



Agenda

City Council Special Meeting

Monday, July 01, 2024 at 4:00 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: N/A Password: N/A

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)

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

CONSENT AGENDA

- a. Resolution 24-075, A Resolution of the City Council of Homer, Alaska, Authorizing the Interim City Manager to Sign a Landlord Letter of Consent for the South Peninsula Hospital as Part of their Application for the Health Resources and Services Administration Congressionally Directed Spending Funding Opportunity. City Manager.

Memorandum CC-24-139 from Interim City Manager as backup.

- b. Resolution 24-076, A Resolution of the City Council of Homer, Alaska Amending City of Homer Personnel Regulations, Chapter 10, Discipline - Causes and Actions and Chapter 11, Communication, Grievance and Appeal Procedures to Delegate Authority for Personnel Appeals to the State of Alaska Office of Administrative Hearings. City Manager/HR Director.

Memorandum CC-24-140 from HR Director as backup.

NEW BUSINESS

- a. 4:00 p.m. Zoom Interview with Randy Robertson
- b. 5:00 p.m. Zoom Interview with Jefferson Dubel

PENDING BUSINESS

- a. 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. Introduced on June 10, 2024 Public Hearing and Second Reading held June 17, 2024. Postponed to July 1, 2024.

Memorandum CC-24-141 from Pubic Works Director as backup.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

COMMENTS OF THE CITY CLERK

COMMENTS OF THE MAYOR

COMMENTS OF THE CITY COUNCIL

ADJOURNMENT

Next Regular Meeting is **Monday, July 22, 2024 at 6:00 p.m.** Committee of the Whole at 5:00 p.m. A Special Meeting is scheduled for tomorrow Tuesday, July 2, 2024 at 4:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.



MEMORANDUM

Resolution 24-075, A Resolution of the City Council of Homer, Alaska, Authorizing the Interim City Manager to Sign a Landlord Letter of Consent for the South Peninsula Hospital as Part of their Application for the Health Resources and Services Administration Congressionally Directed Spending Funding Opportunity. City Manager.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: June 27, 2024
From: Melissa Jacobsen, Interim City Manager

South Kenai Peninsula Hospital was awarded \$5,000,000 in Congressionally Designated Spending (CDS) for improvements for their facility. As the property owner of the land the hospital sits on, they're required to provide a Landlord Letter of Consent from the City as part of their application. Kenai Peninsula Borough Purchasing and Contract Director John Hedges provided the following comments:

On May 1, 1970 the City of Homer and the Kenai Peninsula Borough entered a lease agreement for the property that currently makes up the South Kenai Peninsula Hospital's main campus. Including all three current amendments, that lease's term is effective until June 30, 2105. Part 4 of the lease describes the use of the premises for, "operation of a public hospital and for those activities reasonably necessary". Part 5 of that agreement allows the lessee to, "add other improvements there on".

With the assistance of U.S. Senator Lisa Murkowski, the Kenai Peninsula Borough, South Kenai Peninsula Hospital Service Area and SPH Inc. were awarded \$5,000,000 in Congressionally Designated Spending (CDS) for improvements to South Peninsula Hospital facility. In the recently completed master plan, improvements to the hospital's aging infrastructure and plant were identified as one of the highest priorities. As part of our ongoing strategy a project scope for the replacement of the emergency power plant and a new boiler space is in development. The work will also include minor site, mechanical, and electrical improvements. It is the intent to utilize the \$5,000,000 in CDS funds to complete this scope of work. As part of the grant agreement, the U.S. Health Resources and Service Administration is requesting a letter of consent from the Lessor of the property that makes up the main hospital campus. Thank you for your consideration of this request.

Recommendation: Adopt a resolution authorizing the Interim City Manager to sign a landlord letter of consent for South Kenai Peninsula Hospital's CDS application.

safe copy
HOMER

Serial No.

70-226

BOOK 56 PAGE 61
Homer Recording District

INDEXED

LEASE OF HOMER HOSPITAL

THIS AGREEMENT, made and entered into this 10th day of November, 1969, by and between the CITY OF HOMER, hereafter referred to as the Lessor, and the KENAI PENINSULA BOROUGH, hereafter referred to as Lessee:

W I T N E S S E T H:

That for and in consideration of certain obligations to be paid and performed by the Lessee, the Lessor does hereby demise, lease and let and the said Lessee does hereby hire and take charge of and from the Lessor, the following described real property and improvements thereon:

The North one-half (N1/2) of the Northwest one-quarter (NW1/4) of the Southeast one-quarter (SE1/4) of the Southeast one-quarter (SE1/4) of Section Eighteen (18), Township Six South (T6S), Range Thirteen West (R13W), Seward Meridian, State of Alaska.

SUBJECT to all reservations, easements and covenants of record.

The purpose of this lease is to grant the Kenai Peninsula Borough continued use of the hospital facility under the terms of the following lease:

1. TERM: The term of this lease shall be for a period of fifty-five (55) years, commencing on the first day of July, 1969, and ending on June 30th, fifty-five (55) years from said date.

2. RENT: The Lessee shall pay Ten and no/100 Dollars (\$10.00), plus other valuable considerations, including the exchange of promises and conditions included herein.

3. ACCEPTANCE OF PREMISES: Lessee has examined and knows the condition of said premises and accepts the same "as is".

4. USE OF PREMISES: Lessee hereby covenants that the use of said leased premises shall be for the operation of a public hospital and for those activities reasonably necessary, related and incidental to the operation of said hospital and for no other

HOMER

Serial No. 70-226

BOOK 56 PAGE 62

Homer Recording District

INDEXED

1 purpose save and except by mutual written consent of all parties
2 hereto.

