



# City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

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## MEMORANDUM AGENDA CHANGES/SUPPLEMENTAL PACKET

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

FROM: JO JOHNSON, CMC, CITY CLERK

DATE: JULY 22, 2013

SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

### RECONSIDERATION

**Resolution 13-048(S)(A)**, A Resolution of Homer City Council Amending the City of Homer Fee Schedule Under Water and Sewer Fees. City Clerk.

Revenue Impact on the City of Kachemak and Meeting Minutes *Page 1*  
Rate Calculations by Finance Director *Page 7*  
Written public comments *Page 9*

### CONSENT AGENDA

**Ordinance 13-27**, An Ordinance of the City Council of Homer, Alaska, Making Technical Corrections to Title 21 of the Homer City Code for its Republication by Code Publishing, Inc. Planning.

Memorandum 13-107 from City Planner as backup *Page 13*

**Resolution 13-078(S)**, A Resolution of the City Council of Homer, Alaska, Mandating the City Manager to Propose Projects that Utilize the Funds in Excess of \$3 Million Dollars in the HART Fund and Funds in Excess of \$3 Million Dollars in the HAWSP Fund for Consideration of the Homer City Council. Burgess/Roberts. *Page 19*

**Resolution 13-080(S)**, A Resolution of the City Council of Homer, Alaska, Requiring Invitations to Bid (ITB) and Request for Proposals (RFP) Plans and Specifications with Searchable Text and Plan Holder's Lists to be Posted on the City of Homer Website in a System Similar to That Utilized by the Kenai Peninsula Borough. Roberts/Burgess.

Examples of bid information for website *Page 21*  
*Page 23*

## **RESOLUTIONS**

**Resolution 13-082(S)**, A Resolution of the Homer City Council Awarding the Contract for the Homer Small Boat Harbor System 5 Electrical Improvements to the Firm of Puffin Electric, Inc. of Homer, Alaska, in the Amount of \$477,778.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. *Page 27*

Memorandum 13-108 from Public Works Director as backup. *Page 29*

**Resolution 13-083(S)**, A Resolution of the Homer City Council Awarding the Contract for the Homer Spit Trail Shore Protection Project to the Firm of Alaska Marine Excavation, LLC of Anchor Point, Alaska, in the Amount of \$919,888.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. *Page 33*

Memorandum 13-109 from Public Works Director as backup. *Page 35*

**Resolution 13-084**, A Resolution of the Homer City Council Awarding the Contract for Meadow-Wood Place Subdivision Sanitary Sewer Repair Project to the Lowest Responsible Bidder in the Amount of the Low Bid and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director.

Memorandum 13-105(S) from Public Works Director as backup. *Page 39*

### RECOMMENDATION:

Voice consensus to changes under Agenda Approval.

Fiscal Note: N/A



Revenue Impact on the City of Kachemak:

Kachemak voluntarily started paying Homer \$1.75 more per month per pumped sewer starting October, 2013--the previous charge was \$6 per month)

<u>Present Rate:</u>	<u>Proposed Rate:</u>	<u>% Increase</u>
\$51.40 w/o pumping	\$81.30 w/o pumping	58%
\$59.15 w/pumping	\$89.05 w/ pumping	50.5%

Kachemak Users Use Less Water than Billed for. Users in the City of Kachemak use well under 3,500 gallons/mo. Homer's average is reportedly around 3,000. Average on survey done by Kachemak Clerk was 1823-2278 gallons/mo.

Extra \$5 /month charge for Kachemak Customers--not for other non metered water customers in Homer. Homer sends Kachemak one bill a month, they receive one check--there are no bad debts for Homer, no credit card charges for Homer, only one postage stamp, and no meters to read. If the \$5 is necessary to send a bill, it should be for the 1 bill we get--not for the 132 bills that Kachemak sends out at their own cost. (Homer could email it out and save the postage).

Pump station charges. What happens with multiple pump stations? Page 2 of the commodity model says "there is a significant discrepancy between the measured discharges (gal) by the treatment plant and the amount of water actually captured by the billing system." Are lift station users paying for the cost of pumping the effluent and the I & I in the system? Infiltration is a system wide problem, should be socialized for the whole system?



**CITY OF KACHEMAK  
SPECIAL MEETING  
UNAPPROVED MINUTES  
JULY 18, 2013**

**1. CALL TO ORDER--PLEDGE OF ALLEGIANCE**

Meeting called to order at 7:02 PM by Mayor Phil Morris. Pledge of Allegiance.

**2. ROLL CALL**

Council Members Present: Phil Morris, Dave Weber, Bill Fry, Tammy Ackerman, Ted Heuer, Bill Overway.

Council member Absent: Tammy Hopkins (excused as she notified Clerk of her absence prior to meeting.

Also present: Helyn Schoepke, City Clerk.

**3. APPROVE AGENDA**

Motion: Bill Overway/Bill Fry moved to approve the agenda as submitted.

Vote. Motion passed. Unanimous.

**4. ANNOUNCEMENTS/VISITORS**

Homer City Manager Walt Wrede, Finance Director Zhiyong Li, Homer Mayor Beth Wythe.

Kachemak residents: Shirley Forquer, David Raskin, Will Files, Bill Smith (arrived 7:40)

Mayor Phil Morris introduced Homer Mayor Beth Wythe, Homer City Manager Walt Wrede, and Homer Finance Director to the Kachemak Council and thanked the Homer visitors for taking the time to attend our Council meeting. He then asked Mayor Beth Wythe, who was on the Water/Sewer Rate Study Task Force, to give some of the background and reasoning on the proposed rate structure.

Mayor Wythe said that the sewer and water utility is not currently in self-sustaining order so a rate task force was set up with council members and community members to come up with a rate model. The task force met for about 10 months and then sent their proposal to the Homer City Council.

The task force strived to make all the expenses of the system equitable and recommended a "cost causer/cost payer model." They made the water rate in Homer a standard rate where everyone, whether commercial or residential, pays the same commodity rate per gallon plus an \$18 administrative overhead fee. In Homer, the sewer charges are based on the water usage and then two commodity rates were set up for the sewer--one for those on pump stations and one for gravity users, as it costs more to run pump stations.

