

May 8, 2012
5:30 P.M.

Cowles Council Chambers
491 East Pioneer Avenue
Homer, Alaska

WORK SESSION ECONOMIC DEVELOPMENT ADVISORY COMMISSION AGENDA

1. Call To Order, 5:30 P.M.
2. Discussion of Robert's Rules of Order and meeting procedures
4. Public Comments
The public may speak to the Planning Commission regarding matters on the work session agenda that are not scheduled for public hearing or plat consideration. (3 minute time limit).
5. Commission Comments
6. Adjournment

THE BASICS OF ROBERT'S RULES OF ORDER



City Officials Guide to an
Effective Meeting

City Officials Guide to an Effective Meeting

Basics of Robert's Rules

General Order of Meetings

1. Call to Order
2. Approval of Minutes
3. Officers, Boards and Standing Committee Reports
4. Unfinished (Old) Business
5. New Business
6. Adjournment

Procedure to Make a Motion

1. Member raises hand and waits for recognition from the presiding officer.
2. The member states the motion. e.g. "I move that we paint city hall."
3. Another member must second the motion to continue.
4. The presiding officer states the motion. (This puts the motion on the floor.)
5. Presiding officer calls for discussion on this motion.

The member who introduced the motion has the right to speak first. Members wishing to discuss the motion raise their hands and wait for recognition from the presiding officer before speaking, enabling everyone to share their opinions.

6. Presiding officer calls for a vote on the motion.
7. Presiding officer states results of vote and resulting action.

Procedure to Amend a Motion

During discussion, it may become apparent that an amendment (modification) to the original motion is necessary. Anyone may request to amend the original motion, but the proposed amendment must be related to the subject of the main motion.

1. Member raises hand and is recognized from the presiding officer.
2. Member states the amendment. e.g. I move that we paint city hall with funding received from grants."
3. Amendment must be seconded.
4. Presiding officer states the amendment.
4. Presiding officer calls for discussion on the amendment.
5. Presiding officer calls for a vote on the amendment, and announces result.

If the amendment passes, the motion on the floor is now the amended motion. If the amendment fails, the original motion remains on the floor.

A "friendly amendment" is often used to describe an amendment offered by a member who agreed with the main motion, but believes that the amendment will improve the statement or effect of the main motion, or will increase the chances of the main motion's adoption.

1. Member raises hand and is recognized from the presiding officer.
2. Member states they would like to "offer a friendly amendment to the motion; I move to amend the motion, that we paint city hall red with funding from grants."
3. Amendment is seconded.
4. Presiding officer states the friendly amendment.

5. Presiding officer call for discussion on the friendly amendment.
6. Presiding officer calls for a vote on the amendment and announces result.

Motion to Postpone

A member may move to delay action (voting) on a motion to a certain time, usually the next meeting. A postponed motion is considered unfinished business and automatically comes up for further consideration at the next meeting (or designated date).

1. A member makes a motion to postpone the motion to another date (usually the next meeting).
2. Motion must be seconded.
3. Presiding officer states motion.
4. Presiding officer calls for discussion.
5. Motion is amendable and debatable.
6. Presiding officer calls for a vote, and states result of the vote and action taken.

Motion to Suspend the Rules

Used if the Commission/Committee wishes to do something during a meeting that it cannot do without violating one or more of its regular rules. Commonly used to address agenda items out of order after the agenda has been approved or allowing an unscheduled visitor to address the assembly.

1. Can be made any time that no question is pending.
2. A member makes a motion; "I move to suspend the rules to hear New Business, Item C. before New Business, Item A."
3. Is out of order when another has the floor.
4. Motion must be seconded.
5. Motion is not debatable or amendable.
6. Motion must have two-thirds majority approval.
7. Presiding officer calls for a vote, and states the result of the vote and the action taken.

Motion for Point of Order

Used when a member thinks the rules are being violated or more commonly when discussion does not pertain to the topic of the motion on the floor.

1. Does not have to be recognized by the presiding officer.
2. Does not need to be seconded.
3. Is not debatable. The presiding officer may allow explanation.
4. Is not amendable.
5. Is ruled on by the presiding officer. The presiding officer may seek the advice of the Clerk or more senior members present.
6. Cannot be reconsidered.

Motion for Reconsideration

Used to bring a motion back before the Commission/Committee for further consideration.

1. Can be made by a member who voted with the prevailing side (aye if the motion was adopted/no if the motion was lost.)
2. Motion must be seconded.
3. Motion cannot be amended.
4. Only the merits of the reconsideration are debatable.
5. Requires a two-thirds vote to adopt a motion to reconsider.
6. Presiding officer states the result of the vote and the action taken.

Call for the Question

Used to immediately close discussion and the making of subsidiary motions except the motion to "Lay on the Table." Commonly used to bring an immediate vote on one or more pending questions.

