

City Council
January 14, 2013
Monday



Worksession 4:00 P.M.
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

Produced and
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JANUARY 2013

Monday 14th	CITY COUNCIL Worksession 4:00 p.m., Committee of the Whole 5:00 p.m., and Regular Meeting 6:00 p.m.
Tuesday 15th	BAYCREST OVERLOOK IMPROVEMENT COMMITTEE Meeting 1:00 p.m.
Wednesday 16th	PLANNING COMMISSION Worksession 5:30 p.m. and Regular Meeting 6:30 p.m.
Thursday 17th	PARKS AND RECREATION ADVISORY COMMISSION Regular Meeting 5:30 p.m.
Monday 21st	CITY COUNCIL Worksession 5:15 p.m.
Tuesday 22nd	WATER AND SEWER RATE TASK FORCE Meeting 5:15 p.m.
Wednesday 23rd	PORT AND HARBOR ADVISORY COMMISSION Regular Meeting 5:00 p.m. KAREN HORNADAY PARK COMMITTEE Meeting 5:30 p.m.
Monday 28th	CITY COUNCIL Special Meeting 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 6:00 p.m.**
- Library Advisory Board 1st Tuesday 5:00 p.m.**
- Economic Development Advisory Commission 2nd Tuesday 6:00 p.m.**
- Parks and Recreation Advisory Commission 3rd Thursday of the month with exception of December 5:30 p.m.**
- Planning Commission 1st and 3rd Wednesday 6:30 p.m.**
- Port and Harbor Advisory Commission 4th Wednesday 5:00 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 3:00 p.m.**
- Permanent Fund Committee Quarterly 2nd Thursday 5:15 p.m.**

MAYOR AND CITY COUNCILMEMBERS AND TERMS

BETH WYTHE, MAYOR - 14
FRANCIE ROBERTS, COUNCILMEMBER - 15
BARBARA HOWARD, COUNCILMEMBER - 14
DAVID LEWIS, COUNCILMEMBER - 14
BRYAN ZAK, COUNCILMEMBER - 13
BEAUREGARD BURGESS, COUNCILMEMBER - 15
JAMES DOLMA, 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.

COWLES COUNCIL CHAMBERS
491 E. PIONEER AVENUE
HOMER, ALASKA
www.cityofhomer-ak.gov



WORKSESSION
4:00 P.M. MONDAY
JANUARY 14, 2013

MAYOR BETH WYTHE
COUNCIL MEMBER FRANCIE ROBERTS
COUNCIL MEMBER BARBARA HOWARD
COUNCIL MEMBER DAVID LEWIS
COUNCIL MEMBER BRYAN ZAK
COUNCIL MEMBER BEAUREGARD BURGESS
COUNCIL MEMBER JAMES DOLMA
CITY ATTORNEY THOMAS KLINKNER
CITY MANAGER WALT WREDE
CITY CLERK JO JOHNSON

WORKSESSION AGENDA

1. CALL TO ORDER, 4:00 P.M.

Councilmember Howard has requested excusal.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

3. LOBBYIST TASK LIST

Memorandum 13-001 from City Manager, Re: Lobbying Priorities. Page 7

4. REGULAR MEETING AGENDA

5. COMMENTS OF THE AUDIENCE

6. ADJOURNMENT NO LATER THAN 4:50 P.M.

Next Regular Meeting is Monday, January 28, 2013 at 6:00 p.m., Committee of the Whole 5:00 p.m., and Special Meeting 4:00 p.m. A Worksession is scheduled for Monday, January 21, 2013 at 5:15 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MEMORANDUM 13-001

TO: Mayor Wythe and Homer City Council

FROM: Walt Wrede

SUBJECT: Lobbying Priorities Workshop

DATE: January 9, 2013

The Council scheduled a workshop prior to its regular meeting on January 14th to discuss the City's lobbying priorities and strategy. The idea for the workshop emerged out of the discussions the Council had regarding the renewal of the lobbying contract with Linda Anderson. The purpose of the workshop is twofold: 1) to discuss the City's lobbying priorities and strategy and 2) To discuss ways to improve the City's communication protocol and working relationship with the lobbyist to our mutual benefit.

I spoke with Linda on the phone on Tuesday January 8th to get her input on these two topics. We had a very good discussion which I think was helpful to both of us. She understands where the Council is trying to go and provided a number of good suggestions. I spoke with the Mayor later and she suggested that a good way to proceed would be for the Council to discuss these issues first among themselves and then have a follow-up meeting with Linda later. Everyone agrees that it is important to be clear and precise about priorities and expectations.

The purpose of this memo is to help frame the discussion and get the Council started with some suggestions. Since we only have an hour, I am hoping this memo will help us launch right the matter at hand. This is by no means an exhaustive list.

Suggested Lobbying Priorities

- The C.I.P. List: Be on the lookout for funding opportunities of all kinds to support the City's capital priorities.
- The Fish Tax Bill: Explore the possibility of getting movement there.
- Possible Statewide Harbor Bond Package: Be sure the City has project(s) included in any bond package.
- Loans for Gas Conversions and Hood-Ups: This bill will likely re-emerge.
- Re-appropriation: Based upon conversations Council will have later, a re-appropriation of a legislative grant may be requested.
- PERS Terminations Studies: Continue work with Senate leadership and our new Senator on this topic.
- Cruise Ships: Marketing Plan and Outreach
- Legislative and Administration Issues as identified by City

Working Relationship and Communication

This section includes things that Linda and Yuri can do to assist the Council and things that the City can do to assist them.

- **Regular Lobbyist Activity Reports:** The City Manager's Report to contain a lobbyist report at each meeting during the session. It could be in writing, over the phone, or by video. Lobbyist to report in detail on all activities on City's behalf including issues worked on and legislators and others visited.
- **Regular Opportunities for Direct Interaction:** A teleconference or video conference on a regular basis to exchange information.
- **Feedback on Legislation:** Yuri provides regular reports on legislation that he believes may affect Homer. The reports are distributed to Department Heads and the Council. We should provide a coordinated response to those reports so that the Lobbyist can narrow her focus and work on legislation that is truly important to Homer.
- **The City can do a better job of alerting the Lobbyist to opportunities or information that it may have access to that comes from contacts with other Cities, professional associations, etc.**
- **The Council should develop a protocol for establishing priorities and communicating with a unified voice.**

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**CITY OF HOMER
HOMER, ALASKA**

Mayor/City Council

RESOLUTION 12-087(S)

A RESOLUTION OF THE HOMER CITY COUNCIL ADOPTING THE 2013-2018 CAPITAL IMPROVEMENT PLAN AND ESTABLISHING CAPITAL PROJECT LEGISLATIVE PRIORITIES FOR FISCAL YEAR 2014.

WHEREAS, A duly published hearing was held on September 24, 2012 in order to obtain public comments on capital improvement projects and legislative priorities; and

WHEREAS, It is the intent of the City Council to provide the Governor, the State Legislature, State agencies, the Alaska Congressional Delegation, and other potential funding sources with adequate information regarding the City's capital project funding needs.

NOW, THEREFORE BE IT RESOLVED by the City Council of Homer, Alaska, that the "City of Homer Capital Improvement Plan 2013-2018" is hereby adopted as the official 6-year capital improvement plan for the City of Homer.

BE IT FURTHER RESOLVED that the following capital improvement projects are identified as priorities for the FY 2014 State Legislative Request:

1. Harbor Improvement Revenue Bond Projects
2. Port and Harbor Building
3. Skyline Fire Station
4. Pratt Museum New Facility and Site Redesign
5. Homer Education and Recreation Center Upgrades
6. Homer Tidal Energy Incubator Project
7. Harbor Entrance Erosion Control
8. Fire Engine 4 and Tanker 2 Refurbishment
9. Public Safety Building
10. Barge Mooring Facility
11. Kachemak Drive Rehabilitation/Pathway
12. Brush/Wildland Firefighting Truck
13. Marine Ways Large Vessel Haulout Facility
14. Baycrest Overlook Gateway Project
15. Water Storage/Distribution Improvements

BE IT FURTHER RESOLVED that projects for the FY 2014 Federal Legislative Request will be selected from this list.

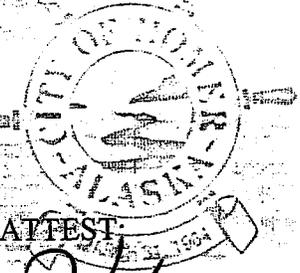
BE IT FINALLY RESOLVED that the City Manager is hereby instructed to advise appropriate State and Federal representatives and personnel of the City's FY 2014 capital project priorities and take appropriate steps to provide necessary background information.

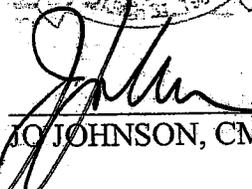
49 PASSED AND ADOPTED by a duly constituted quorum of the City Council for the City of
50 Homer on this 15th day of October, 2012.

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CITY OF HOMER


MAYOR



ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

COWLES COUNCIL CHAMBERS
491 E. PIONEER AVENUE
HOMER, ALASKA
www.cityofhomer-ak.gov



COMMITTEE OF THE WHOLE
5:00 P.M. MONDAY
JANUARY 14, 2013

MAYOR BETH WYTHE
COUNCIL MEMBER FRANCIE ROBERTS
COUNCIL MEMBER BARBARA HOWARD
COUNCIL MEMBER DAVID LEWIS
COUNCIL MEMBER BRYAN ZAK
COUNCIL MEMBER BEAUREGARD BURGESS
COUNCIL MEMBER JAMES DOLMA
CITY ATTORNEY THOMAS KLINKNER
CITY MANAGER WALT WREDE
CITY CLERK JO JOHNSON

COMMITTEE OF THE WHOLE AGENDA

1. CALL TO ORDER, 5:00 P.M.

Councilmember Howard has requested excusal.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

3. Main Street Intersection

Memorandum 13-007, from City Manager, re: Main St. / Sterling Intersection.

Page 13

4. REGULAR MEETING AGENDA

5. COMMENTS OF THE AUDIENCE

6. ADJOURNMENT NO LATER THAN 5:50 P.M.

Next Regular Meeting is Monday, January 28, 2013 at 6:00 p.m., Committee of the Whole 5:00 p.m., and Special Meeting 4:00 p.m. A Worksession is scheduled for Monday, January 21, 2013 at 5:15 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MEMORANDUM 13-007

TO: Mayor Wythe and Homer City Council

FROM: Walt Wrede

SUBJECT: Main St. / Sterling Intersection

DATE: January 9, 2013

The Primary topic of discussion at the Committee of the Whole meeting on January 14th is the Main St. / Sterling Highway intersection. The purpose of scheduling a discussion on this topic is to give the Council an opportunity to exchange ideas and information before important action items are scheduled at future meetings.

As you know, the Council has had many conversations about this intersection in the past and has adopted several resolutions on the topic. However, movement on improvements here has been difficult for a variety of reasons including 1) insufficient funds 2) changing designs and cost estimates, 3) changing circumstances with respect to funding sources and availability, and 4) the fact the City received a Legislative grant for work at the intersection of two state roads. Circumstances have changed again and hence this discussion.

Two issues have emerged in the past few months which require Council consideration. First, DOT/PF has obtained funding in the amount of \$2.8 Million to make safety improvements at this intersection. The money can be used for either a roundabout or a traffic signal. The final decision will be based upon design, the permitting environment, and cost estimates. DOT/PF prefers a roundabout but doubts that there will be enough money because of grade considerations and the necessary land acquisitions. Planning and design can begin in 2013. It should be noted that there is also funding for a four way stop flashing signal similar to the one that exists at Lake and Pioneer for the intersection at Main and Pioneer. Second, Katie has confirmed that the \$ 2 Million Legislative Grant the City received for this project expires on June 30, 2013. The City has the option of asking the Commerce Department for a one year extension or seeking to re-appropriate the money to other City priorities.

The City will have to make some decisions relatively quickly on how it would like DOT/PF to proceed, and perhaps more importantly, what it wants to do with the \$ 2 Million. It appears as though the options are:

- Use the money to supplement the funding DOT/PF has secured to insure that a suitably sized and designed roundabout is constructed at this location.
- Use the money to make improvements to Main St. itself.
- Re-appropriate the money to other priority City projects. For example, the money could be applied to projects like the Harbor Masters Office and the Skyline Fire Station, thus knocking off two priorities on the CIP list.

Each of these options has pros and cons and we will be prepared to discuss them at the meeting. The state traffic engineer will be invited to participate also, either by phone or in person.

CALL TO ORDER
PLEDGE OF ALLEGIANCE
AGENDA APPROVAL



MAYOR BETH WYTHE
COUNCIL MEMBER FRANCIE ROBERTS
COUNCIL MEMBER BARBARA HOWARD
COUNCIL MEMBER DAVID LEWIS
COUNCIL MEMBER BRYAN ZAK
COUNCIL MEMBER BEAUREGARD BURGESS
COUNCIL MEMBER JAMES DOLMA
CITY ATTORNEY THOMAS KLINKNER
CITY MANAGER WALT WREDE
CITY CLERK JO JOHNSON

REGULAR MEETING AGENDA

Worksession 4:00 p.m. and Committee of the Whole 5:00 p.m. in Homer City Hall Cowles Council Chambers.

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

Councilmember Howard has requested excusal.

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

- A. **Ordinance 12-53(S)**, An Ordinance of the Homer City Council, Amending HCC 9.16.010(A) and HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100 Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Non Prepared Foods. Zak. Page 21

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 Special and Regular Meeting minutes of December 10, 2012. City Clerk. Recommend adoption. Page 45

B. **Memorandum 13-002**, from Deputy City Clerk, Re: Application for Liquor License Renewals for Alice's Champagne Palace, American Legion Post 16, and Mermaid Café. Page 75

6. VISITORS

A. **Sue Alexander**, President of Leadership Council, Big Brothers Big Sisters of Alaska, 10 minutes. Page 93

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. **Mayor's Proclamation** - January 2013 as National Mentoring Month Page 101

B. Borough Report

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

D. Memorandum 13-003 from Community and Economic Development Coordinator, Re: Green Dot update. Page 103

8. PUBLIC HEARING(S)

A. **Natural Gas Line Special Assessment District** Page 111

B. **Ordinance 12-58**, An Ordinance of the City Council of Homer, Alaska, Approving the Disbursement of the Net Earnings of 5% of the Permanent Fund, an Amount of \$3,554.79, to Local Non-Profit Organizations for the Benefit of the Community. City Clerk/Permanent Fund Committee. Introduction December 10, 2012, Public Hearing and Second Reading January 14, 2013. Page 163

C. **Ordinance 12-59**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Reimbursable Grant in the Amount of \$8,000 from the State of Alaska Department of Environmental Conservation for Hazardous Materials Training and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Deputy Harbormaster. Introduction December 10, 2012, Public Hearing and Second Reading January 14, 2013. Page 173

Ordinance 12-59(S), An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Reimbursable Grant in the Amount of \$8,000 from the State of Alaska Department of Environmental Conservation for Hazardous Materials Training and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Deputy Harbormaster. Page 177

Memorandum 12-181 from Deputy Harbormaster as backup. Page 179

D. **Ordinance 12-60**, An Ordinance of the City Council of Homer, Alaska, Repealing and Reenacting HCC Chapter 17.04 Regarding Special Assessment Districts. City Manager. Introduction December 10, 2012, Public Hearing and Second Reading January 14, 2013. Page 207

Ordinance 12-60(S), An Ordinance of the City Council of Homer, Alaska, Repealing and Reenacting HCC Chapter 17.04.190 Regarding **Deferment of** Special Assessment Districts **Payments**. City Manager. Page 213

9. **ORDINANCE(S)**

A. **Ordinance 13-01**, An Ordinance of the Homer City Council Amending HCC 17.04.190 to Provide for Deferral of Special Assessments for Low Income Residents. Burgess. Recommended dates: Introduction January 14, 2013, Public Hearing and Second Reading January 28, 2013. Page 227

10. **CITY MANAGER'S REPORT**

A. City Manager's Report Page 235

- 1. Memorandum 13-004 from City Planner, Re: Natural Gas SAD Assessment Roll. Page 237
- B. Bid Report Page 243
- C. Games Report
- 1. Benevolent & Protective Order of Elks Lodge #2127 Page 245
- 11. CITY ATTORNEY REPORT**
- A. City Attorney Report for December, 2012 Page 249
- 12. COMMITTEE REPORT**
- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee
- D. Lease Committee
- E. Port and Harbor Improvement Committee
- F. Employee Committee Report
- 13. PENDING BUSINESS**
- A. **(If Reconsidered) Ordinance 12-53(S)**, An Ordinance of the Homer City Council, Amending HCC 9.16.010(A) and HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100 Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Non Prepared Foods. Zak. Page 251
- 14. NEW BUSINESS**
- A. **Memorandum 13-005**, from City Clerk, Re: Travel Authorization for Mayor Wythe for Juneau Trips on February 26 and April 2, 2013 to Advocate for Capital Projects and Legislation Affecting the City. Page 279

15. RESOLUTIONS

- A. **Resolution 13-001**, A Resolution of the City Council of Homer, Alaska, Confirming the City Manager’s Appointment of Jo Johnson as Acting City Manager for the Calendar Year 2013. City Manager. Page 281

- B. **Resolution 13-002**, A Resolution of the Homer City Council Confirming the Appointments of Regina Mauras as Treasurer and Laurie Moore as Deputy Treasurer for Calendar Year 2013. City Manager. Page 283

- C. **Resolution 13-003**, A Resolution of the City Council of Homer, Alaska, Designating Signatories of City Accounts and Superseding Any Previous Resolution So Designating. City Manager. Page 285

- D. **Resolution 13-004**, A Resolution of the City Council of Homer, Alaska, Amending the 2013 Regular Meeting Schedule for the Public Arts Committee. City Clerk. Page 287

- E. **Resolution 13-005**, A Resolution of the City Council of Homer, Alaska, Expressing Support for the Pratt Museum’s Legislative Grant Request in the Amount of \$2.8 Million for Its New Facility. Roberts. Page 291

- F. **Resolution 13-006**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Apply for a Land and Water Conservation Fund (LWCF) Grant for Karen Hornaday Park Improvements in an Amount up to \$75,000 and Expressing Its Commitment to Provide a Local Cash Match of \$75,000. City Manager. Page 293

Memorandum 13-006 from Community and Economic Development Coordinator as backup. Page 295

- 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 Monday, January 28, 2013 at 6:00 p.m., Committee of the Whole 5:00 p.m., and Special Meeting 4:00 p.m. A Worksession is scheduled for Monday, January 21, 2013 at 5:15 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

**PUBLIC COMMENTS UPON MATTERS
ALREADY ON THE AGENDA**

RECONSIDERATION

ORDINANCE REFERENCE SHEET
2012 ORDINANCE
ORDINANCE 12-53

An Ordinance of the Homer City Council, Amending HCC 9.16.010(A) and HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100 Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Non Prepared Foods.

Sponsor: Zak

1. City Council Regular Meeting November 26, 2012 Introduction
 - a. Kenai Peninsula Borough Ordinance 2008-28
 - b. Ordinance 08-32(S)(A-2)
 - c. City Attorney Memorandum re: Effect of Vote on Proposition to Repeal Sales Tax Exemption
 - d. Written public comments

2. City Council Regular Meeting December 10, 2012 Public Hearing and Second Reading
 - a. Substitute Ordinance 12-53(S)
 - b. Kenai Peninsula Borough Ordinance 2008-28
 - c. Ordinance 08-32(S)(A-2)
 - d. City Attorney Memorandum re: Effect of Vote on Proposition to Repeal Sales Tax Exemption
 - e. Written public comments

3. City Council Regular Meeting January 14, 2013 Reconsideration
 - a. Substitute Ordinance 12-53(S)
 - b. Kenai Peninsula Borough Ordinance 2008-28
 - c. Ordinance 08-32(S)(A-2)
 - d. City Attorney Memorandum re: Effect of Vote on Proposition to Repeal Sales Tax Exemption
 - e. Written public comments

CITY OF HOMER
HOMER, ALASKA

Zak

ORDINANCE 12-53(S)

AN ORDINANCE OF THE HOMER CITY COUNCIL,
AMENDING HCC 9.16.010(A) AND HCC 9.16.040, AND
REPEALING AND REENACTING HCC 9.16.100
REINSTATING ON A YEAR-ROUND BASIS THE CITY OF
HOMER SALES TAX IMPOSED ON SALES OF
NONPREPARED FOODS.

WHEREAS, A proposition was passed by the voters in the Kenai Peninsula Borough
("Borough") exempting nonprepared foods from sales tax from September 1st through May 31st;
and

WHEREAS, The Borough adopted Ordinance 2008-28 authorizing cities within the
Borough, including the City of Homer ("City"), to continue taxing nonprepared foods during the
period from September 1st through May 31st despite the Borough's exemption of such foods from
sales tax during those months; and

WHEREAS, The City enacted Ordinance 08-32(S)(A-2) on December 8, 2008 exempting
the sales of nonprepared foods from City sales tax during September 1st through May 31st of each
year; and

WHEREAS, The loss of sales tax revenues on the sale of nonprepared foods has had a
substantial negative impact on funding for essential City services including but not limited to
water, sewer, and road project matching funds and has required the almost complete elimination
of all non-essential City services; and

WHEREAS, It is in the City's best interest to reinstate the sales tax on nonprepared foods
at the full 4.5% rate on a year-round basis to provide funding for City services.

THE CITY OF HOMER HEREBY ORDAINS:

Section 1. The City of Homer exercises the authority granted it under Kenai
Peninsula Borough Ordinance 2008-28 to levy and collect sales taxes on nonprepared food items
on a year-round basis notwithstanding Kenai Peninsula Borough Initiative Ordinance 2008-01.

Section 2. Section 9.16.010(a) of the Homer City Code is hereby amended to read as
follows:

9.16.010 Levied. a. A consumer's sales tax in the amount of three percent is
levied by the City on all sales, rents and services within the City except as the
same may be otherwise exempted by law. ~~provided that the rate of sales tax on
nonprepared food items shall be 1.5% during the period from September 1~~

47 through May 31. This reduced tax rate imposed on nonprepared foods items shall
48 no longer be effective if the Borough's exemption of nonprepared foods from its
49 sales tax is repealed or overturned. As used in this subsection, the term
50 "nonprepared foods" shall have the meaning ascribed to that term in Chapter 5.18
51 of the Kenai Peninsula Borough Code, as the same may be amended from time to
52 time.

53
54 Section 3. Section 9.16.040 of the Homer City Code is hereby amended to read as
55 follows:

56
57 9.16.040 Borough Provisions Adopted by Reference. Except for provisions
58 regarding exemption from sales tax, which are addressed in Section 9.16.100 of
59 this chapter, Those sections of the Kenai Peninsula Borough Code of Ordinances
60 applicable to the levy and collection of the sales tax described in this chapter are
61 incorporated by this reference and made a part of this chapter as though fully set
62 forth in this chapter.

63
64 Section 4. Section 9.16.100 of the Homer City Code is hereby repealed and reenacted
65 to read as follows:

66
67 9.16.100 Exemptions. Except for sales of nonprepared food items, all
68 sales, rentals, and services that are exempted from sales tax under the Kenai
69 Peninsula Borough Code as amended from time to time shall be exempt from the
70 sales tax levied under Section 9.16.010 of this chapter.

71
72 Section 5. This ordinance is of a permanent and general character and shall be
73 included in the city code.

74
75 Section 6. This ordinance shall take effect March ~~January~~ 1, 2013.

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78 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this
79 day of _____, 2012.

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83 CITY OF HOMER

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86 _____
87 MARY E. WYTHER, MAYOR
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93 ATTEST:

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97 JO JOHNSON, CMC, CITY CLERK

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100 AYES:

101 NOES:

102 ABSTAIN:

103 ABSENT:

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105 First Reading:

106 Public Reading:

107 Second Reading:

108 Effective Date:

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111 Reviewed and approved as to form:

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115 Walt Wrede, City Manager

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Thomas F. Klinkner, City Attorney

Date: _____

Introduced by:	Mayor
Date:	08/19/08
Hearings:	09/02/08 & 09/16/08
Action:	Postponed Until 09/16/08
Action:	Enacted as amended
Vote:	6 Yes, 1 No, 2 Absent
Action:	Reconsideration Filed by Fischer
Date:	10/14/08
Action:	Reconsideration Failed
Vote:	1 Yes, 8 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2008-28**

**AN ORDINANCE AUTHORIZING THE GENERAL LAW CITIES IN THE KENAI
PENINSULA BOROUGH TO LEVY AND COLLECT SALES TAXES ON
NONPREPARED FOOD ITEMS**

WHEREAS, if approved by the voters in the October 7, 2008, election, ballot Proposition 1 will require that nonprepared food items be exempt from borough sales taxes from September 1 through May 31 of each year; and

WHEREAS, Alaska Statute 29.45.700 requires general law cities in the borough that levy a sales tax to levy the tax sources taxed by the borough unless the assembly by ordinance authorizes the city to levy and collect taxes on other sources; and

WHEREAS, the cities of Soldotna, Homer, and Seldovia are general law cities that levy a sales tax and will be required to exempt nonprepared foods if Proposition 1 passes, unless the assembly gives them the option to tax nonprepared food year-round; and

WHEREAS, the cities of Seward and Kenai are home rule cities and are, therefore, exempt from the statutory requirement to tax the same sources as the borough unless otherwise provided by the assembly; and

WHEREAS, at its meeting on August 13, 2008, the Soldotna City Council adopted Resolution 2008-052 requesting the Kenai Peninsula Borough to grant the city of Soldotna the option to tax nonprepared food; and

WHEREAS, at its meeting of September 10, 2008 the Seldovia City Council adopted Resolution 09-03 in support of Kenai Peninsula Borough Ordinance 2008-28; and

WHEREAS, at its meeting of July 28, 2008, the Homer City Council introduced Ordinance 08-32, amending the Homer Sales Tax Code to seasonally exempt sales of nonprepared food between September 1 and May 31 each year and scheduled that ordinance for public hearing on October 27, 2008; and

WHEREAS, exempting nonprepared food items for nine months each year will likely have a significant impact on the cities' revenues; and

WHEREAS, each city is in the best position to make policy decisions concerning whether or not to exempt nonprepared food items from its respective city sales tax; and

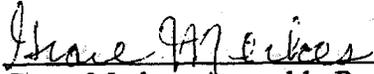
WHEREAS, it is accordingly appropriate to authorize the city councils of general law municipalities to make this decision on behalf of their own constituents;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the general law cities in the Kenai Peninsula Borough are authorized to levy and collect sales taxes on nonprepared food items on a year-round basis except for sales that are required to be exempted by AS 29.45.700 as now enacted or may be hereinafter.

SECTION 2. That this ordinance shall take effect on October 14, 2008, if Proposition 1 of the Kenai Peninsula Borough regular election is approved by the voters.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF SEPTEMBER, 2008.



Grace Merkes, Assembly President

ATTEST:


Johni Blankenship, Borough Clerk



Enactment:

Yes: Long, Martin, Smith, Sprague, Superman, Merkes

No: Fischer

Absent: Gilman, Knopp

Reconsideration:

Yes: Fischer

No: Fischer, Gilman, Knopp, Long, Martin, Smith, Sprague, Superman, Merkes

Absent: None

CITY OF HOMER
HOMER, ALASKA

Mayor

ORDINANCE 08-32(S)(A-2)

1
2 AN ORDINANCE ENACTING HOMER CITY CODE
3 9.16.100 TO EXEMPT SALES OF NONPREPARED
4 FOODS FROM SEPTEMBER 1ST THROUGH MAY 31ST OF
5 EACH YEAR, PENDING COMPLETION OF AN ADVISORY
6 VOTE REGARDING THE SALES TAX STRUCTURE FOR
7 NONPREPARED FOOD ITEMS, AND INCORPORATING IN
8 THE HOMER CITY CODE ALL OTHER SALES TAX
9 EXEMPTIONS ADOPTED BY THE KENAI PENINSULA
10 BOROUGH.

11
12 WHEREAS, A proposition was passed by the voters in the Kenai Peninsula
13 Borough exempting nonprepared foods from sales tax from September 1st through
14 May 31st; and

15
16 WHEREAS, The City of Homer ("City") believes it is appropriate to exempt the
17 sales of nonprepared foods from taxation from September 1st through May 31st.

18
19 THE CITY OF HOMER HEREBY ORDAINS:

20
21 Section 1. Homer City Code Chapter 9.16 is hereby amended by adding the
22 following section 9.16.100:

23
24 9.16.100 Exemptions. The following are exempt from the Homer sales
25 tax:

26
27 a. Commencing January 1, 2009, sales of nonprepared food items from
28 September 1st through May 31st of each year.

29
30 b. All other items granted exemption from sales tax under the Kenai
31 Peninsula Borough Code as amended from time to time, except where the
32 Kenai Peninsula Borough by ordinance expressly authorizes the city to tax
33 a source exempted from sales tax by the Kenai Peninsula Borough Code
34 and the city imposes a sales tax on that source in compliance with the law.

35
36 Section 2. This exemption on nonprepared food items shall no longer be
37 effective if the Borough's exemption on nonprepared foods from its sales tax is repealed
38 or overturned.
39

40 Section 3. The Council intends to bring forward a proposition for an advisory
41 vote regarding the sales tax structure for nonprepared food items as soon as
42 administratively practical.

43
44 Section 4. This ordinance shall take effect upon its adoption by the Homer City
45 Council.

46
47 Section 5. This ordinance is of a permanent and general character and shall be
48 included in the city code.

49
50 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA,
51 this 8th day of December, 2008.

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CITY OF HOMER

James C. Hornaday
JAMES C. HORNADAY, MAYOR

ATTEST:

Jo Johnson
JO JOHNSON, CMC, CITY CLERK

AYES: 6
NOES: 0
ABSTAIN: 0
ABSENT: 0

First Reading: 7/28/08
Public Reading: 11/24/08
Second Reading: 12/08/08
Effective Date: 12/09/08

Reviewed and approved as to form:

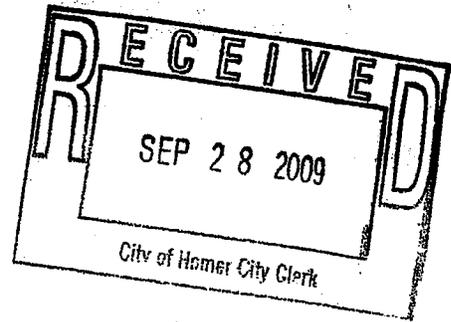
Walt Wrede
Walt Wrede, City Manager

Thomas F. Klinkner
Thomas F. Klinkner, City Attorney

Date: 12/12/08

Date: 12-18-08

MEMORANDUM



TO: Walt Wrede, City Manager
Jo Johnson, City Clerk
City of Homer

FROM: Tom Klinkner

DATE: September 28, 2009

FILE NO. 506,742.1

RE: Effect of Vote on Proposition to Repeal Sales Tax Exemption

The City of Homer ("City") enacted an ordinance exempting sales of nonprepared food items from September 1 until May 31 from the City's sales tax. The City then enacted an ordinance providing for the levy of a 3% sales tax on sales of nonprepared food items from September 1 until May 31, placed a proposition for the levy of such a tax on the ballot for the October 6, 2009 regular City election, and made the tax levy subject to voter approval of the proposition. You have asked the following questions regarding the vote on this proposition:

1. If the voters do not approve the proposition, may the Council thereafter repeal the tax exemption for sales of nonprepared food items from September 1 until May 31 without voter approval?
2. If the voters approve the proposition, may the Council thereafter increase the rate of sales tax on sales of nonprepared food items from September 1 until May 31 without voter approval?

In summary, if the voters do not approve the proposition, the Council may repeal the tax exemption without voter approval. If the voters approve the proposition, it is not clear whether the Council may increase the rate of sales tax on sales of nonprepared food items from September 1 until May 31 without voter approval.

1. Background.

The City levies a sales tax under the authorization in AS 29.45.700(a):

(a) A city in a borough that levies and collects areawide sales and use taxes may levy sales and use taxes on all sources taxed by the borough in the manner provided for boroughs. Except as provided in (d) and (e) of this section, the assembly may by ordinance authorize a city to levy and collect sales and use taxes on other sources.

Before January 1, 2009, the City levied a sales tax at an aggregate rate of 4.5% "on all sales, rents and services within the City except as the same may be otherwise exempted by law."¹ The City Code did not specify any sales tax exemptions, so sales were exempt from City sales tax only if exempt under federal or state law, or exempt from the sales tax levied by the Kenai Peninsula Borough ("Borough").²

An initiative proposition to exempt sales of nonprepared food from September 1 to May 31 from Borough sales tax was placed on the ballot at the October 7, 2008 regular Borough election ("Borough Proposition").³ Under AS 29.45.700(a), voter approval of this initiative would have precluded the City from taxing the sales that the initiative exempted from Borough sales tax unless the Borough Assembly authorized it to do so by ordinance.

Anticipating the effect of this initiative on the levy of sales taxes by general law cities in the Borough, the Borough Assembly on September 16, 2008, adopted Ordinance 2008-28. Section 1 of Ordinance 2008-28 provided, "That the general law cities in the Kenai Peninsula Borough are authorized to levy and collect sales taxes on nonprepared food items on a year-round basis except for sales that are required to be exempted by AS 29.45.700 as now enacted or may be hereinafter (sic)." Ordinance 2008-28 was to become effective on October 14, 2008 if the voters approved the Borough Proposition. The voters approved the Borough Proposition at the October 7, 2008 regular Borough election. The exemption enacted by the Borough Proposition was to become effective on January 1, 2009.

With voter approval of the Borough Proposition, the authorization in Borough Ordinance 2008-28 for general law cities in the Borough to tax nonprepared food items on a year-round basis became effective on October 14, 2008. Thus, voter approval of the Borough Proposition had no effect on the application of the City sales tax to nonprepared food items. However, on December 8, 2008, the City Council adopted Ordinance 08-32(S)(A-2). This ordinance enacted HCC 9.16.100(a), making sales of nonprepared food items exempt from City sales tax from September 1 through May 31 of each year, commencing January 1, 2009. Section 3 of Ordinance 08-32(S)(A-2) also

¹ HCC 9.16.010.

² Under AS 29.45.700(a), the City's sales tax structure must mirror that of the Borough with regard to which transactions are taxable or exempt from taxation, subject to the authority of the "assembly...by ordinance [to] authorize a city to levy and collect sales and use taxes on other sources." *City of Homer v. Gangl*, 650 P.2d 396, 399-400 (Alaska 1982).

³ The initiative proposed enacting Kenai Peninsula Borough Code 5.18.200(15)(d) as follows:
(d) Sales of nonprepared food items. Sales tax is prohibited on all sales of nonprepared food items from September 1 until May 31 of each year. These food items exempted from sales tax include those which have been previously granted exemption in KPB 5.18.200(14) for food purchased with coupons issued under the federal food stamp program.

stated, "The Council intends to bring forward a proposition for an advisory vote regarding the sales tax structure for nonprepared food items as soon as administratively practical."

On January 26, 2009, the Council adopted Ordinance 09-02, providing for the levy of a sales tax on nonprepared foods at a rate of 3.0% from September 1 through May 31 of each year, effective January 1, 2010, but only if the City voters approved the following proposition ("City Proposition") at the October 6, 2009 regular City election:

Shall the City of Homer levy a sales tax on sales of nonprepared food items at a rate of 3.0%, consisting of 0.75% to fund water and sewer systems (HAWSP), 0.75% to fund construction of roads and trails (HART), and 1.5% for the general fund during the period from September 1st through May 31st?

The questions presented here concern what effect the vote on the City Proposition will have on the Council's power thereafter to legislate regarding the taxation of sales of nonprepared food items from September 1 through May 31.

2. Ordinance 09-02 Repealed a Sales Tax Exemption, which Did Not Require Voter Approval.

AS 29.35.250(a) authorizes the City to "exercise any power not otherwise prohibited by law." AS 29.20.050(a) vests the legislative power of the City in the Council. Thus, the Council may exercise its legislative power without voter approval, except where prohibited by law from doing so. One prohibition on the exercise of legislative power by the Council is the requirement in AS 29.45.670 that "[a] new sales and use tax or an increase in the rate of levy of a sales tax approved by ordinance does not take effect until ratified by a majority of the voters at an election." In contrast, the power to grant sales tax exemptions is not so limited: "[sales tax] exemptions may be granted by ordinance."⁴

*City of St. Mary's v. St. Mary's Native Corporation*⁵ addressed the question whether a city council could repeal a sales tax exemption by ordinance, without voter approval. The City's sales tax ordinance had exempted from taxation the part of a sale in excess of \$1,000. The case challenged the council's repeal of this exemption by ordinance. The court held that repealing a sales tax exemption neither increases the rate of levy of a sales tax, nor imposes a new sales tax—the two actions that AS 29.45.670 makes subject to voter approval.⁶ Thus, the city council could repeal the sales tax exemption under its implicit authority to repeal any ordinance that it had the power to enact:

⁴ AS 29.45.650(a).

⁵ 9 P.3d 1000 (Alaska 2000).

⁶ 9 P.3d at 1006-1008.

Alaska Statute 29.45.650(a) grants a municipality the power to grant an exemption to a sales tax by ordinance without voter approval. We conclude that this grant of power implies the power to repeal such an exemption by ordinance. As one commentator has observed:

Specific grant of power to repeal ordinances, however, ordinarily is not necessary since it is the general rule that power to enact ordinances implies power, unless otherwise provided in the grant, to repeal them. It is patently obvious that the effectiveness of any legislative body would be entirely destroyed if the power to amend or repeal its legislative acts were taken away from it.

Moreover, Alaska's constitution and our prior case law require us to interpret AS 29.45.650(a) in favor of the broad power of municipal governments. We have concluded that article X, section 1 of the Alaska Constitution restrains us from implying limitations "on the taxing authority of a municipality where none are expressed."⁷

While the amendments of the City Code in Ordinance 09-02 speak in terms of the levy of a sales tax on nonprepared food items from September 1 through May 31, their effect is to partially repeal the tax exemption for such sales that was enacted by Ordinance 08-32(S)(A-2). Under the court's analysis in *City of St. Mary's*, the City Code amendments in Ordinance 09-02 neither increase the rate of levy of a sales tax, nor impose a new sales tax, and could take effect without voter approval.

3. *If the Voters Reject the City Proposition, the Council Nonetheless May Repeal the Sales Tax Exemption for Nonprepared Food Items without Voter Approval.*

Ordinance 09-02 only makes voter approval of the City Proposition a condition to the effectiveness of its partial repeal of the tax exemption for sales of nonprepared food items from September 1 through May 31. Voter rejection of the City Proposition merely causes the failure of that condition. It has no other legal effect. Nothing in Ordinance 09-02 indicates that voter rejection of the City Proposition would restrict the Council's authority to legislate regarding the sales tax exemption for nonprepared food items. Moreover, such a restriction is not permissible. It is a well established rule of municipal law that a city council may not limit the legislative power of future councils by prohibiting the repeal of an ordinance:

The power of repeal extends, generally speaking, to all ordinances. Indeed, a municipal corporation cannot abridge its own legislative powers

⁷ 9 P.3d at 1007 (footnotes omitted).

by the passage of irrevocable ordinances. The members of its legislative body are trustees for the public, and the nature and limited tenure of their office impress the ordinances enacted by them with liability to change. One council may not by an ordinance bind itself or its successors so as to prevent free legislation in matters of municipal government. Accordingly, in the absence of a valid provision to the contrary, a municipal council or assembly, having the power to legislate on, or exercise discretionary or regulatory authority over, any given subject, may exercise that power at will by enacting or repealing an ordinance in relation to that subject.⁸

Thus, the Council's adoption of Ordinance 09-02 could not "abridge its own legislative power" by either expressly or implicitly attributing that result to the voters' rejection of the City Proposition. Notwithstanding voter rejection of the City Proposition, the Council may repeal the sales tax exemption for nonprepared food items in Ordinance 08-32(S)(A-2) without voter approval.

4. Voter Approval of the City Proposition May Preclude the Council from Eliminating the Remainder of the Exemption for Sales of Nonprepared Food Items.

In upholding the repeal of a sales tax exemption by ordinance, the *City of St. Mary's* decision also took notice of the specific manner in which the repealed sales tax exemption had been adopted. The city's voters had authorized a sales tax by approving the following ballot measure: "Shall the City of St. Mary's levy a 3% sales tax?"⁹ Only after the vote did the city council adopt a detailed sales tax ordinance that included exemptions, among which was the exemption whose repeal by the council was the subject of the litigation.¹⁰ One of the *City of St. Mary's* opinion's concluding statements indicates that this sequence of events may have affected the outcome of the case: "We therefore conclude that when a local government grants an exemption by ordinance **and the exemption is not subjected to a public vote**, it may repeal that exemption by ordinance without a public vote."¹¹

The court examined this qualifying phrase in *Interior Cabaret, Hotel, Restaurant & Retailers Association v. Fairbanks North Star Borough ("ICHERRA")*.¹² This case concerned a sales tax on alcoholic beverages that the borough levied pursuant to voter approval of the following ballot proposition: "Shall the Fairbanks North Star Borough levy an areawide 5% tax on the retail sale of alcoholic beverages with limited exemptions for alcoholic beverage sales to the extent taxed by the City of Fairbanks

⁸ 6 McQuillin, *The Law of Municipal Corporations* § 21.10, at 374 (rev.3d ed. 2007) (footnotes omitted).

⁹ 9 P.3d at 1004.

¹⁰ *Id.*

¹¹ 9 P.3d at 1007-1008 (emphasis added).

¹² 135 P.3d 1000 (Alaska 2006).

and the City of North Pole?"¹³ The opponent of the tax argued that the ballot proposition impermissibly restricted the authority of the borough assembly to later repeal the exemptions referred to in the ballot proposition:

ICHRRA correctly points out that the exemptions in Ordinance 2003-52 may have made the sales tax more palatable to some voters; it argues that because borough voters approved both the tax and the exemptions, repeal of or reduction in the exemptions would be a new tax or an increase in the rate of levy. ICHRRRA reasons that the assembly therefore cannot repeal the exemptions without voter approval. This, ICHRRRA argues, is a violation of the separation of powers because it takes budget authority away from the assembly and places it in the hands of the voters.¹⁴

The court acknowledged the basis for this argument in the *City of St Mary's* decision:

In *St. Mary's* we concluded that "when a local government grants an exemption by ordinance and the exemption is not subjected to a public vote, it may repeal that exemption by ordinance without a public vote." ***The negative implication of this statement may be that when exemptions are approved by public vote, they may not be repealed by a mere ordinance.***¹⁵

However, the court rejected the separation of powers argument, concluding that, even if a voter-approved sales tax exemption could not be repealed without voter approval, the borough's sales tax was valid: "We see no separation of powers problem with an areawide tax that includes voter-approved exemptions that require voter approval for repeal."¹⁶

Before resolving the separation of powers issue, though, the court also examined the "negative implication" that it observed in the *City of St. Mary's* decision, returning to the language used in the statute authorizing sales tax exemptions:

Moreover, AS 29.45.650(a) provides that "[e]xemptions may be granted by ordinance." (Emphasis added.) The use of the permissive term "may" suggests that ordinances are not the sole means by which exemptions may be granted. We therefore do not read AS 29.45.650(a) as either precluding the adoption through referendum of a sales tax with

¹³ 135 P.3d at 1002.

¹⁴ 135 P.3d at 1004.

¹⁵ *Id.* (footnote omitted, emphasis added).

¹⁶ *Id.*

exemptions or mandating that repeal of an exemption adopted in this manner would require voter approval.¹⁷

But the court's statement that it did not interpret AS 29.45.650(a) to require voter approval for the "repeal of an exemption adopted [as part of a voter-approved sales tax referendum]" was not its last word on this subject. It concluded with the following disclaimer:

Because the assembly has not attempted to repeal these exemptions, we need not decide here whether it could do so without voter approval.¹⁸

Thus, if a sales tax referendum includes a description of tax exemptions in the question whether to levy a sales tax, it is not certain whether a sales tax exemption described in the referendum is subject to repeal without voter approval.

