AML falls on packet deadline). Highlights for me included the PERS reform policy group where municipalities discussed the threat of increased contribution rates and the bold proposals to reduce the unfunded liability and a panel on cyber security that made me aware of some other aspects where we are vulnerable to electronic manipulation, such as fraudulent electronic payments. I was on a panel that discussed city manager-council relations and felt proud to have many councilmembers and the Mayor in attendance. I hope I accurately represented some of the things we have right when it comes to 8 people working together for the betterment of our community and the

inherent different roles and responsibilities. I was also able to meet twice in person with City Attorney Gatti on various issues.



A major accomplishment of AML over the last year has been the formation of a Remote Sellers Tax (RST) governing board and signing of an agreement. Thus far, 15 municipalities have signed onto the agreement to create a central collection point for online sales tax transaction, including the City of Homer and Kenai Peninsula Borough (who has been a leader in the conversation). I am pleased that three members of the Peninsula were elected to the governing board: Scott Bloom, City Attorney for Kenai; Brandi Harborough, Finance Director for the Kenai Peninsula Borough; and Stephanie Queen, City Manager for Soldotna. I am confident that with this strong Peninsula representation, the interest of the Peninsula and cities that do not collect their own sales tax will be heard. Mayor Castner was able to participate in a ceremony signing the RST agreement. The collaboration and cooperation of so many different municipalities in such a short amount of time is truly impressive. Though there is much work to be done, it looks promising that at some point in 2020 municipalities will be collecting sales tax from online sales.

Those who attended AML were able to connect with innumerable colleagues and friends from across the state. Homer made a great showing at the Block Party table (thanks to Councilmembers Aderhold, Venuti and Lord for collecting different pieces to showcase Homer— see photo to the right). Homer was also generous at the auction held at AML, donating many lovely handcrafted and artistic items from our area to provide scholarships for Mayors attending from rural communities.

Meeting with ADOT on Baycrest Subdivision

While in Anchorage for AML, Mayor Castner arranged for a meeting with ADOT and Baycrest subdivision advocate Scott Adams and asked that I attend. On Thursday, November 21, we met with Public Information Officer and Special Projects Coordinator for the Central Region Jill Reese, Group Chief for Central Region Highway Design James Amundesen, and Hydrologist Paul Janke. The City has long advocated that ADOT redirect the runoff from Sterling Highway that collects in the beehive on the downslope of the highway (Resolution 18-008). During the meeting, the State maintained their position that the natural drainage patterns of the area were not altered with the highway improvements and that redirecting the flow from the beehive, as the City has suggested, would expose the State to potential unknown liability. While the City was not able to make headway on mitigating the outflow from the beehive, I appreciated the frankness of the ADOT employees, the time they have spent visiting and working on Baycrest, and their genuine concern for the residents that are experiencing damage due to slope instability in the neighborhood.



December 12th Travel to Anchorage with Harbormaster Hawkins

Next week, Harbormaster Hawkins and I have arranged meetings in Anchorage with various organizations to advance Homer priorities. Our meeting with Todd Vanhove (ADOT&PF Chief of Planning Central Region) and Joselyn Biloon (ADOT&PF Kenai Area Planner) will focus on the large vessel harbor and erosion on the Spit; the meeting with Ms. Biloon and Scott Thomas (ADOT&PF Central Traffic and Safety Engineer) will discuss Spit parking issues, Pioneer Ave., crosswalks, and other bike/pedestrian issues; and our meeting with Engineer Ronny McPherson at HDR will also discuss the large vessel harbor. While in Anchorage, we will take advantage of an in-person meeting with City Attorney Gatti and his colleague Cindy Cartledge to review the large vessel harbor funding packet and financing options. I am hopeful this jam-packed, whirlwind of a trip will continue progress being made on all of these projects and will provide a summary in my next manager's report.

Draft Summary Report for Low-Impact Development Planning for the City of Homer Published

Ordinance 19-018 approved the acceptance of a Low Impact Development Planning grant from the Alaska Department of Environmental Conservation, the purpose of which is to study the benefits of green infrastructure in Homer. Public Works has been working with Kinney Engineering to complete the study and the draft Summary Report has been completed and submitted to the grant agency for review and comment. The draft study's preliminary conclusion is that green infrastructure can protect runoff water quality and reduce "hard infrastructure" costs to the community. The study is available for public review at the City's Public Works web-site: <https://www.cityofhomer-ak.gov/publicworks/city-homer-study-integrate-green-infrastructure-stormwater-master-plan>. There you will also find a link to the "story map" that is intended to provide the public with an interactive, concise, and informative narrative regarding the study. The final summary report will be complete in June 2020.