3 5. IMPROVEMENTS: Lessee shall be entitled to make im-
4 provements to the building presently on the above-described real
5 estate or to add other improvements thereon and shall comply with
6 all the laws applicable thereto.

7 All improvements and additions made or constructed upon
8 the premises shall be at the expense of the Lessee, but the same
9 shall become part of the leased premises and shall stay with the
10 land at the termination of this lease.

11 6. REPAIRS AND MAINTENANCE: It is understood and agreed
12 that Lessee shall pay for all repairs and maintenance to the
13 aforementioned premises and shall pay for any and all replace-
14 ments of existing equipment, out of its own funds.

15 7. OPERATIONAL EXPENSES: It is further understood and
16 agreed that Lessee shall pay for and be solely responsible for
17 all costs connected with the operation of said hospital, includ-
18 ing costs for supplies, labor, equipment, etc.

19 8. INSURANCE: Lessee agrees to secure and maintain fire
20 and extended coverage insurance on the real property and improve-
21 ments with an insurer qualified to do business in the State of
22 Alaska in an amount not less than Eighty (80%) per cent of the
23 appraised value of the premises, with the Lessor named as an
24 additional insured.

25 9. HOLD HARMLESS AND INDEMNITY: The Lessee covenants
26 and agrees to save and hold the Lessor harmless from any and
27 all loss or damage to persons or property occurring on the
28 premises or occurring anywhere by reason of Lessee's occupation
29 of the premises and operation as a hospital, and Lessee further
30 agrees and covenants to indemnify Lessor for any and all costs
31 or expenses incurred by Lessor for any reason arising out of
32 Lessee's occupation of the premises.

HOMER

Serial No.

70-226

BOOK 56 PAGE 63

Homer Recording District

INDEXED

1 10. WASTE AND LAWFUL USE: Lessee covenants and agrees
2 that it shall not commit, nor allow any waste upon the premises
3 or any nuisance to be committed thereon, and further agrees to
4 comply with all laws, whether State, Local or Federal.

5 11. NON-LIEN: Lessee further promises at all times to
6 keep the demised premises free from any liens arising out of work
7 performed, materials furnished, or obligations incurred by or for
8 it.

9 12. PEACEFUL SURRENDER: Lessee further agrees that upon
10 termination of the lease, either by expiration of the term or
11 upon Lessee's breach of this lease, that it shall surrender and
12 give up possession of the premises to the Lessor; and agrees that
13 it will return the premises in substantially the same condition
14 as when received, reasonable use and wear excepted.

15 13. NOTICE OF BREACH: If Lessee is guilty of a breach
16 of this lease, Lessor shall give Lessee a written notice to the
17 effect, specifying in what manner the lease is breached and
18 thereafter Lessee shall have sixty (60) days from the receipt
19 of such notice within which to correct said breach. Failure to
20 correct the same shall give Lessee the privilege of re-taking
21 possession of the property.

22 14. SUBLEASING AND ASSIGNMENT: Lessee agrees not to
23 sublease or assign this lease or any portion thereof without
24 first obtaining the written consent of the Lessor; providing
25 however, that the Lessor shall not withhold its consent unreason-
26 ably.

27 15. HOLDING OVER: The holding over after the expiration
28 of this lease with the consent of the Lessor shall be deemed a
29 tenancy from month to month.

30 16. DESTRUCTION OF PREMISES: In the event that the prem-
31 ises are destroyed or damaged through fire, flood or other casu-
32 alty covered by insurance Lessee agrees to use such sums as may

HOMER

Serial No.

70-226

BOOK

56

PAGE

64

Homer Recording District

INDEXED

1 be recovered from the insurer in the reconstruction of the sub-
2 ject premises or the construction of a new hospital, provided
3 that if Lessee ceased to exercise the governmental function of
4 providing hospital services within the South Peninsula Hospital
5 Service Area Lessee will pay to Lessor out of said sums received
6 that amount which bears the same ratio to the total amount as
7 the depreciated value of the present facility bears to the total
8 value of the facility at the time of damage or destruction.

9 17. AGREEMENT BINDING UPON SUCCESSORS: Each and every
10 covenant, agreement, term, provision and condition herein con-
11 tained shall extend to and be binding upon the respective suc-
12 cessors and assigns of the parties hereto.

13 IN WITNESS WHEREOF, the parties have executed this lease
14 the day and year first above written.

15 LESSOR: CITY OF HOMER

16 By

William C. Pelt
City Manager

17 ATTESTED TO:

18
19 Dorrie R. Charro
20 City Clerk

21 Approved as to form:
22 HAHN, JEWELL & FARRELL
City Attorneys

23 By

A. Robert Hahn, Jr.
A. Robert Hahn, Jr.

24 LESSEE:

KENAI PENINSULA BOROUGH

25 By

George A. Nawarre
Borough Chairman

26
27 ATTESTED TO:

28
29 Francis Byrnes
Borough Clerk

30 Approved as to form:

31
32 James D. Nordale
Borough Attorney

LAW OFFICES OF
HAHN, JEWELL & FARRELL
542 SECOND AVENUE
ANCHORAGE, ALASKA
279-1544
PIONEER AVENUE
HOMER, ALASKA
235-8709

HOMER

Serial No.