Homer City Manager Walt Wrede said 3 "lift zones" were created, where the sewer has to go through a lift station and incurs extra cost before it hits the treatment plant. The lift zones are proposed to pay a higher fee per gallon of sewage. The proposed resolution did not pass at the last Homer Council meeting and it is up for reconsideration at the July 22, 2013 meeting.

Mayor Phil Morris said that Kachemak doesn't have a problem with the lift zone surcharge but rather how it is charged. There is additional Infiltration and Inflow (I & I) going into the sewer system and it is immeasurable and the cost of treating the I & I is included into the system wide costs, except that the lift zones are being charged for 100% of the costs of pumping, so they are bearing the cost of the measureable sewage and the I & I. We think a portion of the lift zone charges need to be allocated to the whole system, like those that are on gravity lines.

Homer Finance Director Zhiyong Li presented a chart with the various scenarios of rate calculations for the City of Kachemak. There were 8 different scenarios starting with the proposed rate structure with no changes. The next 3 were scenarios for "socializing" the \$5 fee charged to multi- units and Kachemak, "socializing" lift station costs, and "socializing" both the \$5 fee and lift station costs all based on the currently billed fixed quantity of 3,500 gallons of water. The next four scenarios were all based on a reduced amount of 3,000 gallons of water.

Kachemak Mayor Phil Morris thanked Mr. Li for the colourful rate calculation that made this much easier to understand. He said Kachemak had several points they would like to discuss. First of all, Kachemak voluntarily increased the monthly septage charge effective October, 2012 from \$6 month per sewer to \$7.75 per sewer after Dan Gardener brought up that the \$6 charge was not enough. We want to pay our fair share of the costs. Also, by our calculations the Kachemak sewer rate is going up over 50% compared to the highest Homer increase of 20.3%--that is more than double the increase that anyone in Homer is paying.

Every sewer user in Kachemak is being charged for 3,500 gallons of sewage. We believe this is almost double the actual use. Most people have water hauled and pay over 5 cents a gallon so they are very frugal with their water usage. Kachemak did an informal sample of almost 20% of sewer users and the average was between 1,820 and 2,300 gallons a month. Homer's average is about 3,000 gallons per month and Kachemak's usage is much lower.

Mayor next addressed the \$5 per month charge that is proposed to be charged to each Kachemak customer and Homer multi-plexes. Kachemak cannot understand how that charge can be substantiated as Homer is not proposing to charge the customers in Homer that have sewer but no water that fee. Homer sends Kachemak one bill monthly and receives one check for all 132 customers. Homer does not incur the postage, costs

of billing, bad debt expense--those are all covered by Kachemak and we think the \$5 cost is unreasonable and should go away.

The extra I & I costs that are incurred for lift station customers were discussed previously, so Mayor Morris just wanted to reiterate that they need to be more fairly allocated. He again thanked the Homer Mayor, City Manager, and Finance Director for attending the meeting and listening to us. He was very disappointed that the Homer City Council would not consent to a joint work session as these are items that cannot be discussed in the 3 minutes he was allowed at the Homer Council meeting.

Mayor asked the Kachemak Council for their input.

Dave Weber said he thinks the pump station premium needs revisited to take into account the extra I & I and that the \$5 monthly charge for Kachemak should be thrown away.

Ted Heuer said he thought the Mayor covered everything very well, but was wondering if there were any comments about the ad that was in the Homer News today.

Homer City Manager Walt Wrede said he thought the ad might raise awareness of the changes. He and Zhiyong Li questioned some of numbers that were used. He also said that many of the small businesses would be paying less for water and sewer with the new proposed model.

Bill Overway said Kachemak residents with hauled water were spending over 5 cents a gallon for water and he thinks 3,000 gallons a month for estimated usage is still very high. He also thinks the I & I needs to be looked into on the pump station charges.

Walt Wrede said he thought it was very reasonable to reduce the monthly gallon charge, but that would have to be done by the Homer City Council, not him.

Bill Fry said he would like Kachemak to do a study so we can prove to Homer our usage is way less than charged. He has been involved in HEA rate studies and he thinks a 50% rate increase is huge and if it had to go to a utility commission it would probably not be allowed.

Tammy Ackerman said she is not opposed to a rate increase, but would like to pay our fair share. She thinks the \$5 monthly fee needs to go away and from Kachemak's 20% sample that shows the average about 2,300 gallons per month, she thinks an average gallon study should be done.

City Clerk Helyn Schoepke said she is glad that a new model is being developed, but feels it still needs some work in the areas we have covered. Kachemak is a community with many retired people and many residents take extended vacations or only live here



part of the year so they are not using 3,500 gallons of water a month. There is no mechanism in the Kachemak rate structure to pay less--it is fixed whether you are living in your house or on vacation. She thanked the Homer officials for attending the meeting.

Mayor Phil Morris said we will send Homer a copy of the minutes from this meeting. He was disappointed that we couldn't get a joint meeting together to discuss these issues and asked Homer Mayor Beth Wythe if she thought that was a possibility. Mayor Wythe said the Homer Council did not act favorably to the offer of having a joint meeting. This rate resolution will be up for reconsideration at the July 22 meeting.

Mayor Phil Morris asked the public for their opinions.

Will Files said he would like to use the word "equalization" instead of "socialization." He also is in favor of more costs being equalized such as the pump station costs. He said he is familiar with road groups and some want to only pay for the section of road that they drive on, and you cannot make that work.

David Raskin said he didn't agree that all costs should be equalized and he thought a 40-58% increase was absurd. He said people with hauled water are much more conservative when turning on the tap.

Shirley Forquer said when we first got sewer about 22 years ago the monthly bill started out at \$12 and immediately went up to \$25 and now it's proposed to be over \$90.

Bill Smith said he was late, but he was concerned on how the pump volume was measured and how to account for I & I in the lift zones.

5. **ORDINANCE::**  
ORDINANCE 2013-08: AN ORDINANCE OF THE CITY OF KACHEMAK, SETTING NEW SEWER RATES.  
No action taken.