Meeting with Representative Vance

Councilmember Smith arranged a meeting with Representative Vance and her staff, Lauren Simpson, with the objective of getting them both up to speed on the Large Vessel Harbor Expansion project so they can be our advocates with the State and others. Bryan did a great job giving Representative Vance talking points to emphasize the regional nature of the project and its importance to the state-wide economy. I appreciate her taking the time to champion this project and will keep her and her staff in the loop as we move forward.

Meeting with Homer Foundation Executive Director

I had the opportunity to meet with Mike Miller, Executive Director of the Homer Foundation, and learn about some of the exciting initiatives they are working on. I think it would be valuable for the Council to hear from Mr. Miller as the steward of the City of Homer endowment and grant program and head of an organization that has its finger on the pulse of our non-profit community. I will invite him to provide an update to Council as a visitor during an upcoming meeting in January.

Enc:

FY2019 3rd Quarter Report

Homer Police Station Progress Report



City of Homer

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Public Works

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(f) 907-235-3145

Memorandum

TO: Katie Koester, City Manager
FROM: Pat McNary, Project Manager
DATE: December 3, 2019
SUBJECT: NEW HOMER POLICE STATION – STATUS UPDATE

The purpose of this memo is to update the City Manager on progress made thus far on the police station project.

Contract Status:

Phase 1 & 2 Contract, (site civil and final GMP), executed - \$6,064,758.00

Construction Status:

Site work Commenced May 7, 2019.

Estimated completion date June 1, 2020

Contract Completion date June 15, 2020

Estimated % complete to date: 38.5%

Structure is complete. Civil work is to subgrade. Building is dried in, windows in, roofing complete. Interior framing complete. Mechanical and electrical rough-in in progress. Parking structure complete, roofing complete. No exterior finishes commenced.

Progress for several Milestone stages has proceeded ahead of original schedule. While this has the potential to accelerate completion, the Contractual Completion date remains the same.

Budget Status:

Project budget: - \$7,500,000.00.

Costs to Date: - \$2,891,207.00

Balance to complete: - \$4,608,793.00

Project Completion: - 38.5%

Cornerstone payments through Pay Application #6 (October 2019) - \$1,893,527.00

Total Contingency: \$232,921.00. Contingency used to date: \$82,750.00.

Total Contingency Remaining: - \$150,171.00

35.5% of Contingency used to date.

Prepared by: Pat McNary
Project Manager

Quarterly General Fund
Expenditure Report
For Quarter Ended September 30, 2019

	Amended FY19 Budget	Actual As of 9/30/19	Budget Remaining	% Budget Used
Revenues				
Property Taxes	\$ 3,406,952	\$ 1,932,413	\$ (1,474,539)	56.72%
Sales and Use Taxes	5,408,322	4,129,092	(1,279,230)	76.35%
Permits and Licenses	34,963	30,097	(4,866)	86.08%
Fines and Forfeitures	24,865	19,868	(4,997)	79.90%
Use of Money	34,346	147,057	112,711	428.17%
Intergovernmental	569,700	373,050	(196,651)	65.48%
Charges for Services	610,305	353,048	(257,257)	57.85%
Other Revenues	-	40,643	40,643	100%
Airport	148,732	162,221	13,488	109.07%
Operating Transfers	2,012,178	1,406,585	(605,593)	69.90%
Total Revenues	\$ 12,250,363	\$ 8,594,071	\$ (3,656,291)	70.15%
Expenditures & Transfers				
Administration	\$ 1,099,661	\$ 764,158	\$ 335,503	69.49%
Clerks	751,823	610,540	141,283	81.21%
Planning	374,333	267,675	106,658	71.51%
Library	932,402	627,251	305,151	67.27%
Finance	697,254	480,150	217,103	68.86%
Fire	1,059,435	731,325	328,110	69.03%
Police	3,259,226	2,365,650	893,576	72.58%
Public Works	2,779,148	1,905,668	873,480	68.57%
Airport	219,842	139,172	80,671	63.31%
City Hall, HERC	185,584	128,062	57,522	69.00%
Non-Departmental	94,000	94,000	-	100.00%
Total Operating Expenditures	\$ 11,452,709	\$ 8,113,651	\$ 3,339,056	70.84%
Transfer to Other Funds				
Leave Cash Out	\$ 85,232	\$ 85,232	\$ (0)	100%
Debt Repayment	-	-	-	-
Energy	10,703	10,703	-	100%
Adjusting Entries	-	-	-	0%
Total Transfer to Other Funds	\$ 95,935	\$ 95,935	\$ (0)	100%
Total Transfer to Reserves	\$ 701,720	\$ 827,042	\$ (125,322)	118%
Total Expenditures & Transfers	\$ 12,250,363	\$ 9,036,628	\$ 3,213,734	73.77%
Net Revenues Over (Under) Expenditures	\$ 0	\$ (442,557)		