1. Takes precedence over all debatable or amendable motions to which it is applied.
2. Yields only to the subsidiary motion to lay on the Table, privileged motions and all applicable incidental motions.
3. Must be seconded.
4. Is out of order when another has the floor.
5. Is not debatable or amendable.
6. Requires a two-thirds vote to adopt a call for the question.
7. Cannot be reconsidered.

Lay on the Table

Used to enable the Commission/Committee to lay the pending question aside temporarily when something else of immediate urgency has arisen. Commonly misused to stop discussion on a motion, with the intent to "kill" or avoid dealing with a measure.

1. Takes precedence over all subsidiary motions and pending incidental motions when made.
2. Cannot be applied to main motions.
3. Is out of order when another has the floor.
4. Must be seconded.
5. Is not debatable or amendable. The presiding officer can ask the maker his/her reasons.
6. Requires a majority vote.
7. Cannot be reconsidered.

Meeting Minutes

1. Minutes are a record of what was done at the meeting, not what was said.
2. Meeting minutes are not verbatim transcripts.
3. Amendments that will change the substance of the minutes should be addressed on the record.
4. Approval of the minutes is not a time to correct typographical errors. If necessary, those may be provided directly to the recording clerk prior to or at the meeting.

Types of Meetings

A Regular Meeting refers to the regularly scheduled meetings as established by the bylaws for the particular commission/committee/board. These are scheduled for the upcoming calendar year by resolution every December. During a regular meeting the procedures as outlined under the General Order of Meetings is followed.

Special Meetings are held when a single business item or two are to be addressed; the day or meeting time is changed from the regular schedule established in the bylaws; or the commission/committee feels that additional meetings are required to address items on the agenda responsibly. Special meetings follow the same procedures as outlined under the General Order of Meetings with the exception that minutes are not approved.

Executive Session is a portion of a meeting at which the proceedings are withheld from the public. This type of meeting is normally used to handle matters relating to discipline or finances. The members adjourn to another location within City Hall (usually the conference room adjacent to the Mayor's office.) After dealing with the business at hand the members will return to the main meeting place and resume the public portion of the regular or special meeting.

Types of Motions

Original or Incidental main motions are used to introduce business.

Original Main motion is a main motion that introduces a substantive question as a new subject. This is the most commonly used motion. (e.g. I move that the Club contribute \$50 to the centennial celebration")

Incidental Main motion is a main motion (Point of Order, Suspend the Rules) that relates to the business of the Commission/Committee, or its past or future action. (e.g. I move to take a recess.)

1. Takes precedence of nothing. Cannot be made when a question is pending.
2. Can be applied to no other motion.
3. Is out of order when another has the floor.
4. Must be seconded.
5. Is debatable and amendable.
6. Requires a majority vote.
7. Can be reconsidered.

Subsidiary motions (Amend, Postpone) can be applied to the main motion to modify, delay action or dispose of the main motion. These motions are commonly made while the main motion is open for debate. Once made these motions must be voted on before the main motion.

Privileged motions (Recess, Adjourn) do not relate to pending business but deal with special matters of immediate and overriding importance. These motions are allowed to interrupt the consideration of anything else.

Role of the Officers

Chairperson

The member chosen for this position is selected principally for the ability to preside. They should be familiar with the bylaws of the commission/committee. As Chairperson the member selected has to use diplomacy, tact and common sense during a meeting. The duties of the chairperson are as follows:

1. To open the meeting at the appointed time.
2. Ascertain a quorum is present.
3. Announce in proper sequence the business before the commission/committee.
4. Recognize members who are entitled to the floor.
5. To state and put to vote all questions that legitimately come before the commission/committee and announces the results.
6. To protect the commission/committee from frivolous motions by refusing to recognize them.
7. To expedite business in every way compatible with the rights of members.
8. To enforce the rules relating to debate and to order and decorum within the commission/committee.
9. To respond to inquiries relating to parliamentary procedures.
10. To decide all questions of order subject to appeal.
11. To declare the meeting adjourned.

The Chairperson should have a copy of the bylaws in case they are needed for reference.

Vice Chairperson

The Vice Chairperson is chosen to preside over a meeting when the Chairperson is not present, or it is necessary for them to vacate the chair. The duties of the Vice Chairperson are the same as shown above for the Chairperson when assuming that role.

In most commissions/committees if the Chairperson and Vice Chairperson are not present or have disqualified themselves in some manner and there is still a quorum the most senior member of the commission/committee/board fills in as Acting Chairperson.

It is recommended to familiarize yourself with parliamentary procedures and terminology. When each member has understanding of these procedures the result is productive meetings.