6. **ADJOURNMENT**  
Motion: Bill Overway/Tammy Ackerman moved to adjourn meeting.  
Vote: Motion passed. Unanimous. Meeting adjourned at 826 PM.

Respectfully submitted,

Helyn Schoepke  
City Clerk





## Jo Johnson

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**From:** Larry Slone <larryslone222@yahoo.com>  
**Sent:** Friday, July 19, 2013 10:03 PM  
**To:** Jo Johnson  
**Subject:** Res 13-048(S) Water Sewer

Jo Johnson, Homer City Clerk  
Please forward to cc and provide as a laydown for Monday's cc meeting.  
Thanks

July 19, 2013  
To: City Council, City Manager  
From: Larry Slone  
Ref: Res 13-48(S), Water/Sewer proposal

the Slone mod of Resolution 13-48, proposed Water/Sewer Rates

Water rate: .01182/\$11.82 per thousand  
Water Service fee: \$15 per meter, water side  
Sewer rate: .01702 /\$17.02 per thousand  
Lift-Station fee: .00375/\$3.75 per thousand, sewer side  
Bulk: .004/\$4 per thousand additional, water side

Item:

1. Conservation: Approximately 1% reduction in revenue
2. Remove Sprinkler fee
3. Remove BOD fee
4. Remove \$5/apartment fee
  - a. "socialize" majority of admin fee to water
5. Socialize one-half of Lift-Station fee to sewer
6. Kach City. 3,000 gallons per unit  
Basic sewer rate, plus the (half) lift rate, plus \$7.75 pumping fee
  
7. Infrastructure Depreciation. Any additional depreciation contributions taken from General Fund.

### REVIEW

The Homer Water/Sewer system is a closed and expensive system. Other than, perhaps, reducing the \$775,000/year administration fee, there is no easily identifiable means of reducing costs. Removing the financial burden on one user group simply shifts it to other users. Finding an acceptable solution, therefore, requires locating and promoting a water/sewer cost apportionment that all users view as equitable. Otherwise, misunderstanding, and then resentment will poison the "water". That, of course, leads to continual agitation for change, inevitably unbalanced, inducing yet more confusing and unsatisfactory policy changes.

The current water/sewer rates, based on Resolution 11-94(S) has established a ludicrously unbalanced apportionment. Example: My small tri-plex in town, consuming barely 5,000 gals of water per month, must pay a \$135/month service fee, before taxes (all dollar amounts hereafter exclude the 7.5% tax), before one drop comes from the tap. Resolution 11-94(S) was itself implemented in response to complains about the previous

rate schedule being unbalanced. And so on.

A stable rate structure requires that it be equitable, transparent, simple yet flexible.

The Water/Sewer Rate TaskForce was formed about 14 month ago to resolve this problem by developing a suitable solution. They thereby created a rate model based on the cost-causer=cost-payer principle. The model has some flaws. For various reasons it was not adequately vetted. Nonetheless, its' general cost-causer=cost-payer concept remains superior to other rate-schedule arrangements. Also, the model now appears to have been fully reviewed, with all major accounting discrepancies resolved.

## DISCUSSION OF PROPOSAL

This proposal is a "political" modification of the TaskForce's RateModel, as reflected in Resolution 13-48. In its' simplest form the suggested basis for apportioning fees is this: With the exception of Fire Protection and Bulk, merge most system costs into a single commodity rate, approximately \$14.55/1000 gallons for water and \$18.10/1000 for sewer, totaling \$32.65/1000 gallons. The \$775,000 Admin Fee and one-half the \$180,000 Lift-Station costs would thus be "socialized".

All other infrastructure elements of the water/sewer system are interchangeable between users assuming they put an equal demand upon the infrastructure; all share and benefit equally from the treatment of the water, the processing of the sewage, the same approximate piping size, the pressure reducing stations, the holding tanks, the piping, the normal deterioration of the system, etc. To distinguish to a finer degree among those listed elements is not feasible.

Other than the exclusions noted above, if the water/system worked for your residence in one geographical section of the system, it would work as well in another location; the major system components didn't really care if you relocated. The only obvious difference, then, or way of distinguishing between various users, is based upon the load, or use, they demanded from the system. A user consuming 10,000 gals/month clearly demands more from the system (more water treatment/sewer processing, system wear, larger holding tanks, etc.) than one using 1,000 gals/month. Therefore, the quantity of water consumed - and concomittant sewage generated - is the obvious determinant of system demand. For practical purposes, system demand is best expressed by the concept of "cost-causer (system-demand) =cost-payer", and is best reflected for revenue billing purposes by quantity of water and sewer consumed.

### Assumptions:

Combined Water/Sewer Revenue required: \$3.6 million  
Combined Water/Sewer consumption billed: 205 million gallons  
7.5% taxes not included in any revenue calculations  
Typical residential user = 3,000/gallons/month

Water Rate: .01182/gallon  
Water billed: 110 million gallons  
Revenue needed: 1.9 million dollars  
Reduced by: .2 Hydrants,  
.1 bulk,  
.3 service fee (\$15@1650 meters).  
Thus: \$1.3 million @ 110 million gallons = .01182 (\$11.82/1000 gallons)

Sewer Rate .01702/gallon  
Sewer billed: 94 million gallons  
Revenue needed: \$1.7 million  
Reduce by: \$ .1 million for lift-station  
Thus: Non-lift base sewage fee, \$1.6 million @ 94 million, is .01702/gallon (\$17.02/1000 gallons).

Lift -Station costs: .00375 (\$3.75/1000) per gallon added to sewage base fee  
Revenue needed: \$180,000

\$90,000 (one-half) blended into overall sewer rate, adding \$1/1000 to 1650 meter users

\$90,000 (the other half) assigned, at \$3.75/1000, to Lift users

Thus: Total Sewage Lift-Station fee of \$3.75/1000 plus \$17.02/1000 = \$20.77/1000 gallons.