As discussed above, the City Code amendments in Ordinance 09-02 partially repeal a sales tax exemption—they do not levy a new sales tax. If the voters approve the City Proposition, they are only ratifying that partial repeal. In contrast to the situation that was presented in *ICHRRA*, the voters would not be ratifying the levying of a new sales tax, subject to exemptions. Nonetheless, there is the same feature that the court noticed in *ICHRRA*, that the reduced rate of taxation of sales of nonprepared food items in the City Proposition might have made the partial repeal of the tax exemption more palatable to some voters. This, combined with the court's observation in *ICHRRA* that an ordinance is not the exclusive means of granting a sales tax exemption under AS 29.45.650(a), might lead a court to reason by analogy that a voter-ratified partial repeal of a sales tax exemption precludes a further repeal of the exemption by ordinance.

However, there also is a viable argument for the contrary result. As discussed above, under the holding in *City of St. Mary's*, the amendments to the City Code in Ordinance 09-02 that partially repealed the tax exemption for sales of nonprepared food items from September 1 to May 31 were not required to be subject to voter approval. As in the case of voter rejection of the City Proposition, voter approval of the City Proposition cannot deprive a future Council of authority to act on the same subject.

Thus, it is unclear whether voter approval of the City Proposition would preclude the Council from subsequently modifying or repealing the remaining exemption of sales of nonprepared foods from the full 4.5% sales tax previously authorized by the voters.

¹⁷ *Id.* (footnotes omitted, emphasis added).

¹⁸ 135 P.3d at 1004 n. 20.

OCT 30, 2012

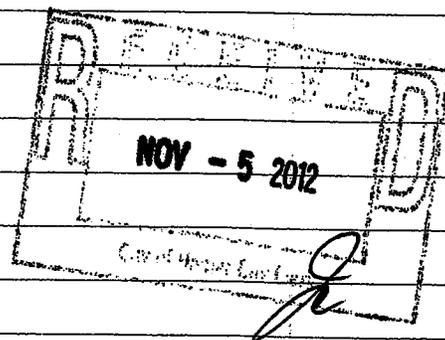
To All Homer City Council Members —

My name is Robert Townsend. I'm 64 year old and Live off of less than \$20,000 per year. Please don't mess with the tax exemption for groceries without first bringing it to a vote of the people.

I Live within my means and do without many things I can't afford. I wish you would do the same.

Thank You,

Robert Townsend
Ph # 907-748-1925



Jo Johnson

From: Mary Griswold <mgrt@xyz.net>
Sent: Wednesday, November 28, 2012 4:02 PM
To: Department Clerk
Subject: Budget & sales tax reinstatement

I support reinstatement of the year-around sales tax on nonprepared foods because it helps distribute the cost of city services to beneficiaries outside the city. My comments are probably unnecessary because it sounds like you already have four votes to pass it and spend the revenue it will generate. \$30,000 is plenty to spend on promotional advertising for Homer. We do not need a city lobbyist. Modern communication and transportation enable city officials to maintain effective pressure on our legislators to support our requests.

I am opposed to the city sponsoring and financing the natural gas line build-out because this is a real potential budget buster. If there are not enough essential city services to occupy city employees' time, then staffing should be reduced. The gas line build-out can be better managed by Enstar working with interested neighborhoods and subdivisions. The city has spent a lot of time and resources promoting this private enterprise and will spend a lot more trying to collect the assessments from property owners who cannot afford to pay them. Or taxpayers will foot this bill. Since the HSAD also appears to be a done deal, please know that I oppose deferring assessments for anyone because this is not city-owned infrastructure or responsibility. I regret that the city has railroaded this project which may cause unnecessary hardship for a lot of people.

Jo Johnson

From: rogerimhoff@alaska.net
Sent: Thursday, November 29, 2012 7:59 AM
To: Department Clerk
Subject: sales tax

I followed in the paper the pros/cons of re-instating the "grocery tax" and as a long time resident of the Homer area and supporter of our small businesses, I have to go on the opposing side (of re-instating) for a few simple reasons:

1. The Majority of the money that is not being spent on the grocery tax stays in the community and is most likely taxed on other purchases.

This simple action supports our local economy. I believe the positive effect of this "spreading out the spending" has a greater positive effect than City of Homer spending, particularly on personnel.

2. There are alot people just hanging on by their fingernails around here, especially during the winter months. I think the reduced tax helps where it is important in putting food on the table. I know it helps us out.

3. The City is by no means going to shut the doors at City Hall or Public Works or the Harbor without the additional funds. There is always room for fiscal restraint.

Sincerely,
Roger Imhoff

DEC - 3 2012

3 years ago 60% of Homer residents voted against a winter time sales tax increase on groceries. The whole idea was that the working poor would have one place to spend their money where the city government didn't have their hand out.

Prior to that ballot question, in the fall of 2009, the city attorney was asked his opinion about the legality of the city council ending the food tax exemption "even if the public voted to keep it". In his written letter to the council he said that according to the superior court of Alaska - it's not certain whether or not it would be legal. That has not deterred some council members and it should.

Here's what the court decision actually says: "...we concluded that 'when a local government grants an exemption by ordinance and the exemption is 'not' subjected to a public vote, it may repeal that exemption by ordinance without a public vote". ***The negative implication of this statement may be that when exemptions are approved by public vote they may not be repealed by a mere ordinance.***" The court's last words on the subject further stated that a decision on this issue could not be made until a borough (or council) government actually tried to take away a sales tax exemption once the voters ratified it. This is exactly the situation the city of Homer finds itself in right now.

According to state law it is fairly clear that if the sales tax exemption had never gone to a public vote, the council who granted the exemption could have just as easily taken it away. That's not what happened. We didn't just vote on whether or not to 'keep the exemption' - We actually voted on specific language of whether or not to raise the food tax to 3% - and it's a very important distinction.

Elected officials are fond of saying they are listening to their constituents. Having 10 people tell you not to cut something is hardly significant public input. Having 5 or 10 people tell you that they want you to raise taxes on food is hardly a mandate. But that's exactly what's happening here. It's even more distressing because the council members pushing this consider themselves enlightened progressive people. There is nothing progressive at all about raising sales tax rates on groceries.

The question all of us should be asking--is why aren't they letting us vote on it? I had a council member tell me that the public didn't need to vote on it because he was elected to make the hard choices. I'd say going against what 60% of the people voted for is not only a 'hard' choice - but a stupid one as well. I am certain that if the winter food sales tax is reinstated - that very shortly afterward there will be a public initiative and enough signatures gathered to put this issue on the ballot next fall.

The reality is that government generally spends every single dollar it can get. And when they do all the department heads want more. Then once a year the administrator and finance people come to the council with a new budget, a somber look on their faces, and in an apologetic tone of voice they ask for a little more. The next time some well meaning individual tells you that another 30 or 40 dollars a month out of your family food budget is really no big deal, you should ask them how they know.

The slogan on the side of city vehicles reads: "The city that works". Perhaps we should change that to "The city that can't say no". We need to elect councilmen who understand that's exactly what their job is sometimes. It is our job to tell them how much we are willing to be taxed. We deserve that vote and we will have it - one way or another.

DEC 17 2012

In regards to the reintroduction of city tax on food year round I have the following comments and perspective to share with you.

First of all, in my opinion food shouldn't be taxed anytime, ever. But especially in the winter when people here are working with a tighter home budget because of fuel costs to heat their homes. Let's not forget that many jobs in

Homer are seasonal such as most of the tourist industry, construction and fishing.

There are many families in Homer having a tough time feeding and clothing themselves this winter. Reinstating the food tax will make it that much harder.

When I have a bad year financially I have to tighten my belt and prioritize what's really important and what's unnecessary. Maybe the city should do the same.

I have a suggestion for councilmen Zak and Lewis: visit the Methodist Church where the food bank is located on a Monday. Ask the volunteers there how many people they give food to on a weekly basis. See how crowded the place is every Monday. Call Shari or Frog at Share the Spirit, ask them how many more families they have helped the last 2 years compared to 5 years ago. This could be an eye opener for you! I hear many reasons floated about as to why we need more taxes.

Most of them sink like a rock. "People who live outside the city don't pay their fair share toward city services". I live outside the city. I pay city sales tax on dog food and paper products at Save u More, on toothpaste and lightbulbs at Ulmers, on gas at Petro, on dinner at local restaurants, on tickets to the movies. When I participate in community schools programs(now run by the city) I buy a punchcard.

Am I freeloader? "We need more money in the city budget to help out non-profit organizations"

I pay at the door to go in the Pratt museum and know they used to have a grant writer on their payroll.

KBBI lost federal funding a few years ago and they seem to stay solvent by having an annual fund raising membership drive. Kudos to the Haven House for starting a used clothing store with some of their extra donated items. These are just a few examples of how non-profits can create alternate sources of income for their programs.

Let us also consider Homers large senior citizen population. I've seen many seniors cutting coupons, buying sale items and shopping on senior day at Safeway. Many of these folks are on fixed incomes. Does it seem right to add 4.5 % onto their grocery bill?

A majority of the voters in this area were against taxing food a few years ago. Is it not your job as councilmembers to respect your own constituents wishes? Please don't balance your future budget on the backs of the poor, the elderly, and the underemployed persons in our community.

Isn't this supposed to be the Season of Giving?

I sincerely hope the city council has a change of heart on this subject.

JULES RAVIN

J
cc: *Margaret*

CONSENT AGENDA

Session 12-34 a Special Meeting of the Homer City Council was called to order on December 10, 2012 at 4:00 p.m. by Mayor Mary E. Wythe 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: BURGESS, DOLMA, LEWIS, ROBERTS

ABSENT: HOWARD, ZAK (both excused)

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY ATTORNEY KLINKNER (telephonic)
CITY ATTORNEY WELLS
PORT AND HARBOR DIRECTOR HAWKINS

Councilmembers Howard and Zak have requested excusal.

Mayor Wythe declared Councilmembers Howard and Zak as excused absences. There was no objection from the Council.

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

Mayor Wythe called for a motion to approve the agenda as presented.

LEWIS/BURGESS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were no public comments.

NEW BUSINESS

- A. **Memorandum 12-178**, From City Clerk, Re: Request for Executive Session Pursuant to AS §44.62.310(C)(1 & 5), Matters, the Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Government Unit and Attorney-client Privilege (City Attorney Update on Court Cases: Auction Block vs. City of Homer, Griswold vs. City of Homer, and Neal vs. City of Homer).

ROBERTS/LEWIS - MOVED TO ADD BRYAN HAWKINS TO HEAR AUCTION BLOCK AND INVITE THE CITY MANAGER TO HEAR THE INFORMATION FOR ALL COURT CASES.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ROBERTS/BURGESS - MOVED TO APPROVE THE RECOMMENDATIONS OF MEMORANDUM 12-178 TO MEET IN EXECUTIVE SESSION TO HEAR CITY ATTORNEY UPDATE ON COURT CASES.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ROBERTS/BURGESS - MOVED TO ADJOURN TO EXECUTIVE SESSION.

There was no discussion.

VOTE: YES. ROBERTS, DOLMA, BURGESS, LEWIS.

Motion carried.

Council adjourned to Executive Session at 4:05 p.m. and reconvened the meeting at 4:38 p.m.

Mayor Pro Tempore Roberts reported Council was briefed by the attorneys and gave them direction with the three cases.

COMMENTS OF THE AUDIENCE

There were no comments from the audience.

ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 4:39 p.m. The next Regular Meeting is Monday, January 14, 2013 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

JO JOHNSON, CMC, CITY CLERK

HOMER CITY COUNCIL
SPECIAL MEETING MINUTES
DECEMBER 10, 2012

Approved: _____

Session 12-35 a Regular Meeting of the Homer City Council was called to order on December 10, 2012 at 6:00 p.m. by Mayor Mary E. Wythe 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: BURGESS, DOLMA, LEWIS, ROBERTS, ZAK
(telephonic)

ABSENT: HOWARD (excused)

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY ATTORNEY WELLS
COMMUNITY & ECONOMIC DEVELOPMENT
COORDINATOR KOESTER
FINANCE DIRECTOR MAURAS
IT MANAGER POOLOS
LIBRARY DIRECTOR DIXON
PERSONNEL DIRECTOR PETERSEN
POLICE CHIEF ROBL
PORT & HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Councilmember Howard has requested excusal.

Mayor Wythe ruled Councilmember Howard's absence as excused. There was no objection from the Council.

Councilmember Zak has requested telephonic participation.

BURGESS/LEWIS - MOVED TO ALLOW COUNCILMEMBER ZAK TO PARTICIPATE TELEPHONICALLY.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Council met for a Special Meeting from 4:00 p.m. to 4:38 p.m. in Executive Session to hear City Attorney Update on Court Cases: Auction Block vs. City of Homer, Griswold vs. City of Homer,

and Neal vs. City of Homer. From 5:00 p.m. to 5:46 p.m. Council met as a Committee of the Whole to discuss Regular Meeting Agenda items.

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

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 following changes were made to the agenda:

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS - Library Advisory Board, Report from Chair Eileen Faulkner; **PUBLIC HEARINGS** - **Ordinance 12-47(A)**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2013 for the General Fund, the Water-Sewer Fund, the Port/Harbor Fund, Debt Funds, and Capital Reserve Funds (Conditional Expenditures). City Manager. Memorandum 12-189 from Public Works Director, Re: Project Manager Position Hiring Recommendations; **Ordinance 12-60**, An Ordinance of the City Council of Homer, Alaska, Repealing and Reenacting HCC Chapter 17.04 Regarding Special Assessment Districts. City Manager. Written public comments; Article from The Christian Science Monitor Weekly: Senior discounts: popular, but under fire; **CITY MANAGER'S REPORT** - **Beluga Slough Trail** – post construction photos; and **Homer City Hall** – newly painted sign photo.

Mayor Wythe called for a motion for approval of the agenda as amended.

LEWIS/BURGESS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Larry Slone, city resident, commenting on Resolution 12-096(S) would like to see a list of priorities established each year for the lobbyist to focus on and a statement from Council on their effectiveness. On Ordinance 12-60 the tentative proposal to use HUD requirements is too high; a deferral should be made for everyone who is truly low income and in need.

Kevin Hogan, city resident, spoke on Ordinance 12-59. He likes the idea of extra seats for the public to participate in the hazardous training. He would like to see a MOU between the Harbor and Fire Department to improve ISO ratings for the Spit.

RECONSIDERATION

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 November 26, 2012. City Clerk. Recommend adoption.
- B. **Memorandum 12-179**, from Deputy City Clerk, Re: Application for Liquor License Renewals for Beluga Lake Lodge and Best Western Bidarka Inn.
- C. **Memorandum 12-180**, from Mayor, Re: Appointment of Joshua Ross to the Economic Development Advisory Commission.

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

LEWIS/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORTS

REPORT/COMMISSION

- A. Borough Report
- B. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission

Larry Slone, Planning Commissioner, reported at the last meeting the commission heard the transfer plat with the trash recycling plant. The Borough had requested an exception on the 28 ft. light pole restriction. Raising the height of the poles up to 43 ft. would achieve uniform light illumination for safety measures. The commission approved the split of Beluga Lake lots. Five other lots requested being combined and that was approved.

3. Economic Development Advisory Commission

Lindianne Sarno, Chair of Economic Development Advisory Commission, reported the commission is looking at three projects to incubate small businesses. Those include a permanent farmer's market building, a business incubator at the HERC building in conjunction with Parks and Recreation and Community Schools for intergenerational dances, and the Wooden Boat Society and Kachemak Bay water trail building on the Spit.

4. Parks and Recreation Advisory Commission
 5. Port and Harbor Advisory Commission
- C. Homer High School Students and Mayor Wythe Letters, re: Intersections
- D. Reports from Mayor Wythe and Councilmembers Burgess, Dolma, and Zak on Alaska Municipal League Conference

PUBLIC HEARING(S)

- A. **Ordinance 12-53**, An Ordinance of the Homer City Council, Amending HCC 9.16.010(A) and HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100 Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Non Prepared Foods. Zak. Introduction November 26, 2012, Public Hearing and Second Reading December 10, 2012.

Ordinance 12-53(S), An Ordinance of the Homer City Council, Amending HCC 9.16.010(A) and HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100 Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Non Prepared Foods. Zak.

Mayor Wythe opened the public hearing.

Charles Crampton, Nikolaevsk resident, opposes sales tax on food including local grown food sold at the Farmers Market.

Connie Akers, Homer resident, opposes reinstating the sales tax. We are already taxed to death and some things could be sliced from the budget.

Keren Kelley, Homer Senior Citizens, asked for a waiver process for senior citizens on the taxation.

Barb Brodowski, city resident, noted the projected salary expense increase of 2.1% in the budget and fringe benefit expense increase. There is an additional 7.5% in personnel costs over 2012; the sales tax is covering an increase in fringe benefits for City of Homer employees.

Nova Stubbs, Homer resident, opposes the food sales tax as it affects working and middle class families more than anyone. Tobacco and alcohol should be taxed.

Phil Gordon, city resident, thanked Council for the library budget. He is a member of the Library Advisory Board and next month he will present to Council a longstanding problem with the library.

Ernie Suoja, city resident, opposes the food sales tax. Sixty percent of the voters said they did not want tax on food.

Merlin Cordes, city resident, questioned the extensive medical coverage needed for government employees. We should not have to pay for employees' insurance and our own with a sales tax on food.

Ken Castner, city resident, commented it was misguided to announce what Council was going to do with the money. There are many things in the budget that need to be readdressed.

Ray Kranich, city resident, commented Council should remember the people voted not to have the tax. The City Manager has given Council a balanced budget and if the City gets extra revenue it will grow dependent on it.

John Chappell, city resident, asked what part of no does Mr. Zak not understand.

Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion to substitute Ordinance 12-53(S) for Ordinance 12-53.

LEWIS/BURGESS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Wythe called for a motion for the adoption of Ordinance 12-53(S) by reading of title only for second and final reading.

ZAK/ROBERTS – SO MOVED.

Councilmember Lewis commented that no Alaskan loves any tax whatsoever. We are the only city in the Kenai Peninsula Borough that voted to get rid of the sales tax exemption on non prepared foods. Of sales tax collected, 1.5% of sales tax is allocated to HART and HAWSP. When the vote on the sales tax came we had a 29% voter turnout with the majority voting in favor of getting rid of the sales tax. He will not be supporting the ordinance. Everyone seems to jump on the city workers, but everyone has made choices. None of this was hidden when you wanted to make the choices.

Councilmember Burgess commented we are kicking the can down the road because we are not funding depreciation. The vast majority of citizens have asked for police, fire, port, and community schools. Without a sales tax increase we are not funding depreciation. He opposes the 2% COLA and believes we need to address healthcare for city employees. Other tools are property taxes that disproportionately affect people. Council has a tough decision. It is a matter of supporting core services.

Councilmember Roberts echoed the comments of Councilmembers Lewis and Burgess. She supports the ordinance as the City provides community schools and library services to people that live outside city limits.

Councilmember Zak commented we continue to fund city services and if we don't find a way to do it we will have to look at other means. We are here to serve the people and there are a lot of things we have not funded although we are fiscally conservative. In the long term we will see greater benefits to help the economy overall.

Councilmember Lewis asked how expenses for the Community Recreation Program have grown and the City's expense to house the Boys and Girls Club since losing the college rent.

Finance Director Mauras answered the annual rent was \$66,000 for the HERC building from the college. Expenses for operating the HERC building were:

- 2009 \$105,000
- 2010 \$111,000
- 2011 \$106,000
- 2012 \$113,000
- 2013 \$133,000

Income received from Community Recreation was \$28,000 to \$30,000 in each one of those years.

Costs of housing the Boys and Girls Club are difficult to come up with. Last year half of the city administration was in the building until March. We have charts that show both buildings and Mitch is tracking fuel and electric. If the Boys and Girls Club is left in the HERC building we may need to adjust the budget mid year.

Councilmember Dolma asked for the total Fire Department budget and total loss by fire over the last few years. He asked for the costs for the Police Department versus what we gain. We don't have to improve the roads and remove the snow. The core services cost millions of dollars. He is against food taxes, but realizes it is important to give people outside the city a chance to share in city services. It gives people the opportunity to pay for library and services they use.

Mayor Wythe remarked she is not in favor of reinstating the sales tax since it was voted on by the people in Homer. Council has no ability to establish the sales tax. A sales tax of 4.5% was established by the citizens to pay for services. We have to have qualified employees to run the water and wastewater treatment plants. We want the police to report immediately and know they are qualified. We want the Fire Department to be qualified. These are not free and inexpensive services. Health insurance is an incredible value. Employees have taken salary cuts to pay for benefits. They have given something back year after year, including zero COLAs. The cost of living in America goes up every day due to services.

Mayor Wythe commented forty years ago we lived in a society where neighbors took care of people. Now we want the government to take care of responsibilities and it is not free. We continue to have nonprofit people asking for money. There has to be a connection what I want the government to provide for me and what I'm willing to dole out. She doesn't find it a hardship to say we can't contribute to fund things. If all the tax money will pay for the core services, we have to be okay with it. City Council reduced property tax in exchange for an increased sales tax. It is important to weigh and measure and recognize running the government is not free. The only source of revenue the City has is from taxes.

VOTE: YES. ROBERTS, ZAK, BURGESS

VOTE: NO. DOLMA, LEWIS

Motion failed.

B. **Ordinance 12-54**, An Ordinance of the Homer City Council, Amending HCC 9.16.040 and HCC 9.16.100 to Make Certain Categories of Nonprepared Foods Subject to the City of Homer Sales Tax on a Year-Round Basis. Lewis. Introduction November 26, 2012, Public Hearing and Second Reading December 10, 2012.

Ordinance 12-54(S), An Ordinance of the Homer City Council, Amending HCC 9.16.040 and HCC 9.16.100 to Make Certain Categories of Nonprepared Foods Subject to the City of Homer Sales Tax on a Year-Round Basis. Lewis.

Mayor Wythe opened the public hearing.

Ray Kranich, city resident, voiced his opposition to the ordinance for the same reasons as stated in Ordinance 12-53(S).

Ernie Suoja, city resident, expressed opposition as it is forcing people to cook when they don't have the capability to do so.

Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion to substitute Ordinance 12-54(S) for Ordinance 12-54.

LEWIS/BURGESS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Wythe called for a motion for the adoption of Ordinance 12-54(S) by reading of title only for second and final reading.

LEWIS/BURGESS – SO MOVED.

LEWIS/ROBERTS – MOVED TO AMEND TO ELIMINATE LINES 66 THROUGH 68: FROZEN FOODS THAT ARE READY TO EAT UPON HEATING IN A CONVENTIONAL

OR MICROWAVE OVEN, INCLUDING ENTREES, DINNERS, PIZZA AND BURRITOS, BUT EXCLUDING FROZEN FRUITS AND VEGETABLES.

Councilmember Lewis defended it was non prepared foods. It is not his intention to set any regulations about healthy life styles.

City Attorney Wells advised Council has the ability to amend an ordinance on the floor going to the substance without changing the intent. She worries about this level of a change when the heart of the ordinance is exemption based on these categories. People will be paying attention to these categories and responding based on them. It is ambiguous as it would be on the line. She cautioned Council whether they make the amendment on the floor tonight or come back for a second reading.

Councilmember Lewis would rather have the ordinance come back in January if the amendment will be that big of a change. It may need to change the date of enactment.

City Manager Wrede agreed it would likely change the enactment date, although he would have to check with the Borough. The Borough needs 45 days to issue public notice about the change in the tax code and come to Homer twice to talk with businesses.

Councilmember Roberts noted it was difficult to determine what kind of food people need to eat for convenience food because they can't cook. She could support the amendment, but is not clear on the ordinance.

VOTE: (amendment) YES. LEWIS, ROBERTS, DOLMA, ZAK
VOTE: NO. BURGESS

Motion carried.

LEWIS/DOLMA – MOVED TO POSTPONE ORDINANCE 12-54(S) FOR FURTHER CONSIDERATION AND AN ADDITIONAL PUBLIC HEARING AND SECOND READING ON JANUARY 14.

Councilmembers Roberts and Burgess expressed opposition to the postponement.

VOTE: (postponement) YES. LEWIS, DOLMA
VOTE: NO. BURGESS, ROBERTS, ZAK

Motion failed.

Councilmember Burgess commented we are kicking the can again. There is not a lot of fluff in the budget. We are not funding depreciation accounts. We say we want services but don't want to pay for them. We should not do a COLA for staff and should address health insurance costs, and has little support from the Council. We are creating a situation where we are going to have costs without revenues. If we don't balance ourselves we are going to find ourselves in a situation many unhappy Lower 48 cities are in.

Councilmember Lewis commented in passing this ordinance we will not be implementing all the other budget amendments from the last meeting. We have no idea how much money this will generate. We will have to take a wait and see of how much money it generates. It does not include money for the Senior Center, Chamber of Commerce, a COLA, City Council salaries, or funding depreciation accounts.

Mayor Wythe noted the water and sewer enterprise fund receives a substantial amount of money through the sales tax which is used to pay the debt for the construction of the water and sewer plant. There is a portion of the sales tax not getting paid which is creating a financial situation in the water and sewer too.

VOTE: (main motion as amended) YES. BURGESS, LEWIS, DOLMA
VOTE: NO. ROBERTS, ZAK

Motion failed.

Mayor Wythe called for a recess at 7:23 p.m. and reconvened the meeting at 7:33 p.m.

C. **Ordinance 12-47(A)**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2013 for the General Fund, the Water-Sewer Fund, the Port/Harbor Fund, Debt Funds, and Capital Reserve Funds (Conditional Expenditures). City Manager. Introduction October 22, 2012, Public Hearings November 26 and December 10, 2012, Second Reading December 10, 2012.

Resolution 12-088, A Resolution of the City Council of Homer, Alaska, Maintaining the City of Homer Fee Schedule at the Current Rates. City Clerk. Recommended to follow Budget Ordinance 12-47 schedule.

Resolution 12-089, A Resolution of the City Council of Homer, Alaska, Maintaining the Port of Homer Terminal Tariff No. 600. City Clerk. Recommended to follow Budget Ordinance 12-47 schedule.

Mayor Wythe opened the public hearing.

Ken Castner, city resident, referenced the budget pertaining to the water and sewer overhead costs.

Larry Slone, city resident, commented on the high water and sewer costs, especially administrative costs. The Water and Sewer Rate Task Force worked well in coming up with a model rate that he considers fair and appropriate.

Nick Poolos, Homer resident and IT Manager, commented on overhead costs for water and sewer.

Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion for the adoption of Ordinance 12-47(A) by reading of title only for second and final reading.

LEWIS/ROBERTS - SO MOVED.

ROBERTS/BURGESS - MOVED TO AMEND THE BUDGET TO ADD THE REQUEST ON PAGE 350 TO ADD AN IT PERSON TO THE CITY DEPARTMENT FOR \$75,823.

City Manager Wrede clarified it would take the part time position to make it full time and \$36,506 was needed.

ROBERTS/BURGESS - MOVED TO AMEND THE AMENDMENT TO \$36,506.

Telephonic communication with Councilmember Zak was lost at 7:45 p.m.

The funding will come from excess sales tax as the revenues exceeded expenditures. It is not contingent on Ordinances 12-43(S) and 12-44(S).

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

Motion carried.

ROBERTS/LEWIS - MOVED TO AMEND THE BUDGET TO ADD THE PROJECT MANAGER POSITION IN THE AMOUNT OF \$90,000 AND AUTHORIZE THE TRANSFER OF GENERAL FUND RESERVE FUND BALANCE MONIES IN THE AMOUNT OF \$72,000 TO COVER THE COSTS.

City Manager Wrede explained this is a project manager position at Public Works. Council has authorized the creation of the position twice, but we haven't been able to fund it. Of the \$90,000 that is needed, \$72,000 will be charged to project funds. They are grants that we already have. It is \$18,000 that will be needed from the general fund. For auditing reasons we need to show the full \$90,000 in the budget.

ROBERTS/LEWIS – MOVED TO AMEND THE AMENDMENT TO AN AMOUNT OF \$90,000.

Telephonic communication with Councilmember Zak was reestablished at 7:52 p.m.

VOTE: (amendment) YES. ZAK, BURGESS, LEWIS, ROBERTS, DOLMA

Motion carried.

Councilmember Zak's proposed amendments are no longer included in the budget with the failure of Ordinance 12-53(S).

BURGESS/ZAK - MOVED TO AMEND TO REVISE THE LINE ITEM OF FUNDING FOR THE CHAMBER'S MARKETING TO CHANGE TO \$40,000 AND FUND FROM GENERAL FUND RESERVES.

Councilmember Burgess disclosed he owns a portion of a business that has financial interaction with the Chamber. An increase in Chamber funding would not result in a gain for his business. In the past the Mayor has ruled there is no conflict of interest.

Mayor Wythe acknowledged Councilmember Burgess' disclosure and added that Councilmember Zak does not have a conflict of interest either.

Mayor Wythe announced we are giving money to the Chamber of Commerce so they can advertise and promote the City of Homer.

Councilmember Burgess added the Chamber consistently exceeds what the City of Homer contributes to them. The Chamber is the only marketing and advertising branch of the City. Every other city on the Kenai Peninsula has a bed tax and other taxes dedicated to marketing their city. Our contribution is a small investment that will be returned in the years to come.

Councilmember Lewis questioned the amendment without the sales tax passing. We are spending reserves to compete in the market with other communities.

VOTE: YES. DOLMA, ZAK, BURGESS, ROBERTS

VOTE: NO. LEWIS

Motion carried.

VOTE: (Ordinance 12-47(A) as amended) YES. ROBERTS, DOLMA, ZAK, BURGESS, LEWIS

Motion carried.

Motion on the floor from October 22: MOTION FOR THE ADOPTION OF RESOLUTION 12-088 AND 12-089.

ROBERTS/BURGESS – MOVED TO ADOPT RESOLUTIONS 12-088 AND 12-089.

Councilmember Lewis believes in the future as costs for all departments go up, all fees should be raised 10%. We need to start looking at a fee study for the port and harbor.

VOTE: YES. LEWIS, ROBERTS, DOLMA, ZAK, BURGESS

Motion carried.

D. **Ordinance 12-55**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an Alaska Highway Safety Program Grant for DUI Enforcement and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Police Chief. Introduction November 26, 2012, Public Hearing and Second Reading December 10, 2012.

Memorandum 12-172 from Police Chief as backup.

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

Mayor Wythe called for a motion for the adoption of Ordinance 12-55 by reading of title only for second and final reading.

LEWIS/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- E. **Ordinance 12-56(A)**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an Online With Libraries (OWL) Grant in an Amount up to \$7,280.00 for a Temporary Part-Time IT Aide for the Public Library and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Library Director. Introduction November 26, 2012, Public Hearing and Second Reading December 10, 2012.

Memorandum 12-173 from Library Director as backup.

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

Mayor Wythe called for a motion for the adoption of Ordinance 12-56(A) by reading of title only for second and final reading.

LEWIS/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- F. **Ordinance 12-57**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Capital Budget by Appropriating an Additional \$101,250 from the General Fund Balance for Completion of the Nick Dudiak Fishing Lagoon Dredging Project. City Manager/Public Works Director/Port and Harbor Director. Introduction November 26, 2012, Public Hearing and Second Reading December 10, 2012.

Ordinance 12-57(S), An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Capital Budget by Appropriating an Additional ~~\$101,250~~ **\$69,768** from the General Fund Balance for Completion of the Nick Dudiak Fishing Lagoon Dredging Project. City Manager/Public Works Director/Port and Harbor Director.

Memorandum 12-169 from City Manager as backup.

Memorandums 12-156 and 12-147 from Public Works Director as backup.

Mayor Wythe opened the public hearing.

Larry Slone, city resident, commented he was advised that the Corps of Engineers had decided gravel should not be removed from the Spit since the Spit is losing substance because of erosion.

Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion to substitute Ordinance 12-57(S) for Ordinance 12-57.

LEWIS/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Wythe called for a motion for the adoption of Ordinance 12-57(S) by reading of title only for second and final reading.

LEWIS/ROBERTS - SO MOVED.

Councilmember Lewis noted the gravel dredged must be left on the Spit unless there was no use for it on the Spit. He asked about the sales of dredge spoils.

City Manager Wrede did not recall the Corps having a provision about removing dredge materials from the Spit. The City Council had an ordinance at one time that prevented dredge materials from leaving the Spit. It was unclear if it meant dredge materials or mining on the beaches. In earlier years people were proposing to take fair amounts. Council changed the ordinance to create a progression of allowing materials to be taken off the Spit.

Port and Harbor Director Hawkins reported there were two proposals for the dredge materials. The entire amount of materials removed from the lagoon has been sold. In a few weeks we will see the materials removed, one will go to a business owner on the Spit and another to a business owner out East End Road. Proceeds will be significantly more than the \$100,000 taken out of the Nick Dudiak reserve fund. When we have final numbers we will ask for Council guidance on replacing the funds.

Mayor Wythe advised the reimbursement was already established to be returned to the Nick Dudiak reserve fund. She commented she had never heard the Corps version of removing dredge materials from the Spit. Port and Harbor Director Hawkins answered the Corps has been working internally to address permitting that was denied. The Corps does not believe removal of dredge

materials is detrimental or hurting the Spit. The beach re-nourishment program was shut down. The Corps civil side said it was beneficial to their program and they are working to get that permitting in place.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- A. **Ordinance 12-58**, An Ordinance of the City Council of Homer, Alaska, Approving the Disbursement of the Net Earnings of 5% of the Permanent Fund, an Amount of \$3,554.79, to Local Non-Profit Organizations for the Benefit of the Community. City Clerk/Permanent Fund Committee. Recommended dates: Introduction December 10, 2012, Public Hearing and Second Reading January 14, 2013.

Mayor Wythe called for a motion for the adoption of Ordinance 12-58 for introduction and first reading by reading of title only.

ROBERTS/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 12-59**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Reimbursable Grant in the Amount of \$8,000 from the State of Alaska Department of Environmental Conservation for Hazardous Materials Training and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Deputy Harbormaster. Recommended dates: Introduction December 10, 2012, Public Hearing and Second Reading January 14, 2013.

Memorandum 12-181 from Deputy Harbormaster as backup.

Mayor Wythe called for a motion for the adoption of Ordinance 12-59 for introduction and first reading by reading of title only.

LEWIS/ROBERTS – SO MOVED.

Councilmember Lewis questioned the training dates of January 8 and 9 in relation to the second reading on the ordinance of January 14. There are five extra seats for the training and he

encouraged individuals that work on Fish Dock Road with anomia in their buildings to attend.

City Attorney Wells advised we should check with the grant application process to make sure we are not violating any type of grant specification by letting private individuals to attend the training.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 12-60**, An Ordinance of the City Council of Homer, Alaska, Repealing and Reenacting HCC Chapter 17.04 Regarding Special Assessment Districts. City Manager. Recommended dates: Introduction December 10, 2012, Public Hearing and Second Reading January 14, 2013.

Mayor Wythe called for a motion for the adoption of Ordinance 12-60 for introduction and first reading by reading of title only.

LEWIS/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

A. City Manager's Report

1. **Senior Gas Assessment Deferral Ordinance:** At the last meeting the Council discussed the issue of whether senior deferrals should be available for the proposed natural gas special assessment district. I indicated that I would bring an ordinance forward to get the issue on the table and hopefully, get it resolved one way or the other before the end of the objection period. The ordinance in your packet provides that there will be no deferrals for SADs that are created to finance infrastructure that is not owned by the City. Council Member Burgess stated that he could support a senior deferral if interest accrued. There was discussion about whether a separate ordinance would be needed. Upon review, it is clear that the Code already provides for interest to accrue on deferred assessments. The Code also requires that applicants for a deferral provide the City with some security such as lien, deed of trust, and/or promissory note. Therefore, the City is reasonably assured of getting repaid eventually. A new ordinance is not required. If the Council wishes to permit deferrals, it might want to discuss the difference in income requirements for deferrals between the City and the Borough. The City uses HUD low income

- requirements. The Borough apparently uses the poverty level. There is a big difference here and a big difference in the number of applicants that might qualify for the deferral.
2. Eliminating Lot Lines / Combining Lots: The City has received several complaints recently from property owners who contend that they have not been given enough time to eliminate lot lines and combine lots so that they can avoid multiple assessments on the proposed Natural Gas SAD. The Code provides that lots lines must be eliminated before the public hearing scheduled in January. Getting plats approved can take a minimum of several months, even if the plat is a relatively simple one. According to the Planning Department, there are approximately six plats that are likely to be approved before the hearing date. There are others that won't make the deadline for a variety of reasons. At this point, pushing the hearing date back or amending the ordinance would be problematic and might create other undesirable outcomes. We can discuss this issue in more detail at the meeting if Council wishes. The staff natural gas planning group recommends no change for a variety of reasons including the fact that the SAD was initiated back in July and delays in the schedule could jeopardize construction this year. No matter where the cutoff is establish, some property owners will be upset and permitting too much of this drives the cost per lot up for everybody else.
 3. Nick Dudiak Fishing Lagoon Dredging: The dredging work is complete at the Fishing Lagoon. It turns out that the quantity to be removed was about 30,000 cubic yards rather than the 32,000 cubic yards we estimated for the emergency ordinance. As a result, the cost was about \$31,000 less than the ordinance authorized. Therefore, this agenda contains a substitute for the permanent budget ordinance that contains the correct numbers.
 4. Lobbyist Contract: At the last meeting, the Council postponed a resolution approving a new contract for the lobbyist and asked me to work with her to make some amendments. Linda has agreed that a one year contract is fine with her. She saw no need to include suggested language about an option for a second year. We also added more specific language about costs associated with her trips to Homer to consult with Council and staff. A substitute resolution and amended draft contract is included in the packet for your consideration.
 5. Proposed Capital Budget Amendment: Attached to the budget you will see a proposed budget amendment from me that I hope the Council will adopt. You may recall from my budget message that one of my top priorities if additional funds could be identified was to upgrade the part time IT position to a full-time IT position. The original position description and justification contained in your draft budget is attached. This upgrade is vitally important and will have a big impact for all City departments. It will cost \$35,000 to make this a full time position and I believe it is money that will pay big dividends in terms of efficiency, productivity, and customer service. Regina reports that there is a surplus of approximately \$50,000 in the draft budget (revenues exceed expenditures) that can be used for this purpose. I ask for your support of this amendment.
 6. Budget Amendments: At the last meeting, the Council adopted several budget amendments. Regina has incorporated those amendments into the draft budget and provided Council with the relevant pages of the budget. The Mayor also requested a spreadsheet showing the impacts to the budget if the proposed amendments and the proposed food tax ordinance brought forward by Council Member Zak were to be adopted. That information is attached.

7. Financing for Gas Service Lines: At the last meeting, Council Member Dolma mentioned the possibility of the City also providing financing for construction of service lines from the street to the structure. Since that time, Council members have been approached by at least one member of the public about that possibility. As you will note on the attached trip report, discussions with the Borough about a construction loan are currently underway. If the Council is at all interested in discussing this idea, now would be a good time to do so.

City Manager Wrede referenced Mayor, Council, and Clerks trip report from the AML and AAMC conferences. If Council decides to proceed with the natural gas special assessment district financing through the Borough that may be the best means. The Borough is willing to delay the first principle payment. In January Council will be discussing a loan agreement.

The letter from Fish and Game on the Nick Dudiak Fishing Lagoon dredging and pictures of Beluga Slough Trail, Airport sign, and City Hall sign were highlighted.

- B. Games Report
 1. K-Bay Marines Detachment 838 Marine Corp. League

CITY ATTORNEY REPORT

City Attorney Wells had no information to report.

COMMITTEE REPORT

- A. Public Arts Committee
 - B. Transportation Advisory Committee
 - C. Permanent Fund Committee
- Mayor Wythe expressed appreciation to the committee for the first disbursement of the funds.
- D. Lease Committee
 - E. Port and Harbor Improvement Committee
 - F. Employee Committee Report
 - G. Water and Sewer Rate Task Force

Councilmember Burgess reported the task force is working hard to bring something to Council early in the coming year. They will hold a public comment period soon. The task force is proposing a model much more commodity based. The meter cost is lower, but the cost per gallon will increase. While typical house costs will come down significantly, businesses may increase.

PENDING BUSINESS

- A. **Resolution 12-096**, A Resolution of the City Council of Homer, Alaska, Approving a New Two Year Contract in the Amount of \$40,000 Per Year with Anderson Group, LLC for Legislative Consulting and Lobbying Services. City Manager. (Postponed from November 26, 2012.)

Resolution 12-096(S), A Resolution of the City Council of Homer, Alaska, Approving a New One Year Contract in the Amount of \$40,000 Per Year with Anderson Group, LLC for Legislative Consulting and Lobbying Services. City Manager.

Motion on the floor from November 26: MOTION TO ADOPT RESOLUTION 12-096, AMENDING LINE 7 TO CHANGE TWO TO ONE YEAR CONTRACT, LINE 21 TO MAKE ONE YEAR AND CHANGE DATE IN LINE 22 TO 2013 AND ADD THE PHRASE WITH THE OPTION TO RENEW FOR ONE YEAR, AND CHANGE LINE 32 AND 9 TO ONE, WITH THE OPTION TO REVIEW AT THE CURRENT RATE.

VOTE: (main motion as amended) NO. BURGESS, LEWIS, ROBERTS, DOLMA

Councilmember Zak lost telephonic communication at 8:28 p.m.

Motion failed.

Mayor Wythe called for a motion for the adoption of Resolution 12-096(S) by reading of title only.

LEWIS/BURGESS - SO MOVED.

City Manager Wrede reported Linda Anderson is agreeable to a one year contract. She will work hard to win the Council's trust.

Council discussed the need to have a Worksession in January to set specific goals to continue on with the contract. Council may chose to go out for bid.

Councilmember Dolma believes it is hard to justify the expenditure as we haven't seen a lot of results from the money invested so far.

City Manager Wrede reported the lobbyist has been with us for two years. On the capital side it has been a real help to have a lobbyist. We received a \$6M grant from the cruise ship tax and it

was helpful on the gas line. There are other legislative projects she was helpful on. We need to be clear what we expect from the lobbyist and judge at the end of the year.

Councilmembers Lewis, Roberts, and Burgess offered their support for the lobbyist. The lobbyist is at the Capitol with all the villages and towns knocking on the doors with the connections to see someone. In the long run it is money well spent. We have to cast the net to maintain the quality of life here. However, the lobbyists' conversation between us was not as much as would have expected.

Councilmember Dolma deferred to the wisdom of the Council.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

- A. **Memorandum 12-182** from City Clerk, Re: Vacate Portions of Sprucewood Drive a 60-Foot Right-of-Way Located Northeast of Tract A, Block 2, and Any Associated Utility Easements With These Portions of Sprucewood Drive, Dedicated and Granted by Mountain Park Subdivision (Plat HM 78-10); Within Section 14, Township 6 South, Range 14 West, Seward Meridian, City of Homer and Within the Kenai Peninsula Borough, Alaska; KPB File 2012-175; Note: The adjacent existing roadway is to be dedicated with the recording of this plat; Location: City of Homer.

Mayor Wythe called for a motion for the approval of the recommendations of Memorandum 12-182 to vacate portions of Sprucewood Drive right-of-way and utility easements.

LEWIS/ROBERTS – SO MOVED.

Councilmember Dolma disclosed a potential conflict of interest due to serving as a planning commissioner when the subject matter was voted on.

City Attorney Wells advised there was no conflict because it was not a substantial financial conflict of interest. The value of Councilmember Dolma's vote outweighs a potential conflict.

Mayor Wythe ruled Councilmember Dolma did not have a substantial conflict. There was no objection from the Council.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RESOLUTIONS

- A. **Resolution 12-102**, A Resolution of the City Council of Homer, Alaska, Establishing the 2013 Regular Meeting Schedule for the City Council, Economic Development Advisory Commission, Library Advisory Board, Parks and Recreation Advisory Commission, Advisory Planning Commission, Port and Harbor Advisory Commission, Lease Committee, Permanent Fund Committee, Public Arts Committee and Transportation Advisory Committee. City Clerk.

Memorandum 12-183 from Permanent Fund Committee as backup.

Memorandum 12-184 from Economic Development Advisory Commission as backup.

Memorandum 12-185 from Library Advisory Board as backup.

Memorandum 12-186 from Planning Commission as backup.

Memorandum 12-187 from Transportation Advisory Committee as backup.

Memorandum 12-188 from Port and Harbor Advisory Commission as backup.