**NOTICE OF MEETING
MEETING AGENDA**

- 1. CALL TO ORDER**
- 2. APPROVAL OF THE AGENDA**
- 3. PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA**
- 4. RECONSIDERATION**
- 5. APPROVAL OF MINUTES**
 - A. April 10, 2012 Regular Meeting Minutes** **Page 1**
- 6. VISITORS**
 - A. Hans Rinke, Area Forester, State of Alaska Division of Forestry - Fire Safety**
- 7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/ BOROUGH REPORTS**
- 8. PUBLIC HEARING**
- 9. PENDING BUSINESS**
- 10. NEW BUSINESS**
 - A. Port and Harbor Revenue Bond Project Plan** **Page 7**
- 11. INFORMATIONAL ITEMS**
 - A. City Manager's Report** **Page 23**
- 12. COMMENTS OF THE AUDIENCE**
- 13. COMMENTS OF THE CITY STAFF**
- 14. COMMENTS OF THE COUNCILMEMBER**
- 15. COMMENTS OF THE CHAIR**
- 16. COMMENTS OF THE COMMISSION**
- 17. ADJOURNMENT/NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY, JUNE 12, 2012 at 6:00 p.m. in the City Hall Cowles Council Chambers located at 491 E. Pioneer Ave, Homer, Alaska.**

Session 12-04, a Regular Meeting of the Economic Development Advisory Commission was called to order at 6:00 p.m. by Chair Sarno on April 10, 2012 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER FAULKNER, SARNO, SCHMITT, WAGNER
COUNCILMEMBER: WYTHE
STUDENT: DAVIS
STAFF: DEPUTY CITY CLERK JACOBSEN
CITY MANAGER WREDE
PORT AND HARBOR DIRECTOR HAWKINS

APPROVAL OF THE AGENDA

The agenda was approved by consensus of the Commission.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

RECONSIDERATION

There were no items for reconsideration.

APPROVAL OF MINUTES

A. March 13, 2012 Special Meeting Minutes

The minutes were approved by consensus of the Commission

Faulkner wagner no objections.

VISITORS

A. Families First Presentation on Early Education & Economic Development

Lolita Brache, co-Chair and Jenny Martin, organizer, commented on behalf of Families First Best Beginnings Partnership. Best Beginnings is the statewide organization who grants the money that helps the program. They are a collaboration of a lot of agencies in town that are working towards advocacy of early childhood education and helping families. Their overlapping goals include childhood education, home visits, and preventing domestic violence, and child abuse and neglect. Ms. Martin gave an overview of the wealth of services provided. She noted that some of the projects address the City's comprehensive plan and economic development goal for parks, recreation, and culture to support and enhance the City's community sponsored year round recreational facilities. Families First has organized parents and professionals and worked with the City's Parks and Recreation department to address safety and maintenance at the Bayview Park, as well as organizing a work party to

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install a new slide, rocks for climbing, and nature based equipment, they have also been funding a porta-potty at the park. This year they publicized a list of indoor play spaces one of the most popular is the toddler play group, through the Community Recreation program. Parents that have been helping with the play spaces morphed into the HoPP group and Families First continues to support HoPP both financially and with volunteers. This summer they will be installing an adaptive swing to be used by kids with disabilities. All of the things the group is doing fall under a bigger umbrella of strengthening families, connecting parents with each other and with resources in the community. Early learning is bigger than preschool, it begins with the bonding and interaction of parents from birth. Ms. Brache quoted statistics regarding the correlation between early learning and success in school and the importance of parental interaction in a child's earliest years. For healthy brain development and healthy children, we need to think as a community about good health, nutrition, positive support for parents and children, knowledge and resources for caregivers. Having all this in place presents a community that works well. Good childcare means parents can go to work, which has economic benefit. For the money spent in early childhood a lot of money is saved in special education programs, juvenile delinquency, and results in higher graduation rates, better education retainment, going on to vocational training or college, earning better and paying taxes as contributing citizens in the community. One statistic for Alaska is that early childhood education services make it possible for over 32,000 Alaskans to participate in the workforce. Statistics are important for Families First in developing strategies and goals for the community and they are interested in collaborating with MAPP and the Commission to develop stats similar to the booklet provided that would be relevant to this community, and help with planning.

Question was raised how the Commission can help. Ms. Brache commented that a resolution to show support for the early childhood development would be helpful. They noted the economic strategies on the handout in the packet and have talked with Mrs. Koester about ways to tie in with the Commissions upcoming work on short and long term strategies.

B. Port and Harbor Improvement Committee Project Presentation

Port and Harbor Director Hawkins and Councilmember Barbara Howard, Chair of the Port and Harbor Improvement Committee, provided a presentation of the work they have been doing in relation to bonding for funds to complete improvements to the Port and Harbor Facility that include Upgrade to System 5-Vessel Shore Power and Water, Harbor Float Replacement, Ramp 3 Gangway and Approach, Port & Harbor Building, Harbor Entrance Erosion Control, and the Load and Launch Ramp.

Commissioner Faulkner strongly expressed his dissatisfaction for the lack of information in the packet, questioned staffing of the port and harbor office and voiced opposition to the building project. He further expressed his distaste for having this proposal slammed through, and questioned public notice.