Items:

1. Conservation: Approximately 1% reduction in revenue

Barring disaster, or shut-down of several large businesses, water-consumption will maintain it's level. Evidence of this is the fact that city multiplexes did not conserve last year when the large rate increases from Resolution 11-048(S) were in effect. That's because people early on find their water comfort level, and will leave town and move elsewhere before significantly reducing their consumption. The water cost for my tri-plex went up 70% with implementation of the Resolution, but water consumption hasn't diminished. I am, however, thinking of moving out of town.

Nonetheless, a modest conservation factor is built into this proposed model. Yearly billed water is reduced from 121 to 110 million gallons consumed, and billed sewer reduced from 98 to 94 million gallons. Lift-stations gallonage reduced from 26 to 24 million gallons.

2. Remove the BOD (increased effluence/Biological Oxygen Demand).

The BOD fee is proposed at \$10/month fee for about 40 commercial business, equaling \$5,000/year.

In the real world it's impossible to precisely delineate the cost associated with each user.

Public Works Director Carey Meyer has stated that additional sewer cleaning of restaurant sewer is not a routine occurrence and that Homer's treatment plant routinely removes greater than required BOD using just normal procedure. So, for practical purposes, it apparently is not a significant factor. Some effected businesses have installed their own treatment devices and would probably - rightfully - resist the assessment. Without adequate documentation of BOD introduced by users, the concept is not ripe for application. Remove it.

note 1 Carey Meyer Memo to TaskForce clerk Renee Krause, Jan 28, 2013

3. Remove the Sprinkler fee - \$5/month.

Apparently only six users are on 3" pipe, and two are on 4" pipe. None appear to be on the much more expensive 6" or greater size piping. In this case, we're talking about a total of \$1,200 a year. Not worth the extra billing cost or model complexity. Remove it.

4. Remove \$5/apartment fee.

This is a more complex issue. Here's why I recommend dropping the fee: The administration charge to process the 1650 or so meter subscribers (versus 1472 in 2011) is \$775,000/year. This does not include the Water/Sewer Ops and Maintenance costs. It deals solely with meter reading, reviewing for accuracy, generating and mailing the statement, then collecting the payments. Note that the bulk of the admin cost centers upon measuring and verifying individual meter's water consumption. Otherwise the city could simply mail out 1650 identical mass mailings per month at a fraction of the cost. Obviously, then, identifying each user's consumption is the relevant factor. Since all family, multiplex, or commercial units consume water, it's self-evident that they should contribute to the admin cost at a reasonably proportional level. This would require that all of the estimated 900 "equivalent" (note 2 - 650 multiplex apartments plus 250 hotel/motel equivalents) apartment units not currently on a meter, and thus not receiving a bill, would have to install a consumption meter and then have the city record their consumption - which would add considerably to costs. The simple solution is, therefore, to merge the admin fee into the water rates, increasing them by about .007/gallon (\$7 per thousand gallons) to \$15.20/1000 gallons. It could, of course, be split proportionally between water and sewer, but for this model I'll leave it all on the water side. (Excluding Kach City, the few sewer-only subscribers would pay approximately half, \$3.50/1000 for admin).

In this scenario revenue to the city would accrue only when water is consumed. There is no absolutely "guaranteed" service fee. Naturally, this would make the city administration very nervous although even the full admin fee would, at best, pay only 20% of system cost.

So, the Rate Model proposes a more "administration friendly" direct service-level fee, such as \$15/month, to be

applied to the 1650 water-meter subscribers, for a total of \$300,000, and the remaining \$475,000 admin fee rolled into the water commodity charge of \$11.82/thousand and increasing it by \$4.32/1000 to a total of \$16.14/thousand. The direct admin fee shouldn't be more than \$15, though, because the meter subscribers will also be paying that higher - \$16.14/1000 - commodity fee, with a typical 3,000 gallon/month residence paying about \$28/month in total admin fees (\$15 service plus \$13 commodity-generated) versus about \$13/month, commodity-generated only, for an apartment. A \$15 spread is, I would guess, about the maximum differential acceptable to a single-family residential meter-user. Essentially their demand on the public system is no more than that of an apartment, but they do enjoy the benefit of living in a single-family home. From a political perspective, this seems fair to me. All 2300 or so units, note 3 including approximately 250 hotel equivalent units (3000 gallons/month) would then share at least a portion (\$13/month) of the admin burden.

5. Lift-Station fees. Socialize one-half (\$90,000) into the sewer rate. The lift fees serve a distinct, clearly-identifiable sub-set of users, mainly Kach City, those along Ocean Drive/Ocean Loop, and the Spit. The problem is that the Beluga Lake lift-station apparently consumes 77% of lift costs, having to re-pump Spit sewage as well as as Ocean Drive sewage. Therefore, Ocean Drive /Ocean Loop users are, in effect being assessed twice for lift costs.

The other issue, of course, being that of user financial support for Spit businesses. Although Spit water costs are at least 10% greater than elsewhere, that factor was not included in the TaskForce's RateModel, so I will ignore it here, also. With these factors in mind, I think it might work politically to move one-half of lift fees into the sewer commodity rate, spreading it among all 1650 metered users, adding \$1/1000 to their sewer bill. This, in effect, is a system-wide user subsidy of Homer Spit Businesses who would now have their lift fee reduced from \$7.50/1000 gallons to one-half that, \$3.75/1000 gallons lifted.

6. Kach City. 3,000 gallons sewage billed per unit = \$70.06/unit, same as Homer sewage unit in Lift zone. Basic sewer rate of \$17.02/1000, plus (half) lift of \$3.75/1000, plus \$7.75 pumping fee

7. Infrastructure Depreciation. Any additional depreciation contributions taken from General Fund. Most of infrastructure is mandated for fire protection which serves all area residents. The water/sewer users already provide \$200,00 per year for depreciation.

8. Bulk. Basic water rate of \$11.82 plus \$4/1000 gallons for Bulk = \$15.82/1000

Note 1 -

Note 2 -

Note 3 -

Larry Slone

Larry Slone



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## MEMORANDUM 13-107

TO: MAYOR WYTHE AND HOMER CITY COUNCIL  
FROM: RICK ABBOUD, CITY PLANNER  
DATE: JULY 18, 2013  
SUBJECT: TECHNICAL REVISIONS TO TITLE 21

The requirements for adopting title 21 code amendments are addressed as follows.