ROBERTS/BURGESS - MOVED TO ADOPT RESOLUTION 12-102.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 12-103**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Enter Into a New Short Term Lease with the Homer Boys and Club and to Extend the Club's Occupancy of the Lower Level of the Homer Education and Recreation Complex (HERC) Building for One Additional Year Beginning on January 1, 2013 and Ending December 31, 2013. City Manager.

Mayor Wythe called for a motion for the adoption of Resolution 12-103 by reading of title only.

LEWIS/BURGESS – SO MOVED.

ROBERTS/LEWIS - MOVED TO AMEND LINE 56 TO ADD THE FOLLOWING CLAUSE:
NOW BE IT FURTHER RESOLVED THAT THE APPROVAL OF THIS CONTRACT WILL BE CONTINGENT UPON THE APPROVAL BY THE FIRE MARSHAL FOR THE CONTINUED USE OF THE BUILDING BY THE BOYS AND GIRLS CLUB.

Councilmember Burgess urged the City Manager to see if there is equitable ground with the Boys and Girls Club to insure the City has limited liability of being the landlord of HERC.

Mayor Wythe commented we have received the engineering review of the HERC building. The report provided a list of deficient items for the current use of the building. This places the City in the position of no longer being able to offer the building to the Boys and Girls Club without assurance of the Fire Marshal. Council is making the lease contingent upon the Fire Marshal's authorization. Costs of completing renovations for the HERC building will most likely be the same cost as a new building. The engineering review recommends construction of a new building. To bring the HERC up to ADA code it will cost \$2M or \$10M to bring the building up to compliance. For the immediate time we need assurance that the liability to the community is kept at a minimum. The report is available at City Hall.

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

Motion carried.

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

Motion carried.

COMMENTS OF THE AUDIENCE

Larry Slone, city resident, commented on the budget expressed so eloquently by the Mayor. If people want the programs and services they have to be prepared to pay for them.

COMMENTS OF THE CITY ATTORNEY

City Attorney Wells had no comment.

COMMENTS OF THE CITY CLERK

City Clerk Johnson thanked Council for a thorough meeting and wished everyone Happy Holidays.

COMMENTS OF THE CITY MANAGER

City Manager Wrede wished everyone Happy Holidays. He thanked Mayor and Council for their hard work on budget and their helpful comments on city employees.

COMMENTS OF THE MAYOR

Mayor Wythe asked Council to review the CIP list and be ready to provide clear instructions for the lobbyist. In the list of projects hanging out there it would help to prioritize projects. Then they can focus their attention more narrowly and work gets done more efficiently. She wished everyone a Merry Christmas and Happy New Year and issued a reminder about the perils of drinking and driving.

COMMENTS OF THE CITY COUNCIL

Councilmember Burgess wished everyone Happy Holidays and advised to drive safely. He advised on the rules regarding a two way stop intersection. If you are at a two-way stop and want to go straight and someone else wants to turn left, it goes precedence of right-of-way. The person turning right, then straight, then left has the right-of-way, regardless of who arrives at the two way stop first. This is an important fact and safety issue. He is disappointed even though we are in a decent fiscal spot we put off a tough call this evening. Although sales tax would not have been the best income stream, we need to balance the budget. We need to think about managing the City's future revenues and prospects. There is declining tourism and declining fisheries. We don't want to saddle our children and grandchildren. Council needs to make the tough calls and we don't want to kick that can down the road.

Councilmember Dolma commented on infrastructure improvements as previously stated by the City Manager. For folks that don't want improvements, come down and tell us what you don't want. Without an income funding stream Council needs to know what you don't want. As to his earlier comments on what the Fire and Police Department costs are, those are rhetorical questions. He is not advocating shutting down either department and is aware of the City's responsibilities to provide those services. They could be funded at a lower level. These are things the citizens need to think about.

Councilmember Roberts appreciated the debate about the food sales tax. People presented a lot of interesting view points. The fiscal situation of the City is at risk when we don't consider the sales tax seriously. She wished everyone a great holiday season.

Councilmember Lewis wished all a Happy Hanukkah, Merry Christmas, Happy New Years and Kwanzaa. This weekend if you are bored you may want to go to Ohlson Mountain or Lookout Mountain. There will be a big high school ski meet going on there. They may be looking for volunteers.

ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 8:52 p.m. The next Regular Meeting is Monday, January 14, 2013 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the 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 13-002

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

DATE: JANUARY 8, 2013

SUBJECT: APPLICATION FOR LIQUOR LICENSE RENEWALS FOR ALICE'S CHAMPAGNE PALACE, AMERICAN LEGION POST 16, AND MERMAID CAFÉ

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

Type: Beverage Dispensary
Lic #: 253
DBA Name: Alice's Champagne Palace
Premise Address: 195 E. Pioneer Ave., Homer, AK
Owner: Homer Beverages, Inc.
Mailing Address: 1637 Stanton Ave., Anchorage, AK 99508

Type: Club
Lic #: 2466
DBA Name: American Legion Post #16
Premise Address: 2410 East End Road, Homer, AK
Owner: American Legion Post #16
Mailing Address: PO Box 858, Homer, AK 99603

Type: Restaurant Eating Place Public Convenience
Lic #: 4728
DBA Name: Mermaid Café
Premise Address: 3487 Main Street, Homer, AK
Owner: Andrew and Sally Willis
Mailing Address: PO Box 382, Homer, AK 99603

RECOMMENDATION: Voice non objection and approval for the liquor license renewals.

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

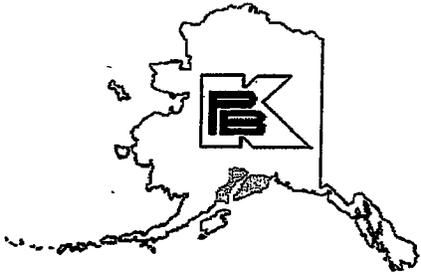
DATE: January 2, 2013
TO: Melissa Jacobsen, Deputy City Clerk
FROM: Mark Robl, Chief of Police *MR*
SUBJECT: Liquor License Renewals

The Homer Police Department has no objection to the liquor license renewals for the following businesses:

Type: **Beverage Dispensary**
Lic #: 253
DBA Name: Alice's Champagne Palace
Premise Address: 195 E Pioneer Ave.
Owner: Homer Beverages, Inc.
Mailing Address: 1637 Stanton Ave, Anchorage, AK 99508

Type: **Restaurant/Eating Place-Public Convenience**
Lic #: 4728
DBA Name: Mermaid Cafe
Premise Address: 3487 Main St
Owner: Andrew & Sally Wills
Mailing Address: PO Box 382, Homer AK 99603

Type: **Club**
Lic #: 2466
DBA Name: American Legion Post #16
Premise Address: 2410 East End Road
Owner: American Legion Post #16
Mailing Address: PO Box 858 Homer, AK 99603



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, MMC
BOROUGH CLERK

January 2, 2013

Ms. Christine Lambert
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. Lambert,

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

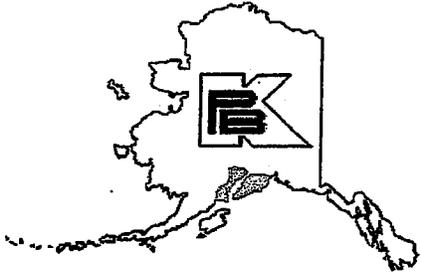
Should you have any questions, or need additional information, please do not hesitate to contact our office.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

JB/klr

cc: Applicant
City of Homer
KPB Finance Department
File



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7520

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BOROUGH CLERK

January 2, 2013

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

RE: Non-Objection of License Renewal

Business Name	:	Mermaid Café
License Type	:	Restaurant Eating Place – Public Convenience
License Location	:	City of Homer
License No.	:	4728

Dear Ms. Lambert,

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 do not hesitate to contact our office.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

JB/klr

cc: Applicant
City of Homer
KPB Finance Department
File



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JOHNI BLANKENSHIP, MMC
BOROUGH CLERK

January 2, 2013

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

RE: Non-Objection of License Renewal

Business Name	:	Alice's Champagne Palace
License Type	:	Beverage Dispensary
License Location	:	City of Homer
License No.	:	253

Dear Ms. Lambert,

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 do not hesitate to contact our office.

Sincerely,

John Blankenship, MMC
Borough Clerk

JB/klr

cc: Applicant
City of Homer
KPB Finance Department
File

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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Email: clerk@ci.homer.ak.us

MEMORANDUM

TO: MARK ROBL, POLICE CHIEF

FROM: MELISSA JACOBSEN, DEPUTY CITY CLERK

DATE: DECEMBER 28, 2012

SUBJECT: LIQUOR LICENSE RENEWAL FOR ALICE'S CHAMPAGNE PALACE, AMERICAN LEGION, AND MERMAID CAFÉ

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

Type: Beverage Dispensary
Lic #: 253
DBA Name: Alice's Champagne Palace
Premise Address: 195 E. Pioneer Ave., Homer, AK
Owner: Homer Beverages, Inc.
Mailing Address: 1637 Stanton Ave., Anchorage, AK 99508

Type: Club
Lic #: 2466
DBA Name: American Legion Post #16
Premise Address: 2410 East End Road, Homer, AK
Owner: American Legion Post #16
Mailing Address: PO Box 858, Homer, AK 99603

Type: Restaurant Eating Place Public Convenience
Lic #: 4728
DBA Name: Mermaid Café
Premise Address: 3487 Main Street, Homer, AK
Owner: Andrew and Sally Willis
Mailing Address: PO Box 382, Homer, AK 99603

This matter is scheduled for the January 16, 2013 City Council meeting. Please respond with objections/non-objections to these liquor license renewals by **Wednesday, January 9, 2013**.

Thank you for your assistance.



THE STATE
of **ALASKA**

GOVERNOR SEAN PARNELL

Department of Commerce, Community,
and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

5848 E. Tudor Road
Anchorage, Alaska 99507
Main: 907.269.0350
Chris Lambert: 907.269.0359
TDD: 907.465.5437
Fax: 907.272.9412

December 21, 2012

RE: Liquor License Renewal Notice

Attn: Homer City Clerk Kenai City Clerk
Seldovia City Clerk Seward City Clerk
Soldotna City Clerk Kenai Peninsula Borough Clerk

HOMER

Type: Beverage Dispensary
Lic #: 253
DBA Name: Alice's Champagne Palace
Service Location: 195 E Pioneer Ave.
Owner: Homer Beverages Inc.
Mailing Address: 1637 Stanton Ave., Anchorage, AK 99508

Type: Club
Lic #: 2466
DBA Name: American Legion Post #16
Service Location: 2410 East Road
Owner: American Legion Post #16
Mailing Address: PO Box 858, Homer, AK 99603

Type: Restaurant Eating Place Public Convenience
Lic #: 4728
DBA Name: Mermaid Café
Service Location: 3487 Main Street
Owner: Andrew & Sally Willis
Mailing Address: PO Box 382, Homer, AK 99603

KENAI

Type: Club
Lic #: 2494
DBA Name: Peninsula Moose Lodge #1942
Service Location: 12516 Spur Hwy.
Owner: Loyal Order of Moose Lodge #1942
Mailing Address: PO Box 1902, Kenai, AK 99611-1902

Type: Recreational Site - Seasonal
Lic #: 846
DBA Name: Peninsula Oilers
Service Location: Tinker Lane & Lawton Drive
Owner: Peninsula Oilers Baseball Club Inc.
Mailing Address: PO Box 318, Kenai, AK 99611

OUTSIDE CITY LIMITS

Type: Restaurant Eating Place
Lic #: 2411
DBA Name: Bear Creek Lodge
Service Location: 19702 Hope Hwy.
Owner: John & Melanie K. Bowman
Mailing Address: PO Box 4, Hope, AK 99605

Type: Restaurant Eating Place - Public Convenience
Lic #: 4766
DBA Name: CCL
Service Location: South Caribou Lake Subdivision
Owner: Justin & Kasie Cole
Mailing Address: 33730 Justin's Court, Homer, AK 99603

Type: Beverage Dispensary - Seasonal
Lic #: 2649
DBA Name: Fat Albert's
Service Location: 3 Mile Creek Sub., Tyonek
Owner: Albert M. Van Huff
Mailing Address: PO Box BLG Beluga, Anchorage, AK 99695

Type: Brewery
Lic #: 4512
DBA Name: Kassik's Brewery
Service Location: 47160 Spruce Haven St.
Owner: Kassik's Kenai Brew Stop LLC
Mailing Address: 47160 Spruce Haven St., Kenai, AK 99611

Type: Lodge - Seasonal
Lic #: 4879
DBA Name: Kenai Fjords Glacier Lodge
Service Location: Pederson Lagoon on Aialik Bay
Owner: Kenai Fjords Glacier Lodge LLC
Mailing Address: PO Box 389, Girdwood, AK 99587

Type: Restaurant Eating Place – Public Convenience
Lic #: 4882
DBA Name: Oriental Garden
Service Location: 313 Fourth Ave.
Owner: Kyung Ok Yoo
Mailing Address: PO Box 405, Seward, AK 99664

SOLDOTNA

Type: Beverage Dispensary
Lic #: 3243
DBA Name: Froso's Family Dining
Service Location: 35433 Kenai Spur Hwy.
Owner: Dionysus LLC
Mailing Address: 35433 Kenai Spur Hwy.

We have received a renewal application for the above listed licenses 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).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the

Type: Restaurant Eating Place
Lic #: 2069
DBA Name: Nikko Garden
Service Location: 36100 Kenai Spur Hwy.
Owner: Si Cha Sin
Mailing Address: 36100 Kenai Spur Hwy., Soldotna, AK 99669

Type: Package Store
Lic #: 867
DBA Name: Pioneer Liquor & Gas
Service Location: 17959 Hope Hwy.
Owner: Dean Davidson
Mailing Address: PO Box 49, Hope, AK 99605

Type: Beverage Dispensary - Seasonal
Lic #: 1283
DBA Name: Summit Lake Lodge
Service Location: 51826 Seward Hwy.
Owner: Marty & June Arnoldy
Mailing Address: 51826 Seward Hwy., Moose Pass, AK 99631

Type: Package Store
Lic #: 2684
DBA Name: Kasilof Riverview Lodge
Service Location: 57440 Sterling Hwy.
Owner: Joanne & Joseph Browning
Mailing Address: PO Box 254, Kasilof, AK 99610

SEWARD

Type: Club
Lic #: 53
DBA Name: American Legion Post #5
Service Location: 400 Fifth Ave.
Owner: American Legion Club Post #5
Mailing Address: PO Box 306, Seward, AK 99664

Type: Beverage Dispensary - Tourism
Lic #: 4696
DBA Name: Gene's Place
Service Location: 217 Fifth Ave.
Owner: Northern Lights Espresso Inc
Mailing Address: PO Box 2288, Seward, AK 99664

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.

If you have any questions or concerns regarding this information, please feel free to contact me.

Sincerely,

SHIRLEY A. COTÉ
Director

/s/Christine C. Lambert
Christine C. Lambert
Licensing & Records Supervisor
Christine.lambert@alaska.gov

VISITORS



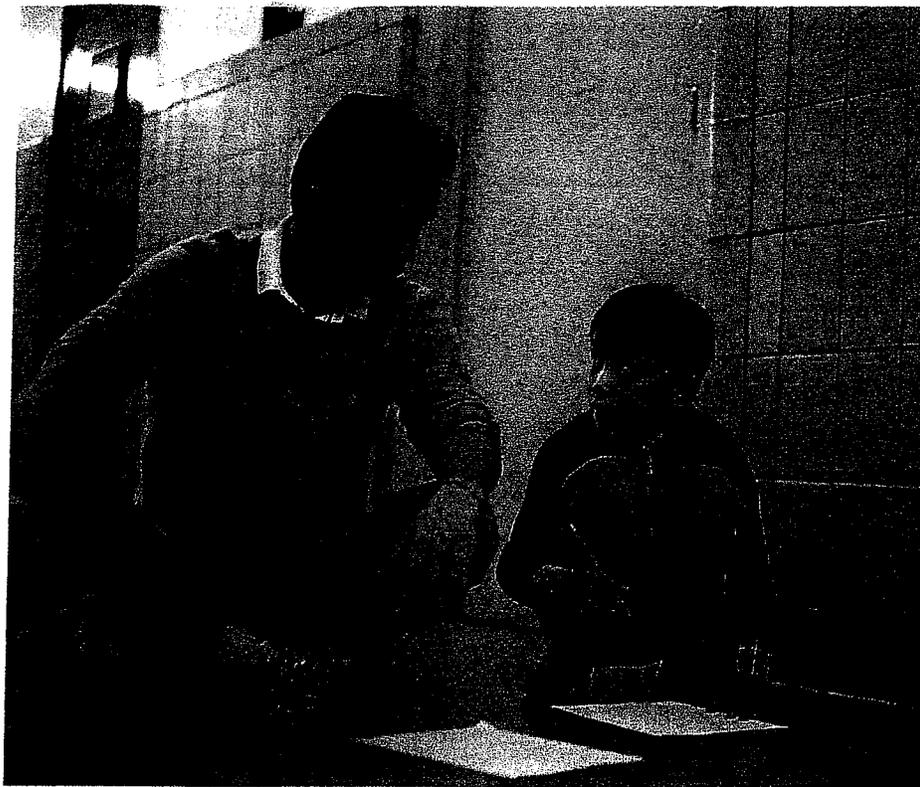
BIG BROTHERS BIG SISTERS

VISION: All children achieve success in life

ACCOUNTABILITY: By partnering with parents/guardians, volunteers and others in the community we are accountable for each child in our program achieving:

- Higher aspirations, greater confidence and better relationships
- Avoidance of risky behaviors
- Educational success

For more information contact: Susan Kirn, Community Director
Phone: 235-8397
Email: Susan.kirn@bbbsak.org



Big Brothers Big Sisters

Outcomes

Commitment to Youth

At Big Brothers Big Sisters we hold ourselves accountable to demonstrating outcomes for children matched in our program in three critical areas—socio-emotional competencies such as higher aspirations, greater self-confidence, and better relationships; avoidance of risky behaviors including juvenile delinquency; and educational success.

As part of our commitment to providing quality mentoring services to youth, we use data and research to continually demonstrate and improve our effectiveness. Together with industry-leading researchers, we developed and adopted the Youth Outcomes Survey, a real-time measure of the effectiveness of our programs. This survey is unique to Big Brothers Big Sisters and will continue to be refined, along with a commitment to building an even larger representation of the youth we serve.

In January 2012 we released the first-ever Youth Outcomes Survey Report, substantiating that our organization's mentoring programs have proven, positive academic, socio-emotional and behavioral outcomes for youth in areas linked to high school graduation, avoidance of juvenile delinquency and college or job readiness.

Positive Outcomes for Youth

For youth matched for a year in Big Brothers Big Sisters' Community-Based program and youth matched for a school year in our School-Based program:

- **83.5%** and **73.4%** of youth maintained an average or above average score in all three targeted areas (educational-related success, avoidance of risky behaviors and socio-emotional competency) for our Community-Based and School-Based programs, respectively;
- **97.9%** and **96.6%** of youth maintained an average or above average score or indicated improvement in the area of socio-emotional competence for our Community-Based and School-Based programs, respectively;
- **94.5%** and **95.2%** of youth maintained an average or above average score or indicated improvement in the area of educational success for our Community-Based and School-Based programs, respectively;
- **88.8%** and **83.4%** of youth maintained an average or above average score or indicated improvement in the area of avoidance of risky behaviors our Community-Based and School-Based programs, respectively;

The results of our Youth Outcomes Survey demonstrate the depth of the outcomes and the breadth of the potential long-term impacts of Big Brothers Big Sisters programs for the children we serve, leading to stronger communities for all.

Big Brothers Big Sisters Named #1 Nonprofit for At-Risk Youth by Guidestar's Philanthropedia



Big Brothers Big Sisters earns Philanthropedia's 2011 top ranking on a list of most recommended, high-impact national non-profits serving at-risk youth.



The nation's leader in quality, one-to-one youth mentoring. Big Brothers Big Sisters received praise for its effective mentoring model that leads to positive and measurable youth outcomes for children who face adversity, as well as for its organizational leadership and community outreach.

Backed by research supporting its effectiveness, Big Brothers Big Sisters holds itself accountable for helping children who face adversity achieve positive, measurable outcomes, including educational success, higher aspirations and confidence, improved relationships and risky behavior avoidance.

The organization **relies on funding to carefully make mentoring matches** and provide ongoing support to mentors, mentees and their families, helping sustain the long-term, successful relationships unique to its programs.

Big Brothers Big Sisters' first place ranking was the result of **recommendations from 88 national at-risk youth experts** with an average of 19 years of experience in the field.



For additional information about Philanthropedia's research and reviews of nonprofits that serve at-risk youth, visit <http://www.myphilanthropedia.org/top-nonprofits/national/at-risk-youth>

PHILANTHROPEdia

About Philanthropedia

Philanthropedia (recently acquired by GuideStar) improves nonprofit effectiveness by directing money to and facilitating discussion about expert recommended high-impact nonprofits. As of September 2011, we have leveraged the wisdom of 2015 experts to provide reviews on 318 top nonprofits across 19 causes.



Big Brothers Big Sisters of Alaska - Homer Program

Frequently Asked Questions

How many active matches are there?

- 44 active matches at the close of 2012. A match is a Big and a Little
- 64 youth served at the end of 2012.

Who are the Bigs?

- Bigs are members of the community. They can also be high school students.
- They don't have to have special training or degrees. They just have to care about children.
- Bigs are not teachers, counselors, therapists or parents. Bigs are special friends.

Important points about matching Bigs & Littles

- All Bigs have reference checks and interviews.
- Bigs in the Community Based program have proof of car insurance, DMV checks and sex offender checks
- Matches are made based on parent preferences and goals and compatibility of the volunteers and the children
- The child has to also want to have a Big. We talk with the child to get information to help us with the matching process.

Who are the children in the program?

- Children come from all backgrounds and family situations.
- 1 and 2 parent families, blended families (step parents)
- Those being raised by grandparents, foster parents, etc.

Who are the parents in the program?

- They come from a variety of economic and educational backgrounds as well as a variety of family situations. They have a range of parenting skills.

One thing they have in common is acknowledging that

- Healthy children need more than they alone are able to give.
- Children can benefit from other positive adults in their lives.

OVER

What programs are offered?

- The **School Based Mentoring program** matches volunteers from the community with students at the elementary or middle schools. Volunteers are adults age 18 and older or high school students.

Volunteers meet the Littles during the children's lunch/recess once each week at the school during the school year. During these visits, the volunteer and the Little could do school work, read together, have lunch in the cafeteria, play games, do crafts or just talk. In the summer they can email and phone each other or attend BBBS sponsored activities.

- The **Community Based Mentoring program** matches volunteers from the community who are 19 years and older with children ages 6 -17.

Volunteers are expected to meet with their Littles several times a month for a couple of hours at a time that fits both of their schedules. Of course there will be times when the two of you can't meet because "life happens". Volunteers are matched with their Littles for a year or longer if possible.

The volunteer and the child do things they **both** enjoy, such as bike riding, going to the library, walking on the beach, baking, playing games, fishing, doing crafts, woodworking, or just talking. Parents are aware of all meeting times and activities.

Program Costs

It costs approximately \$2,000 to **make** and **support** a match.

The majority of that covers personnel costs related to making and sustaining the matches.

- **Recruiting/screening** the Bigs and Littles
- **Interviewing, getting to know** the Bigs/Littles and parents
- **Matching** the Bigs/Littles – This takes time and thought – We don't just match first come first served etc.
- **Supporting the Bigs/Littles/parents** so that the match is a positive and meaningful one for everyone.

These jobs not only take a lot of staff time but also require highly qualified personnel.

What are the sources of income?

- We have some federal grants but are trying to reduce our dependence on these. We also are United Way members.
- Money at the local level comes from individual and business donations as well grants from The Homer Foundation.
- Bowl For Kids' Sake in March and the Dream Big luncheon in November are our two annual fundraising events.

ANNOUNCEMENTS
PRESENTATIONS
BOROUGH REPORT
COMMISSION REPORTS

**CITY OF HOMER
HOMER, ALASKA**

MAYOR'S PROCLAMATION

NATIONAL MENTORING MONTH

January 2013

WHEREAS, Everyone remembers someone special – a neighbor, teacher, relative or friend who broadened our horizons and brought a little magic into our lives; and

WHEREAS, One way to return the favor is to mentor a child; and

WHEREAS, Every adult has something to offer, and a few hours a month can make a big difference in a child' s life; and

WHEREAS, Research has shown that children engaged in mentoring programs are more likely to finish high school and become productive and positive members of their community; and

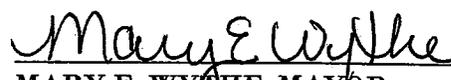
WHEREAS, January has been designated as National Mentoring Month, calling on adults to get involved with mentoring programs.

NOW, THEREFORE, I, Mary E. Wythe, Mayor of the City of Homer, do hereby proclaim the month of January 2013 as:

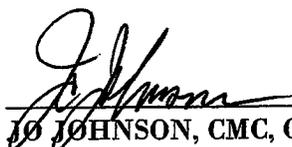
National Mentoring Month

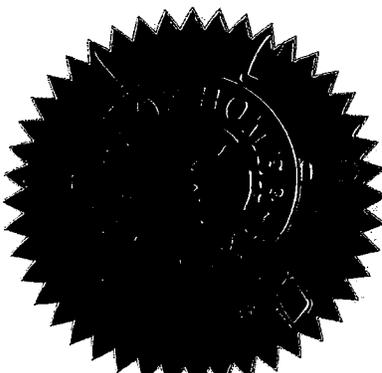
and encourage all citizens, businesses, public and private agencies, religious and educational institutions to support mentoring in our community and give young people the gift of time and friendship through Big Brothers Big Sisters or other mentoring programs.

CITY OF HOMER


MARY E. WYTHE, MAYOR

ATTEST:


JO JOHNSON, CMC, CITY CLERK





**CITY OF HOMER
CITY HALL**

MEMORANDUM 13-003

To: Mayor Wythe and Council
From: Katie Koester, Community and Economic Development Coordinator
Through: Walt Wrede, City Manager
Date: December 24, 2012
Subject: Green Dot Update

The purpose of this memo is to update the Mayor and Council on meetings that have been occurring to consider making Homer a Green Dot pilot community. Green Dot is a strategy that is being implemented in communities across the globe that recognizes bystanders can be important agents in preventing violent acts. Green Dot identifies violence as a red dot on a map. The solution is a green dot, a single moment where someone uses their words and voice to make the red dot less likely.

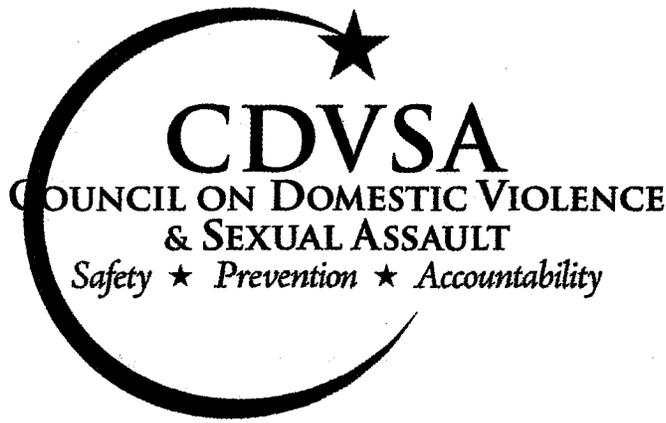
The State of Alaska has offered to establish 5 communities as Green Dot pilot communities, including Homer. This will cover travel for one Green Dot trainer to come to Alaska and some materials over a two and a half year period. The community match is \$7,500, however there is no immediate need to come up with the match. The program will be rolled out in Homer this January. Green Dot founder, Dorothy Edwards will travel here then and give the first training.

By the end of November 2013, Homer will have completed five 2-day trainings. The dates for these are listed in the attached document. Following completion of the trainings (Nov. 2013), until June 30, 2015, Homer would have access to Green Dot (national) for technical assistance, in the form of webinars, teleconferences, and some additional visits. Additionally, during this time, the lead trainers could potentially participate in traveling to other communities to help launch new Green Dot projects.

Right now the group of organizations working to implement Green Dot are looking for:

- a) Funding sources for the \$7,500 local match to implement Green Dot
- b) Recommendations on who would be good trainers to go through the training process (at this point the group does not have funds to pay the trainers identified. The group would either have to find funding sources for this, depend on volunteer labor, or organizations contributing trainers with staff time.

I will continue to attend the Green Dot meetings on behalf of Mayor Wythe and update the Mayor and Council on Green Dot's progress in Homer.



Department of Public Safety

COUNCIL ON DOMESTIC VIOLENCE &
SEXUAL ASSAULT
Executive Director, Laaree Morton

450 Whittier Street
PO Box 111200
Juneau, Alaska 99811-1200
Main: 907.465.4356
Fax: 907.465.3627

December 11, 2012

Jessica Lawmaster
3776 Lake Street, Suite 100
Homer, Alaska 99603

Green Dot Community Launch

Dear Jessica:

The Council on Domestic Violence and Sexual Assault, in partnership with Green Dot, etc., is excited to invite you and your community prevention team to participate in the initial launch of the Green Dot strategy in communities throughout Alaska.

Training Calendar

As a part of this unique opportunity, your community team will receive extensive training and technical assistance from the Green Dot team, in order to maximize impact, and provide opportunity for site-specific curriculum adaptation and course correction – the training program will be implemented across stages over the course of one calendar year/two fiscal years (2013/2014).

Each stage of training will include five, 1.5-2 days of onsite instruction, concrete application to be done between visits, and technical assistance calls in between.

- The training dates below reflect the time span Green Dot will be in AK conducting training. Your specific site will be trained for 1.5-2 days each trip. The specific dates will be determined in cooperation with communities once participation is confirmed.
 - Early Jan – TA call to prepare for first onsite training
 - Jan 21-30: Training #1
 - February – TA webinar/conference call
 - March 21 – April 2: Training #2
 - May – TA webinar/conference call
 - June 2-10: Training #3
 - July – TA webinar/conference call
 - July 25-Aug 17: Training #4

- October – TA webinar/conference call
- November 1 – 15: Training #5

Levels of Participation:

Communities are strongly encouraged to include as many “key” community members as possible in the training process. The more community members that are trained, the more likely you are to reach a wide variety of populations with your message.

Appropriate trainees include: teachers, behavioral health specialists, natural helpers, community health aides, educators, advocates, public health, nursing and/or prevention staff, school and/or university administrators, faculty and staff. *The training is not designed for students of any level. Though the strategy will involve student engagement, the initial training is designed for adults.*

There are many levels of involvement available within the Green Dot training process. It is important that participants are realistic about the time they have to devote to the Green Dot strategy. It’s important to note that no matter how much time you have, there is a role you can play.

- **Project Coordinators:** It is strongly encouraged to have designated project coordinators (this may be a team of 1 or 2; or a task force of 3-5). The Coordinators will serve as the primary contact for Green Dot; and would be expected to participate fully in each aspect of training.
- **Lead Trainer:** To actually train on the Green Dot curriculum, participants must attend each of the 5 trainings. These participants will be equipped to do any aspect of the program.
- **Second Trainer:** Individuals who want to be involved in actually training folks on the curriculum, but are unable to attend the entire training, can serve as a second trainer. They can present portions they were present for, but must always work in partnership with a lead trainer.
- **Community Engagement:** The Green Dot strategy is comprised of many components that do not directly involve structured training. These include: building buy-in; capacity building; taking green dot strategies to specific groups and organizations; re-branding aspects of the work to become more inclusive; relationship building; modeling, etc. Depending on how much training they are able to attend – everyone can do various aspects of these components.

Because there is such a broad range of involvement, you are encouraged to invite participation from community members, even if they are unable to attend all of the 5 sessions.

Matching Funds:

Through state funding, CDVSA will be covering the majority of expenses associated with this exciting training opportunity. Green Dot training fees and travel costs for one GD-Trainer will be

covered along with basic GD materials for two community based GD-Trainers (“*at a minimum, materials will include an instructor/trainer manual: a CD/thumb drive with electronic materials; participant workbook or handout*”). However, we are requesting that participating sites provide a match of \$7,500.00 over the three years of the project (depending on ability).

Community Match would support the travel of one additional Green Dot Trainer during the first year of launch and off-set the costs of lodging and per diem costs associated with 5 on-site trainings. In addition, community match would provide funding for additional materials for distribution during the training and provide for local adaptations and filming for onsite resource and materials development.

Ability to pay will not impact your eligibility to participate; however a good-faith effort to work in partnership with organizations across your community to contribute at least a portion will be expected.

Expectations

For maximum impact across our state, we want to ensure participating sites feel equipped to commit to the expectations below. *If you are not able to commit at this point, the door does not close.* You will be invited to get trained in year two – which is expected to be significantly less time intensive.

- A minimum core group can commit to attending each of the 5 trainings and 5 webinars.
- There is personnel time to dedicate to learning training materials; practicing key elements; and engaging community.

As part of the preparation process, please answer the following questions and return to Ann Rausch at ann.rausch@alaska.gov no later than December 19th:

1. Do you want to participate in the Green Dot training over the next year?
2. Is there a core group that is able to commit to each of the 5 trainings?
3. What match are you able to make?
4. What target population or populations are you hoping to work with initially? (i.e., high schools, middle schools, K-3, community; college)
 - a. Of those populations, what degree of partnership and collaboration already exists?
5. List the organizations that would participate in the training.
6. What are the greatest challenges facing your community regarding prevention?
7. What are the greatest challenges facing your community regarding the implementation of Green Dot?
8. What are the greatest assets and strengths of your community regarding the launch of a community-wide prevention strategy?

PUBLIC HEARING(S)

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

**Natural Gas Line Special Assessment District
Ordinances 12-58, 12-59, and 12-60**

A **public hearing** is scheduled for **Monday, January 14, 2013** 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 12-58, 12-59, and 12-60 internet address:
<http://www.cityofhomer-ak.gov/ordinances>

Natural Gas Line Special Assessment District

Ordinance 12-58, An Ordinance of the City Council of Homer, Alaska, Approving the Disbursement of the Net Earnings of 5% of the Permanent Fund, an Amount of \$3,554.79, to Local Non-Profit Organizations for the Benefit of the Community. City Clerk/Permanent Fund Committee.

Ordinance 12-59, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Reimbursable Grant in the Amount of \$8,000 from the State of Alaska Department of Environmental Conservation for Hazardous Materials Training and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Deputy Harbormaster.

Ordinance 12-60, An Ordinance of the City Council of Homer, Alaska, Repealing and Reenacting HCC Chapter 17.04 Regarding Special Assessment Districts. 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.

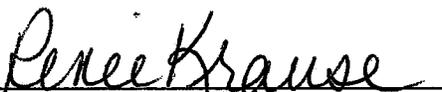
Jo Johnson, CMC, City Clerk

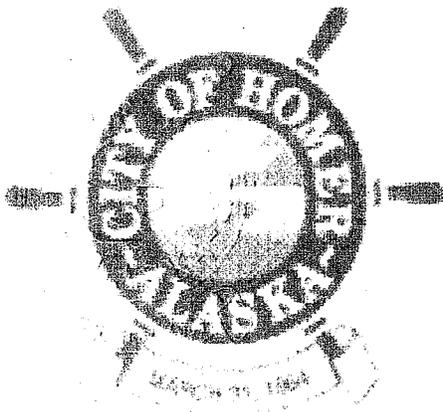
Publish: Homer News: January 10, 2013

CLERK'S AFFIDAVIT OF POSTING

I, Renee Krause, Deputy City Clerk I for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for Ordinance 12-58, An Ordinance Approving the Disbursement of the Net Earnings of 5% of the Permanent Fund, an Amount of \$3,554.79, to Local Non-Profit Organizations for the Benefit of the Community; Ordinance 12-59, An Ordinance Accepting and Appropriating a Reimbursable Grant in the Amount of \$8,000 from the State of Alaska Department of Environmental Conservation for Hazardous Materials Training; and Ordinance 12-60, An Ordinance Repealing and Reenacting HCC Chapter 17.04 Regarding Special Assessment Districts at the City of Homer kiosks located at City Clerk's Office, Captain's Coffee Roasting Co., Harbormaster's Office and Pudgy's Meat & Groceries on January 4, 2013 and that the City Clerk posted same on City of Homer Homepage on January 2, 2013.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 2nd January, 2013.


Renee Krause, Deputy City Clerk I



JOHN VELSKO

P.O. Box 2269
Homer, Alaska 99603
Jvelsko@hotmail.com
907-299-1215

December 13, 2012

John Velsko
P.O. Box 2269
Homer, Alaska
99603

Walt Wrede
City of Homer
491 East Pioneer Avenue
Homer, Alaska 99603

RE: Homer Natural Gas Assessment District

Hello Walt,

I am forwarding to you a copy of the BayWatch Condominium Association's November 7, 2012 meeting minutes and would like you to share this with the Council at their next meeting. My wife and I own a unit in this complex and certainly share the concerns expressed by the BayWatch Condominium board. The logic in treating condominiums differently than hotels and apartments escapes us. The bottom line is that the build out costs should be shared *per lot*, not per owners of a particular lot - that is patently unfair. What if an apartment or hotel is owned by a corporation which by its very nature is owned by multiple shareholders? How is that different than a condominium association?

I would certainly like to see natural gas provided to all of Homer, but I also believe that the assessment should be conducted fairly. My wife and I own two parcels of land in the affected area and we are hoping that this inequity can be addressed or we will be formally objecting to the formation of the Homer Natural Gas Assessment District.

Regards,


John Velsko

**BAYWATCH CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS
MINUTES OF SPECIAL EXECUTIVE MEETING
November 7, 2012**

(Page 1 of 2)

CALLED TO ORDER: 4:40 p.m.

PRESENT: David Duke #9, President
Pat Moreth #11, Vice President
Rachel Bilbo #4, Treasurer
Vikki Deadrick #8, Secretary

ABSENT: --

ALSO PRESENT: --

NEW BUSINESS - DAVID DUKE'S REPORTS:

❖ ~~Baywatch Condo. Association - 2012-2013 Budget which was approved by the Housing Board By-Laws.~~

❖ **NATURAL GASLINE:**

- At the Public Meeting, Dave found out that \$3200 per parcel/unit will be assessed for the Trunk Line to run down Bunnell in front of building & does not include Enstar's individual charges for installing the service line (\$1290 first 100' & \$2 each additional foot) and meters (\$200 each) or individual installs/changes/modifications to plumbing & venting your unit with Natural Gas.
- Apartment buildings, Driftwood Inn, The Bidarka, etc. are not being charged for individual units, they are being charged \$3200 only. Condos are being charged per unit/parcel.
- On the City of Homer's website.
<http://www.cityofhomer-ak.gov/naturalgas/1-plumbing-and-venting>

We are asking owners to please read all the information on their website, but especially,

"Enstar will pipe gas to your home. You are responsible for plumbing gas to the appliances in your home. This will be easier, and more affordable, the closer your appliances are to each other and if the line can run under or outside your house (in a crawl space, for example). Installing appliances on second stories or where you have to run pipe through walls will be more expensive. All natural gas appliances have to be vented and many need to be placed on exterior walls for venting."

Each homeowner has received a packet from the Office of the City Clerk of Homer. In this packet is a "Property Owner's STATEMENT OF OBJECTION To Special Assessment District". We are encouraging you to object to the Homer Natural Gas Special Assessment District for your Bunnell Unit only (if you have other property, that is). The major reconstruction of moving hot water heaters and other appliances to exterior walls for venting is a huge individual project. Another, more important reason, is assessing us per parcel as a residence when we are governed as condos but have some owner-occupied as well as many renters, like an apartment building. We also will be finding out if one trunk line with 12 meters on a pole would be the setup anyway, not 12 individual trunk lines.

Please turn over

**BAYWATCH CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS
MINUTES OF SPECIAL EXECUTIVE MEETING
November 7, 2012**

(Page 2 of 2)

- If the homeowner agrees to object on the **Statement of Objection** (which needs to be returned to the Office of the City Clerk **by Deadline of 01/25/13 5pm**), then we are asking that we all Object in the same verbiage, as follows:

“ Baywatch Condominiums is a single building containing twelve units. We are being assessed as if we are twelve separate buildings on twelve separate lots. While other multi-unit buildings are being assessed one fee, our one building on one lot is being assessed at twelve times the individual building rate.”

Pat will call All-Season's to have them come out to give advice regarding how they can come into the upper units, whether through a lower unit or by other means, as well as any other advice they may have with appliances, install, etc. Again, the coming into the units & conversion is each unit's expense. In addition to cost, there may be certain logistical problems with pipeline access to your individual unit. For example, the bylaws do not allow you to go through another owner's unit or through another owner's interior walls. There may also be a problem if any installation involves making substantial alterations to the outside of the Building or other common areas.

- Vikki & Dave will attempt to reach out to other Condo. Associations' Boards so they can meet between 12/29/12 & 01/10/13 to compose an Objection Letter from all the Boards to deliver to a City Council member (to place on the agenda) before the January 14th 2013 Public Hearing. All who can should attend the meeting.

❖ **By-Laws**

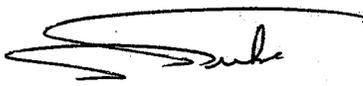
- The By-Laws state that the Association must retain a current copy of all Leases in effect in each non-owner occupied unit. A letter will be composed with this request and will be mailed to non-occupied unit Owners, with a copy of the By-Laws. A deadline date will also be a part of the request.

❖ **Board Business**

- David asked Pat to handle the Admin. documentation for the Board, such as new or transfers of ownership paperwork and other Admin. functions. She agreed, with training. David will handle all the Maintenance related functions. Rachel, Treasurer & Vikki, Secretarial.

❖ **Next Annual Board Meeting not set yet but will be sometime after March 31, 2013.**

Pat Moreth moved to close the Special Executive Board meeting. Vikki Deadrick seconded. All were in favor. Meeting adjourned at 5:25pm.


David Duke, President

DEC 19 2012

P.O. Box 15294
Homer, AK 99603
Dec. 15, 2012

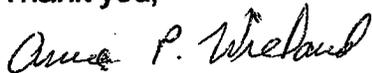
Office of the City Clerk
491 E. Pioneer Ave.
Homer, AK 99603
Attn. Jo Johnson



RE: HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT
OBJECTION

Dear Ms. Johnson,
As a senior citizen on a fixed income and with a very efficient heating system at my property on 4685 Early Spring, I object to the proposed assessment district. Aside from the cost, I do not like heating or cooking with gas and would have absolutely no interest in converting now. Furthermore I do not like the City of Homer financially supporting Enstar Natural Gas Co.

Thank you,



Anne P. Wieland

December 18, 2012

Dear Mayor and City Council Members,

12/19/12 -
Mayor & C/C
DEC 18 2012
J

I am writing today to express my objection to the proposed Homer Natural Gas Special Assessment District (HSAD), which is scheduled to be discussed at the January City Council meetings. I will be out of town for the entire month of January, but wanted to bring my concerns to your attention and for your consideration as you debate this important topic. While I am not opposed to the availability of this fuel source due the environmental benefits it holds over traditional energy sources like diesel and coal, I am not happy with the way the proposed distribution plan is being prepared. I think there are too many unanswered questions and unexplored options to be moving forward at the scope and pace currently proposed.

First, I would like to commend the City staff, in particular Katie Koester and Walt Wrede, for their time in making sure that citizen questions are answered promptly and completely both via individual emails and public forums. I would also like to thank the City for bringing this potential project to the public for consideration, and for being willing to think big and to invest the time to offer this opportunity to residents.

However, despite the best intentions and actions of the City, I have many concerns with the project as proposed, in particular:

- HSAD size and scope
- Natural gas supply concerns
- Lack of information regarding conversion rates
- Environmental disruption and damage

HSAD size and scope

While I understand the desire to avoid a situation similar to the way water and sewer lines were developed in Homer, I don't think it is wise to go to the opposite end of the spectrum and require entire city to move forward in lock-step for this project, especially for an elective utility that is not essential for life and health.