Quarterly Water and Sewer Fund
Expenditure Report
For Quarter Ended September 30, 2019

	Amended FY19 Budget	Actual As of 9/30/19	Budget Remaining	% Budget Used
Revenues				
Water Fund	\$ 2,116,651	\$ 1,913,053	\$ (203,598)	90.38%
Sewer Fund	1,722,014	1,396,204	(325,810)	81.08%
Total Revenues	\$ 3,838,665	\$ 3,309,257	\$ (529,408)	86.21%
Expenditures & Transfers				
<u>Water</u>				
Administration	\$ 186,554	\$ 134,488	\$ 52,066	72.09%
Treatment Plant	634,642	441,934	192,708	69.64%
System Testing	27,400	17,886	9,514	65.28%
Pump Stations	97,019	65,908	31,111	67.93%
Distribution System	303,476	204,439	99,037	67.37%
Reservoir	29,047	15,337	13,710	52.80%
Meters	239,973	166,539	73,434	69.40%
Hydrants	189,233	136,388	52,844	72.07%
<u>Sewer</u>				
Administration	\$ 170,836	\$ 113,542	\$ 57,294	66.46%
Plant Operations	673,035	510,387	162,648	75.83%
System Testing	14,500	6,075	8,425	41.90%
Lift Stations	199,213	126,723	72,490	63.61%
Collection System	242,448	163,922	78,527	67.61%
Total Operating Expenditures	\$ 3,007,375	\$ 2,103,567	\$ 903,809	69.95%
Transfer to Other Funds				
Leave Cash Out	\$ 14,859	\$ 14,859	\$ -	100%
GF Admin Fees	517,046	517,046	-	100%
Debt Repayment	-	943	(943)	100%
Other	59,969	59,969	-	100.00%
Total Transfer to Other Funds	\$ 591,874	\$ 592,817	\$ (943)	100.16%
Transfers to Reserves				
Water	\$ 84,252	\$ 84,252	\$ -	100%
Sewer	155,164	155,164	-	100%
Total Transfer to Reserves	\$ 239,416	\$ 239,416	\$ -	100%
Total Expenditures & Transfers	\$ 3,838,665	\$ 2,935,800	\$ 902,865	76.48%
Net Revenues Over(Under) Expenditures	\$ (0)	\$ 373,457		

Quarterly Port and Harbor Fund
Expenditure Report
For Quarter Ended September 30, 2019