Per HCC 21.95.040, the Planning Department shall review each amendment to title 21. This review is complete and addressed in memorandum 13-02 to the Planning Commission.

Additionally, Per HCC 21.95.060, the Planning Commission shall review each proposed amendment to title 21. This review is now complete. At the July 17<sup>th</sup> Regular Meeting, a motion was approved to forward the technical revisions to title 21 to the City Council.

**Recommendation:**

The Homer Advisory Planning Commission and Planning Department recommends adoption of the technical revisions to title 21.

**Attachments:**

Staff Report 13-53  
Memorandum 13-02







## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

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### STAFF REPORT PL 13-53

**TO:** Homer Advisory Planning Commission  
**FROM:** Rick Abboud, City Planner  
**MEETING:** July 17, 2013  
**SUBJECT:** Technical Revisions to Title 21

**Requested Action:** Hold hearing on revisions and forward to City Council with recommendation.

### GENERAL INFORMATION

The City is in the process of having the City code hosted on-line by a private company. This company will also update the code as the Council adopts new ordinances, rather than City staff. This is a common practice among municipalities nationwide (Homer is unusual in that we don't already do this). The result will be a searchable city code on line, with much better formatting.

The Attorney together with the new code publishing service has made recommendations to better clarify the identified sections of code. The recommendations do not introduce any substantial changes in code. The Attorney and Code Publishing report are included. The changes include things like specifying which version of a technical handbook will be used, removing duplicate information, and adding language to sections, rather than requiring the reader to flip between city code sections. The zoning map reference will be updated to the current version of the zoning map, which includes the recent rezoning on the Spit.

### STAFF COMMENTS/RECOMMENDATIONS:

Planning staff has reviewed the ordinance per 21.95.040 and recommends the Planning Commission conduct a public hearing, and recommend approval to the City Council.

### ATTACHMENTS

1. Memorandum 13-02
2. Draft ordinance
3. Excerpt of Code Publishing Inc comments

4. Memo dated June 4, 2013 from City Attorney Klinkner to City Planner Abboud



## City of Homer

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### Memorandum 13-02

TO: Homer Advisory Planning Commission

THROUGH: Rick Abboud, City Planner

FROM: Julie Engebretsen, Planning Technician

DATE: July 17, 2013

SUBJECT: Draft Ordinance 13-xx Technical Revisions to Title 21

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**This memo contains the planning staff review of the zoning code amendment as required by HCC 21.95.040.**

**21.95.040 Planning Department review of code amendment.** The Planning Department shall evaluate each amendment to this title that is initiated in accordance with HCC 21.95.010 and qualified under HCC 21.95.030, and may recommend approval of the amendment only if it finds that the amendment:

**a.** Is consistent with the comprehensive plan and will further specific goals and objectives of the plan.

*Staff response:* The proposed amendments are consistent with the Comprehensive Plan.

**b.** Will be reasonable to implement and enforce.

*Staff response:* The proposed amendments do not substantially change city code or policies.

**c.** Will promote the present and future public health, safety and welfare.

*Staff response:* The proposed amendments will improve the usability of the zoning code and increase the ability to promote public health, safety and welfare.

**d.** Is consistent with the intent and wording of the other provisions of this title.

*Staff response:* The amendments have been reviewed by the City Attorney and are deemed consistent with the intent and wording of the other provision of this title.

**21.95.010 Initiating a code amendment.**

*Staff response:* The code amendment was initiated by the City Planner as permitted by HCC 21.95.010(d)

**21.95.030 Restriction on repeating failed amendment proposals.**

*Staff response:* This section of code is found to be not applicable.

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**CITY OF HOMER  
HOMER, ALASKA**

Burgess/Roberts

**RESOLUTION 13-078(S)**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, MANDATING THE CITY MANAGER TO PROPOSE PROJECTS THAT UTILIZE THE FUNDS IN EXCESS OF \$3 MILLION DOLLARS IN THE HART FUND AND FUNDS IN EXCESS OF \$3 MILLION DOLLARS IN THE HAWSP FUND FOR CONSIDERATION OF THE HOMER CITY COUNCIL.

WHEREAS, The voters of the City of Homer established the HART (Homer Accelerated Roads and Trails Program) fund and the HAWSP (Homer Accelerated Water and Sewer Program) fund; and

WHEREAS, These funds accrue a predetermined portion of the sales taxes for the purpose of road improvement and sewer/water improvements; and

WHEREAS, When the balance of these funds exceed \$3 million dollars for the HART fund and \$3 million dollars for the HAWSP fund, this excess money sitting in the bank is not useful for the taxpayers; and

WHEREAS, The City of Homer administration knows of projects that need addressing; and

WHEREAS, The City Council of Homer has established a CIP project list; and

WHEREAS, The City Manager can propose projects to be considered with the excess funds; and

WHEREAS, The City Council of Homer can determine the best use of these excess funds.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, mandates the City Manager to propose projects that utilize the funds in excess of \$3 million dollars in the HART fund and funds in excess of \$3 million dollars in the HAWSP fund for consideration of the Homer City Council at least once per fiscal year, or more often as the City Manager may see fit.

BE IT FURTHER RESOLVED that project proposals for use of HART or HAWSP funds must include at least two alternative projects meeting some or all of the City's guidelines for merit of projects outlined in the Homer City Code.