Alternative plans, such as several separate or phased SADs, encompassing areas of the city that have similar needs for natural gas (i.e., "hubs" like the hospital, schools and City; CBD; rural residential; west hill; east hill; etc.), have not been as fully fleshed out as the all-or-nothing approach. The logistics of the SAD process in Homer also stacks the deck against certain neighborhoods wishing to opt-out, as their registered disapprovals are all but certain to be the

minority to those in favor and those who do not reply at all. I think it would be a good idea to let the "opt-out" vote be counted along neighborhood lines, rather than a winner take all approach of a city-wide SAD.

Natural gas supply concerns

Recent studies indicate that Cook Inlet natural gas supplies will be less than the expected demand in just a few years, right around the time the proposed HSAD will begin charging tax assessments to area property owners. Even with the new gas development being rushed in (by companies with dubious track records to boot) potential production resulting from this state subsidized exploration activity is not expected to relieve the supply deficit in time to prevent natural gas imports from becoming a necessity.

Will Homer residents be competing with long-term natural gas customers in Anchorage? Will natural gas still be a competitively priced fuel source when importation costs are factored in? Will the cost/benefit analysis for individual residents still apply the same as large consumers like the hospital? I understand that meetings are being planned to address these and other questions, but due to the timing, I don't think Homer residents are being given due process to weigh those answers before the deadline to opt-out of the HSAD plan.

More information is here: <http://www.chugachelectric.com/cook-inlet-natural-gas-supply>

Lack of information regarding conversion rates

Borough Assemblyman Bill Smith assembled an impressive case study spreadsheet to demonstrate the numerous 'starting points' for residences in Homer and the estimated time before a 100% return on investment for conversions, considering the estimated \$3,285 assessment. One thing that this spreadsheet does tell us is that there is not a definitive answer to the question that many residents have, which is "Will converting to natural gas save me money?" The answer, as it often is, is "It depends." Lots that are assessed, but are undeveloped or use alternative and/or renewable resources are not considered. Investment properties are not considered. Condominium units are not considered. Too many variables are not considered.

It is also unclear as to whether the natural gas shortage, and the increased costs expected due to having to import supply deficits, was included in these case studies, or if it can even be forecasted at this point.

Environmental disruption and damage

The fast pace of the construction planned for this extensive distribution network is also a concern. As I have previously pointed out to City staff, I have noticed a section of the proposed

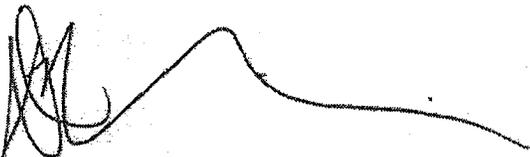
route on the map where several hundred feet of line are proposed to be constructed but does not serve any additional lots. Also, I am very concerned with portion of the proposed construction, due to local knowledge of the terrain. The City has been gracious in hearing and making note of my previous suggestions along these lines, but will there be an opportunity to comment further and a process to object if changes are not made to residents' satisfaction?

During the last public meeting on the topic, and through emails and conversations with City staff, we are being asked to wait and see for final proposed distribution maps, final assessment rolls, etc. I don't feel that there is enough information to make a decision, yet construction is being planned for only a few short months down the road and the decision must be made is just a few weeks. I understand the need to make the decision soon if a project of this magnitude is expected to begin this next construction season, but that is not reason enough to push this through.

In conclusion, the gas pipeline to Homer was one project. A massive distribution construction endeavor is a very different project. It should be analyzed on its own merits, and not simply ride the wave of progress towards natural gas in Homer. Many options for planning a natural gas transportation network seem not to have been considered. No doubt, those that stand to benefit from natural gas in Homer (hospital, schools, city) will hook up and realize those benefits as soon as they can. This alone should relieve the cost of living for everyday Homer residents by lowering taxes for city, borough, and hospital service area assessments. If additional benefits can be gained by hooking up one's home to the natural gas line that will be in Homer next year, I believe that individuals and neighborhoods can better make those decisions to move forward with development.

Thank you for considering these views.

Sincerely,



Dorothy Melambianakis, Homer resident and property owner
PO Box 3035, Homer, AK 99603
(907) 299-2265
dorothy.melambianakis@gmail.com

NOV - 9 2012

NOV. 6, 2012

J. Jo Johnson, CMC
City Clerk

Re: City of Homer mailings:
Notice of Public Hearings
Notice of Right to Object
Resolution 12-069
Natural Gas System Distribution Plan
Property Owner's Statement of Objections

Dear City Clerk,

My husband (Ken) has received several mailings regarding the Homer Natural Gas Special Assessment District. I would like to receive the same mailings at the same time, as our properties are adjacent on E. Fairview Bike Path. We live together on the property at 463 Rainbow Place, and the City of Homer is paid monthly water fees on that property. As I receive & pay the water bill monthly, I assumed you had my address on file. 😊

Our/my winter address is:

Ken & Millie Lewis
1724 Sherman Avenue
Cañon City, CO 81212
(719) 431-1641

Note: We do not have a computer.
Please send a map of the E. Fairview

bike path area + Rainbow Place
area showing our 3 adjacent
acres + the route of the
proposed gas line!

Thank you for helping us
become informed on this
important project.

Lifelong Homer citizens
(since 1948)

Billie Lewis

Office of the City Clerk

Jo Johnson, CMC, City Clerk
Melissa Jacobsen, CMC, Deputy City Clerk II
Renee Krause, CMC, Deputy City Clerk I
Christine Szocinski, Clerical Assistant



491 E. Pioneer Avenue
Homer, Alaska 99603
(907) 235-3130
(907) 235-8121
ext: 2224, 2226, 2227, or 2251
Fax: (907) 235-3143
Email: clerk@ci.homer.ak.us

November 9, 2012

KEN AND MILLIE LEWIS
1724 SHERMAN AVE
CANYON CITY, CO 81212

Hello Mr. and Mrs. Lewis,

Per the letter we received in the mail, I have included an enlarged map displaying your three parcels (highlighted in yellow) with the Trunk Line (in green) and the Main lines (in red). We are sorry for the inconvenience that you have not received your Neighborhood Meetings flyer and the certified letter at the same time as your husbands; per the city Code we must use the current addresses that are on the Kenai Peninsula Borough Tax Roll at the time of compiling our Preliminary Assessment Roll. At this time we have your Colorado address for future mailings. If you have any future address changes please contact the Borough Tax Assessor

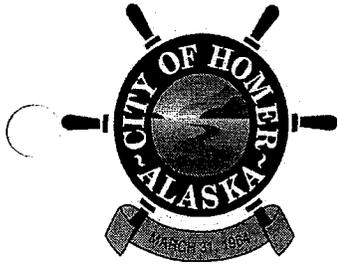
If you need any additional assistance please feel free to contact us at any time Monday through Friday 8 am to 5 pm.

Sincerely,

Christine Szocinski
Clerical Assistant

"WHERE THE LAND ENDS AND THE SEA BEGINS"

To access City Clerk's Home Page on the Internet: <http://clerk.ci.homer.ak.us>



City of Homer
Administration
491 East Pioneer Avenue
Homer, Alaska 99603-7645

Telephone (907) 235-8121 x2222
Fax (907) 235-3148
Web Site www.ci.homer.ak.us

Chris Christie
P.O. Box 3208
Homer, AK 99603

November 8, 2012

Dear Mr. Christie,

Thank you for taking the time to come by City Hall with your questions about natural gas service to your lot with the formation of the Natural Gas Homer Special Assessment District (HSAD).

After reviewing a copy of the plat for lot Crestview Estates it appears your lot, Lot 16 is a flag lot and does have a skinny piece frontage on Cozy Cove Drive. Therefore, your lot is considered served and included in the Natural Gas HSAD.

Spoke with Enstar and they said you could install a 1 inch line up the driveway with a branch that would serve both lots and split the cost with your neighbor. It looks like the skinny portion of your lot that is the 'flag pole' of the 'flag' is 327 feet long. For installation of a service line Enstar charges \$1290 for the first 100 feet and \$2 for every additional foot. I do not know if a 1 inch line that could handle the capacity of both houses would be more expensive. You can contact Enstar at 1-855-889-7575 for more information about how you would go about doing that.

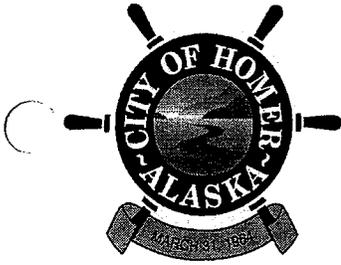
Please feel free to contact me with any additional questions you have. Thanks again for your question.

Sincerely,

Katie Koester
Community and Economic Development Coordinator

Enc: Crestview Estates Plat.





City of Homer

Administration

491 East Pioneer Avenue
Homer, Alaska 99603-7645

Telephone (907) 235-8121 x2222

Fax (907) 235-3148

Web Site www.ci.homer.ak.us

Tom R. Schroder
P.O. Box 636
Homer, AK 99603

November 7, 2012

Dear Mr. Schroder,

Thank you for your comments regarding the Natural Gas Homer Special Assessment District. I have forwarded your letter to the City Clerk so they can be distributed to the City Council.

You bring up very good points in your letter about the difficulty of individuals on fixed incomes to pay the assessment and conversion costs. Every property owner must consider these variables when deciding whether or not to object to the formation of the Special Assessment District. You should have received a certified letter this week with an objection form. Make sure you return the signed original to the Clerk's office by January 25, 2013 to register your objection.

The letter you ask about deferred assessments. Homer City Code is not clear on how to handle deferred assessments for the Natural Gas HSAD. While the Code allows deferred assessments for qualifying individuals, it still has to be granted by the Council and there is no designated fund to pay the assessment. The Council will discuss deferred assessments at an upcoming meeting and give more clarity on the issue.

Your letter also asks if the \$3,283 assessment is the same for all lots regardless of size. The Council chose to assess all lots equally, regardless of frontage, property value or lot size.

Thank you for taking the time to write and share your concerns. I would like to emphasize that there are still two ways for the Natural Gas HSAD to not proceed: if over 50% of lot owners object or if Council decides not to proceed. For this reason, comments from residents such as youareslf, and taking the time to object formally by turning in the form, are very important.

Thank you again for taking the time to write.

Sincerely,

Katie Koester





P.O. Box 636
Homer, AK. 99603

October 29, 2012

Mr. Walt Wrede, Manager
City of Homer
491 E. Pioneer Ave.
Homer, Ak 99603

Dear Mr. Wrede:

As a property owner and resident of the City of Homer for close to 38 years, I am writing this letter to register my opinion and, hopefully, get some questions answered regarding the future gas pipeline and distribution system proposed for Homer. I have been against the gas pipeline to Homer from the very beginning, not because I am "anti-development" (I am not), but because I have believed from the beginning that Homer simply doesn't have enough people to support such a project. This has been proven by ENSTAR's comments reluctance to build the system privately as well.

I live on Fairview Avenue below the hospital and I am sure that one of the main trunk lines will come past my house to supply the hospital with gas. My house is 100% electric and I have no plans to hook up to the system. To convert to gas would cost me \$20-25,000. I would have to insulate my garage walls and roof for the new boiler, buy a new water heater and set it up in the garage as well, purchase new baseboard heaters and then tear out walls to install plumbing to both floors of the house (two stories). Even with the projected savings, it would take me well over 10 years to recoup my investment and at age 69 there is no way I can afford to or would consider doing so.

At the proposed cost of over \$3,200 per property owner, this would impose a severe burden on people, especially senior citizens on limited, fixed income. Back in the late 1970's or early 1980's when the sewer and water improvement provisions were established for the city, property owners were given the option of deferring any improvement assessment costs until such time that the property was sold. Are such provisions being considered for the gas line assessments and if so, what annual interest rate would be charged?? Is the estimated charge of \$3,200+ for a typical city lot and would more be charged for larger lots??

Frankly, I consider this gas line project similar to "OBAMACARE". You are going to have it, like it or not, but you are going to pay for it whether you hook up to it or not. I wish Governor Parnell would have vetoed the money again.

Thank you for your time and consideration of our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Schroeder". The signature is written in a cursive, flowing style.

Thomas R. Schroeder and Jean M. Schroeder

Jo Johnson

From: Katie Koester
Sent: Monday, October 29, 2012 10:05 AM
To: Dorothy Melambianakis; Department City Manager
Cc: Jo Johnson
Subject: RE: comment on natural gas distribution plan

Hi Dorothy,

Thank you for your comments. I am ccing City Clerk Jo Johnson on this email to make sure they get to City Council.

I will respond to the questions I am able to in a follow up email once I have had the chance to consider them in detail.

Best,

Katie Koester

From: Dorothy Melambianakis [mailto:dorothy.melambianakis@gmail.com]
Sent: Sunday, October 28, 2012 10:36 PM
To: Department City Manager; Katie Koester
Cc: Katie Koester
Subject: comment on natural gas distribution plan

October 28, 2012

Walt Wrede, City Manager
City of Homer
491 East Pioneer Avenue
Homer, AK 99603

Hi Mr. Wrede,

I am writing to express my concern about the proposed HSAD for natural gas distribution in Homer. While not opposed to the availability of this fuel source due the environmental benefits it holds over traditional energy sources like diesel and coal, I am not happy with the way the proposed distribution plan is being prepared. I think there are too many unanswered questions to be moving forward at the pace currently proposed. Not all homeowners have had enough information until now to even begin to make an informed decision, however the City seems to be moving forward at a rapid pace as if everyone had already agreed to this project – we have not.

Some questions:

- Will our assessed property value, therefore taxes, go up – not only due to the LID assessment, but because of higher assessed values of being adjacent to a natural gas hook-up?
- What was the rationale of having each lot owner pay the same amount versus paying proportional to their lot frontage (and higher potential for subdividing in the future)? Are non-interested private landowners subsidizing primary users like the hospital, schools, and high-energy-using private businesses?
- What if we have suggestions to the proposed layout of the distribution system? I see a spot on the map where several hundred feet of line are proposed to be constructed but do not serve any additional lots.

- How will the environmental concerns of construction be handled? Will the construction project be subject to NEPA? Public notice for permits?
- I am really concerned with part of the proposed construction, due to local knowledge of the terrain. How do I register that concern, and can the construction map be altered?
- Should the City be investing its organizing powers and money into bringing running water, sewer and electric –basic unities – to residents before supplementary fuel sources?

The gas pipeline to Homer was one project. A massive distribution construction endeavor is a very different project. It should be analyzed on its own merits, and not simply ride the wave of progress towards natural gas in Homer. Many options for planning a natural gas transportation network seem not to have been considered. Despite actions that may have been taken during city staff and/or council planning sessions, to the average homeowner, news of the immediate and significant financial effects due to this planned distribution system seems sudden and thin. A few meetings, a pamphlet, and a cumbersome website should not have been the extent of resident outreach these past several months. I feel like there was a lot of planning going on, and these recent meetings are just to “fill us in”, rather than work with us to find an orderly and cost effective way to incorporate NG into Homer.

Alternative options to consider:

- Public vote on the issue. Although not required for city LIDs, this would demonstrate support or non-support of the proposed distribution plan, which the City should respect. Does the public even get to vote for the debt obligation the City proposed to take on for this project?
- 2- 5 separate LID, encompassing areas of the city that may have vastly differing needs for natural gas (i.e., “hubs” like the hospital, schools and City; CBD; rural residential; west hill; east hill; etc.) Let the “opt-out” vote be counted along those regional lines, rather than a winner take all approach of a city-wide LID.
- Ensure that the City takes every opportunity to make sure that those that wish to “opt out” are given a simple process. I was encouraged in the public meeting trifold brochure to see that the City planned to mail forms to homeowners, as well as to make them available at meetings and online. I would suggest, as taking one step further, to make these forms postage-paid postcards, to make it even easier, and to increase opportunities to opt out as much as practical.

Thanks for taking the time to understand my concerns. I do appreciate the City undertaking the work to make sure our residents can have this option. I also understand the importance of construction timelines and getting it done while the weather permits. However, please do not let this supersede time for public involvement, and time for better plans to be developed.

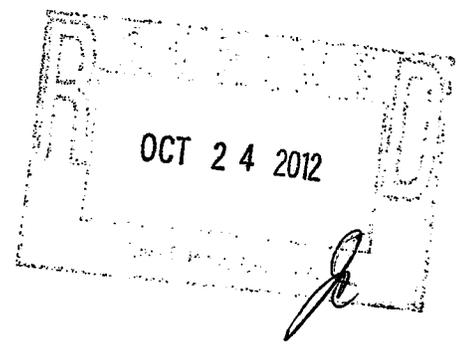
Sincerely,

Dorothy Melambianakis
 299-2265
dorothy.melambianakis@gmail.com

*Mayor's Office
10/24/12*

October 24, 2012

To: Homer City Council members
Mayor Wythe
City Manager Wrede



From: Jack and Mary Lentfer
1285 Bay Avenue, Homer

Re: Natural gas distribution plan

We have reviewed information from public meetings and on the Homer website and commend and thank the council and city manager for the gas distribution plan they have prepared. We strongly endorse it in its present form and hope that it can be implemented as soon as possible.

One point that we think has not been emphasized enough is the energy cost savings to public buildings, businesses, and home owners. In this regard we suggest that the data that Bill Smith has provided for savings to a typical family home be made available as a handout at future meetings. Thank you.

Major 02/12
10/12/12
J

Jo Johnson

From: Katie Koester
Sent: Friday, October 12, 2012 8:06 AM
To: Jo Johnson
Subject: FW: From Seldovia, Alaska

Good Morning Jo,

Can you please see that the Council receives this public comment on the gas line?

Thanks,

Katie

From: Mark or Michelle Massion [<mailto:markmassion@yahoo.com>]
Sent: Tuesday, October 09, 2012 5:21 PM
To: Katie Koester
Subject: Fw: From Seldovia, Alaska

Good Afternoon!

My name is Mark Massion and my wife and I own property in Homer. We will not be able to attend any of the Neighborhood Natural Gas Meetings; therefore, we wish to take this opportunity to write and express our complete support for the gas pipeline, and the prospect that homes and businesses in Homer will soon have access to natural gas.

Please do your best to see that this project continues on schedule and goes through in a timely manner.

Thank you for your time and attention to detail.

Sincerely,

Mark and Michelle Massion
328 Lee Court Dr.

In Seldovia, we can be reached at 234-7575.
PO Box 203
Seldovia, Alaska 99663



STATEMENT OF OBJECTION
TO SPECIAL ASSESSMENT DISTRICT

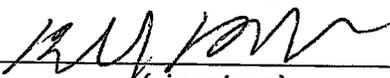
SPECIAL ASSESSMENT DISTRICT: **HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.**

I/we affirm that I/we am/are the owner(s) of the following lots in the Special Assessment District (give legal description):

Parcel ID	Legal Description
✓ 17912416	T 6S R 13W SEC 21 SEWARD MERIDIAN HM 0840110 VIRGINIA LYNN SUB NO 3 LOT 16

I/We object to the HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.

Reasons/Comments: *The lin, cost of changing over my appliances, and line to my house would create financial hardship (and others on limited incomes as well). Once gas companies have gas hooked, they will raise the price and it will be as expensive as oil or propane. Natural gas supplies are expected to decline, leading to fracking. (See attached)*

PROPERTY OWNER'S PRINTED NAME, SIGNATURE and DATE:
Katie D Dawson  *12/13/12*
(signature) (date)

(signature) (date)

(signature) (date)

(signature) (date)

NOTE: Please make sure that all the property owners of record print, sign and date this document. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK BY THE DEADLINE, JANUARY 25, 2013, 5:00 P.M.

City of Homer
Office of the City Clerk
491 E. Pioneer Avenue
Homer, Alaska 99603

Comments, continued:

Since fracking causes extreme damage to the environment, human and animal life, and pollutes water supplies, I am not willing to fork over money to get natural gas that is obtained in this manner.

I don't believe this is being done in a fair and equitable manner. Homer has a large population of elderly retirees and others who are on a limited income, and shouldn't be forced to pay for something they can't afford. The state, Federal government or the natural gas companies should subsidize those who can't afford thousands of dollars to change over to gas.

I read reports in the paper and on the news that natural gas supplies are supposed to diminish in the next couple years. Why go through all this expense and environmental damage if the supply is going to run out in the near future? Natural gas is advertised as a comparably inexpensive energy source, but once we are hooked up and the resource becomes depleted, the prices will rise, just as I heard it did in Soldotna.

I believe the money Homer is spending on natural gas would better be spent on renewable resources; maybe subsidizing people to put up personal windmills and solar panels, or other options. Our continual dependence on oil and gas is a dead end. It is time to move towards the future and sustainability.

Katie Dawson 12/13/12



CITY OF HOMER
PROPERTY OWNER'S
STATEMENT OF OBJECTION
TO SPECIAL ASSESSMENT DISTRICT

NOV 30 2012 PM 01:57

8

SPECIAL ASSESSMENT DISTRICT: **HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.**

I/we affirm that I/we am/are the owner(s) of the following lots in the Special Assessment District (give legal description):

Parcel ID	Legal Description
✓ 17730278	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0830141 LAKESIDE VILLAGE SUB UNIT 3 LOT 2-C BLK 5

I/We object to the HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.

Reasons/Comments: Other places in Alaska are talking about a shortage of natural gas in a year or 2. I'd hate to see us spend all this money + time putting in something that may not last very long. Plus, I don't like someone telling me I will need to pay over 3000⁰⁰ for something I don't want and don't plan to use. I am planning for retirement and would rather put my money there instead →

PROPERTY OWNER'S PRINTED NAME, SIGNATURE and DATE:

Sue Gordon	<i>Sue Gordon</i>	11/25/12
	(signature)	(date)

NOTE: Please make sure that all the property owners of record print, sign and date this document. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK BY THE DEADLINE, JANUARY 25, 2013, 5:00 P.M.

City of Homer
Office of the City Clerk
491 E. Pioneer Avenue
Homer, Alaska 99603

of into a city gas line. Even if I wanted to switch over, I can't afford it. The 3000⁰⁰ plus only gets the line to the end of my driveway. Then who knows how much more it would cost to get the gas to my house - plus purchasing and installing new appliances. I don't see me being here long enough to recoup the money I put in.

I know, you'll say I would recoup the money when I sell my house. Have you looked at the house market lately? There are lots of people out there who owe more on their houses than what they can sell them for. I don't buy it.

This just isn't a good economic time to do this. Prices on everything are going up, but salaries are not.

We use to rely on the fact that over the years, ~~over~~ the market value of our houses went up. We can't depend on that anymore. There is a real possibility I wouldn't recapture this expenditure and I can't afford to take that chance.

I feel the city is biting off more than they can chew... so...

I OBJECT TO THE HOMER NATURAL GAS SPECIAL
ASSESSMENT DISTRICT.

Sue Gordon

937 BEN WALTERS CT
HOMER, AK 99603

GORDON SUE E

GCM1488



CITY OF HOMER
PROPERTY OWNER'S
STATEMENT OF OBJECTION
TO SPECIAL ASSESSMENT DISTRICT

DEC 20 2012

SPECIAL ASSESSMENT DISTRICT: **HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.**

I/~~we~~ affirm that I/~~we~~ am/are the owner(s) of the following lots in the Special Assessment District (give legal description):

Parcel ID	Legal Description
17709105	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0000301 GLACIER VIEW SUB NO 1 SUPPLEMENTAL PLAT LOT 8 BLK 2

I/~~we~~ object to the HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.

Reasons/Comments: *Due to the uncertainty of the natural gas supply, and each winter the authorities warnings that there may not be enough to meet the demand, I am not in favor of this undertaking for the residences of Homer. Also, what assurance would we have that they would not steadily increase the price as they have done in Kenai, Soldotna and Anchorage?*

PROPERTY OWNER'S PRINTED NAME, SIGNATURE and DATE:
MARY W. WALLIS - Mary W. Wallis (signature) *November 15, 2012* (date)

(signature) (date)

(signature) (date)

(signature) (date)

NOTE: Please make sure that all the property owners of record print, sign and date this document. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK BY THE DEADLINE, JANUARY 25, 2013, 5:00 P.M.

City of Homer
Office of the City Clerk
491 E. Pioneer Avenue
Homer, Alaska 99603

Page 2
attached

It appears to me, the City is handing millions of dollars (whether through taxes, grants, state or federal funds - it all comes from us, the taxpayers) to Emstar to bring the line just to Homer, which in the long run, Emstar will make millions off the consumers, we the citizens of Homer who choose to hook up - and we will have to pay the rest of the cost within the City through the so called "Homer Natural Gas Special Assessment District."

At this time I have no intentions of hooking my home up to this service.

Sincerely,
Mary W. Wallis

December 18, 2012

Parcel ID:
17705118

We object to Homer City Council's Resolution 12-069, declaration of intent to create the ^{Homer} Natural Gas Distribution System Special Assessment District.

We believe that Eustar Natural Gas, a private company, which will own the gas line upon completion, should be responsible for research and development, instead of the City of Homer. To our knowledge, no consistent source of natural gas has been located to date.

We object to the City of Homer borrowing \$12.7 million in order to fund Eustar's natural gasline construction.

We object to all designated lots, despite size, being assessed equally.

We object to affected citizens of Homer making payment on their research and development, whether or not property owners personally choose to use this resource in the future.

We personally object to being billed \$3287⁰⁰ or its "easy pay" alternative, \$405/yr for 10 years with interest. We do not agree to this loan.

As retirees, we object to paying any part of this assessment, and we ask how other property owners on fixed income will pay their share.

Finally, we support additional research into other alternatives, such as wind turbines and for the capture of tidal energy.

Nancy K. Wold Vait		12/18/12
Leo K Vait		12-18-12

City of Homer, Office of the City Clerk
491 E. Pioneer Avenue
Homer, Alaska 99603

Jean Aspen and Tom Irons
3798 Forest Glen
T 06S R 13 W Sec 19 Seward Meridian HM 2011015 Forest Glen No 12 Lot 10A-1
Parcel 17527043
Homer, AK 99603
907-435-0454

Dear Council Members,

Although the gas line could be of short-term personal benefit, my husband and I wish to express the following concerns:

- 1) Many of our friends and neighbors may end up paying for something they cannot afford to use. This would drive a major demographic shift away from being a community that thrives on diversity, to one where those who have money live at the expense of those who do not.
- 2) What assurance do we have that \$12 million isn't simply a downpayment? There is no guarantee of long-range supplies and stable costs for this nonrenewable resource. Investing in natural gas will only postpone the energy crisis not really solve it.
- 3) Committing Homer to a fossil fuel energy fix adds to climate deterioration and invests our community in unsustainable technology. Once committed, we may be forced to approve environmentally unsound practices of acquiring more gas in the future. We realize the line will be put in, and that citizens have this window to either "get in on it" or forgo the benefits, but we question if this is this a wise long-term decision. Investing \$12 million in wind, solar and tidal technology would be more in keeping with Homer's traditionally thoughtful approach.

Thank you for your work on this project. It is not an easy decision.
We wish to vote no for our property.

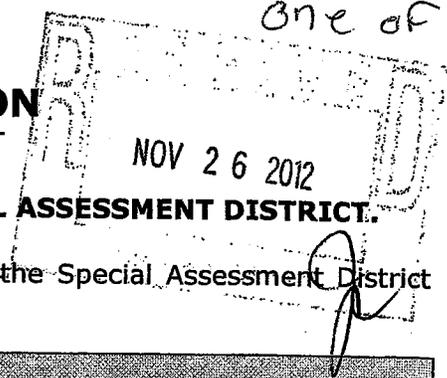
Warmly,

Jean Aspen
Tom Irons

Jean Aspen and Tom Irons

37e of two

CITY OF HOMER
PROPERTY OWNER'S
STATEMENT OF OBJECTION
TO SPECIAL ASSESSMENT DISTRICT



SPECIAL ASSESSMENT DISTRICT: **HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.**

I/we affirm that I/we am/are the owner(s) of the following lots in the Special Assessment District (give legal description):

Parcel ID	Legal Description
✓ 17513114	T 6S R 13W SEC 19 SEWARD MERIDIAN HM 0780121 BUNNELLS REPLAT LOT 4 & N1/2 LOT 5 LOT 4-A
✓ 17513319	
✓ 17513320	T 6S R 13W SEC 19 SEWARD MERIDIAN HM 0860044 BUNNELL'S SUB NO 17 LOT 3-A-1
	T 6S R 13W SEC 19 SEWARD MERIDIAN HM 0860044 BUNNELL'S SUB NO 17 LOT 3-B-1

I/We object to the HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.

Reasons/Comments: First, IF Enstar is going to own and operate the distribution system then they should pay for it AS Enstar is going to profit from selling product from it. IF there is to be shared cost let Property owners pay for liability & maintenance costs

(over →)

PROPERTY OWNER'S PRINTED NAME, SIGNATURE and DATE:

Frank Bauer 11/25/12

 (signature) (date)

 (signature) (date)

 (signature) (date)

 (signature) (date)

NOTE: Please make sure that all the property owners of record print, sign and date this document. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK BY THE DEADLINE, JANUARY 25, 2013, 5:00 P.M.

City of Homer
Office of the City Clerk
491 E. Pioneer Avenue
Homer, Alaska 99603

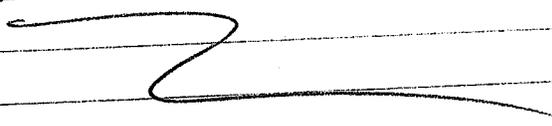
which will be a small fraction of construction costs. I don't care if this is how it's done or been done, it's completely unfair and unbalanced to have one party pay and another own a valuable capital benefit. This is like a contractor ^{saying} you pay me to build a house, I'll own, maintain and pay for insurance and rent it to you; it's completely wrong. If we have to pay for it, it should be public property owned and controlled by the City of Home.

Second, a per lot allocation of cost is not a fair or equitable way to distribute the cost of this project; it is only the simplest or easiest way and is in fact completely unfair. This is because of the wide range of size and therefore heating requirements of each property. This fact will cause some property owners to be able to recoup their costs of this project in one or two winter months while others will not recoup their costs for several years. And for lots with no structure needing heat they will not be able to recoup costs at all. Therefore, it would be fairer to allocate costs based on a multiplier of gas used or square footage of living space; with vacant lots paying a base rate or flat rate.

Third, Government will benefit from this project as much as private property owners and so should be included in the cost allocation and contribute from current revenues, not increased taxes or fees, or should waive its adopted fees of \$316,515 and have the Borough

AND OR STATE OF ALASKA COVER THE
DIRECT CONSTRUCTION COSTS OF \$180,000. THIS
WOULD BE PREFERABLE^{AS} WE ALL KNOW GOVERNMENTS
ALWAYS FINDS A HIDDEN WAY TO PASS COSTS BACK
TO THE ~~PEOPLE~~ PUBLIC.

Frank Bauer



May Beth Wythe

Comments:

1. The City has no means, or clearly identified plan, for financing repayment of the Bond until the assessment funds begin to be received.
2. The City should not be underwriting the expansion of a private enterprise.
3. The City cannot afford to Bond for \$12 million dollars, or more, for a project that does not belong to the City. This extension of the City's financial basis will place projects that are required for City maintenance and expansion on hold for an extended period of time while waiting to pay down the bond.

December 3, 2012

To whom it may concern:

Re : Homer Natural Gas Special Assessment District

Our objections to the plan

1. The property owners should have been ask to vote on this
2. The contract should be bonded and insured for a fixed amount with penalties for running over contract time.
3. What will the city charge for future hookups?
4. At some point will the people be forced to hookup ?
5. With the city's track record this will most likely end up very costly to the people.
6. With the current economy a raise in the taxes in this manner is bad for the real estate market.

Randall L. Yount

A handwritten signature in black ink, appearing to read "Randall L. Yount". The signature is written in a cursive style with a long horizontal stroke extending to the right.

December 3, 2012

To whom it may concern:

Re : Homer Natural Gas Special Assessment District

As the property owners listed in the above description, we wish to object to the proposed Homer Natural Gas Special Assessment District for the following reasons.

1. The property owners should have been ask to vote on this prior to making all these plans.
2. The contract should be bonded and insured for a fixed amount with penalties for running over contract time.
3. What will the city charge for future hookups? Has anyone looked at what it will cost the individual to change their current plumbing to natural gas.
4. At some point will the people be forced to hookup.
5. With the city's track record this will most likely end up very costly to the people. For example look at what the library wound up costing.
6. With the current economy a raise in the taxes in this manner is bad for the real estate market.

Amy L. Yount



Date: Jan. 2, 2013
From: Thomas McGreenery
To: Homer City Council
Subject: Proposed natural gas line

The purpose of this letter is to file my objection to the proposed natural gas pipeline for certain areas of Homer. I own four properties in the affected area (381 Klondike Ave., 447 Bonanza Ave., 445 Grubstake Ave. and 457 Grubstake Ave.).

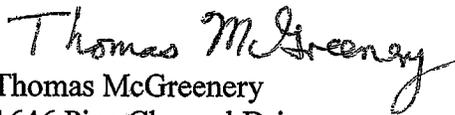
My primary concerns are costs. Your brochure indicates a cost of \$3,500.00 per address for the main line to run by my property. However, in addition to this cost, a lateral pipeline must be run to each address. I estimate this cost at \$1,500.00 per address.

In addition, I must now convert the heating system to natural gas. This is estimated to cost \$5,000.00 per address. Therefore, the total cost per address is \$10,000.00. As I own four properties, my total costs would be \$40,000.00.

Furthermore, the City of Homer has provided no cost benefit analysis to prove that this extremely expensive project would save any money over an oil or propane heating source.

I therefore vote a resounding NO to this very costly project with highly questionable benefits.

Thank you,



Thomas McGreenery
1646 Pine Channel Drive
Summerland Key, FL. 33042
1-305-872-9267

January 3, 2013

Your package for the Homer Natural Gas Special Assessment District is totally incomplete. It does not state, what are the advantages of a natural gas line to Homer? Does Homer have a contract with a natural gas company to provide service at a certain rate?

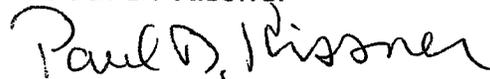
I have read much in the Anchorage newspaper about future gas shortages in the Cook Inlet region. Why wouldn't a gas utility just add the cost of distribution (the line) to the cost of the gas, like an electric utility does? Many people cannot afford to pay assessment fees and all the costs associated with a changeover to natural gas.

About 30 years ago, Juneau had a 'big move' to all electric because of cheap electricity. Seemed like a great plan until AEL&P raised rates so much, that fuel oil was the cheaper way to heat your dwelling!

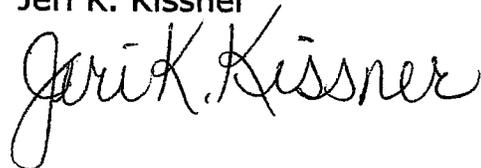
Without an agreement with a natural gas supplier, for a known rate and supply, this is a poorly thought out plan!!

For this reason, we are against the Natural Gas Assessment District.

Paul D. Kissner



Jeri K. Kissner



Attachment to Statement of Objection

I am a 73 year old senior citizen and am not in favor of the gas line assessment, at least the way it is currently being presented. Having to pay an assessment of \$3300.00 for the gas line to pass in front of my property is an issue in itself. If the cost stopped there it would be one thing but when you factor in the cost of a new hot water heater, conversion of all applicable appliances and a new major heating unit, it would be cost prohibitive for someone on a low, fixed income. Just to replace the current on-demand hot water heater and the house's major heating source would be in excess of \$4575 at a minimum. Then there is the cost of the line from the road to the house for which there is ^{NO} known cost projection at this time.

Another issue I have is the constant flow of publications that have been coming out in the news regarding the information that we are supposedly running out of natural gas. I do not see how this could be considering where we live but if we are going to face rationing in the future, it does not seem feasible to convert to a different system only to be told in the future that the costs would be going up or the possibility of rationing.

So when all is considered and all the costs are calculated, a capital outlay in excess of \$10,000 is just not feasible for a retired, disabled individual on a fixed income. I heard that the City Council has no plans for any type of exemptions.

Kenneth M. Ozment



CITY OF HOMER
PROPERTY OWNER'S
STATEMENT OF OBJECTION
TO SPECIAL ASSESSMENT DISTRICT

NOV 30 2012 PM 01:57

8

SPECIAL ASSESSMENT DISTRICT: **HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.**

I/we affirm that I/we am/are the owner(s) of the following lots in the Special Assessment District (give legal description):

Parcel ID	Legal Description
✓ 17730278	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0830141 LAKESIDE VILLAGE SUB UNIT 3 LOT 2-C BLK 5

I/We object to the HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.

Reasons/Comments: Other places in Alaska are talking about a shortage of natural gas in a year or 2. I'd hate to see us spend all this money + time putting in something that may not last very long. Plus, I don't like someone telling me I will need to pay over 3000⁰⁰ for something I don't want and don't plan to use. I am planning for retirement and would rather put my money there instead →

PROPERTY OWNER'S PRINTED NAME, SIGNATURE and DATE:

Sue Gordon	<i>Sue Gordon</i>	11/25/12
	(signature)	(date)

NOTE: Please make sure that all the property owners of record print, sign and date this document. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK BY THE DEADLINE, JANUARY 25, 2013, 5:00 P.M.

City of Homer
Office of the City Clerk
491 E. Pioneer Avenue
Homer, Alaska 99603

of into a city gas line. Even if I wanted to scotch over, I can't afford it. The 3000⁰⁰ plus only gets the line to the end of my driveway. Then who knows how much more it would cost to get the gas to my house - plus purchasing and installing new appliances. I don't see me being here long enough to recoup the money I put in.

I know, you'll say I would recoup the money when I sell my house. Have you looked at the house market lately? There are lots of people out there who owe more on their houses than what they can sell them for. I don't buy it.

This just isn't a good economic time to do this. Prices on everything are going up, but salaries are not.

We use to rely on the fact that over the years, over the market value of our houses went up. We can't depend on that anymore. There is a real possibility I wouldn't recapture this expenditure and I can't afford to take that chance.

I feel the city is biting off more than they can chew... so...

I OBJECT TO THE HOMER NATURAL GAS SPECIAL
ASSESSMENT DISTRICT.

Sue Jordan

937 BEN WALTERS CT
HOMER, AK 99603

GORDON SUE E

GCM1488



CITY OF HOMER
 PROPERTY OWNER'S
STATEMENT OF OBJECTION
 TO SPECIAL ASSESSMENT DISTRICT

NOV 15 2012 AM 10:42 *ES*

SPECIAL ASSESSMENT DISTRICT: **HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.**

I/we affirm that I/we am/are the owner(s) of the following lots in the Special Assessment District (give legal description):

Parcel ID	Legal Description
✓ 17727033	T 6S R 13W SEC 17 SEWARD MERIDIAN HM 0770065 ISLAND VIEW SUB LOT 4 BLK 4

I/We object to the HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.

Reasons/Comments: ① NO BID CONTRACT TO ENSTAR FOR CONSTRUCTION.
 ② GIVING INFRASTRUCTURE PAID FOR WITH PUBLIC DOLLARS TO A PRIVATE CORPORATION. ③ " TO PAY FOR THE CONSTRUCTION, THE CITY WILL NEED TO BORROW \$12MM+; THE BALANCE WILL BE OVER

PROPERTY OWNER'S PRINTED NAME, SIGNATURE and DATE:

ROARK BROWN *[Signature]* 11/8/12
 (signature) (date)

Deborah Brown *[Signature]* 11/15/12
 (signature) (date)

 (signature) (date)

 (signature) (date)

NOTE: Please make sure that all the property owners of record print, sign and date this document. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK BY THE DEADLINE, JANUARY 25, 2013, 5:00 P.M.

City of Homer
 Office of the City Clerk
 491 E. Pioneer Avenue
 Homer, Alaska 99603

PAID FOR FROM "GRANT" FUNDS." THIS CAN BE DONE BY "BORROWING" OR SELLING BONDS. BORROWING AND SELLING BONDS ARE NOT GRANT FUNDS, OR IS THIS JUST POORLY WRITTEN. IS THERE ACTUALLY \$4mm+ AVAILABLE IN GRANT FUNDS? OR IS THERE AN ADDITIONAL \$4mm+ IN PUBLIC INDEBTEDNESS?

(4) THE OBJECTION PERIOD ENDS PRIOR TO THE SECOND PUBLIC HEARING.

- ENSTAR IS GIVEN AN \$8mm+ PIPELINE TO HOMER FINANCED WITH PUBLIC MONEY
- ENSTAR IS GIVEN A \$12mm+ (\$6mm+) DISTRIBUTION SYSTEM PAID FOR WITH PUBLIC MONEY
- ENSTAR IS GIVEN A NO BID CONTRACT TO BUILD THE DISTRIBUTION SYSTEM
- ENSTAR CHARGES INDIVIDUAL HOMEOWNERS AND BUSINESSES TO HOOK UP TO THE DISTRIBUTION LINE THAT WE BUILT AND GAVE TO THEM
- ENSTAR ADDS THOUSANDS OF CUSTOMERS TO THEIR ROLES, ALONG WITH \$20mm+ IN ASSETS.

210 ISLAND VIEW CT
HOMER, AK 99603

BROWN ROARK M & DEBORAH A

PRETTY SWEET DEAL - WHAT AM I MISSING?

6T50W09



ORDINANCE REFERENCE SHEET
2012 ORDINANCE
ORDINANCE 12-58

An Ordinance of the City Council of Homer, Alaska, Approving the Disbursement of the Net Earnings of 5% of the Permanent Fund, an Amount of \$3,554.79, to Local Non-Profit Organizations for the Benefit of the Community.

Sponsor: City Clerk/Permanent Fund Committee

1. City Council Regular Meeting December 10, 2012 Introduction
 - a. Permanent Fund Allocation to Non-Profit Organizations, June 2010 – December 2011
 - b. Unapproved synopsis of November 8, 2012 meeting of the Permanent Fund Committee

2. City Council Regular Meeting January 14, 2013 Public Hearing and Second Reading
 - a. Permanent Fund Allocation to Non-Profit Organizations, June 2010 – December 2011
 - b. Unapproved synopsis of November 8, 2012 meeting of the Permanent Fund Committee

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Clerk/
4 Permanent Fund Committee

5 ORDINANCE 12-58
6

7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER,
8 ALASKA, APPROVING THE DISBURSEMENT OF THE NET
9 EARNINGS OF 5% OF THE PERMANENT FUND, AN
10 AMOUNT OF \$3,554.79, TO LOCAL NON-PROFIT
11 ORGANIZATIONS FOR THE BENEFIT OF THE
12 COMMUNITY.
13

14 WHEREAS, The Permanent Fund was established in June, 2010 to invest and manage
15 wind-fall monies to the City of Homer; and
16

17 WHEREAS, The net earnings of five percent (5%) of the fund are to be distributed to
18 local non-profit organizations for the benefit of the community; and
19

20 WHEREAS, As of December, 2011 the net earnings of five percent of the Permanent
21 Fund to be allocated to non-profit organizations is \$3,554.79.
22

23 THE CITY OF HOMER HEREBY ORDAINS:
24

25 Section 1. The City Council hereby approves the disbursement of the net earnings of
26 5% of the Permanent Fund, the amount of \$3,554.79, to local non-profit organizations for the
27 benefit of the community as follows:
28

29 Expenditure:

30 From Account:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
999-1043	Net Earnings of 5%	\$3,554.79
999-1044	of the Permanent Fund	

35 To Account:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
999-1043	Local Non-Profit Organizations	\$3,554.79
999-1044		

40 Section 2. This ordinance is a budget amendment only, is not of a permanent nature
41 and is a non code ordinance.
42

43 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this
44 _____ day of _____, 2013.
45
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CITY OF HOMER

MARY E. WYTHE, MAYOR

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57 ATTEST:

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61 JO JOHNSON, CMC, CITY CLERK

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64 AYES:
65 NOES:
66 ABSTAIN:
67 ABSENT:
68
69 First Reading:
70 Public Reading:
71 Second Reading:
72 Effective Date:

73
74
75 Reviewed and approved as to form:
76
77

78
79 Walt Wrede, City Manager

80
81 Date: _____
82

Thomas F. Klinkner, City Attorney

Date: _____

CITY OF HOMER

PERMANENT FUND ALLOCATION TO NON-PROFIT ORGANIZATIONS

ALLOCATION PERIOD JUN 2010 - DEC 2011

Original Investment

	US BANK - INCOME	US BANK - GROWTH	TOTAL
Jun-10	460,508.23	690,762.39	1,151,270.62
Additional Funds	106,410.65	159,615.99	266,026.64
	566,918.88	850,378.38	1,417,297.26
 VALUE AT 12/2011	 581,132.08	 907,260.94	 1,488,393.02
			71,095.76
 AMOUNT ALLOCATED TO NON-PROFITS (5% OF EARNINGS)			<u>X 5%</u>
 To be allocated			 3,554.79

Session 12-03 a Regular Meeting of the Permanent Fund Committee was called to order on November 8, 2012 at 5:19 p.m. by Chair Barbara Howard at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMITTEE MEMBERS: BARBARA HOWARD, JO JOHNSON, REGINA MAURAS

ABSENT: FRANCIE ROBERTS (excused), MATT NORTH

APPROVAL OF AGENDA

MAURAS/JOHNSON - MOVED TO APPROVE THE AGENDA AS PRESENTED.

