

Resolution 14-009 Cost Sharing Agreement With Kachemak City Regarding Construction of a Natural Gas Main/Distribution Line in Spencer Drive

Resolution ID: 14-009

Resolution Status: Adopted

Resolution Effective Date: Mon Jan 13th, 2014

Resolution Summary:

A Resolution of the City Council of Homer, Alaska, Approving a Cost Sharing Agreement Between the City of Homer and Kachemak City Regarding Construction of a Natural Gas Main/Distribution Line in Spencer Drive. City Manager.

CITY OF HOMER

HOMER, ALASKA

City Manager

RESOLUTION 14-009

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING A COST SHARING AGREEMENT BETWEEN THE CITY OF HOMER AND KACHEMAK CITY REGARDING CONSTRUCTION OF A NATURAL GAS MAIN/DISTRIBUTION LINE IN SPENCER DRIVE.

WHEREAS, Spencer Drive is the municipal boundary between the City of Homer and Kachemak City;
and

WHEREAS, The City of Homer and Kachemak City are both financing the construction of a natural gas distribution system within their boundaries; and

WHEREAS, Both cities wish to cooperate, coordinate construction, and reduce costs where feasible and prudent; and

WHEREAS, Kachemak City plans to complete the entire build-out within its boundaries in 2013 and serving all of its residents and properties requires that a distribution main be constructed in Spencer Drive on a schedule consistent with that objective; and

WHEREAS, To that end, the Homer City Administration and the Mayor of Kachemak City have agreed that Kachemak City should construct the gas main in Spencer Drive as part of its construction contract with Enstar Natural Gas Company; and

WHEREAS, It was agreed further that the Cities should share the cost of the distribution line 50% each and that a final accounting of the construction costs will be conducted after construction is complete; and

WHEREAS, Homer property owners who are contiguous to the distribution line on Spencer Drive and are served by it will remain part of the City of Homer Special Assessment District and may connect without any consideration for the City of Kachemak; and

WHEREAS, It is important for the Homer City Council to give final approval of the cost sharing agreement.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves a cost sharing agreement between the City of Homer and Kachemak City whereby the cost of constructing a gas main in Spencer Drive shall be shared evenly at 50% each.

BE IT FURTHER RESOLVED that property owners within the City of Homer who are served by the distribution line in Spencer Driver remain subject to the Homer Natural Gas Special Assessment District and may connect without consideration or obligation to Kachemak City.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 13th day of January, 2014.

CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Estimated Homer share is \$25,000.

Resolution Files  [Resolution 14-009](#)

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