70-226

BOOK 56 PAGE 65
Homer Recording District

INDEXED

1 STATE OF ALASKA)
: ss.
2 THIRD JUDICIAL DISTRICT)

3 THIS IS TO CERTIFY that on the 10th day of November, 1969,
4 before me, the undersigned, a Notary Public in and for Alaska,
5 duly commissioned and sworn as such, personally appeared WILLIAM
6 CURTIS, known to me and known to me to be the City Manager of the
7 CITY OF HOMER, Lessor in the above and foregoing Lease, and he
acknowledged to me the execution thereof to be his free and vol-
untary act and deed for and on behalf of the CITY OF HOMER, for
the uses and purposes therein set forth.

8 IN WITNESS WHEREOF, I have hereunto set my hand and affixed
9 my notarial seal the day and year in this certificate first above
10 written.

11 Alarie R. Charron
12 Notary Public in and for Alaska
My Commission Expires: 7-28-73

13 STATE OF ALASKA)
: ss.
14 THIRD JUDICIAL DISTRICT)

15 THIS IS TO CERTIFY that on the 2^d day of November, 1969,
16 before me, the undersigned Notary Public in and for Alaska, duly
17 commissioned and sworn as such, personally appeared GEORGE A.
18 NAVARRE, known to me and known to me to be the Borough Chairman
19 of the KENAI PENINSULA BOROUGH, Lessee in the above and foregoing
Lease, and he acknowledged to me the execution thereof to be his
free and voluntary act and deed for and on behalf of the KENAI
PENINSULA BOROUGH, for the uses and purposes therein set forth.

20 IN WITNESS WHEREOF, I have hereunto set my hand and affixed
21 my notarial seal the day and year in this certificate first above
22 written.

23 Francis R. Byrner
24 Notary Public in and for Alaska
25 My Commission Expires: 7-22-72

RECORDED - FILED	
<u>Homer</u> REC. DIST.	
DATE	<u>5-1</u> 19 <u>70</u>
TIME	<u>1:45 P.M.</u>
Requested by	<u>City of Homer</u>
Address	<u>Box 335</u> <u>Homer, AK 99603</u>

32
LAW OFFICES OF
HANN, JEWELL & FARRELL
542 SECOND AVENUE
ANCHORAGE, ALASKA
279-1544

PIONEER AVENUE
HOMER, ALASKA
235-0709

AMENDMENT TO LEASE BETWEEN CITY OF HOMER
AND KENAI PENINSULA BOROUGH

ORIGINAL

WHEREAS, the City Council of the City of Homer (City) on 03/08/99 approved the lease of additional property to the Kenai Peninsula Borough (Borough) for expansion of the South Peninsula Hospital; and

WHEREAS, by resolution 97-088, the Borough assembly approved the lease of an additional approximate 1.5 acres from the City for expansion of a long-term care unit and other important hospital functions for South Peninsula Hospital; and

WHEREAS, it is necessary to amend the 1969 lease between the City and the Borough to reflect the inclusion of the additional acreage and revised property description for the leasehold;

NOW, THEREFORE, BE IT AGREED BY THE PARTIES:

The parties, Lessor, City of Homer (City), an Alaska municipal corporation, and Lessee, Kenai Peninsula Borough (Borough), an Alaska municipal corporation, amend the lease dated November 10, 1969, as set forth in this document.

1. The following real property description of the lease is stricken:

The North one-half (N1/2) of the Northwest one-quarter (NW1/4) of the Southeast one-quarter (SE1/4) of Section Eighteen (18), Township Six South (T6S), Range Thirteen West (R13W), Seward Meridian, State of Alaska.

2. The following real property description is substituted as the description of the premises:

Tract A, South Peninsula Hospital subdivision, filed as plat No. 98-41, Homer Recording District, Third Judicial District, State of Alaska.

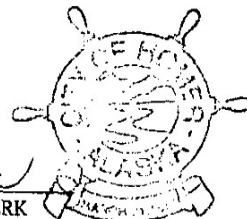
3. All other terms and conditions of the lease remain in full force and effect.
4. If any provisions of this amendment and the lease dated November 10, 1969, conflict, the terms and conditions of this amendment shall be controlling.

CITY OF HOMER

By: [Signature]
Its: Val M. Koeberline, City Manager
Date: 03/09/99

ATTEST:

[Signature]
MARY L. CALHOUN, CITY CLERK



ORIGINAL

KENAI PENINSULA BOROUGH

By: Mike Navarre
 Its: Mayor
 Date: 3/17/99

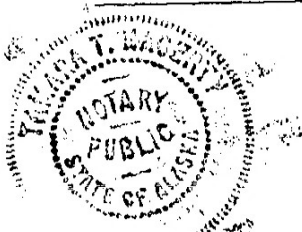
ATTEST:

Jeresa Helker, Deputy
 Linda S. Murphy, Borough Clerk

ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on this 9th day of March, 1999, by Val M. Koeberlein, whose title is City Manager, for the City of Homer, on behalf of the City of Homer.



Jeresa L. Helker
 Notary Public for the State of Alaska
 My commission expires: 04/07/03

ACKNOWLEDGMENT

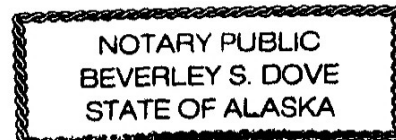
STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on this 17th day of March, 1999, by Mike Navarre, whose title is Mayor, for the Kenai Peninsula Borough, an Alaska municipal corporation, on behalf of the corporation.

