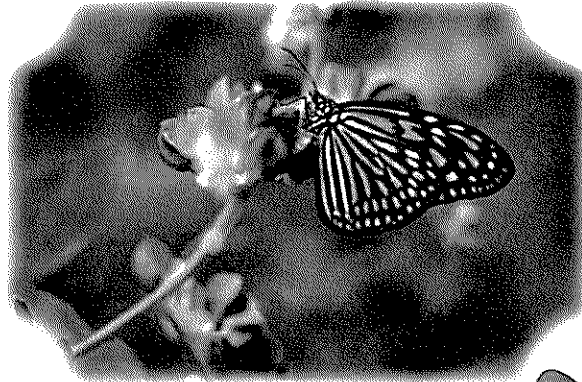
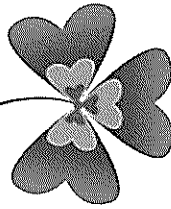
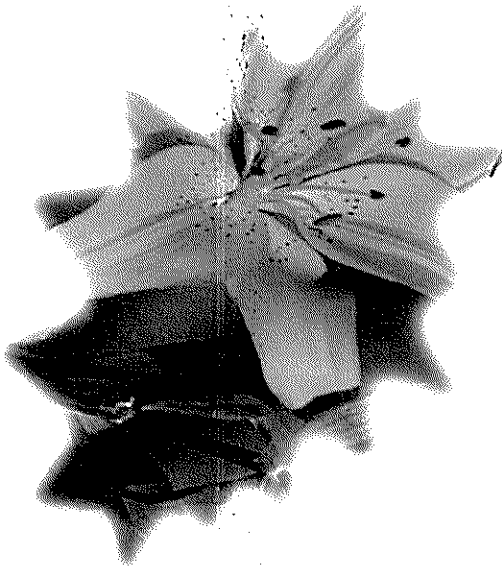
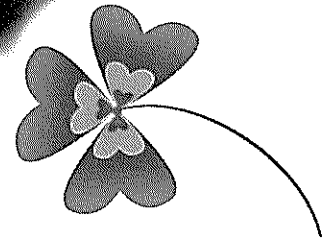


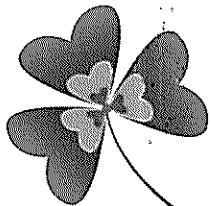
City Council
March 14, 2011
Monday



Committee of the Whole 5:00 P.M.
Regular Meeting 6:00 P.M.



Cowles Council Chambers
City Hall
491 E. Pioneer Avenue
Homer, Alaska



March 2011

Monday 14th	CITY COUNCIL Committee of the Whole 5:00 p.m. and Regular Meeting 6:00 p.m.
Tuesday 15th	LIBRARY ADVISORY BOARD Special Meeting 5:00 p.m.
Wednesday 16th	PLANNING COMMISSION Worksession 5:30 p.m. and Regular Meeting 7:00 p.m.
Thursday 17th	PARKS AND RECREATION ADVISORY COMMISSION Regular Meeting 5:30 p.m.
Friday 18th	KACHEMAK DRIVE PATH COMMITTEE 5:30 p.m.
Monday 21st	CITY HALL RENOVATION AND EXPANSION TASK FORCE Regular Meeting 5:00 p.m.
Wednesday 23rd	PORT AND HARBOR ADVISORY COMMISSION Regular Meeting 5:00 p.m.
Thursday 24th	CITY COUNCIL (BOA) Special Meeting 5:30 p.m.
Monday 28th	SEWARD'S DAY HOLIDAY City offices closed.
Tuesday 29th	CITY COUNCIL Worksession 4:00 p.m., Committee of the Whole 5:00 p.m., and Regular Meeting 6:00 p.m.

Regular Meeting Schedule

City Council 2nd and 4th Mondays 6 p.m.

Library Advisory Board 1st Tuesday 6 p.m.

Economic Development Advisory Commission 2nd Tuesday 6 p.m.

Parks and Recreation Advisory Commission 3rd Thursday of the months of January, March, May, June, July, August, September and November 5:30 p.m.

Planning Commission 1st and 3rd Wednesday 7 p.m.

Port and Harbor Advisory Commission 4th Wednesday 5 p.m.

Transportation Advisory Committee Quarterly 3rd Tuesday 5:30 p.m.

Public Arts Committee Quarterly 3rd Thursday 5:00 p.m.

Lease Committee Quarterly 2nd Thursday 3 p.m.

Permanent Fund Committee Quarterly 2nd Thursday 5:15 p.m.

MAYOR AND CITY COUNCILMEMBERS AND TERMS

JAMES C. HORNADAY, MAYOR – 12

KEVIN HOGAN, COUNCILMEMBER – 12

BARBARA HOWARD, COUNCILMEMBER – 11

DAVID LEWIS, COUNCILMEMBER – 11

FRANCIE ROBERTS, COUNCILMEMBER – 12

MARY E. (BETH) WYTHER, COUNCILMEMBER – 13

BRYAN ZAK, COUNCILMEMBER – 13

City Manager, Walt Wrede

City Attorney, Thomas Klinkner

<http://www.cityofhomer-ak.gov/cityclerk> home page access, Clerk's email address is: clerk@ci.homer.ak.us Clerk's office phone number: direct line 235-3130, other number 435-3106.

HOMER CITY COUNCIL/COMMITTEE OF THE WHOLE
491 E. PIONEER AVENUE
HOMER, ALASKA

MARCH 14, 2011
MONDAY, AT 5:00 P.M.
COWLES COUNCIL CHAMBERS

**MEETING NOTICE
COMMITTEE OF THE WHOLE AGENDA**

1. **CALL TO ORDER, 5:00 P.M.**
2. **AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)
3. Homer Accelerated Roads and Trails Program (HART) Annual Review
Page 7
 - A. Memorandum 11-039 from the Transportation Advisory Committee as backup.
Page 19
 - B. Memorandum 11-038 from the Natural Gas Distribution Task Force as backup.
Page 21
4. **REGULAR MEETING AGENDA**
5. **COMMENTS OF THE AUDIENCE**
6. **ADJOURNMENT NO LATER THAN 5:50 p.m. NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY, MARCH 29, 2011 AT 6:00 P.M. THE NEXT COMMITTEE OF THE WHOLE IS SCHEDULED FOR TUESDAY, MARCH 29, 2011 AT 5:00 P.M. A WORKSESSION IS SCHEDULED FOR TUESDAY, MARCH 29, 2011 AT 4:00 P.M. A SPECIAL MEETING IS SCHEDULED FOR THURSDAY, MARCH 24, 2011 AT 5:30 P.M.** All meetings scheduled to be held in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

H.A.R.T. POLICY MANUAL

Homer Accelerated Roads and Trails Program



Adopted September 10, 2007

Produced & Distributed by the City Clerk's Office — 2/19/2008 — rt

H.A.R.T. POLICY MANUAL
(HOMER ACCELERATED ROADS AND TRAILS PROGRAM)

TABLE OF CONTENTS

- I. Purpose and Intent
- II. Definitions
- III. Qualifying Criteria
- IV. Financing and Assessments
- V. Utilities
- VI. Special Provisions
- VII. Trail Prioritizing Criteria and Planning Guidelines

February 2008

I. PURPOSE and INTENT

1. The H.A.R.T. is a combined local funding source of dedicated sales tax and assessments to upgrade city streets, new city streets and new city non-motorized trails.(Ordinance 06-42(S); Resolution 88-47 #1)
2. The intent of the program is to reconstruct local substandard city roads and/or upgrade existing city roads, construct new city streets and non motorized trails, thereby reducing maintenance cost, improving access, increasing property values and improving the quality of life. (Ordinance 06-42(S); Resolution 88-47 #2)
3. Reconstruction and new construction shall be to City Standards. (Ordinance 06-42(S) Resolution 88-47 #19)
4. The City will not accept a street for full time maintenance until it meets city standards and is shown on the official maintenance map.¹ (Ordinance 85-14 07/01/85; Resolution 88-47 #8)
5. When practical, the intent of the program is to preclude the destruction of existing property improvements in built up areas. (Resolution 88-77(A), be it further Resolved clause.)
6. State maintained roads are not part of this program. (Resolution 88-47 #7)
7. The criteria for the H.A.R.T. shall be reviewed annually by the Transportation Advisory Committee, with recommendations reported to the Homer City Council. (Resolution 88-47 #22)
8. Annexed roads are included as newly eligible roads, as listed on the Official Road Maintenance Map. (Resolution 03-116, 08/25/03)
9. New roads shall be listed on the Official Road Maintenance Map. (Resolution 07-82)
10. New trails shall be listed on a map in the City Clerk's Office. (Resolution 07-82)

II. DEFINITIONS

- A. Sidewalk- the term "sidewalk" means a pedestrian facility associated with a road and generally within a street right of way. (Resolution 07-82)
- B. Trail – a pedestrian facility detached from a road, or not within a street right of way. (Resolution 07-82)

¹1.Clerk's Note: Done by Ordinance

III. QUALIFYING CRITERIA

A. Roads

The schedule of street improvements and costs developed by the Public Works Department August 87, consisting of Groups I-IV and the annexed roads of the City boundary amendment of Ordinance 02-08(A) and as noted on the Official Road Maintenance Map, are hereby incorporated. (Resolution 05-70, 06/13/05; Ordinance 02-23(A), 06/10/02; Ordinance 02-08(A), 04/08/03; Resolution 03-116, 08/25/03)

Amendments to the schedule can be accomplished only by Council action and are limited to additions to the schedule due to revision of the street map or transfer of state rights-of-ways to the City.

All projects will be authorized only after a public hearing to insure public participation in the process. (Resolution 88-47 #13)

1. The following criteria may be considered for roads qualifying for reconstruction/utility improvements: (Resolution 88-47 #14, Resolution 87-61(S))

- a. Life, safety and traffic flow (Resolution 87-61(S), Resolution 88-47);
- b. Correct deficiencies of existing systems (Resolution 87-61(S), Resolution 88-47);
- c. System wide basis versus local needs (Resolution 87-61(S), Resolution 88-47);
- d. Complete traffic circulation pattern (Resolution 87-61(S), Resolution 88-47);
- e. Encourage economic development (Resolution 87-61(S), Resolution 88-47);
- f. Correct drainage problems (Resolution 87-61(S), Resolution 88-47);
- g. Reduce maintenance cost (Resolution 87-61(S), Resolution 88-47);
- h. Built to city standards prior to acceptance for maintenance (Resolution 61(S), Resolution 88-47);
- i. Reconstruction is a higher priority than new construction projects (Resolution 87-61(S), Resolution 88-47);
- j. Property owner contribution through LID process by paying \$30 per front foot for gravel and \$17 per front foot for paving cost of a residential standard street and the city pays all costs for additional improvements deemed necessary (Resolution 87-61(S); Resolution 88-47, Resolution 94-50; Resolution 95-97)
- k. City share can apply to related utilities, sidewalks, street lighting, drainage, paving and/or reconstruction of roads identified on the road maintenance map. (Resolution 88-47, Resolution 04-41(A).);
- l. Other factors deemed appropriate by the City Council. (Resolution 87-61(S), Resolution 88-47))

2. The following criteria may be considered for new local roads in addition to applicable criteria in 1:

- a. Connectivity to existing road(s), for example completes a traffic pattern.
- b. Arterials or thoroughfares;
- c. Existing utilities;
- d. Contributing funds such as property owner assessments, loans, grants, etc;
- e. Level of need. (Resolution 07-82)

B. Trails

New local non motorized trails shall be prioritized according to the following:

- a. Project is listed in the HNMTTP or furthers a stated goal of that plan;
- b. Solves a safety concern;
- c. Creates connectivity to existing trail(s), completes pattern or provides access to a point of interest;
- d. Protects an established trail;
- e. Creates or improves a trailhead;
- f. Has significant scenic or aesthetic value;
- g. Existence or potential for contributing funds;
- h. Property owner participation. (Resolution 07-82)

IV. FINANCING and ASSESSMENTS

1. The program will utilize an additional dedicated City sales tax not to exceed three quarters of one percent ($\frac{3}{4}\%$) supplemental with assessments against adjacent benefited properties. (Ordinance 06-42, Resolution 87-61(S), Resolution 88-47 #3).
2. A three quarters of one percent ($\frac{3}{4}$) dedicated sales tax and will be collected for up to twenty years expiring December 31, 2007 and reauthorizing up to an additional twenty years expiring December 31, 2027 to participate in funding the accelerated roads and trails program (Ordinance 06-42, Resolution 87-61(S), Resolution 88-47 #4). Reauthorized twenty additional years at the October 3, 2006 election (Resolution 06-145(S)) to expire December 31, 2027. Ten percent of the annual revenue shall be used for trail projects.
3. The road improvements will be financed on a combined pay as you go basis as well as sale of revenue bonds in a fifty-fifty ratio. There may be future bond sales as revenues increase. (Resolution 87-47 #6)
4. The City will attempt to obtain long term financing for up to ten years for the private share of funding. (Resolution 88-74 #12, bond change Ordinance 89-17, regarding ten years financing.)

5. Interest, if any, generated from the program will remain with the program funds. (Resolution 88-47 #18)
6. Abutting property owners will share the cost of upgrading a street to residential standards by paying \$30 per front foot for gravel and \$17 per front foot for paving.² (Resolution 87-61(S), Resolution 88-47, Resolution 94-50, Resolution 95-97)
7. The City will pay all costs for any additional improvements required when deemed necessary by the City. Other improvements requested by the benefited property owners will be paid by those same property owners. (Resolution 88-47 #11)
8. The \$30/\$17 split in front foot assessment stands unless there is 100% agreement on a revised formula for a specific project or the amount is adjusted by the City Council. (Resolution 87-61(S), Resolution 88-47; #21; Resolution 95-97)
9. Road Reconstruction assessment payment date, penalty and interest shall be set as soon as the reconstruction project has been accepted by the Public Works Department regardless if the LID/Assessment district wherein reconstruction has been completed is also scheduled for paving as part of the same LID/Assessment District. Paving assessment payment date, penalty and interest will be set as soon as the paving project has been accepted by the Public Works Department. HCC 17.04.070--110. (Resolution 96-73)
10. New Local Roads may be constructed by 100% program funds when the construction thereof benefits the entire City or when the City owns the property wherein the road is to be constructed. The Road to be constructed must meet the qualifying criteria and be recommended by the Transportation Advisory Committee to the City Council. This expenditure must be approved via Ordinance with justification noted within the body of the Ordinance. Whenever possible, New Local Roads will be constructed using the LID process HCC 17.04 and the assessment methodology as noted in item 6. and 8. (Resolution 07-82)
11. HART funds may be used to leverage outside funds for New Local Roads and Trails. (Resolution 07-82)
12. New Local Trails may be constructed using 100% program funds and follow the procedures listed in item 10. (Resolution 07-82)
13. Sidewalks shall be paid for out of road funds, and trails shall be paid for out of the 10% allocated to trails. (Resolution 07-82)

² Danview/Svedlund and Sabrina/Mark White are grandfathered in at the \$20/\$11 split per Council action. (Resolution 94-52)

V. UTILITIES

1. Prior to street reconstruction, necessary related non existing water and sewer improvements shall be encouraged whenever possible. (Resolution 88-47 #9)
2. Water and Sewer utility extensions necessary to extend the utilities short distances beyond a construction area will be paid for by the program. (Resolution. 88-47 #10)
3. Water and sewer utility relocations directly caused by reconstruction will be paid for by the Accelerated Roads Program. (Resolution. 88-47 #10)
4. Water and sewer utility upgrades necessary for future capacity that are done concurrently with reconstruction and/or paving will be paid for by the utility (a) fund. (Resolution 88-47 #10)
5. The City shall recover from the property owner the cost of construction of City-provided sewer and water service connections by including the cost of construction of such connections in the service connection fee established under HCC Chapter 14.13. (Resolution. 88-47)
6. Cost of installing stub-outs would be a necessary expense to anyone building on lots requiring sewer and/or water service. Sewer and/or Water funds or other public money was provided to pay the cost of these stub-outs because of the benefit of a quality finished road and the use of stub-outs benefit only those particular lots. Costs will be recouped from benefiting property owners through deferred assessments. The Planning Clerk and Finance Department will maintain a listing of these deferred sewer and/or water service connection fees.
7. Whenever practical street lights shall be included in the construction of new local roads and shall be paid by HART funds. Property owners participating in a road reconstruction and/or paving LID may request street lights. If the project is deemed feasible the property owners shall be assessed for the installation of the street lights on an equal share per parcel methodology. Property owner approval of the street light assessment shall follow the process in HCC 17.04. Once constructed, the City will absorb the utility billing for the street light(s). (Resolution 07-82)

VI. SPECIAL PROVISIONS

1. Additional right-of-way required will be paid by this program, at no additional cost to abutting property owners. (Resolution 88-47 #20)
2. Corner lots are exempt from a double front footage assessment and the total assessed frontage shall not exceed the longest side of the lot. Reconstruction assessments apply to

reconstruction and paving. Corner lot agreement is required after 10/25/94. (Resolution 87-61(S) #15; Resolution. 88-47 #15, Resolution 91-68, Ordinance 94-16(A))

3. Lots having a frontage on two parallel streets, or flag lots having a frontage on two perpendicular streets, are exempt from a double front footage assessment unless actually accessing the lot from both streets either prior to or after reconstruction and/or paving Deferred Assessment Agreement Required pursuant to HCC 17.04.160. (Resolution 88-47 #16)
4. This program includes paving driveway aprons on contracts funded by H.A.R.P. (Resolution 88-47 #17; Resolution 91-48)
5. When at all practical, the center line of rights-of-way will be the established road center line. Where impractical, the center line may be shifted to mitigate improvement encroachments of high cost hillside excavation. (Resolution 88-77(A))
6. In established neighborhoods, where improvements such as housing, carports, lawns or landscaping have been constructed near the right-of-way line and ditching would seriously impact these improvements, alternates to open ditching may be considered. These alternates may include gently sloping ditches back to the lawn, trench drains, standard or rolled curbs and gutter or any other sound engineering practices. The cost of these alternates will be born by the road program unless the residents elect to participate in the curb, gutter and sidewalk programs. (Resolution 88-77(A))
7. Pedestrian amenities shall be included in all new road projects unless exempted by the City Council. (Resolution. 04-41(A))
8. Exempting Certain Lands that will not be Developed due to Conservation Easements or Owned by Organizations that Conserve Land for Public Purpose and/or Habitat Protection from the Homer Accelerated Roads Program and the Homer Accelerated Water and Sewer Program Assessment District Assessments on a Case by Case Basis and that Each Program Shall be Amended to Include this Exemption under Special Provisions. (Resolution 05-50(A).)
9. New Subdivisions may not participate in HART for the construction of subdivision roads or trails.
 - a. Exception: To encourage trail connectivity, the Subdivider will be required to pay a prorated share of the project cost not to exceed 75% of the cost of public trail construction. (Resolution 07-82)
10. HART funds may be used in accordance with Title 11.04.05. If a development includes a segment of an arterial or collector street as shown on the Master Plan, the

developer shall construct the streets on the alignment adopted in the Master Roads and Streets Plan, and conforming to the respective classification. The developer shall be required to construct the street to a twenty-eight-foot width in accordance with the minimum requirements of a local residential street; provided, however, that the City may, upon direction of the City Council, elect to require construction to the full standards and pay to the developer the cost difference between the required street and the proposed street. (Resolution 07-82)

VII. TRAIL PRIORITIZING CRITERIA AND PLANNING GUIDELINES

A. Trail Prioritizing. The TAC and Parks and Recreation Advisory Commission will review the trail priority list during the annual review of the HART. The list will be presented in a memorandum from staff, and will contain a mix of large and small projects. Generally it will include up to five trail projects that staff has reviewed and found ready for preliminary work. Trails on this list are planned for construction in the near term (one to three year timeframe). Staff will actively work to prepare those projects for construction. (Resolution 07-82)

B. Trail Planning Guidelines

Trail design shall take into account at minimum the following:

1. Use context sensitive design when locating and planning trails to take advantage of scenic resources.
2. Respect the character of trails based on function, setting, and expectation of accessibility.
3. Evaluate the soils, drainage, wetlands, Tsunami zone, flood plain, stream setbacks, historical resources, visual resources, topography, existing and potential land use, zoning and land ownership.
4. Where estimated costs, operating costs and outside funding availability are considerations and important criteria, care should be used to ensure that important trails are not eliminated solely using cost as a determinant.
5. Multi-use trails are encouraged. Design of the trail should include consideration of compatible uses such as pedestrians and bicycles.
6. All trails should be designed to recognize the requirements of ADA standards and guidelines. (Resolution 07-82)

Office of the City Clerk

Jo Johnson, CMC, City Clerk
Melissa Jacobsen, CMC, Deputy City Clerk II
Renee Krause, CMC, Deputy City Clerk I



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MEMORANDUM 11-039

TO: MAYOR HORNADAY AND HOMER CITY COUNCIL
FROM: TRANSPORTATION ADVISORY COMMITTEE
DATE: MARCH 9, 2011
SUBJ: ANNUAL HART POLICY RECOMMENDATIONS

The Transportation Advisory Committee held a special meeting on March 1, 2011 and did their annual HART policy review. The consensus of the committee was that the policy is working well and they recommend no changes for the year.

Fiscal Note: NA

MEMORANDUM 11-038

TO: Mayor Hornaday and Homer City Council
FROM: Homer Natural Gas Distribution Task Force
DATE: March 14, 2011
SUBJECT: Recommendations to Council

Introduction

The Homer City Council created the Homer Natural Gas Distribution Task Force through the adoption of Resolution 10-75. Resolution 10-75 provided that the scope of work for the Task Force shall include:

- Review the range of distribution system financing options and make recommendations to the Council.
- Review current City Code related to Local Improvement Districts and utility construction practices and permitting and make recommendations regarding necessary code amendments to the Council.
- Function as a “review board” for Enstar’s plans to construct the distribution system.
- Prepare a written plan which addresses the financing, permitting, and construction of a potential gas distribution system within the City limits.

The Task Force convened five regular meetings during which it received staff reports, heard a presentation from Enstar, and received testimony from the public regarding the scope of work items contained in the resolution. The Task Force paid special attention to the legislative intent language contained in the Capital Budget last year, political considerations surrounding legislative approval of Phase II of the main transmission line, political and financial considerations related to public financing of the both the transmission line and the distribution system in town, amendments that might be required to the Homer City Code, potential “build-out scenarios, and potential incentives or financing options for stimulating construction of a distribution network within the City.

At its regular meeting on February 28th, the Task Force considered a draft resolution and a staff memorandum which both contained proposed recommendations for the Council. The draft resolution was originally based upon a set of points presented by the Chair to support his recommendation that the Council ask the voters to approve using a portion of HART funds to finance the distribution system mains (the lines in the street). The memorandum was an attempt to help frame the discussion and provide a roadmap for completing the scope of work.

The Task Force amended the resolution and the amended version appears in your packet for consideration. The Task Force also voted yes on all three questions posed in the memorandum and requested that a new memorandum incorporating those items also be forwarded to Council.

At the end of the meeting, the Task Force voted to “stand down” and suspend operations for now. It did so because it concluded that it had completed its assigned tasks to the extent that it could given current conditions circumstances. For example, it will not know what the actual “build-out plans” will be until it is known if the primary transmission line is funded and which institutions and businesses attempt to hook-up first. Although the Task Force discussed possible build-out plans with Enstar, the current uncertainty makes it difficult to “function as a review board for Enstar’s plans to construct the distribution system” in a comprehensive way. Further, it is difficult to perform this function since no actual permits have been applied for. So, instead of disbanding, the Task Force decided it was best to just suspend operations until more information is known or until the Council gives it additional tasks.

Recommendations of the Task Force

Following are the Task Force recommendations that resulted from discussion of the staff memorandum referenced above.

The Primary Transmission Line / Anchor Point to Homer to Kachemak City

RECOMMENDATION: The Task Force recommends that the City Council aggressively pursue state funding for Phase II of the pipeline project to get natural gas into the Homer area.

Discussion: The Task Force recognizes that the Council has already moved the project up on its CIP List and has directed the City lobbyist and staff to work on the project with legislators and the governor’s office. It recognizes further that the staff have been making informational presentations at various civic group functions and distributing spread sheets illustrating potential energy cost savings.

However, the Task Force concluded that much more can and should be done and that it was important for the Council to make itself heard with an unambiguous and clear voice. The Task Force found that getting natural gas to Homer is potentially one of the biggest economic development projects Homer has seen in many years. The positive impacts on the overall economy are potentially substantial. Natural gas would lower the cost of living, lower the cost of doing business, help to keep taxes down, and put the community on an equal footing with the rest of Southcentral Alaska. When North Slope gas eventually makes its way to this area and/or new gas discoveries are brought on line locally, Homer will be in a position to benefit.

Natural gas would also reduce the City's greenhouse gas emissions and help achieve the goals of the adopted Climate Action Plan. The community has been attempting to get natural gas for decades. It is closer now than ever and the Task Force felt that the City should do all it can to make sure this opportunity does not slip away.

The Task Force suggests that the Council authorize the administration to initiate a coordinated and comprehensive strategy to educate the public and our elected officials about the benefits of the project and advocate for its funding. Some of this effort would be performed using information provided by Enstar. The strategy could include things like:

- Draft newspaper articles and Points of View.
- Post information on the City website.
- Disseminate information regarding the overall impacts to the Homer economy.
- Provide information on potential energy costs savings for residential, business, and institutional / public buildings.
- Provide information on the estimated costs to convert and hook-up to natural gas.
- Provide information about potential "build-out" scenarios and their cost.
- Provide information about potential financing options and what that might cost property owners if Council chooses to provide those incentives.
- Organize or assist in organizing a community-wide letter writing / lobbying campaign.
- Organize or help to organize a broad-based regional coalition to meet with the Governor and key legislators.

Planning in Advance

RECOMMENDATION: The Task Force recommends that the City Council authorize the administration to prepare the ordinances needed to amend the municipal code and pave the way for the arrival of natural gas.

Discussion: The Task Force spent a significant amount of time discussing the points contained in the legislative intent language in last year's capital budget. Council will recall that one of the points was that Homer should have a plan in place to prepare for the gas distribution system within the City limits. The Task Force concluded that it was important for the City to be able to show the legislature and the Governor that the City had a plan and that it was actively preparing for arrival of gas. The Task Force agreed that doing this could help to avoid another veto given what the Governor said in his veto message last year.

There are several amendments to the code that would be necessary. The first would be amendments to Title 13 to provide for standard construction practices and permitting to place

natural gas lines within City rights-of-way. If the Council chooses to make available natural gas local improvement districts, then amendments would be needed to Title 17. If the Council chooses to utilize any of the other financing options discussed below, additional ordinances and code amendments may be required. The Task Force recommends that the Title 13 code amendments be prepared and approved quickly. Ordinances related to financing options for street mains could follow at a later date after the Council has time for deliberation.

Financing Options

RECOMMENDATION: The Task Force recommends that the City Council work to select the best funding source possible for the natural gas distribution system within the City limits.

Discussion: The question of whether the City should provide financing for the distribution system generated perhaps the most discussion at Task Force meetings. This is the most important decision the Council will have to make. There are many financial, economic, and political considerations that the Council will have to weigh. Most of the discussion centered around whether the City should pay for or finance construction of the main lines in the streets. (The State is being asked to fund the primary transmission line from Anchor Point only). Local property owners would be responsible for getting the service connection to their buildings.

The Task Force concluded that the City should provide financing and incentives because it would accelerate the build-out phase which would benefit the overall economy and make the transition to natural gas more affordable for local residents and business owners. Doing this might also demonstrate to the Legislature and the Governor that support in Homer for this project is so strong that the City Council is willing to provide local matching money and assume some of the risk. The Task Force also felt it would be helpful to make it known that HART funds were potentially available for a local match.

One point should be made clear. The City is not obligated to do anything in this regard. Doing nothing has been referred to by the staff as the "No Action" alternative. This approach has advantages and disadvantages like any other. Enstar already has a procedure for expanding the distribution system that is approved and regulated by the Regulatory Commission of Alaska. Under this program, local property owners pay for extending mains to their properties and can be reimbursed later when other landowners hook up to the extension. Enstar estimates that under this scenario, build-out will occur naturally throughout Homer in approximately ten years without any City financing or financial assistance.

The Task Force reviewed a list of financing options that were prepared by the staff. The memorandum describing those options is attached. The Memorandum also includes a brief

discussion of the relative advantages and disadvantages of each option. In the end, the Task Force decided to recommend a list of preferred options for Council to consider rather than selecting just one. The Task Force determined that was the best approach because there are still too many unknowns and because this is a political decision as much as a financial and economic one.

The preferred options put forward by the Task Force, in no particular order, are:

Local Improvement Districts

Special Service Areas

A General Mil Rate Increase to finance main lines in the streets throughout the City

Asking voters to make HART Funds available.

CALL TO ORDER
PLEDGE OF ALLEGIANCE
AGENDA APPROVAL

**MEETING NOTICE
REGULAR MEETING AGENDA**

Committee of the Whole 5:00 p.m. in Homer City Hall Cowles Council Chambers.

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

Department Heads may be called upon from time to time to participate via teleconference.

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

4. RECONSIDERATION

5. CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Regular Meeting minutes of February 28, 2011 and Special Meeting of March 3, 2011. City Clerk. Recommend adoption. Page 31
- B. **Memorandum 11-031**, from Deputy City Clerk, Re: Liquor License Renewal for American Legion Post #16 and Mermaid Café. Page 51
- C. **Memorandum 11-032**, from Mayor, Re: Reappointment of John Velsko to the Prince William Sound Regional Citizens' Advisory Council (PWSRCAC). Page 67

6. VISITORS

- A. **Lobbyists' Report** - Linda Anderson and Yuri Morgan, 10 minutes.

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. Borough Report

- B. Commissions/Board Reports:
 - 1. Library Advisory Board
 - 2. Homer Advisory Planning Commission
 - 3. Economic Development Advisory Commission
 - 4. Parks and Recreation Advisory Commission
 - 5. Port and Harbor Advisory Commission

8. PUBLIC HEARING(S)

- A. **Ordinance 11-09**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 19.12.020, Definitions; Amending Homer City Code 19.12.040, Reference to Materials Plat—Permits; and Amending Homer City Code 19.12.050, Exceptions; Regarding the Use and Disposal of Dredge Material from City Port and Harbor Facilities. City Manager/Port and Harbor Director. Introduction February 28, 2011, Public Hearing and Second Reading March 14, 2011. Page 73

Memorandum 11-016 from Port and Harbor Director as backup. Page 79

- B. **Ordinance 11-10**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$11,000 from the General Fund for the Purchase and Installation of New Data Collection and Management Software for the City Hall Servers. City Manager. Introduction February 28, 2011, Public Hearing and Second Reading March 14, 2011. Page 91

Memorandum 11-027 from Systems Manager as backup. Page 95

9. ORDINANCE(S)

10. CITY MANAGER’S REPORT

- A. City Manager’s Report Page

11. CITY ATTORNEY REPORT

12. COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee

- C. Permanent Fund Committee
- D. Lease Committee

- E. City Hall Renovation and Expansion Task Force

- F. Natural Gas Distribution Task Force

13. PENDING BUSINESS

- A. **Reconsidered - Ordinance 11-03**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.03.040, Definitions Used in Zoning Code; Homer City Code 21.12.020, Rural Residential (RR), Permitted Uses and Structures; Homer City Code 21.14.020, Urban Residential (UR), Permitted Uses and Structures; and Homer City Code 21.16.020, Residential Office (RO), Permitted Uses and Structures; and Homer City Code 21.61.060, Termination of Nonconforming Use or Structure; Regarding the Accessory Use of Storage in Residential Zoning Districts. Planning. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011, Reconsidered February 28, 2011. Page 113

Memorandum 11-037 and 11-017 from City Planner as backup. Page 123

- B. **Resolution 11-023**, A Resolution of the Homer City Council Finding the Need to Create the Kachemak Drive Phase Two Water and Sewer Local Improvement District, and Scheduling a Public Hearing on the Necessity of the Improvement and Proposed Improvement Plan at the April 11, 2011 Regular City Council Meeting. City Manager/Public Works Director. Page 151

Memorandum 11-029 from Public Works Director as backup. Page 153

14. NEW BUSINESS

15. RESOLUTIONS

- A. **Resolution 11-024**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Replacement and New Installation of a Card Reader Access System to ATS Alaska of Anchorage, Alaska, in the Amount of \$53,144.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Page 157

Memorandum 11-033 from Port and Harbor Director as backup. Page 159

- B. **Resolution 11-025**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Telescopic Tool Carrier to Craig Taylor Equipment of Soldotna, Alaska, in the Amount of \$64,902.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Page 167

Memorandum 11-034 from Public Works Superintendent as backup. Page 169

- C. **Resolution 11-026**, A Resolution of the City Council of Homer, Alaska, Re-Adopting the Investment Policies of the Permanent Fund. City Clerk/Permanent Fund Committee.

Page 173

Memorandum 11-035 from Permanent Fund Committee as backup. Page 175

- D. **Resolution 11-027**, A Resolution of the City Council of Homer, Alaska, Regarding Distribution of Natural Gas Within Homer City Limits in the Event a Transmission Line is Built Through Town. Natural Gas Distribution Task Force. Page 193

Resolution 11-027(S), A Resolution of the City Council of Homer, Alaska, Approving and Adopting the Recommendations Provided in Memorandum 11-038 by the Homer Natural Gas Distribution Task Force. Howard, Zak. Page 195

Memorandum 11-038 from Natural Gas Distribution Task Force as backup. Page 197

- E. **Resolution 11-028**, A Resolution of the City Council of Homer, Alaska, in Support of Using City Hall Depreciation Reserves to Assist with the Costs of Renovation to the Existing City Hall Facility. Wythe. Page 223

- F. **Resolution 11-029**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Water Treatment Plant Building Demolition Project to East Road Services of Homer, Alaska, in the Amount of \$58,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Page 227

Memorandum 11-036 from Public Works Director as backup. Page 229

- G. **Resolution 11-030**, A Resolution of the City Council of Homer, Alaska, In Support of the Kenai Peninsula Borough's Continued Funding for the Kachemak Bay Campus. Roberts. Page 233

16. **COMMENTS OF THE AUDIENCE**

17. **COMMENTS OF THE CITY ATTORNEY**

18. **COMMENTS OF THE CITY CLERK**

19. **COMMENTS OF THE CITY MANAGER**

20. **COMMENTS OF THE MAYOR**

21. **COMMENTS OF THE CITY COUNCIL**

22. **ADJOURNMENT/NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY, MARCH 29, 2011 AT 6:00 P.M. THE NEXT COMMITTEE OF THE WHOLE IS SCHEDULED FOR TUESDAY, MARCH 29, 2011 AT 5:00 P.M. A WORKSESSION IS SCHEDULED FOR TUESDAY, MARCH 29, 2011 AT 4:00 P.M. A SPECIAL MEETING IS SCHEDULED FOR THURSDAY, MARCH 24, 2011 AT 5:30 P.M.** All meetings scheduled to be held in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PUBLIC COMMENTS UPON MATTERS
ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

Session 11-08 a Regular Meeting of the Homer City Council was called to order on February 28, 2011 at 6:00 p.m. by Mayor James C. Hornaday at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: HOWARD, LEWIS, ROBERTS, WYTHE, ZAK
ABSENT: HOGAN (excused)
STAFF: CITY CLERK JOHNSON
CITY MANAGER WREDE
CITY PLANNER ABOUD
FIRE CHIEF PAINTER
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Councilmember Hogan has requested excusal.

Mayor Hornaday declared Councilmember Hogan's absence as excused and there was no objection from the Council.

Department Heads may be called upon from time to time to participate via teleconference.

Council met for a Worksession from 4:00 p.m. to 4:45 p.m. to discuss Resolutions 11-007 and 11-007(S). Council met as a Committee of the Whole from 5:01 p.m. to 5:38 p.m. to discuss Regular Meeting Agenda items.

AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The agenda was approved by consensus of the Council with the following changes:

PENDING BUSINESS – **Resolution 11-007**, Comprehensive Economic Development Strategy (CEDS), public comment.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Megan Murphy, Homer resident, spoke in support of the CEDS as it proactively addresses peak oil, a local food commission, energy resources, smart growth principles, mixed use transportation, local businesses, and an interconnection between community health.

Kyra Wagner, Homer resident, loves the CEDS. She appreciates that it addresses housing and food, parts of the big 6. In 2008 Chapman School saw subsidized lunches increase from 40% to 60%. People commuting to Homer will have to pay for gas, local affordable housing, and local affordable food.