Councilmember Wythe expressed that there will be several opportunities for the public to comment regarding this proposal, through several different venues. He was assured that public notice had been properly advertised.

Chair Sarno thanked the Committee members for the presentation.

C. Homer Ocean Park

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Dr. Marley commented regarding the information in the packet proposing a park on property he owns with two partners. The property is 31.3 acres with approximately 12 acres on the uplands on the Sterling Highway, an estimated 2300 feet of beach front and 1400 feet of highway frontage. The proposed park area is located at the base of the scenic drive into Homer. He recognized that the final design would rest in the hands of Parks and Recreation and the City Council but potential uses for the proposed park include a ramp to access the beach, a year round performing arts center, tennis courts, walking trails, pavilions, observation stations, an outdoor native appreciation area, and restrooms as water and sewer are available to the area. The proposed sale of the entire 31.3 acres is \$3, 750,000. Dr. Marley said he provided this same information to the Parks and Recreation Commission and they supported it unanimously.

Chair Sarno thanked Dr. Marley and said the Commission would have to consider the economic potential of the proposal at a future meeting.

STAFF AND COUNCIL REPORT

None

PUBLIC HEARING

None

PENDING BUSINESS

None

NEW BUSINESS

A. Natural Gas Line Distribution System/Funding Alternatives

City Manager Wrede commented briefly on the status of the state budget noting that it is still very fluid at this point.

Regarding the distribution system and funding alternatives City Manager Wrede explained that it could be reasonably argued that if the gas line comes in it would build out naturally. There is a process in place through the regulatory commission that if the gas line comes to town, people can hook up and pay for it themselves upfront to Enstar and as other people in the area hooked the initial investor in the line would be reimbursed. There is a lot of pressure on Council to do something and the players, including Enstar, the legislature, and the Governor as well as Council want some guarantees before committing funds to the project. He explained that this is a regional project that encompasses Borough properties, Homer, and Kachemak City as well. It's a big risk for the Homer City Council who has an operating budget of \$10 million to borrow \$12 million to build out the whole town up front. On the other hand, there are good arguments for doing it, he thinks it is one of the most important economic development projects to come to Homer in a long time. The Council could look at it as an investment as they would eventually get their money back by using the improvement district scenario similar to what the Borough is doing for Anchor Point. Council has outlined an action plan and completed some steps, but is being cautious. Council has passed two ordinances to

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put them in good position, one is to govern how gas utilities would go in the right-of-way and the other is amend the local improvement district code to give Council the ability to do gas utility LID's. Depending what happens in Juneau, the Council will have to decide if they want to do LID's and if so, how they want to do it. City Manager addressed information about potential opportunities for financing through a bill that would provide loan money at a low interest rate and paid back through assessments.

In response to questions, City Manager Wrede said that consideration of assessments will be per lot, not based on the property value, and Council will need to establish the overall process. He also commented that the reinstatement of the off season sales tax was mentioned, but there hasn't been any consideration of the option.

Commissioner Faulkner expressed support for a complete build out of the town. This is money that comes right back as savings out of our pockets and is probably the most important development we have been faced with in a number of years.

Commissioner Wagner questioned the quantity of gas coming from Cook Inlet. City Manager Wrede said there is never a guarantee, and it is a benefit to be hooked in to the south central grid because we know they aren't going to let Anchorage run out of gas and we will pay the Anchorage rates. He agrees it is more organized if the whole City could be done.

FAULKNER/WAGNER MOVED THAT THE EDC RECOMMENDS TO THE COUNCIL OF THE THREE OPTIONS THE CITY MANAGER LISTED THAT WE RECOMMEND THEY BOND TO BUILD OUT THE ENTIRE TOWN AT ONCE.

There was discussion that the build out would be for anything within the city limits and would include the main lines in the streets and there will likely be some adjustments as it is designed and engineered. The sooner we get gas to Homer the better off we will all be, the carbon footprint will be lower, we will save money on heat, and doing it as quickly as possible brings in more users.

Question was raised whether there are draw backs to doing it this way and City Manager Wrede explained that it would mean all properties would be included in one Local Improvement District. An advantage to that is that everyone has a reasonable expectation they will get natural gas soon and everyone would pay the same. The farther you get away from the downtown core the more expensive you get because density decreases. There is a lot of discussion that still needs to happen.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

INFO ITEMS

No information items were presented.

COMMENTS OF THE AUDIENCE

Larry Slone, city resident, appreciates the importance of natural gas and is glad in a sense the Commission agreed to bring the issue to the forefront, however he would like to have seen

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more in-depth discussion and is surprised that it didn't occur. Regarding the presentation by the Port regarding the bond issue and talking about the various elements, he does not know a lot about the value of the items and has to take on faith that proper values are assigned. He has sat through the presentation three times and he raises the same question that Commissioner Faulkner asked but wasn't answered. He would like to know what is it about the harbor master's office that will take that much money to build. He understands the current building has issues, and if he doesn't understand the need to spend that much, he expects the general public will not understand either. He would like to see a more detailed presentation regarding the costs associated with building the Harbormaster's office. If the EDC chooses to support the bond he thinks they should ask the question and get more detail from them.