Beverly S. Dove
 Notary Public for the State of Alaska
 My commission expires: 12/22, 1999

APPROVED AS TO LEGAL
 FORM AND SUFFICIENCY

Holly B. Montague
 Holly B. Montague
 Assistant Borough Attorney



RETURN TO LESSEE: Kenai Peninsula Borough
 144 North Binkley Street
 Soldotna, AK 99669

BOOK 0289 PAGE 307

001624 1800

Home Recording
Dist

'99 APR 23 PM 1 10

KPB



EXHIBIT A

CE 32

FORM OF LEASE AMENDMENT

SECOND AMENDMENT TO LEASE AGREEMENT

BETWEEN

CITY OF HOMER AND KENAI PENINSULA BOROUGH

THIS SECOND AMENDMENT TO LEASE AGREEMENT ("Second Amendment") is made and entered into effective as of this 31st day of October, 2005, between the **CITY OF HOMER**, a municipal corporation, 491 East Pioneer Avenue, Homer, Alaska 99603, ("LESSOR"), and **KENAI PENINSULA BOROUGH**, a municipal corporation, 144 North Binkley St., Soldotna, Alaska, 99669, ("LESSEE"), and affects that Lease of Homer Hospital entered into between the parties on November 10, 1969, recorded beginning at Book 56, Page 61, Homer Recording District; as amended in 1999 by an instrument entitled Amendment to Lease Between City of Homer and Kenai Peninsula Borough, recorded beginning at Book 289, Page 305, Homer Recording District (collectively referred to as the "Lease").

This instrument affects the following property located in the City of Homer, Homer Recording District, State of Alaska:

Tract A, South Peninsula Hospital Subdivision, filed as plat No. 98-41.

AGREEMENT

LESSOR and LESSEE agree as follows:

1. Extension of Term

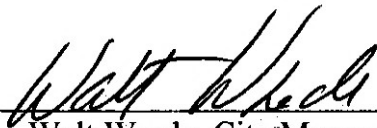
The term of the Lease is extended for an additional 36 years, to end on June 30, 2060.

2. Lease Remains in Effect.

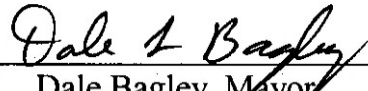
Every other provision of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be duly executed as of the day and year first above written.

**LESSOR:
CITY OF HOMER**

By: 
Walt Wrede, City Manager

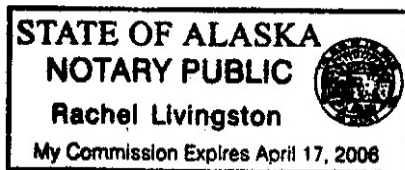
**LESSEE:
KENAI PENINSULA BOROUGH**

By: 
Dale Bagley, Mayor

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on October 17th, 2005, by Walt Wrede, City Manager of the City of Homer, on behalf of the City of Homer.

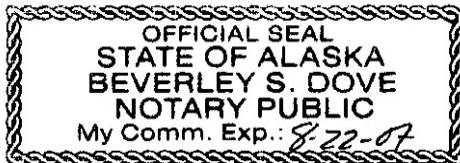



~~Mary Calhoun, CMC, Homer City Clerk~~
My Term Expires: 4-17-06



STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on
October 31, 2005, by Dale Bagley, Mayor of the Kenai Peninsula Borough,
on behalf of the Kenai Peninsula Borough.



Beverley S. Dove
Notary Public in and for Alaska
My Commission Expires: 8-22-07

Return to:

City of Homer
491 East Pioneer Avenue
Homer, Alaska 99603



**THIRD AMENDMENT TO LEASE AGREEMENT**

CJZ

BETWEEN**CITY OF HOMER AND KENAI PENINSULA BOROUGH**

THIS THIRD AMENDMENT TO LEASE AGREEMENT ("Third Amendment") is made and entered into effective as of this 22nd day of JUNE, 2006, between the **CITY OF HOMER**, a municipal corporation, 491 East Pioneer Avenue, Homer, Alaska 99603, ("LESSOR"), and **KENAI PENINSULA BOROUGH**, a municipal corporation, 144 North Binkley St., Soldotna, Alaska, 99669, ("LESSEE"), and affects that lease of the South Peninsula Hospital entered into between the parties on November 10, 1969, recorded beginning at Book 56, Page 61, Homer Recording District; as amended in 1999 by an instrument entitled Amendment to Lease Between City of Homer and Kenai Peninsula Borough, recorded beginning at Book 289, Page 305, Homer Recording District and by an instrument entitled Second Amendment to Lease Agreement Between City of Homer and Kenai Peninsula Borough, recorded as serial 2005-005676-0, Homer Recording District (collectively referred to as the "Lease").

This instrument affects the following property located in the City of Homer, Homer Recording District, State of Alaska initially referred to as:

Tract A, South Peninsula Hospital Subdivision, filed as Plat No. 98-41,

and hereinafter referred to as:

Tract A-1, South Peninsula Hospital Subdivision 2005 Addition, filed as Plat No. 2006-38.

AGREEMENT

LESSOR AND LESSEE agree as follows:

1. Extension of Term:

The term of the Lease as previously amended is further extended for an additional 45 years, to end on June 30, 2105.

2. Amended Legal Description:

The following legal description of the leased property is hereby deleted:

Tract A, South Peninsula Hospital Subdivision, filed as Plat No. 98-41.

The following legal description is hereby substituted as the description of the leased premises:

Tract A-1, South Peninsula Hospital Subdivision 2005 Addition, filed as Plat No. 2006-38.

3. Lease Remains in Effect:

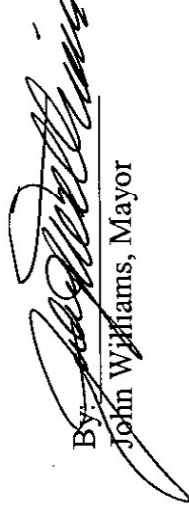
Every other provision of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be duly executed as of the day and year first above written.