RECONSIDERATION

None.

CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Special and Regular Meeting minutes of February 15, 2011. City Clerk. Recommend adoption.
- B. **Memorandum 11-026**, from Deputy City Clerk, Re: Liquor License Renewal for Fat Olives.

Mayor Hornaday called for a motion for the approval of the recommendations of the consent agenda as read.

WYTHE/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

- A. Bryan Zak, Small Business Development Center

Bryan Zak, Director for the Small Business Development Center (SBDC), Kenai Peninsula, reported he oversees one of the five regions throughout Alaska. His territory includes cities on the Southern Peninsula including Tyonek and the Aleutian chain. The mission of the SBDC is to promote and assist in the growth and development of small business in Alaska. They assist in finding a plan to reach the next level, are business advisors, and create collaborative experiences with community partners. Annually the SBDC updates the breadth and depth of the business tool box, consistently reporting clients' actions. All information gathered is confidential; business ideas are not shared with others unless authorized. Kevin & Donna Maltz, Fresh Sourdough Express owners, are a fine example of a business starting from a bread truck to a viable business they operate and employ lots of people.

The SBDC started in Alaska in 1986, this being their 25th year. The Homer Chamber of Commerce provides an office and two years ago the City allocated funding for classes, creating an opportunity for the SBDC to leverage funds. There are opportunities within sustainable Homer for economic development. Micro lending companies are needed to get small businesses

funded. The SBDC provides different tools for both start-up and existing businesses, along with the tools and strategy to pay credit cards off that were used to fund businesses. Additionally, the SBDC helps with a business plan, enlisting ROPE, PTAC, and BuyAlaska services.

Mayor Hornaday presented Bryan Zak and the SBDC a plaque recognizing the contributions of the director and the organization.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. Mayor's Proclamation – Alaskans Choose Respect

Mayor Hornaday read and presented the proclamation to Haven House representative Jessica Lawmaster. On March 31st Homer will participate in planned events to include a stand up for peace to end domestic violence and sexual assault. More events are planned in April, as it is the designated month to end child sexual assaults and child abuse. Haven House events will be advertised in the local newspaper and radio.

B. Borough Report

Kenai Peninsula Borough Assemblyman Bill Smith reported the Assembly is getting into the budget year, deciding on the funding for the school district and the solid waste transfer site at Bayview Hill. The current fund balance is \$19M. The established range is between \$12M and \$22M. Last year \$3M was used to pay off bonds for the solid waste site in Seldovia and other government operations. Eighty percent of the monies the KPB collect goes to the KPBSD. Mayor Carey and Assemblyman Smith are sponsoring a resolution to fund schools the same amount as last year. It will still provide opportunity to fund more later in the year. The KPB School Board will adopt their budget April 4th and forward to the KPB; the KPB then has 30 days to tell them what their minimum funding level will be.

Funding the solid waste transfer site to replace the landfill is another big issue. The landfill has to be closed by August 2013. An extension until December 2013 is sought to get an extra construction season. The intent is to fund the project without going for a bond issue. The project may be phased, with half completed in 2012 and the other half in 2013. The project is anticipated to cost \$9.5M to \$12M, with \$3 to \$3.5M from the land trust fund and \$3.5 from the fund balance. A mil rate increase of .5 mil would raise \$3.2M. Money has been requested from the Legislature as well. Mayor Carey has proposed to eliminate the tax holiday on unprepared food. The food tax holiday costs the KPB \$2.8M per year.

Council asked Assemblyman Smith questions regarding the proposed mil rate, funding for the college, and LNG plant closure. Mr. Smith answered the mil rate increase would be temporary, the college may be funded fully, and the Nikiski plant closure would not have an effect until next year.

C. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission

Mayor Hornaday commented the Climate Action Plan was selected to be included in a book from a professor at Cal Poly (California Polytechnic State University, San Luis Obispo). The CAP is one of six selected for the book and is being used in the classroom.

Mayor Hornaday participated in a telephonic conference with Alaska Mayors and Senator Begich. Proposed cuts in the House would amount to Alaska losing \$42M. Democrats are proposing a level budget (as is); Republicans are proposing huge cuts. Senator Begich was not encouraging about earmarks. They are redefining earmarks. As like other coastal mayors, Mayor Hornaday is concerned about the funding for the port and harbor expansions. The Corps of Engineers does not recommend which projects will be built so Congress has to step in and make a recommendation. Senator Begich hopes for a redefining of earmarks. He is discouraged with the Obama administration on economic development in Alaska. He went on and on about all the regulations and clinkers thrown in to economic development. There are problems with drilling for natural gas, trying to cut off a major portion of the petroleum reserve in the Arctic, no directional drilling in the wildlife refuge, and a halt on Shell's activities.

Representative Seaton's office expressed concern about the resolution passed on the gas line. The Mayor provided a letter to clarify moving the gas line up to the number two CIP project.

PUBLIC HEARING(S)

- A. **Ordinance 11-03**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.03.040, Definitions Used in Zoning Code; Homer City Code 21.12.020, Rural Residential (RR), Permitted Uses and Structures; Homer City Code 21.14.020, Urban Residential (UR), Permitted Uses and Structures; and Homer City Code 21.16.020, Residential Office (RO), Permitted Uses and Structures; and Homer City Code 21.61.060, Termination of Nonconforming Use or Structure; Regarding the Accessory Use of Storage in Residential Zoning Districts. Planning. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011.

Memorandum 11-017 from City Planner as backup.

Mayor Hornaday opened the public hearing.

Mike Kennedy, city resident, and owner of Rural Residential and GC2 property, commented it is another attempt to keep Alaskans from living in the City. The Californication of Homer is an

assault on the tradition of Homer. Some of the code change is personally directed at the type of RR operation he has. It is restricting commercial fishermen from storing gear on their own property. It eliminates any grandfather rights as an Alaskan or fisherman to be part of the City. When annexed, people were promised the uses would continue. The Supreme Court already ruled it as illegal; it will be devastating to Homer.

Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-03 by reading of title only for second and final reading.

ROBERTS/HOWARD - SO MOVED.

Councilmember Lewis requested City Planner Abboud to address nonconforming use. City Planner Abboud confirmed that part of the ordinance was suggested by the City Attorney. Annexed properties with grandfathered uses will disappear within one year and will be restricted to the 1,500 storage area.

Councilmember Lewis expressed a problem about taking something else when annexation caused such a stir.

ZAK/LEWIS - MOVED TO DELETE LINES 181 AND 182 WHICH WOULD BE ITEM B THAT SAYS "THE RIGHT TO CONTINUE A NONCONFORMING STORAGE USE IN THE RURAL RESIDENTIAL, URBAN RESIDENTIAL OR RESIDENTIAL OFFICE DISTRICTS SHALL TERMINATE AFTER ONE YEAR."

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 11-04**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant in the Amount of \$1,457,758.20 for the Purpose of Expanding and Renovating City Hall. City Manager. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011.

Mayor Hornaday opened the public hearing. In the absence of public testimony, Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-04 by reading of title only for second and final reading.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 11-05**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant in the Amount of \$1,000,000 for the Purpose of Conducting Preliminary Work on Phase I of the Deep Water Dock Expansion Project to Include Scoping, Feasibility Studies, Environmental Work, and Engineering and Design. City Manager. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011.

Mayor Hornaday opened the public hearing.

Doug Stark, city resident, commented that we have been working on the project for over 10 years. Senator Murkowski obtained a \$2M appropriation from Congress and this \$1M completes the funding. It will allow a first class dock, reducing the cost of living, providing for more economic development, a new berth for The Hickory, and more cruise ship passengers. It will design the project to be shovel ready.

Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-05 by reading of title only for second and final reading.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- D. **Ordinance 11-06**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant in the Amount of \$250,000 for the Purpose of Constructing Park Improvements Contained in Phase I of the Karen Hornaday Park Master Plan. City Manager. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011.

Mayor Hornaday opened the public hearing. In the absence of public testimony, Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-06 by reading of title only for second and final reading.

WYTHE/ZAK – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- E. **Ordinance 11-07**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$17,000 from the Fire Department Depreciation Reserves for the Purchase and Installation of New Data Collection and Management Software. City Manager/Fire Chief. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011.

Memorandum 11-018 from Fire Chief as backup.

Mayor Hornaday opened the public hearing. In the absence of public testimony, Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-07 by reading of title only for second and final reading.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- F. **Ordinance 11-08**, An Ordinance of the City Council of Homer, Alaska, Authorizing an Expenditure of \$359,800 (\$67,860 from the Water/Sewer Reserve and \$291,940 from the Homer Accelerated Roads and Trails Program (HART) for the Purpose of Completing the Design and Construction of Soundview Avenue / Woodard Creek Crossing Improvement. City Manager/Public Works Director. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011.

Memorandum 11-022 and 10-36 from Public Works Director as backup.

Mayor Hornaday opened the public hearing. In the absence of public testimony, Mayor Hornaday closed the public hearing.

WYTHER/ROBERTS - MOVED FOR THE ADOPTION OF ORDINANCE 11-08 BY READING OF TITLE WITH A CORRECTION THAT THE TOTAL EXPENDITURE IS \$359,800, \$67,860 OF WHICH WILL BE FROM THE WATER/SEWER RESERVE, AND \$291,940 FROM THE HOMER ACCELERATED ROADS AND TRAILS PROGRAM.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- A. **Ordinance 11-09**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 19.12.020, Definitions; Amending Homer City Code 19.12.040, Reference to Materials Plat—Permits; and Amending Homer City Code 19.12.050, Exceptions; Regarding the Use and Disposal of Dredge Material from City Port and Harbor Facilities. City Manager/Port and Harbor Director. Recommended dates: Introduction February 28, 2011, Public Hearing and Second Reading March 14, 2011.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-09 for introduction and first reading by reading of title only.

HOWARD/WYTHER - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 11-10**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$11,000 from the General Fund for the Purchase and Installation of New Data Collection and Management Software for the City Hall Servers. City Manager. Recommended dates: Introduction February 28, 2011, Public Hearing and Second Reading March 14, 2011.

Memorandum 11-027 from Systems Manager as backup.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-10 for introduction and first reading by reading of title only.

LEWIS/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

A. City Manager's Report

1. Fire Training Facility: The fire training facility has arrived in Homer and it is now located at its new home adjacent to the Chip Pad on the Spit. HVFD is presently looking into fencing the area for security reasons and finding the resources to move the fire hydrant to the other side of the street for easier access. Chief Painter is currently planning a "train the trainers" session to familiarize key people with the facility and equipment. A dedication ceremony and open house will be held later this Spring when it warms up a bit. We will keep you informed.
2. Bridge Creek Fire Mitigation Project: At the time this report was written, it was looking increasingly likely that no work will take place this winter. The Spruce Bark Beetle Program staff are extremely busy and no contracts for this project have yet been executed. Further, recent snows have left us with a snow depth that is not conducive to the operation of mechanized equipment. Things could change, but at this point we are likely looking at some hand work and tree stock assessment this summer, and more intensive mechanized work next winter. The Borough has confirmed that the money will be available for the project again next year.
3. Staff Turnover: Library Director Helen Hill has formally submitted her resignation letter and will be retiring at the end of April. We are currently advertising for the position and have been informed by members of the State Library Board that they believe we will get some very qualified candidates. We sure hope they are correct. This week I started the interview process for the Personnel Director position. I am hoping to get someone in that position as quickly as possible so that they can get some training and orientation with Sheri before she departs at the end of April. Sheri is working hard to complete the parity study before she leaves.
4. Potential Cuts to Borough College Funding: You may already be aware that Mayor Carey has proposed eliminating Borough funding for the college system on the Peninsula. He has also proposed eliminating tuition waivers for Peninsula residents. One of the primary stated reasons for proposing this is that the Borough needs money for the Homer landfill project. The voters authorized the Borough to contribute up to one tenth of a Mil to the college system back in 1990. This year the Borough contributed \$637,570 to the University system. Of that amount, \$194,800 or about 31% came to the Kachemak Bay Campus here in Homer. Carol Swartz, the local campus director reports that if eliminated, this funding would directly affect core services such as GED programs, the college library, tutoring, student advisors, testing, and more. It is my understanding that the City of Kenai has already adopted a resolution opposing this proposal and other Cities in the Borough are considering doing the same. Supporting the local college campus is a big part of the City Comprehensive Plan and the College is a significant part of the local economy. Please let us know if you would like to sponsor a resolution. We can help draft it and get it on the next Council agenda.

5. City Hall Expansion / Renovation: The Task Force, the Public Works Director, and the contractors are working very hard to keep us on the ambitious construction schedule established by the Council. This project has taken priority over others at the moment, as requested by Council. A construction contract has been signed and a number of alterations have already been made to the draft site and building plans based upon input from the staff, the department heads, the architect, the building contractor, and the Task Force. At its meeting on Tuesday, the 22nd, the Task Force reviewed preliminary site and building plans, and a preliminary cost estimate for accomplishing all of the items on the current "wish list". The contractor was looking for feedback on the general direction this is project is taking so that we do not waste unnecessary money later on architectural and planning work. The Task Force was presented with a very preliminary spreadsheet showing what could be accomplished with the amount of money available and what additional, identified priority items would cost. The Task Force agreed that the additional items were very desirable and necessary and encouraged us to continue planning as though those items would be included in the final project budget. Accomplishing those items would save the City money in the long run. The additional cost is about \$275,000, much of which could be accomplished with depreciation and energy efficiency funds. The Council members on the Task Force are hoping to bring the Council up to speed at this meeting. The task force will receive costs estimates that are more refined at its next meeting.
6. Lobbyist: Things are working smoothly with the new lobbyist team so far. They really enjoyed their visit to Homer. Please let me know how you would like to receive their lobbyist reports (other than the status update on bills). You might recall that the contract calls for regular updates on City priorities and what they are working on. They could call in at Council meeting or just provide written reports.
7. Energy Efficiency: Work continues to take place on this project now that the Council has approved both a project budget and a contract. We are reevaluating one of the project items (high mast lights) based upon new information we received. If we make any changes, it would simply mean that this item was delayed or placed on hold and less money would be spent than authorized.
8. TORA Agreements: Work is proceeding on all three of the TORA Agreements we discussed at the last meeting. We hope to have the one regarding Spit parking back before you soon.
9. Staff Training: The City will be providing training this week to employees who have daily contact with the public. The focus is on how to deal with difficult, angry, emotional, harassing, or unstable citizens and customers. This occurs more than you might think. The training will be geared toward providing professional and helpful responses without aggravating the situation or causing it to deteriorate. Training will also be provided on coping skills and how to avoid letting abusive and harassing clients affect your work, attitude, or state of mind.
10. Water and Sewer Rate Setting: As you know, the Council has decided to start working on water and sewer rates at a workshop before the first meeting in April. I think we will start out with a refresher on how rates are set now so everyone is on the same page. The letter below from the Department of Commerce reminded me that there are resources out there which could assist with this process if Council wishes. As a reminder, the Department reviewed the City methods and rate structure several years ago and determined that it was

very good. A University study reached the same conclusion. Regina also attended some training this year on utility rate structuring and came back thinking that the City is in line with recommended practices.

City Manager Wrede reported he informed DOT the Main Street/Sterling Highway Intersection resolution failed and that Council prefers to go ahead with a scaled back intersection improvement with a traffic signal. Council is not pleased it will be another two years before the project and requests an interim short term improvement to address immediate safety concerns. Council will opt for the bigger STIP project later on.

The memorandum about Community Recreation from Mike Illg was addressed at the last council meeting. Mike Illg, Sheri Hobbs, and City Manager Wrede met with school district officials. The meeting was very productive in bringing concerns to the table, things we can do to help the school district, and talk about the cost of water and conservation. Maybe Council would consider not charging the KPBSD the commercial rate, although it would shift costs to someone else. There was discussion the district could use our gym in the event of overflow. The school district wanted to know if we were considering using city equipment to rid snow for earlier play.

On the Bridge Creek Fire Mitigation Project, the Spruce Bark Beetle folks are advertising for a contractor with a closing date of March 8th. They incorporated everything in the Conditional Use Permit. Phase I will be the mechanical work which may not get finished this year, but they can come back next winter. The money will not run out until July 2012. This April there is a contract for the hand work with selected loggers going in and taking trees in areas too sensitive for mechanical equipment.

Councilmember Roberts reported on the City Hall Renovation and Expansion Project. The task force met with Carey Meyer and the contractors last week to review the general drawings of the proposed addition in its 10% design phase. The task force is pleased and moving forward. The budget does not quite cover all the work; they are working to include energy items that will save money in the future and replace worn out items.

Councilmember Wythe reported there is a long list of things identified when the college did their walk through of City Hall. There are genuine wear and tear items on the building. We could use depreciation funding to pay for those items. We will come back to Council to request depreciation funding to make those things happen while in construction.

Councilmember Lewis asked if people would be able to retrieve the wood from the spruce bark beetle mitigation program. City Manager Wrede answered although that was part of the original plan, after talking to the Soil and Water Conservation District there was concern about disturbing the soil by dragging logs out. There is an agreement that no skidding and logging be done; the logs will be dropped and left on the ground. Caution will be used when individuals go in with mechanized equipment.

- B. Bid Report
- C. Records Inventory Report

CITY ATTORNEY REPORT

COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee
- D. Lease Committee
- E. City Hall Renovation and Expansion Task Force
- F. Natural Gas Distribution Task Force

Councilmember Zak reported the task force met today and forwarded their recommendations to the City Manager with a resolution and supporting documents that will be forwarded to Council. They looked at four questions in determining if they should support natural gas in Homer. The task force had presentations from Enstar, Kachemak City, and other regional partners. Today the task force expressed support for natural gas. Funding to distribute lines off the main lines will be defined at a later time. Kachemak City Mayor Phil Morris spoke about the need to write letters to Legislators for support. The community needs to get behind it to realize the savings. Increase fuel costs are having an impact on property owners.

Letters commenting on the gas line should be copied to the Governor and key Legislators. Addresses can be accessed on the City's website: <http://www.cityofhomer-ak.gov/cityclerk>

PENDING BUSINESS

- A. **Resolution 11-007**, A Resolution of the City Council of Homer, Alaska, Approving and Adopting the Comprehensive Economic Development Strategy (CEDS) and Forwarding the CEDS to the Homer Advisory Planning Commission for a Recommendation on Whether it Should be Adopted as Part of the Homer Comprehensive Plan. Economic Development Advisory Commission. (Postponed from January 10, 2011.)

Resolution 11-007(S), A Resolution of the City Council of Homer, Alaska, Approving and Adopting the Comprehensive Economic Development Strategy (CEDS) and Forwarding the CEDS to the Homer Advisory Planning Commission for a Recommendation on Whether it Should be Adopted as Part of the Homer Comprehensive Plan. Economic Development Advisory Commission.

Memorandum 11-005 from Economic Development Advisory Commission as backup.

Motion on the floor from January 10th: HOGAN/ROBERTS - MOTION FOR THE ADOPTION OF RESOLUTION 11-007 BY READING OF TITLE ONLY.

Mayor Hornaday called for a motion to substitute Resolution 11-007(S) for Resolution 11-007.

ROBERTS/WYTHE – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

WYTHE/ROBERTS - MOVED TO FURTHER AMEND 11-007(S) BY STRIKING IN THE TITLE "AND FORWARD THE CEDS TO THE HOMER ADVISORY PLANNING COMMISSION FOR A RECOMMENDATION ON WHETHER IT SHOULD BE ADOPTED AS PART OF THE HOMER COMPREHENSIVE PLAN" AND ALSO TO STRIKE THE BE IT FURTHER RESOLVED WHICH IS ADDRESSING THE SAME ITEM.

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

RESOLUTIONS

- A. **Resolution 11-022**, A Resolution of the City Council of Homer, Alaska, Expressing its Intent to Continue Including the Pratt Museum in the City Contract for Snowplowing and Sanding Services and to Provide that Service to the Museum as an "In-Kind" Contribution. City Manager.

Memorandum 11-028 from City Manager as backup.

ZAK/ROBERTS - SO MOVED.

Councilmember Wythe referenced the discussion in the Committee of the Whole. It is not appropriate to provide back billing for services we failed to bill for. The City should not be providing snow plow services for non profits within the city. Councilmember Roberts agreed we need to write off the part of the bill the Pratt was not billed for. Although the City has a special

relationship with the Pratt Museum, she expressed concern with obligating ourselves to do the plowing as the museum grows.

City Manager Wrede noted the phrase "in kind" is associated with a dollar amount and can be used for grant leverage.

ROBERTS/ZAK – MOVED TO AMEND IN THE "NOW THEREFORE BE IT RESOLVED" PARAGRAPH AFTER THE WORDS "IN ITS SNOWPLOWING CONTRACT" ADD THE WORDS "UP TO \$2,500 PER YEAR".

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Wythe asked that the \$2,500 contribution be included in the budget process when determining the Pratt allocation.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Resolution 11-023**, A Resolution of the Homer City Council Finding the Need to Create the Kachemak Drive Phase Two Water and Sewer Local Improvement District, and Scheduling a Public Hearing on the Necessity of the Improvement and Proposed Improvement Plan at the April 11, 2011 Regular City Council Meeting. City Manager/Public Works Director.

Memorandum 11-029 from Public Works Director as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 11-023 by reading of title only.

LEWIS/ZAK – SO MOVED.

Councilmember Wythe expressed opposition with reservations about the process. Based on the information from the City Attorney and in code they are within the letter of the code, but maybe not in the spirit.

City Manager Wrede added Attorney Klinkner will be at the next meeting for Council to hear more detail.

ROBERTS/LEWIS - MOVED TO POSTPONE RESOLUTION 11-023 UNTIL THE NEXT MEETING.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Resolution 11-024**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Replacement and New Installation of a Card Reader Access System to the Firm of _____ of _____, _____, in the Amount of \$ _____ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

City Clerk Johnson stated the Port and Harbor Director was not yet ready to make the award. Mayor Hornaday pulled the resolution.

COMMENTS OF THE AUDIENCE

Steve Zimmerman, annexed city resident, expressed opposition to Ordinance 11-03. If he leaves a wheelbarrow unmoved it is in violation of the ordinance. Although people are allowed to have greenhouses and do gardening, they can't have a home office or gillnets. He asked Council if they want people to live here or on the edge of town. Meeting after meeting there are more rules and he doesn't agree to the perfect clean utopian yard.

Mike Kennedy, city resident, commented Ordinance 11-03 is a disservice to a lot of the working people in Homer. The 1,500 sq. ft. restricted outdoor storage area is a broken promise to the people that were annexed. With tanner crab coming back people will want pots in the yard. It is forcing people out of town, and forcing them to live a lifestyle that is not Alaskan. He asked Council to reconsider the ordinance.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Wrede had no comment.

COMMENTS OF THE MAYOR

Mayor Hornaday commented we lost Mary Thompson and a young man, Justin Tennison; too many funerals.

COMMENTS OF THE CITY COUNCIL

Councilmember Wythe commented as to Ordinance 11-03 she is not certain where a vehicle could become a wheelbarrow, since it would not be used on a highway or vehicular right of way. There is a definition of vehicle included, which excludes devices used on stationary rails, tracks and mobile homes. There is no perfect answer to zoning. A volume of area does become a difficulty. There are a lot of downsides to expanding zoning into areas that have been annexed. You bring them into compliance to the code established within the community. As the community grows that is a natural tendency. Although she is not a fan of zoning and planning, she recognizes the necessity of creating areas that are consistent in application and consideration for the people that move into those areas.

Councilmember Lewis called for reconsideration of Ordinance 11-03 to allow people that have become part of the City to have their say. He congratulated the ski team boys on winning regions, the first time in a long time Region 4 has won. Great job and good coaching!

LEWIS/ZAK - MOVED TO RECONSIDER ORDINANCE 11-03.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Ordinance 11-03 will return on March 14, 2011 under Pending Business.

Councilmember Roberts commented besides winning the region's skiing, the Battle of the Books team from the Homer High School won second in the state. She reminded everyone, the region basketball tournament will bring 300 people to town beginning Thursday through Saturday. She asked that we welcome the visitors to town and attend the basketball games at Homer High School.

Councilmember Zak reiterated the importance of writing letters to Representative Seaton and Senator Stevens regarding the gas line. If guidance is needed he, or a member of the task force can be contacted. He congratulated the CAP task force to be selected by Cal Poly to be included in their book. He is going to tie into the CEDS document; it was another incredible job. He would hope it is forwarded to Cal Poly to be included in the book; it may be a good fit to tie to economic development. He thanked the Mayor for the SBDC recognition that caught him by surprise.

Councilmember Howard had no comment.

ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 7:31 p.m. The next Regular Meeting is scheduled for Monday, March 14, 2011 at 6:00 p.m. The next Committee of the Whole is scheduled for Monday, March 14, 2011 at 5:00

HOMER CITY COUNCIL
REGULAR MEETING MINUTES
FEBRUARY 28, 2011

p.m. A Special Meeting is scheduled for Thursday, March 3, 2011 at 5:30 p.m. and a Joint Worksession for Monday, March 7, 2011 at 6:00 p.m. All meetings scheduled to be held in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

JO JOHNSON, CMC, CITY CLERK

Approved: _____

Office of the City Clerk

Jo Johnson, CMC, City Clerk
Melissa Jacobsen, CMC, Deputy City Clerk II
Renee Krause, CMC, Deputy City Clerk I



491 E. Pioneer Avenue
Homer, Alaska 99603
(907) 235-3130
(907) 235-8121
ext: 2224, 2226, or 2227
Fax: (907) 235-3143
Email: clerk@ci.homer.ak.us

MEMORANDUM 11-031

TO: MAYOR HORNADAY AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK *M*

DATE: MARCH 7, 2011

SUBJ: LIQUOR LICENSE RENEWAL FOR AMERICAN LEGION POST #16 AND MERMAID CAFÉ

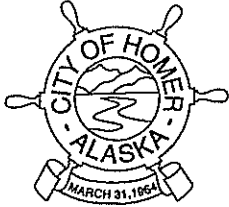
We have been notified by the ABC Board of applications for a liquor license renewal within the City of Homer for the following:

Type: Club
Lic #: 2466
DBA Name: American Legion Post #16
Premise Address: 2410 East End Road
Owner: American Legion Post #16 General Buckner Post

Type: Restaurant/Eating Place-Public Convenience
Lic #: 4728
DBA Name: Mermaid Café
Premise Address: 3487 Main Street
Owner: Andrew & Sally Willis

RECOMMENDATION: Voice non objection and approval for the Liquor License Renewals as listed above.

Fiscal Note: Revenues.



CITY OF HOMER POLICE DEPARTMENT

4060 HEATH STREET HOMER, AK 99603-7609

EMERGENCY 911
TELEPHONE (907) 235-3150
TELECOPIER (907) 235-3151

MEMORANDUM

DATE: February 28, 2011
TO: Melissa Jacobsen, City Clerk
FROM: Mark Robl, Chief of Police *MR*
SUBJECT: Liquor License Renewals

The Homer Police Department has no objection to the liquor license renewal for the following business:

Type:	Club
License #:	2466
DBA Name:	American Legion Post #16
Premise Address:	2410 East End Road
Owner:	American Legion Post #16 General Buckner Post



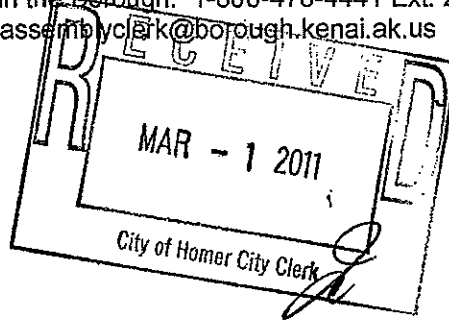
KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7520

PHONE: (907) 714-2160 • FAX: (907) 714-2388

Toll-free within the Borough: 1-800-478-4441 Ext. 2160

Email: assemblyclerk@borough.kenai.ak.us



**JOHNI BLANKENSHIP
BOROUGH CLERK**

March 1, 2011

Ms. Lauren Edades
Records & Licensing Supervisor
Alcoholic Beverage Control Board
5848 E. Tudor Road
Anchorage, Alaska 99507-1286

RE: Non-Objection of License Renewal
Business Name : American Legion Post #16
License Type : Club
License Location : City of Homer
License No. : 2466

Dear Ms. Edades,

This serves to advise that the Finance Department has reviewed the above referenced application and has no objection to the renewal of this license.

Should you have any questions, or need additional information, please don't hesitate to let us know.

Sincerely,

Johni Blankenship, CMC
Borough Clerk

JB/klr

cc: Applicant
City of Homer
KPB Finance Department
File

Office of the City Clerk

Faxed 2/28/11

Jo Johnson, CMC, City Clerk
Melissa Jacobsen, CMC, Deputy City Clerk II
Renee Krause, CMC, Deputy City Clerk I



491 E. Pioneer Avenue
Homer, Alaska 99603
(907) 235-3130
(907) 235-8121
ext: 2224, 2226, or 2227
Fax: (907) 235-3143
Email: clerk@ci.homer.ak.us

MEMORANDUM

DATE: February 28, 2011
TO: Mark Robl, Police Chief
FROM: Melissa Jacobsen, CMC, Deputy City Clerk *MJ*
SUBJECT: Liquor License Renewal

We have been notified by the ABC Board of applications for a liquor license renewal within the City of Homer for the following:

Type: Club
Lic #: 2466
DBA Name: American Legion Post #16
Premise Address: 2410 East End Road
Owner: American Legion Post #16 General Buckner Post

This matter is scheduled for the March 14, 2011 City Council meeting. Please respond with any objections/non-objections to this liquor license renewal by Wednesday, March 9, 2011.

Thank you for your assistance.



State of Alaska
 Department of Public Safety
Alcoholic Beverage Control Board

Sean Parnell, Governor
 Joseph A. Masters, Commissioner

February 23, 2011

Renewal Application Notice

Kenai Peninsula Borough
Homer

DBA	Lic Type	Lic #	Owner	Premise Address
American Legion Post #16	Club	2466	American Legion Post #16 General Buckner Post	2410 East Road

We have received a renewal application for the above listed licenses (see attached applications) within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board and the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

Alcoholic Beverage Control Board
 5848 E Tudor Rd - Anchorage, AK 99507 - Voice (907) 269-0350 - Fax (907) 272-9412

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 13 AAC 104.145, Local Governing Body Protest.

Note: Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. GIFFORD
Director

Lauren Edades

Lauren Edades
Records & Licensing Supervisor
269-0359
lauren.edades@alaska.gov

74760

2011/2012 Liquor License Renewal

License Number 2466	License Type Club	Establishment Name American Legion Post #16
If Seasonal License	Seasonal From:	Seasonal To:

Mailing Address American Legion Post #16, General Buckner Post PO Box 858 Homer AK 99603	Premise Address 2410 East Road Homer Kenai Peninsula Borough
---	--

Phone:	Fax:
Email:	

Please mark the correct box to answer:

- 1. Was your establishment open for business at least 30 days in 2009? Yes No
- 2. Was your establishment open for business at least 30 days in 2010? Yes No
- 3. Has the licensed premise changed from the last diagram submitted? Yes No
- 4. Has any person named in this application been convicted of a felony? Yes No

List all corporation members, managers and shareholders below:

Name & Mailing Address	Title	Share %	Phone
Box 15247 Fritz Creek AK 99603 Warren Huff	Commander		907 235 8864
Box 3024 Homer AK 99603 William L Sheldon	Adjutant		907 235 8864
59 Lee Dr Homer, AK Richard Turner	Finoff		907 235 8864
Tim Clarke	Ex Comor		907 235 8864

If not a corporation or LLC - List all individuals, spouses, or partners that own business below:

Name & Mailing Address	Title	Phone
ISSUED		
FEB 15 2011		

7474

License Fee	Application Fee	Late Fee	Fingerprint Fee	TOTAL
\$1200.00	\$200.00	500 ⁰⁰		1900 ⁰⁰

By affixing my signature below:

I declare under penalty of perjury that I have examined this application and to the best of my knowledge and belief state it is true, correct and complete.

I certify that I have read and am familiar with Title 4 of the Alaska statutes and corresponding regulations.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

As a licensee (a sole proprietor, partner or officer, director, shareholder, member, of the entity to which license is issued), I certify that I have received alcohol server training and my certification is currently valid.

As a licensee, I certify that all other persons named as partners, officers, directors, shareholders, or members have received alcohol server training and their certification is currently valid.

As a licensee, I certify that all my agents and employees tasked with patron identification verification have received alcohol server training and their certification is currently valid.

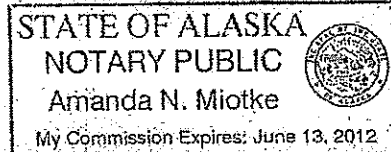
[Signature]
Licensee Signature

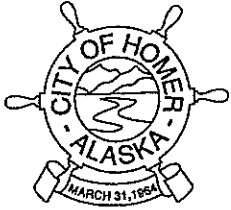
William C Sheldon Adjutant
Printed Name & Title

[Signature]
Notary Signature
Notary Public in and for the State of Alaska

Subscribed and sworn to before me this
14th day of February 2011

My commission expires: 6-13-2012





CITY OF HOMER

POLICE DEPARTMENT

4060 HEATH STREET HOMER, AK 99603-7609

EMERGENCY 911
TELEPHONE (907) 235-3150
TELECOPIER (907) 235-3151

MEMORANDUM

DATE: March 4, 2011
TO: Melissa Jacobsen, CMC, Deputy City Clerk
FROM: Mark Robl, Chief of Police *MR*
SUBJECT: Liquor License Renewals

The Homer Police Department has no objection to the liquor license renewal for the following business:

Mermaid Café—License #4728

Office of the City Clerk

Jo Johnson, CMC, City Clerk
Melissa Jacobsen, CMC, Deputy City Clerk II
Renee Krause, CMC, Deputy City Clerk I



Faxed 3-3-11

491 E. Pioneer Avenue
Homer, Alaska 99603
(907) 235-3130
(907) 235-8121
ext: 2224, 2226, or 2227
Fax: (907) 235-3143
Email: clerk@ci.homer.ak.us

MEMORANDUM

DATE: March 3, 2011
TO: Mark Robl, Police Chief
FROM: Melissa Jacobsen, CMC, Deputy City Clerk
SUBJECT: Liquor License Renewal

We have been notified by the ABC Board of applications for a liquor license renewal within the City of Homer for the following:

Type: Restaurant/Eating Place-Public Convenience
Lic #: 4728
DBA Name: Mermaid Café
Premise Address: 3487 Main Street
Owner: Andrew & Sally Willis

This matter is scheduled for the March 14, 2011 City Council meeting. Please respond with any objections/non-objections to this liquor license renewal by **Wednesday, March 9, 2011.**

Thank you for your assistance.



State of Alaska
Department of Public Safety
Alcoholic Beverage Control Board

Sean Parnell, Governor
Joseph A. Masters, Commissioner

March 3, 2011

Renewal Application Notice

**Kenai Peninsula Borough
Homer**

DBA	Lic Type	Lic #	Owner	Premise Address
Mermaid Café	Restaurant/Eating Place-Public Convenience	4728	Andrew & Sally Willis	3487 Main Street

We have received a renewal application for the above listed licenses (see attached applications) within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board and the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

Alcoholic Beverage Control Board
5848 E Tudor Rd - Anchorage, AK 99507 - Voice (907) 269-0350 - Fax (907) 272-9412

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 13 AAC 104.145, Local Governing Body Protest.

Note: Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. GIFFORD
Director

Lauren Edades

Lauren Edades
Records & Licensing Supervisor
269-0359
lauren.edades@alaska.gov

7499

2011/2012 Liquor License Renewal

License Number 4728	License Type Restaurant/Eating Place- Public Convenience	Establishment Name Mermaid Café
If Seasonal License	Seasonal From:	Seasonal To:

Mailing Address	Premise Address
Andrew & Sally Wills PO Box 382 Homer AK 99603	3487 Main St Homer Kenai Peninsula Borough
Phone:	Fax:
Email:	

Please mark the correct box to answer:

1. Was your establishment open for business at least 30 days in 2009? Yes No
2. Was your establishment open for business at least 30 days in 2010? Yes No
3. Has the licensed premise changed from the last diagram submitted? Yes No
4. Has any person named in this application been convicted of a felony? Yes No
5. Gross receipts from sale of food were at least 50% of total gross receipts for 2009 and 2010? Yes No

List all corporation members, managers and shareholders below:

Name & Mailing Address	Title	Share %	Phone

ISSUED
FEB 28 2011

If not a corporation or LLC - List all individuals, spouses, or partners that own business below:

Name & Mailing Address	Title	Phone
Andrew Wills Box 382 Homer, AK 99603	OWNER	235-7984
Sally Wills Box 382 Homer, Alaska 99603	CO-OWNER	235-7984

License Fee	Application Fee	Late Fee	Fingerprint Fee	TOTAL
\$600.00	\$200.00	500.00	N/A	1300.00

By affixing my signature below:

I declare under penalty of perjury that I have examined this application and to the best of my knowledge and belief state it is true, correct and complete.