46 PASSED AND ADOPTED by the City Council of Homer, Alaska, this 22<sup>nd</sup> day of July,  
47 2013.

48  
49 CITY OF HOMER

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53 MARY E. WYTHE, MAYOR

54 ATTEST:

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57 JO JOHNSON, CMC, CITY CLERK

58  
59 Fiscal Note: N/A

61

1 CITY OF HOMER  
2 HOMER, ALASKA

3 Roberts/Burgess

4 RESOLUTION 13-080(S)  
5

6 A RESOLUTION OF THE CITY COUNCIL OF HOMER,  
7 ALASKA, REQUIRING INVITATIONS TO BID (ITB) AND  
8 REQUEST FOR PROPOSALS (RFP) PLANS AND  
9 SPECIFICATIONS WITH SEARCHABLE TEXT AND PLAN  
10 HOLDER'S LISTS TO BE POSTED ON THE CITY OF HOMER  
11 WEBSITE IN A SYSTEM SIMILAR TO THAT UTILIZED  
12 BY THE KENAI PENINSULA BOROUGH.  
13

14 WHEREAS, The City of Homer commonly issues more than 75 Invitations to Bid and  
15 Request for Proposals (RFP) per year; and  
16

17 WHEREAS, Many potential bidders have access to the Internet; and  
18

19 WHEREAS, Bid documents can be easily converted into a PDF document format; and  
20

21 WHEREAS, The standard for ITB's and RFP's has become for the bidder to access them  
22 via the Internet; and  
23

24 WHEREAS, The City of Homer can maximize possible bidders by posting bid  
25 documents to the Internet; and  
26

27 WHEREAS, Only interested bidders will attend the bidders' meeting.  
28

29 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska,  
30 requires all Invitation to Bid and Request for Proposal plans and specifications with searchable  
31 text and plan holder's lists to be posted on the City of Homer website.  
32

33 BE IT FURTHER RESOLVED that all interested parties may subscribe online to  
34 be able to receive automatic e-mail notifications of upcoming City ITBs and RFPs and all  
35 parties who download bid documents via the City's website must register to be included on  
36 the plan holder's list.  
37

38 PASSED AND ADOPTED by the City Council of Homer, Alaska, this 22<sup>nd</sup> day of July,  
39 2013.  
40

41 CITY OF HOMER  
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44 \_\_\_\_\_  
45 MARY E. WYTHE, MAYOR  
46



47 ATTEST:

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51 JO JOHNSON, CMC, CITY CLERK

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53 Fiscal Note: N/A

# CURRENT BID INFORMATION

Plans and Specifications Available at

Kenai City Hall

To bid on projects and obtain addenda, you are required to be on the City of Kenai's plan holders list. Downloading project specifications and drawings from the City website does not guarantee you are automatically placed on the plan holders list. To be added to the plan holders list, click the link below:

[The City of Kenai Plan Holder's Registration form](#)

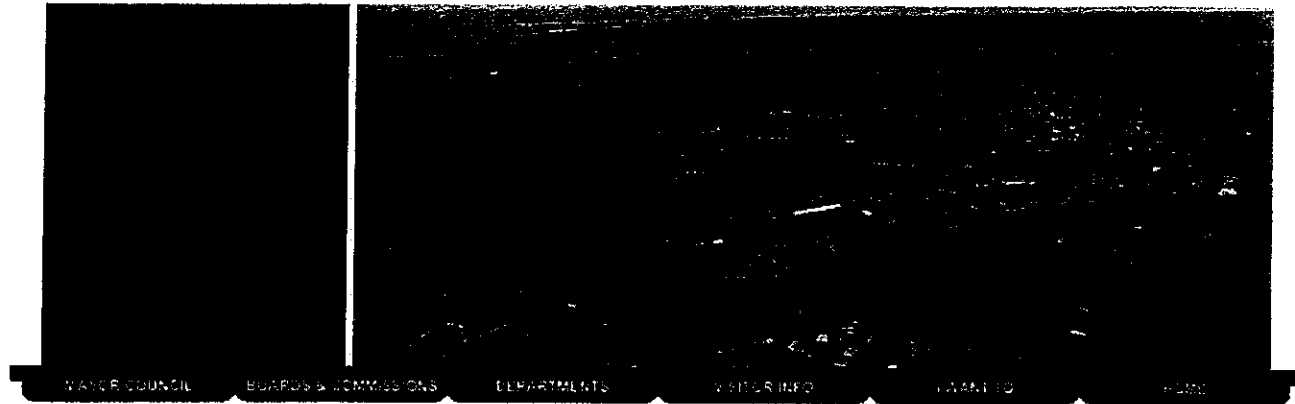
Complete bid packets are available free of charge by clicking on the link in the table below. Contact Kayla Feltman at [publicworks@ci.kenai.ak.us](mailto:publicworks@ci.kenai.ak.us) or phone at 907-283-8236 to have a copy printed. **THERE WILL BE A COST FOR PRINTING.**

Project/Material Bid	Date/Time of Bid Opening	Contact Person
<u>Vintage Pointe and Senior Center Exterior Renovation</u>  <u>Drawings</u>  <u>Addendum No. 1</u>  <u>Addendum No. 2</u>  <u>Plan Holders List</u>	<b>Prebid Meeting:</b> July 1, 2013, 2:00 p.m.  <b>Bid Opening:</b> July 10, 2013, 2:00 p.m.  <u>Intent to Award</u>	907-283-8236  <u><a href="mailto:publicworks@ci.kenai.ak.us">publicworks@ci.kenai.ak.us</a></u>
<u>Automated Flight Service Station Roof 2013</u>  <u>Drawings</u>	<b>Prebid Meeting:</b> July 23, 2013, 2:00 p.m. at AFSS, 470 North Willow  <b>Bid Opening:</b> July	907-283-8236  <u><a href="mailto:publicworks@ci.kenai.ak.us">publicworks@ci.kenai.ak.us</a></u>



# City of Soldotna, Alaska

In the very heart of the beautiful Kenai Peninsula!



**CURRENT PROJECTS**

**ATTENTION!** If you print a copy of any project from this web site with the intent to bid, you must be added to our bidder's list. Provide contact information to Barbara Phegley at [bphegley@ci.soldotna.ak.us](mailto:bphegley@ci.soldotna.ak.us). A valid fax or e-mail must be provided in order to guarantee that you will receive addendums. Please call 262-9107 to confirm that your information has been received and that you have been added to the bidder's list. Downloading projects from the City web site does not automatically put you on the planholders list.