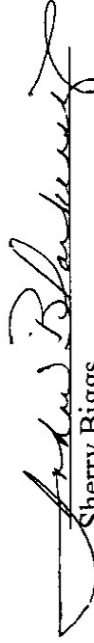
**LESSOR:
CITY OF HOMER**

By: 
Wade Wrede, City Manager

**LESSEE:
KENAI PENINSULA BOROUGH**

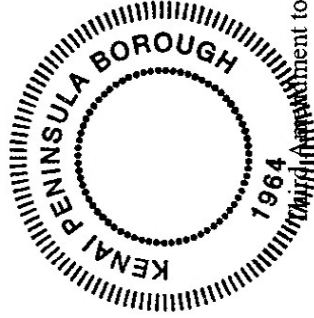
By: 
John Williams, Mayor

ATTEST:


Sherry Biggs
Borough Clerk, Deputy

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:


Holly B. Montague
Deputy Borough Attorney



Third Amendment to Lease Agreement



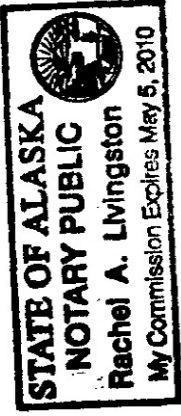
2 of 3

2006-002966-0

ACKNOWLEDGEMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The forgoing instrument was acknowledged before me on June 23rd, 2006, by
Walt Wrede, City Manager of the City of Homer, on behalf of the City of Homer



Notary in and for the State of Alaska
Term Expires: 5-5-10

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The forgoing instrument was acknowledged before me on June 22nd, 2006, by
John Williams, Mayor of the Kenai Peninsula Borough, on behalf of the Kenai Peninsula
Borough.



Notary in and for the State of Alaska
Term Expires: 8-22-07

Return To:
Kenai Peninsula Borough
144 N Binkley
Soldotna AK 99669

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 24-075

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
AUTHORIZING THE INTERIM CITY MANAGER TO SIGN A LANDLORD
LETTER OF CONSENT FOR THE SOUTH KENAI PENINSULA
HOSPITAL AS PART OF THEIR APPLICATION FOR THE HEALTH
RESOURCES AND SERVICES ADMINISTRATION
CONGRESSIONALLY DIRECTED SPENDING FUNDING
OPPORTUNITY.

WHEREAS, On May 1, 1970 the City of Homer and Kenai Peninsula Borough entered into
a lease agreement for the property that currently makes up South Kenai Peninsula Hospital's
(SPH) main campus; and

WHEREAS, SPH was awarded \$5,000,000 in Congressionally Designated Spending (CDS)
for improvements to their facility; and

WHEREAS, A project scope for the replacement of the emergency power plant and a
new boiler space is in development and the work will also include minor site, mechanical, and
electrical improvements; and

WHEREAS, A Landlord Letter of Consent is necessary for the SPH application to receive
the CDS funds due to site work and improvements being done on the property.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
authorizes the Interim City Manager to sign a Landlord Letter of Consent for SPH's CDS
application.

PASSED AND ADOPTED by the Homer City Council this 1st day of July, 2024.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

RENEE KRAUSE, MMC, ACTING CITY CLERK

45 Fiscal note: N/A

City of Homer
491 E. Pioneer Ave
Homer, AK 99603

Re: Lease – City of Homer and Kenai Peninsula Borough, Tract A-1, South Peninsula Hospital
Subdivision 2005 Addition, filed as Plat No. 2006-38
Address: 4300 Bartlett St, Homer, AK 99603

Landlord Letter of Consent

The City of Homer ("City") is the owner of the property located at South Peninsula Hospital, 4300 Bartlett St., Homer, AK 99603. The property is currently leased by Kenai Peninsula Borough ("KPB"). The City currently has a lease agreement with KPB that will expire 81 years from now on June 30, 2105.

The City is in full agreement with the proposed improvements to the aforementioned leased property as part of the Health Resources and Services Administration (HRSA) Congressionally Directed Spending funding opportunity, and the lease agreement between the City and KPB allows KPB to undertake proposed improvements. The City agrees to the following restrictive terms, which will be signed by both the City and KPB. In addition, for purposes of the HRSA funding opportunity and to the extent the terms are not already addressed in the lease agreement, the City further agrees to the following provisions:

a) The City agrees not to sublease, assign, or otherwise transfer the property, or use the property for a non-grant-related purpose(s) without the written approval from HRSA (at any time during the term of the lease/agreement, whether or not grant support has ended).

b) The City will inform HRSA of any default by the recipient under the lease/agreement.

c) HRSA shall have 60 days from the date of receipt of the property owner's notice of default in which to attempt to eliminate the default, and that the City will delay exercising remedies until the end of the 60-day period.

d) HRSA may intervene to ensure that the default is eliminated by the recipient or another recipient named by HRSA.

e) The City shall accept payment of money or performance of any other obligation by the HRSA's designee, for the recipient, as if such payment of money or performance had been made by the recipient.

f) In the event that the recipient defaults, the grant is terminated, or the recipient vacates the property before the end of the lease term, HRSA shall have the right to designate a replacement for the recipient for the balance of the lease term, subject to approval by the City, which will not be withheld except for good reason.

The City also acknowledges that there will be a Federal interest in the property as a result of the proposed improvements and that Kenai Peninsula Borough agrees to file a Notice of Federal Interest prior to work commencing, if required by HRSA.