I certify that I have read and am familiar with Title 4 of the Alaska statutes and corresponding regulations.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

As a licensee (a sole proprietor, partner or officer, director, shareholder, member, of the entity to which license is issued), I certify that I have received alcohol server training and my certification is currently valid.

As a licensee, I certify that all other persons named as partners, officers, directors, shareholders, or members have received alcohol server training and their certification is currently valid.

As a licensee, I certify that all my agents and employees tasked with patron identification verification have received alcohol server training and their certification is currently valid.

Andrew Wills

Licensee Signature

Andrew Wills owner

Printed Name & Title

Melissa S. John

Notary Signature

Notary Public in and for the State of Alaska

Subscribed and sworn to before me this

24 day of February, 2011.

My commission expires: Feb. 8, 2014



Office of the Mayor
James C. Hornaday

City of Homer
491 E. Pioneer Avenue
Homer, Alaska 99603

Phone 907.235.8121 x2229
Fax 907.235.3143

MEMORANDUM 11-032

TO: HOMER CITY COUNCIL

FROM: MAYOR JAMES C. HORNADAY

DATE: MARCH 7, 2011

SUBJECT: REAPPOINTMENT OF JOHN VELSKO TO THE PRINCE WILLIAM
SOUND REGIONAL CITIZENS' ADVISORY COUNCIL (PWSRCAC).

John Velsko is reappointed to the Prince William Sound Regional Citizens' Advisory Council and his new term will expire May 2013.

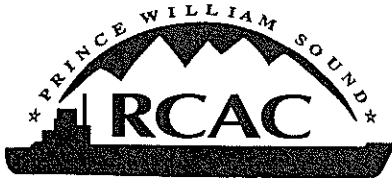
RECOMMENDATION:

Confirm the reappointment of John Velsko to the Prince William Sound Regional Citizens' Advisory Council.

Fiscal Note: N/A



"Where the land ends and the sea begins"



Regional Citizens' Advisory Council / "Citizens promoting environmentally safe operation of the Alyeska terminal and associated tankers."

In Anchorage: 3709 Spenard Road / Suite 100 / Anchorage, Alaska 99503 / (907) 277-7222 / FAX (907) 277-4523
In Valdez: P.O. Box 3089 / 130 South Meals / Suite 202 / Valdez, Alaska 99686 / (907) 834-5000 / FAX (907) 835-5926

MEMBERS February 4, 2011

Alaska State
Chamber of
Commerce
James Hornaday
City of Homer
491 E. Pioneer Ave.
Homer, AK 99603

Alaska Wilderness
Recreation & Tourism
Association
Dear Mayor Hornaday:

Chugach Alaska
Corporation
The Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) is writing to advise you that John Velsko's term on our Board of Directors expires at our May 5-6, 2011, annual meeting in Valdez.

City of Cordova
City of Homer
The dedicated seat for the City of Homer is its opportunity to influence decisions having profound implications for oil transportation safety in Alaska, and for the state's oil spill prevention and response capabilities. We greatly value your participation.

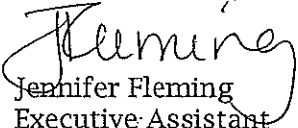
City of Kodiak
City of Seldovia
City of Seward
City of Valdez
City of Homer would best be served by a representative who:
• understands her/his community, its needs, concerns and perspectives;
• has a rudimentary familiarity with oil transportation issues;
• has a home and work schedule flexible enough to allow travel;
• is committed to our mission of promoting environmentally safe operation of the Alyeska terminal and associated tankers; and
• seeks opportunities to foster cooperative relationships with citizens, industry and regulatory agencies.

City of Whittier
Community of
Chenega Bay
Community of
Tatitlek
A PWSRCAC director can expect to devote an average of 10 hours a month on PWSRCAC business. The full Board conducts three 2-day meetings in January, May, and September. In addition, annual budget and planning meetings are held, as well as special meetings and opportunities to participate in committees or work groups. PWSRCAC staff provides support to board members whenever possible.

Cordova District
Fishermen United
Please notify us in writing, no later than April 4, 2011, of your selected individual for the City of Homer's next two-year term on the PWSRCAC board. This individual will then be expected to attend our May 5-6, 2011, meeting for confirmation. **If John Velsko will continue to be your representative, we ask that you still notify PWSRCAC in writing.**

Kenai Peninsula
Borough
Kodiak Island
Borough
If you have further questions about the PWSRCAC or the responsibilities of its directors, please don't hesitate to call. Thank you for your cooperation, and we look forward to the City of Homer's continued valuable contribution.

Kodiak Village Mayors
Association
Sincerely,

Oil Spill Region
Environmental
Coalition

Jennifer Fleming
Executive Assistant

Port Graham
Corporation
Cc: John Velsko

Prince William Sound
Aquaculture
Corporation

VISITORS

ANNOUNCEMENTS
PRESENTATIONS
BOROUGH REPORT
COMMISSION REPORTS

PUBLIC HEARING(S)

**CITY OF HOMER
PUBLIC HEARING NOTICE
CITY COUNCIL MEETING**

Ordinances 11-09 and 11-10

A **public hearing** is scheduled for **Monday, March 14, 2011** during a Regular City Council Meeting. The meeting begins at 6:00 p.m. in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Ordinances 11-09 – 11-10 internet address:
<http://www.cityofhomer-ak.gov/ordinances>


Ordinance 11-09, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 19.12.020, Definitions; Amending Homer City Code 19.12.040, Reference to Materials Plat—Permits; and Amending Homer City Code 19.12.050, Exceptions; Regarding the Use and Disposal of Dredge Material from City Port and Harbor Facilities. City Manager/Port and Harbor Director.

Ordinance 11-10, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$11,000 from the General Fund for the Purchase and Installation of New Data Collection and Management Software for the City Hall Servers. City Manager.



All interested persons are welcomed to attend and give testimony. Written testimony received by the Clerk's Office prior to the meeting will be provided to Council.

** Copies of proposed Ordinances, in entirety, are available for review at Homer City Clerk's Office. Copies of the proposed Ordinances are available for review at City Hall, the Homer Public Library, the City of Homer Kiosks at City Clerk's Office, Captain's Coffee, Harbormaster's Office, and Redden Marine Supply of Homer and the City's homepage - <http://clerk.ci.homer.ak.us>. Contact the Clerk's Office at City Hall if you have any questions. 235-3130, Email: clerk@ci.homer.ak.us or fax 235-3143.

Jo Johnson, CMC, City Clerk 

Publish: Homer News: March 10, 2011

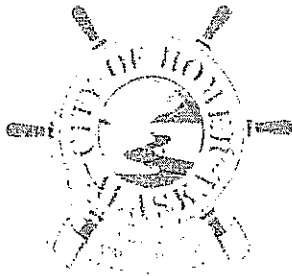
CLERK'S AFFIDAVIT OF POSTING

I, Renee Krause, CMC, Deputy City Clerk I for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for Ordinance 11-09, An Ordinance Amending the Homer City Code 19.12.020, Definitions; Amending Homer City Code 19.12.040, Reference to Materials Plat – Permits; and Amending Homer City Code 19.12.050, Exceptions; Regarding the Use and Disposal of Dredge Material from City Port and Harbor Facilities and Ordinance 11-10, Amending the FY 2011 Operating Budget by Appropriating \$11,000 from the General Fund for the Purchase and Installation of New Data Collection and Management Software for the City Hall Servers at the City of Homer kiosks located at City Clerk's Office, Captain's Coffee Roasting Co., Harbormaster's Office, and Redden Marine Supply of Homer, on March 4, 2011 and that the City Clerk posted same on City of Homer Homepage on March 1, 2011.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 3rd day of March, 2011.



Renee Krause, CMC, Deputy City Clerk I



ORDINANCE REFERENCE SHEET
2011 ORDINANCE
ORDINANCE 11-09

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 19.12.020, Definitions; Amending Homer City Code 19.12.040, Reference to Materials Plat—Permits; and Amending Homer City Code 19.12.050, Exceptions; Regarding the Use and Disposal of Dredge Material from City Port and Harbor Facilities. City Manager/Port and Harbor Director.

Sponsor: City Manager/Port and Harbor Director

1. City Council Regular Meeting February 28, 2011 Introduction
2. City Council Regular Meeting March 14, 2011 Public Hearing and Second Reading
 - a. Memorandum 11-016 from Port and Harbor Director as backup
 1. Overviews of Harbor Channel and Entrance with Limits Outlined
 2. Ordinance 6-720.2
 3. Ordinance 98-2(A)(S)(A)
 4. HCC 19.12.040(g)

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CITY OF HOMER
HOMER, ALASKA

City Manager/Port and Harbor
Director

ORDINANCE 11-09

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING HOMER CITY CODE 19.12.020, DEFINITIONS; AMENDING HOMER CITY CODE 19.12.040, REFERENCE TO MATERIALS PLAT—PERMITS; AND AMENDING HOMER CITY CODE 19.12.050, EXCEPTIONS; REGARDING THE USE AND DISPOSAL OF DREDGE MATERIAL FROM CITY PORT AND HARBOR FACILITIES.

THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 19.12.020, Definitions, is amended to read as follows:

19.12.020 Definitions. The following words, when used in this chapter, shall, ~~for the purpose of this chapter,~~ have the meanings respectively ascribed to them in this section:

a. ~~"Excavation" means the digging out and removal of gravel or other fill materials whereby any existing surface grade is altered or disturbed.~~

b. ~~"Removal" means the movement, by lifting, pushing aside or taking away or off of any gravel or other fill materials from any area subject to the provisions of this chapter.~~

ae. For the purposes of this chapter "Bbeach area" means shall include the zone of sand, gravel and other unconsolidated materials that extends landward from the low water line to the place where there is a marked change in material or physiographic form.

bd. "Berm" means a natural, linear mound or series of mounds of sand or gravel, or both generally paralleling the water at or landward of the line of ordinary high tide.

c. "Dredge material" means earth, sand or gravel that is removed from below the low water line in City port and harbor facilities.

d. "Excavation" means the digging out and removal of gravel or other fill materials whereby any existing surface grade is altered or disturbed.

e. "Removal" means the movement, by lifting, pushing aside or taking away or off of any gravel or other fill materials from any area subject to the provisions of this chapter.

fe. "Storm berm" means a berm formed by the upper reach of storm wave surges or the highest tides. Storm berms generally include an accumulation of seaweed, driftwood, and other water-borne materials. A beach may have more than one storm berm.

Section 2. Homer City Code 19.12.030, Reference to materials plat--Permits, is amended to read as follows:

19.12.030 Reference to materials plat--Permits. The removal or excavation of gravel, gravel fill or other fill material from any beach or from any portion of the Homer Spit shall be regulated by the City. Reference shall be made in all cases to the Materials Plat prepared jointly

[**Bold and underlined added.** Deleted language stricken through.]

46 by the State Division of Lands and the U. S. Corps of Engineers, which is available and may be
47 examined during business hours at the Homer City Hall. **Except as provided in §19.12.050, aA**
48 permit shall be required in the following instances:

49 a. Whenever gravel, gravel fill or other fill material is removed from Homer Spit or
50 from beaches elsewhere within the corporate limits, of the City;

51 b. Whenever such materials are removed or excavated from any naturally created
52 berm area, or from any berm area created for the protection of the land areas.

53
54 Section 3. Homer City Code 19.12.050, Exceptions, is amended to read as follows:

55
56 19.12.050 Exceptions. a. No permit shall be required for excavation necessary for the
57 installation of sewage lines, water lines, underground power lines, armor rock or piling, wells, oil
58 and fuel tanks and related lines and aboveground power lines from any location other than a
59 berm area, provided such excavated material is not removed from site of construction, nor shall a
60 permit be required for clearing or maintaining any public road.

61 b. This chapter shall not apply to the removal or excavation of gravel, gravel fill or
62 other fill material from any beach or from any portion of the Homer Spit by the City of Homer.

63 **c. This chapter shall not apply to dredge material placed or stored on the**
64 **Homer Spit by the City of Homer. The City may provide for the use and disposal of such**
65 **dredge material in the following order of priority, with all proceeds from sales of dredge**
66 **material being deposited in the Port/Harbor Enterprise Fund:**

67 **1. Replacement of material removed from City beaches by storms or**
68 **erosion.**

69 **2. Fill to improve City port and harbor facilities on the Homer Spit.**

70 **3. Sale for use as fill on privately owned or leased property on the**
71 **Homer Spit.**

72 **4. Emergency repairs of erosion.**

73 **5. Sale for use as fill material at locations off the Homer Spit.**

74
75 Section 4. This Ordinance is of a permanent and general character and shall be included
76 in the City Code.

77
78 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
79 _____ 2011.

80
81 CITY OF HOMER

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85 _____
86 JAMES C. HORNADAY, MAYOR

[**Bold and underlined added.** Deleted language stricken through.]

87 ATTEST:
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90 _____
91 JO JOHNSON, CMC, CITY CLERK
92
93 YES:
94 NO:
95 ABSTAIN:
96 ABSENT:
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98 First Reading:
99 Public Hearing:
100 Second Reading:
101 Effective Date:
102
103
104 Reviewed and approved as to form:
105
106
107 _____
108 Walt E. Wrede, City Manager
109
110 Date: _____

Thomas F. Klinkner, City Attorney
Date: _____

[Bold and underlined added. Deleted language stricken through.]



City of Homer

Port / Harbor

4350 Homer Spit Road
Homer, Alaska 99603-8005

Telephone (907) 235-3160
Fax (907) 235-3152
E-mail port@ci.homer.ak.us
Web Site <http://port.ci.homer.ak.us>

MEMORANDUM 11-016

TO: HOMER CITY COUNCIL & CITY MANAGER WALT WREDE

FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER

SUBJECT: DREDGE MATERIALS MANAGEMENT FOR THE CITY OF HOMER PORT & HARBOR

DATE: JANUARY 18, 2011

The City and the Army Corps of Engineers work cooperatively to maintain a safe navigation channel from the harbor entrance to the Load and Launch ramp. Also the Corps works with the USCG to maintain operating depths at the Cutter Hickory berth. The City is responsible for the disposal of the dredge materials created from these efforts.

Past averages for annual quantities of materials are approximately 13,000 cubic yards. Due to isostatic rebound, rebound from the 1964 earthquake and normal sedimentary transport 2010 harbor surveys conducted for the Corps in the navigation channel from the fuel floats to approximately JJ float, show that we are above our operating depths in the harbor and additional dredging will be required to maintain project depth. Early estimates are that this additional dredging could create as much as 20,000 more cubic yards to our quantities for 2011.

The City, Coast Guard and Corps have also been working on a special project that concerns the Cutter Hickory's berth which will bring an additional 10,000 cubic yards into the system for disposal. All total we may be looking at 40,000 cubic yards or more of dredge materials for 2011.

Challenges ahead:

You may have already noted in the handouts the Corps maintenance project limits outline an approximately 100' channel from the harbor entrance to the Load and Launch Ramp. The remainder of the harbor basin is our responsibility to maintain. I have made inquiries with the Corps, who administers the dredge contract, as to whether the Port would be able to add to the work scope allowing us to bring harbor basin back into project depth by using the dredge while its on the job in the harbor. My contact person said that this has been done in the past on other projects. I will ask for a confirmation in writing.

If the additional dredging from the fuel floats to the area of JJ float in a 100' channel may produce an additional 20,000 cyds, then you can see that it looks as though we may have a big job ahead of us in order to fulfill our responsibilities for maintaining the proper operating depths in the basin.

We will need to hire a survey completed for the areas in the harbor outside of the Corps navigation channel in order to estimate total scope of materials to be removed and we won't have any actual quantity or cost estimates until the survey is completed. As of now I believe we will be able to take this on section by section over the course of many years. However you cut it though, we are looking at much higher numbers when it comes to our responsibilities for dredge materials disposed in the future.

Possible fiscal impacts: I have some preliminary cost estimates of between 8 and 10 dollars per yard to the dewatering site. I wouldn't hazard any guesses at this time but there will be a heavy fiscal impact to the Enterprise in order to maintain the harbors operating depths.

Past method of dredge materials disposal: Dredge materials may be used only on the Spit either for City projects or sold to private business owners for use on the Spit. This is a very limited market and we have nearly reached the saturation point. In an effort to take a proactive tack on this issue, the Port and City are currently seeking permits for beneficial uses of dredge materials on the Homer Spit. This is a multi pronged approach at using these materials in beneficial ways on the Spit for beach re-nourishment and two build-up projects that would be used to create additional parking in the boardwalk areas on the Spit.

In light of the results of the latest harbor soundings and the spike in dredge materials quantities, I have research the Ordinance dictating that materials may not be removed from the Spit. It is my belief that the required annual maintenance dredging of our Port and Harbor is a completely different issue from the one that prompted the original and then the amended Ordinance of 1998 titled Excavation of the Homer Spit Beach.

Dredge materials management could easily be lined out in a prioritized check list starting with:

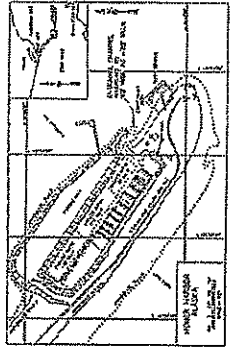
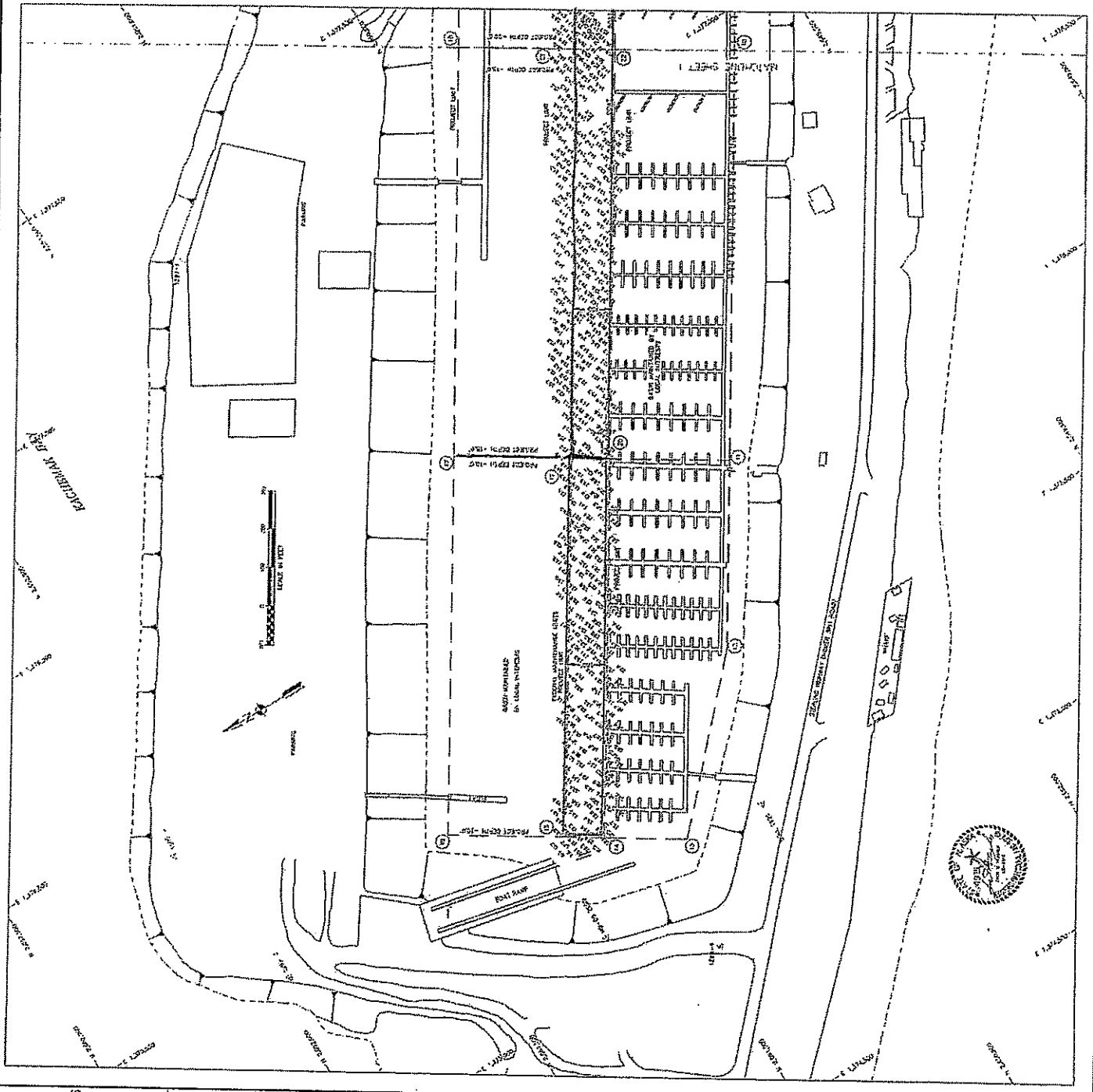
1. Beach re-nourishment
2. Build-up projects, land creation benefitting City of Homer Port and Harbor
3. Materials for sale on the Spit to land owners or leases for use on the Spit
4. Stock pile of materials for emergency erosion repairs and for small quantity sales for use on the Spit – 6 to 10K cubic yards
5. When items 1-4 are fulfilled, RFP for sale off the Spit as fill material. Proceeds from sale would be used only for Enterprise Operational costs.

Recommendation

Create a new Ordinance dictating allowed uses of dredge materials from the City of Homer's Port and Harbor annual maintenance dredging program.

I would be happy to answer any questions on this subject.

Attached: Overviews of Harbor Channel and Entrance with Limits Outlined
 Ordinance 6-720.2
 Ordinance 98-2(A)(S)(A)
 HCC 19.12.040g



NOTES

1. CONSTRUCTION OF THIS SURVEY WAS COMPLETED IN MAY, 1987, AND ALL RECORDS WERE DELETED FROM THE SURVEY RECORDS IN 1987.
2. THE SURVEY WAS CONDUCTED BY THE ALASKA DEPARTMENT OF CONSTRUCTION AND DEVELOPMENT, DIVISION OF SURVEYING AND MAPPING, UNDER THE SUPERVISION OF THE SURVEYING ENGINEER, STATE OF ALASKA.
3. THE SURVEY WAS CONDUCTED IN ACCORDANCE WITH THE ALASKA SURVEYING AND MAPPING ACT, AS AMENDED.
4. THE SURVEY WAS CONDUCTED IN ACCORDANCE WITH THE ALASKA SURVEYING AND MAPPING ACT, AS AMENDED.
5. THE SURVEY WAS CONDUCTED IN ACCORDANCE WITH THE ALASKA SURVEYING AND MAPPING ACT, AS AMENDED.
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8. THE SURVEY WAS CONDUCTED IN ACCORDANCE WITH THE ALASKA SURVEYING AND MAPPING ACT, AS AMENDED.
9. THE SURVEY WAS CONDUCTED IN ACCORDANCE WITH THE ALASKA SURVEYING AND MAPPING ACT, AS AMENDED.
10. THE SURVEY WAS CONDUCTED IN ACCORDANCE WITH THE ALASKA SURVEYING AND MAPPING ACT, AS AMENDED.

U.S. Army Corps of Engineers
 Alaska District
 Anchorage, Alaska
 Project No. S772010
 Date: 10/1/87

HOYER-HARBOER
 FIRE-PREVENTION SURVEY
 MAY 7, 2010
 ANCHORAGE, ALASKA

Reference Number:
 SHEET 1 OF 2

NO.	DESCRIPTION	DATE	BY	REVISION
1	PROJECT BEGIN - 1987	1987	J. J. J.	
2	PROJECT END - 1987	1987	J. J. J.	
3	PROJECT BEGIN - 1987	1987	J. J. J.	
4	PROJECT END - 1987	1987	J. J. J.	
5	PROJECT BEGIN - 1987	1987	J. J. J.	
6	PROJECT END - 1987	1987	J. J. J.	
7	PROJECT BEGIN - 1987	1987	J. J. J.	
8	PROJECT END - 1987	1987	J. J. J.	
9	PROJECT BEGIN - 1987	1987	J. J. J.	
10	PROJECT END - 1987	1987	J. J. J.	

NO.	DESCRIPTION	DATE	BY	REVISION
1	PROJECT BEGIN - 1987	1987	J. J. J.	
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3	PROJECT BEGIN - 1987	1987	J. J. J.	
4	PROJECT END - 1987	1987	J. J. J.	
5	PROJECT BEGIN - 1987	1987	J. J. J.	
6	PROJECT END - 1987	1987	J. J. J.	
7	PROJECT BEGIN - 1987	1987	J. J. J.	
8	PROJECT END - 1987	1987	J. J. J.	
9	PROJECT BEGIN - 1987	1987	J. J. J.	
10	PROJECT END - 1987	1987	J. J. J.	

SURVEY

1 Ordinance No. 6-720.2
2 City of Homer, Alaska

3 AN ORDINANCE OF THE CITY OF HOMER, ALASKA, PROVIDING FOR THE
4 CONTROL OF EXCAVATION OR REMOVAL OF GRAVEL, GRAVEL FILL OR FILL
5 MATERIAL FROM BEACHES AND OTHER AREAS WITHIN THE CITY OF HOMER:
6 PERMITS: GUIDELINES: REVIEW: PENALTIES: DEFINITIONS.

7 THE CITY OF HOMER ORDAINS.....

8 SECTION 1. INTENT. It is the intent of this ordinance to protect
9 and preserve the stability of that land area known as the Homer
10 Spit and all the land areas within the corporate limits of the
11 City of Homer which may require like protection.

12 SECTION 2. REFERENCE TO MATERIALS PLAT; PERMITS. The removal or
13 excavation of gravel, gravel fill or other fill material from any
14 beach or from any portion of the Homer Spit shall be regulated by
15 the City. Reference shall be made in all cases to the Materials
16 Plat prepared jointly by the State Division of Lands and the U. S.
17 Corps of Engineers, which is available and may be examined during
18 business hours at the Homer City Hall. A permit shall be required
19 in the following instances:

- 20 1. Whenever gravel, gravel fill or other fill material is
21 removed from Homer Spit or from beaches elsewhere within
22 the corporate limits of said city.
- 23 2. Whenever such materials are removed or excavated from any
24 naturally created berm area, or from any berm area
25 created for the protection of said land areas.

26 SECTION 2. GUIDELINES. Any applicant for a permit shall comply
27 with the following:

- 28 1. Permits shall be issued pursuant to guidelines formulated
29 by the State Division of Lands and the U. S. Corps of
30 Engineers, as referred to by the above-mentioned Materials
31 Plat. Such guidelines may be altered from time to time
32 by the Division of Lands and the Corps of Engineers as
additional data is received by these agencies.
- 33 2. No permits shall be issued for excavation or removal of
34 gravel or fill materials from area "A" as designated on
35 the above-mentioned plat prior to review and approval of
36 the permit application by the Corps of Engineers and the
37 Division of Lands.
- 38 3. Permits may be issued by the City for such excavation or
39 removal from areas "B" and "C" as designated on said
40 plat, without review and approval of the permit applica-
41 tion by the Corps of Engineers or the Division of Lands.
- 42 4. No permit will be issued for the excavation or removal
43 of gravel, gravel fill or other fill materials from any
44 area other than areas "A", "B" and "C" as designated on
45 said materials plat.
- 46 5. All permit applications required under this ordinance
47 shall be accompanied by a site plan showing the precise
48 location and dimensions of the proposed excavation or
49 removal in reasonably sufficient detail, including
50 depth, and stating the amount of material to be excavated

1 or removed.

2 6. All applications required under this ordinance shall be
3 submitted to the City Clerk, City of Homer, together
4 with the requisite accompanying instruments, and a
5 permit fee of Five Dollars (\$5.00)

6 SECTION 3. EXCEPTIONS. No permit shall be required for excavation
7 necessary for the installation of sewage lines, water lines,
8 underground power lines, wells, oil and fuel tanks and related
9 lines and above ground power lines from any location other than a
10 berm area, provided such excavated material is not removed from
11 site of construction, nor shall a permit be required for clearing
12 or maintaining any public road.

13 SECTION 4. REVIEW. Any person whose application is denied shall
14 be entitled to a review of such denial by the City Council. A
15 request for review shall be in writing and submitted to the City
16 Clerk within ten days of such denial. The City Clerk shall,
17 whenever feasible, thereafter place the matter of review on the
18 agenda for the next regularly scheduled meeting of the City
19 Council, but in any event, such review shall not be later than
20 the second regularly scheduled meeting after such request is
21 received.

22 SECTION 5. NONLIABILITY. The City shall not be liable for
23 damages accruing as a result of any excavation or removal of
24 gravel, gravel fill or fill material pursuant to the issuance of
25 a permit under this ordinance.

26 SECTION 6. CONFORMANCE TO PERMIT REQUIRED. Any excavation or
27 removal of gravel, gravel fill or fill material except by permit
28 where required shall be considered a violation of this ordinance.

29 SECTION 7. PENALTIES. Every person convicted of a violation
30 of any provision of this ordinance shall be punished by a fine
31 of not more than Three Hundred Dollars (\$300.00) or by
32 imprisonment for not more than thirty (30) days, or both such
33 fine and imprisonment. Each act of violation and every day upon
34 which any such violation shall occur shall constitute a separate
35 offense.

36 SECTION 8. DEFINITIONS. The following words, when used in this
37 ordinance shall, for the purpose of this ordinance, have the
38 meanings respectively ascribed to them in this section.

39 EXCAVATION: The digging out and removal of gravel or
40 other fill materials whereby any existing surface
41 grade is altered or disturbed.

42 REMOVAL: The movement, by lifting, pushing aside or
43 taking away or off of any gravel or other fill
44 materials from any area subject to the provisions
45 of this ordinance.

1 First Reading Date: *NOVEMBER 8, 1965*
2 Second Reading Date: *NOVEMBER 22, 1965*
3 Passed and approved by the Common Council, City of Homer,
4 this *22nd* day of *NOVEMBER*, 1965.

5
6
7 _____ *11-23-65*
MAYOR DATE

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10 _____ *11-23-65*
CITY CLERK DATE

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CITY OF HOMER
HOMER, ALASKA

City Attorney

ORDINANCE 98-2(A)(S)(A)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
HOMER, ALASKA, AMENDING HOMER CITY CODE SECTION
19.12.050 EXCEPTIONS REGARDING EXCAVATION OF
HOMER SPIT BEACH.

THE CITY OF HOMER ORDAINS:

Section 1. That Homer City Code section 19.12.050, Exceptions, be amended to read as follows:

19.12.050. Exceptions: a. No permit shall be required for excavation necessary for the installation of sewage lines, water lines, underground power lines, wells, oil and fuel tanks and related lines and aboveground power lines from any location other than a berm area, provided such excavated material is not removed from site of construction, nor shall a permit be required for clearing or maintaining any public road.

b. This chapter shall not apply to the removal or excavation of gravel, gravel fill or other fill material from any beach or from any portion of the Homer Spit by the City of Homer.

Section 2. Homer City Code Section 19.12.040, guidelines, shall be amended to read as follows:

19.12.040. Guidelines. Any applicant for a permit shall comply with the following:

a. Permits shall be issued pursuant to guidelines formulated by the State Division of Lands and the U.S. Corps of Engineers, as referred to by the above-mentioned Materials Plat. Such guidelines may be altered from time to time by the Division of Lands and the Corps of Engineers as additional data is received by these agencies.

b. No permits shall be issued for excavation or removal of gravel or fill materials from area "A" as designated on the above-mentioned plat prior to review and approval of the permit application by the Corps of Engineers and the Division of Lands.

c. Permits may be issued by the City for such excavation or removal from areas "B" and "C" as designated on the plat, without review and approval of the permit application by the Corps of Engineers or the Division of Lands.

d. No permit will be issued by the City for such excavation or removal of gravel, gravel fill, or other fill materials from any area other than areas "A", "B" and "C" as designated on the materials plat.

e. All permit application required under this chapter shall be accompanied by a site plan showing the precise location and dimensions of the proposed excavation or removal in reasonably sufficient detail, including depth, and stating the amount of material to be excavated or removed.

5 f. All applications required under this chapter shall be submitted to the City Clerk, together
6 with the request accompanying instruments, and a permit fee of five dollars.

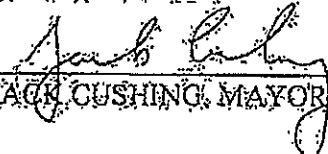
7 g. No permit shall be issued that will allow gravel, grave fill, or other fill materials to be
8 taken off the Homer Spit. Any such materials excavated or removed anywhere on the Homer Spit
9 shall be used only at another location on the Homer Spit.

10 h. Gravel for transshipment: Non-native gravel or other earthen commodities may be
11 shipped to the Homer spit, stored on the Spit, and exported from the Spit. Gravel for
12 transshipment must be permitted by the City of Homer. The permit shall describe the terms
13 and timelines of the transshipment and the volumes of materials involved.
14

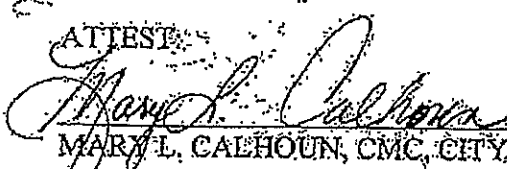
15 Section 3. This ordinance is of a permanent and general character and shall be included in
16 the City Code.

17
18 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this 23rd
19 day of February, 1998,
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21 CITY OF HOMER

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23
24 JACK CUSHING, MAYOR

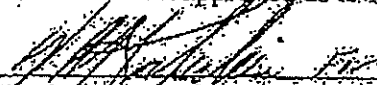
25 ATTEST:

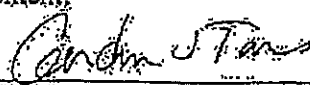
26 
27 MARY L. CALHOUN, CMC, CITY CLERK

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29 AYES: 4
30 NOES: 0
31 ABSENT: 2
32 ABSTAIN: 0
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49 First Reading: 01-26-98
50 Public Hearing: 02-09-98
51 Second Reading: 02-23-98
52 Effective date: 02-27-98
53

54 Reviewed and approved as to form and content:

55 
56 Patti J. Whalin, City Manager

57 

Gordon J. Tans, City Attorney

58 Date: 2-25-98

59 Date: 27 Feb 1998

60 Fiscal Note NA

Chapter 19.12 Excavation of Homer Spit Beach

Sections

- 19.12.010 Intent.
- 19.12.020 Definitions.
- 19.12.030 Reference to materials plat--Permits.
- 19.12.040 Guidelines.
- 19.12.050 Exceptions.
- 19-12.060 Review.
- 19.12.070 Nonliability.
- 19.12.080 Conformance to permit.
- 19.12.090 Driftwood Removal Prohibited.
- 19.12.100 Violation--Penalties.

19.12.010 Intent It is the intent of this chapter to protect and preserve the stability of that land area known as the Homer Spit and all the land areas within the corporate limits of the City which may require like protection. (Prior code 91-100.1).

19.12.020 Definitions. The following words, when used in this chapter, shall, for the purpose of this chapter, have the meanings respectively ascribed to them in this section:

- a. "Excavation" means the digging out and removal of gravel or other fill materials whereby any existing surface grade is altered or disturbed.
- b. "Removal" means the movement, by lifting, pushing aside or taking away or off of any gravel or other fill materials from any area subject to the provisions of this chapter. (Prior code 1-100.9)
- c. For the purposes of this chapter "beach area" shall include the zone of sand, gravel and other unconsolidated materials that extends landward from the low water line to the place where there is a marked change in material or physiographic form.
- d. "Berm" means a natural, linear mound or series of mounds of sand or gravel, or both generally paralleling the water at or landward of the line of ordinary high tide.
- e. "Storm berm" means a berm formed by the upper reach of storm wave surges or the highest tides. Storm berms generally include an accumulation of seaweed, driftwood, and other water-borne materials. A beach may have more than one storm berm. (Ord. 02-14(A)1, 2002; Prior code 1-100.9).

19.12.030 Reference to materials plat--Permits. The removal or excavation of gravel, gravel fill or other fill material from any beach or from any portion of the Homer Spit shall be regulated by the City. Reference shall be made in all cases to the Materials Plat prepared jointly by the State Division of Lands and the U. S. Corps of Engineers, which is available and may be examined during business hours at the Homer City Hall. A permit shall be required in the following instances:

- a. Whenever gravel, gravel fill or other fill material is removed from Homer Spit or from beaches elsewhere within the corporate limits, of the City;
- b. Whenever such materials are removed or excavated from any naturally created berm area, or from any berm area created for the protection of the land areas. (Prior code 1-100.2).

19.12.040 Guidelines. Any applicant for a permit shall comply with the following:

- a. Permits shall be issued pursuant to guidelines formulated by the State Division of Lands and the U.S. Corps of Engineers, as referred to by the above-mentioned Materials Plat. Such guidelines may be altered from time to time by the Division of Lands and the Corps of Engineers as additional data is received by these agencies.
- b. No permits shall be issued for excavation or removal of gravel or fill materials from area "A" as designated on the above-mentioned plat prior to review and approval of the permit application by the Corps of Engineers and the Division of Lands.
- c. Permits may be issued by the City for such excavation or removal from areas "B" and "C" as designated on the plat, without review and approval of the permit application by the Corps of Engineers or the Division of Lands.
- d. No permit will be issued by the City for such excavation or removal of gravel, gravel fill or other fill materials from any area other than areas "A", "B" and "C" as designated on the Materials Plat.
- e. All permit application required under this chapter shall be accompanied by a site plan showing the precise location and dimensions of the proposed excavation or removal in reasonably sufficient detail, including depth, and stating the amount of material to be excavated or removed.
- f. All applications required under this chapter shall be submitted to the City Clerk, together with the request accompanying instruments, and a permit fee of five dollars.
- g. No permit shall be issued that will allow gravel, gravel fill, or other fill materials to be taken off the Homer Spit. Any such materials excavated or removed anywhere on the Homer Spit shall be used only at another location on the Homer Spit.
- h. Gravel for transshipment: Non-native gravel or other earthen commodities may be shipped to the Homer spit, stored on the Spit, and exported from the Spit. Gravel for transshipment must be permitted by the City of Homer. The permit shall describe the terms and timelines of the transshipment and the volumes of materials involved. (Ord. 98-2(A)(S)(A) 2, 1998; prior code 1-100.3).

19.12.050 Exceptions. a. No permit shall be required for excavation necessary for the installation of

Title 19 Parks, Campgrounds and Public

- Chapter 19.02 Large Special Events
- Chapter 19.04 Cemetery
- Chapter 19.08 Campgrounds
- Chapter 19.12 Excavation of Homer Spit Beach
- Chapter 19.16 Vehicles on Homer Spit Beach

Upcoming City Meetings

City Council - Special Meeting
Tue, Jan 4th 5:30pm

Library Advisory Board
Tue, Jan 4th 6:00pm

Planning Commission
Worksession
Wed, Jan 5th 5:30pm

[View the full meeting schedule](#)

City Clerk's Office Events

City Offices Closed for
Presidents' Day
Mon, Feb 21st (All day)

City Offices Closed for
Seward's Day
Mon, Mar 28th (All day)

City Offices Closed for
Memorial Day
Mon, May 30th (All day)

City Offices Closed for
Independence Day
Mon, Jul 4th (All day)

City Offices Closed for Labor
Day
Mon, Sep 5th (All day)

[View all City Clerk's Office events](#)

Contact Information

Homer City Hall
491 East Pioneer Ave
Homer AK 99603

Phone:
907-235-3130
Email:
clerk@cl.homer.ak.us
Fax:
907-235-3143

Office Hours:
Monday through Friday
8am to 5pm

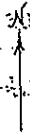
[CLICK HERE FOR FULL CONTACT INFO](#)

TOWN OF HOMER

BRIDGE CAKE

BRIDGE LOGGERS

Kashoemak Bay



EXPLANATION

- Sand
- Sea shells
- Medium size rounded gravel
- Cliffs
- Pointed shell, sea, coral, shells
- Point to Rock Edge
- Stone
- Seaweed

NEAR EDGE RECORD - FROM 1000 TO 10000
 DISTANCE AT DISTANCE OF 100 YDS

THIS TIDE GAUGE - FROM 1000 TO 10000
 DISTANCE AT DISTANCE OF 100 YDS

SPHERICAL AREA - FROM 1000 TO 10000
 DISTANCE AT DISTANCE OF 100 YDS



NOTE
 THIS MAP WAS MADE BY THE U.S. GEOLOGICAL SURVEY
 AND IS NOT TO BE USED FOR ANY OTHER PURPOSE
 WITHOUT THE WRITTEN PERMISSION OF THE DIRECTOR

ORDINANCE REFERENCE SHEET
2011 ORDINANCE
ORDINANCE 11-10

An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$11,000 from the General Fund for the Purchase and Installation of New Data Collection and Management Software for the City Hall Servers.

Sponsor: City Manager

1. City Council Regular Meeting February 28, 2011 Introduction
 - a. Memorandum 11-027 from Systems Manager as backup
2. City Council Regular Meeting March 14, 2011 Public Hearing and Second Reading
 - a. Memorandum 11-027 from Systems Manager as backup

CITY OF HOMER
HOMER, ALASKA

City Manager

ORDINANCE 11-10

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING THE FY 2011 OPERATING BUDGET BY APPROPRIATING \$11,000 FROM THE GENERAL FUND FOR THE PURCHASE AND INSTALLATION OF NEW DATA COLLECTION AND MANAGEMENT SOFTWARE FOR THE CITY HALL SERVERS.

WHEREAS, For the preservation of all City documents, databases, emails, and user information on City servers it is necessary for IT Systems to maintain data collection and management software; and

WHEREAS, The IT Systems request an appropriation from the General Fund for the purchase and installation of new updated data collection and management software for the City Hall servers to sustain the added components to the IT System.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 2011 Operating Budget by appropriating \$11,000 from the General Fund for the purchase and installation of new data collection and management software for the City Hall servers.

Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
100.140.5231	Data Collection and Management Software	\$11,000

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

ENACTED BY THE HOMER CITY COUNCIL this ____ day of _____, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

YES:

NO:

ABSENT:

ABSTAIN:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Walt Wrede, City Manager

Thomas F. Klinkner, City Attorney

Date: _____

Date: _____

MEMORANDUM 11-027

TO: CITY MANAGER WRÉDE
FROM: STEVE BAMBAKIDIS, SYSTEMS MANAGER
DATE: FEBRUARY 23, 2011
SUBJECT: BACKUP SOFTWARE FOR CITY HALL

SCB

The City of Homer has employed Symantec Backup Exec Software over the past 10 years to manage, backup and restore all City documents, databases, emails, and user information on all City of Homer Servers. The revision of software that we had been running up to this point is version 10D, which was dated from 2004. The model of licensing of the software required a license for each resource that was being backed up e.g. if we were backing up a total of 3 Microsoft SQL databases, we would need 3 Symantec 'Agent for SQL' backup licenses. At the time, we paid over 10,000 for the software, and it has served us well, and there has been little impetus to upgrade the software since it worked for our purposes. However, over the past year, as we have upgraded other components of our IT system, such as installing a new Microsoft Windows 2008 Server with SQL 2008R2 for Clarity, the backup software has been unable to backup these 'newer' resources since the technology used for the newer resources is dramatically different. As a result, there have been some 'holes' in our backup strategy which, **though we have worked around them**, have not given us the same level of security and safeguards that we had prior.

The IT department proposes therefore upgrading our Backup Exec Software to the latest version, as well as all applicable Agent Licenses, which would put us on Symantec Backup Exec 2010. Notably, this upgrade would allow us to:

- Backup all resources automatically, and put into place policies which would notify IT staff of any errors detected in backup jobs
- Allow us to backup and seamlessly restore all Microsoft SQL databases (Clarity, CMI, Blackberry Services), Oracle Databases, and Microsoft Exchange Email Services
- Allow us to backup and seamlessly restore all VoIP Phone servers (used for all incoming and outgoing telephone communications)
- Enable a higher level of monitoring of backup progress, and granular restoration (e.g. be able to restore a single email in a single users inbox, as opposed to a whole inbox)
- Allow files to be backed up on newer resources even if they are open or in use (e.g. if a word document is open on a users computer overnight, it will still get backed up)
- Allow up to 60% faster backups vs. the older version (a complete backup job of all resources on the old system would begin on Friday at 5PM and end on Monday at 7AM). In testing, the newer system began at 5PM and would be done by Saturday 11PM.
- Faster restoration of any all data using Hard Disk based backup vs. older DAT or DLT tape backups which have limited storage and lifetime usability (tape gets stretched over time, hard disks do not, and there is more storage capacity available on a hard disk)
- Allow access to support from Symantec if there are any problems with the software. Currently since the software is out of support, we are on our own if something does not work correctly.

ORDINANCE(S)

CITY MANAGER'S REPORT

MANAGERS REPORT
March 14, 2011

TO: MAYOR HORNADAY / HOMER CITY COUNCIL

FROM: WALT WREDE *W. Wrede*

UPDATES / FOLLOW-UP

1. Fire Training Facility: Attached is a report from Chief Painter which discusses training at this facility and other training and drills that HVFD has or will be participating in.
2. Bridge Creek Fire Mitigation Project: This project is moving ahead. The Borough has been advertising for bids and the deadline was March 8. The City has reviewed and submitted comments on the ITB (Invitation to Bid). The ITB incorporates the conditions and stipulations contained in the CUP approved by the Planning Commission. The CUP is attached as an addendum and the ITB states that if there are conflicts between the ITB and/or the contract and the CUP, the CUP will prevail. The Borough is advertising for bids for the mechanized work only at this time. Another ITB will go out in April for the hand felling work. After a successful bidder is selected, the next important step is for the contractor to submit an operations plan. That plan will contain some of the important details such as where the access points will be and where refueling will occur. The operations plan must be approved by the Borough and the City before a contract can be signed.
3. Staff Turnover: I have completed the process of reviewing applications and interviewing candidates for the Personnel Director position. I have offered the job to a very qualified local candidate and she has accepted. She will begin work on April 4th which will give her almost a full month working with Sheri before she departs. The closing date for applications for the Library Director position is Thursday, the 10th. At this point, I am optimistic that we will receive interest from good candidates.
4. Potential Cuts to Borough College Funding: You may already be aware that Mayor Carey has proposed eliminating Borough funding for the college system on the Peninsula. He has also proposed eliminating tuition waivers for Peninsula residents. One of the primary stated reasons for proposing this is that the Borough needs money for the Homer landfill project. The voters authorized the Borough to contribute up to one tenth of a Mil to the college system back in 1990. This year the Borough contributed \$637,570 to the University system. Of that amount, \$194,800 or about 31% came to the Kachemak Bay Campus here in Homer. Carol Swartz, the local campus director reports that if eliminated, this funding would directly affect core services such as GED programs, the college library, tutoring, student advisors, testing, and more. It is my understanding that the City of Kenai has already adopted a resolution opposing this proposal and other Cities in the Borough are considering doing the same. Supporting the local college campus is a

big part of the City Comprehensive Plan and the College is a significant part of the local economy. It is my understanding that Council member Roberts will be sponsoring a resolution.

5. City Hall Expansion / Renovation: The Task Force, the Public Works Director, and the contractors are working very hard to keep us on the ambitious construction schedule established by the Council. At the last Task Force meeting, Carey, the contractor, and the architect presented revised floor plans and an updated 10% project budget. Additional funds will be needed to do some basic energy efficiency work, address some of issues identified by the UAA architects, and take care of issues already identified such as carpet replacement. All of this additional work is pretty basic and would be for the existing building. This agenda contains a resolution sponsored by Council Member Wythe which asks Council to conceptually approve the use of existing depreciation funds for these purposes. She will speak to her resolution.
6. Energy Efficiency: The contract with has been signed with Siemens. The scope of work has been amended with respect to the high mast lights. We are now planning to do a demonstration project on one pole to see how things work based upon new information received by the staff. For example, we would like to see how the loss of lumens affects overall light coverage at the port and harbor, the visual differences between the new "white" light and the old light folks are used to, the actual energy savings, the cost and amount of labor necessary to replace these bulbs more often, and the impact on "broadcast light" to other areas of town. The contract is written so that we can come back and replace all of the bulbs later if desired. The advantage to this approach is that we get some of our questions answered before we spend a whole bunch of money (This is a big ticket item). The downside is that there may be a delay before we start realizing the savings predicted.
7. SB 37: Attached is a copy of SB 37. I testified in favor of this bill at the Senate Transportation Committee hearing on Tuesday. This bill has very broad support from AML, to the Mining Association, the State Chamber of Commerce, the Truckers Association, and the Alaska General Contractors. Alaska is the only state in the union that does not have its own fund to build new transportation infrastructure and repair what it has. We rely totally on the Feds (except for maintenance and operations, which is also underfunded) and we all know those days are going away. This bill would provide seed money for such a fund, make earnings of the fund available, and add money from gas tax receipts and driver license receipts. Having a state transportation fund and not relying solely on the Federal government could have bid benefits for some of Homer's priorities that never seen to quite make the STIP List; such as Main Street. Linda and Yuri may have more to say about this bill in their report. I am also pretty familiar with the bill and could take questions if you have them. This bill appears to have some momentum behind it and a resolution from the Council might not be a bad idea as it works its way to the Finance Committees and eventually the Governor.
8. Contracts, Contracts: Carey and Bryan are working hard to get jobs out on the street using money that Council approved or received. The past two weeks have seen a flurry of bid opening and at this meeting, Council will be asked to award

contracts for a wide variety of projects from demolition of the old water treatment plant to refurbishing a crane at the Fish Dock.

9. Audit: The City Auditors are here for the two weeks beginning March 7. The Finance Department staff have been working very hard the past month or so preparing for the audit. They are really busy right now so if you ask for information from Finance and it takes a little while to get to you, you will know the reason why. The audit is several weeks early this year but that is probably good for a variety of reasons, including the fact that we will have updated and audited water and sewer, HAWSP, and water and sewer debt numbers as we go into the new rate setting process this Spring.
10. Alaska Association of Harbor Masters and Port Administrators Here: Bryan Hawkins is doing his part to boost the local economy. He has convinced his professional association to hold its annual meeting in Homer this year. The meeting will take place on October 10 through 14 and 50 to 100 people are expected, not including family and friends that may come along. This could be a shot in the arm for local businesses such as hotels, restaurants, galleries, water taxis, etc.
11. Other Port and Harbor News: The Port and Harbor Commission has approved a long term parking plan that includes annual permits. This is something that has been discussed for quite some time. Probably at the next meeting, the Council will see a resolution for consideration that approves the parking plan and establishes a new fee for annual permits. Bryan has been in discussion with the owners of the jack-up drilling rig that may be doing future work in Cook Inlet. The company needs dock space to do some retrofitting and other work prior to deploying in the Inlet. Discussions about permits and the type of work anticipated are on-going. This is potentially a big money maker for the enterprise fund.

ATTACHMENTS

1. March Employee Anniversaries
2. Memorandum from Fire Chief
3. SB 37



City of Homer

Memorandum

To: Mayor Hornaday and Homer City Council
From: Walt Wrede, City Manager *W. Wrede*
Date: March 4, 2011
Re: March Employee Anniversaries

I want to thank the following employees for the dedication and service they have provided the City and taxpayers of Homer over the years. Each of these employees will have an anniversary this month.

Steve Bambakidis, Administration	11 Years
Matt Clarke, Port and Harbor	10 Years
Mitch Hrachiar, Public Works	10 Years
Gary Richardson, Public Works	7 Years
Elton Anderson, Port and Harbor	5 Years
Renee Krause, Clerks	4 Years

Memo

To: Walt Wrede, City Manager *W. Wrede*

From: Bob Painter, Fire Chief

CC:

Date: March 8, 2011

Re: Fire Department Activities

Items of interest. First March 12 (Saturday) we are conducting the "Train-the-Trainer" course for the Fire Training System located on the Homer Spit. A company provided instructor will be here to train our fire department instructors and officers about the features of the system. We have invited officers and instructors from other Peninsula departments to take part in this exercise so that this resource can be a truly shared benefit to all the area.

Our Emergency Medical Technician-2 class finished the end of February with 5 students graduating. Four students successfully passed the State Practical Exams and took their State Written Exams for certification (one student had a schedule conflict and will test at a later date). We hope that the State EMS Office in Juneau will have their test results and certifications back by the end of March.

The Coast Guard conducted a preliminary workshop on "Mass Rescue Operations" on March 8, 2011. It is their desire to work with the City of Homer and other local agencies to develop an Annex to the Homer Emergency Operation Plan to incorporate Mass Rescue. They are willing to help with the plan development and are conducting similar workshops for all coastal communities that are potential "Reception" centers for maritime passengers being rescued/evacuated from vessels. They hope that we can have a draft plan by the beginning of May.

There is a Special Tsunami Warning Test scheduled for March 23rd that will happen between 9:45 AM and 10:00 AM. This test is being conducted by the National Weather Service and State Homeland Security and Emergency Management. The KPB OEM is hoping to work with us to provide some community outreach prior to the test and is spearheading the public service announcements informing the public of the test. We are working with the OEM to make sure all local news outlets are informed of the test.

SENATE BILL NO. 37

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR THOMAS

Introduced: 1/19/11

Referred: Transportation, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the transportation infrastructure fund, to local public
2 transportation, to motor fuel taxes, and to the motor vehicle registration fee; and
3 providing for an effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 LEGISLATIVE INTENT. It is the intent of the legislature that \$1,000,000,000 be
8 appropriated to the transportation infrastructure fund on establishment of the fund.

9 * Sec. 2. AS 28.10.421(g) is amended to read:

10 (g) The fees collected by the department under this section shall be deposited
11 in the general fund. The fees collected by the department under (b), (c), (e), (h),
12 and (i) of this section shall be deposited into the transportation infrastructure
13 fund established in AS 37.14.850. The Department of Administration shall separately
14 account for three percent of the fees collected under (d) and (f) of this section and

1 deposited in the general fund. The annual estimated balance in the account may be
 2 used by the legislature to make appropriations for administration of AS 28.10.021(a)
 3 and AS 28.22 (Alaska Mandatory Automobile Insurance Act).

4 * Sec. 3. AS 37.14 is amended by adding new sections to read:

5 **Article 10. Transportation Infrastructure Fund.**

6 **Sec. 37.14.850. Transportation infrastructure fund.** (a) A transportation
 7 infrastructure fund is established as a special fund in the general fund. The fund
 8 consists of

9 (1) revenue received from any state tax on fuel used for the propulsion
 10 of motor vehicles and aircraft, less refunds, credits, and collection costs as provided by
 11 law;

12 (2) revenue received from a registration fee levied for a motor vehicle
 13 that is not a special registration fee; and

14 (3) other appropriations to the fund.

15 (b) The commissioner of revenue shall manage the fund as an endowment,
 16 with the goal that the purchasing power of the fund will not diminish over time
 17 without regard to additional contributions that may be made to the fund. The
 18 commissioner shall invest the assets of the fund in a manner likely to yield at least a
 19 six percent real rate of return over time.

20 (c) Money remaining in the fund at the end of a fiscal year does not lapse and
 21 remains available for investment and appropriation in successive fiscal years.

22 (d) Nothing in this section creates a dedicated fund.

23 **Sec. 37.14.860. Use of the fund.** (a) On or before October 1 of each year, the
 24 commissioner of revenue shall prepare a report for the legislature that identifies that
 25 amount defined as six percent of the average of the market values of the assets of the
 26 fund on June 30 for the five fiscal years immediately preceding the fiscal year in
 27 which the report is prepared.

28 (b) The legislature may appropriate the amount identified in (a) of this section
 29 for capital projects for transportation and related facilities. An appropriation from the
 30 fund may not be made to a project for which federal money has been allocated unless
 31 the appropriation is for matching money for the project and the amount of all

1 appropriations from the fund to match federal money does not exceed 10 percent of
2 the total amount available for appropriation from the fund.

3 (c) Notwithstanding (b) of this section, the legislature may appropriate from
4 the fund for any public purpose.

5 **Sec. 37.14.870. Market value of the fund.** The Department of Revenue shall
6 determine the market value of the fund on the close of business on June 30 of each
7 year in accordance with generally accepted accounting principles for the determination
8 of fair value.

9 **Sec. 37.14.880. Powers and duties of the commissioner of revenue.** In
10 carrying out the investment duties under AS 37.14.850 - 37.14.899, the commissioner
11 of revenue has the powers and duties set out in AS 37.10.071. Not later than the 10th
12 day following the convening of each regular session of the legislature, the
13 commissioner of revenue shall make available a report to the legislature on the
14 condition and investment performance of the fund.

15 **Sec. 37.14.890. Transportation Infrastructure Fund Advisory Council.** (a)
16 The Transportation Infrastructure Fund Advisory Council is established and consists
17 of eight members as follows:

- 18 (1) the chair of the House Transportation Committee;
19 (2) the chair of the Senate Transportation Committee;
20 (3) the commissioner of transportation and public facilities, or the
21 commissioner's designee;
22 (4) four members of the public, each from a different judicial district
23 as described in AS 22.10.010 and appointed by the governor to staggered four-year
24 terms; and
25 (5) one public member appointed by the governor to a four-year term.

26 (b) A member of the council appointed under (a) of this section serves without
27 compensation but is entitled to travel and per diem expenses as provided in
28 AS 39.20.180.

29 (c) Using the criteria developed by the Department of Transportation and
30 Public Facilities under AS 44.42.020(a)(17), the advisory council shall submit a report
31 to the legislature not later than December 31 of each year making recommendations

1 regarding which capital projects for transportation and related facilities should be
2 funded by the legislature from the fund.

3 **Sec. 37.14.899. Definition.** In AS 37.14.850 - 37.14.899, "fund" means the
4 transportation infrastructure fund established in AS 37.14.850.

5 * **Sec. 4.** AS 43.40.010(e) is amended to read:

6 (e) Sixty percent of the proceeds of the revenue from the taxes on aviation
7 fuel, excluding the amount determined to have been spent by the state in its collection,
8 shall be refunded to a municipality owning and operating or leasing and operating an
9 airport in the proportion that the revenue was collected at the municipal airport. All
10 other proceeds of the taxes on aviation fuel shall be deposited into the
11 transportation infrastructure fund established in AS 37.14.850 [PAID INTO A
12 SPECIAL AVIATION FUEL TAX ACCOUNT IN THE STATE GENERAL FUND.
13 THE LEGISLATURE MAY APPROPRIATE FUNDS FROM THIS ACCOUNT
14 FOR AVIATION FACILITIES].

15 * **Sec. 5.** AS 43.40.010(h) is amended to read:

16 (h) Except as provided in (f) of this section, all [ALL] motor fuel tax
17 receipts shall be deposited into [PAID INTO] the transportation infrastructure
18 fund established in AS 37.14.850 [GENERAL FUND AND DISTRIBUTED TO
19 THE PROPER ACCOUNTS IN THE GENERAL FUND]. Valid motor fuel tax
20 refund claims shall be paid from the transportation infrastructure fund
21 [HIGHWAY FUEL TAX ACCOUNT IN THE GENERAL FUND].

22 * **Sec. 6.** AS 43.40.030(a) is amended to read:

23 (a) A [EXCEPT AS SPECIFIED IN AS 43.40.010(j), A] person who uses
24 motor fuel to operate an internal combustion engine is entitled to a refund of six cents
25 a gallon if

26 (1) the tax on the motor fuel has been paid;

27 (2) the motor fuel is not aviation fuel, or motor fuel used in or on
28 watercraft; and

29 (3) the internal combustion engine is not used in or in conjunction with
30 a motor vehicle licensed to be operated on public ways.

31 * **Sec. 7.** AS 43.40.070 is amended to read:

1 **Sec. 43.40.070. Refund warrants.** Upon approval of a refund claim by the
2 department, a disbursement shall be made from the transportation infrastructure
3 fund [HIGHWAY FUEL TAX ACCOUNT IN THE GENERAL FUND] in favor of
4 the applicant in the amount of the claim.

5 * **Sec. 8.** AS 44.42.020(a) is amended to read:

6 (a) The department shall

7 (1) plan, design, construct, and maintain all state modes of
8 transportation and transportation facilities and all docks, floats, breakwaters, buildings,
9 and similar facilities;

10 (2) study existing transportation modes and facilities in the state to
11 determine how they might be improved or whether they should continue to be
12 maintained;

13 (3) study alternative means of improving transportation in the state
14 with regard to the economic costs of each alternative and its environmental and social
15 effects;

16 (4) develop a comprehensive, long-range, intermodal transportation
17 plan for the state;

18 (5) study alternatives to existing modes of transportation in urban areas
19 and develop plans to improve urban transportation;

20 (6) cooperate and coordinate with and enter into agreements with
21 federal, state, and local government agencies and private organizations and persons in
22 exercising its powers and duties;

23 (7) manage, operate, and maintain state transportation facilities and all
24 docks, floats, breakwaters, and buildings, including all state highways, vessels,
25 railroads, pipelines, airports, and aviation facilities;

26 (8) study alternative means of transportation in the state, considering
27 the economic, social, and environmental effects of each alternative;

28 (9) coordinate and develop state and regional transportation systems,
29 considering deletions, additions, and the absence of alterations;

30 (10) develop facility program plans for transportation and state
31 buildings, docks, and breakwaters required to implement the duties set out in this

1 section, including but not limited to functional performance criteria and schedules for
2 completion;

3 (11) supervise and maintain all state automotive and mechanical
4 equipment, aircraft, and vessels, except vessels and aircraft used by the Department of
5 Fish and Game or the Department of Public Safety; for state vehicles maintained by
6 the department, the department shall, every five years, evaluate the cost, efficiency,
7 and commercial availability of alternative fuels for automotive purposes, and the
8 purpose for which the vehicles are intended to be used, and convert vehicles to use
9 alternative fuels or purchase energy efficient vehicles whenever practicable; the
10 department may participate in joint ventures with public or private partners that will
11 foster the availability of alternative fuels for all automotive fuel consumers;

12 (12) supervise aeronautics inside the state, under AS 02.10;

13 (13) implement the safety and financial responsibility requirements for
14 air carriers under AS 02.40;

15 (14) inspect weights and measures;

16 (15) at least every four years, study alternatives available to finance
17 transportation systems in order to provide an adequate level of funding to sustain and
18 improve the state's transportation system;

19 (16) promote and support methods or modes of local public
20 transportation serving persons in various regions of the state;

21 (17) develop criteria for determining eligibility of projects for
22 funding and for evaluating projects for funding from the transportation
23 infrastructure fund that provide for a statewide balance of projects in both urban
24 and rural areas.

25 * Sec. 9. AS 44.62.175(a) is amended to read:

26 (a) The lieutenant governor shall develop and supervise the Alaska Online
27 Public Notice System, to be maintained on the state's site on the Internet. The
28 lieutenant governor shall prescribe the form of notices posted on the system by state
29 agencies. The Alaska Online Public Notice System must include

30 (1) notices of proposed actions given under AS 44.62.190(a);

31 (2) notices of state agency meetings required under AS 44.62.310(e),

1 even if the meeting has been held;

2 (3) notices of solicitations to bid issued under AS 36.30.130;

3 (4) notices of state agency requests for proposals issued under
4 AS 18.55.255, 18.55.320; AS 36.30.210; AS 37.05.316; and AS 38.05.120 [; AND
5 AS 43.40.010];

6 (5) executive orders and administrative orders issued by the governor;

7 (6) written delegations of authority made by the governor or the head
8 of a principal department under AS 44.17.010;

9 (7) the text or a summary of the text of a regulation or order of repeal
10 of a regulation for which notice is given under AS 44.62.190(a), including an
11 emergency regulation or repeal regardless of whether it has taken effect;

12 (8) notices required by AS 44.62.245(b) regarding an amended version
13 of a document or other material incorporated by reference in a regulation;

14 (9) a summary of the text of recently issued formal opinions and
15 memoranda of advice of the attorney general;

16 (10) a list of vacancies on boards, commissions, and other bodies
17 whose members are appointed by the governor; and

18 (11) in accordance with AS 39.52.240(h), advisory opinions of the
19 attorney general.

20 * Sec. 10. AS 43.40.010(g) and 43.40.010(j) are repealed.

21 * Sec. 11. The uncodified law of the State of Alaska is amended by adding a new section to
22 read:

23 TRANSITION. Notwithstanding AS 37.14.850 - 37.14.899, as enacted by sec. 3 of
24 this Act, the commissioner of revenue shall calculate average transportation infrastructure
25 fund values in the years 2013 through 2017 as follows:

26 (1) the commissioner of revenue shall prepare a report to the legislature on or
27 before October 1, 2012, identifying that amount defined as five percent of the market value of
28 the transportation infrastructure fund on July 1, 2012; the amount is available for
29 appropriation during the First Regular Session of the Twenty-Eighth Alaska State Legislature
30 under AS 37.14.860(b), enacted by sec. 3 of this Act;

31 (2) for average transportation infrastructure fund value calculations for 2014

1 through 2017, on or before October 1, 2013, and on or before October 1 in subsequent years
2 through October 2016, the commissioner of revenue shall prepare a report to the legislature
3 that identifies that amount defined as five percent of the average of the market values of the
4 assets of the transportation infrastructure fund on July 1, 2013, and on June 30 of each
5 subsequent year, as identified in the reports required by this paragraph; the amounts are
6 available for appropriation during the respective regular sessions of the Alaska State
7 Legislature under AS 37.14.860(b), enacted by sec. 3 of this Act.

8 * Sec. 12. The uncodified law of the State of Alaska is amended by adding a new section to
9 read:

10 INITIAL APPOINTMENTS AND TERMS. Notwithstanding AS 37.14.890(a), as
11 enacted by sec. 3 of this Act, the terms of the first public members of the Transportation
12 Infrastructure Fund Advisory Council appointed by the governor under AS 37.14.890(a)(4),
13 as enacted by sec. 3 of this Act, are as follows: (1) one member shall be appointed for a four-
14 year term; (2) one member shall be appointed for a three-year term; (3) one member shall be
15 appointed for a two-year term; and (4) one member shall be appointed for a one-year term.
16 The governor shall specify the term of office of each member appointed subject to this
17 section.

18 * Sec. 13. AS 44.42.020(a)(16), enacted by sec. 8 of this Act, takes effect immediately
19 under AS 01.10.070(c).

20 * Sec. 14. Except as provided in sec. 13 of this Act, this Act takes effect July 1, 2011.

CITY ATTORNEY REPORT

COMMITTEE REPORT(S)

PENDING BUSINESS

ORDINANCE REFERENCE SHEET
2011 ORDINANCE
ORDINANCE 11-03

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.03.040, Definitions Used in Zoning Code; Homer City Code 21.12.020, Rural Residential (RR), Permitted Uses and Structures; Homer City Code 21.14.020, Urban Residential (UR), Permitted Uses and Structures; and Homer City Code 21.16.020, Residential Office (RO), Permitted Uses and Structures; and Homer City Code 21.61.060, Termination of Nonconforming Use or Structure; Regarding the Accessory Use of Storage in Residential Zoning Districts.

Sponsor: Planning

1. City Council Regular Meeting February 15, 2011 Introduction
 - a. Memorandum 11-017 from City Planner as backup
 - b. Draft ordinance
 - c. Staff Report PL 11-02, 10-113, & 10-96 with minutes of January 5, 2011, December 1, 2010, & October 6, 2010

2. City Council Regular Meeting February 28, 2011 Public Hearing and Second Reading
 - a. Memorandum 11-017 from City Planner as backup
 - b. Draft ordinance
 - c. Staff Report PL 11-02, 10-113, & 10-96 with minutes of January 5, 2011, December 1, 2010, & October 6, 2010

3. City Council Regular Meeting March 14, 2011 Second Reading
 - a. Memorandum 11-037 from City Planner as backup
 - b. Memorandum 11-017 from City Planner as backup
 - c. Draft ordinance
 - d. Staff Report PL 11-02, 10-113, & 10-96 with minutes of January 5, 2011, December 1, 2010, & October 6, 2010
 - e. Written public comment

ORDINANCE REFERENCE SHEET
2011 ORDINANCE
ORDINANCE 11-03

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.03.040, Definitions Used in Zoning Code; Homer City Code 21.12.020, Rural Residential (RR), Permitted Uses and Structures; Homer City Code 21.14.020, Urban Residential (UR), Permitted Uses and Structures; and Homer City Code 21.16.020, Residential Office (RO), Permitted Uses and Structures; and Homer City Code 21.61.060, Termination of Nonconforming Use or Structure; Regarding the Accessory Use of Storage in Residential Zoning Districts.

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 - e. Written public comment

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**CITY OF HOMER
HOMER, ALASKA**

Planning

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ORDINANCE 11-03

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING HOMER CITY CODE 21.03.040, DEFINITIONS USED IN ZONING CODE; HOMER CITY CODE 21.12.020, RURAL RESIDENTIAL (RR), PERMITTED USES AND STRUCTURES; HOMER CITY CODE 21.14.020, URBAN RESIDENTIAL (UR), PERMITTED USES AND STRUCTURES; AND HOMER CITY CODE 21.16.020, RESIDENTIAL OFFICE (RO), PERMITTED USES AND STRUCTURES; AND HOMER CITY CODE 21.61.060, TERMINATION OF NONCONFORMING USE OR STRUCTURE; REGARDING THE ACCESSORY USE OF STORAGE IN RESIDENTIAL ZONING DISTRICTS.

THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 21.03.040, Definitions used in zoning code, is amended to read as follows:

“*Motor vehicle*” means a vehicle which is self-propelled except a vehicle moved by human or animal power.

“*Vehicle*” means a device in, upon, or by which a person or property may be transported or drawn upon or immediately over a highway or vehicular way or area; “vehicle” does not include (i) devices used exclusively on stationary rails or tracks; or (ii) mobile homes.

Section 2. Homer City Code 21.12.020, Permitted uses and structures, is amended to read as follows:

21.12.020 Permitted uses and structures. The following uses are permitted outright in the rural residential district:

- a. Single family dwelling.
- b. Duplex dwelling.
- c. Multiple-family dwelling, only if the structure conforms to HCC § 21.14.040(a)(2).
- d. Public parks and playgrounds;
- e. Rooming house and bed and breakfast;
- f. Home occupations, provided they conform to the requirements of HCC § 21.51.010;
- g. Agricultural activities, including general farming, truck farming, livestock farming, nurseries, and greenhouses provided that:
 1. Other than normal household pets, no poultry or livestock may be housed and no fenced runs may be located within one hundred feet of any residence other than the dwelling on the same lot,

- 47 2. No retail or wholesale business sales office is maintained on the premises;
- 48 h. Private stables;
- 49 i. Private floatplane tie-down as an accessory use incidental to residential use;
- 50 j. ~~Storage of personal commercial fishing gear in a safe and orderly manner and~~
51 ~~separated by at least five feet from any property line as an accessory use incidental to residential~~
52 ~~use;~~
- 53 jk. As an accessory use incidental to a principal residential use, the private outdoor
54 ~~storage of noncommercial equipment, including noncommercial trucks, boats, and not more than~~
55 ~~one recreational vehicle in a safe and orderly manner~~ **occupying an area not exceeding 1500**
56 **square feet**, and separated by at least five feet from any property line, **of any of the following:**
57 ~~provided no stored equipment, boat or vehicle exceeds 36 feet in length;~~
- 58 1. **commercial fishing gear.**
- 59 2. **not more than five motor vehicles, including not more than one**
60 **recreational vehicle, owned by a person who resides on the lot. A motor vehicle is stored if**
61 **it is not moved for at least 240 consecutive days.**
- 62 3. **noncommercial equipment, including noncommercial boats and boat**
63 **trailers, owned by a person who resides on the lot, but excluding motor vehicles, provided**
64 **no stored equipment or boat exceeds 36 feet in length.**
- 65 k. As an accessory use incidental to residential use, the private outdoor storage of
66 noncommercial equipment, including noncommercial trucks, boats, and not more than one
67 recreational vehicle in a safe and orderly manner and separated by at least five feet from any
68 property line, provided no stored equipment, boat or vehicle exceeds 36 feet in length;
- 69 l. Other customary accessory uses incidental to any of the permitted uses lists in the
70 RR district, provided that no separate permit shall be issued for the construction of any detached
71 accessory building prior to that of the main building.
- 72 m. Temporary (seasonal) roadside stands for the sale of produce grown on the
73 premises;
- 74 n. Mobile homes, subject to the requirements of HCC § 21.54.060.
- 75 o. Day care homes; provided, however, that outdoor play areas must be fenced.
- 76 p. Recreational vehicles, subject to the requirements of HCC § 21.54.320.
- 77 q. Open space, but not including outdoor recreational facilities described in HCC §
78 21.12.030.
- 79 r. As an accessory use, one small wind energy system per lot having a rated capacity
80 not exceeding 10 kilowatts.

81
82 Section 3. Homer City Code 21.14.020, Permitted uses and structures, is amended to
83 read as follows:

84
85 21.14.020 Permitted uses and structures. The following uses are permitted outright in the
86 urban residential district:

- 87 a. Single-family dwelling, excluding mobile home.
- 88 b. Duplex dwelling, excluding mobile home.

[Bold and underlined added. Deleted language stricken through.]

89 c. Multiple-family dwelling, only if the structure conforms to HCC §
90 21.14.040(a)(2) and excluding mobile home.

91 d. Public parks and playgrounds;

92 e. Home occupations, provided they conform to the requirements of HCC §
93 21.51.010

94 f. Rooming house and bed and breakfast;

95 g. Private floatplane tie-up facility as an accessory use incidentally to residential
96 use;

97 ~~h. As an accessory use incidental to residential use, storage of personal commercial~~
98 ~~fishing gear in a safe orderly manner and separated by at least five feet from any property line;~~

99 ~~hi. As an accessory use incidental to a principal residential use, the private outdoor~~
100 ~~storage of noncommercial equipment, including noncommercial trucks, boats, and not more than~~
101 ~~one recreational vehicle in a safe and orderly manner occupying an area not exceeding 1500~~
102 ~~square feet, and separated by at least five feet from any property line, of any of the following:~~
103 ~~provided no stored equipment, boat or vehicle exceeds 36 feet in length;~~

104 ~~1. commercial fishing gear.~~

105 ~~2. not more than five stored motor vehicles, including not more than one~~
106 ~~recreational vehicle, owned by a person who resides on the lot. A motor vehicle is stored if~~
107 ~~it is not moved for at least 240 consecutive days.~~

108 ~~3. noncommercial equipment, including noncommercial boats and boat~~
109 ~~trailers, owned by a person who resides on the lot, but excluding motor vehicles, provided~~
110 ~~no stored equipment or boat exceeds 36 feet in length.~~

111 ~~ij. The outdoor harboring or keeping of dogs, small animals and fowl as an accessory~~
112 ~~to a residential use in a manner consistent with the requirements of all other provisions of the~~
113 ~~Homer City Code and as long as such animals are pets of the residents of the dwelling and their~~
114 ~~numbers are such as not to unreasonably annoy or disturb occupants of neighboring property;~~

115 ~~jk. Customary accessory uses to any of the permitted uses listed in the UR district,~~
116 ~~provided that no separate permit shall be issued for the construction of any detached accessory~~
117 ~~building prior to that of the main building.~~

118 ~~kl. Day care homes; provided, however, that outdoor play areas must be fenced.~~

119 ~~lm. Recreational vehicles, subject to the standards set out in HCC § 21.54.320.~~

120 ~~mn. Open space, not including outdoor recreational facilities.~~

121 ~~no. Public schools and private schools.~~

122 ~~op. As an accessory use, one small wind energy system per lot having a rated capacity~~
123 ~~not exceeding 10 kilowatts.~~

124
125 Section 4. Homer City Code 21.16.020, Permitted uses and structures, is amended to
126 read as follows:

127
128 21.16.020 Permitted uses and structures. The following uses are permitted outright in the
129 residential office district:

130 a. Single-family and duplex dwelling, excluding mobile homes;

[Bold and underlined added. Deleted language stricken through.]

- 131 b. Multiple family dwelling, provided the structure conforms to HCC §
132 21.14.040(a)(2) and excluding mobile homes;
- 133 c. Public parks and playgrounds;
- 134 d. Rooming house and bed and breakfast;
- 135 e. Home occupations; provided they conform to the requirements of HCC §
136 21.51.010;
- 137 f. Professional offices and general business offices;
- 138 g. Personal services;
- 139 h. Museums, libraries and similar institutions;
- 140 i. Nursing facilities, convalescent homes, homes for the aged, assisted living homes;
- 141 j. Religious, cultural and fraternal assembly;
- 142 k. ~~Storage of the occupant's personal commercial fishing gear in a safe and orderly~~
143 ~~manner and separated by at least five feet from any property line as an accessory use incidental~~
144 ~~to a permitted or conditionally permitted principal use;~~
- 145 ~~kl. As an accessory use incidental to a principal permitted or conditionally~~
146 ~~permitted use, the private outdoor exterior storage of the occupant's personal noncommercial~~
147 ~~equipment, including noncommercial trucks, boats, campers and not more than one recreational~~
148 ~~vehicle in a safe and orderly manner occupying an area not exceeding 1500 square feet, and~~
149 ~~separated by at least five feet from any property line, as an accessory use incidental to a~~
150 ~~permitted or conditionally permitted principal use of any of the following: provided no stored~~
151 ~~equipment, boat or vehicle exceeds 36 feet in length;~~
- 152 1. commercial fishing gear.
- 153 2. not more than five motor vehicles, including not more than one
154 recreational vehicle, owned by a person who resides on the lot. A motor vehicle is stored if
155 it is not moved for at least 240 consecutive days.
- 156 3. noncommercial equipment, including noncommercial boats and boat
157 trailers, owned by a person who resides on the lot, but excluding motor vehicles, provided
158 no stored equipment or boat exceeds 36 feet in length.
- 159 ~~lm.~~ Other customary accessory uses to any of the permitted uses listed in the
160 residential office district; provided that no separate permit shall be issued for the construction of
161 any detached accessory building prior to that of the main building.
- 162 ~~mn.~~ The outdoor harboring or keeping of dogs, small animals and fowl as an accessory
163 use in a manner consistent with the requirements of the Homer City Code and as long as such
164 animals are kept as pets and their numbers are such as not to unreasonably annoy or disturb
165 occupants of neighboring property;
- 166 ~~ne.~~ Day care homes; provided, however, that outdoor play areas must be fenced.
- 167 ~~op.~~ Recreational vehicles, subject to the standards set out in HCC § 21.54.320.
- 168 ~~pe.~~ As an accessory use, one small wind energy system per lot having a rated capacity
169 not exceeding 10 kilowatts.

170
171 Section 5. Homer City Code 21.61.060, Termination of nonconforming use or structure,
172 is amended to read as follows:

[Bold and underlined added. Deleted language stricken through.]

173 21.61.060 Termination of nonconforming use or structure. a. The right to continue a
174 nonconforming use or structure previously approved under this chapter is subject to termination
175 by the Commission if it finds, after providing the property owner notice and an opportunity to be
176 heard at a public hearing, that

177 1a. in the case of a nonconforming structure, it has subsequently been
178 abandoned or brought into conformity with the Homer Zoning Code, or

179 2b. in the case of a nonconforming use, the use has subsequently been
180 abandoned, changed, discontinued, or ceases to be the primary use of a lot.

181 b. The right to continue a nonconforming storage use in the rural residential,
182 urban residential or residential office districts shall terminate after one year.

183
184 Section 6. This Ordinance is of a permanent and general character and shall be included
185 in the City Code.

186
187 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
188 _____ 2010.

189
190 CITY OF HOMER

191
192
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194 _____
195 JAMES C. HORNADAY, MAYOR

196 ATTEST:

197
198
199
200 _____
201 JO JOHNSON, CMC, CITY CLERK

202
203
204 YES:

205 NO:

206 ABSTAIN:

207 ABSENT:

208
209
210
211 First Reading:

212 Public Hearing:

213 Second Reading:

214 Effective Date:

[Bold and underlined added. Deleted language stricken through.]

215 Reviewed and approved as to form:

216

217

218

219 Walt E. Wrede, City Manager

220

221 Date: _____

Thomas F. Klinkner, City Attorney

Date: _____

[Bold and underlined added. Deleted language stricken through.]



City of Homer
Planning & Zoning
491 East Pioneer Avenue
Homer, Alaska 99603-7645

Telephone (907) 235-3106
Fax (907) 235-3118
E-mail Planning@ci.homer.ak.us
Web Site www.ci.homer.ak.us

MEMORANDUM 11-037

TO: MAYOR HORNADAY AND HOMER CITY COUNCIL
WALT WREDE, CITY MANAGER

FROM: RICK ABOUD, CITY PLANNER

DATE: March 4, 2011

SUBJECT: Ordinance 11-03, Amending Definitions in Zoning Code

RE: Clarification

Due to public testimony at the February 28th City Council Meeting, this item was amended and reconsidered. The intent of the ordinance is to simplify enforcement and make it much easier to determine if a violation has occurred. I wish to further clarify some concepts of the ordinance including the issue it is designed to address, the changes that are suggested, explanation of the provision of termination, and an estimation on the amount of parcels it would affect.

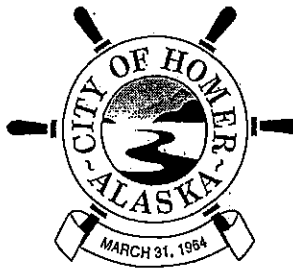
The primary purpose of the ordinance is the creation of a tool to better clarify and address the storage of 'dead' vehicles. Currently, junk vehicles are not allowed to be stored in any of the districts in question. Junk vehicles include those that are "wrecked, scrapped, partially or fully dismantled ..." (not too difficult to determine) or those that are "inoperable" (could be difficult to determine). So instead of gaining a warrant and sending a mechanic out to a site to determine if a vehicle is actually inoperable, it was thought to have an easily identifiable standard to determine if the vehicles (up to five) are in compliance. All that has to be done to refute the claim is for the vehicles in question to move within 240 days.

This ordinance does not change what can be currently stored outside, only how much is acceptable. Current code addresses outdoor storage of "commercial fishing gear, **noncommercial** equipment including **noncommercial** trucks, boats, and not more than one recreational vehicle... provided no stored equipment, boat or vehicle exceeds 36 feet in length." All of this is currently allowed as private outdoor storage (reminder: junk is not allowed) and it was kept in the proposed code and would be regulated by the 1500 square foot allowance. To my knowledge, we have never had a compliant and not enforced anything related to the "accessory" private outdoor storage commercial fishing gear or fishing boats.

It was recommended that the grandfather provision of outdoor storage be terminated after one year. Our attorney is scheduled to be present and should be able to further clarify this provision. My take on this provision is that it is inherently difficult to establish a nonconformity of this sort (what type of documentation is available?). It also seems quite problematic to apply standards of the continuation of a nonconforming use which include provisions that, among other things (HCC 21.61.040), "*No nonconforming use shall be moved in whole or in part to any other portion of the lot that was not*

occupied by the nonconforming use as of the date it became nonconforming” and “If at any time a nonconforming use is abandoned, changed, discontinued, or ceases to be the primary use of a lot, the use of that lot shall thereafter conform to the code provisions applicable in the zone in which the lot is located, and the nonconforming use shall not thereafter be resumed or allowed to continue.” A few issues that come to mind is the consequence of moving or changing the storage, especially when expanding and the fact that storage of this sort is never going to be the primary use of the lot. Again perhaps the attorney will comment on this.

Finally, this ordinance as presented only affects a small amount of properties (perhaps less than half a dozen). 1500 feet is as large as or larger than the average house footprint. Storage encompassing an area greater than the existing house (principle use) would technically make storage the principle use and then would be outside of the provision of code to lawfully continue. This ordinance was intended to maintain the integrity of the residential neighborhoods as suggested in the newly adopted comprehensive plan. If the primary concern is the effect of this ordinance on the annexed areas, I would recommend passage as presented except to exclude the Rural Residential District where one would expect to find all of the area subjected to annexation in this ordinance and much larger lots. The higher density areas of the Urban Residential and Residential Office District would be well served by such an ordinance and all of the proposed provisions.



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Web Site www.ci.homer.ak.us

MEMORANDUM 11-017

TO: Mayor Hornaday and Homer City Council
THRU: Walt Wrede, City Manager
FROM: Rick Abboud City Planner
DATE: January 25, 2011
SUBJ: Draft Zoning Enforcement Ordinance

The Homer Planning Commission discussed the Draft Zoning Enforcement Ordinance at the meetings of October 6, 2010, December 1, 2010 and January 5, 2011.

Recommendation:

The commission moved to forward the draft ordinance zoning enforcement to city council and recommend adoption.

CITY OF HOMER
HOMER, ALASKA

Planning

ORDINANCE 10-

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING HOMER CITY CODE 21.03.040, DEFINITIONS USED IN ZONING CODE; HOMER CITY CODE 21.12.020, RURAL RESIDENTIAL (RR), PERMITTED USES AND STRUCTURES; HOMER CITY CODE 21.14.020, URBAN RESIDENTIAL (UR), PERMITTED USES AND STRUCTURES; AND HOMER CITY CODE 21.16.020, RESIDENTIAL OFFICE (RO), PERMITTED USES AND STRUCTURES; AND HOMER CITY CODE 21.61.060, TERMINATION OF NONCONFORMING USE OR STRUCTURE; REGARDING THE ACCESSORY USE OF STORAGE IN RESIDENTIAL ZONING DISTRICTS.

THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 21.03.040, Definitions used in zoning code, is amended to read as follows:

“Motor vehicle” means a vehicle which is self-propelled except a vehicle moved by human or animal power.

“Vehicle” means a device in, upon, or by which a person or property may be transported or drawn upon or immediately over a highway or vehicular way or area; “vehicle” does not include (i) devices used exclusively on stationary rails or tracks; or (ii) mobile homes.

Section 2. Homer City Code 21.12.020, Permitted uses and structures, is amended to read as follows:

21.12.020 Permitted uses and structures. The following uses are permitted outright in the rural residential district:

- a. Single family dwelling.
- b. Duplex dwelling.
- c. Multiple-family dwelling, only if the structure conforms to HCC § 21.14.040(a)(2).
- d. Public parks and playgrounds;
- e. Rooming house and bed and breakfast;
- f. Home occupations, provided they conform to the requirements of HCC § 21.51.010;
- g. Agricultural activities, including general farming, truck farming, livestock farming, nurseries, and greenhouses provided that:

[Bold and underlined added. Deleted language stricken through.]

45 1. Other than normal household pets, no poultry or livestock may be housed
 46 and no fenced runs may be located within one hundred feet of any residence other than the
 47 dwelling on the same lot,

48 2. No retail or wholesale business sales office is maintained on the premises;

49 h. Private stables;

50 i. Private floatplane tie-down as an accessory use incidental to residential use;

51 ~~j. Storage of personal commercial fishing gear in a safe and orderly manner and~~
 52 ~~separated by at least five feet from any property line as an accessory use incidental to residential~~
 53 ~~use;~~

54 k. As an accessory use incidental to a principal residential use, the private outdoor
 55 storage of noncommercial equipment, including noncommercial trucks, boats, and not more than
 56 ~~one recreational vehicle~~ in a safe and orderly manner occupying an area not exceeding 1500
 57 square feet, and separated by at least five feet from any property line, of any of the following:
 58 ~~provided no stored equipment, boat or vehicle exceeds 36 feet in length;~~

59 1. commercial fishing gear.

60 2. not more than five motor vehicles, including not more than one
 61 recreational vehicle, owned by a person who resides on the lot. A motor vehicle is stored if
 62 it is not moved for at least 240 consecutive days.

63 3. noncommercial equipment, including noncommercial boats and boat
 64 trailers, owned by a person who resides on the lot, but excluding motor vehicles, provided
 65 no stored equipment or boat exceeds 36 feet in length.

66 k. As an accessory use incidental to residential use, the private outdoor storage of
 67 noncommercial equipment, including noncommercial trucks, boats, and not more than one
 68 recreational vehicle in a safe and orderly manner and separated by at least five feet from any
 69 property line, provided no stored equipment, boat or vehicle exceeds 36 feet in length;

70 l. Other customary accessory uses incidental to any of the permitted uses lists in the
 71 RR district, provided that no separate permit shall be issued for the construction of any detached
 72 accessory building prior to that of the main building.

73 m. Temporary (seasonal) roadside stands for the sale of produce grown on the
 74 premises;

75 n. Mobile homes, subject to the requirements of HCC § 21.54.060.

76 o. Day care homes; provided, however, that outdoor play areas must be fenced.

77 p. Recreational vehicles, subject to the requirements of HCC § 21.54.320.

78 q. Open space, but not including outdoor recreational facilities described in HCC §
 79 21.12.030.

80 r. As an accessory use, one small wind energy system per lot having a rated capacity
 81 not exceeding 10 kilowatts.

82
 83 Section 3. Homer City Code 21.14.020, Permitted uses and structures, is amended to
 84 read as follows:

85
 86 21.14.020 Permitted uses and structures. The following uses are permitted outright in the urban
 87 residential district:

88 a. Single-family dwelling, excluding mobile home.

[Bold and underlined added. Deleted language stricken through.]

- 89 b. Duplex dwelling, excluding mobile home.
- 90 c. Multiple-family dwelling, only if the structure conforms to HCC §
- 91 21.14.040(a)(2) and excluding mobile home.
- 92 d. Public parks and playgrounds;
- 93 e. Home occupations, provided they conform to the requirements of HCC §
- 94 21.51.010
- 95 f. Rooming house and bed and breakfast;
- 96 g. Private floatplane tie-up facility as an accessory use incidentally to residential
- 97 use;
- 98 h. ~~As an accessory use incidental to residential use, storage of personal commercial~~
- 99 ~~fishing gear in a safe orderly manner and separated by at least five feet from any property line;~~
- 100 i. As an accessory use ~~incidental to~~ **a principal** residential use, the private outdoor
- 101 ~~storage of noncommercial equipment, including noncommercial trucks, boats, and not more than~~
- 102 ~~one recreational vehicle in a safe and orderly manner~~ **occupying an area not exceeding 1500**
- 103 **square feet, and separated by at least five feet from any property line, of any of the following:**
- 104 ~~provided no stored equipment, boat or vehicle exceeds 36 feet in length;~~
- 105 **1. commercial fishing gear.**
- 106 **2. not more than five stored motor vehicles, including not more than one**
- 107 **recreational vehicle, owned by a person who resides on the lot. A motor vehicle is stored if**
- 108 **it is not moved for at least 240 consecutive days.**
- 109 **3. noncommercial equipment, including noncommercial boats and boat**
- 110 **trailers, owned by a person who resides on the lot, but excluding motor vehicles, provided**
- 111 **no stored equipment or boat exceeds 36 feet in length.**
- 112 j. The outdoor harboring or keeping of dogs, small animals and fowl as an accessory
- 113 to a residential use in a manner consistent with the requirements of all other provisions of the
- 114 Homer City Code and as long as such animals are pets of the residents of the dwelling and their
- 115 numbers are such as not to unreasonably annoy or disturb occupants of neighboring property;
- 116 k. Customary accessory uses to any of the permitted uses listed in the UR district,
- 117 provided that no separate permit shall be issued for the construction of any detached accessory
- 118 building prior to that of the main building.
- 119 l. Day care homes; provided, however, that outdoor play areas must be fenced.
- 120 m. Recreational vehicles, subject to the standards set out in HCC § 21.54.320.
- 121 n. Open space, not including outdoor recreational facilities.
- 122 o. Public schools and private schools.
- 123 p. As an accessory use, one small wind energy system per lot having a rated capacity
- 124 not exceeding 10 kilowatts.

125
 126 Section 4. Homer City Code 21.16.020, Permitted uses and structures, is amended to
 127 read as follows:

128
 129 21.16.020 Permitted uses and structures. The following uses are permitted outright in the
 130 residential office district:

- 131 a. Single-family and duplex dwelling, excluding mobile homes;

[Bold and underlined added. Deleted language stricken through.]

- 132 b. Multiple family dwelling, provided the structure conforms to HCC §
 133 21.14.040(a)(2) and excluding mobile homes;
- 134 c. Public parks and playgrounds;
- 135 d. Rooming house and bed and breakfast;
- 136 e. Home occupations; provided they conform to the requirements of HCC §
 137 21.51.010;
- 138 f. Professional offices and general business offices;
- 139 g. Personal services;
- 140 h. Museums, libraries and similar institutions;
- 141 i. Nursing facilities, convalescent homes, homes for the aged, assisted living homes;
- 142 j. Religious, cultural and fraternal assembly;
- 143 k. ~~Storage of the occupant's personal commercial fishing gear in a safe and orderly~~
 144 ~~manner and separated by at least five feet from any property line as an accessory use incidental~~
 145 ~~to a permitted or conditionally permitted principal use;~~
- 146 l. As an accessory use incidental to a principal permitted or conditionally
 147 permitted use, the private outdoor exterior storage of the occupant's personal noncommercial
 148 equipment, including noncommercial trucks, boats, campers and not more than one recreational
 149 vehicle in a safe and orderly manner occupying an area not exceeding 1500 square feet, and
 150 separated by at least five feet from any property line, as an accessory use incidental to a
 151 permitted or conditionally permitted principal use of any of the following: provided no stored
 152 equipment, boat or vehicle exceeds 36 feet in length;
- 153 1. commercial fishing gear.
- 154 2. not more than five motor vehicles, including not more than one
 155 recreational vehicle, owned by a person who resides on the lot. A motor vehicle is stored if
 156 it is not moved for at least 240 consecutive days.
- 157 3. noncommercial equipment, including noncommercial boats and boat
 158 trailers, owned by a person who resides on the lot, but excluding motor vehicles, provided
 159 no stored equipment or boat exceeds 36 feet in length.
- 160 m. Other customary accessory uses to any of the permitted uses listed in the
 161 residential office district; provided that no separate permit shall be issued for the construction of
 162 any detached accessory building prior to that of the main building.
- 163 n. The outdoor harboring or keeping of dogs, small animals and fowl as an accessory
 164 use in a manner consistent with the requirements of the Homer City Code and as long as such
 165 animals are kept as pets and their numbers are such as not to unreasonably annoy or disturb
 166 occupants of neighboring property;
- 167 o. Day care homes; provided, however, that outdoor play areas must be fenced.
- 168 p. Recreational vehicles, subject to the standards set out in HCC § 21.54.320.
- 169 q. As an accessory use, one small wind energy system per lot having a rated capacity
 170 not exceeding 10 kilowatts.

171
 172 Section 5. Homer City Code 21.61.060, Termination of nonconforming use or structure,
 173 is amended to read as follows:
 174

[Bold and underlined added. Deleted language stricken through.]

175 21.61.060 Termination of nonconforming use or structure. a. The right to continue a
176 nonconforming use or structure previously approved under this chapter is subject to termination
177 by the Commission if it finds, after providing the property owner notice and an opportunity to be
178 heard at a public hearing, that

179 1a. in the case of a nonconforming structure, it has subsequently been
180 abandoned or brought into conformity with the Homer Zoning Code, or

181 2b. in the case of a nonconforming use, the use has subsequently been
182 abandoned, changed, discontinued, or ceases to be the primary use of a lot.

183 b. The right to continue a nonconforming storage use in the rural residential,
184 urban residential or residential office districts shall terminate after one year.

185
186 Section 6. This Ordinance is of a permanent and general character and shall be included
187 in the City Code.

188
189 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
190 _____ 2010.

191
192 CITY OF HOMER

193
194
195
196 _____
197 JAMES C. HORNADAY, MAYOR

198 ATTEST:

199
200
201 _____
202 JO JOHNSON, CMC, CITY CLERK

- 203
- 204 YES:
- 205 NO:
- 206 ABSTAIN:
- 207 ABSENT:
- 208
- 209 First Reading:
- 210 Public Hearing:
- 211 Second Reading:
- 212 Effective Date:

213
214
215 Reviewed and approved as to form:

216
217
218 _____
[Bold and underlined added. Deleted language stricken through.]

219 Walt E. Wrede, City Manager
220 Date: _____

Thomas F. Klinkner, City Attorney
Date: _____

[Bold and underlined added. Deleted language ~~stricken through.~~]



**City of Homer
Planning & Zoning**

491 East Pioneer Avenue
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STAFF REPORT PL 11-02

TO: Homer Advisory Planning Commission
FROM: Rick Abboud, City Planner
MEETING: January 5, 2011
SUBJECT: Staff Report PL 11-01, Draft Zoning Enforcement Ordinance

The zoning enforcement ordinance is returned for public hearing as requested. No changes have been made to the ordinance since the Planning Commission last looked at it in December.

Recommendation

Receive public comments and recommend that it be forwarded to City Council for adoption.

HOMER ADVISORY PLANNING COMMISSION
REGULAR MEETING MINUTES
JANUARY 5, 2010

Commission may question the public. Once the public hearing is closed the Commission cannot hear additional comments on the topic. The applicant is not held to the 3 minute time limit.

A. Staff Report PL 11-02 Draft Ordinance Zoning Enforcement

City Planner Abboud reviewed the staff report. He referenced a lay down letter in support of the draft ordinance.

Patricia Wallace, city resident, said she has lived on Rochelle Road for 19 years and lived Homer 27 years. Off and on in her neighborhood there have been a lot of junk vehicles and just plain clutter and garbage type junk in people's yards. There is still some, but it certainly is getting better. It is very disgusting and hazardous. Homer is a beautiful place, let's take some pride in it and get rid of the eyesores. She would like to thank the people in her neighborhood who have done just that and others in the community who have participated in getting rid of some of this stuff. She thanked the City for helping financially to get rid of abandoned and junk vehicles. She agrees with the 1500 square feet of storage for 2 drivable vehicles, one recreational, one boat less than 36 feet, one work truck, plus 200 square feet for miscellaneous storage. That seems more than fair. If someone needs more storage, they can go rent it. A neighborhood is just that, not a place to accumulate junk and vehicles that don't run or boats that never see the water.

There were no further comments and Chair Minsch closed the public hearing.

KRANICH/HIGHLAND MOVED TO BRING THE DRAFT ORDINANCE TO THE FLOOR FOR DISCUSSION AND POSSIBLE AMENDMENT.

Commissioner Kranich commented that this has been discussed several times at the Commission level and it has been refined to where it should work for most people.

Regarding enforcement, there was discussion that it should be identifiable if a vehicle sits longer than the number of days allowed. It was clarified that line 182 refers to one year after adoption of the ordinance. It was noted that the commercial districts are not included as they have different provisions than the residential chapters, and City Planner Abboud said he could provide the Commission with a better explanation at another time.

KRANICH/DOLMA MOVED TO FORWARD THE DRAFT ORDINANCE ZONING ENFORCEMENT TO CITY COUNCIL AND RECOMMEND ADOPTION.

There was no further discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

B. Staff Report PL 10-111 Draft Ordinance Amending the City of Homer Comprehensive Plan to Include the Homer Spit Comprehensive Plan and Recommending Adoption to the Kenai Peninsula Borough

City Planner Abboud reviewed the staff report.

Chair Minsch opened the Public Hearing.



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STAFF REPORT PL 10-113

TO: Homer Advisory Planning Commission
THROUGH: Rick Abboud, City Planner
FROM: Dotti Harness-Foster, Planning Technician
MEETING: December 1, 2010
SUBJECT: Storage in UR, RR, RO & Nonconforming (Outdoor Storage)

Introduction

In the City's efforts to meet the intention of residential zoning districts, the City has found that enforcing excessive outdoor storage is problematic. If complaints are a gauge to what is *not acceptable*, it is parcels that have more than six vehicles and that have the appearance of a "continual garage sale." Currently, Homer City Code burdens the City with proving that items stored outside are "incidental to the residential use" and to demonstrate that a vehicle is "inoperable." This draft ordinance eliminates these subjective determinations.

Purpose of the residential districts

The purpose of the residential districts is to provide a sound environment and the preserve and enhance the residential qualities.

Staff interprets that *excessive* outdoor storage *does not* provide a sound environment or preserve and enhance the residential qualities of the neighborhood.

Applicable Comprehensive Plan Goals for residential districts: Chapter 4, Land Use

- Goal 2: Maintain the quality of Homer's natural environment and scenic beauty.
- Goal 3: Encourage high-quality buildings and site development that complement Homer's beautiful natural setting.
- Goal 5: Maintain high-quality residential neighborhoods; promote housing choice by supporting a variety of dwelling options.

Draft ordinance

This draft ordinance also eliminates the subjective determination of "orderly manner" and "incidental to residential use" and "operable" vehicle by setting a maximum area for outdoor stage.

Based on work sessions conversations staff has increased the area for outdoor storage coverage to a maximum of 1,500 square feet. The maximum of 1,500 square feet provides for what some people consider “typical Homer storage:”

- 400 sf for two vehicles (Snowbirds may need to store two vehicles for eight months, or 240 days)
- 300 sf for one Recreational Vehicle
- 360 sf for one boat (boats less than 36 ft in length)
- 200 sf for one work truck
- 200 misc. storage
1,460 total coverage

Line 41. Let’s assume that the average single-family residence has an approximate footprint of 1,500 sf. When the outdoor storage area exceeds 1,500 sf the “principal residential use” of the property is questionable and overtaken by outdoor storage. ⁱ

Line 44. Outdoor storage “as an accessory use incidental to residential use...” Incidental use begins to conflict with the purpose of both residential and business districts when it dominates the use of the property. If “incidental” is one that is “minor in relation to the primary use” then 1,500 sf seems a Homer typical benchmark.ⁱ

Line 46-47. Staff recommends eliminating references to ownership of commercial fishing gear. Proving ownership of fishing gear is burdensome and the line between commercial and noncommercial boats is thin.

The work session conversation also explored amending the ordinance to include the Central Business District (CBD). Currently, storage in the CBD is limited to “enclosed buildings” per HCC 21.18.020(k)(v) and HCC 21.18.030(i). Extending this draft ordinance into CBD would conflict with the above code citations and the Community Design Manual. Therefore, staff does not recommend extending the draft ordinance into the CBD.

Other communities

As foreclosures increase, some communities have adopted the International Property Maintenance Code which “governs the minimum conditions and the responsibilities of persons for maintenance of structures.” In particular, the 2003 IPMC does not allow the storage of inoperative or unlicensed motor vehicles (IPMC 302.8). Properties shall be free from any accumulation of rubbish or garbage (IPMC 307.1).

Juneau *Junkyard* means a lot or portion thereof, where junk is bought, sold, exchanged, scrapped, baled, cleaned, packed, disassembled, handled or stored. The term “junkyard” also includes auto-wrecking yards, house-wrecking yards, used-lumber yards, and **any storage of junk occupying more than 200 square feet** outside an enclosed building. JCC 49.80.

Portland Disabled vehicles. No storage of a disabled vehicles **for more than 7 days unless the vehicle is enclosed within a legally permitted building** or unless it is stored by a

licensed business enterprise dealing in junked vehicles lawfully conducted within the City. PCC 29.20.010 Outdoor Maintenance Requirements.

Remove unless specifically authorized by ordinance to do otherwise:

1. Accumulations of wood pallets.
2. All firewood that is not stacked and useable.
3. Accumulations of vehicle parts or tires.
4. All construction materials except those that are stored in a manner to protect their utility and prevent deterioration...
5. All appliances or appliance parts except for storage of appliances that are reasonably expected to be used at the site and are stored in a manner to protect their utility and prevent deterioration.
6. All indoor furniture except that which is stored in a manner to protect its utility and prevent deterioration and is reasonably expected to be used at the property.
7. All recycling materials except for reasonable accumulations (amounts consistent with a policy of regular removal) that are stored in a well-maintained manner.

Anchorage In 2004 Dykstr v. Municipality of Anchorage a Supreme Court case affirmed that car storage does not meet the purpose of residential district (R-3 Multi-family). The brief notes that “two-and three-car families are commonplace.” “Uncommon extremes” violate the “accessory use customarily incidental to a residential neighborhood.”ⁱ

Junk means any worn-out, wrecked, scrapped, partially or fully dismantled, discarded tangible material, or combination of materials or items, including junk vehicles as defined in Section 15.20.010. Also included are machinery, metal, rags, rubber, paper, plastics, chemicals and building materials which cannot, without further alteration and reconditioning, be used for their original purpose. ACC 21.35 Definitions.

Junk vehicle means a vehicle that:

1. Is not currently registered....
2. Is stripped, wrecked or otherwise inoperable due to mechanical failure;
3. Has not been repaired because of mechanical difficulties or because the cost of repairs required to make it operable exceeds the fair market value of the vehicle; or
4. Is in a condition which exhibits more than one of the following elements:
 - a. Broken glass;
 - b. Missing wheels or tires;
 - c. Missing body panels or parts; or
 - d. Missing drive train parts

STAFF RECOMMENDS discuss changes presented by staff, amend if so desired and send to public hearing:

- Line 43-44 Amend the draft ordinance to allow private outdoor storage in safe and orderly manners occupying an area not **exceeding 1,500 square feet.**
- Line 46. Eliminate reference to ownership of commercial fishing gear. **commercial fishing gear owned by an occupant who is permitted to engage in commercial fishing under federal or state law.**
- Line 48. Increase the number of **stored** vehicles from **two to five vehicles** and allow storage for upto 240 consecutive days. **not more than ~~two~~ five stored motor vehicles owned by an occupant. A motor vehicle is stored if it is not moved for at least ~~30~~ 240 consecutive days.**
- Line 70-157 Clarify that the amendments represent all the residential zoning districts.

Attached: Draft ordinance

ⁱ Dykstra v. Municipality of Anchorage (2004) <http://touchngo.com/sp/html/sp-5766.htm>

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

B. Staff Report PL 10-96, Draft Zoning Enforcement Ordinance

City Planner Abboud reviewed the staff report.

DRUHOT/KRANICH MOVED TO MOVE THIS ORDINANCE TO THE NEXT WORKSESSION.

Commissioner Druhot felt they need to have more discussion and review.

VOTE: NO: BOS, MINSCH, HIGHLAND, DRUHOT, VENUTI, KRANICH, DOLMA

Motion failed.

DRUHOT/BOS MOVED TO DISCUSS AND MAKE RECOMMENDATIONS.

There was no objection and discussion ensued.

It was noted that the goal of this ordinance is to maintain the integrity of residential neighborhoods, and to limit the number of cars stored on a residential lot. This ordinance only affects a small number of properties currently.

Some suggestions included:

- They have to be on a parking pad.
- They can't be placed in front of the house.
- More would be allowed if they are fenced in.
- There could be consideration of lot size to the number of vehicles.

There was discussion of the challenges of dealing with junk cars currently and the requirement to have someone who can come in and establish the vehicle is inoperable and having cooperation from the owner to have access to the vehicle.

Chair Minsch called for a short break at 8:15 p.m. The meeting resumed at 8:18 p.m.

BOS/DOLMA MOVED TO HAVE STAFF SCHEDULE THIS FOR A PUBLIC HEARING.

There was brief discussion about lot size.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

NEW BUSINESS

No New Business items were schedule.

INFORMATIONAL MATERIALS



City of Homer Planning & Zoning

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STAFF REPORT PL 10-96

TO: Homer Advisory Planning Commission
FROM: Rick Abboud, City Planner
MEETING: October 6, 2010
SUBJECT: Storage in UR, RR, RO & Nonconforming (Outdoor Storage)

Introduction

In our efforts to enforce nuisance property and facilitate of the removal of junk cars, we have found the code problematic in the way it deals with storage, especially junk cars.

Currently, by my interpretation, one of the ways to deal with removal of junk cars is under title 18 where it refers to abandon vehicles. If they are not abandoned, this is not too useful. The other way of going after this would be as junk, using the definition of junk vehicles. It is pretty much illegal to store dismantled vehicles, unless you are permitted as a junk yard, but many junkers may appear to be operable. It just too burdensome to investigate and prove that vehicles are inoperable in order to enforce regulations regards the storage of junk. In order to make it more understandable and enforceable, I suggest that we have some sort of limit on the number of vehicles or the space that they may occupy. I talked to the attorney to develop something more clear cut.

Attorney Comments

The attachment is the first of several documents that I will be working on to develop more effective methods of zoning enforcement. It establishes limitations on storage as an accessory use in residential zones. In particular, it limits the lot area that can be used for storage, requires that stored items be owned by an occupant of the property, limits the number of motor vehicles that can be stored, and limits the period during which nonconforming storage can be grandfathered.

The quantities used for these limitations are merely placeholders, which you and the Planning Commission may adjust to establish quantities that are reasonable for Homer.

Notable Changes

Line 41 removes terminology of "incidental" and further prescribes a "principle" residential use. Not much of a change other than possible narrowing down some possibilities (that I cannot seem to think of an example at this time – do we have the storage of things not incidental to the "primary" residential use?).

Lines 43 - 44 describe an area of not more than 400 square feet. This needs discussion. I do not believe that this number may be appropriate in all situations. Perhaps some number this small or a bit larger may be appropriate for an UR district but, maybe less reasonable for the larger lots found in RR?

Lines 46 – 52 further prescribes that commercial fishing gear is owned by an occupant who is permitted for such an activity, no storage for your buddies.

Not more than 2 “stored” vehicles (not moved for at least 30 days) allowed per property. Is this adequate for the snow birds? Two stored trucks approach 400 square feet.

The changes noted above are identical as written for UR, RR and RO districts.

Lines 170-171 nonconforming storage terminates after one year. Perhaps a date would be added after passage by the City Council.

Recommendation

Review and suggest date for public hearing(s) or schedule time for further review.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

PENDING BUSINESS

There were no pending business items on the agenda.

NEW BUSINESS

A. Staff Report PL 10-92, Draft Subdivision Code Amendment

City Planner Abboud reviewed the staff report.

KRANICH/HIGHLAND MOVED TO SCHEDULE THE SUBDIVISION ORDINANCE UNDER STAFF REPORT 101-92 FOR PUBLIC HEARING AT THE NEXT MEETING.

Commissioner Kranich explained that the Commission had good discussion at the worksession. The ordinance clarifies granting utility easements which has been ambiguous to the Commission in the past. There is information regarding the Non Motorized Transportation and Trails Plan he encouraged everyone review this to ensure it is correct. City Planner Abboud said he would distinguish what is the Planning Commissions work and what is the staff and attorneys work.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

B. Staff Report PL 10-97, Draft Sign Code Amendment

City Planner Abboud reviewed the staff report.

KRANICH/HIGHLAND MOVED TO POSTPONE ACTION AND SCHEDULE AT THE NEXT WORKSESSION AND NEXT MEETING AS AN ACTION ITEM.

It was noted that the next worksession is Commission training with the City Attorney so the Commission agreed to have it on the next available worksession.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

C. Staff Report PL 10-96, Draft Zoning Enforcement Ordinance (Outdoor Storage)

City Planner Abboud reviewed the staff report.

There was brief discussion about including commercial districts, provision for vehicles used for work, and if items can be concealed. It was suggested that seasonal use vehicles like tractors or snow plows can sit through the off season.

KRANICH/DOLMA MOVED TO POSTPONE THIS TO A WORKSESSION FOR FURTHER DISCUSSION.

City Planner Abboud noted that it will likely be December before it comes back.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

- A. City Manager's Report
- B. Eker Estates No. 3 Replat Preliminary Plat and Driveway Permit
- C. Hillstrand's Homestead Preliminary Plat, Excerpt from KPB September 27, 2010 packet
- D. Letter dated September 29, 2010 to James Dolma from Mayor Hornaday regarding appointment to the Homer Advisory Planning Commission

COMMENTS OF THE AUDIENCE

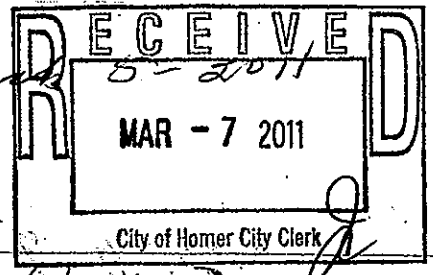
Members of the audience may address the Commission on any subject. (3 minute time limit)

Beau Burgess, city resident, thanked the Commission for taking more time to review the fine details of the steep slope and fill ordinances. He thinks there should be some attention to recourse of how to constructively use concrete and macro woody debris rather than seeing it in a land fill. On a humorous note, he said he does drive a small dump truck and parks it on his property.

Dr. Nancy Livingston, city resident, thanked the Commission for consideration of the fill ordinance and urged them to move something forward in a reasonable time frame and not stall indefinitely something that has been going on for a historical period of time. More complicatedly with the number of subdivisions in Homer the fact that those subdivisions have very small lots and anything done between two property owners on one common line not only affects the two property owners but also properties below them. Drainage down her lot line affects two houses below hers and the home adjacent to hers affects three. She was not afforded an opportunity of agreement with the common land owner but confronted with a situation that caused disastrous damage that should not have to happen to the 59 other homeowners in the subdivision. As it stands there is a total absence of this not recurring by not having any definition to the fill codes. She submits that there needs to be guidelines that are applicable to large and small estates and there needs to be some common base line that is more focused as opposed to just having a privilege for two people who share a common lot line and agree on their property. They can not mandate what happens on other adjoining properties and what might satisfy two may be very damaging to others. That being a given the Commission could consider a moratorium on subdivision or in real estate for selling these properties without people being forewarned through warning waiver and liability.

Scott Adams, city resident, advised the Commission that he was unaware of the CUP 10-08 at 5655 Scenic View Place. He said he is one of the affected land owners and he did not receive any notice about the proposed CUP. He questions where they propose to put the additional building because he thinks it will be on Skyline Drive, which affects his property because they abut a driveway to his property and that happened about 4 years ago. He has the property on Skyline and also on Scenic Place. He said he is not happy about this situation.

March 5 - 2011



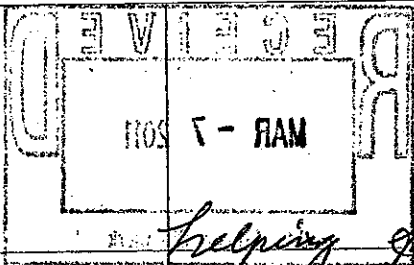
Hello City Council

My name is Patricia Waller. I live at 4767 Rockville Rd. Homer, AK. I've been at this same address on a home owner for 19 years. I've lived in Homer for a total of 27 years.

I've noticed through out the years in my neighborhood and other places in Homer there seem to be an on going problem. It's old junk vehicles and other assorted junk. Such as piles of (past its use) building materials, dead snow machines, dead tires, several wind shredder blue tarps still anchored here and there to something. The list goes on and on cluttering up the neighborhood. In some places it's getting better. And in some it's not. It's very disgusting and hazardous. Homer is a beautiful and special place. Let's show some pride in it. Let's get rid of these eye sores.

I truly want to say thank you to the people in my neighborhood who have done just that. And to others in different areas of the community who have as well.

Thank you City of Homer for



helping financially to get rid of
abandoned or just plain junk
vehicles. Keep up the good
work.

We need all the help we can
get to clean this place up.

This ordinance that's being
discussed tonight in regards to
this problem, I agree with
it and hope it will be
passed and enforced.

If a person needs more
storage for what they have
or accumulate, go rent it.

A neighborhood is just that,
not a place to have a lot
of assorted junk vehicles that
don't run or boats that never
see the water and other things.

We have visitors from all over
the world that come to see this
beautiful, special place, why
show them and us a
junk yard.

Come on lets let our
Pride show. After all, there is
only 1 Alaska.

If you have any questions
or comments, please give me
a call.

Thank you
Patricia Wallace
335-3754

Provided by City resident who
wishes to remain anonymous. ^{uj}

Vehicle Ordinance

~~Vehicle~~

- 1) Registered vehicle, running or in storage.
- 2) Antiques registered as
- 3) Junk- not running or registered

Ordinance

Vehicle left (for a certain amount of time, to be determined) Must have an environmental safe guards i.e. absorbent pads or drained to insure that motor oil, transmission fluid, battery acid rear end fluid and antifreeze don't contaminate ~~the environment~~ the environment.

Antiques registered vehicles, 1 time inspection and fee.

Junker vehicles not registered and or running will have to pay an inspection fee annual to insure that they have complied with the environmental ordinance.

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

RESOLUTION 11-023

A RESOLUTION OF THE HOMER CITY COUNCIL FINDING THE NEED TO CREATE THE KACHEMAK DRIVE PHASE TWO WATER AND SEWER LOCAL IMPROVEMENT DISTRICT, AND SCHEDULING A PUBLIC HEARING ON THE NECESSITY OF THE IMPROVEMENT AND PROPOSED IMPROVEMENT PLAN AT THE APRIL 11, 2011 REGULAR CITY COUNCIL MEETING.

WHEREAS, The City of Homer ("City") formed the Kachemak Drive Phase Two Water and Sewer Local Improvement District ("District") by the adoption of Resolution 05-81(S) on July 25, 2005; and

WHEREAS, The original engineer's estimate of the cost of constructing the improvements in the District was \$2,626,525, and the original petition to form the District was based on an estimated total project cost of \$3,277,953, of which 25% was to be paid by the Homer Accelerated Water and Sewer Program and 75% was to be paid by special assessments on benefited properties; and

WHEREAS, The solicitation of bids to construct the improvements in the District was delayed due to difficulties in easement acquisition and a lengthy environmental permitting process; and

WHEREAS, When bids to construct the improvements in the District were opened on October 7, 2010, the apparent lowest responsive bid exceeded 115% of the engineer's estimate, and the City rejected all bids; and

WHEREAS, The City has obtained an updated engineer's estimate of the cost of constructing the improvements of \$3,304,058, based on current construction costs and a redesign of some elements of the project, and an estimated total project cost of \$3,935,280; and

WHEREAS, The Council finds that the project continues to be necessary to the health, safety and welfare of residents of the District, and benefits the properties that are located in the District; and

WHEREAS, Under HCC 17.04.030(d), the Council may determine that an improvement is needed, and initiate a local improvement district by a resolution approved by a vote of not less than three-fourths of the Council.

NOW, THEREFORE, BE IT RESOLVED that the Council hereby finds the need to create the Kachemak Drive Phase Two Water and Sewer Local Improvement District, and that

on Monday, April 11, 2011 during the Regular City Council meeting that begins at 6:00 p.m. there shall be a public hearing on the necessity of the improvement and proposed improvement plan.

PASSED AND ADOPTED by the Homer City Council this 28th day of February, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Funded by the Homer Accelerated Water and Sewer Program: Water and Sewer total project cost estimate is \$3,935,280. 75% = \$2,951,460.04. Equal shares per parcel (87) = \$33,925.



CITY OF HOMER
PUBLIC WORKS
3575 HEATH STREET HOMER, AK 99603

TELEPHONE (907)235-3170
FACSIMILE (907)235-3145

MEMORANDUM 11-029

TO: Walt Wrede, City Manager

FROM: Carey Meyer, Public Works Director

DATE: February 23, 2011

RE: **Kachemak Drive (Phase II) Water and Sewer Improvements
Recommendation to Formally Adjust LID Costs**

In 2005, the Council approved the creation of a water and sewer LID for the above referenced project. The engineer's estimate for construction was \$2,626,525; total project costs were estimated to be \$3,277,953; and property owner's assessments were estimated to be \$28,586.80.

In 2010, the project was bid with an engineer's estimate of \$2,986,382; total project costs were estimated to be \$3,479,104; and property owner's assessments were estimated to be \$29,992.28. Unfortunately, the City was unable to award the project to the low bidder due to errors in the bid.

Public Works is preparing to bid the project again in the next few months. Based on bids received in 2010, The new engineer's estimate is \$3,304,058; the total project cost is estimated to be \$3,935,280; and property owner's assessments are now estimated to be \$33,924.83.

	Engineer's Estimate	Total Project	Proposed Assessment
Original 2005 LID	\$2,626,525	\$3,277,953	\$28,586.80
Revised in 2010	\$2,986,382	\$3,479,104	\$29,992.28
Proposed Revised 2011	\$3,304,058	\$3,935,280	\$33,924.83

In 2010, the City could have awarded the construction contract at the revised engineer's estimate, because it not greater than 15% of the original engineer's estimate. Although the plans now reflect some cost cutting measures; new Clean Water act requirements regarding storm water runoff from construction sites may increase costs of construction. Since it takes three and a half months to obtain property owners approval to award at more than 15% of the estimate, it makes sense to initiate the approval of property owners now so that we do not miss another summer construction season.

Recommendations: The City Council pass an resolution finding the need to adjust the LID project costs and formally initiating the public hearing process and non-objection period.

CITY OF HOMER
HOMER, ALASKA

City Clerk

RESOLUTION 05-81(S)

A RESOLUTION OF THE HOMER CITY COUNCIL AUTHORIZING FORMATION OF THE KACHEMAK DRIVE PHASE TWO WATER AND SEWER ASSESSMENT DISTRICT AT 75% PROPERTY OWNER SHARE OF ASSESSMENTS AND AUTHORIZING THE CITY MANAGER TO PROCEED WITH THE PREPARATION AND CONSTRUCTION OF THE KACHEMAK DRIVE PHASE TWO WATER AND SEWER PROJECT.

WHEREAS, The Kachemak Drive Phase II Water and Sewer District boundary contains lots fronting a portion of Kachemak Drive beginning at East End Road and ending at Campbell Lane and including portions of HK Davis, Moore Hoot, Norther Enterprises, Lee Cole, Seekins Replat, Uminski Addition, CR Hart and JO Campbell, Morris, Tyrer Halgens Survey, Harry Feyer, Mac Innes, and Rocky Point Subdivisions and Government Lots, and

WHEREAS, In compliance with Chapter 17, Improvement District, of the Homer City Code, the City Council of the City of Homer created the Kachemak Drive Phase Two Water and Sewer Local Improvement District (LID) on April 11, 2005 via Resolution 05-43 and a public hearing was held on May, 24, 2005; and

WHEREAS, Property owners were duly notified by certified/return receipt mailing of such hearing and legal notice of hearing being advertised in a local weekly newspaper for four consecutive publications; and

WHEREAS, The objection deadline for written protests was July 23, 2005 with the two exempted City Parcels being subtracted from the tally totals; and

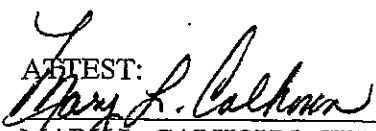
WHEREAS, Filed with the City Clerk are twenty [nineteen] written objections that equal \$571,736.00 [~~\$543,149.20~~] in assessments or 23.75% [~~22.62%~~]; four written non objections that equal \$114,347.20 in assessments or 4.76%, sixty one non responses that equal \$1,743,794.80 in assessments or 72.62%, there are ; and

WHEREAS, The estimated project cost is \$3,277,953.00 with 25% paid for by the Homer Accelerated Water and Sewer Program and 75% paid for by the property owners via the equal share per parcel methodology, equaling an approximate \$28,586.80 assessment per parcel.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska that the formation of the Kachemak Drive Phase Two Water and Sewer Assessment District is hereby authorized at 75% property owner share of the project, in equal shares per parcel, and that the City Manager is hereby authorized to proceed with the preparation and construction of the Kachemak Drive Phase Two Water and Sewer Project.

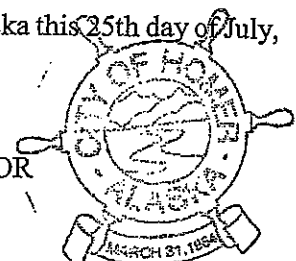
PASSED and APPROVED by the City Council of the City of Homer, Alaska this 25th day of July, 2005.

ATTEST:


MARY L. CALHOUN, CITY CLERK

CITY OF HOMER

JAMES C. HORNADAY, MAYOR



Fiscal Note: Estimated project cost is \$3,277,953.00 with 25% paid for by the Homer Accelerated Water and Sewer Program and 75%, paid for by the property owners via the equal share per parcel methodology, equaling an approximate \$28,586.80. or assessments at 75%, \$297,907.50. 86 parcels, with two exemptions, of which will be paid by the program.

NEW BUSINESS

RESOLUTION(S)

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 11-024

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AWARDED THE CONTRACT FOR THE REPLACEMENT AND NEW INSTALLATION OF A CARD READER ACCESS SYSTEM TO ATS ALASKA OF ANCHORAGE, ALASKA, IN THE AMOUNT OF \$53,144.00 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The Request for Proposals was advertised in the Homer News on January 13 and 20, the Anchorage Daily News on January 16, 2011 and posted on the Clerk's website; and

WHEREAS, Sealed proposals were due in the Office of the City Clerk by 2:00 p.m. on Tuesday, February 8, 2011; and

WHEREAS, Five sealed proposals were received and a committee met to evaluate the proposals; and

WHEREAS, ATS Alaska of Anchorage, Alaska, submitted the lowest responsive and responsible bid for Replacement and New Installation of a Card Reader Access System; and

WHEREAS, This award is not final until written notification is received by ATS Alaska of Anchorage, Alaska, from the City of Homer.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the contract for Replacement and New Installation of a Card Reader Access System to ATS Alaska of Anchorage, Alaska, in the amount of \$53,144.00 and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 14th day of March, 2011.

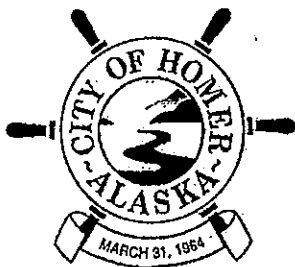
CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: \$50,000 Acct. No. 456-380-5901; \$3,144.00 Acct. No. 400-603-5208.



City of Homer

Port / Harbor

4350 Homer Spit Road
Homer, Alaska 99603-8005

Telephone (907) 235-3160
Fax (907) 235-3152
E-mail port@ci.homer.ak.us
Web Site <http://port.ci.homer.ak.us>

MEMORANDUM 11-033

TO: HOMER CITY COUNCIL & WALT WREDE, CITY MANAGER
FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER *BH*
SUBJECT: RESULTS FROM THE FISH DOCK CRANE CARD ACCESS SYSTEM RFP REVIEW
DATE: MARCH 7, 2011

Discussion

The Request for Proposals for the replacement of the Card Reader Access System for the cranes and ice on the Homer Fish Dock and Deep Water Dock closed Tuesday, February 8, 2011.

This Request for Proposals was advertised in the Homer News January 13th and 20th; and in the Anchorage Daily News January 16th.

Proposal Results

The Port of Homer requested a total of four proposals:

- **Fish Dock Proposal #1:** for the design, furnishing, and installation of materials on the Fish Dock.
- **Fish Dock Proposal #2:** for the design and furnishing only of materials on the Fish Dock.
- **Deep Water Dock Proposal #1:** for the design, furnishing, and installation of materials for both docks.
- **Deep Water Dock Proposal #2:** for the design and furnishing only of materials for both docks.

The Port reserved the right to remove the Deep Water Dock portion of the project based on a cost/need review.

There were a total of five responders to the Request for Proposals. A team made up of City staff met for the purpose of evaluating and scoring the responses for the Crane Card Access System Upgrade. The team scored the proposals as per the grading criteria laid out in the Request for Proposals.

After careful review, staff recommends awarding the work to ATS Alaska for their proposed option of Fish Dock Proposal #1 for a total cost of \$53,144.00.

Recommendation

Award the proposal for work to ATS Alaska, 139 E 51st Avenue, Ste. 100 Anchorage, AK 99503, for a total cost of \$53,144.00.

Fiscal Note

Staff budgeted \$50,000.00 for this project in the 2011 budget under account 456-380-5901. Staff proposes covering the overrun of \$3,144.00 under the Fish Dock operations budget account 400-603-5208.

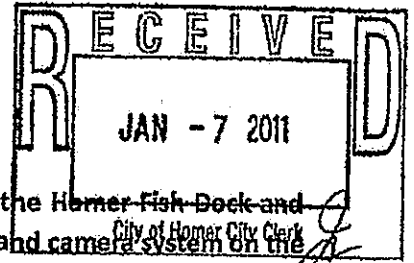
**CITY OF HOMER
2011 OPERATING BUDGET**

Port & Harbor Reserves
456 - 380

Acct #		2008	2009	2010	2011
		Actual	Actual	Budget	Budget
	Beginning Balance	1,108,709	1,219,265	1,383,836	1,388,200
4992	Annual Transfer	324,530	324,530	324,530	470,000
	Transfer from G/F for Ben Walters Dock	60,000			
4801	Interest Income	20,541	11,050	35,752	
4610	Plans & Specs		320		
5990	Energy Fund trsf			(48,620)	
	14-Oct				
	Expenditures	(294,515)	(171,329)	(37,294)	
	Subtotal	1,219,265	1,383,836	1,658,204	1,858,200
	Encumbered			(270,004)	(160,000)
	Ending Balance	1,219,265	1,383,836	1,388,200	1,698,200

Expenditure Detail	Ord #	2008		2009		2010		2011	
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
High Mast Light			636						
US Army COE Dredge Dewatering		56,000							
Overslope Design Work		10,000							
Repaint 3 Vehicles		12,000							
Replace 1972 Loader (Lease)		40,140	2,253	37,887	19,440		9,720		
Harbor Boardwalk Repair		10,000							
Wood Grid Repairs		9,982							
CC Float Finger Hinges		2,100							
Fish Outfall Pump Station Ctrl Panel		48,200	50,932						
Electricity Extension for CC Float		46,989							
385 Parking Improvements		200,000	3,000		14,185				
Rake Drive Unit		25,000	20,000						
East Boat Feasibility Study		143,000	136,125	107,500					
Dredge Spoil Loading & Trucking		65,000	10,000	10,000					
Service Van Welder		6,550	12,777						
Harbor Tug Refit	Ord 09-26			17,957	24,086				
Light Pole & Launch & Ramp				7,000					
Forks for Loader				5,950	6,200				
926 Ben Walters Dock Replacement	Ord 08-1	60,000	58,793		2,262				
DWD Repairs	Ord 09-18			116,075	91,549		19,078		
Mooring Buoys	Ord 09-26			10,000	13,608				
Fish Dock Access Improvements						40,000			
SeaCom Fish Dock Billing System						50,000			
done Rake Drive/Ice Bin Door Rebuild						17,000			
Potable Water To Floats						40,000	8,496		
Ice Production Water Line Heat Exchanger						7,000			
Harbor Tug Safety Equip Upgde								15,000	
Fish Dk Crane Rebuild								50,000	
Fish Dk Electrical Conduit overhaul								10,000	
Fish Dk Ice Deliv Syst Rebuild								20,000	
Replace Wiggins Forklift								65,000	
		734,961	294,515	312,369	171,330	154,000	37,294	160,000	-

This data is provided for information only, details can be found in the "Projects" tab of the budget.



**REQUEST FOR PROPOSALS
By the City of Homer, Alaska**

**For Replacement of Card Reader Access System for the cranes and ice on the Homer Fish Dock and
New Installation of a Card Reader access system for the crane security gate and camera system on the
Deep Water Dock**

Sealed proposals for Access Control System Installation and Upgrade will be received by the Office of the City Clerk, 491 E. Pioneer Avenue, Homer, Alaska 99603 until 2 p.m., Tuesday, February 8, 2011. Proposals received after the time fixed for receipt of the Proposal shall not be considered.

For Proposal Requirements contact:

City Clerk
491 E. Pioneer Avenue
Homer, AK 99603
(907) 235-3130

This Request for Proposals is issued under Homer City Code 3.16.110 Competitive Sealed Proposals – Negotiated Procurement.

The project consists of replacing the current twenty eight year old DOS card reader access system with a Windows based card reader admission control system that will interface with Marina software on the Homer Fish Dock to record access, ice deliveries in tons and crane use and installing a new card access system with the same software requirements on the Deep Water Dock to record access and crane use, security gate access and security camera monitoring. The work includes, but is not limited to providing:

Replace the existing Card Access Control System for the cranes and ice dispensers on the Homer Fish Dock with a modern, expandable and upgradeable non proprietary system. Proposals will also include a separate yet correlated project for the Homer Deep Water Dock to provide a Card Access Control System for a single crane. This system must have the capacity to add additional services such as a card controlled security gates and security cameras at some later date, all of which will link to the new Homer Fish Dock and the Harbormaster's office admission control, billing, and tracking system.

A total of four proposals will be submitted by the proposer: two (2) for the Fish Dock, two (2) for the Deep Water Dock.

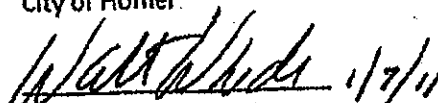
Please direct all questions regarding this project to:

Bryan Hawkins, Port Director/Harbormaster
(907) 235-3160

The City of Homer reserves the right to accept or reject any or all proposals, to waive irregularities or informalities in the proposals, and to award the contract to the respondent that best meets the selection criteria.

Dated this 7th day of January, 2011

City of Homer


Walt Wrede, City Manager

Advertise:

Homer News – January 13 and 20, 2011

Anchorage Daily News – January 16, 2011

Account Number: 456-380-5208

CITY OF HOMER

Proposal Receipt Log: **Card Reader Access System**
 Due Date and Time: **February 8, 2011 @ 2 p.m.**
 City Clerk's Office

Proposal NO.	Bidder Name and Address	Rcvd.
1.	Lakloey, Inc. 1216 Rangeview Rd. North Pole, AK 99705	2/3/11 11:30 a.m.
2.	ALX Technology 1919 Clement Ave. Alameda, CA 94501	2/4/11 1:05 p.m.
3.	Siemens Industry 5333 Fairbanks St. Suite B Anchorage, AK 99518	2/8/11 11:28 a.m.
4.	Statewide Commercial Electric A. Turner 6108 Petersburg Anchorage, AK 99507	2/8/11 12:00 p.m.
5.	ATS Alaska C.Ragula 139 E. 51 st Ste. 100 Anchorage, AK 99503	2/8/11 1:17 p.m.
6.		
7.		

Staff Member Comments: _____

CITY OF HOMER
HOMER, ALASKA

City Clerk

RESOLUTION 11-025

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AWARDED THE CONTRACT FOR THE TELESCOPIC TOOL CARRIER TO CRAIG TAYLOR EQUIPMENT OF SOLDOTNA, ALASKA, IN THE AMOUNT OF \$64,902.00 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The Invitation to Bid was advertised in the Homer News on February 17 and 24, 2011 and posted on the Clerk's website; and

WHEREAS, Sealed bids were due in the Office of the City Clerk by 2:00 p.m. on Thursday, March 3, 2011; and

WHEREAS, One sealed bid was received that meets or exceeds the basic requirements; and

WHEREAS, Craig Taylor Equipment of Soldotna, Alaska, submitted the lowest responsive and responsible bid for the Telescopic Tool Carrier; and

WHEREAS, This award is not final until written notification is received by Craig Taylor Equipment of Soldotna, Alaska, from the City of Homer.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the contract for the Telescopic Tool Carrier to Craig Taylor Equipment of Soldotna, Alaska, in the amount of \$64,902.00 and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 14th day of March, 2011.

CITY OF HOMER

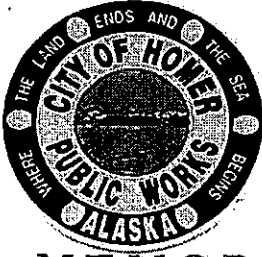
JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: \$64,902.00 Acct. No. 456-380.

CITY OF HOMER
PUBLIC WORKS DEPARTMENT



Jan C. Jonker, Superintendent
3575 Heath St.
Homer, Alaska 99603

Telephone: (907)235-3170
Fax: (907)235-3145

EMAIL: jjonker@ci.homer.ak.us

MEMORANDUM 11-034

To: Walt Wrede, City Manager

From: Jan Jonker, Superintendent *JJS*

Date: 07 March 2011

Subject: TELESCOPIC TOOL CARRIER PURCHASE

Discussion:

On March 3, 2011 sealed bids were opened for the purchase of a new Telescopic Tool Carrier. This equipment will replace the old 1982 Wiggins Fork Lift which is used by the Port Maintenance and Ice House personnel. Only one bid was received for this equipment purchase.

This Invitation to Bid was advertised in the Homer News on February 3rd, 17th & 24th.

Bid Results:

This bid provided for the basic machine and a set of pallet forks and frame. The sole bid received was from Craig Taylor Equipment, Soldotna, AK and in the total amount of \$64,902.00. The bid breakdown is as follows.

• Bobcat V723FL Telescopic Tool Carrier – Base Machine	\$77,882.00
• 72" Pallet fork frame	\$ 2,876.00
• 48" Highback floating forks	<u>\$ 1,092.00</u>
	Total Bid Items \$81,850.00
	Freight <u>5,900.00</u>
	Total All \$87,750.00
• Less Municipal / Gov't Discount	<u>(22,818.00)</u>
	Grand Total Bid \$64,902.00

This bid have been reviewed for accuracy and compared to the specifications provided in the Invitation to Bid and we find this bid to meet or exceed our basic requirements.

Recommendation:

Award the basic bid purchase and additive alternate components as listed below to Craig Taylor Equipment, 44170 Kalifornsky Beach Road, Soldotna, AK 99669 in the total amount of \$64,902.00.

Fiscal Note:

The Port & Harbor Reserve 2011 approved budget contains a total of \$65,000.00 for this equipment purchase in the following accounts. Account No. 456-380. (attached)

PER II

**CITY OF HOMER
2011 OPERATING BUDGET**

**Port & Harbor Reserves
456 - 380**

Acct #		2008	2009	2010	2011
		Actual	Actual	Budget	Budget
	Beginning Balance	1,108,709	1,219,265	1,383,836	1,388,200
4992	Annual Transfer	324,530	324,530	324,530	470,000
	Transfer from G/F for Ben Walters Dock	60,000			
4801	Interest Income	20,541	11,050	35,752	
4610	Plans & Specs		320		
5990	Energy Fund trsf			(48,620)	
	Expenditures	(294,515)	(171,329)	(37,294)	
	Subtotal	1,219,265	1,383,836	1,658,204	1,858,200
	Encumbered			(270,004)	(160,000)
	Ending Balance	1,219,265	1,383,836	1,388,200	1,698,200

Expenditure Detail	Ord #	2008	2009	2010		2011	
		Budget	Actual	Budget	Actual	Budget	Actual
High Mast Light			636				
US Army COE Dredge Dewatering		56,000					
Overslope Design Work		10,000					
Repair 3 Vehicles		12,000					
Replace 1977 Loader (lease)		40,140	1,057	37,867	19,400	6,129	
Harbor Boardwalk Repair		10,000					
Wood Grid Repairs		9,982					
CC Float Finger Hinges		2,100					
Fish Outfall Pump Station Ctrl Panel		48,200	50,932				
Electricity Extension for CC Float		46,989					
385 Parking Improvements		200,000	3,000		14,185		
Rake Drive Unit		25,000	20,000				
East Boat Feasibility Study		143,000	136,125	107,500			
Dredge Spoil Loading & Trucking		65,000	10,000	10,000			
Ben Walters Dock		6,500	11,777				
Harbor Tug Refit	Ord 09-26			17,957	24,086		
Light Pole & Launch & Ramp				7,000			
Forks for Loader				5,950	6,200		
Ben Walters Dock Replacement	Ord 09-26	60,000	50,000		2,262		
DREDGE Repairs	Ord 09-26			116,075	11,549	19,000	
Mooring Buoys	Ord 09-26			40,000	13,000		
Fish Dock Access Improvements						40,000	
SeaCom Fish Dock Billing System						50,000	
done Rake Drive/Ice Bin Door Rebuild						17,000	
Potable Water To Floats						40,000	8,496
Ice Production Water Line Heat Exchanger						7,000	
Harbor Tug Safety Equip Upgde							15,000
Fish Dk Crane Rebuild							50,000
Fish Dk Electrical Conduit overhaul							10,000
Fish Dk Ice Deliv Syst Rebuild							20,000
Replace Wiggins Forklift							65,000
		734,961	294,515	312,369	171,330	154,000	37,294
							160,000

This data is provided for information only, details can be found in the "Projects" tab of the budget.

**CITY OF HOMER
HOMER, ALASKA**

City Clerk/Permanent Fund
Committee

RESOLUTION 11-026

**A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, RE-ADOPTING THE ESTABLISHED
INVESTMENT POLICIES OF THE PERMANENT FUND.**

WHEREAS, Pursuant to Homer City Code 3.10.130(b)(2) the City Council shall review the investment policies of the Permanent Fund at least once a year during the first quarter and shall by formal resolution, re-adopt or modify said policies; and

WHEREAS, The Permanent Fund Committee met on March 1, 2011 to review the investment policies of the Permanent Fund as outlined in Homer City Code Chapter 3.12; and

WHEREAS, By unanimous consent the Permanent Fund Committee voted that the fund remain as it is currently established and invested.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, re-adopts the established investment policies of the Permanent Fund.

PASSED AND ADOPTED by the Homer City Council this 14th day of March, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

Office of the City Clerk

Jo Johnson, CMC, City Clerk
Melissa Jacobsen, CMC, Deputy City Clerk II
Renee Krause, CMC, Deputy City Clerk I



491 E. Pioneer Avenue
Homer, Alaska 99603
(907) 235-3130
(907) 235-8121
ext: 2224, 2226, or 2227
Fax: (907) 235-3143
Email: clerk@ci.homer.ak.us

MEMORANDUM 11-035

TO: MAYOR AND CITY COUNCIL

FROM: PERMANENT FUND COMMITTEE

DATE: MARCH 4, 2011

SUBJECT: INVESTMENT POLICIES OF THE PERMANENT FUND

Pursuant to HCC 3.10.130(b)(2) the City Council shall review the investment policies of the Permanent Fund at least once a year during the first quarter and shall, by formal resolution, re-adopt or modify said policies.

On March 1, 2011 the Permanent Fund Committee met and reviewed the investment policies contained in HCC 3.12. By unanimous consent the committee voted to recommend to Council that the fund remain as it is currently established and invested. Having established the investment criteria for the Permanent Fund within the last six months, more insight as to how the fund is working will be available by the end of the year.

RECOMMENDATION:

Adopt the resolution in support of re-adopting the established investment policies of the Permanent Fund.

Fiscal Note: N/A

Session 11-02 a Special Meeting of the Permanent Fund Committee was called to order on March 1, 2011 at 12:00 p.m. by Chair Barbara Howard at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMITTEE MEMBERS: REGINA MAURAS,
BARBARA HOWARD, JO JOHNSON, BETH WYTHE

ABSENT: MATT NORTH (excused)

APPROVAL OF AGENDA

MAURAS/JOHNSON - MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

APPROVAL OF MINUTES

VISITORS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

Regina Mauras reported after working with U.S. Bank for online statements and accessibility to the account, she has been given access.

PUBLIC HEARING

PENDING BUSINESS

NEW BUSINESS

- A. Review and Recommendations of the Investment Policies of the Permanent Fund Pursuant to HCC 3.10.130(b)(2).

Chair Howard explained the City Council is required to approve the Investment Policy annually within the first quarter of the year. A resolution before City Council will be heard on March 14, 2011.

WYTHE/JOHNSON - MOVED TO MAKE THE RECOMMENDATION FOR THE FUND TO REMAIN AS IT IS CURRENTLY ESTABLISHED AND INVESTED WITH NO CHANGES UNTIL CONSIDERATION NEXT YEAR.

The plan is new and less than six months we established our investment criteria. At the end of the year we will have an idea if the plan is working.

A resolution supported with a memorandum from the committee will be prepared.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

A laydown was provided by Committee member Mauras, the GFOA Newsletter pertaining to a requirement that municipal advisors be registered subject to new Dodd-Frank registration, disclosure, and other requirements. Mrs. Mauras will keep the committee apprised of new developments pertaining to the registration requirement.

COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)

There was no audience.

COMMENTS OF THE CITY STAFF

There were no comments from the staff.

COMMENTS OF THE COUNCILMEMBER

Councilmember Wythe had no comment.

COMMENTS OF THE CHAIR

Chair Howard had no comment.

COMMENTS OF THE COMMISSION

Committee members Mauras and Johnson had no comment.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 12:09 p.m. The next Regular Meeting is scheduled for Thursday, April 14, 2011 at 5:15 p.m. in the Homer City Hall Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

Submitted by Jo Johnson

Regina Mauras

From: GFOA Newsletter [Newsletter@gfoa.org]
Sent: Monday, February 14, 2011 10:49 PM
To: Regina Mauras
Subject: GFOA Newsletter | February 11, 2011



GFOA Newsletter

Volume 86, No. 3 | February 11, 2011

GFOA Members Urged to Submit Comments on Proposed Municipal Advisor Definition

The Securities and Exchange Commission (SEC) has proposed arule (34-63576) that defines municipal advisors as those providing advice to the municipal entity about issuing municipal securities, swap transactions, and/or investment strategies. These municipal advisors are subject to new Dodd-Frank registration, disclosure, and other requirements.

To the alarm of the GFOA and many others in the state and local government community, the proposal would also require appointed board members of a municipal bond issuer or entity that invests governmental funds to register as municipal advisors with the SEC and the Municipal Securities Rule making Board (MSRB).

The GFOA's Governmental Debt Management Committee developed a new policy statement on this matter, which is available on the GFOA's Web site. A list of talking points to assist members with their SEC comment letters is also posted on the site. Comments to the SEC are due February 22, 2010.

*AFFECTS INVESTMENTS Perm FUND
+ Committed Members.*

Join the Thousands Already Registered for this Year's Annual Conference

Thank you to those registrants who have already signed up to attend GFOA's 105th Annual Conference, to be held May 22-25, 2011, at the **Henry B. Gonzalez Convention Center** in San Antonio, Texas. There's still time to save when you register by April 12, 2011. Go to www.gfoa.org for details. And visit the GFOA's annual conference page to check out this year's concurrent sessions.

Keynote speaker announced. The GFOA is pleased to announce this year's keynote speaker for the opening general session on Monday, May 23: Joseph P. Quinlan, managing director and chief market strategist, U.S. Trust, Bank of America Private Wealth Management. Quinlan oversees the development and implementation of macro investment strategies, with a particular focus on U.S. sector strategies, the emerging markets, and developed markets. His research centers on the U.S. and global economy, and he is frequently cited in media such as Barron's, The Wall Street Journal, and the Financial Times. He is the author, co-author, or contributor to fifteen books. His most recent book, *The Last Economic Superpower*, was published by McGraw Hill in November 2010.

Quinlan's nearly 20 years of financial services experience includes positions with Morgan Stanley and Merrill Lynch, where he started his career. He lectures on finance and global economics at New York University, where he has been a faculty member since 1992. Quinlan regularly debriefs policy makers and federal legislators on global trade and economic issues. He has testified before the European Parliament and served as a consultant to the U.S. Department of State, and he presently serves as the U.S. representative (Economic Policy Committee) to the Organization for Economic Cooperation and Development in Paris, France, for the U.S. Council for International Business.

Earn additional CPE credits by signing up for GFOA's preconference seminars. The seminars will take place on the Friday and Saturday before this year's conference and will be held at the Henry B. Gonzalez Convention Center. Check out one of this year's offerings:

Is a Public-Private Partnership Right for Your Government? (Saturday, May 21, 2011, 1:00 - 5:00 p.m., 4 CPE credits, GFOA member: \$150, Nonmember: \$265)

More than ever, governments are turning to public-private partnerships as a way to balance budgets and maintain financial resiliency. This session will focus on the increasingly popular practice of long-term leasing of public assets such as parking spaces and toll roads, as well as addressing recent trends in managed competition. Attendees will learn what constitutes an effective process, including valuation of assets, important contract terms, what the market views as a workable deal, and how governments have used proceeds. Participants will also hear lessons learned and learn about pitfalls to avoid from practitioners who have managed public-private initiatives.

The speakers are Anne Kinney, Director, Research and Consulting Center, GFOA; Scott Kunka, Director, Budget and Finance, City of Pittsburgh, Pennsylvania; Eric Reese, General Manager, Business Development, Chicago Transit Authority; and Lois Scott, President, Scott Balice Strategies.

Chapter 3.10INVESTMENT AND COLLATERALIZATION OF PUBLIC FUNDSSections:

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.
3.10.110	Reporting.
3.10.120	Definitions.
3.10.130	Governance of Homer Permanent Fund Assets.

3.10.010 Scope. This chapter applies to the investment of all City monies, unless otherwise provided expressly by ordinance. (Ord. 93-14 § 3, 1993)

3.10.015 Objectives. The City investment portfolio shall be managed so that the portfolio, as a whole, meets the objectives set forth below. All persons selecting investments for City monies shall adhere to these objectives, which are listed in order of relative importance.

- (1) Safety of principal;
- (2) Maintain sufficient liquidity to meet the City's cash flow requirements; and
- (3) Achieving a reasonable market rate or return.

Notwithstanding the above objectives, no person shall invest City monies in a manner which violates any provision of this chapter or the administrative procedures established hereunder. (Ord. 93-14 § 3, 1993)

3.10.020 Delegation of authority. Management responsibility for the investment program is hereby delegated to the Finance Director/Treasurer who shall establish written procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director/Treasurer. The Finance Director/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates. (Ord. 93-14 § 3, 1993)

3.10.030 Prudence. All persons having responsibility for making decisions regarding the investment of City monies shall utilize the same judgement and care, under the circumstances then prevailing, that an institutional investor would use in the conduct of an enterprise of a like character and with like aims, not for speculation but for investment, considering the probable safety of capital as well as the probable income to be derived in accordance with the stated objectives. (Ord. 93-14 § 3, 1993)

3.10.040 Authorized investments.

a. City monies shall be invested only in the following instruments: All securities purchased by the City, and all other City investments, must mature not later than the time indicated below, measured from the date of the City's investment transaction:

1. U.S. Treasury securities - 3 years;
2. Other obligations by the U. S. Government, its agencies and instrumentalities - 3 years.
3. Repurchase agreements of acceptable securities listed in subsections 1 and 2 of this section which meet a margin requirement of 102%; provided, however, the maturity limitations specified in those subsections do not apply if the securities in the repurchase agreement are marked to market daily;
4. Units of the Alaska Municipal League Investment Pool in accordance with an executed common Investment Agreement and in conformance with AS 37.23.010--37.23.900.
5. Certificates of deposit and other deposits at banks and savings and loan associations collateralized as provided in Section 3.10.070 - 3 years.

6. Uncollateralized deposits at banks and savings and loan associations, to the extent that the deposits are insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation - 3 years;
7. Taxable bonds or notes which are issued by any state or political subdivision thereof, and which are graded AA or higher by Moody's Investor's Service, Inc., or Standard and Poor's Corporation - 3 years;
8. Commercial paper graded A1 or higher by Moody's Investor's Service, Inc., or P1 or higher by Standard and Poor's Corporation - 270 days;
9. Bankers' acceptances offered by banks rates at least "AA" by Moody's or Standard and Poor's;
10. Money market mutual funds whose portfolios consist entirely of instruments specified in subsection 1, 2 and 3 above - with net asset value of \$1.00.

b. No person shall invest any City monies in any instrument which is not listed in subsection a. This prohibition includes but is not limited to, investment of City monies in any mutual fund (except as otherwise provided in subsection a (10), common or preferred stock, precious metals, zero coupon bonds, corporate bonds, option contract or futures contract.

c. This chapter represents the maximum amount of authority and discretion which the Finance Director/Treasurer may utilize in investing City monies. Nothing in this chapter shall be construed, however, to prohibit the Finance Director/Treasurer for adopting standards, rules, policies and procedures which are more restrictive than those contained in this chapter. The enumeration in this chapter of instruments which are authorized for City investments shall not be construed as requiring the Finance Director/Treasurer to invest in all, or any particular instrument contained in said list at any given time. The Finance Director/Treasurer may invest in some or all of said instrument as deemed appropriate. Similarly, the enumeration of instruments which are acceptable as collateral for City investments shall not be construed as requiring the Finance Director/Treasurer to accept all or any particular, instrument contained in said list at any given time. The Finance Director/Treasurer may accept some of said instruments, and reject others. (Ord. 93-14 § 3, 1993)

3.10.050 Placement of City investments.

a. Because of rapid fluctuations of interest rates and the brief period of availability of some securities, bids may be solicited, received, and accepted, either orally or in writing. Solicitation, receipt, and acceptance of bids by telephone is authorized. In order for a bid to be responsive, it must meet all the specifications and requirements of the bid solicitation. The Finance Director/Treasurer shall not consider nonresponsive bids.

b. The Finance Director/Treasurer shall award a bid to the financial institution whose bid best fulfills the investment objectives contained in 3.10.010, considering the City investment portfolio as a whole.

c. All securities transferred to or from the City, except securities transferred as collateral, shall be transferred using the delivery versus payment method. Securities transferred as collateral shall be actually received by the custodial bank designated by the Finance Director/Treasurer may require financial institutions to deliver collateral to a custodial bank prior to bidding on City investments. (Ord. 93-14 § 3, 1993)

3.10.060 Diversification. City investments shall be diversified to minimize the risk of loss resulting from over concentration of investments in a specific maturity, a specific issuer, a specific class of security or a specific financial institution. Investments will be diversified to maintain a degree of liquidity. The Finance Director/Treasurer shall adopt administrative procedures to implement this section. (Ord. 93-14 § 3, 1993)

3.10.070 Collateralization.

a. If City monies are invested in certificates of deposit or other deposits, the entire amount of principal and interest which will be payable to the City upon maturity of the investment must be collateralized by a combination of the following securities, at the following margin requirements and maturities.

<u>COLLATERAL TYPE</u>	<u>MARGIN REQUIREMENT</u>
1. U.S. Treasury Securities with a maturity date 5 years or less from the date of the City's investment transaction.	102%

2. Actively traded U.S. Government agency or Instrumentality Securities, except mortgage pass-through securities with a:
 - a. Maturity date 1 year or less from the date of the City's investment transaction. 103%
 - b. Maturity date between 1 and 5 years from the date of the City's investment transaction 107%
3. Government National Mortgage Association mortgage pass-through securities. 120%
4. Obligations of the State of Alaska and its political subdivisions secured by the full faith, credit and taxing power thereof;
 - a. Maturity date 1 year or less from the date of the City's investment transaction 102%
 - b. Maturity date between 1 and 5 years from the date of the City's investment transaction 107%
5. FDIC and FSLIC Insurance 100%
6. Securities underlying units in the Alaska Municipal Investment Pool.
 - b. A financial institution shall not release, assign, sell, mortgage, lease, transfer, pledge or grant a security interest in, encumber, substitute or otherwise dispose of or abandon all or any part of pledged collateral without prior written authorization of the City. (Ord. 93-14 § 3, 1993)

3.10.080 Safekeeping. Procedures and criteria for selection of a custodial or safekeeping institution shall be established under Section 3.10.020 of this chapter. Selection of an institution shall be in accordance with those procedures and the City purchasing code. The Finance Director/Treasurer shall enter into agreements with one or more financial institutions to provide custodial and safekeeping services for City investments. All investments purchased by the City and all securities used as collateral for certificates of deposit, or other deposits, shall be either held directly by the City, or held by a third party custodial bank as agent for the City. Collateral for overnight repurchase agreements shall be pledged to the City but may be held by the financial institution. (Ord. 93-14 § 3, 1993)

3.10.090 Agreements. Security agreements instituting this policy will be entered into prior to the purchase of a certificate of deposit or repurchase agreements. (Ord. 93-14 § 3, 1993)

3.10.100 Internal controls. The Finance Director/Treasurer shall establish a system in internal controls, which shall be documented in writing. The City's external auditor shall review and evaluate, at least annually, the system of internal controls to ensure that they are adequate for the purposes stated in this section. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees or officers. (Ord. 93-14 § 3, 1993)

3.10.110 Reporting. The Finance Director/Treasurer shall submit quarterly to the City Manager an investment report that summarizes the portfolio in terms of investment securities, maturities, risk categories, returns and other features. The City Manager shall present this report to the City Council in its entirety. (Ord. 93-14 § 3, 1993)

3.10.120 Definitions. As used in this chapter, the following definitions apply:

1. "Actively traded" means a security which is frequently bought or sold on a nationally recognized market.
2. "Delivery vs. Payment" means that a security will be delivered to safekeeping before cash is paid for the security.
3. "Financial institution" means a bank, savings and loan association, or securities dealer.
4. "Margin requirement" means the amount by which the market value of the securities collateralizing a transaction exceeds the amount lent.
5. "Marked to market" means to value a security at its current sales price.
6. "Money market mutual funds" means a mutual fund which maintains a constant share price regardless of market fluctuations and which has an average maturity for its entire portfolio of one year or less.

7. "Pledged" means specific securities set aside as collateral which are identified to a specific account.
8. "Bankers' acceptances" means an order to pay a certain amount of money on a certain date and bearing an unconditional promise of a bank to pay the draft at maturity. Bankers acceptances are secured by the credit worthiness of the bank and a U.S. Corporation as well as goods underlying the transaction.
9. "Commercial paper" means an unsecured promissory note of a corporation backed by a line of credit with a bank, issued for a specific amount and maturing on a specific day.
10. "Repurchase agreements" means short term transactions consisting of the purchase of a security with the promise to return it at a later date.
11. "U.S. Government agency or instrumentality securities" means obligations of the U.S. Government issued on behalf of U.S. Government departments through the Federal Financing Bank and securities issued by U.S. Government-sponsored enterprises or quasi-public corporations.
12. "U.S. Treasury Securities" means a security that is backed by the full faith and credit of the U.S. Government.
13. "Net Asset Value" means the invested fund's value remains the same. Any value above that is treated as income, i.e. invest \$1.00 today and withdraw \$1.00 tomorrow plus interest earned. (Ord. 93-14 § 3, 1993)

3.10.130 Governance of Homer Permanent Fund Assets. a. In investing and managing the monies of the Permanent Fund established pursuant to HCC Chapter 3.12, the persons having responsibility for making decisions shall exercise the judgment and care under the circumstances then prevailing which an institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it, not in regard to speculation, but in regard to the long term investment of funds considering the probable safety of capital as well as probable income, in accordance with the stated objectives of the Permanent Fund.

b. In order to ensure sound investment strategy, the city council will take action in the following manner:

1. The city council shall establish written investment policies by formal resolution which shall be adhered to without exception;
2. The city council shall review the investment policies of the permanent fund at least once each year during the first quarter and shall, by formal resolution, re-adopt or modify said policies;

3. The city council shall establish, by formal resolution, a plan for the allocation of investment assets each year that provides for the following:

(a) That earnings available for annual appropriation and distribution shall be confined to the interest, dividends or coupon discounts derived from the investments of the fund. Realized or unrealized gains to the portfolio value are not considered earnings,

(b) The portfolio of growth sub-fund will be invested primarily in equities, and is exempt from HCC 3.10.040.

(c) The portfolio of the income sub-fund will be invested primarily in bonds and the other fixed rate securities authorized by HCC 3.10.040.

(d) The income sub-fund may be used as a revolving loan for various city capital projects as provided in HCC Chapter 3.12.

(e) Sets forth portfolio duration, and which establishes performance benchmarks, and which estimates the percentage or amount of that year's annual earnings that would be necessary to retain to inflation-proof the fund principal;

4. The city council shall establish a permanent fund investment committee consisting of the finance director, the city clerk, two members of the city council, and two members of the community at-large. The term of each appointment shall be two years, with initial terms of the city council members and members at-large staggered so that half of the terms will expire each year. The committee shall be appointed by the mayor and confirmed by the city council. The appointment of any city official will automatically terminate on the date when the person no longer holds such city office. Any city council member or member at-large may be removed from the committee at any time by the City Council.

5. The committee shall meet at least quarterly to provide direction as required for maintenance of the fund. The committee shall provide regular reports of its activity to the city council.

6. The city administration shall maintain on file within the offices of the Finance Department monthly reports which indicate transactions affecting the investment account, to include, at a minimum, transfers of cash into and out of the account, and interest or dividends received by the account;

7. The city administration shall order an objective performance evaluation of the investment program every year;

8. The city administration shall retain one or more bank custodians to hold all investment cash and fixed income securities of the permanent fund and require that the custodians shall render monthly reports to the administration regarding assets held at both book and market values, and individual transactions which have taken place; that the banks shall have adequate fidelity insurance, and that written contracts be entered into between the city and the custodian banks.

c. The city, with the approval of the city council, shall retain one or more professional investment managers to design portfolios and invest funds in accordance with the written investment policies adopted by the city council. The investment managers shall be registered financial advisers with both the United States Securities and Exchange Commission and the state of Alaska, unless otherwise exempt from registration, and the investment managers shall agree to serve as a fiduciary to the city. Each investment manager shall carry professional liability insurance in an amount satisfactory to the city, and the terms of the investment relationship shall be memorialized in a written contract entered into between the city and the respective investment advisers. (Ord. 05-14(S) §2), 2006)

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Chapter 3.12PERMANENT FUNDSections:

- 3.12.010 Homer Permanent Fund Established.
- 3.12.020 Contributions.
- 3.12.030 Allocation to sub-funds.
- 3.12.040 Additions to fund.
- 3.12.050 Investment of fund.
- 3.12.060 Expenditures of income.
- 3.12.070 Loans from income sub-fund.
- 3.12.080 Expenditure of principal.

3.12.010 Homer Permanent Fund Established. There is hereby established the Homer Permanent Fund. The Permanent Fund shall be governed by this chapter. (Ord. 05-14(S) §1), 2006)

3.12.020 Contributions. a. If monies from the distribution of the Exxon Valdez settlement or other forms of "wind-fall monies" become available to the City, 95% of such funds shall be placed in the Homer Permanent Fund.

b. "Wind-fall monies" shall be defined as any new monies received by the City from any source other than standard budgeted operating revenues and not allocated to any specific purpose. "Wind-fall monies" do not include bond proceeds, grant funds allocated to a specified purpose, or the proceeds of non-Exxon Valdez litigation when such proceeds are recovered as damages to compensate or reimburse the city for expenditures previously made by the city. In all cases, the City Council's determination of whether monies are "wind-fall" is final and conclusive.

c. The remaining five percent of Exxon Valdez settlement funds and other wind-fall monies are available to be appropriated by the City Council for grants to the Homer Foundation or other local non-profit organizations for the benefit of the community. (Ord. 05-14(S))

3.12.030 Allocation to sub-funds. When a contribution is made to the Permanent Fund pursuant to HCC 3.12.020, the money received shall be allocated to two sub-funds as follows:

a. Sixty percent of each contribution shall be allocated to an income sub-fund.

b. Forty percent of each contribution shall be allocated to a growth sub-fund. (Ord. 05-14(S) §1), 2006)

3.12.040 Additions to fund. The City Council may elect to contribute^a monies to the Permanent Fund. Unless otherwise allocated by the council, such contributions shall be allocated to sub-funds pursuant to HCC 3.12.030. (Ord. 05-14(S) §1), 2006)

3.12.050 Investment of fund. The sub-funds of Permanent Fund shall be invested and managed in accordance with HCC 3.10.130. (Ord. 05-14(S) §1), 2006)

3.12.060 Expenditures of income. a. Expenditures of Permanent Fund income may be made only as authorized in this chapter.

b. The income from the income sub-fund may be appropriated by the City Council and be expended for general governmental purposes, including but not limited to ordinary operating expenses.

c. The income from the growth sub-fund shall not be expended. It shall be added to the principal of the growth sub-fund and reinvested. (Ord. 05-14(S) §1), 2006)

3.12.070 Loans from income sub-fund. The principal of the income sub-fund may be used as a source of loan funds for city capital projects, and not as a grant. To be eligible for such a loan the project must receive a majority of its funding from other sources. Such loans shall be on terms approved by resolution of the City Council, which must provide for the repayment of the loan over a reasonable period of time. (Ord. 05-14(S) §1), 2006)

3.12.080 Expenditure of principal. a. Expenditures of Permanent Fund principal may be made only as authorized in this section.

b. Except as a source of loan funds as provided in subsection 3.12.070, the principal of both the income sub-fund and the growth sub-fund shall neither be distributed nor spent without the authorization of sixty percent of city voters at a regular or special election.

c. Prior to submitting to the voters the question of whether to distribute or spend funds from the principal of the Permanent Fund, the City Council shall find that all reasonable options for borrowing have been exhausted, including the option of borrowing from the Homer Permanent Fund pursuant to section 3.12.070. (Ord. 05-14(S) §1), 2006)

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**CITY OF HOMER
HOMER, ALASKA**

Natural Gas Distribution
Task Force

RESOLUTION 11-027

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, REGARDING DISTRIBUTION OF NATURAL GAS
WITHIN HOMER CITY LIMITS IN THE EVENT A
TRANSMISSION LINE IS BUILT THROUGH TOWN.

WHEREAS, The Homer City Council established the Homer Natural Gas Distribution Task Force to review the range of distribution system financing options and making recommendations to Council; and

WHEREAS, The Task Force has met four times to discuss a range of financing options and other issues related to the proposed Homer Area Natural Gas Pipeline project; and

WHEREAS, The Task Force has made recommendations listed in the resolution language below.

NOW, THEREFORE, BE IT RESOLVED that the City of Homer will:

1. Work to select the best funding source possible for the natural gas distribution off the main line within the city of Homer.
2. Seek to dovetail with Kachemak City's proposed revenue stream for their distribution lines.
3. Develop a tally sheet with cost savings from converting regional buildings.
4. Work with Enstar and the public for funding distribution lines.

PASSED AND ADOPTED by the Homer City Council this 14th day of March, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

**CITY OF HOMER
HOMER, ALASKA**

Howard, Zak

RESOLUTION 11-027(S)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING AND ADOPTING THE RECOMMENDATIONS PROVIDED IN MEMORANDUM 11-038 BY THE HOMER NATURAL GAS DISTRIBUTION TASK FORCE.

WHEREAS, The Homer City Council established the Homer Natural Gas Distribution Task Force through adoption of Resolution 10-75; and

WHEREAS, Resolution 10-75 included a scope of work for the Task Force which it has adhered to and worked hard to address; and

WHEREAS, The Task Force has held regular meetings, reviewed reports by the staff, heard presentations by interested parties including Enstar, and provided opportunities for public comment; and

WHEREAS, The Task Force has provided a set of recommendations to the Council in Memorandum 11-038; a copy of which is attached and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves and adopts the recommendations provided by the Task Force in Memorandum 11-038.

BE IT FURTHER RESOLVED that the Council will actively pursue State funding for construction of the primary gas transmission line from Anchor Point and authorizes the City administration to initiate a coordinated and comprehensive public education and lobbying strategy to help ensure success.

BE IT FURTHER RESOLVED that the Council will continue with the planning effort and prepare for the arrival of natural gas and authorizes the administration to prepare the necessary ordinances for Council consideration.

BE IT FURTHER RESOLVED that the Council will work to select the best possible funding source and financing mechanism for expanding the natural gas distribution system within the Homer City limits.

PASSED AND ADOPTED by the Homer City Council this 14th day of March, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

MEMORANDUM 11-038

TO: Mayor Hornaday and Homer City Council
FROM: Homer Natural Gas Distribution Task Force
DATE: March 14, 2011
SUBJECT: Recommendations to Council

Introduction

The Homer City Council created the Homer Natural Gas Distribution Task Force through the adoption of Resolution 10-75. Resolution 10-75 provided that the scope of work for the Task Force shall include:

- Review the range of distribution system financing options and make recommendations to the Council.
- Review current City Code related to Local Improvement Districts and utility construction practices and permitting and make recommendations regarding necessary code amendments to the Council.
- Function as a "review board" for Enstar's plans to construct the distribution system.
- Prepare a written plan which addresses the financing, permitting, and construction of a potential gas distribution system within the City limits.

The Task Force convened five regular meetings during which it received staff reports, heard a presentation from Enstar, and received testimony from the public regarding the scope of work items contained in the resolution. The Task Force paid special attention to the legislative intent language contained in the Capital Budget last year, political considerations surrounding legislative approval of Phase II of the main transmission line, political and financial considerations related to public financing of the both the transmission line and the distribution system in town, amendments that might be required to the Homer City Code, potential "build-out scenarios, and potential incentives or financing options for stimulating construction of a distribution network within the City.

At its regular meeting on February 28th, the Task Force considered a draft resolution and a staff memorandum which both contained proposed recommendations for the Council. The draft resolution was originally based upon a set of points presented by the Chair to support his recommendation that the Council ask the voters to approve using a portion of HART funds to finance the distribution system mains (the lines in the street). The memorandum was an attempt to help frame the discussion and provide a roadmap for completing the scope of work.

The Task Force amended the resolution and the amended version appears in your packet for consideration. The Task Force also voted yes on all three questions posed in the memorandum and requested that a new memorandum incorporating those items also be forwarded to Council.

At the end of the meeting, the Task Force voted to “stand down” and suspend operations for now. It did so because it concluded that it had completed its assigned tasks to the extent that it could given current conditions circumstances. For example, it will not know what the actual “build-out plans” will be until it is known if the primary transmission line is funded and which institutions and businesses attempt to hook-up first. Although the Task Force discussed possible build-out plans with Enstar, the current uncertainty makes it difficult to “function as a review board for Enstar’s plans to construct the distribution system” in a comprehensive way. Further, it is difficult to perform this function since no actual permits have been applied for. So, instead of disbanding, the Task Force decided it was best to just suspend operations until more information is known or until the Council gives it additional tasks.

Recommendations of the Task Force

Following are the Task Force recommendations that resulted from discussion of the staff memorandum referenced above.

The Primary Transmission Line / Anchor Point to Homer to Kachemak City

RECOMMENDATION: The Task Force recommends that the City Council aggressively pursue state funding for Phase II of the pipeline project to get natural gas into the Homer area.

Discussion: The Task Force recognizes that the Council has already moved the project up on its CIP List and has directed the City lobbyist and staff to work on the project with legislators and the governor’s office. It recognizes further that the staff have been making informational presentations at various civic group functions and distributing spread sheets illustrating potential energy cost savings.

However, the Task Force concluded that much more can and should be done and that it was important for the Council to make itself heard with an unambiguous and clear voice. The Task Force found that getting natural gas to Homer is potentially one of the biggest economic development projects Homer has seen in many years. The positive impacts on the overall economy are potentially substantial. Natural gas would lower the cost of living, lower the cost of doing business, help to keep taxes down, and put the community on an equal footing with the rest of Southcentral Alaska. When North Slope gas eventually makes its way to this area and/or new gas discoveries are brought on line locally, Homer will be in a position to benefit.

Natural gas would also reduce the City's greenhouse gas emissions and help achieve the goals of the adopted Climate Action Plan. The community has been attempting to get natural gas for decades. It is closer now than ever and the Task Force felt that the City should do all it can to make sure this opportunity does not slip away.

The Task Force suggests that the Council authorize the administration to initiate a coordinated and comprehensive strategy to educate the public and our elected officials about the benefits of the project and advocate for its funding. Some of this effort would be performed using information provided by Enstar. The strategy could include things like:

- Draft newspaper articles and Points of View.
- Post information on the City website.
- Disseminate information regarding the overall impacts to the Homer economy.
- Provide information on potential energy costs savings for residential, business, and institutional / public buildings.
- Provide information on the estimated costs to convert and hook-up to natural gas.
- Provide information about potential "build-out" scenarios and their cost.
- Provide information about potential financing options and what that might cost property owners if Council chooses to provide those incentives.
- Organize or assist in organizing a community-wide letter writing / lobbying campaign.
- Organize or help to organize a broad-based regional coalition to meet with the Governor and key legislators.

Planning in Advance

RECOMMENDATION: The Task Force recommends that the City Council authorize the administration to prepare the ordinances needed to amend the municipal code and pave the way for the arrival of natural gas.

Discussion: The Task Force spent a significant amount of time discussing the points contained in the legislative intent language in last year's capital budget. Council will recall that one of the points was that Homer should have a plan in place to prepare for the gas distribution system within the City limits. The Task Force concluded that it was important for the City to be able to show the legislature and the Governor that the City had a plan and that it was actively preparing for arrival of gas. The Task Force agreed that doing this could help to avoid another veto given what the Governor said in his veto message last year.

There are several amendments to the code that would be necessary. The first would be amendments to Title 13 to provide for standard construction practices and permitting to place

natural gas lines within City rights-of-way. If the Council chooses to make available natural gas local improvement districts, then amendments would be needed to Title 17. If the Council chooses to utilize any of the other financing options discussed below, additional ordinances and code amendments may be required. The Task Force recommends that the Title 13 code amendments be prepared and approved quickly. Ordinances related to financing options for street mains could follow at a later date after the Council has time for deliberation.

Financing Options

RECOMMENDATION: The Task Force recommends that the City Council work to select the best funding source possible for the natural gas distribution system within the City limits.

Discussion: The question of whether the City should provide financing for the distribution system generated perhaps the most discussion at Task Force meetings. This is the most important decision the Council will have to make. There are many financial, economic, and political considerations that the Council will have to weigh. Most of the discussion centered around whether the City should pay for or finance construction of the main lines in the streets. (The State is being asked to fund the primary transmission line from Anchor Point only). Local property owners would be responsible for getting the service connection to their buildings.

The Task Force concluded that the City should provide financing and incentives because it would accelerate the build-out phase which would benefit the overall economy and make the transition to natural gas more affordable for local residents and business owners. Doing this might also demonstrate to the Legislature and the Governor that support in Homer for this project is so strong that the City Council is willing to provide local matching money and assume some of the risk. The Task Force also felt it would be helpful to make it known that HART funds were potentially available for a local match.

One point should be made clear. The City is not obligated to do anything in this regard. Doing nothing has been referred to by the staff as the "No Action" alternative. This approach has advantages and disadvantages like any other. Enstar already has a procedure for expanding the distribution system that is approved and regulated by the Regulatory Commission of Alaska. Under this program, local property owners pay for extending mains to their properties and can be reimbursed later when other landowners hook up to the extension. Enstar estimates that under this scenario, build-out will occur naturally throughout Homer in approximately ten years without any City financing or financial assistance.

The Task Force reviewed a list of financing options that were prepared by the staff. The memorandum describing those options is attached. The Memorandum also includes a brief

discussion of the relative advantages and disadvantages of each option. In the end, the Task Force decided to recommend a list of preferred options for Council to consider rather than selecting just one. The Task Force determined that was the best approach because there are still too many unknowns and because this is a political decision as much as a financial and economic one.

The preferred options put forward by the Task Force, in no particular order, are:

Local Improvement Districts

Special Service Areas

A General Mil Rate Increase to finance main lines in the streets throughout the City

Asking voters to make HART Funds available.

**CITY
OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 10-75

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, ESTABLISHING THE HOMER NATURAL GAS
DISTRIBUTION SYSTEM TASK FORCE.

WHEREAS, The grant agreement between the City and the State of Alaska for the natural gas transmission line grant contains legislative intent language which among other things, stipulates that the City prepare a plan for a natural gas distribution system within its municipal boundaries; and

WHEREAS, Memorandum 10-93, adopted on June 28, 2010, contained a recommendation that the Council "establish a task force to help the administration review financing and implementation options for the distribution system and necessary amendments to the local improvement district and utilities code"; and

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby establishes the Homer Natural Gas Distribution System Task Force and authorizes the City Clerk to begin advertising for applicants interested in serving.

BE IT FURTHER RESOLVED that the task force shall have five members, two members of the Homer City Council and three members of the general public; and

BE IT FURTHER RESOLVED that the three seats reserved for the general public shall be open to all applicants, but City residents with experience in public financing, utilities, utility permitting and regulation, business, and other relevant fields are desirable and encouraged to apply.

BE IT FURTHER RESOLVED the task force shall receive strong staff support which shall at times and as appropriate, include the City Attorney, the City Manager, the Public Works Director, the Finance Director, the City Planner, and other staff members or experts as needed.

BE IT FURTHER RESOLVED that the Task Force Scope of Work shall include:


- Review the range of distribution system financing options and make recommendations to the Council.

- Review current City Code related to Local Improvement Districts and utility construction practices and permitting (relevant portions of Chapters 11, 13, and 17) and make recommendations regarding necessary code amendments to the Council.
- Function as a "review board" for Enstar's plans to construct the distribution system.
- Prepare a written plan which addresses the financing, permitting, and construction of a potential gas distribution system within the City limits.

PASSED AND ADOPTED by the Homer City Council this 27th day of September, 2010.



ATTEST:


JO JOHNSON, CMC, CITY CLERK

CITY OF HOMER


JAMES C. HORNADAY, MAYOR

Fiscal Note: Unknown at this time. Possible staff overtime and consultant or legal fees.



CITY OF HOMER CITY HALL MEMORANDUM

To: Natural Gas Distribution Task Force
Through: Walt Wrede, City Manager
From: Anne Marie Holen, Special Projects Coordinator
Date: January 24, 2011
Subject: Investigation of Financing Mechanisms WITH CORRECTIONS AND ADDITIONS from previous version

The purpose of this memo is to describe the potential financing mechanisms that have been investigated by staff so far. Some were determined to be unworkable for Homer but are included here to provide a more complete picture of the research that has taken place to date. (Also, it appears that a couple of these programs might work for neighboring communities.) The second part of the memo describes options which should work within Homer city limits and therefore deserve further consideration by the task force.

These programs have been ruled out for Homer:

1. The City of Homer, in cooperation with Representative Paul Seaton's office, has investigated several USDA grant and loan programs to see if they might be a source of funding for the natural gas pipeline project within Homer. The short answer is "no." The programs are summarized below.
 - **Rural Economic Development Loan Program:** Kachemak City might be able to use this program to secure up to \$750,000 in a 0% loan guaranteed through a property tax assessment. Homer Electric Association would have to be willing to act as an intermediary on the loan. (Kachemak City has approached HEA with this proposition.) Because the maximum available in any given year is only \$750,000 (statewide), the program is not adequate to meet needs within the City of Homer.
 - **Rural Business Enterprise Grant Program:** This program is intended to "support the development of small and emerging private business enterprises in rural areas." Our thinking was that the availability of natural gas would support business development. However, we learned that because the gas distribution system would be owned by a large company (Enstar) rather than a small company, the project would not be eligible for funding.
 - **Rural Energy for America Program:** This program is used to fund both renewable energy programs and energy efficiency improvements. We had thought that because natural gas infrastructure would make it possible to increase energy efficiency (e.g, in boilers and other equipment), our project might be eligible. However, we were told that a natural gas distribution system would be outside the parameters of the grant program.

2. The City also investigated whether areas within city limits would be eligible to apply for status as a Kenai Peninsula Borough Utility Special Assessment District (USAD). The answer is no, because the program only applies to unincorporated areas within the borough. **Anchor Point** is looking at this program. It would add a special assessment to property taxes in areas where a majority of property owners agree to form the USAD. Loans are repaid in this fashion with an interest rate equivalent to the prime rate in effect at the time plus 2%.

These programs could work in Homer:

1. Enstar’s Main Line Extension Agreement Program: Within its tariff approved by the Regulatory Commission of Alaska, Enstar can extend main lines into neighborhoods through agreements with property owners who request the extension. In this situation, Enstar determines the cost, which is then paid by the property owner in one lump payment. If it is necessary for a line to cross under a street (because lines are run only on one side of a street; not both), Enstar will pick up that cost. Likewise, if Enstar decides to put in a larger line (larger than the typical 2-inch pipe) in anticipation of future needs, current property owners involved in the Main Line Extension Agreement will not be asked to pay the additional cost. When additional property owners ask for natural gas service in future years, a formula is applied so that early customers get some reimbursement.

Currently, Enstar’s fees for a main line extension are \$17.90/ft. for the main line (down the street) and \$948 for the first 100 feet of service line (to the house or building), with additional charges of \$2 for every foot thereafter.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • No government subsidies or financing involved • No administrative costs for local government • Only those who want service pay for it 	<ul style="list-style-type: none"> • No financing for property owners -- full cost to be paid up front • Slower build-out community wide • Reduced benefit in terms of economic development and Climate Action Plan objectives

2. Mill rate payback: This strategy is the same as the one Kachemak City is currently pursuing. The City would obtain financing for construction of the main lines, and then all property owners would pay for the lines over time through a property tax mill rate increase.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • Community-wide investment allows faster buildout • Costs are spread to all property owners • Greater economic and Climate Action Plan benefits • No up-front costs to property owners for main line construction • Easy for local government to administer 	<ul style="list-style-type: none"> • Everybody pays whether they want service or not • Property taxes will go up • Could be a problem in terms of City’s mill rate cap of 6%. (If mill rate goes higher, sales tax is eliminated.)

3. **Special Service Districts:** This is a variation of the mill rate payback strategy. It would assume a phased build-out, neighborhood by neighborhood. Property owners within a neighborhood (defined area) would ask to form a Special Service District. City Council could approve the SSD with no particular threshold of participation. Enstar would provide a cost estimate and the City would obtain financing for construction of mains. Property owners would then repay the costs through a mill rate increase applied only to that service district.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • Entire neighborhoods get natural gas all at once • Property owners pay back City over time, through property tax increase (no up-front cost other than service line) • Only the service area pays • Mill rate increase in service area would not affect City's overall property tax cap • No threshold to join Special Service District (unlike LID – see below) • City would have effective enforcement mechanism (lien on property) 	<ul style="list-style-type: none"> • Everybody in service district pays whether they want service or not

4. **Local Improvement Districts (LIDs):** The City already uses LIDs to extend water/sewer service to neighborhoods. A change in City Code would be needed to provide for natural gas LIDs. Neighborhoods would petition to apply. (With water/sewer LIDs, 50% of property owners in the district must request the LID for the Council to consider it.) Enstar would provide a cost estimate and then the property owners would reconsider the proposal. If they decide to form an LID, the City would obtain financing and then pass the costs on to property owners through a special assessment, collected annually until loan is repaid.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • Property owners would have financing, so payments would be spread out over time with low interest • Only neighborhoods that want the service will get it 	<ul style="list-style-type: none"> • 49% may want service but not be able to get it • LIDs are costly and time consuming for the City to administer • LIDs pose a greater financial risk to the City than a mill rate increase

5. **(New since last memo): Transform the HART fund to cover costs of natural gas distribution lines.** Currently, a dedicated sales tax of three-quarters of a percent (.75%) is collected in Homer to support the

Homer Area Roads and Trails (HART) fund. The fund was first authorized by voters for roads only in 1987, with a sunset date of 2007 unless reauthorized. In October 2006, voters approved continuing the program for an additional 20 years and adding a trails component. (Ten percent of the annual HART revenue is to be used for trails.)

Some observers have remarked that HART is more than adequately funded to meet local demand for new/improved roads (typically requested through the LID process), and that a portion of the dedicated sales tax revenue could be redirected to fund natural gas distribution lines rather than roads. This change would require voter approval.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • Would make use of existing revenues rather than requiring a tax increase 	<ul style="list-style-type: none"> • Would require voter approval and may be controversial

Possible financing tools for the City

1. Commercial loan: The City of Homer could apply for a commercial loan to cover the costs of constructing main lines in neighborhoods.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • City has good credit rating; should have no problem obtaining loan 	<ul style="list-style-type: none"> • Commercial loans have higher interest rates than some other forms of financing, which the City would have to pass on to property owners

2. Revenue bonds: Revenue bonds are paid back through revenues generated by the project. They could be used to pay for construction of gas mains if Special Service Districts and/or Limited Improvement Districts are set up in advance, thereby assuring a source of revenue.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • Does not require voter approval (unlike GO bonds – see below) • Revenue bonds are sold tax-exempt, making them attractive to investors (not true in this case) 	<ul style="list-style-type: none"> • The need to set up SSDs/LIDs in advance creates complications

3. General obligation bonds: GO bonds are secured by the City's pledge of its full faith, credit, and taxing power. Because of this obligation and the lack of an assured revenue source from the project itself, the City must have voter approval to take on the debt.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">• Would have a lower interest rate than a commercial loan• GO bonds are sold tax exempt, making them attractive to investors (not true in this case)	<ul style="list-style-type: none">• Would require voter approval• General obligation means the City will do whatever is necessary to repay the loan

MEMORANDUM

TO: Natural Gas Distribution Task Force
FROM: Walt Wrede
DATE: February 28, 2011
SUBJECT: Moving Forward / Recommendations to City Council

INTRODUCTION

At the last meeting, the Chair presented a list of recommendations regarding what the Task Force should advise the City Council on the gas line and gas distribution system. There was very little substantive discussion regarding these recommendations in the time that was available. A motion was adopted to put these recommendations in the form of a draft resolution for City Council consideration. A copy of the draft resolution is included in the packet for your deliberation at this meeting.

I hope that you will give this resolution serious consideration. The staff came away with the impression that Task Force members wanted to talk about this some more but felt that they needed to take action of some kind quickly. Further, it is my understanding that the Chair may have some second thought about these recommendations also and will be submitting a memorandum addressing those thoughts. We also get the sense that the Task Force members are feeling some urgency to wrap this process up but that there is uncertainty about the way forward.

My purpose in writing this memorandum is to try and help by suggesting a framework in which the discussion could move ahead. My hope is that these suggestions will help with structure and focus and provide for an exit strategy for the Task Force. The suggestions below are based upon the enabling resolution adopted by the Council which created the Task Force and by the discussion the Task Force has engaged in to date. It seems to me that there are three basic questions that the Council is seeking advice on, most of which you have already discussed in some detail. Those questions are:

Should the City Aggressively Pursue the Pipeline Project? Yes ___ No ___

You have had discussion on this topic and the many layers of politics surrounding it. The Council has taken steps to raise the profile of the project in the past few weeks. It has moved the pipeline up to Number 2 on the CIP List and it has instructed the City Lobbyist to spend significant amounts of time on it. The Council sent a delegation to Juneau two weeks ago to educate the Governor and key legislators. We told them about how the City is attempting to address the legislative intent language in last year's capital budget. Last week I spoke about this topic at the Chamber meeting and on Coffee Table. I will speak to the Rotary next week. But much more can be done.

If the answer to this question is No, then you should so advise the Council.

If the answer is Yes, then I would suggest that you articulate why it is in the community's interest to do so and recommend to the Council that it authorize the staff, in cooperation with the Chamber and others, to launch a public information campaign and community lobbying effort. This is not going to be an easy task with the Legislature and the Governor. We will need broad based community support. Possible suggestions might include:

- Newspaper Articles, Points of View
- Broader dissemination of information on potential energy cost savings, residential, business, government
- Information about overall economic impact to the Homer economy
- Broader dissemination of information about possible "build-out" scenarios
- Organized community wide letter writing/ lobbying campaign
- Invitations to Governor and key legislators to meet with broad based coalition of interest groups

The Legislative Intent Language. Should the City Plan in Advance? Yes ___ No ___

As you know, the Capital Budget last year contained legislative intent language which the Governor referred to in his veto message. One of the important points was that Homer needed to have "a plan" in place in preparation for the arrival of natural gas. Part of being prepared is having the legal and regulatory standards in place for installing gas lines within the City. That would definitely include the adoption of ordinances amending the City Code to regulate the installation of gas lines within the Rights-of-Way. Adopting such an ordinance definitely constitutes planning and preparation, regardless of whether the Council ultimately decides to provide financial incentives to stimulate quicker build-out. If you recommend making financial incentives available (see next question), you could also recommend an ordinance amending the code to provide for gas line Local Improvement Districts.

If your answer to this question is No, The Council should know that.

If your answer is Yes, then it would be helpful if you recommended to Council that the City proceed with all haste to adopt the necessary ordinances and to make the Governor's office aware of that action.

Should the City Provide Financial Incentives to Assist Local Property Owners and Accelerate Build-Out? Yes ___ No ___

If your answer is No, then it would be helpful to advise the Council as to the reasons for this recommendation. It would also be helpful to inform the Council about what the "no action" alternative would mean. In other words, explain Enstar's normal RCA regulated system expansion procedures and what they would mean for build-out in Homer.

If your answer is yes, then it would be good to provide the Council with a set of preferred options and the advantages and disadvantages of each option. Based upon discussions you have had so far, it seems like the range of preferred options would include:

- Local Improvement Districts, LIDS
- Special Service Areas
- Asking Voters to Make HART Funds Available

If you include HART Funds in the preferred options, it would be good to articulate what exactly the funds would be used for. In other words, would they be used to provide the up-front financing for Special Service Districts? Would they be used to pay for main line extensions outright? ETC.

Conclusion:

It is my view, that if the Task Force answers the three questions above and puts those recommendations in a memorandum to the City Council, it will have completed its mission and could dissolve.

I would recommend that these questions be discussed in detail at this meeting. If more information is needed before a decision is made, the staff will do the best it can to get that information to you. If you have the answers now, I recommended adopting the recommendations by motion. The staff will prepare a draft memorandum to the Council for Task Force consideration at the next meeting. If the memorandum is adopted, you are done!!

Comparison of Natural Gas and Fuel Oil Costs in Homer Area Facilities

School	Jan 3rd 2011 Fuel Oil Price Per Gallon	3 year Annual Average Fuel Oil Gallons	Fuel Oil \$	Annual MBTU	Natural Gas CCF	Enstar Schedule	Jan 15, 2011 Average Natural Gas \$ Per CCF	Natural Gas \$	Potential Savings per School	Building Square Feet	Gallons of Oil per sq ft per year	Year Built
Homer Flex	\$ 2.8385	1,048	\$ 2,976	142,049	1,353	G1	0.91544	\$ 1,238	\$ 1,737	2,908	0.3605	1997
Homer High School	\$ 2.8275	74,786	\$ 211,457	10,432,647	89,359	G4	0.85605	\$ 85,056	\$ 126,402	158,200	0.4727	1985
Homer Middle School	\$ 2.8375	24,027	\$ 68,176	3,351,720	31,921	G3	0.85249	\$ 27,212	\$ 40,963	64,356	0.3733	1970
Paul Banks Elementary	\$ 2.8385	18,435	\$ 52,327	2,571,636	24,492	G3	0.85249	\$ 20,879	\$ 31,448	33,414	0.5517	1964
West Homer Elementary	\$ 2.8385	36,595	\$ 103,874	5,104,956	48,619	G4	0.90158	\$ 43,834	\$ 60,040	52,500	0.6970	1996

Blended Natural Gas rate includes customer charges

**Potential KPB School District Annual Savings \$ 260,590
By Converting to Natural Gas in the Homer Area**

City of Homer Facility	Feb 10th 2011 Fuel Oil Price Per Gallon	Annual Fuel Use, Gallons	Fuel Oil \$	Annual MBTU	Natural Gas CCF	Enstar Schedule	Jan 15, 2011 Average Natural Gas \$ Per CCF	Natural Gas \$	Potential Annual Savings per Facility	Building Square Feet	Gallons of Oil per sq ft per year	Year Built
Homer Public Library	\$ 3.08	9,915	\$ 30,538	1,383,143	13,173	G3	0.85249	\$ 11,230	\$ 19,309	17,115	0.5793	2005
Old Library (Former City Facility)	\$ 3.08	1,773	\$ 5,461	247,334	2,356	G3	0.85249	\$ 2,008		3,433	0.5165	1983
Homer Airport	\$ 3.08	8,858	\$ 27,283	1,235,691	11,768	G3	0.85249	\$ 10,033	\$ 17,250	8,588	1.0314	1993
Port Maint Bldg	\$ 3.08	4,768	\$ 14,685	665,136	6,335	G3	0.85249	\$ 5,400	\$ 9,285	4,284	1.1130	1993
Homer Animal Shelter	\$ 3.08	8,064	\$ 24,837	1,124,928	10,714	G3	0.85249	\$ 9,133	\$ 15,704	4,100	1.9668	2004
Summary of cost for 4 City of Homer Buildings			\$ 97,343					\$ 35,796	\$ 61,548			

Public Facility	3 Year Average Fuel Oil Price Per Gallon	Annual Fuel Use, Gallons	Fuel Oil \$	Annual MBTU	Natural Gas CCF	Enstar Schedule	Jan 15, 2011 Average Natural Gas \$ Per CCF	Natural Gas \$	Potential Annual Savings per Facility	Building Square Feet	Gallons of Oil per sq ft per year	Year Built
Islands & Ocean Visitor Center	\$ 2.7726	25,392	\$ 70,403	3,542,240	33,736	G3	0.85249	\$ 28,759	\$ 41,644	35,200	0.7214	2002
South Peninsula Hospital	\$ 2.5230	141,174	\$ 356,189	19,693,773	187,560	G4	0.82352	\$ 154,459	\$ 201,730	81,110	1.7405	
South Peninsula Hospital	\$ 3.0710	141,174	\$ 433,545	19,693,773	187,560	G4	0.82352	\$ 154,459	\$ 279,086			

Hundred Cubic Feet
British Thermal Unit
Thousand BTU

Prepared by Bill Smith

Residential Energy Cost Comparison Anchor Point and Homer Area

Comparison of Energy Rates: Subject to Energy Price Change!

Annual cost to provide Heat & Hot Water for an example single family Home

Energy Costs on 1-15-2011 in Homer and Anchor Point Alaska

Residential Rates

Source	Unit	Average \$ Per Unit	BTU per Unit	AFUE Equipment Efficiency	Net BTU per Unit	Units per Million BTU	lbs of CO2 per Million BTU	\$ Per Million BTU	Annual Units	CO2 # per Year	Annual Cost	Average Per Month Cost
Electricity	KWH	0.14829	3,412	100	3,412	293.08	392	43.46	38,114	50,978	\$ 5,652	\$ 471
Propane	Gallon	4.602	92,000	82	75,440	13.26	184	61.00	1,768	29,929	\$ 8,136	\$ 678
#1 Fuel Oil	Gallon	3.06	135,500	82	111,110	9.00	214	27.54	1,200	34,796	\$ 3,672	\$ 306
For Comparison: Residential Natural Gas (G1 Rate) in Kenai, Soldotna & Anchorage												
Natural Gas	CCF	0.91544	103,000	82	84,460	11.84	153	10.84	1,578	24,868	\$ 1,445	\$ 120

Sales Taxes not included

Each source will vary with market prices.

Electricity & Natural Gas prices include monthly customer charge.

#1 Fuel Oil is Jet A (low sulfur)

Fuels priced at typical delivery quantities

Note: Combustion equipment efficiency can vary widely. A constant 82% efficiency is used to enable a base comparison between fuels and electricity. Many gas and oil fired units function at higher efficiencies.

KWH=Kilowatt Hours

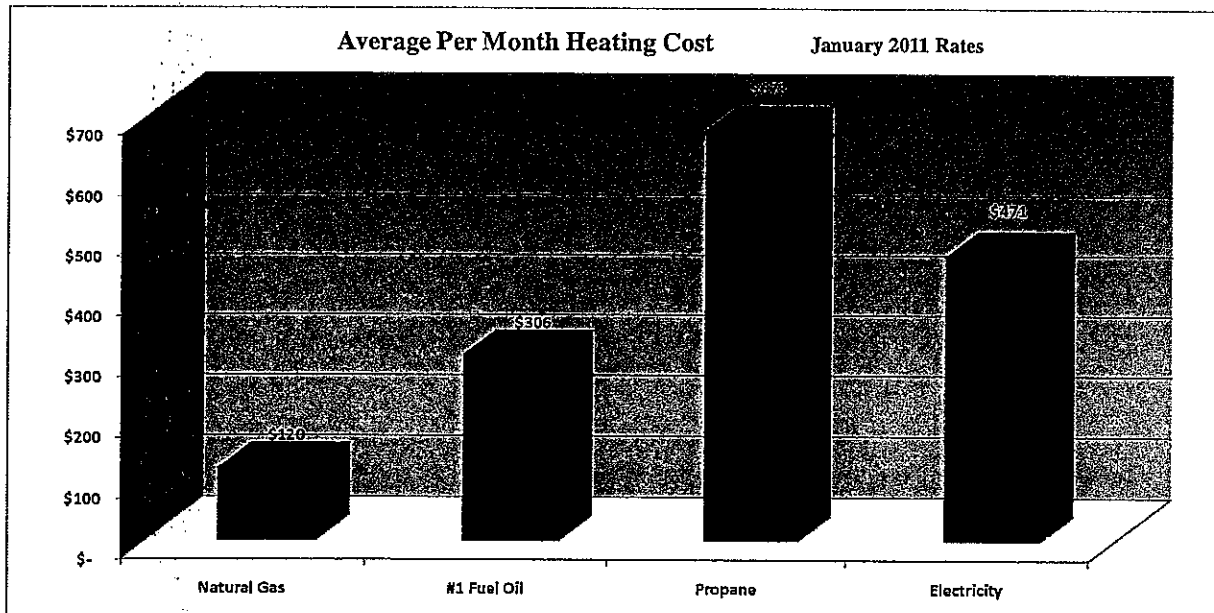
AFUE= Annual Fuel Utilization efficiency

BTU= British Thermal Unit (Amount of heat needed to raise 1 pound of water 1 degree fahrenheit)

CO2= Carbon dioxide

CCF= Hundred Cubic Feet

Prepared by Bill Smith



Session 11-03, a Regular Meeting of the Natural Gas Distribution Task Force was called to order by Vice Chair Howard at 12:03 p.m. on February 28, 2011 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

TASK FORCE MEMBERS: Heimbuch, Howard, Pate, Zak
ABSENT: Story
STAFF: City Manager Wrede
Deputy City Clerk Jacobsen
Special Projects Coordinator Holen

APPROVAL OF THE AGENDA

The agenda was approved by consensus of the Task Force.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

RECONSIDERATION

No reconsiderations were scheduled.

APPROVAL OF MINUTES

A. February 14, 2010 Synopsis

The synopsis was approved by consensus of the Task Force.

VISITORS

There were no visitors.

STAFF/COUNCIL/BOROUGH/KACHEMAK CITY REPORT

There were no Staff, Kachemak City, or Borough reports

PUBLIC HEARING

No public hearings were scheduled.

PENDING BUSINESS

- A. Financing Options
1. Memo from City Manager Re: Moving Forward/Recommendations to City Council
 2. Draft Resolution

Mr. Heimbuch arrived at 12:05 and assumed the Chair.

City Manager Wrede reviewed his memorandum. There was brief discussion of procedure regarding the memorandum and draft resolution.

NATURAL GAS DISTRIBUTION TASK FORCE
MEETING SYNOPSIS
FEBRUARY 28, 2011

Mrs. Howard expressed that she is now inclined to think taking the same approach as Kachemak City may be the way to go. It is the easiest to administer financially and the mil rate is a general sweep through the city. It would alleviate having to have certain percentages for districts and keeps neighbors and groups from going against each other. She noted her appreciation of the format of the memorandum from staff and suggested incorporating it into the resolution.

Mr. Zak commented that at the Economic Development District Board meeting concern was expressed that even if the project does make it in the budget, the Governor would still veto a large portion of the gas line because the project is not shovel ready for 2012. Mr. Zak said the information needs to get out that it is feasible for 2012.

Point was raised by Bill Smith through the City Manager that Enstar is planning to do it in one year by having two sets of contractors working in both directions.

Mr. Pate commented that a strong yes on the points of the memorandum would be warranted by the task force, and then it is the council's job to implement it. He believes the information provided with cost break downs is information the public needs and he thanked staff for bringing it to the group.

Chair Heimbuch concurred and recognized their goal of getting something to council and not being a hindrance to the process of moving forward.

HOWARD/ZAK MOVED TO ADOPT THE RESOLUTION AND RECOMMEND SUPPORT.

There was discussion of procedure and efficient ways to incorporate the points in the memorandum.

HOWARD/ZAK MOVED TO AMEND RESOLUTION POINT 1 THAT IT READ WORK TO SELECT THE BEST FUNDING SOURCE POSSIBLE FOR THE NATURAL GAS DISTRIBUTION OFF THE MAIN LINE WITHIN THE CITY OF HOMER.

There was brief discussion clarifying that the rest of the language in #1 would be removed and it still allows for multiple options to consider.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

HOWARD/ZAK MOVED TO STRIKE NUMBER 5 AND 6 IN THE DRAFT RESOLUTION.

There was brief discussion that this allows number 1 to do the work and not be specific. It says we have multiple sources and will select the best one.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Point was raised that it is important to including the information about Enstar's suggested work schedule. It was noted that it is information that would be more beneficial in the supporting documentation for the resolution.

HOWARD/ZAK MOVED TO STRIKE NUMBER 2.

NATURAL GAS DISTRIBUTION TASK FORCE
MEETING SYNOPSIS
FEBRUARY 28, 2011

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Question was raised about item 7 and the role of the middleman. Chair Heimbuch explained that in the original charge of the task force they were supposed to act as a sounding board for Enstar's build out and it was something that was incorporated in the resolution from his memo in the last packet. The task force discussed the importance of the city's role in working with Enstar and the public through this process.

HOWARD/ZAK MOVED TO STRIKE "AS A MIDDLEMAN" IN NUMBER 7 AND LEAVE THE REST.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ZAK/HOWARD MOVED TO AMEND NUMBER 4 TO CHANGE LOCAL INSTITUTIONS TO REGIONAL BUILDINGS.

Brief discussion ensued regarding the substantial benefits to all buildings in the city, whether they are city, borough, state, or private institutions.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

City Manager Wrede asked for clarification on the intent of item 3. Chair Heimbuch commented that if the city is going to push this project we need to be pulling Kachemak City's economic engine along with us at every juncture.

There was discussion in support of moving this forward to Council despite its imperfections so they can take it from this point and refine it as they see fit.

VOTE (Main motion as amended): YES: PATE, HEIMBUCH, ZAK, HOWARD

Motion carried.

Discussion ensued regarding the memorandum and how it would be revised to follow the resolution. City Manager Wrede explained it would focus on the task force recommendation to ramp up the public lobbying effort, request administration to work post haste on required ordinance amendments, and that council evaluates the pros and cons of the range of options for funding. The pros and cons for the alternatives will be included. Mrs. Howard requested that HART be included in the options for consideration.

ZAK/HOWARD MOVED TO HAVE ADMINISTRATION PREPARE THE SUPPORTING DOCUMENTS.

There was clarification to include the building cost break downs and the memorandum of January 24th from Special Projects Coordinator Holen.

NATURAL GAS DISTRIBUTION TASK FORCE
MEETING SYNOPSIS
FEBRUARY 28, 2011

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Chair Heimbuch asked for recommendations on how to proceed regarding disbanding or future meetings. The members agreed not to schedule a future meeting at this time but acknowledged that they may be requested to come together by council at a future time.

NEW BUSINESS

No new business items were scheduled.

INFORMATIONAL MATERIALS

- A. Estimates on cost saving - natural gas vs. alternatives
- B. Homer News Editorial

COMMENTS OF THE AUDIENCE

Dave Weber, Kachemak City Representative, said he has done a lot of personal contact to major businesses, minor businesses, and citizens. One thing that keeps coming to the front are people saying they thought it was coming so why write a letter. This includes business that can save \$30,000 to \$40,000 per year on fuel. He would like the City of Homer to send a letter to its citizens and businesses to let them know. If people don't write letters, we won't get support for this. Safeway heats with propane and he expects they spend over \$100,000 a year on heat. Neither Safeway nor Kachemak Wholesale has written letters. He doesn't know how we can wake these people up, but we need to do it.

Anne Marie Holen, city employee and city resident, commented that it has been an interesting exercise working with the task force both from a public policy stand point, and as a home owner. This is relevant to her as when she built her house she hooked up to propane because at that time they were saying natural gas was two years out and she wanted to be ready to convert. She discovered that she cannot afford to heat her house with propane and is now using wood, which has its own issues. She thinks there would be a lot of people eager to switch to natural gas. She expected the task force to come forward and say either the city should take a role in helping to cover the upfront costs by providing an LID or special service districts where homeowners like her could pay the city back. Absent that it may be tough for many homeowners to move quickly to convert. She congratulated the task force on getting their work done. She thinks this is doable and agrees with others who have said we need to get the word out.

Bill Smith commented that Enstar is preparing a map that will give a schematic of how the build out could happen over time with main extensions off the pipeline. That would be within the City of Homer, but he hopes they would do one area wide as well. If Kachemak City comes up with the money up front it will happen within the first year. Otherwise if the City doesn't get any money together to participate in the plan Enstar still anticipates that within 10 years natural gas will be everywhere on the Homer bench including Skyline and Diamond Ridge. He hopes the map will be here in the coming week for Council to look at.

COMMENTS OF THE CITY STAFF

There were no staff comments.

COMMENTS OF THE CHAIR

NATURAL GAS DISTRIBUTION TASK FORCE
MEETING SYNOPSIS
FEBRUARY 28, 2011

Chair Heimbuch commented that they are aware in Juneau that people and groups in our region are starting to write letters, but no one is giving us a hard target to aim at. The Governor's office commented to him that if it's such a good idea and saves so much money how come the city isn't stepping up to fund this big line? He responded that they haven't given us anything to shoot at; they sit there with arms crossed waiting to hear it's such a good idea. Mr. Heimbuch said he thinks we need people down there to be more proactive and we need to keep on our Senator and Representative to really be driving this home as much as they can. You see in the paper every other day something about a 150 million dollar bridge or road to Nome or a hydro project. He continues to think that having money available and willing to put it up is the big deal. He agrees with Ms. Holen that we have to do stuff to get in between the homeowners, the institutional buildings, and Enstar and be ready to jump in and do something. He wishes the City Council luck on what they decide to do with this.

COMMENTS OF THE TASK FORCE

Mr. Pate said he agrees whole heartedly that it is incumbent on the council and task force to use every opportunity we can to push forward with the general population of the community as far as educating. It needs to be done rapidly. He doesn't know if there is a way to publish email addresses in Juneau through an article in the paper but it would be important to have that available. He thinks the city has a responsibility to facilitate funding a project of this nature. To him it's no different than a water or sewer system. He hopes the council will see it in that light.

Mrs. Howard thanked Kachemak City reps and Assembly member Smith for coming to the meetings and staff for their work. When we bring this to council she will be making two recommendations, first that we encourage folks to write letters, but more importantly to help with points to be made in the letters and who to send it too. Secondly she will be proposing that when we know gas is coming then we zero in on how to get it from the street to the property owners. Right now we don't need to lock that in but in the meantime Juneau should do their part and we will be working in tandem.

Mr. Zak commented that when he talks about the gas line he hears people say why should we do that for them when they don't do anything for the rest of us? We have to overcome that mentality. Homer is part of the peninsula and just as important of an economic player as others in the Borough. Its 14 miles and \$10 million, but what an important thing for the economic future of the whole Borough to make this all happen.

ADJOURN

There being no more business to come before the Committee the meeting adjourned at 1:03 p.m. No further meetings were scheduled.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____

m

m

m

**CITY OF HOMER
HOMER, ALASKA**

Wythe

RESOLUTION 11-028

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, IN SUPPORT OF USING CITY HALL DEPRECIATION RESERVES TO ASSIST WITH THE COSTS OF RENOVATION TO THE EXISTING CITY HALL FACILITY.

WHEREAS, The City Hall Renovation and Expansion Task Force is working with the architects and contractors in reviewing and discussing improvements for the renovated and expanded City Hall; and

WHEREAS, Areas in the existing building were identified as requiring upgrade and replacement in the University of Alaska Anchorage engineer's facility report and are being considered for inclusion in the renovation project; and

WHEREAS, It is economically sensible to replace the roof, deck, and carpets of the existing building during the remodel; and

WHEREAS, Improvements to the current heating system, lighting, and air handling unit are desired to increase overall energy efficiency; and

WHEREAS, Exterior siding to the existing building will add stability, reduce long term maintenance costs, and create an aesthetically pleasing flow with the new addition; and

WHEREAS, Depreciation reserves are allocated to be made available for the purpose of repairs and maintenance of the building as required to extend the useful life of the building; and

WHEREAS, Consistent with the design build process, it is desirable to know at this time if depreciation reserve funds may be utilized to finance the projects identified as necessary repairs in the existing building.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council supports utilizing depreciation reserves to assist with the costs of renovation to the existing City Hall facility.

PASSED AND ADOPTED by the Homer City Council this 14th day of March, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

10% Conceptual Budget Breakdown
City Hall Renovation and Expansion
 March 7, 2011

(text in red changed from early estimate)

Proposed Project (with budget)	Original Budget	Proposed Budget
Expansion Construction	\$1,000,000	\$1,258,576
Renovation Construction	\$500,000	\$254,895
1% for Art	\$15,000	\$15,000
Preconstruction Services	\$135,000	\$129,869
Construction Assistance Services	\$30,000	\$22,150
City Salaries/Administration	\$40,000	\$40,000
Contingency (10%)	\$150,000	\$150,000
Total Proposed Project	\$1,870,000	\$1,870,490

4100 SF new bldg; removal of HEA power line; no work on existing bldg parking expansion; drainage; sidewalks; landscaping; sewer connect

Additional Work (addn funding r'qrd)	Proposed
Energy Efficiency Improvements	
New Heating System	\$40,000
Lighting Upgrade	\$27,500
New Air Handling Unit	\$24,500
Subtotal Energy Improvements	\$92,000
Renovations per UAA Architect's Report	
New Roof	\$38,500
Deck Replacement	\$20,000
New Carpet	\$60,000
Interior Painting	\$22,660
Exterior painting	\$30,000
Window Replacement (2)	\$2,000
Work Space Improvements	\$146,000
Elevator Pit Repair	\$5,000
Subtotal Renovation Improvements	\$324,160

replace electric heat with hydronic (heating fuel)
 replace lighting with energy efficient lighting
 replace old roof AHU with new efficient unit

replace shingle roof/rehab flat roof
 replace handicap ramp and deck (north side of bldg)
 install new carpeting in existing bldg
 paint and patch all interior wall surfaces
 paint/repair exterior of existing building
 replace two damaged windows
 Wall moving/breakroom relocation/storage area adjustments
 repair mountings bottom of elevation shaft

Total addition funding required = *Exterior Siding*
 \$416,160
 \$60,000 = \$476,160

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 11-029

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AWARDING THE CONTRACT FOR THE WATER TREATMENT PLANT BUILDING DEMOLITION PROJECT TO EAST ROAD SERVICES OF HOMER, ALASKA, IN THE AMOUNT OF \$58,000.00 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The Invitation to Bid was advertised in the Homer Tribune on February 9 and 16, 2011 and posted on the Clerk's website; and

WHEREAS, Sealed bids were due in the Office of the City Clerk by 2:00 p.m. on Tuesday, March 8, 2011; and

WHEREAS, Eight sealed bids were received, two were found non responsive, making six that meet or exceed the basic requirements; and

WHEREAS, East Road Services of Homer, Alaska, submitted the lowest responsive and responsible bid for the Water Treatment Plant Building Demolition; and

WHEREAS, This award is not final until written notification is received by East Road Services of Homer, Alaska, from the City of Homer.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the contract for the Water Treatment Plant Building Demolition project to East Road Services of Homer, Alaska, in the amount of \$58,000.00 and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 14th day of March, 2011.

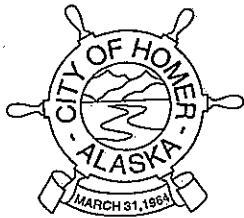
CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: \$58,000 Acct. No. 200-400-4902



CITY OF HOMER

PUBLIC WORKS

3575 HEATH STREET HOMER, AK 99603

TELEPHONE (907)235-3170

FACSIMILE (907)235-3145

MEMORANDUM 11-036

To: Walt Wrede, City Manager
From: Carey Meyer, Public Works Director
Date: March 8, 2011
Subject: **Water Treatment Plant Building Demolition
Contract Award Recommendations**

Public Works opened bids for the above referenced project on March 8. Six responsive bids were received:

Bidder	Office Location	Bid
A+A Enterprises Inc.	Anchorage AK	\$ 72,441
Building Specialties Inc.	Homer, AK	\$ 75,550
Udelhoven Oilfield System Services, Inc.	Nikiski, AK	\$ 127,753
East Road Services	Homer, AK	\$ 58,000
Arno Construction	Homer, AK	\$ 69,207
Green Construction	Homer, AK	\$ 111,995
Engineer's Estimate		\$ 114,000

Public Works has reviewed the bids. The low bidder is East Road Services of Homer, Alaska. The low bidder's qualifications have been reviewed and they have been determined to be qualified to complete this project. This project was bid with the City's 5% local bidders preference requirements. The low bidder is a local bidder (office within City limits).

The project will be paid for utilizing the insurance settlement.

Recommendation: The City Council award the demolition contract for this project to East Road Services, Homer, Alaska in the amount of \$58,000 and authorize the City Manager to execute all appropriate documents.

Fiscal Note: 200-400-4902

BID TALLY SHEET: PROJECT: Water Treatment Plant Building Demolition

Due Date and Time: March 8, 2011 @ 2:00 p.m. PROJECT No: _____
 City Clerk's Office

Bidder No.	Bidder Name and Address	Part B / Part A	Bid Amount / Additive Alternate Amt.
1.	Alaska Demolition 2817 Rampart Drive Anchorage, AK 99501	✓/✓	Non Responsive: Not Listed on Plan Holder's List
2.	A+A Enterprises Inc. 14130 Sunview Drive. Anchorage, AK 99515	✓/✓	\$72,441.00
3.	Building Specialties Inc. PO Box 867 Homer, AK 99603	✓/✓	\$75,550.00
4.	C1 Contractors, Inc 311 N. Sitka St. Anchorage, AK 99501		Non Responsive: Not Submitted with Parts A & B in Separate Envelopes and not on Plan Holder's List
5.	Udelhoven Oilfield System Services, Inc. PO Box 8349 Nikiski, AK 99635	✓/✓	\$127,753.20
6.	East Road Services 33470 East End Road Homer, AK 99603	✓/✓	\$58,000.00
7.	Arno Construction PO Box 1772 Homer, AK 99603	✓/✓	\$69,207.00
8.	Green Construction PO Box 1371 Homer, AK 99603	✓/✓	\$111,995.00

City Engineer's Estimate if applicable: \$ 114,000.00

Staff Present: _____ Public Works Director Meyer, Deputy City Clerk Jacobsen, Accounting Technician Earls

**CITY OF HOMER
HOMER, ALASKA**

Roberts

RESOLUTION 11-030

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, IN SUPPORT OF THE KENAI PENINSULA BOROUGH'S CONTINUED FUNDING FOR THE KACHEMAK BAY CAMPUS.

WHEREAS, A proposal to suspend funding for the Kenai Peninsula College is under consideration in the Kenai Peninsula Borough Mayor's proposed 2012 Budget; and

WHEREAS, The proposed suspension of funding for the Kenai Peninsula College would directly affect the Kachemak Bay Campus, resulting in the termination of critical services and instruction to the students; and

WHEREAS, The Kachemak Bay Campus provides opportunity for post secondary education for more than 500 students, with an emphasis on smaller classes and individual attention; and

WHEREAS, The Kachemak Bay Campus provides students an opportunity for post secondary education at a place and price that makes vocational, college, and adult educational options a viable choice; and

WHEREAS, Kachemak Bay Campus provides for local jobs and promotes economic development within the community.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council supports the Kenai Peninsula Borough's continued funding for the Kachemak Bay Campus.

PASSED AND ADOPTED by the Homer City Council this 14th day of March, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A



Kachemak Bay Campus

Kenai Peninsula College
UNIVERSITY of ALASKA ANCHORAGE

Resolution 2010-2011_01 Opposition of Kenai Peninsula Borough Budget Cuts

SPONSORED BY: LeAndra Macauly, President KBC Student Association
Lucas Wilcox, Vice-President KBC Student Association
Patricia Case, Treasurer KBC Student Association
Joshua Strutz, Secretary KBC Student Association
Jacob Chrisman, Service Chair KBC Student Association

WRITTEN BY: LeAndra Macauly, President KBC Student Association

DATE: February 24, 2011

WHEREAS: The Mayor of the Kenai Peninsula Borough has proposed suspending all funding to the Kenai Peninsula Borough in Fiscal Year 2012;

WHEREAS: The Kenai Peninsula Borough Assembly will begin budget work sessions in March 2011;

WHEREAS: The Kachemak Bay Campus Student Association should oppose this proposed suspension of funds from the Kenai Peninsula Borough to Kenai Peninsula College; and

THEREFORE BE IT HEREBY RESOLVED

That the Kachemak Bay Campus Student Association of Kenai Peninsula College, University of Alaska Anchorage officially opposes any and all suspension of funds from the Kenai Peninsula Borough to Kenai Peninsula College, its various campuses, its departments and/or programs. Such loss of funding will result in the termination of critical services and instruction to students in the Kenai Peninsula Borough.

THEREFORE BE IT HEREBY FURTHER RESOLVED

That a copy of this legislation be forwarded to Borough Mayor Dave Carey; Borough Assembly President Gary Knopp; Borough Assembly Vice President Charlie Pierce; Borough Assembly Members Hal Smalley, Ray Tauriainen, Linda Murphy, Sue McClure, Brent Johnson, Mako Haggerty; Homer Mayor James Hornaday; Homer City Council Members Beth Wythe, Francie Roberts, Barbara Howard, David Lewis, Bryan Zak, and Kevin Hogan; Senator Gary Stevens; Representative Paul Seaton; Governor Sean Parnell; University of Alaska President Pat Gamble; University of Alaska Board of Regents Chair Cynthia Henry; University of Alaska Anchorage Chancellor Fran Ulmer; Kenai Peninsula College Director Gary Turner; Kachemak Bay Campus Director Carol Swartz; University of Alaska Anchorage Vice Chancellor for Student Affairs Bruce Schultz; University of Alaska Anchorage Dean of Students Dewain Lee; University of

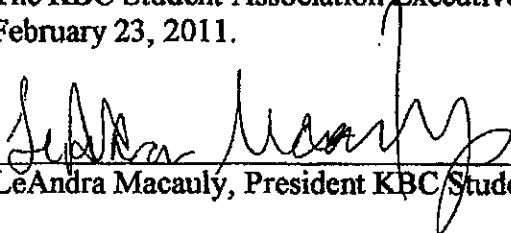


Kachemak Bay Campus

Kenai Peninsula College
UNIVERSITY of ALASKA ANCHORAGE

Alaska Speaker of the Coalition of Student Leaders Peter Finn; University of Alaska Proterm Speaker of the Coalition of Student Leaders Nicole Carvajall; Anchorage Daily News President and Publisher Patrick Doyle; Homer Tribune Publisher Jane Pascall; Homer News Editor and Publisher Lori Evans; KBBi News Director Aaron Selbig.

The KBC Student Association Executive Board has passed this resolution by a 5/0/0 vote on February 23, 2011.


LeAndra Macaulay, President KBC Student Association

2/25/11
Date

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