Project Title	Bid Date	Specs	Addenda	Planholders	Bid Results**
<a href="#">Tye Street, Porcupine Court and Riverside Drive Street Improvements</a>	Non-Mandatory Pre-Bid 7/9/13 @ 11:00 a.m.  7/16/13 @ 3:00 p.m.	<a href="#">Specs</a>	<a href="#">Addendum 1</a>  <a href="#">Addendum 2</a>	<a href="#">Planholders</a>	<a href="#">Bid Result</a>
<a href="#">Professional Design Services City of Soldotna Website Design RFP</a>	8/20/13 @ 5:00 p.m.	<a href="#">Specs</a>		<a href="#">Planholders</a>	

**\*\*Bid Information is displayed on the website for 2 weeks after the bid date.**

**Staff**

[Kyle Kornelis, P.E.](#) - City Engineer  
[Ralph Linn](#) - Building Official  
[Barbara Phegley](#) - Administrative Assistant

[Search Website](#)

- [Main PW Page](#)
- [Current Projects For Bid](#)
- [5 Year Capital Plan](#)
- [Construction As-Built](#)
- [Contractor Forms](#)
- [Standard Specifications](#)
- Hours of Operation:**  
Monday-Friday 8:00am -5:00pm
- Location:**  
City Hall  
177 North Birch Street  
Soldotna, AK 99669
- Phone:** 907-262-9107  
**Fax:** 907-262-1245

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Site design [Arctic Web Publications](#)



**CITY OF HOMER  
HOMER, ALASKA**

City Clerk/  
Public Works Director

**RESOLUTION 13-082(S)**

A RESOLUTION OF THE HOMER CITY COUNCIL  
AWARDING THE CONTRACT FOR THE HOMER SMALL  
BOAT HARBOR SYSTEM 5 ELECTRICAL IMPROVEMENTS  
TO THE FIRM OF PUFFIN ELECTRIC, INC. OF HOMER,  
ALASKA, IN THE AMOUNT OF \$477,778.00 AND  
AUTHORIZING THE CITY MANAGER TO EXECUTE THE  
APPROPRIATE DOCUMENTS.

WHEREAS, In accordance with the Procurement Policy the Invitation to Bid was advertised in the Homer News on July 13 and 20, 2013, the Peninsula Clarion on July 16, 2013, sent to two in-state plans rooms, and posted on the Clerk's home page; and

WHEREAS, Bids were due on July 18, 2013 and two bids were received; and

WHEREAS, Bids were opened and the firm of Puffin Electric, Inc. of Homer, Alaska, was determined to be the low responsive bidder and found to be qualified to complete the work; and

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

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, approves the contract award for the Homer Small Boat Harbor System 5 Electrical Improvements Project to the firm of Puffin Electric, Inc. of Homer, Alaska, in the amount of \$477,778.00 and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 22<sup>nd</sup> day of July, 2013.

CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Homer Small Boat Harbor System 5 Electrical Improvements Project Acct. No. 415-920 (GLA#2).





# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

Public Works

3575 Heath Street  
Homer, AK 99603

[publicworks@cityofhomer-ak.gov](mailto:publicworks@cityofhomer-ak.gov)

(p) 907- 235-3170

(f) 907-235-3145

## MEMORANDUM 13-108

TO: Walt Wrede, City Manager

FROM: Carey Meyer, PW Director

DATE: July 18, 2013

SUBJECT: **Award of Construction Contract  
Homer Small Boat Harbor System 5 Improvement Project**

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On July 18 bids were opened for the Homer Small Boat Harbor System 5 Improvement Project. This work was advertised in the Homer News and the Peninsula Clarion during the month of June (in accordance with the City of Homer Procurement Manual).

The project will consist of removing the aging electrical infrastructure and upgrading it to meet the current demands that the System 5 Float requires. This project also provides a new year round potable water service to be located at the bottom of the System 5 ramp.

Two responsive bids were received:

Puffin Electric, Inc. \$ 477,778.00

Steiner's North Star Construction, Inc. \$ 578,494.00

Engineer's Estimate \$ 763,500.00

The low bid is within the budget established by Public Works based on grant monies available.

### RECOMMENDATION:

City Council pass a resolution awarding the construction contract for the Homer Small Boat Harbor System 5 Improvement Project in the amount of \$477,778.00 to Puffin Electric, Inc. and authorize the City Manager to execute all appropriate documents necessary to complete this project.

Fiscal Note: 415-920 (GLA#2)





**CITY OF HOMER**

**BID TALLY SHEET:**      **PROJECT:** Small Boat Harbor System 5 Improvement Project  
**Due Date and Time:** July 18, 2013 @ 2:30 p.m.      **PROJECT No:** \_\_\_\_\_  
**City Clerk's Office**

Bidder No.	Bidder Name and Address	Part B / Part A	Bid Amount / Additive Alternate Amt.
1.	Puffin Electric P.O. Box 1724 Homer, AK 99603	✓/✓	\$477,788.00
2.	Steiner's North Star Construction P.O. Box 1708 Homer, AK 99603	✓/✓	\$578,494.00

**City Engineer's Estimate if applicable:** \$763,500

**Staff Present:** Project Manager Nelsen, Harbormaster Hawkins, Accounting Technician Earls, Deputy City Clerk Jacobsen

**Comments:** \_\_\_\_\_



1 CITY OF HOMER  
2 HOMER, ALASKA

3 City Clerk/  
4 Public Works Director

5 RESOLUTION 13-083(S)  
6

7 A RESOLUTION OF THE HOMER CITY COUNCIL  
8 AWARDING THE CONTRACT FOR THE HOMER SPIT  
9 TRAIL SHORE PROTECTION PROJECT TO THE FIRM OF  
10 ALASKA MARINE EXCAVATION, LLC OF ANCHOR POINT,  
11 ALASKA, IN THE AMOUNT OF \$919,888.00 AND  
12 AUTHORIZING THE CITY MANAGER TO EXECUTE THE  
13 APPROPRIATE DOCUMENTS.  
14

15 WHEREAS, In accordance with the Procurement Policy the Invitation to Bid was  
16 advertised in the Homer Tribune on July 3 and 10, 2013, sent to two in-state plans rooms, and  
17 posted on the Clerk's home page; and  
18