Signature: _____

Typed Name and Title : _____

Date: _____



MEMORANDUM

Resolution 24-076, A Resolution of the City Council of Homer, Alaska Amending City of Homer Personnel Regulations, Chapter 10, Discipline – Causes and Actions and Chapter 11, Communication, Grievance and Appeal Procedures to Delegate Authority for Personnel Appeals to the State of Alaska Office of Administrative Hearings. City Manager/HR Director.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: June 27, 2024
From: Andrea Browning, HR Director
Through: Melissa Jacobsen, Interim City Manager

Overview

The City Attorney has recommended and worked with me on a change to the current Personnel Regulations, Chapter 10, Discipline Causes and Actions and Chapter 11, Communication, Grievance and Appeal Procedure.

Pursuant to Homer City Code Section 2.28.010, the City Personnel Regulations shall be adopted by Council resolution and administered by the City Manager. There is a resolution on the consent agenda outlining the changes, for your consideration.

Background

Our current Personnel Regulations leave some ambiguity about steps forward after a Pre-Deprivation Hearing, since the language is contradictory in two separate sections. Attorney Gatti has cleaned up that language, and additionally advises that the City is much better off delegating authority for personnel appeals to the State of Alaska Office of Administrative Hearings.

Currently Personnel Regulations stipulate that if we go to arbitration, we solely use the American Arbitration Association (AAA), unless both parties agree. It is very slow and very expensive. The Office of Administrative Hearings is more expedient, more economical, and affords both sides a resolution.

This is not in response to a current matter designated for arbitration. Any personnel appeals that are in-process prior to Council approval of the resolution before you, are still subject to grievance procedures set forth in current Personnel Regulations, and will utilize AAA for arbitration proceedings. This request stems from a grievance that started in 2023, which highlighted the contradictions in our current Personnel Regulations and need to update the language.

Recommendation:

I respectfully request Council consideration to update Personnel Regulations to include recommended changes to Section 10 and Section 11, as outlined in the resolution.

CITY OF HOMER
HOMER, ALASKA

City Manager/
Personnel Director

RESOLUTION 24-076

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING CITY OF HOMER PERSONNEL REGULATIONS,
CHAPTER 10, DISCIPLINE – CAUSES AND ACTIONS AND CHAPTER
11, COMMUNICATION, GRIEVANCE AND APPEAL PROCEDURE, TO
DELEGATE AUTHORITY FOR PERSONNEL APPEALS TO THE STATE
OF ALASKA OFFICE OF ADMINISTRATIVE HEARINGS.

WHEREAS, Pursuant to Homer City Code Section 2.28.010, the City personnel regulations shall be adopted by Council resolution and administered by the City Manager; and

WHEREAS, Pursuant to City of Homer Personnel Regulation 1.6, Revisions and Amendments, the City Manager may recommend revisions to the Personnel Regulations at any time with the revisions effective upon the approval of the City Council.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby amends Homer City Regulations, Personnel Regulation 11.4, Grievance Procedure Steps, as follows:

11.4.4 Step 4. If the grievance is not settled in Step 2 and the aggrieved employee(s) elects not to utilize the grievance committee process of Step 3, the matter may be appealed in writing to the ~~City Manager~~ **Office of Administrative Hearings** within five working days of the date the employee receives the Department Director's written decision. The aggrieved employee(s) should submit a written request for a hearing ~~with the City Manager~~ to the Personnel Director, **who will then submit a request for a hearing with the Office of Administrative Hearings.** The aggrieved employee(s) should attach copies of all information pertaining to the grievance to the request. ~~The City Manager will schedule a hearing within ten working days of receiving the request. At the hearing the employee(s) will state the reasons for the grievance. The Department Director shall have an opportunity to present their position. Witnesses may be called to testify by either party, however witnesses cannot be compelled to testify or appear. The hearing shall be closed to the public. The City Manager shall reply to the grievance in writing within seven working days of meeting with the grievant(s). Copies of the written decision shall be given to the grievant(s), the Department Director and the Personnel Director.~~

11.4.5 Step 5. If not satisfied with the ~~City Manager's~~ **Office of Administrative Hearings** decision the aggrieved employee(s) may request arbitration pursuant to the ~~procedures outlined in Section 11.5~~ **appeal the decision of the Office of Administrative Hearings to Superior Court within 30 days after notice of the Office of Administrative**

Hearings decision is given to the employee in accordance with Part 600 of the Alaska Rules of Appellate Procedure. The appeal is heard solely on the administrative record.

BE IT FURTHER RESOLVED that Homer Personnel Regulations are amended by deleting Section 11.5, Arbitration Procedures, in its entirety, as follows:

~~11.5— Arbitration Procedures. An employee may request arbitration of any unresolved grievances after completion of Step 3 or Step 4. The procedures for arbitration are as follows:~~

~~11.5.1 The employee(s) shall send a written request for arbitration to the Personnel Director explaining the specific unresolved grievance and referring to any provisions of the Personnel Regulations or any other law applicable to the grievance. The request shall be submitted to the Personnel Director within five working days of the City Manager's decision.—~~

~~11.5.2 Within five working days of receipt of a request for arbitration, the Personnel Director shall forward the request, together with the appropriate administrative fee, to the American Arbitration Association (AAA) for the initiation of arbitration proceedings. AAA proceedings shall be conducted by an arbitrator located in the State of Alaska unless, despite reasonable efforts by both parties, a qualified arbitrator located in the State of Alaska cannot be found. In lieu of submission to AAA, the grievant and the City Manager shall may agree to submit the matter to an arbitrator(s) to be selected by mutual agreement.~~