COMMENTS OF CITY STAFF

There were no staff comments.

COMMENTS OF THE COUNCIL MEMBER

Councilmember Wythe requested the port and harbor improvement project be included on their next agenda so the Commission may have discussion. She suggested that members of the Commission remember they are here representing the community, not their own personal interest and that they have some respect in regard to the other people at the table, the people in the audience, and people making presentations.

COMMENTS OF THE COMMISSION MEMBERS

Commissioner Schmitt commented that this is all new to him and it is interesting to see how it all works.

Commissioner Wagner commented that they were overwhelmed with information but the buck doesn't stop here, there is more to discuss. He's glad to be part of it and glad to be learning.

Commissioner Faulkner commented \$12 million for the harbor, \$12 million for the gas line, and \$3 million for the park, we have a budget of \$10 million and they discuss spending \$27 million tonight. It's easy to say if you work for HEA because you can just raise your rates, but those of us in the private sector don't get to do that. He looks forward to the discussion on the port and harbor projects, he follows most of the projects closely and most are really needed. A third of the matching funds are going toward the harbor office it houses about 5 people with a desk, and he looks forward to talking about it more next time.

Student Representative Davis commented that she learned a lot tonight. There was a lot of information and she thinks the gas line is a benefit to the community. Ms. Davis was glad the City Manager was here to talk about the gas line, she has been trying to research it and his comments cleared up a lot of her questions.

Chair Sarno commented we are in tough economic times and we are an economic development advisory commission. She asked everyone on the Commission to recognize their role to gather information and respectfully deal with the public and with each other. Having

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Brad on the Commission is kind of like having a wild horse. She is a peaceful human being and trying her best to establish and maintain a respectful atmosphere. Chair Sarno welcomed the new member. She said she heard Senator Murkowski and was impressed with her speech. She is a public servant and gets a million times the information this group gets and she managed to turn it into a really good report. On this small level they are privileged with the amount of information they receive and hopes they can do their best to use that privilege in a good and respectful way.

ADJOURN

There being no more business to come before the Commission the meeting was adjourned at 7:57 p.m. The next regular meeting is scheduled for May 8, 2012 at 6:00 p.m. in the City Hall Cowles Council Chambers.

MELISSA JACOBSEN, CMC, DEPUTY 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



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Email: clerk@ci.homer.ak.us

MEMORANDUM

TO: Economic Development Advisory Commission

FROM: Melissa Jacobsen, CMC, Deputy City Clerk *WJ*

DATE: May 3, 2012

SUBJECT: Port and Harbor Improvement Committee Meeting History

The Port and Harbor Improvement Committee was established on June 13, 2011 by Resolution 11-060. To date, the Committee has convened 13 times as follows:

- August 18, 2011
- August 25, 2011
- September 1, 2011
- September 8, 2011
- September 22, 2011
- October 6, 2011
- December 8, 2011
- January 26, 2012
- February 9, 2012
- March 8, 2012
- March 22, 2012
- April 19, 2012
- May 3, 2012

Port and Harbor Improvement Committee members Bob Howard and Bob Hartley also sit on the Port and Harbor Advisory Commission and they, along with Harbormaster Bryan Hawkins, provided committee reports to the Commission at their monthly meetings.

Port and Harbor Improvement Committee Chair Barbara Howard made a presentation to the Port and Harbor Advisory Commission on February 22, 2012.

The Committee established a Tariff Review Sub-Committee to draft recommendations regarding tariff increases. They met twice on March 14 and 21, 2012.

The Committee held a public hearing on the Harbor Improvement Bond Projects at their April 19, 2012 meeting. The Port and Harbor Advisory Commission held a public hearing and made recommendations on the proposed amendments to the terminal tariff rates at their April 25, 2012 meeting. Committee member Wythe, Harbormaster Hawkins and City Manager Wrede participated on KBBI's coffee table on April 25th as well.

Agendas, packets, and minutes from those meetings are available on the City of Homer website.

Recommendation: Informational Only. Please contact the City Clerk's office if you need assistance with finding the information on line.

**CITY OF HOMER
HOMER, ALASKA**

Wythe

RESOLUTION 11-060

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ESTABLISHING A COMMITTEE TO DEVELOP A PORT AND HARBOR IMPROVEMENT REVENUE BONDING PLAN AND PROVIDE COMMITTEE REVIEW AND OVERSIGHT THROUGHOUT THE IMPLEMENTATION AND COMPLETION OF ANY APPROVED PLAN.

WHEREAS, The City of Homer Capital Improvement Plan (CIP) contains a variety of repair and improvement items for the Port & Harbor district, many of which have been languishing on the CIP list for a number of years with the continued hope of receiving funding from State and Federal agencies; and

WHEREAS, The Homer City Council recognizes the Port and Harbor Enterprise as a vital economic contributor to the community and as such desires to maintain and improve the facilities to ensure continued economic vitality and support economic development within the community; and

WHEREAS, State and Federal funding of these projects becomes increasingly unlikely due to economic shortfalls at all levels of government; and

WHEREAS, The Port and Harbor is an Enterprise Fund which generates revenues that can be allocated to the repayment of financed projects, which qualifies the Enterprise Fund for Revenue Bonding consideration; and

WHEREAS, The Port and Harbor Enterprise Fund currently has no indebtedness; and

WHEREAS, The current Port and Harbor Enterprise Fund depreciation reserve account has a balance of \$1,653,816 as of December 31, 2010.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, supports the establishment of a committee to develop a plan for the implementation of a Port and Harbor Improvement Revenue Bonding Project; and

BE IT FURTHER RESOLVED that the committee will consist of six members, three representatives from the Homer City Council (to be appointed by the Mayor and approved by the Council), the Harbormaster, and two members from the Port and Harbor Advisory Commission (to be selected by the Port and Harbor Advisory Commission). Other staff members will provide administrative and consultative support as requested by the committee or directed by the City Manager.

46 BE IT FURTHER RESOLVED that the committee will make a recommendation to the
47 Council not later than November 1, 2011, including information on the process for revenue bond
48 funding, a proposed timeline for project completion in not longer than three years with a
49 beginning date of no later than June 1, 2012, and including the following items from the Capital
50 Improvement Projects list:

- 51
- | | | | |
|----|----|---|-------------|
| 52 | a. | Harbormaster's Office (to be developed as a model over-slope development | |
| 53 | | project and include public restroom facilities with a separated entrance from the | |
| 54 | | building to allow 24-hour access) | \$2,875,000 |
| 55 | | | |
| 56 | b. | Harbor Entrance Erosion Control | 600,000 |
| 57 | | | |
| 58 | c. | Ramp 3 Gangway replacement (to include disability access) | 1,700,000 |
| 59 | | | |
| 60 | d. | Harbor Float Replacement | 3,500,000 |
| 61 | | | |
| 62 | e. | Upgrade System 5 – Vessel Shore Power & Water | 530,000 |
| 63 | | | |
| 64 | f. | Fishdock Restrooms | 400,000 |
| 65 | | | |

66 PASSED AND ADOPTED by the Homer City Council this 13th day of June, 2011.

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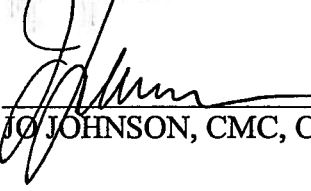
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CITY OF HOMER


JAMES C. HORNADAY, MAYOR

ATTEST:


JO JOHNSON, CMC, CITY CLERK

79 Fiscal Note: \$6,720, Acct. No. 165-375 (HART Trails Reserve)

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**CITY OF HOMER
HOMER, ALASKA**

Howard, Lewis, Wythe

RESOLUTION 11-099

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE CITY MANAGER TO DRAFT AND SUBMIT A REVENUE BOND SALE APPLICATION AND TAKE OTHER STEPS NECESSARY TO PREPARE FOR A POSSIBLE BOND SALE TO FINANCE CONSTRUCTION OF SIX TOP PRIORITY CAPITAL PROJECTS WITHIN THE HOMER HARBOR.

WHEREAS, The Homer City Council recently adopted Resolution 11-060 entitled “A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ESTABLISHING A COMMITTEE TO DEVELOP A PORT AND HARBOR IMPROVEMENT REVENUE BONDING PLAN AND PROVIDE COMMITTEE REVIEW AND OVERSIGHT THROUGHOUT THE IMPLEMENTATION AND COMPLETION OF ANY APPROVED PLAN”; and

WHEREAS, The Committee has completed the first phase of its work and has submitted a memorandum containing recommendations to the Council, a copy of which is attached and incorporated herein; and

WHEREAS, The Committee conducted a thorough review of all aspects related to revenue bond sales that must be considered including the bond sale process, the status and fiscal health of the Port and Harbor Enterprise Fund, the Fund’s capacity to generate new revenues to retire bonded indebtedness, and an overview of all projects identified for inclusion in a potential bond sale; and

WHEREAS, The Committee found that it was in the best interest of the City to recommend a small but targeted revenue bond sale focused on the most high priority projects and those in which a local share would leverage funds from outside sources; and

WHEREAS, The Committee selected six projects for inclusion in the sale at a cost of approximately \$ 6 Million financed over twenty years; and

WHEREAS, The projects recommended in order of priority ranking are:

- Load and Launch Ramp
- Ramp 3 Gangway
- System 5 Upgrades
- Harbor Float Replacement
- Harbor Office
- Harbor Entrance Erosion Control

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council finds that it is in the best interest of the City to proceed with the next steps in preparation for a possible bond sale consistent with the recommendations of the Port and Harbor Revenue Bond Committee; and

BE IT FURTHER RESOLVED that the City Council hereby authorizes the City Manager to draft and submit a revenue bond sale application and take other steps necessary to prepare for a possible bond sale for financing the harbor projects referenced above.


PASSED AND ADOPTED by the Homer City Council this 24th day of October, 2011.

CITY OF HOMER



JAMES C. HORNADAY, MAYOR

ATTEST:



G. JOHNSON, CMC, CITY CLERK

Fiscal Note: Administration and Legal Time / estimated to be less than \$3,000.

MEMORANDUM 11-145

TO: Mayor Hornaday and Homer City Council
FROM: Port and Harbor Revenue Bond Committee / Barbara Howard Chair
DATE: October 24, 2011
SUBJECT: Proposed Revenue Bond Sale for Harbor Improvement Projects

Introduction

The City Council recently adopted Resolution 11-060 entitled " A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ESTABLISHING A COMMITTEE TO DEVELOP A PORT AND HARBOR IMPROVEMENT REVENUE BONDING PLAN AND PROVIDE COMMITTEE REVIEW AND OVERSIGHT THROUGHOUT THE IMPLEMENTATION AND COMPLETION OF ANY APPROVED PLAN." The Committee was established and held its first meeting in early August. Barbara Howard was elected Chair and meetings were held every Thursday until the end of September when they were changed to every other week.

Resolution 11-060 required that the Committee provide recommendations to the Council by November 1, 2011. We are pleased to report that the Committee has completed the first phase of its work. This memorandum contains the Committee's recommendations.

The Committee conducted a thorough review of all of the variables that must be evaluated when municipalities are considering a revenue bond sale. The Committee started by having a discussion with Deven Mitchell, the Executive Director of the Alaska Municipal Bond Bank. Mr. Mitchell explained the entire bond sale process from conception and application through closing. He also outlined the benefits associated with using the Bond Bank to conduct the sale. The Committee received several briefings from the Finance Director regarding the financial health and capacity of the Port and Harbor Enterprise Fund. As part of this process, the Committee reviewed the Fund's ability to generate the amount of revenue that would be needed to retire bond debt.

The Committee received an overview of all of the harbor projects that were included in the enabling resolution. It also reviewed a number of new projects that were not included in either the CIP List or the enabling resolution for possible inclusion in the bond sale. Finally, the Committee was informed that the current City Attorney, Tom Klinkner, was one of the best known bond counsels in the State. Bond Counsel is required for any bond sale and the City already has the legal services it will need.

The Project Selection Criteria

There are many port and harbor projects that have been on the CIP List for a long time and are worthy of consideration for inclusion in the bond sale. Making choices was potentially difficult, especially given the backlog of priority projects and the limited bonding capacity of the enterprise fund. Therefore, the Committee decided to go about selecting projects in a methodical and structured manner. It scored and ranked projects using a weighted set of criteria. The criteria were:

- Is the project included in the enabling resolution?
- Does the project address health and safety issues?
- Does bonding leverage other money from outside sources?

- Does the project stimulate economic development and job creation?
- Does the project generate revenue for the enterprise fund?
- Does the project improve service delivery to port and harbor customers?
- Is there an identifiable revenue stream from benefitted users to retire the debt?

Other Considerations

The Committee carefully considered the financial capacity of the Port and Harbor Enterprise Fund and concluded that if a bond sale was conducted, it should be a relatively small and conservative one. The Committee took note of the fact that the Fund has diminishing retained earnings and cash assets below what would be advisable. The amount of money in the depreciation account is much less than that recommended by the City's auditors. The City could easily justify fee increases of 10 percent or more just to address these issues. Adding additional increases on top of that could be problematic and result in diminishing returns. No one wanted to raise fees too high too fast. To complicate matters further, revenues are down overall this year and are projected to be down again next year.

The Committee concluded that even though the Fund's bonding capacity at present is limited, interest rates are very low and there are opportunities right now to leverage significant amounts of outside funding for harbor priority projects that are too good to pass up. A targeted and limited investment in vital harbor infrastructure seems prudent and feasible. The Port and Harbor Enterprise Fund is expected to be self sustaining and good business practices require that investments be made in the facilities that support port and harbor operations. The port and harbor is an economic engine that creates jobs and generates revenue for the community. The revenues raised through a bond sale would be dedicated and directed right back into the facilities that port and harbor customers use and benefit from.

Bond revenues would be used to provide the required local match for other funding sources (with the exception of the harbor office). Therefore, five of the projects recommended for approval have significant funding sources associated with them. The City has already received a grant to pay for engineering and design for four of them. The Committee concluded that there was room for harbor fee increases sufficient to pay for bonded indebtedness up to \$5 or 6 Million. The Committee recommends exploring a staged call on bond revenues so that fees could be increased incrementally, and not all at once.