19 WHEREAS, Bids were due on July 18, 2013 and three bids were received; and  
20

21 WHEREAS, Bids were opened and the firm of Alaska Marine Excavation, LLC of  
22 Anchor Point, Alaska, was determined to be the low responsive bidder and found to be qualified  
23 to complete the work; and  
24

25 WHEREAS, This award is not final until written notification is received by the firm from  
26 the City of Homer.  
27

28 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska,  
29 approves the contract award for the Homer Spit Trail Shore Protection Project to the firm of  
30 Alaska Marine Excavation, LLC of Anchor Point, Alaska, in the amount of \$919,888.00 and  
31 authorizes the City Manager to execute the appropriate documents.  
32

33 PASSED AND ADOPTED by the Homer City Council this 22<sup>nd</sup> day of July, 2013.  
34

35 CITY OF HOMER  
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39 MARY E. WYTHER, MAYOR  
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41 ATTEST:  
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45 JO JOHNSON, CMC, CITY CLERK  
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47 Fiscal Note: Homer Spit Trail Shore Protection Project Acct. No. 151-792.





# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Public Works

3575 Heath Street  
Homer, AK 99603

[publicworks@cityofhomer-ak.gov](mailto:publicworks@cityofhomer-ak.gov)

(p) 907-235-3170

(f) 907-235-3145

## MEMORANDUM 13-109

TO: Walt Wrede, City Manager

FROM: Carey Meyer, PW Director

DATE: July 18, 2013

SUBJECT: **Award of Construction Contract  
Homer Spit Trail Shore Protection Project**

---

On July 18 bids were opened for the Homer Spit Trail Shore Protection Project. This work was advertised in the Homer Tribune and the Peninsula Clarion during the month of July (in accordance with the City of Homer Procurement Manual).

The project will consist of installing 2800 cubic yards of filter rock and 3000 cubic yards of armor rock along with the removal of the existing failed shore protection implements.

Three responsive bids were received:

Alaska Marine Excavation, LLC	\$ 919,888.00
Endries Company	\$ 1,071,400.00
D&L Construction Co.	\$ 1,968,030.00

Engineer's Estimate	\$ 840,789.00
---------------------	---------------

The low bid is within the budget established by Public Works based on grant monies available.

### RECOMMENDATION:

City Council pass a resolution awarding the construction contract for the Homer Spit Trail Shore Protection Project in the amount of \$919,888.00 to Alaska Marine Excavation, LLC and authorize the City Manager to execute all appropriate documents necessary to complete this project.

Fiscal Note: 151-792



**CITY OF HOMER**

**BID TALLY SHEET:**      **PROJECT:** Homer Spit Trail Shore Protection Project  
**Due Date and Time:** July 18, 2013 @ 2:00 p.m.      **PROJECT No:** \_\_\_\_\_  
**City Clerk's Office**

Bidder No.	Bidder Name and Address	Part B / Part A	Bid Amount / Additive Alternate Amt.
1.	D&L Construction Co. 35400 K-B Drive Soldotna, AK 99669	✓/✓	\$1,968,030.00
2.	Alaska Marine Excavation 34481 North Fork Road Anchor Point, AK 99556	✓/✓	\$919,888.00
3.	Endries Company 35280 Rockwood Dr. Soldotna, AK 99669	✓/✓	\$1,071,400.00

**City Engineer's Estimate if applicable:** \$762,866.00

**Staff Present:** Project Manager Nelsen, Harbormaster Hawkins, Accounting Technician Earls, Deputy City Clerk Jacobsen

**Comments:** \_\_\_\_\_







# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Public Works

3575 Heath Street  
Homer, AK 99603

[publicworks@cityofhomer-ak.gov](mailto:publicworks@cityofhomer-ak.gov)

(p) 907-235-3170

(f) 907-235-3145

## MEMORANDUM 13-105(S)

TO: Walt Wrede, City Manager

FROM: Carey Meyer, Public Works Director

DATE: July 16, 2013

SUBJECT: **Sewer Manhole Repair/Erosion Protection  
Construction Contract Award Recommendation**

---

Last winter, a sewer manhole near a creek became the source of serious inflow which caused the flooding of four homes and damaged the sewer treatment plant. The cause of this problem was the frost heaving of the upper manhole sections combined with high creek flows that eroded the bank, exposing the manhole to creek water. Cold early winter temperatures (with no snow cover) created deep frost penetration and unusually high frost heave potential in Homer last winter. Warm temperatures, rain and snow melt created unusually high creek flows in late December. Public Works has developed a plan to repair the manhole and prevent this unusual circumstance from happening again.

The repair consists of exposing the manhole's exterior, wrapping the exterior with a waterproof membrane, and providing a riprap slope between the creek and the manhole. This will minimize the potential for the manhole sections to frost jack (creating a smooth outer surface), making the manhole water-tight, and prevent future flood events from eroding the bank and exposing the manhole to creek flow.

This work is planned to be completed in August when creek flows are low. The culvert that was placed in the creek by Public Works crews to divert flows past the manhole during the event will be removed. A Corps of Engineer's permit will be required to work in and adjacent to the creek. Public Works is in the process of competitively bidding this repair work (in accordance with the City's Procurement Manual).

The City Council has previously authorized funds from the Sewer Reserve account for the repair of flood damage resulting from the event and for implementing mitigation measures (Ordinance 13-08) Fiscal Note: 256-379. If the cost of this work exceeds the previously authorized budget, additional City Council authorization will be acquired during the mid-year budget adjustment.

On July 19 fax back quotes were opened for the Homer Small Boat Harbor System 5 Improvement Project. The quotes were solicited in accordance with the City of Homer Procurement Manual).

Three quotes were received:

Homer Winter services, Inc.	\$ 24,120
Collins Excavation and Services.	\$ 20,000
Gregoire Construction	\$ 9,200

**RECOMMENDATION:** The City Council pass a resolution awarding the Meadow-Wood Place Subdivision Sanitary Sewer Manhole Repair Project to Gregoire Construction in the amount of \$9,200 and authorized the City Manager to execute the appropriate documents.

Fiscal Note: 256-379 (Sewer Reserve Fund)