~~11.5.3 The arbitration shall be held at City Hall unless space is unavailable in which case the arbitrator shall select another location in the City. The aggrieved employee(s), the affected Department Director, City Manager and Personnel Director shall be entitled to be present at the arbitration. The aggrieved employee(s) and the City Manager may each have, as an assistant, one person to be in attendance at the arbitration. Either or both parties may be represented by an attorney in lieu of the assistant. The arbitration shall be closed to the public unless the aggrieved employee(s) requests the arbitration to be open to the public.~~

~~11.5.4 The arbitration shall be conducted by the arbitrator in whatever manner will most expeditiously permit full presentation of the evidence and argument of the parties. Witnesses may be called to testify by any party; however, witnesses cannot be compelled to testify or appear.~~

~~11.5.5 The arbitration shall be conducted under the AAA Employment Arbitration Procedures unless a different rule or procedure is set forth in the City Code or the Personnel Regulations. In the case of any inconsistency, the City Code and the Personnel Regulations, in that order of priority, shall prevail over the AAA Employment Arbitration Procedures. The Personnel Director shall make copies of the Employment Arbitration Procedures available to any City employee upon request.~~

11.5.6 Post hearing briefs shall be submitted by the parties only if ordered by the arbitrator.

11.5.7 The arbitrator shall have no authority to amend, modify, nullify, or ignore provisions of law, ordinances, or Personnel Regulations. The arbitrator shall consider and decide only the specific issue(s) submitted and has no authority to decide issues not submitted.

11.5.8 The arbitrator's award shall include a summary of the arbitrators' findings and conclusions. All expenses of the arbitration, not including attorney's fees and expenses for witnesses, shall be paid by the City. If the City is the prevailing party, then each employee who is a party to the grievance shall reimburse the City \$600.00 of expenses of the arbitration, which include AAA administrative and arbitrators' fees, travel and other expenses but no more than the total actual cost of the arbitration fees. Payment is due from the employee within 30 days of the grievance decision from the arbitrator. Each party shall bear its own attorney's fees and the expenses of producing witnesses called on its behalf.

11.5.9 Copies of the arbitration decision shall be personally delivered or mailed to the parties directly affected by the arbitration, the Personnel Director and the City Manager. The Personnel Director shall provide informational copies to the City Council. The arbitration decision shall be a public record.

BE IT FURTHER RESOLVED that Personnel Regulation 10.8, Appeal of Disciplinary Action is amended as follows:

10.8 Administrative Appeal of Disciplinary Action. Any appeals of personnel actions taken under Section 10.6 of these Regulations involving suspensions without pay, demotions, or dismissals shall be submitted to arbitration under Section 11.5 of these Regulations **the Office of Administrative Hearings**. The appeal shall be initiated by filing **submitting** a written request for arbitration **a hearing with to** the Personnel Director within five working days of the City Manager's decision, **who will then submit a request for a hearing with the Office of Administrative Hearings**. The appeal shall contain the information **specific points on appeal** required by Section 11.5.1 of these Regulations **referring to any provisions of the Personnel Regulations or any other law applicable to the appeal**. Filing a request for arbitration **an appeal** shall not suspend the effect of the City Manager's decision. **If not satisfied with the Office of Administrative Hearings decision the aggrieved employee(s) may appeal the decision of the Office of Administrative Hearings to Superior court within 30 days after notice of the Office of Administrative Hearings decision is given to the employee in accordance with Part 600 of the Alaska Rules of Appellate Procedure. The appeal is heard solely off the administrative record.**

128 PASSED AND ADOPTED by the Homer City Council this 1st day of July, 2024.

129

130

CITY OF HOMER

131

132

133

KEN CASTNER, MAYOR

134

135 ATTEST:

136

137

138 RENEE KRAUSE, MMC, ACTING CITY CLERK

139

140 Fiscal note: N/A



MEMORANDUM

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. City Manager.

Item Type: Backup Memorandum
Prepared For: Mayor Castner and City Council
Date: June 26, 2024
From: Daniel Kort, Public Works Director
Through: Melissa Jacobsen, Acting City Manager

Summary:

Appropriation of Funds from the FY24 State of Alaska Community Assistance Program Payment for the Upgrades to the City Hall Elevator for Recertification (Ordinance 24-28).

Background:

Late during the budgeting process, staff brought forward the fact that the elevator in City Hall is in need of upgrades for a number of reasons.

First of all, the elevator is out of compliance with new regulations and requires improvements to bring it back into code compliance. The company who does the annual inspection and certification informed the City of Homer (City) that the elevator would be able to be certified during the next inspection in August of 2024, however it would not be certifiable in August of 2025 without the improvements.

The second issue is many of the mechanical components within the elevator system are either obsolete or parts are no longer available because more modern improvements have replaced the components. Therefore, a minor component failure in the coming years could shutdown elevator operation without advanced notice.

The third issue is the service life of an elevator is typically 20-years and the company who conducts this annual inspection and certification has indicated this elevator is well beyond this projected service life.

The Public Works Department (PWD) added this Capital Project to the mid-biennium budget.