	Amended FY19 Budget	Actual As of 9/30/19	Budget Remaining	% Budget Used
Revenues				
Administration	\$ 471,040	\$ 439,063	\$ (31,977)	93.21%
Harbor	2,958,349	2,495,727	(462,622)	84.36%
Pioneer Dock	363,326	238,936	(124,390)	65.76%
Fish Dock	553,500	517,261	(36,239)	93.45%
Deep Water Dock	262,500	193,136	(69,364)	73.58%
Outfall Line	4,800	4,800	-	100.00%
Fish Grinder	12,000	6,705	(5,295)	55.88%
Load and Launch Ramp	125,000	123,176	(1,824)	98.54%
Total Revenues	\$ 4,750,515	\$ 4,018,803	\$ (731,712)	84.60%
Expenditures & Transfers				
Administration	\$ 642,204	\$ 519,184	\$ 123,020	80.84%
Harbor	1,328,754	924,372	404,382	69.57%
Pioneer Dock	72,980	52,038	20,942	71.30%
Fish Dock	622,087	471,076	151,011	75.73%
Deep Water Dock	104,600	58,414	46,186	55.84%
Outfall Line	6,500	2,831	3,669	43.55%
Fish Grinder	25,475	20,036	5,439	78.65%
Harbor Maintenance	416,161	300,262	115,898	72.15%
Main Dock Maintenance	41,000	25,609	15,391	62.46%
Deep Water Dock Maintenance	51,500	28,063	23,437	54.49%
Load and Launch Ramp	86,699	58,895	27,804	67.93%
Total Operating Expenditures	\$ 3,397,959	\$ 2,460,781	\$ 937,179	72.42%
Transfer to Other Funds				
Leave Cash Out	\$ 29,241	\$ 29,241	\$ -	100%
Debt Service	-	-	-	0%
GF Admin Fees	592,576	592,576	-	100%
Other	420,454	420,454	-	100%
Total Transfer to Other Funds	\$ 1,042,271	\$ 1,042,271	\$ -	100.00%
Transfers to Reserves				
Administration	\$ -	\$ -	\$ -	-
Harbor	-	-	-	-
Pioneer Dock	271,984	-	-	0%
Fish Dock	-	-	-	0%
Deep Water Dock	-	-	-	-
Outfall Line	-	-	-	-
Fish Grinder	-	-	-	-
Load and Launch Ramp	38,301	-	-	0%
Total Transfer to Reserves	\$ 310,285	\$ -	\$ -	0%
Total Expenditures & Transfers	\$ 4,750,515	\$ 3,503,051	\$ 937,179	73.74%
Net Revenues Over(Under) Expenditures	\$ 0	\$ 515,752		

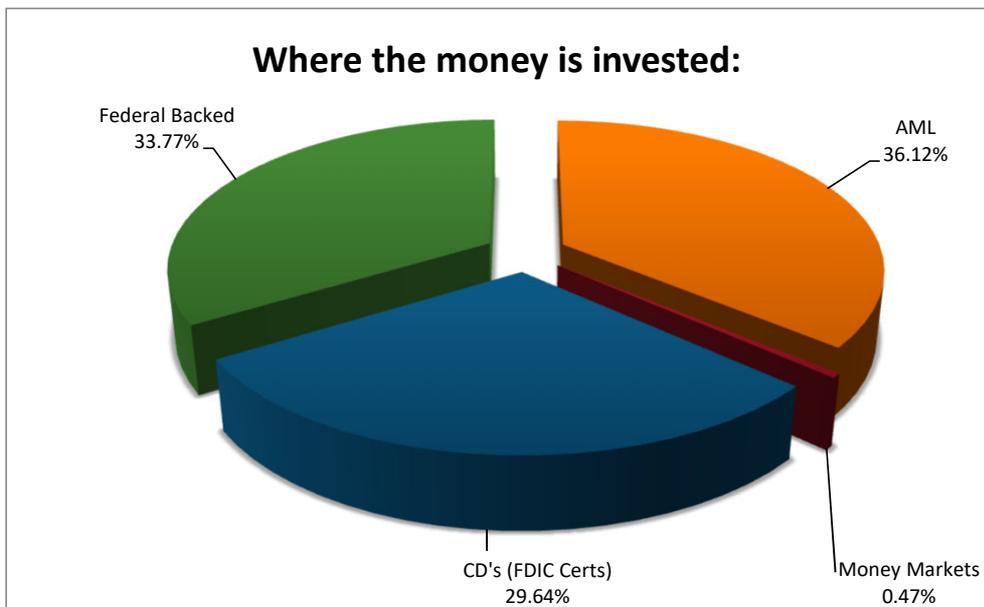
CITY OF HOMER Treasurer's Report

As of:

September 30, 2019

INVESTMENT BY INSTITUTION:	\$ Invested	% Of \$ Invested
Alaska Municipal League	\$ 9,169,701	36%
Pro-Equities	\$ 16,350,377	64%
Total Cash and Investments	\$ 25,520,078	100%

MATURITY OF INVESTMENTS:		AMOUNT	% Of Investment by Maturity Date
1 to 30 Days	10/30/2019	\$ 9,179,392	35%
30 to 120 Days	1/28/2020	\$ 1,411,930	25%
120 to 180 Days	3/28/2020	\$ 381,755	7%
180 to 365 Days	9/29/2020	\$ 1,396,652	3%
Over 1 Year		\$ 13,134,311	29%
TOTAL		\$ 25,504,041	100%



These investments are made in accordance with the City of Homer's investment policy pursuant to Ordinance 93-14, Chapter 3.10. The balances reported are unaudited.