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

A. Synopsis of Regular Meeting of May 10, 2012

MAURAS/JOHNSON - MOVED TO APPROVE THE MINUTES OF MAY 10TH.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

PUBLIC HEARING

PENDING BUSINESS

NEW BUSINESS

A. Recommendation to City Council for a Fund Distribution

MAURAS/JOHNSON – MOVED TO PUT FORTH TO THE CITY COUNCIL AN ORDINANCE THAT 5% OF THE NET EARNINGS FROM THE PERMANENT FUND BE AVAILABLE FOR CHARITABLE CONTRIBUTIONS PURSUANT TO HCC 3.12.020.

Five percent of the net earnings from the Permanent Fund should be allocated to charitable contributions through The Homer Foundation. An ordinance for the allocation will be presented to Council at their December 10th meeting.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. Review of the Established Investment Policies of the Permanent Fund – 5% Allocation for Grants to Benefit the Community

By consensus the Committee agreed the 5% allocation for grants policy remain status quo.

- C. Draft Resolution 12-, A Resolution of the City Council of Homer, Alaska, Establishing the 2013 Regular Meeting Schedule for the City Council, Economic Development Advisory Commission, Library Advisory Board, Parks and Recreation Advisory Commission, Advisory Planning Commission, Port and Harbor Advisory Commission, Lease Committee, Permanent Fund Committee, Public Arts Committee and Transportation Advisory Committee. City Clerk.

JOHNSON/MAURAS – MOVED TO APPROVE THE DRAFT RESOLUTION FOR THE 2013 MEETING SCHEDULE AS PRESENTED.

Brief discussion on amending the time of meetings was made.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

- A. U.S. Bank Reports for period ending September 30, 2012

Due to funds invested in riskier investments, a verbal report from U.S. Bank is requested. It was suggested U.S. Bank be invited to the February 14th meeting for telephonic participation.

- B. Letter of relinquishment from Permanent Fund Committee from Mayor Wythe
- C. Certificate of Appointment – Francie Roberts

COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)

There were no comments of the audience.

COMMENTS OF THE CITY STAFF

There were no comments from the staff.

COMMENTS OF THE COUNCILMEMBER

Councilmember Roberts was not present.

COMMENTS OF THE CHAIR

Chair Howard requested the selection of Chair and Vice Chair be calendared for the February 14th meeting. A teleconference with U.S. Bank on the City's investments was requested for the next meeting.

COMMENTS OF THE COMMISSION

There were no comments of the Committee Members.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 5:38 p.m. The next Regular Meeting is scheduled for is scheduled for Thursday, February 14, 2013 at 5:15 p.m. in the Homer City Hall Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

Submitted by Jo Johnson

ORDINANCE REFERENCE SHEET
2012 ORDINANCE
ORDINANCE 12-59

An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Reimbursable Grant in the Amount of \$8,000 from the State of Alaska Department of Environmental Conservation for Hazardous Materials Training and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager/Deputy Harbormaster

1. City Council Regular Meeting December 10, 2012 Introduction
 - a. Memorandum 12-181 from Deputy Harbormaster as backup
 - b. Memorandum of Understanding
 - c. Project Budget
 - d. HAZWOPER Training
 - e. Letter from iWorkWise re: HAZWOPER/Ammonia Training
 - f. Resolution 00-31
 - g. Community Spill Response Agreement between ADEC & City of Homer

2. City Council Regular Meeting January 14, 2013 Public Hearing and Second Reading
 - a. Substitute Ordinance 12-59(S) as provided by Attorney
 - b. Memorandum 12-181 from Deputy Harbormaster as backup
 - c. Memorandum of Understanding
 - d. Project Budget
 - e. HAZWOPER Training
 - f. Letter from iWorkWise re: HAZWOPER/Ammonia Training
 - g. Resolution 00-31
 - h. Community Spill Response Agreement between ADEC & City of Homer

CITY OF HOMER
HOMER, ALASKA

City Manager/
Deputy Harbormaster

ORDINANCE 12-59

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, ACCEPTING AND APPROPRIATING A REIMBURSABLE GRANT IN THE AMOUNT OF \$8,000 FROM THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION FOR HAZARDOUS MATERIALS TRAINING AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The Homer Port and Harbor Department has received a grant for anhydrous ammonia gas safety training (HAZWOPER) from the State of Alaska Highway Department of Environmental Conservation; and

WHEREAS, The grant is in the amount of \$8,000.00 and will be used for the Homer Port and Harbor and HVFD's employees and volunteers to conduct HAZWOPER training and a joint exercise involving an emergency response to the Port and Harbor's Ice Plant; and

WHEREAS, The purpose of the grant is to ensure the protection of the lives of our emergency responders, the general public and its property, and to prevent a disruption in our region's economy.

NOW, THEREFORE, the City of Homer Ordains:

Section 1. That the City Council hereby accepts and appropriates a State of Alaska Department of Environmental Conservation grant for HAZWOPER training and a joint exercise as follows and hereby authorizes the City Manager or his designee to execute the appropriate documents:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
Revenue 415-932	Alaska Department of Environmental Conservation Grant	\$8,000.00
<u>Expenditure:</u> 415-932	Professional Services	\$8,000.00

Section 2. This ordinance is a budget amendment only, is not of a permanent nature and is a non code ordinance.

PASSED AND ENACTED by the Homer City Council this ____ day of _____,
2013.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Introduction:
Public Hearing:
Second Reading:
Effective Date:

Ayes:
Noes:
Abstain:
Absent:

Reviewed and approved as to form:

Walt E. Wrede City Manager

Thomas F. Klinkner, City Attorney

Date: _____

Date: _____

Fiscal Note: Fiscal information included in body of Ordinance.

CITY OF HOMER
HOMER, ALASKA

City Manager/
Deputy Harbormaster

ORDINANCE 12-59(S)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, ACCEPTING AND APPROPRIATING A REIMBURSABLE GRANT IN THE AMOUNT OF \$8,000 FROM THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION FOR HAZARDOUS MATERIALS TRAINING AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

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<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
Revenue		
415-932	Alaska Department of Environmental Conservation Grant	\$8,000.00
<u>Expenditure:</u>		
415-932	Professional Services	\$8,000.00

Section 2. All actions taken by the City Manager regarding the acceptance of the grant referred to above and execution of documents regarding the grant before the effective date of this ordinance are hereby ratified and confirmed.

Section 23. This ordinance is a budget amendment only, is not of a permanent nature and is a non code ordinance.

50 PASSED AND ENACTED by the Homer City Council this ____ day of _____,
51 2013.

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CITY OF HOMER

MARY E. WYTHE, MAYOR

60 ATTEST:

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JO JOHNSON, CMC, CITY CLERK

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Introduction:
Public Hearing:
Second Reading:
Effective Date:

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Ayes:
Noes:
Abstain:
Absent:

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Reviewed and approved as to form:

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Walt E. Wrede City Manager

Thomas F. Klinkner, City Attorney

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Date: _____

Date: _____

86
87

Fiscal Note: Fiscal information included in body of Ordinance.



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 12-181

TO: HOMER CITY COUNCIL
CC: PORT DIRECTOR/HARBORMASTER BRYAN HAWKINS, CHIEF OF POLICE MARK ROBL, FIRE CHIEF BOB PAINTER, & CITY MANAGER WALT WREDE
FROM: MATT CLARKE, DEPUTY HARBORMASTER
DATE: NOVEMBER 30, 2012
SUBJECT: ANHYDROUS AMMONIA HAZWOPER TRAINING

As you are aware, the Port and Harbor department operates an anhydrous ammonia gas refrigeration and ice production plant on the Homer Spit. Anhydrous ammonia gas is classified as a hazardous material containing corrosive and flammable properties. The Ice Plant has the capacity to hold up to 4,000 lbs. of ammonia in its operating system; and can produce 100 tons of ice in a 24 hour period. This plant is vital to our region's commercial fisheries and economy, yet presents a significant hazard in the event of an emergency.

The Port and Harbor and Homer Volunteer Fire Department have identified the need to pursue ammonia gas HAZWOPER training in order to maintain our employees' and volunteers' current level of preparedness and to conduct a joint training exercise involving an emergency response at the Ice Plant. The purpose of this training shall ensure the further protection of the lives of our emergency responders, the general public and its property, and help to prevent a disruption in our region's economy.

The Port and Harbor recently contacted iWorkWise, a firm specializing in anhydrous ammonia gas HAZWOPER training, who proposed two training courses: a 4-hour responder awareness course to be offered to the members of HVFD, and an 8-hour first responder course to be offered for City employees charged with emergency response duties. The proposed training dates are January 8th and 9th, 2013. A joint training exercise involving the Port and Harbor and HVFD shall be conducted during the evening of January 9th. **The total estimated cost of training, including the instructor's travel and per diem, is \$8,000.**

On March 13, 2000, the Homer City Council adopted Resolution 00-31 and engaged in a Community Spill Response Agreement with ADEC. Section 12 of the CSRA provides for reimbursement of the local government for costs associated with preparedness training and joint exercises. On November 29, 2012, ADEC drafted a Memorandum of Agreement in support of our proposed hazardous materials safety training and indicated its willingness to reimburse the City of Homer up to \$8,000 for the associated costs.

Recommendation:

Approve Ordinance 12-59, accepting and appropriating a reimbursable grant in the amount of \$8,000 from the Alaska Department of Environmental Conservation for hazardous materials training.

COPY

**2012 MEMORANDUM OF UNDERSTANDING BETWEEN
ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION
AND
CITY OF HOMER
FOR
HAZARDOUS MATERIALS SAFETY TRAINING**

This Memorandum of Understanding (MOU) is made and entered into between the Alaska Department of Environmental Conservation, hereinafter referred to as ADEC, and the City of Homer.

PURPOSE AND OBJECTIVE

Pursuant to the Local Response Agreement between ADEC and the City of Homer, dated February 16, 2000, this MOU is made for the purpose and objective of providing funds for hazardous materials training to the City of Homer in support of maintaining and expanding oil and hazardous substance spill response capabilities in the local community.

RECITALS

WHEREAS, a partnership between the State, local communities, and industry can lead to a more coordinated and effective oil and hazardous substance spill response capability in Alaska;

WHEREAS, funds in the amount of \$8,000 for training to the City of Homer will enable the Homer Fire Department and other Homer-based responders to build on its present capabilities and facilitate response activities;

WHEREAS, it is recognized that entering into a written agreement will facilitate the cooperation and coordination necessary to accomplish the purpose and objective herein described;

Now, therefore, in consideration of benefits to be derived by each party, it is hereby agreed as follows:

AGREEMENT

I. SPECIFIC OBLIGATIONS OF THE PARTIES

City of Homer

- COPY
1. The City of Homer will receive up to \$8,000 from ADEC upon the completion of the training agreed upon in the attached document. The City of Homer will provide to ADEC a final invoice of all expenses, including supporting documentation of any invoices and purchase orders connected with the agreed training.
 2. The City of Homer will work with ADEC to develop and implement procedures to initiate responses to oil and hazardous substance incidents according to the terms of the ADEC Local Community Response Agreement.

Alaska Department of Environmental Conservation

1. Upon execution of this MOU, ADEC will transfer to the City of Homer on a reimbursement-only basis an amount not to exceed \$8,000 to be used for the training agreed upon in the attached document. Only expenses associated directly with this training are eligible for reimbursement.
2. ADEC will provide expertise and advice as needed to meet the intended purpose of this agreement.

II. EFFECTIVE DATE AND FUNDING

This agreement is effective immediately upon execution by the parties. ADEC will transfer funds to the City of Homer within 30 days of receiving an invoice, including the necessary documentation on actual expenses. The funding source for this MOU is the Oil and Hazardous Substance First Responder Equipment and Preparedness Capital Improvement Project (cc 18559082).

III. LAPSE OF FUNDS

It is understood between the parties that the amount of this MOU from ADEC to the City of Homer will be retained by ADEC to be used for the purposes described above. All expenditures for this MOU must be completed by June 30, 2013. Invoices for any expenditure after that date will not be processed for reimbursement.

IV. AMENDMENTS

Amendments to this agreement may be proposed by either party and shall become executed upon being reduced to a written instrument executed by both parties.

IN WITNESS WHEREOF, each party hereto has caused this MOU to be executed by an

authorized official on the day and year set forth opposite his/her signature.

Approved by:

City of Homer

Date: _____
Walter Wrede, City Manager

Alaska Department of Environmental Conservation:

Date: _____
Larry Dietrick, Director Spill Prevention and Response

Date: _____
Chyenne Schmidt, Finance Officer,
Administrative Services

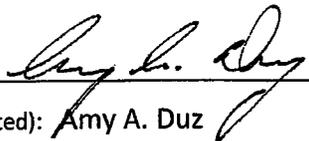
Standard Services Agreement

This Services Agreement ("Agreement") is entered into between City of/Port of Homer, ("Client"), and iWorkWise, ("Consultant"). Client engages Consultant to assist with various safety and regulatory issues.

- 1. Consultant's Responsibilities.** Consultant shall provide services and advice relating to regulatory compliance, ("Services") as set forth in the attached "Proposal" or "Statement of Services" (collectively "SOS"), which is part of this Agreement. Client acknowledges this Agreement sets forth the sole duties, tasks and obligations of Consultant.
- 2. Client's Responsibilities.** Client shall (a) provide Consultant with access to Client's facility to facilitate Consultant's timely performance of the Services; and (b) provide sufficient qualified personnel capable of performing Client's duties. Client acknowledges that its failure to timely perform any of its duties or obligations may affect the timing and cost of the Services.
- 3. Compensation.** Client will pay the fees within 30 days of being invoiced. If not timely paid, interest at 1.5% per month will accrue on the balance until paid. If out-of-pocket expenses are billed separately, at Client's request, Consultant will provide documentation to verify such expenses.
- 4. Independent Contractor.** The relationship of the parties is that of independent contractor and client, and is governed solely by this Agreement. Nothing herein shall be deemed to create a joint venture, partnership, agency, or employee/employer relationship. Neither party is authorized to act as agent for, or otherwise on behalf of the other party.
- 5. Services Warranty and Exclusion of Warranties.** Consultant warrants that it shall perform the Services in a professional and workmanlike manner. In the event Consultant fails to perform any Services as provided in the SOS, Consultant's sole and exclusive obligation shall be to promptly take such action as may be reasonably necessary to correct such failure. Consultant makes no other express or implied representations or warranties with respect to the Services to be performed by Consultant or any products that may result therefrom. Client acknowledges that Consultant has been hired for consultancy and advisory services only.
- 5.1 Limitation of Liability.** Consultant's total liability under this Agreement for any cause whatsoever, including without limitation, breach of contract or warranty, negligence or gross negligence, is limited to the amount actually paid by Client under this Agreement for the services that gave rise to such liability. Consultant shall in no event be liable for any consequential, incidental, indirect, exemplary, punitive, or special or similar damages including, but not limited to, personal injury or Jones Act claims, accident costs, loss of profits, loss of revenue, or loss of data.
- 5.2 Indemnification.** Client shall indemnify, defend and hold harmless Consultant and Consultant's directors, officers, employees, representatives, agents, successors and assigns ("Indemnified Parties"), and shall pay any and all losses, liabilities, damages, costs and expenses (including attorney's fees) incurred by the Indemnified Parties as a result of Client's operation of its business including, without limitation, losses, liabilities, damages, costs and expenses arising or resulting from real or alleged safety violations by Client.
- 6. Legal.** The terms of this Agreement shall survive termination of this Agreement. This Agreement shall be governed by the laws of the State of Washington. Any dispute or disagreement between the parties shall be settled by arbitration in Seattle, Washington under the Commercial Arbitration Rules then in effect with the American Arbitration Association and the non-prevailing party shall be liable for reasonable attorneys' fees, court costs and other costs and expenses of litigation or arbitration, including the fees and costs of experts and investigators.
- 7. Proprietary Materials.** Each party is and shall remain the owner of all right, title and interest in its proprietary materials. Neither party shall obtain any right or license in the other's proprietary materials.
- 8. Force Majeure.** Each party shall be excused from performance and shall have no liability to the other party for any period it is prevented from performing any of its obligations, in whole or in part, as a result of delays caused by the other party by an act of God, war, civil disturbance, court order, third party performance or nonperformance, strikes, work stoppages or other cause beyond its reasonable control, and such nonperformance shall not be a default under, or grounds for termination of, this Agreement. This Agreement is entered into on 11/21/2012.

CONSULTANT:

iWorkWise

Signature: 
Name (printed): Amy A. Duz

Title: President

CLIENT:

Signature: _____

Name (printed): _____

Title: _____

CITY OF HOMER
PROJECT NUMBER & BUDGET FORM

This section to be completed by Finance

Special Project Number 415-932 DATE 11-29-2012

GL Activity Task Number _____

Project Name: Anhydrous Ammonia HAZWOPER Training

Activity Task Name: Port & Harbor, Emergency Operations

Project Start Date: 1/8/2013 Project End Date: 1/9/2013

Project Description: Port & Harbor operations, maintenance, fish dock, HVFD personnel and volunteers will receive an 8-hour first responder HAZWOPER training course performed by iworkwise.com for the purpose of emergency response to an anhydrous ammonia gas discharge at the ice plant.

Funding Source: ADEC is providing reimbursement to the City of Homer, not to exceed \$8,000.00, for the purpose of ammonia gas HAZWOPER training.

Other Comments: _____

Codes	Expense Description	Project Budget	
		Grant Budget	Local Match (if Required)
5101/2	Project -Salaries & Benefits	_____	_____
5202	Materials	_____	_____
5210	Professional Services	\$8,000	_____
	Project Management	_____	_____
	Inspection	_____	_____
5212	Engr / Arch / Design	_____	_____
5216	Postage / Freight	_____	_____
5227	Advertising	_____	_____
5261	Construction	_____	_____
5262	Contingency	_____	_____
5901	c/o Equipment, Furnishing >\$1,000	_____	_____
5903	c/o Buildings & Improve >\$1,000	_____	_____
TOTAL		\$ 8,000.00	\$ -

Resolution: _____ Ordinance: 12- _____

Approvals:

Port & Harbor, Matt Clarke Matt Clarke 11/29/2012
 Requesting Department/Project Manager Date: _____

Laurie Moore (acting FD) 11/30/12
 Finance Department Date: _____

Matt Klud 11/29/12
 City Manager Date: _____

This section to be completed by Finance

Project Number/Budget Scanned & E-mailed to:

City Clerk: 11/30/2012 J Requesting Dept: Harbor 11/30/2012
 Date & Initial Date & Initial
Finance 11/30/2012 J Matt Clarke 11/30/2012
 Date & Initial Date & Initial
Laurie Moore _____
 Date & Initial _____

Scanned to "Y" drive: _____

HAZWOPER TRAINING

Hazardous Waste Operations & Emergency Response

24-Hour Hazardous Materials Technician

This class satisfies OSHA and state requirements for those who respond offensively to stop a hazardous chemical release. Students successfully completing the class are certified as HAZWOPER Technicians. Topics covered include laws and regulation; incident command and notification; hazard recognition, assessment, and communication; respiratory protection; monitoring and instrumentation; PPE/chemical protective clothing; decontamination procedures; confined space hazard and assessment; lockout/tagout; and emergency response plans.



We can train at your site, so employees learn about their own equipment and how to respond to leaks in their own system. Off-site training is also available.

8-Hour Annual Refresher

We also provide annual refresher training to responders as required by the HAZWOPER regulation.



8-Hour First Responder Operations Level

This class is designed for those who respond defensively to hazardous chemical releases. Topics covered include basic terminology; hazard and risk assessment techniques; selection and use of PPE; basic control, containment and confinement and decontamination procedures; DOT emergency response guidebook; and standard operating and termination procedures.

Class Information

- ✓ We specialize in ammonia and oil spill response.
- ✓ All classes can be customized to meet your facility and personnel needs.
- ✓ Our instructors are active responders who work in hazardous materials response; they know AND DO what they teach.

A current list of our scheduled classes can be found anytime at www.iworkwise.com

If you would like to attend a class, or schedule one for your facility, please call Jessica at 206-331-4130, extension 102.



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www.iworkwise.com

COURSE

8-Hour Hazardous Waste Operations and Emergency Response (HAZWOPER) Refresher

INSTRUCTORS

Brett Bigger, Fire Department, HAZMAT Instructor, Confined Space Specialist
Stephanie Carter, CIH, PhD
Amy Duz, President, iWorkWise
Jeff Kainz, Captain, USMM, Marine Oil Spill Specialist and Training Manager
Jake Lazenby, Fire Department HAZMAT Team, Water Rescue Specialist
Rick Marshall, Fire Department HAZMAT Team
Dan Smiley, Captain, USMM, Marine Oil Spill Specialist
Jane Robinson, RETO CIRO

COURSE DESCRIPTION

This course focuses on the topics required by OSHA 29 CFR 1910.120 for renewal certification as a HAZWOPER Technician Level Responder. An appropriate mix of classroom, hands-on, and demonstration instruction is used to meeting required learning objectives.

LEARNING OBJECTIVES

- Review of and retraining on relevant topics covered in the 24-hour course using reports by the students on their work experiences.
- Update on developments with respect to material covered in the 24-hour course.
- Review of changes to pertinent provisions of EPA or OSHA standards or laws.
- Introduction of additional subject areas as appropriate.
- Hands-on review of new or altered PPE or decontamination equipment or procedures.
- Review of new developments in personal protective equipment.
- Review of newly developed air and contaminant monitoring equipment.

DEMONSTRATION AND ASSESSMENT OF LEARNING

1. Attendance at all modules
2. Active involvement in class workshops, exercises and drills
3. 20 question exam

Title	Topics	Texts, Videos and References
Introduction	<ul style="list-style-type: none"> • Incident case studies- lessons learned • Current issues related to ammonia and oil 	VIDEO: TBD National and Alaskan TV news reports, live fire and evacuation footage, aftermath, and interviews
MODULE 1: Chemical Properties	<ul style="list-style-type: none"> • MSDS exercise • Chemical states and forms • Terminology and applied concepts • Exposure Limits 	Manual: Section 1 VIDEO: Introduction to Hazardous Chemicals Book: MSDS Pocket Guide TEST QUESTIONS: 1-7
MODULE 2: Hazard and Risk Assessment	<ul style="list-style-type: none"> • Approaching an incident • Hazards vs. Risks • Sizing up 	Video footage: Firefighter training video-lessons learned
MODULE 3: Ammonia OPTIONAL	<ul style="list-style-type: none"> • Properties of ammonia • Release behavior 	Manual: Section 2 VIDEO: Anhydrous Ammonia
MODULE 4: Refrigeration OPTIONAL	<ul style="list-style-type: none"> • Refrigeration system overview • System safeties 	Manual: Section 3
MODULE 5: Respiratory Protection & CPE	<ul style="list-style-type: none"> • Requirements • Selection • Levels A-D • Resources • Use • Fit-testing (if pre-arranged) 	Manual: Section 4 VIDEO: CPE & Decontamination DEMO: Filtering face piece, half-masks, full face and gas masks, SCBAs, Level A & B
MODULE 6: Decontamination and First Aid	<ul style="list-style-type: none"> • Zones • Stations • Strategies • First Aid Procedures 	Manual: Section 5 TEST QUESTIONS: 8-13
MODULE 7: Control & Containment	<ul style="list-style-type: none"> • Response strategies • Containment techniques • Ventilation 	Manual: Section 6 TEST QUESTIONS: 14-20

Title	Topics	Texts, Videos and References
MODULE 8: Emergency Response Plans & Implementation	<ul style="list-style-type: none"> • Requirements • Review company (or sample) plan • Communication/signals • Five-minute tasks • Response techniques 	Manual: Section 6 VIDEO: VIDEO: Hazmat-Suicide Missions Part 3: Largest HAZMAT disasters, response flaws, current best practices in response
MODULE 9: Response Exercises	<ul style="list-style-type: none"> • Leak Exercises • Other Chemical Release Exercises 	Section 7
MODULE 10: On-Site Drill	<ul style="list-style-type: none"> • Drill 	
OPTIONAL MODULE: A Oil Spill	<ul style="list-style-type: none"> • Lessons learned • Transfer procedures • Plan requirements 	VIDEO: Oil Spill Initial Response
OPTIONAL MODULE: B Compressed Gases	<ul style="list-style-type: none"> • Properties of compressed gases • Hazards and risks • Response principles and techniques 	VIDEO: Cylinders, or CSB Praxair video
OPTIONAL MODULE: C Confined Space	<ul style="list-style-type: none"> • Definitions • Hazards • Requirements 	DEMO: Confined space LEL, O2
OPTIONAL MODULE: D Freon	<ul style="list-style-type: none"> • Properties • Hazards • Environmental issues and planning 	
OPTIONAL MODULE: E Flammable Liquids	<ul style="list-style-type: none"> • Terminology • Hazards • Response strategies 	



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 Seattle, WA 98177
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 Fax: (206) 237-1720

HAZWOPER COURSES

These classes deliver information that is relevant, current and immediately applicable to emergency response on shore and on vessels. Ammonia refrigeration emergency response, Freon leak response and/or oil transfer and spill response training is emphasized per request.

HAZWOPER COURSE COST SCHEDULE

Please note that there is an 8 person minimum charge requirement. If you have fewer than 8 students, ask us if we can include your students in another scheduled class.

COURSE	1-8	9-12	13-19	20+
HAZWOPER 8-HOUR (minimum 8)	\$195 each	\$165 each additional student	\$140 each additional student	\$120 each additional student
Classes in Alaska	\$225 each	\$185 each additional student	\$160 each additional student	\$135 each additional student

COURSE	1-6	7-12	13-19	20+
HAZWOPER 24-HOUR (minimum 8)	\$495	\$435	\$395	\$345
Classes in Alaska	\$525 each	\$465 each additional student	\$435 each additional student	\$385 each additional student

Please note that travel expenses will also be billed for classes out of the Puget Sound area at cost plus 10%. Companies may pay expenses directly as an alternative as long as the travel expense is not part of a multi-leg trip.



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www.iworkwise.com

16 November 2012

Matt Clarke
Deputy Harbormaster
Port of Homer, Alaska

RE: HAZWOPER/Ammonia Training

Dear Matt,

Thank you for the opportunity to provide you with this proposal.

Scope

Provide HazMat training in Homer, Alaska. Classes will be instructed by an experienced and active emergency response professional with extensive ammonia expertise. Each attendee will receive a full course manual. Certificates will be issued within a week of the class.

Day 1: 4-hr Ammonia Awareness Course. This course satisfies HAZWOPER Awareness Level training requirements. The course will focus on anhydrous ammonia.

Day 2: 8-hr Hazardous Materials Course. This course satisfies HAZWOPER First Responder Operations Level and refresher training requirements. The course will focus on anhydrous ammonia.

Costs

Awareness Course Costs: \$120/person, minimum 15 persons. First Responder/Refresher Course Costs: Prices are per person with a minimum of 8. Please see attached cost schedule.

Estimated cost for Awareness Level training, 20 persons:	\$2400
Estimated cost for Operations Level training, 20 persons:	\$3795
Estimated travel expenses (itemized below):	\$1840
Airfare	\$1000
Hotel, 2 nights	\$280
Car, 2 days	\$260
Airport parking 2.5 days	\$50
Meals 2.5 days	\$150
Baggage fees	\$100

Total estimated cost \$8,035.

TERMS OF SERVICE

TRAVEL. Transportation, airport parking, lodging and meal expenses will be paid by Client or documented and billed to Client at cost. All travel time is included.

SCHEDULE. The schedule for completion will be mutually agreed to by Client and iWorkWise upon acceptance of proposal. Proposal is accepted upon receipt of Purchase Order. This proposal is valid for sixty days.

PAYMENT. Invoices will be submitted at the completion of the project. Payment will be due within 30 days of receipt unless otherwise agreed in writing prior to billing.

Please call me if you have questions or if there are any changes or clarifications needed in the proposal. You can reach me at (206) 310-5512.

Sincerely,
IWORKWISE



Amy A. Duz

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 00-31

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA ENTERING INTO AN AGREEMENT WITH THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION AND THE CITY OF HOMER FOR COMMUNITY SPILL RESPONSE.

WHEREAS, this agreement is to facilitate coordinated and effective oil and hazardous substance release responses within the State; and

WHEREAS, to provide for reimbursement by ADEC of actual costs, other than normal operating expenses as defined, incurred by the local government in the abatement of a release or threatened release of oil or a hazardous substance as authorized under State law; and

WHEREAS, through this partnership ADEC can better protect public health and the environment from the effect of oil and hazardous substance releases by

- (1) providing for the immediate protection of local resources;
- (2) developing, augmenting and sustaining first-tier response capabilities and readiness at the local level;
- (3) taking advantage of local knowledge, experience and resources to the greatest extent possible;
- (4) fully integrating local oil and hazardous substance response capability into the State's overall response network; and

WHEREAS, ADEC and the local government will designate contact persons for implementation; and

WHEREAS, ADEC and the designated persons shall mutually establish and coordinate procedures for notification, response resources, verbally requested services and reimbursement of expenses as noted in the agreement; and

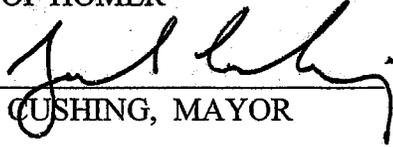
WHEREAS, this agreement will become effective upon the date of execution, may be terminated at any time by either party, with or without cause, with 60 days notice served on either party.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF HOMER, ALASKA that the City Manager is authorized to execute the Community Spill Response Agreement between the Alaska Department of Environmental Conservation and the City of Homer.

Reso 00-
Page 2 or 2

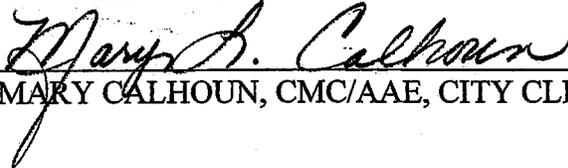
PASSED AND ADOPTED by the Homer City Council this 13th day of March 2000.

CITY OF HOMER



JACK CUSHING, MAYOR

ATTEST:



MARY CALHOUN, CMC/AE, CITY CLERK

ADEC

COMMUNITY SPILL RESPONSE AGREEMENT

BETWEEN

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

AND

CITY OF HOMER

February 16, 2000

PURPOSE

This agreement between the Alaska Department of Environmental Conservation (DEC) and the City of Homer hereinafter referred to as the "local government" is intended to (1) facilitate coordinated and effective oil and hazardous substance release responses within the State, and (2) provide for reimbursement by DEC of actual costs, other than normal operating expenses as defined below, incurred by the local government in the abatement of a release or threatened release of oil or a hazardous substance as authorized under State law.

BACKGROUND

Under State law, any person who causes or permits a release of oil or a hazardous substance must take proper response action, consisting of containment and cleanup, unless DEC determines that containment or cleanup is (1) technically infeasible, (2) would cause greater environmental damage than if the release were not contained or cleaned up, or (3) in the case of a hazardous substance release, would pose a greater threat to human life or health than if the release was not contained or cleaned up (AS 46.04.020; 46.09.020). All releases of oil or hazardous substances must be reported to DEC by the responsible party. If DEC determines that the responsible party has failed to conduct a proper cleanup, or cannot or will not do so, DEC may direct the person undertaking the response action to cease and may undertake containment or cleanup directly or by contract. These actions are carried out by the designated DEC State On-Scene Coordinator (SOSC). DEC maintains access to a wide array of containment and cleanup resources which are available to the SOSC for this purpose.

The Department is seeking to enhance its response capability by executing Local Response Agreements (LRAs), through which local emergency response resources can be used to facilitate coordinated and effective response actions. The SOSC activates and directs these resources through the Incident Command System (ICS). These resources supplement the Department's own response capability. The SOSC will select those resources best suited for responding to a particular incident, and will request such services upon the determination that current response actions are inadequate. Through these agreements, DEC intends to develop partnerships through which local resources, experience and knowledge can benefit statewide response actions. State reimbursement of actual costs will make available the combined response resources of local governments, substantially enhancing the State's overall response capability.

Response activities will be conducted in accordance with the Alaska Federal/State Preparedness Plan for Response to Oil and Hazardous Substance Discharges/Releases (the "Unified Plan") and its ten regional sub-plans and will be consistent with all applicable local, State and federal response plans and requirements.

GENERAL PROVISIONS

DEC shall reimburse a local government for actual expenses, other than normal operating expenses as defined below, incurred in the abatement of a release or threatened release of oil or a hazardous substance if (1) the local government has entered into an agreement with the Commissioner under AS 46.04.020(e) or AS 46.09.020(e); (2) the Commissioner determines that the expenses were for a necessary emergency first response to a release or threatened release that posed an imminent and substantial threat to the public health or welfare, or to the environment; and (3) the expenses were consistent with the regional master plan, if any (AS 46.08.070(c)). DEC shall not be obligated to reimburse any cost incurred by a local government associated with a response when the local government is identified as the responsible party (RP).

Under AS 46.09.020(e), the Commissioner of DEC may enter into agreements with local governments in order to (1) facilitate a coordinated and effective hazardous substance release response in the state; (2) provide for cooperative hazardous substance release notification procedures; or (3) provide for cooperative review of hazardous substance release response contingency plans submitted to the department. DEC may enter into similar agreements with local governments to facilitate a coordinated response to oil discharges (AS 46.04.020(e)).

The local government has been created under the laws of the State of Alaska and has all of the powers necessary to enter into agreements and specifically the power to enter into this Local Response Agreement. The local government is also a local emergency response authority empowered to commit locally available resources to assist DEC in the abatement of a release or threatened release of oil or a hazardous substance for purposes of facilitating a coordinated and effective hazardous substance release response.

Therefore, based on the foregoing and in consideration of a mutual interest in facilitating a coordinated and effective oil or hazardous substance release response, both parties agree to the following:

TERMS OF AGREEMENT

Response to Oil and Hazardous Substance Spills

1. DEC and the local government shall designate local contact persons who will implement this agreement.
2. DEC and the local government shall mutually establish, and coordinate, procedures for notification of releases and the callout by DEC of response resources as follows:
 - A. When the local government determines that an actual or potential oil or hazardous substance release may pose an imminent and substantial threat to the public health or welfare or to the environment, the local contact person shall then notify the SOS. The SOS will make the decision whether to request activation of the Local Response Agreement in order to initiate local response activities and provide for reimbursement of costs incurred.

B. When DEC has been notified of a release or threatened release of oil or a hazardous substance which may pose an imminent and substantial threat to the public health or welfare or to the environment, the SOSOC will evaluate the adequacy of response actions being undertaken by the responsible party (RP). If the SOSOC determines that the response by the RP is insufficient, the SOSOC may request activation of the Local Response Agreement in order to initiate local response activities and provide for reimbursement of costs incurred.

3. The SOSOC or his designee must give prior written approval for any expenditures submitted for reimbursement. In an emergency, verbal approval may be granted by the SOSOC or his designee. If, due to special circumstances, it is not possible to obtain advance approval despite a good-faith effort on the part of the local government, the local government may initiate emergency response activities. In all cases, however, response activities undertaken by the local government within the scope of this agreement will be reported to the SOSOC or his designee as soon as possible.
4. DEC may, in an emergency, verbally request specified services from the local government in an amount not to exceed \$25,000.00. All verbal requests will be followed, within 48 hours, with a written description of the scope of services to be provided in the form of a Notice to Proceed (NTP) pursuant to the terms of the agreement.
5. Pursuant to AS 46.08.070(c), DEC shall reimburse the local government for actual expenses incurred under this agreement, other than normal operating expenses, for personnel, goods, and services used during a response. For the purposes of this agreement, and to implement AS 46.08.070(c), the term "normal operating expenses" means those routine expenditures that are unrelated to the response activities associated with a particular incident. Such expenses would include normal overhead and operating costs (office rent, utilities, fax lines, vehicle leases, etc.). Personnel expense incurred as a direct result of response activities is not considered a normal operating expense and will be billed and reimbursed on an hourly basis. Reimbursement will be made for actual expenses for responses both inside and outside of the local jurisdiction when requested by the SOSOC. All such reimbursement is subject to the requirements of AS 46.08.070(c). As authorized under AS 37.05.285(c), the State will not be liable for interest payments on any unpaid balances owed.
6. Subject to the provisions of Article 3 of this agreement, DEC will make no payment for personnel, services, or goods provided during or prior to the incident unless such personnel, services, and goods are requested and approved in writing by the SOSOC or his designee. Equipment purchased for the incident becomes State property and must be relinquished to the State at the end of the incident response unless other arrangements meeting the applicable requirements of the Alaska Department of Administration have been made in writing.
7. The local government shall provide a list, or description of personnel, equipment and services that will be available to respond to an incident, along with the cost of each item. This information shall be updated semi-annually to reflect current and actual services and costs. Personnel and equipment costs will reflect usual, customary and reasonable rates for comparable services within the area of operation. Only actual expenses incurred for

- personnel, equipment and services are eligible for reimbursement.
8. The local government will maintain sufficient records to verify work done by personnel and to document the use of goods and services during an incident. The local government will revise its record-keeping and accounting methods if requested by DEC in order to substantiate claim for reimbursement.
 9. The local government shall submit to the SOSC for payment the original documentation of expenditures for each incident. Such documentation will include time sheets, field reports, and receipts. Submissions for payment will include a status report addressing activities covered by the submitted reimbursement request. All billings must meet the State's documentation requirements for expenditures and any additional requirements under the Oil and Hazardous Substance Release Prevention and Response Fund. The State will not reimburse for costs which are not sufficiently documented.
 10. DEC and the local government agree that any dispute arising under this agreement regarding reimbursement of costs shall be submitted to mediation for resolution prior to any action being taken in the courts of the State of Alaska. The cost of such mediation will be divided evenly between the parties. In addition, each party will be responsible for its own costs incurred as a result of such mediation.
 11. The local government, having entered into a written agreement with the Department to provide response action with respect to a release or threatened release of a hazardous substance, is provided immunity from civil liability to third parties for spill response services to the maximum extent available under AS 46.03.823 - Hazardous Substance Response Action Contractors and AS 46.03.825 - Oil Spill Response Action Contractors. Nothing in this agreement is intended to alter or limit those protections, or any other immunities or limitations of liability that may be available under the law.

Response Preparedness

12. DEC and the local government agree to identify release response preparedness needs, and to pursue reimbursement of the local government for preparedness costs, not associated with individual incidents, that will enhance local response capability. This may include provisions for joint training and exercises with Department response staff. The parties acknowledge that the Response Fund may be unavailable for this purpose (AS 46.08.070(c)).

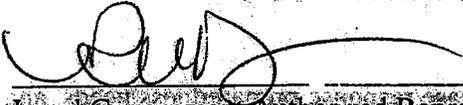
General

13. DEC and the local government agree that nothing in this agreement shall be construed as obligating the local government to respond to a particular incident. Whenever possible, the SOSC shall extend the right of first refusal to the local government to undertake response actions.
14. DEC and the local government agree that nothing in this agreement shall be construed as obligating local government to support response and preparatory activities should DEC no longer be capable of the funding support identified in this agreement.
15. DEC and the local government mutually agree that nothing in this agreement shall be construed as obligating DEC to the expenditure of funds, or to the future payment of

- funds, in excess of that authorized by the SOSC under this agreement.
16. DEC retains the option to audit. Audit may include, but is not limited to, inspection of all records, documents, tangible objects, and physical locations related to this agreement.
 17. DEC and the local government will execute any other documents reasonably necessary to fully perform the intentions of this agreement.
 18. This agreement shall be governed and interpreted by the laws of the State of Alaska.
 19. No party may assign this agreement or any interest therein without the written consent of the other party.
 20. No amendment, alteration or modification of this agreement shall be effective unless made in writing and duly executed by the parties involved.
 21. Nothing in this agreement shall preclude either party from seeking reimbursement for actual costs from other sources.
 22. This agreement shall be in effect on the date of execution. The agreement may be terminated at any time by either party, with or without cause, with 60 days' written notice served upon the other party. If this agreement is terminated the local government shall have no rights to further reimbursement except for those expenses already approved pursuant to this agreement.

SIGNATORIES


 _____ Date 3/23/00
 Michele Brown, Commissioner
 Alaska Department of Environmental Conservation


 _____ Date 03/14/00
 Local Government Authorized Representative
 Ronald W. Drathman, City Manager

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ORDINANCE REFERENCE SHEET
2012 ORDINANCE
ORDINANCE 12-60

An Ordinance of the City Council of Homer, Alaska, Repealing and Reenacting HCC Chapter 17.04 Regarding Special Assessment Districts.

Sponsor: City Manager

1. City Council Regular Meeting December 10, 2012 Introduction
 - a. Ordinance 12-15
2. City Council Regular Meeting January 14, 2013 Public Hearing and Second Reading
 - a. Substitute Ordinance 12-60(S) (as recommended by City Attorney)
 - b. Ordinance 12-15

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**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 12-60

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
REPEALING AND REENACTING HCC CHAPTER 17.04 REGARDING
SPECIAL ASSESSMENT DISTRICTS.

WHEREAS, City of Homer Ordinance 12-15 revised HCC Chapter 17.04 to accommodate the financing of a wider range of projects, including infrastructure of privately owned utilities; and

WHEREAS, The provisions of HCC 17.04.190 regarding deferment of assessments are intended to apply only to assessments for publicly owned improvements, and not to assessments for infrastructure of privately owned utilities; and

WHEREAS, It is appropriate to amend HCC 17.04.190 to clarify the intended scope of its application.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. HCC 17.04.190, Deferment of assessment payments for senior citizens, is amended to read as follows:

17.04.190 Deferment of assessment payments for senior citizens. a. Assessment payments, except assessment payments for the infrastructure of a privately owned utility, may be deferred under the provisions of this section. A person may obtain a deferment of assessment payments under this section if the person:

1. Will be at least 62 years of age within 12 months after the date of confirmation of the assessment roll;

2. Has an annual family income that would qualify under the United States Department of Housing and Urban Development designation of lower income families adjusted for Alaska and the Kenai-Cook Inlet Region;

3. Owns or has a life tenancy in the assessed property, and permanently resides in a single family dwelling on the property; and

4. Is not determined by the city, after notice and hearing, to have been conveyed the property primarily for the purpose of obtaining the exemption.

b. An assessment payment deferment is subject to approval by the council. A person seeking deferment of an assessment payment shall file a written application with the finance director on or before the first payment is due, supported by documentation showing that the applicant meets the criteria in subsection (a) of this section. A person receiving an assessment payment deferment must file with the city by April 15th of each subsequent year a new application proving eligibility as of January 1st of that year in order to retain the exemption. Within the same year the city for good cause shown may waive the claimant's failure to make timely application and approve the application as if timely filed.

47 c. Assessment payment deferments are subject to the availability of funds
48 appropriated for that purpose. An application for an assessment payment deferment shall be
49 submitted to the council with a report from the finance director as to the availability of funds to
50 appropriate for the deferment. Deferred assessments are funded from the following sources:

51 1. The appropriate utility operating fund for deferred water and sewer
52 assessment payments.

53 2. The accelerated roads program fund for deferred road improvement
54 assessment payments.

55 If funds for an assessment payment deferment are not available from the appropriate source, the
56 council may loan the necessary amount to the appropriate source from the general fund.

57 d. A person who receives an assessment payment deferment shall execute a deed of
58 trust on the property subject to assessment, together with a promissory note payable to the city
59 on demand, to secure the eventual payment of the deferred payment.

60 e. A deferred assessment payment shall be immediately due and payable upon the
61 earlier to occur of the following events:

62 1. The sale or lease of the assessed property; or

63 2. The death of both the deferred assessment applicant and the applicant's
64 surviving spouse, if any.

65
66 Section 2. This Ordinance is of a permanent and general character and shall be included
67 in the City Code.

68
69 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
70 _____ 2013.

71
72 CITY OF HOMER

73
74
75
76 _____
77 MARY E. WYTHE, MAYOR

78 ATTEST:
79
80
81 _____
82 JO JOHNSON, CMC, CITY CLERK

83 YES:
84 NO:
85 ABSTAIN:
86 ABSENT:
87
88 First Reading:
89 Public Hearing:
90 Second Reading:
91 Effective Date:
92

93 Reviewed and approved as to form:

94

95

96

97 Walt E. Wrede, City Manager

98

99 Date: _____

Thomas F. Klinkner, City Attorney

Date: _____

10/10/10

10/10/10

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Manager

4 ORDINANCE 12-60(S)

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER,
7 ALASKA, REPEALING AND REENACTING HCC CHAPTER
8 17.04.190 REGARDING DEFERMENT OF SPECIAL
9 ASSESSMENT DISTRICTS PAYMENTS.

10
11 WHEREAS, City of Homer Ordinance 12-15 revised HCC Chapter 17.04 to
12 accommodate the financing of a wider range of projects, including infrastructure of privately
13 owned utilities; and

14
15 WHEREAS, The provisions of HCC 17.04.190 regarding deferment of assessments are
16 intended to apply only to assessments for publicly owned improvements, and not to assessments
17 for infrastructure of privately owned utilities; and

18
19 WHEREAS, It is appropriate to amend HCC 17.04.190 to clarify the intended scope of
20 its application.

21
22 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

23
24 Section 1. HCC 17.04.190, Deferment of assessment payments for senior citizens, is
25 amended to read as follows:

26
27 17.04.190 Deferment of assessment payments for senior citizens. a. Assessment
28 payments, except assessment payments for the infrastructure of a privately owned utility,
29 may be deferred under the provisions of this section. A person may obtain a deferment of
30 assessment payments under this section if the person:

31 1. Will be at least 62 years of age within 12 months after the date of
32 confirmation of the assessment roll;

33 2. Has an annual family income that would qualify under the United States
34 Department of Housing and Urban Development designation of lower income families
35 adjusted for Alaska and the Kenai-Cook Inlet Region;

36 3. Owns or has a life tenancy in the assessed property, and permanently
37 resides in a single family dwelling on the property; and

38 4. Is not determined by the city, after notice and hearing, to have been
39 conveyed the property primarily for the purpose of obtaining the exemption.

40 b. An assessment payment deferment is subject to approval by the council. A person
41 seeking deferment of an assessment payment shall file a written application with the finance
42 director on or before the first payment is due, supported by documentation showing that the
43 applicant meets the criteria in subsection (a) of this section. A person receiving an assessment
44 payment deferment must file with the city by April 15th of each subsequent year a new
45 application proving eligibility as of January 1st of that year in order to retain the exemption.

46 Within the same year the city for good cause shown may waive the claimant's failure to make
47 timely application and approve the application as if timely filed.

48 c. Assessment payment deferments are subject to the availability of funds
49 appropriated for that purpose. An application for an assessment payment deferment shall be
50 submitted to the council with a report from the finance director as to the availability of funds to
51 appropriate for the deferment. Deferred assessments are funded from the following sources:

52 1. The appropriate utility operating fund for deferred water and sewer
53 assessment payments.

54 2. The accelerated roads program fund for deferred road improvement
55 assessment payments.

56 If funds for an assessment payment deferment are not available from the appropriate source, the
57 council may loan the necessary amount to the appropriate source from the general fund.

58 d. A person who receives an assessment payment deferment shall execute a deed of
59 trust on the property subject to assessment, together with a promissory note payable to the city
60 on demand, to secure the eventual payment of the deferred payment.

61 e. A deferred assessment payment shall be immediately due and payable upon the
62 earlier to occur of the following events:

63 1. The sale or lease of the assessed property; or

64 2. The death of both the deferred assessment applicant and the applicant's
65 surviving spouse, if any.

66
67 Section 2. This Ordinance is of a permanent and general character and shall be included
68 in the City Code.

69
70 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
71 _____ 2013.

72
73 CITY OF HOMER

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77 _____
78 MARY E. WYTHE, MAYOR

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80
81
82 _____
83 JO JOHNSON, CMC, CITY CLERK

84 YES:
85 NO:
86 ABSTAIN:
87 ABSENT:
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92 First Reading:
93 Public Hearing:
94 Second Reading:
95 Effective Date:
96
97 Reviewed and approved as to form:
98
99

100 _____
101 Walt E. Wrede, City Manager

Thomas F. Klinkner, City Attorney

102
103 Date: _____
104

Date: _____

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**CITY OF HOMER
HOMER, ALASKA**

Lewis/City Manager

ORDINANCE 12-15

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
REPEALING AND REENACTING HCC CHAPTER 17.04 REGARDING
SPECIAL ASSESSMENT DISTRICTS.

WHEREAS, The City of Homer enacted HCC 17.04, regarding special assessments, in
1987; and

WHEREAS, In the years following the adoption of HCC 17.04, the City has found the
procedures under this code chapter to be cumbersome and difficult for the public to understand;
and

WHEREAS, It also is necessary to revise HCC Chapter 17.04 to accommodate the
financing of a wider range of projects, including infrastructure of privately owned utilities.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. HCC Chapter 17.04, Special Assessment Districts, is repealed and reenacted
to read as follows:

Chapter 17.04

SPECIAL ASSESSMENT DISTRICTS

Sections:

- 17.04.010 Definitions.
- 17.04.020 Purpose of chapter.
- 17.04.030 Assessment authority.
- 17.04.040 Initiation of district.
- 17.04.050 Creation of district.
- 17.04.060 Contract award; Approval of increased costs.
- 17.04.070 Assessment roll.
- 17.04.080 Certification of assessment roll.
- 17.04.090 Payment.
- 17.04.100 Subdivision after levy of assessments.
- 17.04.110 Assessments to be liens.
- 17.04.120 Reassessment.
- 17.04.130 Objection and appeal.
- 17.04.140 Interim financing.
- 17.04.150 Special assessment bonds.
- 17.04.160 Time limit for special assessment districts.
- 17.04.170 Water and sewer connections required.

47 17.04.180 Road improvement assessments for lots with two street frontages.

48 17.04.190 Deferment of assessment payments for senior citizens.

49 17.04.200 "In lieu of assessment".

50

51 17.04.010 Definitions. In this chapter:

52 a. "Cost" means all expenses incurred by the city for an improvement, including
53 without limitation advertising expenses, fees of engineers, architects and surveyors, legal fees,
54 costs of property acquisition, payments to construction contractors, costs of interim and long-
55 term financing of the improvement, including costs of issuing bonds and notes, and city
56 administrative costs.

57 b. "District" means a special assessment district created under this chapter.

58 c. "Improvement" means a capital improvement, including without limitation streets,
59 sidewalks, alleys and bridges; street lighting; drainage and flood control facilities; sanitary
60 sewage collection and treatment facilities; water supply and distribution facilities; natural gas
61 distribution facilities; and parks, playgrounds, public squares and open space.

62 d. "Record owner" means the person in whose name real property is listed on the
63 property tax roll prepared by the Kenai Peninsula Borough.

64

65 17.04.020 Purpose of chapter. a. A special assessment district may be created for the
66 purpose of acquiring, installing or constructing a capital improvement that primarily benefits real
67 property in the district, in contrast to capital improvements that benefit the entire community and
68 are paid for with general government resources.

69 b. The purpose of this chapter is to prescribe the procedure for initiating a special
70 assessment district, authorizing an improvement in a special assessment district, approving and
71 levying special assessments, payment of special assessments, and the authorization of special
72 assessment bonds, for public information and administrative guidance.

73

74 17.04.030 Assessment authority. a. The city may assess all or part of the cost of a capital
75 improvement against real property benefited by the improvement, whether the property is
76 privately or governmentally owned, including real property that is exempt from taxation.

77 b. A capital improvement that is provided through a special assessment district may
78 be owned by the city, a public utility, or another entity that is qualified to own and operate the
79 capital improvement.

80

81 17.04.040 Initiation of district. a. A special assessment district may be initiated by:

82 1. Resolution approved by a vote of not less than three-fourths of the council;
83 or

84 2. Petition signatures of the record owners of not less than one half in value
85 of the real property in the proposed district received by the city clerk within 60 days after
86 the mailing of the petition to record owners of property in the proposed district. Upon
87 payment of the nonrefundable filing fee in the city fee schedule established by resolution
88 of the council, the city clerk shall prepare a petition for distribution by certified mail to
89 all record owners of property in the proposed district that contains:

90 i. A statement that it is a petition to form a special assessment
91 district, and describing the capital improvement for which the district is proposed;

92 ii. For each property in the proposed district, the Kenai Peninsula
93 Borough tax parcel number and property description, the name and mailing
94 address of the record owner, the current assessed value, and a place for the record
95 owner's signature; and

96 iii. A statement that to support initiation of the proposed district, the
97 record owner must sign and return the petition to the city clerk within 60 days
98 after the date the petition was mailed

99 b. Upon adoption of a resolution initiating a special assessment district, or the city
100 clerk's verification that a petition to initiate a district bears sufficient signatures, the city clerk
101 shall

102 1. Schedule a meeting of record owners of real property in the proposed
103 district, notify the record owners by mail of the date, time and location of the meeting,
104 and include a copy of the notice in the city's regular meeting advertisement, and

105 2. Refer the proposed district to the city manager, who shall prepare an
106 improvement plan for the district that includes final boundaries for the district, the design
107 of the proposed improvement, a cost estimate for the improvement, the percentage of the
108 improvement cost to be assessed against properties in the district, a method for allocating
109 the assessed cost of the improvement among the properties in the district, the time period
110 over which assessments will be financed, and a preliminary assessment roll for the
111 district.

112
113 17.04.050 Creation of district. a. Upon completion of an improvement plan under HCC
114 §17.04.040, the city clerk shall set a time for a public hearing on the necessity of the
115 improvement and proposed improvement plan. Notice of the hearing shall be published at least
116 twice in a newspaper of general circulation in the city, and mailed via certified mail to every
117 record owner of real property in the proposed district not less than 60 days before the hearing.

118 b. A record owner of real property in the proposed district may file a written
119 objection to the improvement plan with the city clerk no later than the day before the date of the
120 public hearing on the improvement plan. If owners of real property that would bear 50 percent
121 or more of the assessed cost of the improvement file timely written objections, the council may
122 not proceed with the improvement unless it revises the improvement plan to reduce the assessed
123 cost of the improvement that is borne by objecting record owners to less than 50 percent of the
124 assessed cost of the improvement. If the resolution changes the district boundary in the
125 improvement plan, the city clerk shall notify all record owners of property included in the district
126 under the improvement plan of the change.

127 c. At the noticed date and time, the council shall hold a public hearing on the
128 necessity of the improvement and proposed improvement plan. After the public hearing, the
129 council shall act upon a resolution determining to proceed with the proposed improvement. The
130 resolution shall find that the improvement is necessary, of benefit to the properties to be
131 assessed, and if the district is initiated by petition, that the petition is in proper form and bears
132 sufficient signatures. The findings of the council are conclusive. The resolution shall contain a
133 description of the improvement, the estimated cost of the improvement, the percentage of the
134 cost to be assessed against the properties in the district, and a description of the properties to be
135 assessed.

136 d. If the owners of 100 percent of the real property in the proposed district waive in
137 writing the notice, protest period and public hearing required under this section, the question of
138 creating the district may be submitted to the council without such notice, protest period or public
139 hearing.

140
141 17.04.060 Contract; Approval of increased costs. a. After a special assessment district
142 has been created, the city shall contract for the construction of the improvement. If the city will
143 own the improvement, it shall solicit bids for construction of the improvement. If the city will
144 not own the improvement, it shall contract with the owner of the improvement to provide for its
145 construction.

146 b. If the cost of constructing the improvement will exceed 115 percent of the
147 estimated cost of construction of the improvement in the improvement plan, the city shall not
148 contract for the construction of the improvement without first:

149 1. Notifying all record owners of property in the district via certified mail of
150 the increased cost, and

151 2. Within 30 days after the mailing of notice of the increased cost to record
152 owners of property in the district, receiving written objections from record owners of
153 property that would bear less than one-half of the cost of the improvement.

154 c. If record owners of property that would bear one-half or more of the cost of the
155 improvement object in writing to the increased cost, the city will not contract to construct the
156 improvement. The council either may levy assessments in the district in an amount sufficient to
157 recover costs incurred for preliminary design and engineering services, or determine that the city
158 shall assume such costs.

159
160 17.04.070 Assessment roll. a. After completion of the improvement the council shall
161 assess costs of the improvement by a method that the council determines will assess each
162 property in the district in proportion to the benefit that it receives from the improvement.

163 b. The city shall prepare an assessment roll stating for each property in the district
164 the name and address of the record owner, Kenai Peninsula Borough parcel number, a
165 description of the property, the amount assessed against the property, and the assessed value of
166 the property as determined by the Borough Assessor.

167 c. Each property in the district shall be identified and assessed on the assessment roll
168 in accordance with the legal description of the property at the time the council certifies the
169 assessment roll; except that where assessments are in an equal amount per parcel (i.e., without
170 regard to parcel area, dimension or other characteristic), a property that was created by
171 combining parcels after the public hearing under HCC §17.040.050(c) shall be assessed that
172 amount multiplied by the number of parcels that comprised the property at the time of the public
173 hearing.

174 d. The council shall fix a time to hear objections to the assessment roll. Not less than
175 fifteen days before the hearing, the city clerk shall send notice of the hearing and assessment roll
176 by certified mail to each record owner of an assessed property, and publish notice of the hearing
177 in a newspaper of general circulation in the city.

178
179 17.04.080 Certification of assessment roll. After the hearing the council shall correct any
180 errors or inequalities in the assessment roll. If an assessment is increased, a new hearing shall be

181 set and notice published, except that a new hearing and notice is not required if all record owners
182 of property subject to the increased assessment consent in writing to the increase. Objection to
183 the increased assessment shall be limited to record owners of properties whose assessments were
184 increased. When the assessment roll is corrected, the council shall confirm the assessment roll by
185 resolution. The city clerk shall record the resolution and confirmed assessment roll with the
186 district recorder.

187
188 17.04.090 Payment. a. In the resolution confirming the assessment roll, the council shall
189 fix the time or times when assessments or assessment installments are due, the amount of penalty
190 on a delinquent payment and the rate of interest on the unpaid balance of an assessment. An
191 assessment that is to be paid in a single payment shall not be due before 60 days after billing.

192 b. Within 30 days after fixing the time when payment of the assessments is due, the
193 finance director shall mail a statement to the record owner of each assessed property identifying
194 the property and stating the assessment amount, the payment due date and the amount of the
195 penalty on a delinquent payment. Within five days after mailing the statements, the finance
196 director shall publish notice of mailing the statements in a newspaper of general circulation in
197 the city.

198
199 17.04.100 Subdivision after levy of assessments. a. Except as provided in subsection (b)
200 of this section, upon the subdivision of a property assessed as a single parcel, the amount of the
201 assessment shall be allocated among the resulting lots that benefit from the improvement on the
202 same basis that the assessment originally was allocated.

203 b. Upon the subdivision of a property assessed as a single parcel in an assessment
204 district where assessments were levied in an equal amount per parcel (i.e., without regard to
205 parcel area, dimension or other characteristic), then no resulting parcel, other than the parcel that
206 contains the original connection to the improvement for which the assessment was levied, may
207 connect to the improvement until a subdivided property connection fee is paid for the parcel.

208 1. The amount of the connection fee shall be equal to the amount of the
209 original assessment, adjusted up or down by a percentage equal to the change in the
210 Consumer Price Index, All Urban Consumers (CPI-U) for Anchorage, Alaska from the
211 end of the calendar year preceding the original assessment date to the end of the calendar
212 year preceding the date the parcel is connected to the improvement.

213 2. If the original assessment was payable in installments the city may enter
214 into a written agreement for the payment of the connection fee in installments on terms
215 that are substantially the same as those authorized for the payment of the original
216 assessment, secured by a deed of trust on the parcel.

217 3. Upon receiving connection fee payments, the city shall allocate such
218 payments to each property assessed in the district in proportion to the amount originally
219 assessed against the property, either by adjusting the original assessment amount or
220 disbursing a payment to the record owner at the time of disbursement.

221
222 17.04.110 Assessments to be liens. Assessments are liens upon the property assessed and
223 are prior and paramount to all liens except those having priority under State law. They shall be
224 enforced in the same manner as property tax liens.
225

226 17.04.120 Reassessment. a. The City Council shall within one year correct any
227 deficiency in a special assessment found by a court, under the procedure for certification of the
228 assessment roll in HCC §§17.04.070 and 17.04.080.

229 b. Payments on the initial assessment are credited to the property upon reassessment.
230 The reassessment becomes a charge upon the property notwithstanding failure to comply with
231 any provision of the assessment procedure.

232
233 17.04.130 Objection and appeal. a. The regularity or validity of an assessment may not
234 be contested by a person who did not file with the city clerk a written objection to the assessment
235 roll before its confirmation. The decision of the council on the objection may be appealed to
236 the superior court within 30 days after the date of confirmation of the assessment roll.

237 b. If no objection is filed or appeal taken within the time provided in this section, the
238 assessment procedure shall be considered regular and valid in all respects.

239
240 17.04.140 Interim financing. a. The council may provide by resolution or ordinance for
241 the issuance of notes to pay the costs of an improvement that shall be payable from the special
242 assessments for the improvement. The notes shall bear interest at a rate or rates authorized by
243 the resolution or ordinance, and shall be redeemed either in cash or bonds for the improvement
244 project.

245 b. Notes issued against assessments shall be claims against the assessments that are
246 prior and superior to a right, lien or claim of a surety on the bond given to the city to secure the
247 performance of the contract for construction of the improvement, or to secure the payment of
248 persons who have performed work or furnished materials under the contract.

249 c. The finance director may accept notes against special assessments on conditions
250 prescribed by the council in payment of:

- 251 1. Assessments against which the notes were issued in order of priority;
252 2. Judgments rendered against property owners who have become delinquent
253 in the payment of assessments; and
254 3. Certificates of purchase when property has been sold under execution or at
255 tax sale for failure to pay the assessments.

256
257 17.04.150 Special assessment bonds. a. The council by ordinance may authorize the
258 issuance and sale of special assessment bonds to pay all or part of the cost of an improvement in
259 a special assessment district. The principal and interest of the bonds shall be payable solely from
260 the special assessments levied against property in the district. The assessment shall constitute a
261 sinking fund for the payment of principal and interest on the bonds. The benefitted property may
262 be pledged by the council to secure payment of the bonds.

263 b. On default in a payment due on a special assessment bond, a bondholder may
264 enforce payment of principal, interest, and costs of collection in a civil action in the same manner
265 and with the same effect as actions for the foreclosure of mortgages on real property. Foreclosure
266 shall be against all property on which assessments are in default. The period for redemption is
267 the same as for a mortgage foreclosure on real property.

268 c. Before the council may issue special assessment bonds, it shall establish a
269 guarantee fund and appropriate to the fund annually a sum adequate to cover a deficiency in
270 meeting payments of principal and interest on bonds if the reason for the deficiency is

271 nonpayment of assessments when due. Money received from actions taken against property for
272 nonpayment of assessments shall be credited to the guarantee fund.

273

274 17.04.160 Time limit for special assessment districts. If five or more years elapse
275 between the creation of a special assessment district and the city contracting for construction of
276 the improvement, the city may not enter into the contract unless the council by resolution extends
277 the period for entering into the contract by not more than an additional five years.

278 b. Before the council acts on a resolution under subsection (a) of this section, the
279 city clerk shall mail notice of the resolution to each current record owner of property listed on
280 the preliminary assessment roll that the city will not contract for construction of the improvement
281 in the district unless the resolution is adopted. The notice also shall include an updated copy of
282 the preliminary assessment roll.

283

284 17.04.170 Water and sewer connections required. The owner of property in a water or
285 sewer special assessment district that contains an occupied building shall connect to the
286 improvement constructed in the district within one year after the date that the resolution
287 confirming the assessment roll for the district becomes final.

288

289 17.04.180 Road improvement assessments for lots with two street frontages. a. The
290 record owner of a through lot or flag lot may obtain a deferment of the part of an assessment for
291 road improvements that is based on frontage on a road to which the lot does not have access. To
292 obtain the deferment, the owner shall enter into a deferred assessment agreement with the city
293 before the end of the period for filing objections to the district under HCC §17.04.050. The
294 agreement shall provide that the lot has frontage on two streets, to only one of which the lot has
295 access; that the lot owner shall pay the part of the assessment that is based on frontage on the
296 street to which the lot has access; and that the owner shall pay the part of the assessment that is
297 based on the other street frontage when the lot acquires access to the street from that frontage.
298 The agreement shall be recorded with the district recorder's office.

299 b. The assessment for road improvements against a corner lot shall be based only on
300 the longer of the lot's road frontages.

301

302 17.04.190 Deferment of assessment payments for senior citizens. a. A person may obtain
303 a deferment of assessment payments under this section if the person:

304 1. Will be at least 62 years of age within 12 months after the date of
305 confirmation of the assessment roll;

306 2. Has an annual family income that would qualify under the United States
307 Department of Housing and Urban Development designation of lower income families
308 adjusted for Alaska and the Kenai-Cook Inlet Region;

309 3. Owns or has a life tenancy in the assessed property, and permanently
310 resides in a single family dwelling on the property; and

311 4. Is not determined by the city, after notice and hearing, to have been
312 conveyed the property primarily for the purpose of obtaining the exemption.

313 b. An assessment payment deferment is subject to approval by the council. A person
314 seeking deferment of an assessment payment shall file a written application with the finance
315 director on or before the first payment is due, supported by documentation showing that the

316 applicant meets the criteria in subsection (a) of this section. A person receiving an assessment
317 payment deferment must file with the city by April 15th of each subsequent year a new
318 application proving eligibility as of January 1st of that year in order to retain the exemption.
319 Within the same year the city for good cause shown may waive the claimant's failure to make
320 timely application and approve the application as if timely filed.

321 c. Assessment payment deferments are subject to the availability of funds
322 appropriated for that purpose. An application for an assessment payment deferment shall be
323 submitted to the council with a report from the finance director as to the availability of funds to
324 appropriate for the deferment. Deferred assessments are funded from the following sources:

325 1. The appropriate utility operating fund for deferred water and sewer
326 assessment payments.

327 2. The accelerated roads program fund for deferred road improvement
328 assessment payments.

329 If funds for an assessment payment deferment are not available from the appropriate source, the
330 council may loan the necessary amount to the appropriate source from the general fund.

331 d. A person who receives an assessment payment deferment shall execute a deed of
332 trust on the property subject to assessment, together with a promissory note payable to the city
333 on demand, to secure the eventual payment of the deferred payment.

334 e. A deferred assessment payment shall be immediately due and payable upon the
335 earlier to occur of the following events:

336 1. The sale or lease of the assessed property; or

337 2. The death of both the deferred assessment applicant and the applicant's
338 surviving spouse, if any.

339
340 17.04.200 "In lieu of assessment". a. An "in lieu of assessment" must be paid for a
341 property to receive additional water or sewer service within or beyond the area within a local
342 improvement district.

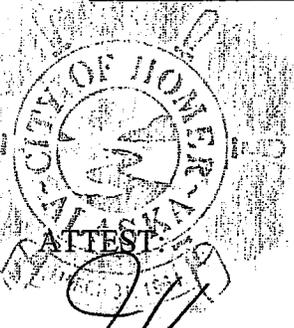
343 b. An "in lieu of assessment" shall be computed on the actual cost of the additional
344 water or sewer service, and shall be paid in accordance with HCC §§17.04.090 and 17.04.100.

345 c. A property on which an "in lieu of assessment" for water or sewer service has
346 been levied in accordance with subsection (a) of this section nonetheless may be included in
347 special assessment district for the same service in the future date, and will be assessed in that
348 district. An amount not exceeding the lesser of (i) the amount of "in lieu of assessment" paid for
349 the property and (ii) the amount of the assessment levied on the property in the future special
350 assessment district shall be a credit against the amount of the assessment levied on the property
351 in the future special assessment district

352
353 Section 2. This Ordinance is of a permanent and general character and shall be included
354 in the City Code.

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ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 9th day of Sept 2012.



ATTEST

[Signature]
JO JOHNSON, CMC, CITY CLERK

YES: 6
NO: 0
ABSTAIN: 0
ABSENT: 0

First Reading: 3/27/12
Public Hearing: 4/09/12
Second Reading: 4/09/12
Effective Date: 4/10/12

Reviewed and approved as to form:

[Signature]
Walt E. Wrede, City Manager

Date: 5/11/12

CITY OF HOMER

[Signature]
JAMES C. HORNADAY, MAYOR

[Signature]
Thomas F. Klinkner, City Attorney

Date: 5-13-12

ORDINANCE(S)

ORDINANCE REFERENCE SHEET
2012 ORDINANCE
ORDINANCE 13-01

An Ordinance of the Homer City Council Amending HCC 17.04.190 to Provide for Deferral of Special Assessments for Low Income Residents.

Sponsor: Burgess

1. City Council Regular Meeting January 14, 2013 Introduction
 - a. Department of Health and Human Services 2012 Poverty Guidelines for Alaska

CITY OF HOMER
HOMER, ALASKA

Burgess

ORDINANCE 13-01

AN ORDINANCE OF THE HOMER CITY COUNCIL,
AMENDING HCC 17.04.190 TO PROVIDE FOR DEFERRAL
OF SPECIAL ASSESSMENTS FOR LOW INCOME
RESIDENTS.

THE CITY OF HOMER HEREBY ORDAINS:

Section 1. HCC 17.04.190, Deferment of assessment payments for senior citizens, is amended to read as follows:

17.04.190 Deferment of assessment payments for low income residents senior citizens.

a. A person may obtain a deferment of assessment payments under this section if the person:

1. ~~Will be at least 62 years of age within 12 months after the date of confirmation of the assessment roll;~~

2. ~~Has an annual family income that is less than 200 percent of the current U.S. Health and Human Services Poverty Guidelines for Alaska would qualify under the United States Department of Housing and Urban Development designation of lower income families adjusted for Alaska and the Kenai Cook Inlet Region;~~

3. Owns or has a life tenancy in the assessed property, and permanently resides in a single family dwelling on the property; and

4. Is not determined by the city, after notice and hearing, to have been conveyed the property primarily for the purpose of obtaining the exemption.

b. An assessment payment deferment is subject to approval by the council. A person seeking deferment of an assessment payment shall file a written application with the finance director on or before the first payment is due, supported by documentation showing that the applicant meets the criteria in subsection (a) of this section. A person receiving an assessment payment deferment must file with the city by April 15th of each subsequent year a new application proving eligibility as of January 1st of that year in order to retain the exemption. Within the same year the city for good cause shown may waive the claimant's failure to make timely application and approve the application as if timely filed.

c. Assessment payment deferments are subject to the availability of funds appropriated for that purpose. An application for an assessment payment deferment shall be submitted to the council with a report from the finance director as to the availability of funds to appropriate for the deferment. Deferred assessments are funded from the following sources:

1. The appropriate utility operating fund for deferred water and sewer assessment payments.

2. The accelerated roads program fund for deferred road improvement assessment payments.

3. The source that the council designates for other deferred assessment payments.

47 If funds for an assessment payment deferment are not available from the appropriate
48 source, the council may loan the necessary amount to the appropriate source from the general
49 fund.

50 d. A person who receives an assessment payment deferment shall execute a deed of
51 trust on the property subject to assessment, together with a promissory note payable to the city
52 on demand, to secure the eventual payment of the deferred payment.

53 e. A deferred assessment payment shall be immediately due and payable upon the
54 earlier to occur of the following events:

55 1. The sale or lease of the assessed property; or

56 2. The death of both the deferred assessment applicant and the applicant's
57 surviving spouse, if any.

58
59 Section 2. This Ordinance is of a permanent and general character and shall be included
60 in the City Code.

61
62 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this
63 day of _____, 2013.

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CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

AYES:

NOES:

ABSTAIN:

ABSENT:

First Reading:

Public Reading:

Second Reading:

Effective Date:

93 Reviewed and approved as to form:

94

95

96

97 _____
Walt Wrede, City Manager

98

99 Date: _____

City Attorney

Date: _____

Filed Date: 1/19/12

Accession Number: 20120119-5162

Comments Due: 5 p.m. ET 2/9/12

Docket Numbers: ER12-840-000

Applicants: Northern Indiana Public Service Company

Description: Northern Indiana Public Service Company submits tariff filing per 35.13(a)(2)(iii): Definitions to be effective 2/1/2012.

Filed Date: 1/19/12

Accession Number: 20120119-5174

Comments Due: 5 p.m. ET 2/9/12

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and 385.214) on or before 5 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Dated: January 19, 2012.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2012-1613 Filed 1-25-12; 8:45 am]

BILLING CODE 6717-01-P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested

persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than February 21, 2012.

A. Federal Reserve Bank of St. Louis (Glenda Wilson, Community Affairs Officer) P.O. Box 442, St. Louis, Missouri 63166-2034:

1. *Cabool State Bank Employee Stock Ownership Plan*, Cabool, Missouri; to acquire additional voting shares, for a total of 31.95 percent of the voting shares of Cabool Bancshares, Inc., and thereby indirectly acquire additional voting shares of Cabool State Bank, both in Cabool, Missouri.

B. Federal Reserve Bank of Minneapolis (Jacqueline G. King, Community Affairs Officer) 90 Hennepin Avenue, Minneapolis, Minnesota 55480-0291:

1. *State Bankshares, Inc.*, Fargo, North Dakota; to acquire 100 percent of the voting shares of First Hawley Bancshares, Inc., and thereby indirectly acquire voting shares of First National Bank, both in Hawley, Minnesota.

C. Federal Reserve Bank of San Francisco (Kenneth Binning, Vice President, Applications and Enforcement) 101 Market Street, San Francisco, California 94105-1579:

1. *First PacTrust Bancorp, Inc.*, Chula Vista, California; to become a bank holding company by acquiring 100 percent of the voting shares of Beach Business Bank, Manhattan Beach, California.

In connection with this application, Applicant also has applied to retain 100 percent of the voting shares of Pacific Trust Bank, fsb, Chula Vista, California, and thereby engage in operating a nonbank thrift subsidiary, pursuant to section 225.28(b)(4) of Regulation Y.

Board of Governors of the Federal Reserve System, January 23, 2012.

Robert deV. Frierson,

Deputy Secretary of the Board.

[FR Doc. 2012-1616 Filed 1-25-12; 8:45 am]

BILLING CODE 6210-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Annual Update of the HHS Poverty Guidelines

AGENCY: Department of Health and Human Services.

ACTION: Notice.

SUMMARY: This notice provides an update of the Department of Health and Human Services (HHS) poverty guidelines to account for last calendar year's increase in prices as measured by the Consumer Price Index.

DATES: *Effective Date:* Date of publication, unless an office administering a program using the guidelines specifies a different effective date for that particular program.

ADDRESSES: Office of the Assistant Secretary for Planning and Evaluation, Room 404E, Humphrey Building, Department of Health and Human Services, Washington, DC 20201.

FOR FURTHER INFORMATION CONTACT: For information about how the guidelines are used or how income is defined in a particular program, contact the Federal, state, or local office that is responsible for that program. For information about poverty figures for immigration forms, the Hill-Burton Uncompensated Services Program, and the number of people in poverty, use the specific telephone numbers and addresses given below.

For general questions about the poverty guidelines themselves, contact Kendall Swenson or Gordon Fisher, Office of the Assistant Secretary for Planning and Evaluation, Room 404E, Humphrey Building, Department of Health and Human Services, Washington, DC 20201—telephone: (202) 690-7507—or visit <http://aspe.hhs.gov/poverty/>.

For information about the percentage multiple of the poverty guidelines to be used on immigration forms such as USCIS Form I-864, Affidavit of Support, contact U.S. Citizenship and Immigration Services at 1-(800) 375-5283.

For information about the Hill-Burton Uncompensated Services Program (free or reduced-fee health care services at certain hospitals and other facilities for persons meeting eligibility criteria involving the poverty guidelines), contact the Office of the Director, Division of Health Facilities, Health Resources and Services Administration, HHS, Room 10-105, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857. To speak to a staff member,

please call (301) 443-5656. To receive a Hill-Burton information package, call 1-(800) 638-0742 (for callers outside Maryland) or 1-(800) 492-0359 (for callers in Maryland). You also may visit <http://www.hrsa.gov/gethealthcare/affordable/hillburton/>.

For information about the number of people in poverty, visit the Poverty section of the Census Bureau's web site at <http://www.census.gov/hhes/www/poverty/poverty.html> or contact the Census Bureau's Customer Service Center at 1-(800) 923-8282 (toll-free) or visit <http://ask.census.gov> for further information.

SUPPLEMENTARY INFORMATION:

Background

Section 673(2) of the Omnibus Budget Reconciliation Act (OBRA) of 1981 (42 U.S.C. 9902(2)) requires the Secretary of the Department of Health and Human Services to update the poverty guidelines at least annually, adjusting them on the basis of the Consumer Price Index for All Urban Consumers (CPI-U). The poverty guidelines are used as an eligibility criterion by the Community Services Block Grant program and a number of other Federal programs. The poverty guidelines issued here are a simplified version of the poverty thresholds that the Census Bureau uses to prepare its estimates of the number of individuals and families in poverty.

As required by law, this update is accomplished by increasing the latest published Census Bureau poverty thresholds by the relevant percentage change in the Consumer Price Index for All Urban Consumers (CPI-U). The guidelines in this 2012 notice reflect the 3.2 percent price increase between calendar years 2010 and 2011. After this inflation adjustment, the guidelines are rounded and adjusted to standardize the differences between family sizes. The same calculation procedure was used this year as in previous years. (Note that these 2012 guidelines are roughly equal to the poverty thresholds for calendar year 2011 which the Census Bureau expects to publish in final form in September 2012.)

The poverty guidelines continue to be derived from the Census Bureau's current official poverty thresholds; they are not derived from the Census Bureau's new Supplemental Poverty Measure (SPM).

The following guideline figures represent annual income.

2012 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA

Persons in family/household	Poverty guideline
1	\$11,170
2	15,130
3	19,090
4	23,050
5	27,010
6	30,970
7	34,930
8	38,890

For families/households with more than 8 persons, add \$3,960 for each additional person.

2012 POVERTY GUIDELINES FOR ALASKA

Persons in family/household	Poverty guideline
1	\$13,970
2	18,920
3	23,870
4	28,820
5	33,770
6	38,720
7	43,670
8	48,620

For families/households with more than 8 persons, add \$4,950 for each additional person.

2012 POVERTY GUIDELINES FOR HAWAII

Persons in family/household	Poverty guideline
1	\$12,860
2	17,410
3	21,960
4	26,510
5	31,060
6	35,610
7	40,160
8	44,710

For families/households with more than 8 persons, add \$4,550 for each additional person.

Separate poverty guideline figures for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. (Note that the Census Bureau poverty thresholds—the version of the poverty measure used for statistical purposes—have never had separate figures for Alaska and Hawaii.) The poverty guidelines are not defined for Puerto Rico or other outlying jurisdictions. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office that

administers the program is generally responsible for deciding whether to use the contiguous-states-and-DC guidelines for those jurisdictions or to follow some other procedure.

Due to confusing legislative language dating back to 1972, the poverty guidelines sometimes have been mistakenly referred to as the "OMB" (Office of Management and Budget) poverty guidelines or poverty line. In fact, OMB has never issued the guidelines; the guidelines are issued each year by the Department of Health and Human Services. The poverty guidelines may be formally referenced as "the poverty guidelines updated periodically in the **Federal Register** by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2)."

Some federal programs use a percentage multiple of the guidelines (for example, 125 percent or 185 percent of the guidelines), as noted in relevant authorizing legislation or program regulations. Non-Federal organizations that use the poverty guidelines under their own authority in non-Federally-funded activities also may choose to use a percentage multiple of the guidelines.

The poverty guidelines do not make a distinction between farm and non-farm families, or between aged and non-aged units. (Only the Census Bureau poverty thresholds have separate figures for aged and non-aged one-person and two-person units.)

Note that this notice does not provide definitions of such terms as "income" or "family," because there is considerable variation in defining these terms among the different programs that use the guidelines. These variations are traceable to the different laws and regulations that govern the various programs. This means that questions such as "Is income counted before or after taxes?", "Should a particular type of income be counted?", and "Should a particular person be counted as a member of the family/household?" are actually questions about how a specific program applies the poverty guidelines. All such questions about how a specific program applies the guidelines should be directed to the entity that administers or funds the program, since that entity has the responsibility for defining such terms as "income" or "family," to the extent that these terms are not already defined for the program in legislation or regulations.

Dated: January 19, 2012.

Kathleen Sebelius,
Secretary of Health and Human Services.
 [FR Doc. 2012-1603 Filed 1-25-12; 8:45 am]
BILLING CODE 4150-05-P

CITY MANAGER'S REPORT

MANAGERS REPORT
January 14, 2013

TO: MAYOR HORNADAY / HOMER CITY COUNCIL

FROM: WALT WREDE

W. Wrede

UPDATES / FOLLOW-UP

1. HSAD Financing: At the last meeting I reported on a trip to the Borough to discuss possible financing for the proposed natural gas distribution system HSAD. On Tuesday night, January 8, Mayor Navarre introduced an ordinance that would amend the Borough Code and allow the Borough to loan money to Homer for this purpose. I attended the Finance Committee meeting and the regular Assembly meeting at which this ordinance was discussed. There were some comments and concerns expressed (very limited and fully addressed) which I will discuss at the meeting if you are interested. The ordinance was introduced at the regular meeting after a brief explanation by the Committee Chair. Public Hearing and Second Reading is scheduled for February 5. A loan agreement will need to be approved by both the Assembly and the Council and we are working on a draft now. I anticipate bringing an ordinance on the loan to Council at its meeting on the 28th for introduction. If Council approves the HSAD on the 28th, second reading and public hearing would occur on February 11. In the meantime, Regina is researching possibilities from commercial lenders.
2. Emergency Operations Plan Update: Chief Bob Painter is leading an effort to update the City's Emergency Operations Plan. He is forming a working group that includes department representatives initially and will later include other affected and interested parties such as the hospital, HEA, the School District, Churches, etc. Bob would like the Mayor to appoint somebody from Council to serve on the committee.
3. Endeavor Drill Rig Update: The company managing the rig has changed from Apache to Spartan. Bryan Hawkins met with representatives of the new management firm last week to establish contacts and lines of communication. The company still has work to do before it can obtain the Coast Guard certifications needed to leave the dock. It is likely to be there for a while longer. Since the rig was at the dock on January 1, the City will receive a significant amount of oil and gas property tax revenues in 2013. The amount will depend upon how the State assesses the rig's value but the revenue could be several hundred thousand dollars. Work has begun on an assessment regarding disturbance to the seafloor associated with the "Soft Pin". A before and after departure assessment will be conducted to determine impacts. We can discuss that in more detail if Council wishes. We have informed Buccaneer that the rig needs to be off the face of the dock by March so that we can proceed with scheduled fender replacement work.
4. 2013 Operating Budget: The Finance Department has amended the 2013 budget document to reflect all of the changes and amendments adopted by the Council in December. The 2013 Operating Budget is now available on-line if the public

wishes to access it. We decided to hold off on printing the budget though until it is clear what will happen with the possible reconsideration of Ordinance 12-53 (S). We did not think it wise to use a lot of paper and printing time until it was known if that ordinance will ultimately pass. If it passed, it would change the budget significantly and a reprint would be necessary.

ATTACHMENTS

1. Memorandum 13-004 from City Planner re: Gas Distribution System Assessment Roll
2. Employee Anniversaries
3. Letter to Mayor Navarre re: HSAD Financing



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 13-004

TO: MAYOR WYTHE AND HOMER CITY COUNCIL
THROUGH: WALT WREDE, CITY MANAGER
FROM: RICK ABOUD, CITY PLANNER RA
DATE: JANUARY 8, 2013
SUBJECT: NATURAL GAS SAD ASSESSMENT ROLL

Changes to the Preliminary Assessment Roll between September 24, 2012, and January 28th, 2013. HCC 17.05.050(c) states the City Council will hold a hearing and act on a resolution to move forward with the proposed improvement. The resolution contains description of the properties to be assessed.

Since the formation of the district, the Planning Office has determined that additional properties should be exempt. There are two categories for the exemptions; lands that have changed through a platting action recorded on or prior to January 28th, 2013, and additional lands that should be exempt from the district per Resolution 12-076 (lots which are constrained from future development).

These changes are not expected to substantially change the per-lot cost of the assessments levied on the properties in the district and will be presented in full at the next meeting of January 28th. It would be expected that the number of exemptions will be more than offset by the amount of routine subdivision activity recorded in the timeframe of the district.



City of Homer

Memorandum

To: Mayor Wythe and Homer City Council
From: Walt Wrede, City Manager
Date: December 26, 2012
Re: January Employee Anniversaries

I would like to take the time to thank the following employees for the dedication, commitment and service they have provided the City and taxpayers of Homer over the years.

Randy Rosencrans,	24	Years
Ken Frazier,	17	Years
Chuck Thorsrud,	14	Years
Richard Gibson,	13	Years
Mark Kruzick,	12	Years
Stacy Luck,	11	Years
Jo Johnson,	9	Years
Regina Mauras,	7	Years
Teresa Sundmark,	6	Years
Amy Gordon,	6	Years
Tomasz Sulczynski,	5	Years
Larry Baxter,	4	Years
Cliff Albrecht,	3	Years
Ken Lewandowski,	1	Year
Mike Parish,	1	Year
Paul McBride,	1	Year
Andrea Browning,	1	Year



City of Homer

City Manager

491 East Pioneer Avenue
Homer, Alaska 99603
907-235-8121, X-2222

Fax (907) 235-3148 E-mail: wwrede@ci.homer.ak.us Web Site: www.ci.homer.ak.us

December 19, 2012

Mayor Mike Navarre
Kenai Peninsula Borough
144 N. Binkley St.
Soldotna, AK. 99669

SUBJECT: Financing for Natural Gas Distribution System

Dear Mayor Navarre:

Thanks for taking the time to meet with me several weeks ago to discuss possible Borough financing for construction of the proposed natural gas distribution system in the City of Homer. The City really appreciates the Borough's willing to consider this idea. In our view, this could be a classic win-win scenario for both governments. The City could take advantage of the opportunity to finance construction at an interest rate and repayment schedule that is significantly superior to what could be obtained elsewhere. The Borough will benefit greatly because it will obtain a better rate of return on its investments than it is currently receiving. Further, the Borough will have the knowledge that it is investing its assets in economic development and a lower cost of living right here on the Peninsula; in one of its member communities.

I think that it would be useful at this time to recap what my understanding is of our preliminary agreement in order to be sure we are on the same track. According to my notes from the meeting, the primary points of agreement were as follows:

- The loan principle amount can be up to \$12.7 Million; the "not to exceed" project cost estimate provided by Enstar.
- The interest rate is 4.5%. This was a little more than prime plus 1% at the time we met. The interest rate will remain fixed over the term of the loan.
- The Borough will establish a line of credit and allow the City to draw down the loan as needed during the course of the construction project. The specifics will be set out in the loan agreement.
- Since the City is not likely to receive assessment revenues until 2015, the Borough is willing to delay the due date for the first principle payment until that time. The City will make interest payments in the interim. The specifics will be set out in the loan agreement.
- The Borough has requested security above and beyond a pledge of assessment revenues. A pledge of sales tax in the event of impending default was suggested. Since the meeting, the City has identified some possible alternatives. This issue will require more discussion prior to final approval of the loan agreement.

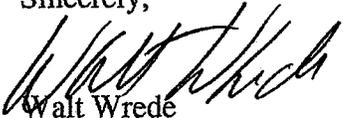
- Borough Attorney Colette Thompson indicated that she had a conversation with the Borough Bond Counsel regarding the possible sale of bonds. Colette indicated that she would look into that further and provide more information.
- Colette indicated that she would put together a draft loan agreement for all of us to review and comment on. This document would be the framework for further discussions.

Please let me know if your understanding of our tentative agreement is different than what I outlined here. I know that the Holiday Season is upon us and we are all very busy. But I am feeling some urgency to make sure we keep moving ahead on this agreement. As I mentioned, the City Council is scheduled to make a final decision on the Special Assessment District at its meeting on January 28. If the Council gives final approval to the Special Assessment District, we hope to have the financing in place and a contract with Enstar approved shortly after that in order to insure that construction can begin in 2013.

To that end, we talked about a tentative loan approval schedule in which the City Council introduced its ordinance on January 28 with second reading and adoption on February 11. The Borough Assembly would introduce its ordinance on January 22 and schedule second reading and adoption on February 12. Please let me know if that schedule is still achievable. In order to accomplish this, I think we would need to have a draft loan agreement circulating no later than the second week in January (the week of the 7th).

Thanks for your time and consideration. Hope you and all of the Borough staff enjoy a wonderful Holiday Season.

Sincerely,



Walt Wrede
City Manager

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 - REPORT

TO: MAYOR WYTHE AND HOMER CITY COUNCIL
FROM: MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK
DATE: JANUARY 8, 2013
SUBJECT: BID REPORT

INVITATION TO BID FOR SEALED BIDS FOR CITY HALL, PARKS AND CEMETERIES - Sealed Bids for CITY HALL, PARKS, and CEMETERIES MAINTENANCE will be received by the Office of the City Clerk, 491 E. Pioneer Avenue, Homer, Alaska 99603 until 2:00 p.m., January 16, 2013, at which time they will be publicly opened. Bids received after the time fixed for receipt of the Bid shall not be considered.

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
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Email: clerk@ci.homer.ak.us

MEMORANDUM

TO: MAYOR WYTHE AND CITY COUNCIL

FROM: JO JOHNSON, CMC, CITY CLERK 

DATE: JANUARY 8, 2013

SUBJECT: GAMES REPORT

We have received notification by the following entities of 2012 Alaska Gaming Permits:

Benevolent & Protective Order of Elks Lodge #2127

RECOMMENDATION:

Informational only.

Fiscal Note: Revenues.

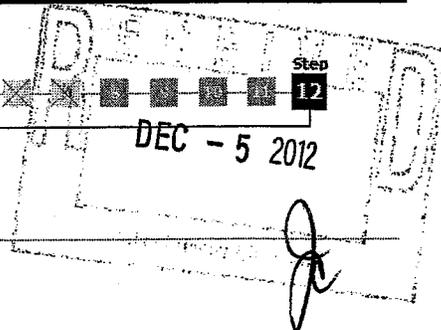
Department of Revenue - Tax Division
Online Permitting and Licensing

State of Alaska > DOR > Online Tax Information System > Online Permitting and Licensing

Application Overview

Version 23: 2012 - Permittee Application Number: 8864

Current Status: Finalized



Application Task List:

- 1. Complete Application Form
- 2. Submit Required Documentation
- 3. Sign This Application
- 4. Pay Application Fees
 - \$100.00 \$50 for each vendor
 - \$100.00 Total**

Your Application Data (Tracking Number: 8884) (Payment Receipt Numbers: 11284000033)

Organization Information

Permit Number	496
Year Permit requested for	2012
Federal EIN or Alaska Tax Identification Number	920044637
Name of Organization or Municipality	Benevolent & Protective Order Of Elks Lodge # 2127
Mailing Address One	215 W Jenny Way
City, State Zip + 4	Homer, AK 99603
Telephone Number (All numbers include area code)	(907) 235-2127
Fax Number (All numbers include area code)	(907) 235-2190
Organization Website Address (If available)	
Type of Organization	Fraternal Corporation
Organized As	Self-Directed by the Organization
How will activities be conducted?	
Does the organization have 25 or more members who are Alaska residents as defined in your articles of incorporation or bylaws?	Yes
Have the organization's articles of incorporation changed?	No
Have the organization's bylaws changed?	No
Estimated gross receipts for year prior to application year:	\$100,001 or more

Game Types

Facility or Location-Specific - Unrestricted	Bingo Pull-Tabs
Area Based - Unrestricted	Contest of Skill Fish Derbies Raffles

Self-Directed Facility or Location-specific

Game Type(s)	Bingo, Pull-Tabs, Raffles
Facility or Location Name	Homer Elks Lodge 2127
Address	215 W Jenny Way
City, State, Zip	Homer, AK 99603
Ownership	Owned

Area-based Information

Area	Homer
Game Type(s)	Contest of Skill, Fish Derbies, Raffles

Vendor Information

Operator Information

Multiple-beneficiary Permittee (MBP)

Members in Charge / Manager of Games

What position does this person serve? Primary and Manager

First name Jan

Middle Initial C

Last Name Jonker

Address 422 Elderberry Ct

City, State, Zip Homer, AK 99603

Daytime Telephone (907) 235-3170

Mobile Number

Email Address

Has this person taken the test? Yes

Permit number under which the test was taken

What position does this person serve? Alternate Member in Charge

First name Michael

Middle Initial

Last Name Coates

Address 215 W Jenny Way

City, State, Zip Homer, AK 99603

Daytime Telephone (907) 235-2553

Mobile Number

Email Address

Has this person taken the test? Yes

Permit number under which the test was taken

Legal Information

Persons convicted of a felony, extortion, or a violation of a law

None

Persons with a prohibited conflict of interest

None

Net Proceeds Dedication, Details

Scholarships / Youth Activities / Veterans Programs / Youth Sports

Sponsors / Community Service Needs / Alaska State Elks Association

Youth & Veterans Activities / Elks National Foundation

Attachments**Title (Type), Description**

Extra Notes/Comments/Descriptions to the Tax Division



CITY ATTORNEY REPORT

MEMORANDUM

TO: MAYOR AND CITY COUNCIL MEMBERS
FROM: THOMAS F. KLINKNER
RE: CITY ATTORNEY REPORT FOR DECEMBER 2012
CLIENT: CITY OF HOMER
FILE NO.: 506,742.1
DATE: JANUARY 7, 2013

The following summarizes our activities as City Attorney during the month of December 2012.

City Council. Holly Wells attended the December 10, 2012 City Council meeting. I advised the Council regarding the use of a secret ballot to fill a Council vacancy.

City Clerk. Holly Wells advised the City Clerk regarding records retention issues.

City Manager. I drafted ordinances authorizing the City to proceed with the natural gas distribution system and authorizing the issuance of bonds to finance the construction of the system. I reviewed the terms of the proposed loan from the Borough for the construction of the natural gas distribution system, and conferred with the Borough's bond counsel regarding the loan.

City of Homer v. Kennedy. Adam Cook continued to work with the Planning Department to resolve Mr. Kennedy's zoning violation.

City of Homer v. Fred R. Kelley. Adam Cook attended an evidentiary hearing regarding damages in this action for breach of a moorage agreement.

The Auction Block Company v. City of Homer. Holly Wells and Adam Cook prepared the City's prehearing brief and addressed various discovery issues for Auction Block's claims before the Federal Maritime Commission.

I will be available to answer questions regarding these matters at the January 14, 2013 Council meeting.

cc: Walt Wrede
Jo Johnson

COMMITTEE REPORT(S)

PENDING BUSINESS

ORDINANCE REFERENCE SHEET
2012 ORDINANCE
ORDINANCE 12-53

An Ordinance of the Homer City Council, Amending HCC 9.16.010(A) and HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100 Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Non Prepared Foods.

Sponsor: Zak

1. City Council Regular Meeting November 26, 2012 Introduction
 - a. Kenai Peninsula Borough Ordinance 2008-28
 - b. Ordinance 08-32(S)(A-2)
 - c. City Attorney Memorandum re: Effect of Vote on Proposition to Repeal Sales Tax Exemption
 - d. Written public comments

2. City Council Regular Meeting December 10, 2012 Public Hearing and Second Reading
 - a. Substitute Ordinance 12-53(S)
 - b. Kenai Peninsula Borough Ordinance 2008-28
 - c. Ordinance 08-32(S)(A-2)
 - d. City Attorney Memorandum re: Effect of Vote on Proposition to Repeal Sales Tax Exemption
 - e. Written public comments

3. City Council Regular Meeting January 14, 2013 Reconsideration
 - a. Substitute Ordinance 12-53(S)
 - b. Kenai Peninsula Borough Ordinance 2008-28
 - c. Ordinance 08-32(S)(A-2)
 - d. City Attorney Memorandum re: Effect of Vote on Proposition to Repeal Sales Tax Exemption
 - e. Written public comments

CITY OF HOMER
HOMER, ALASKA

Zak

ORDINANCE 12-53(S)

AN ORDINANCE OF THE HOMER CITY COUNCIL,
AMENDING HCC 9.16.010(A) AND HCC 9.16.040, AND
REPEALING AND REENACTING HCC 9.16.100
REINSTATING ON A YEAR-ROUND BASIS THE CITY OF
HOMER SALES TAX IMPOSED ON SALES OF
NONPREPARED FOODS.

WHEREAS, A proposition was passed by the voters in the Kenai Peninsula Borough
("Borough") exempting nonprepared foods from sales tax from September 1st through May 31st;
and

WHEREAS, The Borough adopted Ordinance 2008-28 authorizing cities within the
Borough, including the City of Homer ("City"), to continue taxing nonprepared foods during the
period from September 1st through May 31st despite the Borough's exemption of such foods from
sales tax during those months; and

WHEREAS, The City enacted Ordinance 08-32(S)(A-2) on December 8, 2008 exempting
the sales of nonprepared foods from City sales tax during September 1st through May 31st of each
year; and

WHEREAS, The loss of sales tax revenues on the sale of nonprepared foods has had a
substantial negative impact on funding for essential City services including but not limited to
water, sewer, and road project matching funds and has required the almost complete elimination
of all non-essential City services; and

WHEREAS, It is in the City's best interest to reinstate the sales tax on nonprepared foods
at the full 4.5% rate on a year-round basis to provide funding for City services.

THE CITY OF HOMER HEREBY ORDAINS:

Section 1. The City of Homer exercises the authority granted it under Kenai
Peninsula Borough Ordinance 2008-28 to levy and collect sales taxes on nonprepared food items
on a year-round basis notwithstanding Kenai Peninsula Borough Initiative Ordinance 2008-01.

Section 2. Section 9.16.010(a) of the Homer City Code is hereby amended to read as
follows:

9.16.010 Levied. a. A consumer's sales tax in the amount of three percent is
levied by the City on all sales, rents and services within the City except as the
same may be otherwise exempted by law. ~~provided that the rate of sales tax on
nonprepared food items shall be 1.5% during the period from September 1~~

47 ~~through May 31. This reduced tax rate imposed on nonprepared foods items shall~~
48 ~~no longer be effective if the Borough's exemption of nonprepared foods from its~~
49 ~~sales tax is repealed or overturned. As used in this subsection, the term~~
50 ~~"nonprepared foods" shall have the meaning ascribed to that term in Chapter 5.18~~
51 ~~of the Kenai Peninsula Borough Code, as the same may be amended from time to~~
52 ~~time.~~

53
54 Section 3. Section 9.16.040 of the Homer City Code is hereby amended to read as
55 follows:

56
57 9.16.040 Borough Provisions Adopted by Reference. Except for provisions
58 regarding exemption from sales tax, which are addressed in Section 9.16.100 of
59 this chapter, those sections of the Kenai Peninsula Borough Code of Ordinances
60 applicable to the levy and collection of the sales tax described in this chapter are
61 incorporated by this reference and made a part of this chapter as though fully set
62 forth in this chapter.

63
64 Section 4. Section 9.16.100 of the Homer City Code is hereby repealed and reenacted
65 to read as follows:

66
67 9.16.100 Exemptions. Except for sales of nonprepared food items, all
68 sales, rentals, and services that are exempted from sales tax under the Kenai
69 Peninsula Borough Code as amended from time to time shall be exempt from the
70 sales tax levied under Section 9.16.010 of this chapter.

71
72 Section 5. This ordinance is of a permanent and general character and shall be
73 included in the city code.

74
75 Section 6. This ordinance shall take effect March January 1, 2013.

76
77
78 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this
79 day of _____, 2012.

80
81
82
83 CITY OF HOMER

84
85
86 _____
87 MARY E. WYTHE, MAYOR
88
89
90
91
92

93 ATTEST:

94

95

96

97 JO JOHNSON, CMC, CITY CLERK

98

99

100 AYES:

101 NOES:

102 ABSTAIN:

103 ABSENT:

104

105 First Reading:

106 Public Reading:

107 Second Reading:

108 Effective Date:

109

110

111 Reviewed and approved as to form:

112

113

114

115 Walt Wrede, City Manager

116

117 Date: _____

118

Thomas F. Klinkner, City Attorney

Date: _____

Introduced by:	Mayor
Date:	08/19/08
Hearings:	09/02/08 & 09/16/08
Action:	Postponed Until 09/16/08
Action:	Enacted as amended
Vote:	6 Yes, 1 No, 2 Absent
Action:	Reconsideration Filed by Fischer
Date:	10/14/08
Action:	Reconsideration Failed
Vote:	1 Yes, 8 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2008-28**

**AN ORDINANCE AUTHORIZING THE GENERAL LAW CITIES IN THE KENAI
PENINSULA BOROUGH TO LEVY AND COLLECT SALES TAXES ON
NONPREPARED FOOD ITEMS**

WHEREAS, if approved by the voters in the October 7, 2008, election, ballot Proposition 1 will require that nonprepared food items be exempt from borough sales taxes from September 1 through May 31 of each year; and

WHEREAS, Alaska Statute 29.45.700 requires general law cities in the borough that levy a sales tax to levy the tax sources taxed by the borough unless the assembly by ordinance authorizes the city to levy and collect taxes on other sources; and

WHEREAS, the cities of Soldotna, Homer, and Seldovia are general law cities that levy a sales tax and will be required to exempt nonprepared foods if Proposition 1 passes, unless the assembly gives them the option to tax nonprepared food year-round; and

WHEREAS, the cities of Seward and Kenai are home rule cities and are, therefore, exempt from the statutory requirement to tax the same sources as the borough unless otherwise provided by the assembly; and

WHEREAS, at its meeting on August 13, 2008, the Soldotna City Council adopted Resolution 2008-052 requesting the Kenai Peninsula Borough to grant the city of Soldotna the option to tax nonprepared food; and

WHEREAS, at its meeting of September 10, 2008 the Seldovia City Council adopted Resolution 09-03 in support of Kenai Peninsula Borough Ordinance 2008-28; and

WHEREAS, at its meeting of July 28, 2008, the Homer City Council introduced Ordinance 08-32, amending the Homer Sales Tax Code to seasonally exempt sales of nonprepared food between September 1 and May 31 each year and scheduled that ordinance for public hearing on October 27, 2008; and

WHEREAS, exempting nonprepared food items for nine months each year will likely have a significant impact on the cities' revenues; and

WHEREAS, each city is in the best position to make policy decisions concerning whether or not to exempt nonprepared food items from its respective city sales tax; and

WHEREAS, it is accordingly appropriate to authorize the city councils of general law municipalities to make this decision on behalf of their own constituents;

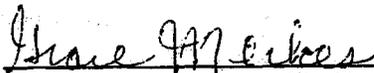
NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the general law cities in the Kenai Peninsula Borough are authorized to levy and collect sales taxes on nonprepared food items on a year-round basis except for sales that are required to be exempted by AS 29.45.700 as now enacted or may be hereinafter.

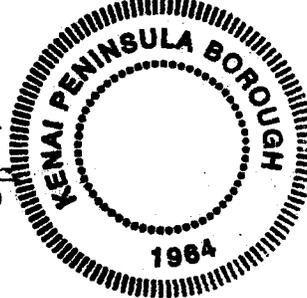
SECTION 2. That this ordinance shall take effect on October 14, 2008, if Proposition 1 of the Kenai Peninsula Borough regular election is approved by the voters.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF SEPTEMBER, 2008.

ATTEST:


Grace Merkes, Assembly President


Johni Blankenship, Borough Clerk



Enactment:

Yes: Long, Martin, Smith, Sprague, Superman, Merkes
No: Fischer
Absent: Gilman, Knopp

Reconsideration:

Yes: Fischer
No: Fischer, Gilman, Knopp, Long, Martin, Smith, Sprague, Superman, Merkes
Absent: None

CITY OF HOMER
HOMER, ALASKA

Mayor

ORDINANCE 08-32(S)(A-2)

1
2 AN ORDINANCE ENACTING HOMER CITY CODE
3 9.16.100 TO EXEMPT SALES OF NONPREPARED
4 FOODS FROM SEPTEMBER 1ST THROUGH MAY 31ST OF
5 EACH YEAR, PENDING COMPLETION OF AN ADVISORY
6 VOTE REGARDING THE SALES TAX STRUCTURE FOR
7 NONPREPARED FOOD ITEMS, AND INCORPORATING IN
8 THE HOMER CITY CODE ALL OTHER SALES TAX
9 EXEMPTIONS ADOPTED BY THE KENAI PENINSULA
10 BOROUGH.

11
12 WHEREAS, A proposition was passed by the voters in the Kenai Peninsula
13 Borough exempting nonprepared foods from sales tax from September 1st through
14 May 31st; and

15
16 WHEREAS, The City of Homer ("City") believes it is appropriate to exempt the
17 sales of nonprepared foods from taxation from September 1st through May 31st.

18
19 THE CITY OF HOMER HEREBY ORDAINS:

20
21 Section 1. Homer City Code Chapter 9.16 is hereby amended by adding the
22 following section 9.16.100:

23
24 9.16.100 Exemptions. The following are exempt from the Homer sales
25 tax:

26
27 a. Commencing January 1, 2009, sales of nonprepared food items from
28 September 1st through May 31st of each year.

29
30 b. All other items granted exemption from sales tax under the Kenai
31 Peninsula Borough Code as amended from time to time, except where the
32 Kenai Peninsula Borough by ordinance expressly authorizes the city to tax
33 a source exempted from sales tax by the Kenai Peninsula Borough Code
34 and the city imposes a sales tax on that source in compliance with the law.

35
36 Section 2. This exemption on nonprepared food items shall no longer be
37 effective if the Borough's exemption on nonprepared foods from its sales tax is repealed
38 or overturned.

39

40 Section 3. The Council intends to bring forward a proposition for an advisory
41 vote regarding the sales tax structure for nonprepared food items as soon as
42 administratively practical.

43
44 Section 4. This ordinance shall take effect upon its adoption by the Homer City
45 Council.

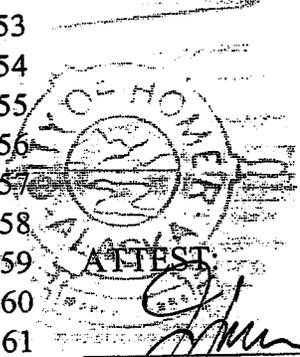
46
47 Section 5. This ordinance is of a permanent and general character and shall be
48 included in the city code.

49
50 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA,
51 this 8th day of December, 2008.

52
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61

CITY OF HOMER

James C. Hornaday
JAMES C. HORNADAY, MAYOR



ATTEST

[Signature]
JO JOHNSON, CMC, CITY CLERK

62
63
64
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66
67
68

AYES: 6
NOES: 0
ABSTAIN: 0
ABSENT: 0

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First Reading: 7/28/08
Public Reading: 11/24/08
Second Reading: 12/08/08
Effective Date: 12/09/08

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Reviewed and approved as to form:

77
78
79

Walt Wrede
Walt Wrede, City Manager

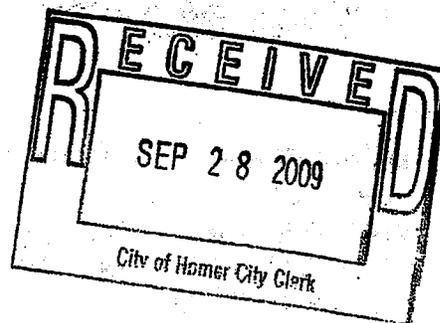
Thomas F. Klinkner
Thomas F. Klinkner, City Attorney

80
81
82

Date: 12/12/08

Date: 12-18-08

MEMORANDUM



TO: Walt Wrede, City Manager
Jo Johnson, City Clerk
City of Homer

FROM: Tom Klinkner

DATE: September 28, 2009

FILE NO.: 506,742.1

RE: Effect of Vote on Proposition to Repeal Sales Tax Exemption

The City of Homer ("City") enacted an ordinance exempting sales of nonprepared food items from September 1 until May 31 from the City's sales tax. The City then enacted an ordinance providing for the levy of a 3% sales tax on sales of nonprepared food items from September 1 until May 31, placed a proposition for the levy of such a tax on the ballot for the October 6, 2009 regular City election, and made the tax levy subject to voter approval of the proposition. You have asked the following questions regarding the vote on this proposition:

1. If the voters do not approve the proposition, may the Council thereafter repeal the tax exemption for sales of nonprepared food items from September 1 until May 31 without voter approval?
2. If the voters approve the proposition, may the Council thereafter increase the rate of sales tax on sales of nonprepared food items from September 1 until May 31 without voter approval?

In summary, if the voters do not approve the proposition, the Council may repeal the tax exemption without voter approval. If the voters approve the proposition, it is not clear whether the Council may increase the rate of sales tax on sales of nonprepared food items from September 1 until May 31 without voter approval.

1. Background.

The City levies a sales tax under the authorization in AS 29.45.700(a):

(a) A city in a borough that levies and collects areawide sales and use taxes may levy sales and use taxes on all sources taxed by the borough in the manner provided for boroughs. Except as provided in (d) and (e) of this section, the assembly may by ordinance authorize a city to levy and collect sales and use taxes on other sources.

Before January 1, 2009, the City levied a sales tax at an aggregate rate of 4.5% "on all sales, rents and services within the City except as the same may be otherwise exempted by law."¹ The City Code did not specify any sales tax exemptions, so sales were exempt from City sales tax only if exempt under federal or state law, or exempt from the sales tax levied by the Kenai Peninsula Borough ("Borough").²

An initiative proposition to exempt sales of nonprepared food from September 1 to May 31 from Borough sales tax was placed on the ballot at the October 7, 2008 regular Borough election ("Borough Proposition").³ Under AS 29.45.700(a), voter approval of this initiative would have precluded the City from taxing the sales that the initiative exempted from Borough sales tax unless the Borough Assembly authorized it to do so by ordinance.

Anticipating the effect of this initiative on the levy of sales taxes by general law cities in the Borough, the Borough Assembly on September 16, 2008, adopted Ordinance 2008-28. Section 1 of Ordinance 2008-28 provided, "That the general law cities in the Kenai Peninsula Borough are authorized to levy and collect sales taxes on nonprepared food items on a year-round basis except for sales that are required to be exempted by AS 29.45.700 as now enacted or may be hereinafter (sic)." Ordinance 2008-28 was to become effective on October 14, 2008 if the voters approved the Borough Proposition. The voters approved the Borough Proposition at the October 7, 2008 regular Borough election. The exemption enacted by the Borough Proposition was to become effective on January 1, 2009.

With voter approval of the Borough Proposition, the authorization in Borough Ordinance 2008-28 for general law cities in the Borough to tax nonprepared food items on a year-round basis became effective on October 14, 2008. Thus, voter approval of the Borough Proposition had no effect on the application of the City sales tax to nonprepared food items. However, on December 8, 2008, the City Council adopted Ordinance 08-32(S)(A-2). This ordinance enacted HCC 9.16.100(a), making sales of nonprepared food items exempt from City sales tax from September 1 through May 31 of each year, commencing January 1, 2009. Section 3 of Ordinance 08-32(S)(A-2) also

¹ HCC 9.16.010.

² Under AS 29.45.700(a), the City's sales tax structure must mirror that of the Borough with regard to which transactions are taxable or exempt from taxation, subject to the authority of the "assembly...by ordinance [to] authorize a city to levy and collect sales and use taxes on other sources." *City of Homer v. Gangl*, 650 P.2d 396, 399-400 (Alaska 1982).

³ The initiative proposed enacting Kenai Peninsula Borough Code 5.18.200(15)(d) as follows:
(d) Sales of nonprepared food items. Sales tax is prohibited on all sales of nonprepared food items from September 1 until May 31 of each year. These food items exempted from sales tax include those which have been previously granted exemption in KPB 5.18.200(14) for food purchased with coupons issued under the federal food stamp program.

stated, "The Council intends to bring forward a proposition for an advisory vote regarding the sales tax structure for nonprepared food items as soon as administratively practical."

On January 26, 2009, the Council adopted Ordinance 09-02, providing for the levy of a sales tax on nonprepared foods at a rate of 3.0% from September 1 through May 31 of each year, effective January 1, 2010, but only if the City voters approved the following proposition ("City Proposition") at the October 6, 2009 regular City election:

Shall the City of Homer levy a sales tax on sales of nonprepared food items at a rate of 3.0%, consisting of 0.75% to fund water and sewer systems (HAWSP), 0.75% to fund construction of roads and trails (HART), and 1.5% for the general fund during the period from September 1st through May 31st?

The questions presented here concern what effect the vote on the City Proposition will have on the Council's power thereafter to legislate regarding the taxation of sales of nonprepared food items from September 1 through May 31.

2. Ordinance 09-02 Repealed a Sales Tax Exemption, which Did Not Require Voter Approval.

AS 29.35.250(a) authorizes the City to "exercise any power not otherwise prohibited by law." AS 29.20.050(a) vests the legislative power of the City in the Council. Thus, the Council may exercise its legislative power without voter approval, except where prohibited by law from doing so. One prohibition on the exercise of legislative power by the Council is the requirement in AS 29.45.670 that "[a] new sales and use tax or an increase in the rate of levy of a sales tax approved by ordinance does not take effect until ratified by a majority of the voters at an election." In contrast, the power to grant sales tax exemptions is not so limited: "[sales tax] exemptions may be granted by ordinance."⁴

*City of St. Mary's v. St. Mary's Native Corporation*⁵ addressed the question whether a city council could repeal a sales tax exemption by ordinance, without voter approval. The City's sales tax ordinance had exempted from taxation the part of a sale in excess of \$1,000. The case challenged the council's repeal of this exemption by ordinance. The court held that repealing a sales tax exemption neither increases the rate of levy of a sales tax, nor imposes a new sales tax—the two actions that AS 29.45.670 makes subject to voter approval.⁶ Thus, the city council could repeal the sales tax exemption under its implicit authority to repeal any ordinance that it had the power to enact:

⁴ AS 29.45.650(a).

⁵ 9 P.3d 1000 (Alaska 2000).

⁶ 9 P.3d at 1006-1008.

Alaska Statute 29.45.650(a) grants a municipality the power to grant an exemption to a sales tax by ordinance without voter approval. We conclude that this grant of power implies the power to repeal such an exemption by ordinance. As one commentator has observed:

Specific grant of power to repeal ordinances, however, ordinarily is not necessary since it is the general rule that power to enact ordinances implies power, unless otherwise provided in the grant, to repeal them. It is patently obvious that the effectiveness of any legislative body would be entirely destroyed if the power to amend or repeal its legislative acts were taken away from it.

Moreover, Alaska's constitution and our prior case law require us to interpret AS 29.45.650(a) in favor of the broad power of municipal governments. We have concluded that article X, section 1 of the Alaska Constitution restrains us from implying limitations "on the taxing authority of a municipality where none are expressed."⁷

While the amendments of the City Code in Ordinance 09-02 speak in terms of the levy of a sales tax on nonprepared food items from September 1 through May 31, their effect is to partially repeal the tax exemption for such sales that was enacted by Ordinance 08-32(S)(A-2). Under the court's analysis in *City of St. Mary's*, the City Code amendments in Ordinance 09-02 neither increase the rate of levy of a sales tax, nor impose a new sales tax, and could take effect without voter approval.

3. *If the Voters Reject the City Proposition, the Council Nonetheless May Repeal the Sales Tax Exemption for Nonprepared Food Items without Voter Approval.*

Ordinance 09-02 only makes voter approval of the City Proposition a condition to the effectiveness of its partial repeal of the tax exemption for sales of nonprepared food items from September 1 through May 31. Voter rejection of the City Proposition merely causes the failure of that condition. It has no other legal effect. Nothing in Ordinance 09-02 indicates that voter rejection of the City Proposition would restrict the Council's authority to legislate regarding the sales tax exemption for nonprepared food items. Moreover, such a restriction is not permissible. It is a well established rule of municipal law that a city council may not limit the legislative power of future councils by prohibiting the repeal of an ordinance:

The power of repeal extends, generally speaking, to all ordinances. Indeed, a municipal corporation cannot abridge its own legislative powers

⁷ 9 P.3d at 1007 (footnotes omitted).

by the passage of irrevocable ordinances. The members of its legislative body are trustees for the public, and the nature and limited tenure of their office impress the ordinances enacted by them with liability to change. One council may not by an ordinance bind itself or its successors so as to prevent free legislation in matters of municipal government. Accordingly, in the absence of a valid provision to the contrary, a municipal council or assembly, having the power to legislate on, or exercise discretionary or regulatory authority over, any given subject, may exercise that power at will by enacting or repealing an ordinance in relation to that subject.⁸

Thus, the Council's adoption of Ordinance 09-02 could not "abridge its own legislative power" by either expressly or implicitly attributing that result to the voters' rejection of the City Proposition. Notwithstanding voter rejection of the City Proposition, the Council may repeal the sales tax exemption for nonprepared food items in Ordinance 08-32(S)(A-2) without voter approval.

4. Voter Approval of the City Proposition May Preclude the Council from Eliminating the Remainder of the Exemption for Sales of Nonprepared Food Items.

In upholding the repeal of a sales tax exemption by ordinance, the *City of St. Mary's* decision also took notice of the specific manner in which the repealed sales tax exemption had been adopted. The city's voters had authorized a sales tax by approving the following ballot measure: "Shall the City of St. Mary's levy a 3% sales tax?"⁹ Only after the vote did the city council adopt a detailed sales tax ordinance that included exemptions, among which was the exemption whose repeal by the council was the subject of the litigation.¹⁰ One of the *City of St. Mary's* opinion's concluding statements indicates that this sequence of events may have affected the outcome of the case: "We therefore conclude that when a local government grants an exemption by ordinance **and the exemption is not subjected to a public vote**, it may repeal that exemption by ordinance without a public vote."¹¹

The court examined this qualifying phrase in *Interior Cabaret, Hotel, Restaurant & Retailers Association v. Fairbanks North Star Borough ("ICHRRA")*.¹² This case concerned a sales tax on alcoholic beverages that the borough levied pursuant to voter approval of the following ballot proposition: "Shall the Fairbanks North Star Borough levy an areawide 5% tax on the retail sale of alcoholic beverages with limited exemptions for alcoholic beverage sales to the extent taxed by the City of Fairbanks

⁸ 6 McQuillin, *The Law of Municipal Corporations* § 21.10, at 374 (rev.3d ed. 2007) (footnotes omitted).

⁹ 9 P.3d at 1004.

¹⁰ *Id.*

¹¹ 9 P.3d at 1007-1008 (emphasis added).

¹² 135 P.3d 1000 (Alaska 2006).

and the City of North Pole?"¹³ The opponent of the tax argued that the ballot proposition impermissibly restricted the authority of the borough assembly to later repeal the exemptions referred to in the ballot proposition:

ICHRRA correctly points out that the exemptions in Ordinance 2003-52 may have made the sales tax more palatable to some voters; it argues that because borough voters approved both the tax and the exemptions, repeal of or reduction in the exemptions would be a new tax or an increase in the rate of levy. ICHRRR reasons that the assembly therefore cannot repeal the exemptions without voter approval. This, ICHRRR argues, is a violation of the separation of powers because it takes budget authority away from the assembly and places it in the hands of the voters.¹⁴

The court acknowledged the basis for this argument in the *City of St. Mary's* decision:

In *St. Mary's* we concluded that "when a local government grants an exemption by ordinance and the exemption is not subjected to a public vote, it may repeal that exemption by ordinance without a public vote." ***The negative implication of this statement may be that when exemptions are approved by public vote, they may not be repealed by a mere ordinance.***¹⁵

However, the court rejected the separation of powers argument, concluding that, even if a voter-approved sales tax exemption could not be repealed without voter approval, the borough's sales tax was valid: "We see no separation of powers problem with an areawide tax that includes voter-approved exemptions that require voter approval for repeal."¹⁶

Before resolving the separation of powers issue, though, the court also examined the "negative implication" that it observed in the *City of St. Mary's* decision, returning to the language used in the statute authorizing sales tax exemptions:

Moreover, AS 29.45.650(a) provides that "[e]xemptions *may* be granted by ordinance." (Emphasis added.) The use of the permissive term "may" suggests that ordinances are not the sole means by which exemptions may be granted. We therefore do not read AS 29.45.650(a) as either precluding the adoption through referendum of a sales tax with

¹³ 135 P.3d at 1002.

¹⁴ 135 P.3d at 1004.

¹⁵ *Id.* (footnote omitted, emphasis added).

¹⁶ *Id.*

exemptions or mandating that repeal of an exemption adopted in this manner would require voter approval.¹⁷

But the court's statement that it did not interpret AS 29.45.650(a) to require voter approval for the "repeal of an exemption adopted [as part of a voter-approved sales tax referendum]" was not its last word on this subject. It concluded with the following disclaimer:

Because the assembly has not attempted to repeal these exemptions, we need not decide here whether it could do so without voter approval.¹⁸

Thus, if a sales tax referendum includes a description of tax exemptions in the question whether to levy a sales tax, it is not certain whether a sales tax exemption described in the referendum is subject to repeal without voter approval.

As discussed above, the City Code amendments in Ordinance 09-02 partially repeal a sales tax exemption—they do not levy a new sales tax. If the voters approve the City Proposition, they are only ratifying that partial repeal. In contrast to the situation that was presented in *ICHRRA*, the voters would not be ratifying the levying of a new sales tax, subject to exemptions. Nonetheless, there is the same feature that the court noticed in *ICHRRA*, that the reduced rate of taxation of sales of nonprepared food items in the City Proposition might have made the partial repeal of the tax exemption more palatable to some voters. This, combined with the court's observation in *ICHRRA* that an ordinance is not the exclusive means of granting a sales tax exemption under AS 29.45.650(a), might lead a court to reason by analogy that a voter-ratified partial repeal of a sales tax exemption precludes a further repeal of the exemption by ordinance.

However, there also is a viable argument for the contrary result. As discussed above, under the holding in *City of St. Mary's*, the amendments to the City Code in Ordinance 09-02 that partially repealed the tax exemption for sales of nonprepared food items from September 1 to May 31 were not required to be subject to voter approval. As in the case of voter rejection of the City Proposition, voter approval of the City Proposition cannot deprive a future Council of authority to act on the same subject.

Thus, it is unclear whether voter approval of the City Proposition would preclude the Council from subsequently modifying or repealing the remaining exemption of sales of nonprepared foods from the full 4.5% sales tax previously authorized by the voters.

¹⁷ *Id.* (footnotes omitted, emphasis added).

¹⁸ 135 P.3d at 1004 n. 20.

OCT 30, 2012

To All Homer City Council Members —

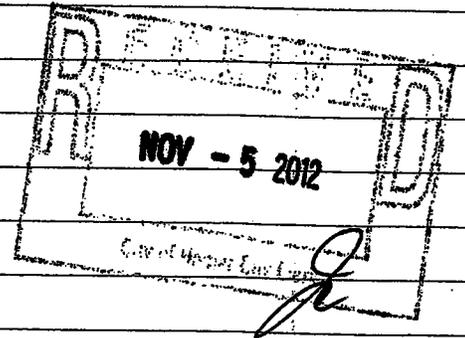
My name is Robert Townsend. I'm 64 years old and live off of less than \$20,000 per year. Please don't mess with the tax exemption for groceries without first bringing it to a vote of the people.

I live within my means and do without many things I can't afford. I wish you would do the same.

Thank You,

Robert Townsend

Ph # 907-748-1925



Jo Johnson

From: Mary Griswold <mgrt@xyz.net>
Sent: Wednesday, November 28, 2012 4:02 PM
To: Department Clerk
Subject: Budget & sales tax reinstatement

I support reinstatement of the year-around sales tax on nonprepared foods because it helps distribute the cost of city services to beneficiaries outside the city. My comments are probably unnecessary because it sounds like you already have four votes to pass it and spend the revenue it will generate. \$30,000 is plenty to spend on promotional advertising for Homer. We do not need a city lobbyist. Modern communication and transportation enable city officials to maintain effective pressure on our legislators to support our requests.

I am opposed to the city sponsoring and financing the natural gas line build-out because this is a real potential budget buster. If there are not enough essential city services to occupy city employees' time, then staffing should be reduced. The gas line build-out can be better managed by Enstar working with interested neighborhoods and subdivisions. The city has spent a lot of time and resources promoting this private enterprise and will spend a lot more trying to collect the assessments from property owners who cannot afford to pay them. Or taxpayers will foot this bill. Since the HSAD also appears to be a done deal, please know that I oppose deferring assessments for anyone because this is not city-owned infrastructure or responsibility. I regret that the city has railroaded this project which may cause unnecessary hardship for a lot of people.

Jo Johnson

From: rogerimhoff@alaska.net
Sent: Thursday, November 29, 2012 7:59 AM
To: Department Clerk
Subject: sales tax

I followed in the paper the pros/cons of re-instating the "grocery tax" and as a long time resident of the Homer area and supporter of our small businesses, I have to go on the opposing side (of re-instating) for a few simple reasons:

1. The Majority of the money that is not being spent on the grocery tax stays in the community and is most likely taxed on other purchases.

This simple action supports our local economy. I believe the positive effect of this "spreading out the spending" has a greater positive effect than City of Homer spending, particularly on personnel.

2. There are alot people just hanging on by their fingernails around here, especially during the winter months. I think the reduced tax helps where it is important in putting food on the table. I know it helps us out.

3. The City is by no means going to shut the doors at City Hall or Public Works or the Harbor without the additional funds. There is always room for fiscal restraint.

Sincerely,
Roger Imhoff

DEC - 3 2012

3 years ago 60% of Homer residents voted against a winter time sales tax increase on groceries. The whole idea was that the working poor would have one place to spend their money where the city government didn't have their hand out.

Prior to that ballot question, in the fall of 2009, the city attorney was asked his opinion about the legality of the city council ending the food tax exemption "*even if the public voted to keep it*". In his written letter to the council he said that according to the superior court of Alaska - it's not certain whether or not it would be legal. That has not deterred some council members and it should.

Here's what the court decision actually says: "...we concluded that 'when a local government grants an exemption by ordinance and the exemption is 'not' subjected to a public vote, it may repeal that exemption by ordinance without a public vote". ***The negative implication of this statement may be that when exemptions are approved by public vote they may not be repealed by a mere ordinance.***" The court's last words on the subject further stated that a decision on this issue could not be made until a borough (or council) government actually tried to take away a sales tax exemption once the voters ratified it. This is exactly the situation the city of Homer finds itself in right now.

According to state law it is fairly clear that if the sales tax exemption had never gone to a public vote, the council who granted the exemption could have just as easily taken it away. That's not what happened. We didn't just vote on whether or not to 'keep the exemption' - We actually voted on specific language of whether or not to raise the food tax to 3% - and it's a very important distinction.

Elected officials are fond of saying they are listening to their constituents. Having 10 people tell you not to cut something is hardly significant public input. Having 5 or 10 people tell you that they want you to raise taxes on food is hardly a mandate. But that's exactly what's happening here. It's even more distressing because the council members pushing this consider themselves enlightened progressive people. There is nothing progressive at all about raising sales tax rates on groceries.

The question all of us should be asking—is why aren't they letting us vote on it? I had a council member tell me that the public didn't need to vote on it because he was elected to make the hard choices. I'd say going against what 60% of the people voted for is not only a 'hard' choice - but a stupid one as well. I am certain that if the winter food sales tax is reinstated - that very shortly afterward there will be a public initiative and enough signatures gathered to put this issue on the ballot next fall.

The reality is that government generally spends every single dollar it can get. And when they do all the department heads want more. Then once a year the administrator and finance people come to the council with a new budget, a somber look on their faces, and in an apologetic tone of voice they ask for a little more. The next time some well meaning individual tells you that another 30 or 40 dollars a month out of your family food budget is really no big deal, you should ask them how they know.

The slogan on the side of city vehicles reads: "The city that works". Perhaps we should change that to "The city that can't say no". We need to elect councilmen who understand that's exactly what their job is sometimes. It is our job to tell them how much we are willing to be taxed. We deserve that vote and we will have it - one way or another.

DEC - 3

DEC 17 2012

In regards to the reintroduction of city tax on food year round I have the following comments and perspective to share with you.

First of all, in my opinion food shouldn't be taxed anytime, ever. But especially in the winter when people here are working with a tighter home budget because of fuel costs to heat their homes. Let's not forget that many jobs in Homer are seasonal such as most of the tourist industry, construction and fishing.

There are many families in Homer having a tough time feeding and clothing themselves this winter. Reinstating the food tax will make it that much harder.

When I have a bad year financially I have to tighten my belt and prioritize what's really important and what's unnecessary. Maybe the city should do the same.

I have a suggestion for councilmen Zak and Lewis: visit the Methodist Church where the food bank is located on a Monday. Ask the volunteers there how many people they give food to on a weekly basis. See how crowded the place is every Monday. Call Shari or Frog at Share the Spirit, ask them how many more families they have helped the last 2 years compared to 5 years ago. This could be an eye opener for you!

I hear many reasons floated about as to why we need more taxes. Most of them sink like a rock. "People who live outside the city don't pay their fair share toward city services". I live outside the city. I pay city sales tax on dog food and paper products at Save u More, on toothpaste and lightbulbs at Ulmers, on gas at Petro, on dinner at local restaurants, on tickets to the movies. When I participate in community schools programs(now run by the city) I buy a punchcard.

Am I freeloader? "We need more money in the city budget to help out non-profit organizations"

I pay at the door to go in the Pratt museum and know they used to have a grant writer on their payroll.

KBBI lost federal funding a few years ago and they seem to stay solvent by having an annual fund raising membership drive. Kudos to the Haven House for starting a used clothing store with some of their extra donated items. These are just a few examples of how non-profits can create alternate sources of income for their programs.

Let us also consider Homers large senior citizen population. I've seen many seniors cutting coupons, buying sale items and shopping on senior day at Safeway. Many of these folks are on fixed incomes. Does it seem right to add 4.5 % onto their grocery bill?

A majority of the voters in this area were against taxing food a few years ago. Is it not your job as councilmembers to respect your own constituents wishes? Please don't balance your future budget on the backs of the poor, the elderly, and the underemployed persons in our community.

Isn't this supposed to be the Season of Giving?

I sincerely hope the city council has a change of heart on this subject.

JULES RAVIN

cc: Mayor

11 11 210

NEW BUSINESS

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 13-005

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

FROM: JO JOHNSON, CMC, CITY CLERK 

DATE: JANUARY 8, 2013

SUBJECT: TRAVEL AUTHORIZATION FOR MAYOR WYTHE FOR JUNEAU TRIPS ON FEBRUARY 26 AND APRIL 2, 2013 TO ADVOCATE FOR CAPITAL PROJECTS AND LEGISLATION AFFECTING THE CITY.

Mayor Wythe would like to travel to Juneau on February 26 and April 2, 2013 to meet with key leaders of the House and Senate, the Administration, and the District 30 delegation to advocate for capital projects and legislation that affects the City of Homer. It is important for Homer to have a presence in Juneau so the City's priorities and perspective are considered. These trips will provide an opportunity for the Mayor to meet face to face with policy makers and develop relationships that will benefit the City of Homer.

Cost estimates for travel include round trip airfare from Homer to Juneau at \$720.00 and room rates at \$100.00 per night. Per diem is \$58.00 per day for three meals.

For FY 2013 Council budgeted \$3,500 for transportation and \$2,500 for subsistence. To date no monies have been expended from either Transportation Acct. No. 100.100.5236 or Subsistence Acct. No. 100.100.5237.

RECOMMENDATION:

Discuss the travel and if approved allocate funds for transportation, lodging, and meals.

Fiscal Note: Mayor and Council 2013 Budget: 100.100.5236 - Transportation: \$3,500.00 and 100.100.5237 - Subsistence: \$2,500.00.

RESOLUTION(S)

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 13-001

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, CONFIRMING THE CITY MANAGER'S
APPOINTMENT OF JO JOHNSON AS THE ACTING
CITY MANAGER FOR CALENDAR YEAR 2013.

WHEREAS, Homer City Code 1.20.010(b) states that the City Manager shall annually appoint an Acting City Manager, subject to the City Council confirmation which is revocable at any time, by the Council; and

WHEREAS, Pursuant to Homer City Code Section 1.20.010(b) the Acting City Manager shall assume the duties and powers of the City Manager in his absence.

NOW, THEREFORE, BE IT RESOLVED by the Homer City Council that Jo Johnson is hereby appointed by City Manager Walt Wrede and confirmed by the Homer City Council as Acting City Manager for the Calendar Year 2013.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 14th day of January, 2013.

CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 13-002

A RESOLUTION OF THE HOMER CITY COUNCIL
CONFIRMING THE APPOINTMENTS OF REGINA
MAURAS AS TREASURER AND LAURIE MOORE AS
DEPUTY TREASURER FOR CALENDAR YEAR 2013.

WHEREAS, Homer City Code §1.34.010 states that the Treasurer and Deputy Treasurer shall be appointed by and serve at the pleasure of the City Manager, that the Treasurer and Deputy Treasurer shall be confirmed by the Council annually during the first meeting in January and whenever the appointment becomes vacant or whenever the City Manager deems it appropriate to change the appointment; and

WHEREAS, Pursuant to HCC §1.34.010, City Manager Walt Wrede hereby provides notice of the appointment of Regina Mauras as Treasurer and Laurie Moore as Deputy Treasurer for Calendar Year 2013.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, confirms the appointments of Regina Mauras as Treasurer and Laurie Moore as Deputy Treasurer for the Calendar Year 2013.

PASSED AND ADOPTED by the Homer City Council this 14th day of January, 2013.

CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 13-003

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, DESIGNATING SIGNATORIES OF CITY
ACCOUNTS AND SUPERSEDING ANY PREVIOUS
RESOLUTION SO DESIGNATING.

WHEREAS, Jo Johnson was appointed as Acting City Manager via Resolution 13-001.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, that
the designated signatories, effective January 14, 2013 are as follows with the number of
signatories defined:

On the regular Wells Fargo Bank Alaska checking account #016030109 that the following are
the designated signatories for this account, with dual signatures required for checks over \$5,000;
on the investment accounts with Alaska Municipal League, First National Bank, Raymond James
Investment, Wells Fargo Bank Alaska, and other institutions, and for Department of
Administration Grants and other grants, one of the following authorized signatories or the dual
electronic authorization system is required for all transactions:

**MARY E. WYTHER, MAYOR
FRANCES ROBERTS, MAYOR PRO TEMPORE
WALT E. WREDE, CITY MANAGER
JO JOHNSON, ACTING CITY MANAGER/CITY CLERK
REGINA MAURAS, FINANCE DIRECTOR/TREASURER**

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 14th day of
January, 2013.

CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

1 CITY OF HOMER
2 HOMER, ALASKA

City Clerk

3
4 RESOLUTION 13-004

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6 A RESOLUTION OF THE CITY COUNCIL OF HOMER,
7 ALASKA, AMENDING THE 2013 REGULAR MEETING
8 SCHEDULE FOR THE PUBLIC ARTS COMMITTEE.
9

10 WHEREAS, City Council adopted the 2013 Regular Meeting Schedule at their December
11 10, 2012 meeting via Resolution 12-092; and
12

13 WHEREAS, The Public Arts Committee meetings were incorrectly listed as the third
14 Thursday of the month when they should be the second Thursday of the month on a quarterly
15 basis pursuant to Resolution 10-81(A).
16

17 NOW, THEREFORE, BE IT RESOLVED by the Homer City Council that the 2013
18 Regular Meeting Schedule for the Public Arts Committee is amended as follows:
19

20 PUBLIC ARTS COMMITTEE (PAC)

February 21 <u>14</u>	May 16 <u>9</u>	August 15 <u>8</u>	November 21 <u>14</u>
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21
22 Public Arts Committee Regular Meetings are held quarterly on the ~~third~~ second Thursday of the
23 months of February, May, August, and November at 5:00 p.m.
24

25 PASSED AND ADOPTED by the Homer City Council this 14th day of January, 2013.
26

27 CITY OF HOMER
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31 _____
MARY E. WYTHE, MAYOR

32 ATTEST:
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35 _____
36 JO JOHNSON, CMC, CITY CLERK
37

38 Fiscal Impact: Advertizing of meetings in regular weekly meeting ad and advertising of any
39 additional meetings.

**CITY OF HOMER
HOMER, ALASKA**

City Clerk/
Public Arts Committee

RESOLUTION 10-81(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING THE HOMER PUBLIC ARTS COMMITTEE ADMINISTRATIVE GUIDELINES TO ESTABLISH THE SECOND THURSDAY AT 5:00 P.M. NOT TO EXCEED NINETY MINUTES AS THE REGULAR QUARTERLY MEETING DAY, TIME, AND LENGTH.

WHEREAS, The Public Arts Committee acts in an advisory capacity to the City Manager and the City Council; and

WHEREAS, The Public Arts Committee has determined that changing the time of meetings to later in the afternoon would aide recruitment of new members and retain current membership; and

WHEREAS, The Public Arts Committee mindful of the budgetary constraints and to keep staff overtime to a minimum will limit the meeting time to no longer than ninety (90) minutes; and

WHEREAS, The Public Arts Committee introduced the amendment at a Special Meeting held June 23, 2010 and took final action to approve the amendment at the Special Meeting on September 9, 2010; and

WHEREAS, The Public Arts Committee meetings will be held in the months of February, May, August, and November with regular meetings the second Thursday at 5:00 p.m.

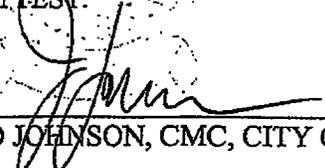
NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, amends the Public Arts Committee Administrative Guidelines to establish the second Thursday at 5:00 p.m. not to exceed ninety minutes as the regular quarterly meeting day, time, and length.

PASSED AND ADOPTED by the Homer City Council this 24th day of January, 2011.

CITY OF HOMER


JAMES C. HORNADAY, MAYOR

ATTEST:


JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

**CITY OF HOMER
HOMER, ALASKA**

Roberts

RESOLUTION 13-005

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, EXPRESSING SUPPORT FOR THE PRATT
MUSEUM'S LEGISLATIVE GRANT REQUEST IN THE
AMOUNT OF \$2.8 MILLION FOR ITS NEW FACILITY.

WHEREAS, The Pratt Museum is a national award-winning museum that serves more than 30,000 visitors and engages more than 4,000 education program participants annually; and

WHEREAS, The Pratt Museum is consistently recognized as one of Alaska's leading cultural institutions and a model among community museums across the nation; and

WHEREAS, The Pratt Museum is the recipient of the Governor's Award for the Humanities and the National Award for Museum Service, the country's highest honor for museums; and

WHEREAS, The Pratt Museum is a regional economic engine, generating about \$1 million in annual economic activity and drawing visitors to our community from across the state, nation, and world; and

WHEREAS, The Pratt Museum is embarking on a construction project to better serve its visitors and the community long into the future by providing new exhibits; full handicap accessibility; expanded research capacity to serve students and scholars; and improved ability to expand and preserve the largest collections in the sciences, arts, and humanities on the Kenai Peninsula; and

WHEREAS, The Pratt Museum was awarded a Challenge Grant of \$750,000 from the National Endowment for the Humanities, which must be matched three to one with non-federal dollars to leverage these funds; and

WHEREAS, A capital grant of \$2.8 million from the State of Alaska will provide necessary funding for the Pratt Museum's \$9.5 million new facility and site redesign project, enabling the Museum to maintain project momentum at this crucial stage; and

WHEREAS, The Pratt Museum's construction project is included as Priority No. 4 in the City of Homer Capital Improvement Plan and the City supports the Pratt Museum with operational and capital project funding.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby expresses support for the Pratt Museum's legislative grant request in the amount of \$2.8 million for the Design Phase of the Museum's New Facility and Site Redesign Project.

47 PASSED AND ADOPTED by the City Council of Homer, Alaska, this 14th day of
48 January, 2013.

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CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

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**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 13-006

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE CITY MANAGER TO APPLY FOR A LAND AND WATER CONSERVATION FUND (LWCF) GRANT FOR KAREN HORNADAY PARK IMPROVEMENTS IN AN AMOUNT UP TO \$75,000 AND EXPRESSING ITS COMMITMENT TO PROVIDE A LOCAL CASH MATCH OF \$75,000.

WHEREAS, Homer's Karen Hornaday Park is a multi-purpose park encompassing sports fields, a playground, picnic area, campground, Woodard Creek, and spectacular views on almost 40 acres that is popular with residents and visitors of all ages; and

WHEREAS, The community has been working diligently at upgrading the Park in accordance with the Karen Hornaday Hillside Park Master Plan adopted by the City Council in 2009; and

WHEREAS, Recent improvements include a new playground, new dugouts, drainage improvements, and upgrades to the ball fields; and

WHEREAS, The City of Homer Parks and Recreation Advisory Commission has identified campground and drainage improvements as the next steps in the implementation of the Karen Hornaday Hillside Park Master Plan.

WHEREAS, The Land and Water Conservation Fund grant proposed project includes improving drainage to the ball fields and campground, developing pedestrian access to the rear ball field, refurbishing the campsites by leveling tent/parking pads, installing signage, improving the campground access road, creating at least one ADA accessible site and developing a camp host site.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby expresses its support for a Land and Water Conservation Fund grant application of \$75,000 and authorizes the City Manager to submit the appropriate documents.

BE IT FURTHER RESOLVED that the Council expresses its commitment to provide a cash match of \$75,000 to meet the grant match requirements.

PASSED AND ADOPTED by the Homer City Council this 14th day of January, 2013.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A



**CITY OF HOMER
CITY HALL**

MEMORANDUM 13-006

To: Mayor Wythe and City Council
From: Katie Koester, Community and Economic Development Coordinator
Through: Walt Wrede, City Manager
Date: January 8, 2013
Subject: Land and Water Conservation Fund Grant Application

Resolution 13-006 authorizes the City of Homer to apply to the State of Alaska Department of Natural Resources for a Land and Water Conservation Fund (LWCF) grant for Improvements to Karen Hornaday Park and pledges a City match.

Through a legislative grant, fundraising, City funds, and volunteer labor, many improvements lined out in the Master have been made. The proposal is to continue this progress with the help of a LWCF grant for \$75,000 (\$150,000 total with the 50% match) for improvements to the ball fields and campground. Proposed Improvements include:

Ball Fields:

- Drainage work on the side of the ball fields
- Creating a pedestrian trail wide enough for small construction equipment from the parking lot to the second ball field
- Move the existing pavilion to the green space between the two ball fields

Campground:

- Cap the access road with gravel
- Establish positive drainage (this will also help the drainage of the ball fields below)
- Improve vehicle and RV parking at campsites (level spots and add gravel)
- Level tent sites
- Install new fire rings (working with the Homer High School welding class)
- Designate spaces with signs and a common numbering system
- Make one or two campsites ADA accessible
- Develop a camp host site

Karen Hornaday Park is a jewel of Homer and provides an important space for the community to connect and recreate. The ball fields see heavy usage by Little League and improved drainage will keep the break up mud at bay. A wide trail along the fields will allow more people to access both ball fields to watch games or have lunch at the picnic shelter that will be moved to the green space between the fields. The Karen Hornaday campground is almost always full. However, the campground has seen

Memo to Mayor and Council

January 8, 2013

Page 2

little TLC over the years. The Park is hidden above town and a camp host site will allow for surveillance of the area and cut down of vandalism and partying that can occur at the park after hours.

RECOMMENDATION:

Adopt Resolution 13-006 authorizing the City Manager to apply for a Land and Water Conservation Fund (LWCF) Grant for Karen Hornaday Park Improvements in an amount up to \$75,000 with the City pledging a match of \$75,000.



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Natural Resources
Division of Parks and Outdoor Recreation

550 West 7th Avenue, Suite 1380
Anchorage, Alaska 99501-3561
Main: 907.269.8700
Fax: 907.269.8907

November 6, 2012

Re: Grant Cycle Opening
Land and Water Conservation Fund

To All Eligible Entities:

The State of Alaska, Division of Parks and Outdoor Recreation (DPOR) is pleased to announce an open cycle competition for grants. Applications are now being accepted for project funding through the federal Land and Water Conservation Fund (LWCF) program.

This reimbursable grant program can provide up to 50% matching funds for the acquisition or development of parks and other public outdoor recreation facilities. State, regional, or local governments with the authority to provide park and recreation services on public lands are eligible to apply.

The preliminary application, an information booklet, qualifying criteria, rating forms and more LWCF program information is available for download on the DPOR Web page at <http://dnr.alaska.gov/parks/grants/lwcf.htm> or by contacting DPOR.

The preliminary application must be received in the Alaska Division of Parks and Outdoor Recreation office by **5:00 PM, Friday, February 1, 2013**.

For questions on the application process, please e-mail the LWCF grants administrator at jean.ayers@alaska.gov or call 907-269-8694.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Herrera".

Karlyn Herrera
LWCF Alternate State Liaison Officer
Division of Parks and Outdoor Recreation

Land and Water Conservation Fund Grant Program

Purpose: The Land and Water Conservation Fund (LWCF) grant program can provide up to 50% matching assistance for land acquisition and development of public outdoor recreational facilities. The LWCF program, developed by the National Park Service, is administered by the State of Alaska Division of Parks and Outdoor Recreation.

Eligibility: State, regional, or local governments with the authority to provide outdoor recreation services on public lands are eligible to apply. Only one application per sponsor will be accepted.

Amount Available: For this open competitive grant cycle, we anticipate distributing ~~\$360,911~~. We will accept applications requesting ~~no less than \$50,000 and no more than \$125,000~~ in LWCF grant assistance. Since this is a 50-50 reimbursable matching program, an applicant's total project costs would be at least double the grant request.

Application Deadline: Preliminary applications must be received by 5:00 PM on Friday, Feb 1, 2013. Please submit all required information to the following:

Jean Ayers, LWCF Grants Administrator
State of Alaska: Dept of Natural Resources
Division of Parks & Outdoor Recreation
550 West 7th Avenue, Suite 1380
Anchorage, AK 99501

To Apply:

1. Read the LWCF information booklet titled *Land and Water Conservation Fund: State of Alaska Grant Program*.
2. Review State and community priorities listed in the *SCORP Summary: 2009-2014*, pages 6 & 7
3. Review the *2009-2014 Statewide Comprehensive Outdoor Recreation Plan (SCORP)*
4. Read the *Staff Evaluation Committee Rating Form*.
5. Complete the *Qualifying Criteria Checklist*.
6. Complete an LWCF Preliminary Application.
7. Submit all required information by the deadline.

Questions: For more information, please contact the LWCF Grants Administrator at jean.ayers@alaska.gov or 907-269-8694.

PRELIMINARY APPLICATION

Land and Water Conservation Fund Grant Program

This application must be received in the State of Alaska Division of Parks office by 5:00 PM on Friday, February 1, 2013.

To be considered for funding, all required information must be included in this Land and Water Conservation Fund (LWCF) preliminary application. If a preliminary application is prioritized high enough to receive funding, a full application and further information will be required.

Submit this preliminary LWCF grant application to:

Jean Ayers, Grants Administrator
State of Alaska: Dept of Natural Resources
Division of Parks and Outdoor Recreation
550 W 7th Avenue, Suite 1380
Anchorage, AK 99501-3561

If you have questions about this grant program, the application process, or completion of forms, e-mail the LWCF grants administrator at jean.ayers@alaska.gov or call 907-269-8694.

Applicant: Use the checklist below to ensure all required submittals for your project type.

Proposed Project Name and Location: _____

Project Type: Development Acquisition Combination Acq/Dev

Checklist for Development Projects		Checklist for Acquisition Projects	
<input type="checkbox"/>	1. Qualifying Criteria and Certification	<input type="checkbox"/>	1. Qualifying Criteria and Certification
<input type="checkbox"/>	2. Project Narrative	<input type="checkbox"/>	2. Project Narrative
<input type="checkbox"/>	3. Geographic Location Map	<input type="checkbox"/>	3. Geographic Location Map
<input type="checkbox"/>	4. Project Boundary Map 6(f)(3)	<input type="checkbox"/>	4. Project Boundary Map 6(f)(3)
<input type="checkbox"/>	5. Site Plan	<input type="checkbox"/>	5. Future Development Plan
<input type="checkbox"/>	6. Land: Title or Deed	<input type="checkbox"/>	6. Land: Appraisal, if available
<input type="checkbox"/>	7. Budget	<input type="checkbox"/>	7. Budget
<input type="checkbox"/>		<input type="checkbox"/>	8. Acquisition Summary

1. QUALIFYING CRITERIA and CERTIFICATION

Qualifying Criteria: The following are basic eligibility requirements an applicant must meet to be eligible for a grant from the Land and Water Conservation Fund (LWCF) program. A response of NO to any of the following questions will automatically disqualify an application.

- | | | | |
|----|--|-----|----|
| 1. | Is the project type identified in the SCORP as a priority? | YES | NO |
| 2. | Is the application submitted by one of the following entities? | YES | NO |
| | [] State entity with authority to provide outdoor recreation services on public lands, or | | |
| | [] Regional or local government with authority to provide outdoor recreation services on public lands. | | |
| | <i>(Provide documentation to verify authority.)</i> | | |
| 3. | If this is a development project, is the land now owned by the sponsor? | YES | NO |
| | <i>(Provide documentation to verify land ownership.)</i> | | |
| 4. | If applicable, have all past LWCF compliance problems been resolved? | YES | NO |
| 5. | Does the applicant have a current Section 504 Self-Evaluation and Transition Plan or be willing to prepare one prior to receiving a grant? | YES | NO |
| 6. | Will project development be accessible to persons with disabilities? | YES | NO |
| 7. | Is the grant request (federal share) between \$50,000 and \$125,000? | YES | NO |

Certification: On behalf of the below-named entity, I submit this preliminary application for the project described herein for consideration of grant assistance from the federal Land and Water Conservation Fund program. I acknowledge that substantial additional documentation will be required to complete a full application, if this preliminary request is prioritized high enough to receive funding. Further, I agree to cooperate with the Alaska Division of Parks and Outdoor Recreation by furnishing all information necessary to qualify for federal aid, to execute a State/Local Agreement, and to adhere to state and federal statutes governing the LWCF program.

I am aware that this is a 50/50 matching grant program and I certify that match is available. I am also aware that the grant, if approved, will be paid on a reimbursable basis, and that any properties receiving LWCF grant assistance must be maintained, in perpetuity, for public outdoor recreation.

I certify that to the best of my knowledge, the information in this application is true and correct.

Authorized Representative (Print or Type)	Direct inquiries on this application to:
Name:	Name:
Title:	Title:
Address:	E-mail Address:
City & State:	Telephone:
Zip Code:	Date:
Entity Name:	
Signature of Authorized Representative:	

2. PROJECT NARRATIVE

1. Approach

- a. What do you plan to do with the grant funds? Describe exactly what you plan to acquire or develop and how you expect to proceed with the project.
- b. Describe any unique features or special community involvement.
- c. Give a detailed time schedule for completion of this project.
- d. What other agencies, organizations, consultants or individuals will be working on the project? Explain what they will be doing.
- e. Discuss your ability to operate and maintain the facility after acquisition/development.
- f. Discuss any future development plans.

2. Objectives and Need for this Assistance

- a. Discuss how your proposal meets the priority needs identified for your region in the current Statewide Comprehensive Outdoor Recreation Plan (SCORP).
- b. Discuss your local or regional park and recreation plan. Describe how your proposal ranks as a priority identified in that plan.
- c. Discuss public participation in your planning process. Discuss what community goal/s this project will assist in reaching. Provide information about how the community identified the need and any planning studies that highlight the problem.
- d. Why does your community need this particular project? Provide information about economic, social, financial, physical, institutional or other problems related to the need. Give examples of how people are adversely affected by the present situation.
- e. For acquisition projects: Explain any particular urgency in acquiring the site.

3. Results or Benefits Expected

- a. Who will benefit, and in what way, from this project? Be specific.
- b. How will this project help your community?

4. Geographic Location

Where is the project located in your community in relation to other public facilities and the area to be served by the project?

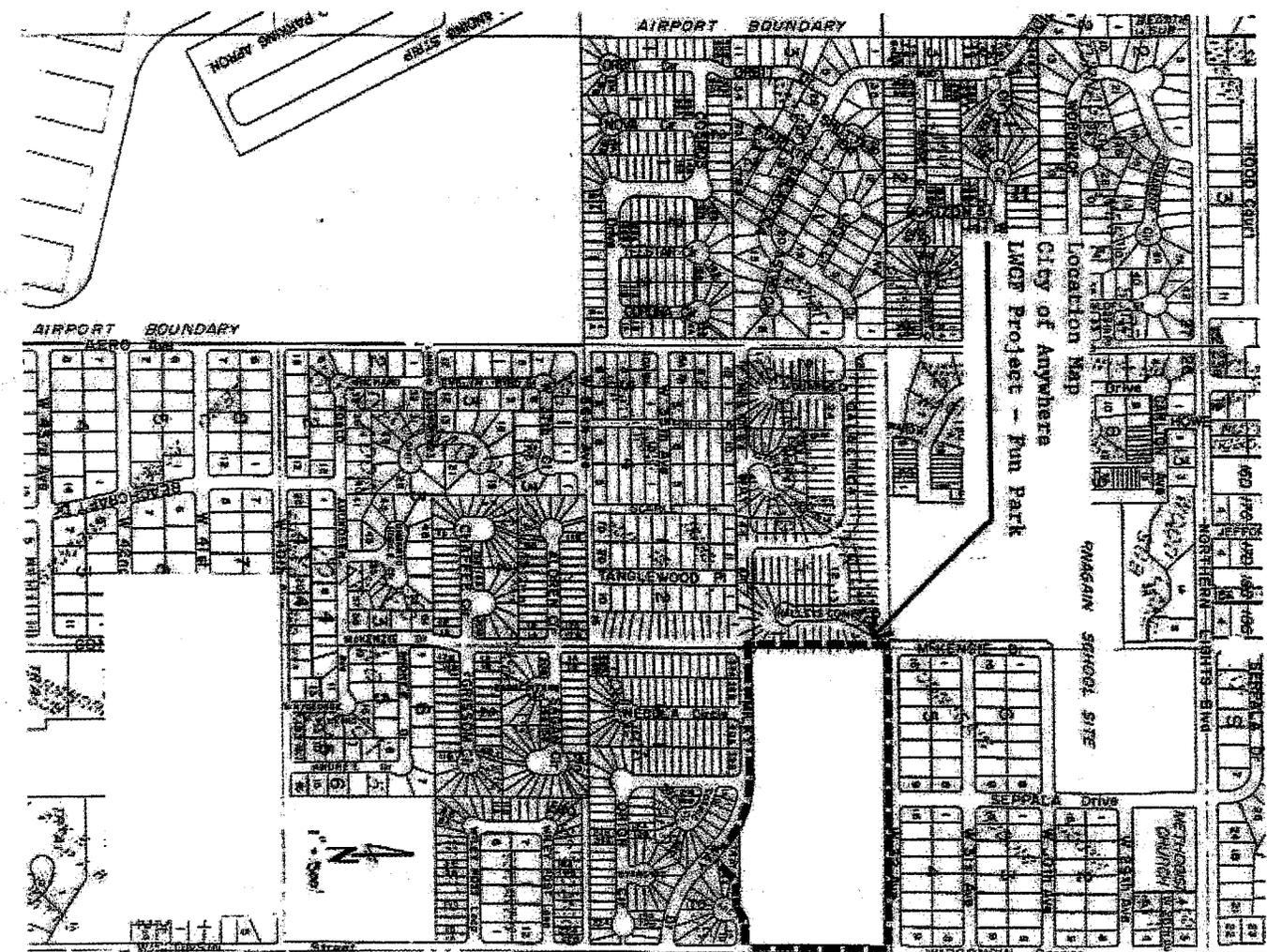
5. Other - if applicable

Describe any other federal funds that are involved in this project or may be used in the future.

3. GEOGRAPHIC LOCATION MAP

A map depicting the geographic location of the proposed project must be submitted with each application. Show the proposed project in relation to the community and include a North arrow. A street map, section map, or aerial view using Google Earth or a similar program is acceptable as long as there is enough detail (street names, local landmarks, etc) so that a person unfamiliar with the area would be able to find the site.

EXAMPLE



4. PROJECT BOUNDARY MAP 6(F)(3)

A signed and dated proposed project boundary map must be included with each application. This map must clearly depict the project boundary.

Section 6(f)(3) of the Land and Water Conservation Fund Act requires that no property acquired or developed with LWCF assistance shall be converted to other than public outdoor recreation use without the prior approval of the Secretary of the Interior. If the Secretary approves a conversion, other recreation properties of at least equal fair market value and reasonably equivalent recreational usefulness and location must be substituted.

Therefore, upon execution of an LWCF grant agreement, the area within the proposed or acquired project boundary will be committed to public outdoor recreation IN PERPETUITY. No development or activity can take place within the project boundary that is not outdoor recreation related. If such development or activity is planned or takes place, it triggers Section 6(f)(3) provisions.

Because accepting LWCF funding is a perpetual commitment, describe the proposed project boundary carefully. Generally, the boundary will include the entire area of the park, open space or recreation area being developed or acquired. At a minimum, the area must be a viable public outdoor recreation area that is capable of being self-sustaining without reliance upon adjoining or additional areas not identified in the scope of the project. In no case will the area covered by the conversion provisions be less than that utilizing LWCF assistance.

An LWCF project places the entire area within the 6(f)(3) project boundary line under permanent LWCF protection and regulation. Therefore, any area on the site intended for non-recreational use will have to be surveyed out and delineated on the map.

The project boundary map will include the following:

1. Project title.
2. North arrow.
3. Known outstanding rights, encumbrances or interests in the area held by others. Note area on map, and attach a narrative that explains any immediate or potential impact on the proposed use of the property.
4. Legal description of the project area sufficient to identify the area afforded 6(f)(3) protection.
5. Signature of authorized representative.
6. Date.

Parcel Map: A parcel map must also be furnished for all projects. The map must show nearby street names, land uses, existing structures and natural features, and easements such as power lines or pipelines. The map must depict property lines, both for any contiguous recreation land and for the proposed project. Parcel numbers and area in acres per parcel must be shown. Indicate planned disposition or use to be made of any existing buildings. Non-recreational structures or uses will not be allowed within the identified 6(f)(3) boundary.

Acquisition Projects: Parcel numbers must match the numbers shown on the Acquisition Information Summary.

5. SITE PLAN or FUTURE DEVELOPMENT PLAN

Development Projects: Submit a site plan showing all existing, proposed and future development. Project development proposed under this request must be clearly depicted. Existing development and future development should be noted as such. Identify all proposed and existing support facilities, and utilities such as power lines, underground water and sewer lines. If a phased project, provide a master plan for the entire site showing all proposed development. Note portions of the project that currently exist, the portions proposed for development in this request, and those planned for future development.

Acquisition Projects: Submit a map showing existing and future recreational use of the area to be acquired as well as any contiguous park land. Future uses do not have to be delineated exactly. They may be blocked in to show with reasonable accuracy the intended future location. The map need not be professionally drawn, but must be complete and accurate.

Note: Separate maps are recommended for the Geographic Location Map, Project Boundary Map, and this Plan. However, one map may be submitted if it is large enough and detailed enough to depict all pertinent information.

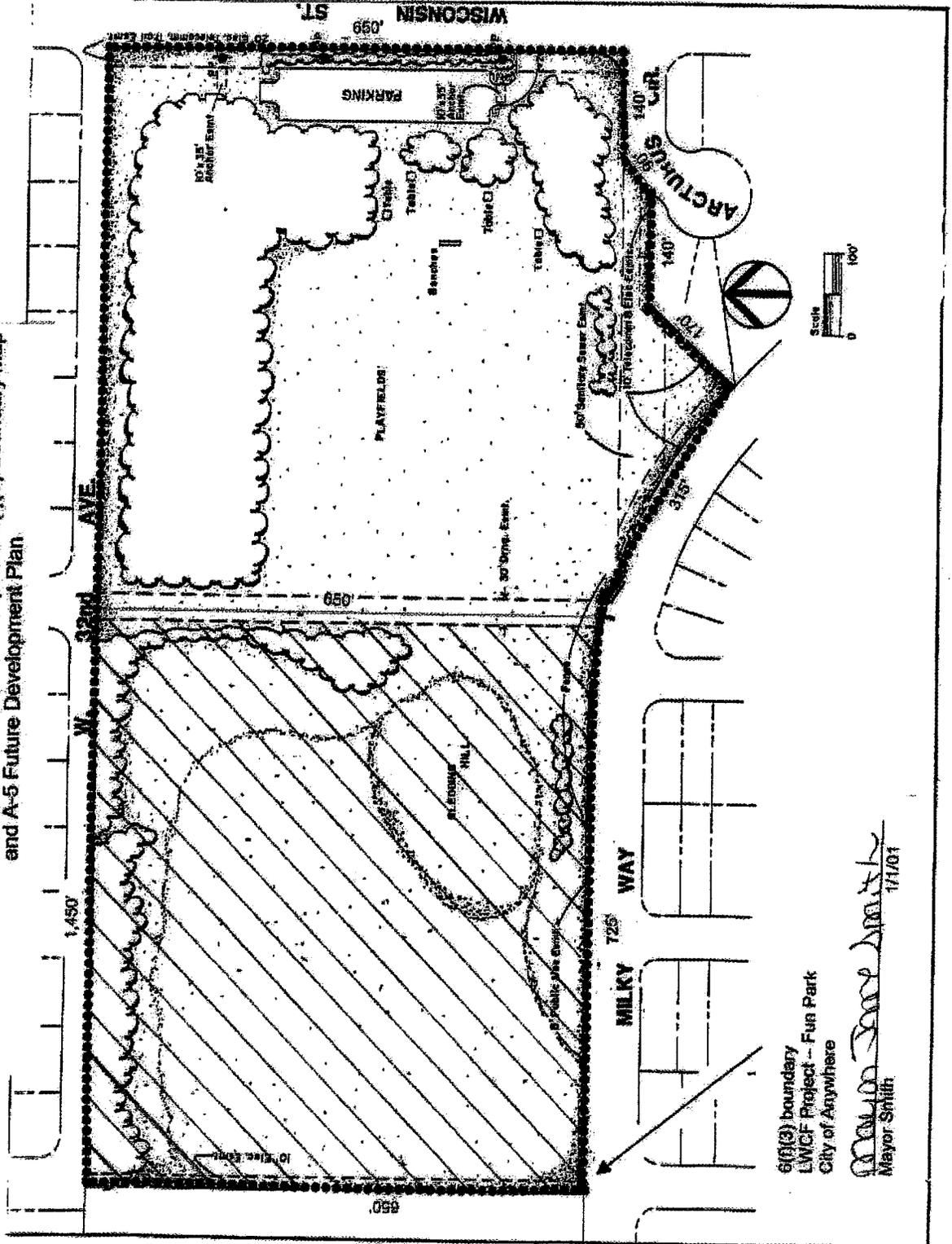
6. LAND INFORMATION

Development Projects -- Title or Deed: The applicant must have control and tenure of the project site to be developed in order to provide reasonable assurances that a conversion to other than public outdoor recreation will not occur without pre-approval from both the State of Alaska Division of Parks and Outdoor Recreation (DPOR) and the National Park Service (NPS).

Applicant must submit a copy of a title or deed to the property and any other necessary information as requested. Along with this copy of legal ownership, the applicant must provide a legal boundary map matching the legal description on the deed. A copy of the title insurance (no less than one year old) must also be provided. In lieu of the title insurance, an applicant may submit certification from an authorized representative that tile is vested in the applicant entity and that there are no outstanding liens or encumbrances imposed against the property that would adversely affect the proposed outdoor recreation development.

Acquisition Projects: If available, submit a recent copy of an appraisal for the proposed area.

EXAMPLE
Combination A-3 Acquisition Parcel Map, A-4 Proposed 6(f)(3) Boundary Map
and A-5 Future Development Plan.



Area currently owned



Area to be acquired



6(f)(3) boundary
LWCF Project - Fun Park
City of Anywhere

Mayor Schiltz
Mayor Schiltz
1/1/01

Session 12-15 a Special Meeting of the Parks and Recreation Advisory Commission was called to order by Vice Chair Brann at 5:30 p.m. on December 20, 2012 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER ARCHIBALD, BRANN, BELL, LILLIBRIDGE, LOWNEY (in at 5:50)

ABSENT: BREMICKER

STAFF: ANGIE OTTESON, PARKS MAINTENANCE COORDINATOR
MIKE ILLG, RECREATION SPECIALIST
KATIE KOESTER, COMMUNITY AND ECONOMIC DEVELOPMENT COORDINATOR
CAREY MEYER, PUBLIC WORKS DIRECTOR
MELISSA JACOBSEN, DEPUTY CITY CLERK

AGENDA APPROVAL

The agenda was amended to allow Community and Economic Development Coordinator Koester to speak first under staff reports and Todd Schroder with the Soil and Water Conservation District after Staff Reports. The agenda was approved as amended by consensus of the Commission.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

None

RECONSIDERATION

There was no reconsideration scheduled.

APPROVAL OF MINUTES

A. October 25, 2012 Regular Meeting Minutes

Vice Chair Brann commented that Todd Schroeder was not at the last meeting and he should be removed from the minutes on page 5.

The minutes were approved by consensus of the Commission.

VISITORS

None

STAFF AND COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

A. Community and Economic Development Coordinator – Katie Koester

Community and Economic Development Coordinator Koester talked to the Commission about the Land and Water Conservation Fund Grant Application for Karen Hornaday Park. The City Manager believes

PARKS AND RECREATION ADVISORY COMMISSION
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that Council will support a \$75,000 match so if the grant is awarded the City will have \$150,000 to work with. The staff report from Planning Technician Engebretsen suggests the following projects:

1. Access Road extension to back ball field, loop around picnic shelter location
2. Drainage along the back side of the ball fields
3. Create a camp host site. Provide electricity
4. Level campsites, improve drainage, and improve access road

Her staff report also included a walking trail along ball fields, and little league storage area/coach connex removal/block building TLC, as projects to think about, but they might not fit in the application and project timing at the park.

Mrs. Koester asked the Commission for guidance when she finalizes the grant application as to whether they would like to see the grant monies be spread out over all four projects or focused on one or two projects. She explained that she reviewed the four items with Public Works Director Meyer who thought it would be fair to tackle a little bit of each of these four items with a \$150,000 appropriation. The Commissioner's agreed that they are all good projects and most were of a mind that it would be better to use the funds to complete one or two of them, rather than have four that are half done. Most expressed support for improvements to the campground. There was discussion of the need to work on the Woodard Creek Trail. Mrs. Koester and Mr. Meyer explained that the Woodard Creek Trail wouldn't be the best fit for the this particular grand because of the drainage work necessary for the area and ADA accessibility will be challenging with the grade of the area. Mrs. Koester reminded them that ADA improvements are part of this grant, and there are other funds that can be used for Woodard Creek Trail. She reviewed the timeline for the grant process. The Commission's recommendations of the four project priorities were: Bell 3&4, Lillibridge 4 & a safety trail, Lowney 3&4, Brann 4&2, Archibald never stated a preference. Mr. Meyer talked to the Commission about the proposed projects commenting about the drainage, work that has already been done, and the access road.

Mrs. Koester summarized her understanding of the conversation that the campgrounds are a major priority, including accessibility, drainage, and leveling. Items 1 and 2 need to be incorporated to some extent, but the focus of the grant will be on camp grounds.

Public Works Director Meyer commented briefly regarding Woodard Creek Trail.

B. Community Recreation – Mike Illg

Recreation Specialist Illg reported that the Health Fair was well attended this year and he thanked Parks Maintenance Coordinator Otteson for staffing the parks booth at the event. He said he is planning a meeting at the end of January or early February with community stake holders who are interested in producing a trail and parks map and work on raising funds for it. He advised the Commission that the preliminary report for the HERC building is not promising and somewhat discouraging and is not sure what will be happening next. There is an estimated price tag of \$10 million, so if the City is going to have a community center we should build our own. He is aware of a proposal for a dog park in the HERC area and he suggests holding off on creating a park in the area until they know what is going to be done with the space. Heading into the spring schedule it is becoming more discouraging as we are running out of space for the recreational program activities and there is no compromise. The program will suffer, as there will be angry parents and disappointed children in our community.

PARKS AND RECREATION ADVISORY COMMISSION
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In response to questions Mr. Illg commented that there has been some talk with a local church about using their space for youth wrestling, but it will cost a lot, and it's not guaranteed. They lost 25 kids in the program last year due to scheduling changes. The Boys and Girls Club is hesitant to share their space due to programs they are offering. He discussed the challenges of working with the school district, noting that the City pays to use the space, but still gets bumped if a school need comes up. He wished the group Merry Christmas and Happy New Year.

C. Staff Report – Julie Engebretsen, Planning Technician/GIS

Planning Technician Engebretsen was absent.

D. Parks Maintenance – Angie Otteson

Parks Maintenance Coordinator Otteson said she didn't have a report tonight. She noted the park and trails map that was on display at the Health Fair booth is available on the City website. She commented that she loves the idea of a dog park but is hesitant about doing it in the HERC area. She thinks they can continue to look for other suitable locations. She thanked everyone for their work this year and wished them Happy Holidays.

In response to questioning about the camp host Ms. Otteson explained that she thinks they can get someone into a camp host spot before the hook ups are in. It is a new program for the City and it may take a little time to get people who are interested. The application is available on line and she encouraged them to spread the word to people who may be interested in being a camp host. She also let them know that Rotary has agreed to adopt Ben Walter's Park for another year.

Vice Chair Brann asked for Todd Schroeder to make his comment to the Commission. There was no objection.

Mr. Schroeder with the Soil and Water Conservation District provided information to the Commission regarding the Diamond Creek Recreation Area Multi-Resource Management Draft Plan. He encouraged the Commission to review the information and he will work with the staff to be scheduled on a future agenda.

E. Kachemak Drive Path Committee – Dave Brann

Vice Chair Brann commented that the Committee talked about seeking funding through grants. If the Committee or Commission can find grants outside of HART funds, Katie would look at it to help determine if it makes sense for the group to pursue. Any money that comes from a grant has to be approved and accepted by Council. He said he met with Carey about the first section and they outlined the parameters of where the surveying would take place.

F. Karen Hornaday Park Committee – Robert Archibald

Commissioner Archibald commented that at their last meeting they considered priorities for the funds available for the day use area improvements. Their priority is to remove the current pavilion and add the new one in conjunction with the dirt work. It would alleviate tearing into the area twice. They developed a task force that will meet January 23rd to look at designs of picnic shelters. Public Works Director Meyer participated in discussion about the pavilion. They talked about ways to save costs by

**PARKS AND RECREATION ADVISORY COMMISSION
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DECEMBER 20, 2012**

encouraging a volunteer opportunity, the City designing the structure as compared to getting a kit that can be built on site. Mr. Meyer said he could contact the cities of Seward and Soldotna for information about the cost of their pavilions.

Commissioner Archibald summarized their first priority is moving the picnic shelter, the second is designing the new picnic shelter area, and the third is to do the seeding and landscaping, in that order to avoid re-doing things. As far as the rest of the list goes, they are all important but some of them fall under the maintenance category more than improvements.

Vice Chair Brann called for a break at 7:09 pm and reconvened at 7:12 pm.

PUBLIC HEARING

None

PENDING BUSINESS

A. Karen Hornaday Park Day Use Recommendations

Commissioner Archibald reiterated the park committee's suggestions to move the existing structure and come up with a feasible plan for a new structure. There was discussion about the best way to proceed. If the work is being done by volunteers it may not need to go to council. If they need to award a contract for any work, then council approval would be required. It might be necessary to have a contractor involved to remove the old structure safely.

Vice Chair Brann suggested sending a memo to the City Manager explaining the process of what they would like to do, utilizing volunteers, and asking for a response on how to proceed. There was no objection from the body.

B. Budget Update

This was moved to the next agenda by consensus of the Commission.

C. Dog Park

Commissioner Lillibridge requested moving this to the next agenda as she would like to show some photos via power point.

Commissioner Lowney said she will be absent in January and wanted to comment that she is in favor of having a dog park at the HERC yard location. It is a central and visible location that is already being used by people doing agility training. There is plenty of parking and most of the area is already fenced. If you hide it in an offset location people won't be used as much.

Commissioner Archibald said he has heard favorable comments from people about that area as well. He has some ideas he will share next time.

NEW BUSINESS

PARKS AND RECREATION ADVISORY COMMISSION
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A. Strategic Planning

This was moved to the next agenda by consensus of the Commission.

B. Commissioner Attendance at 2013 Council Meetings

The Commission reviewed the dates and confirmed the following months:

Commissioner Bell- January and August

Commissioner Lowney- March and July

Commissioner Lillibridge- February and June

Vice Chair Brann- April and May

Commissioner Archibald couldn't confirm dates due to his work schedule but would try to fill in when needed.

C. Land and Water Conservation Fund Grant Application for Karen Hornaday Park

This agenda item was addressed by Community and Economic Developer Koester at the beginning of the meeting.

D. Kachemak Drive Path Committee

Vice Chair Brann suggested not acting on this until Chair Bremmicker returns to give some feedback. Commissioner Lillibridge thinks it is premature at this point as it is almost Christmas and the Chair is absent. They should devote some discussion as to why it should be disbanded. It has been nice to have sub committees to deal with these issues. She would like to have an understanding of the process going forward before disbanding.

Commissioner Lowney sees the benefit of putting it to an ad hoc committee, but perhaps the Committee could remain in place. The Karen Hornaday Committee had talked about disbanding, suggested meeting quarterly, but continues to meet regularly as there are things that keep coming up. There are pro's and con's, but it might be a good way to go until the wheels get going again.

Commissioner Archibald expressed his awareness that the City is going to be busy with projects and the burden of having a project that is still in its infancy with budget constraints holding it back, and the light at the end of the tunnel is dim. He is unsure if it will be easier to proceed with an ad hoc committee. He agrees with waiting to discuss it when Chair Bremmicker returns.

This was moved to the next agenda by consensus of the Commission.

INFORMATIONAL ITEMS

- A. Approved Ordinance 12-49, Appropriating \$20,000 from HART Fund for Survey Work and Engineering/Cost Estimating for Proposed Kachemak Drive Trail
- B. Commissioner Attendance at Council Meetings 2012
- C. Commission Annual Calendar 2012
- D. Resolution 12-2013 City Council and Advisory Body Meeting Schedule

**PARKS AND RECREATION ADVISORY COMMISSION
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COMMENTS OF THE AUDIENCE

None

COMMENTS OF CITY STAFF

None

COMMENTS OF THE COUNCILMEMBER

None

COMMENTS OF THE CHAIR

None

COMMENTS OF THE COMMISSION

Commissioner Lillibridge wished everyone a wonderful holiday and good vacation. Everyone has worked very hard this year and this is a dynamic, hardworking Commission. She is proud to be a Commissioner with this group and has had a lot of fun this year.

Commissioner Lowney wished everyone Merry Christmas and agrees this has been an incredible year. She looks forward to another good year and is going to be sorry to miss the next meeting. In reference to the dog park, looking at the HERC area, she isn't opposed to it being a playground, but thinks maybe it is time to develop a playground for another user group in the community. This is a dog friendly community and we need it. There are things in the area that need to be addressed before adding more to that space. As a group they need to address the corner that includes skate park and the basketball court which she thinks is half on city grounds and half on school grounds. Maybe some of it is dependent on what happens with HERC. Before building another play area at the HERC, let's deal with the ones we have.

They asked for an update with what is happening with the HERC building at the next meeting.

Commissioner Bell said it has been a great year and is looking forward to lots of exiting improvement in Parks and Recreation this next year.

Commissioner Archibald said Merry Christmas and that they've accomplish a lot and it's been lots of fun.

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 7:48 p.m. The next regular meeting is scheduled for Thursday, January 17, 2013 at 5:30 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____

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