Project Details:

The project will include nearly a complete rebuild of nearly all of the elevator components by the Contractor TK Elevator Corporation (TKE) (with the exception of the car, and shaft) and will include the following components:

Controller

- TAC 32 Controller (Includes Options listed below)
 - 24 VDC Signal Voltage
 - Auto Light and Fan Feature
 - Car Independent Service
 - Car Traveling Lantern Circuitry
 - Door Bypass Operation
 - Electronic Door Detector Interface
 - Hoistway Access and Enable
 - THY Board
- Seismic Features
- Solid State Starters (6 or 12 leads) 208 VAC
- Battery Lowering in Controller
- Viscosity Control (Required over 150 FPM)
- eMax Monitoring Device Provisions

Power Unit

- 5-gallon drum of Biodegradable oil (Citgo NZ)
- 55-gallon drum of Biodegradable oil (Citgo NZ)
- EP-60 Power Unit (Submersible)
- Seismic Requirements for EP units
- 2" Shutoff Valve Kit (Pump)
- Overspeed Valve Kit for 2" (less than 150 GPM)
- Viscosity Control (Required over 150 FPM)

Jack

- Pipe Stands

Car

- Retainer Plates for Seismic (T Rails) for TKE or Elscos guides only
- Guide shoe mounting plates (set of 4 - only with shoe purchase from TKE)
- 4" Car roller guides (set of 4) (spring loaded)
- 21" Toe guard
- Fan: Two Speed

- 5 Pin Lock with electric contact for Car Top Exit
- Cab Wiring Material (200MK1)

Hoistway

- HN Boxes (per each 2 cars, grouped)
- Steel Tape with Mounting hardware, Selector and magnets (terminal limits included)
- Hoistway Duct Kit
- TAC 32 Field Friendly Wiring Package Includes single traveling cable, hoistway wiring, interlock wiring, interlock connectors, and serial wiring.

Pit

- 2" Shutoff Valve Kit (Pit)
- Pit Stop Switch
- Pit Ladder 16" Wide

Cab (reuse existing – see Value Engineer Alternates for upgrade options)

Door Equipment

- Micro Light (Front)
- Front Door Operator (SSSS) Additional Lead Time
- LD-16 Plus Drive Only (FRONT)
 - includes Car Top Inspection station (w/ alarm signal)

Car Fixtures

- Main Car Station Includes Options Below
 - Applied Panel
- Vandal Resistant Floor Buttons
- Panel Screws
- Debranded Car Station (No Logo)
- Cast Braille Plates for Car Features
- Standard Key Switch Package
 - Fan
 - Light
 - Independent
 - Stop
 - Inspection/Hoistway Enable)
- Emergency Light mounted in COP
- 2004 and later Fire Service Phase II Features (includes instructions signage)
- Handicap Signal (Passing signal)
- Position Indicator (2" CE Segmented)

- ADA Phone System integral with COP (Rath)
- Speaker Pattern for Intercom System/ADA Phone
- No Smoking (Verbiage Engraved on COP)
- Locked Service Cabinet
- Certificate Window
- Default Engravings
- GFI Outlet
- #4 Stainless Steel Finish (441)
- Emergency Light Test Button/Keyswitch
- TAC Serial Boards (Main)
- Car Riding Lantern (Standard) #4 S/S (441)

Hall Fixtures

- Serial Boards for Hoistway Access
- Fire Service Phase I Key Switch
- Fire Service Phase I Engraved Instructions
- Hoistway Access Switch (in Hall Station)
- Hoistway Jamb Braille (Pair of Standard) (# of Floors)
- Car Identification Plate (Pair)
- Terminal Hall Stations (Surface Mounted) with
 - Appendix O (Polycarbonate insert flame)
 - Fusion (#4 S/S (304))
- 2009 & 2010 Elevator Communications Failure add
- Serial Boards for Front Risers
- TAC Serial Boards, Base Charge
- Terminal Hall Stations (Surface Mounted) with
 - Appendix O (Polycarbonate insert flame)
 - Fusion (#4 S/S (304))

Value Engineering Opportunities & Alternatives

- 80/20 Payment Terms Discount -\$1,500
- 90/10 Payment Terms Discount -\$2,500
- 100/0 Payment Terms Discount -\$3,500
- Cab Interior Upgrade \$17,500

This proposal provides for a nearly new elevator without actually conducting a complete demolition and rebuild of the elevator. For an existing structure like City Hall, this is the most efficient means of upgrading or replacing an elevator. A complete demolition and replacement of an elevator like City Hall's is likely to cost approximately \$300,000 to \$500,000. The Municipality of Anchorage has

recently done an upgrade of a freight elevator with two bids received; one at \$458,000, and the second bid at \$615,217.

The proposal from TKE was for a total proposal price of \$129,838.97 with the caveat that it does not include costs for Electrical upgrades required by State Inspector, Fire Alarm improvements, and General Contractor Building improvements to accommodate the improvements. The PWD budgeted for \$150,000 with the hopes that this would cover the unknown project costs during the budgeting process. The PWD has continued to work on refining these costs with the expectation the project was still moving forward. City Hall does not have a building wide fire detection system, and has learned that the elevator could be upgraded with a “Stand Alone” fire alarm panel which saves the City from having to retrofit the entire building with a fire detection system saving the City over \$100,000. During conversations, TKE referenced a similar project which did require the building wide fire detection system at a cost of over \$170,000. An order of magnitude cost estimate for the Fire Alarm was estimated to be approximately \$10,000 to \$15,000. There are too many unknowns at this time to determine the potential electrical or building improvements. Based upon their experience, the contractor advised the City to budget for approximately 20% to 30% additional of the project cost of \$129,838.97 to account for the unknown factors as well as inflationary effects for parts since the lead time is nearly a year for some components. A 20% factor applied to the proposal price of \$129,838.97 equals \$155,806.76 which is roughly in line with the proposed budget of \$150,000.

Recommendation:

Therefore, the Public Works Department is requesting the appropriation of funds from the FY24 State of Alaska Community Assistance Program Payment in the amount of \$146,261.39 for the Upgrades to the City Hall Elevator for Recertification (Ordinance 24-28).

**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 2nd day of July, 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: