

Memorandum 12-159 Budget for Natural Gas Assessment District

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MEMORANDUM 12-159

TO: Mayor Wythe and Homer City Council
FROM: Walt Wrede
DATE: October 9, 2012
SUBJECT: Budget for Natural Gas Special Assessment District

As you know, the Council recently adopted Resolution 12-69 which initiated the Natural Gas Distribution System Special Assessment District. Title 17 of the Homer City Code contains provisions for the Special Assessment District review and approval process that require significant staff time and financial resources; especially for a proposed special assessment district this large, expensive, and complex. The requirements include, but are not limited to preparation of special assessment rolls, certified mailings, neighborhood meetings, public hearings and advertising. This effort requires a separate budget and appropriation above and beyond the existing operating budget.

In addition, the Council has stated that it is important to undertake a large public information effort for this project, given its size, complexity, cost, and potential impacts on the community. It is important for the City to disseminate as much factual information as possible about the proposed assessment district so that affected property owners and the public at large can make informed decisions.

The proposed budget which follows is intended to cover the work associated with the special assessment district that will take place between September 1, 2012 and March 1, 2013. This will take the Council through the entire special assessment review and decision making process required by the Code. A different budget will be needed if the assessment district is approved, a contract is signed with Enstar, and we proceed to construction. These costs will eventually be recouped through the administration fee when assessments are paid but they are real costs that must be addressed right now.

This budget contains a temporary employee (up to six months) to assist with work in the Clerk's office, money for professional construction cost estimating, money for web hosting, advertising, supplies, mailing, flyers, and so on. Some of these line items are a little fat (advertising for example) to provide for unanticipated circumstances. For example, new information may emerge in the next few months or issues may come up that have not been adequately addressed or explained. It is important to have the flexibility to supplement information if needed through things like inserts in the newspaper.

Proposed Budget

Temporary Staff	\$14,000
Consulting /Cost Estimating	\$10,000
Flyer (printing, mailing, images)	\$3,500
Web Hosting	\$1,000
Printing	\$ 300
Advertising	\$5,500
Mailing (certified mail)	\$13,365
Supplies (paper, envelopes, etc)	\$2,000
Food / Custodial Services	\$ 500
TOTAL	\$50,165

Related Ordinances **Memorandum - Related Ordinances:** [Ordinance 12-46 Appropriating Funds from the General Fund for Public Information Strategy Related to the Proposed Natural Gas Special Assessment District](#)

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