For a six million dollar bond sale and a twenty year amortization period, it is estimated that annual bond payments, including principal and interest, would be between \$300,000 and \$400,000. Closing costs will be minimal if the City goes through the Alaska Municipal Bond Bank and uses its attorney, Tom Klinkner as Bond Counsel. Harbor fees would have to be raised about 12% across the board to cover those payments unless other reductions in Port and Harbor expenses were achieved. The Committee also looked at targeted increases in specific fees for user groups that would benefit by particular projects. The City would be required to have a reserve account in place in the amount of \$500,000 to cover impending default and/or routine maintenance.

The City has received a grant Memorandum of Understanding for the load and launch ramp reconstruction project. Phase I of the project, engineering and design, will be fully funded up to \$350,000 with no local match requirement. The construction phase will be funded with federal money at 75% with a 25% local match. It is very likely that the 25% local match will be covered by the State of Alaska, either through Department of Fish and Game Sport Fish Program funds or through a State Harbor grant. Therefore, there is a good possibility no match from the City will be necessary. That could save the City an estimated \$837,500 in bonded indebtedness or a drawdown of port and harbor reserves.

The City will need to develop more current and precise project cost and local share estimates. This will be provided in more detail later if the Council approves the bonding recommendation in concept and authorizes us to move on to the next steps in the process. Council approval will be needed at a number of steps along the way.

The Recommended Projects

Following is a list of recommended projects to be included in a proposed revenue bond sale. They are listed in order of priority as scored by Committee members.

<u>Project</u>	<u>Estimated Cost</u>	<u>City Share</u>	<u>Matching Funds</u>
Load and Launch Ramp	\$3,350,000	\$837,500	Federal / State
Ramp 3 Gangway	\$1,700,000	\$850,000	State Harbor Grant
System 5 Upgrades	\$530,000	\$265,000	State Harbor Grant
Harbor Float Replacement	\$3,500,000	\$1,750,000	State Harbor Grant
Harbor Office	\$2,875,000	\$2,875,000	-----
Harbor Entrance Erosion Control	\$600,000	<u>\$300,000</u>	State Harbor Grant
TOTAL		\$6,877,500	
		<u>-790,000</u>	(secured design money)

TOTAL ESTIMATED BOND SALE \$6,087,500

FISCAL NOTES: The estimated costs presented above are total project costs. More refined and precise cost estimating will be provided as part of the bond application and approval process. The amount already secured for engineering and design (\$440,000 from Denali Commission and \$350,000 for L&L Ramp) is subtracted at the bottom. This has the effect of reducing the City's overall bonding costs. Also, it is probable that the City share for reconstruction of the L&L ramp will also be eliminated. If so, that reduces the bond sale to about \$5 Million.

These projects have been bundled into one project that was approved as part of the newly adopted CIP List. A good description of each project, the estimated costs, and the anticipated matching funds are included there. The project is entitled "Harbor Improvement Revenue Bond Projects" and is attached for your information.

HARBOR OFFICE NOTES: The Committee noted that the criteria used to select the recommended projects was not well suited for evaluating the merits of this particular project. A new harbor office has been on the City CIP List for many years. The facility is a patchwork of older buildings cobbled together and is easily number one on the City's list of buildings that need to be replaced. The building does not meet many of today's building code standards and it is not energy efficient. Replacing this building is a health and safety issue, both for the employees that work there and for the general public that conducts business there. Replacing this building would enable the staff to work more efficiently and productively and therefore, provide better service to the public. It is the intent of the Committee to explore the possibility of securing renters in the new facility to help cover bond payments.

RECOMMENDATION: Approve Resolution 11-099. Authorize the City Manager to proceed with the next steps including preparation of a bond sale application to the Alaska Municipal Bond Bank and the necessary documents for Council approval authorizing a bond sale.



Port & Harbor Improvement Committee

* Facts & Information *

April 24, 2012

Committee Q&A

❖ **What was the reason for establishing the Harbor Improvement Committee?**

Homer City Council is very aware of the Port and Harbor's importance to this community and that as an enterprise we cannot continue to allow the facilities to fall into a further state of disrepair. All of the harbor facilities have an expected life span and we are falling further and further behind every year that we don't act. The Improvement Committee was formed to address this issue. The goals were to prioritize the projects from the Capital Improvement Plan (CIP) list and then work to find the best options possible for funding. The Improvements Committee was directed to work collaboratively with the Port and Harbor Advisory Commission and bring recommendations to City Council.

❖ **How were the projects selected?**

The committee and commission selected projects from the Port and Harbor CIP list. The goal was to select projects that benefit as wide a range of the harbor users as possible and not focus on just one user group or the other.

❖ **How do matching funds tie in?**

Most grants, either State or Federal, will not fund projects 100%. They most often call for 25% or even 50% in matching funds. In some cases cities are able to use State grant money to match Federal grant money or vice versa. This of course helps to lower the local contributions needed to fund the projects.

❖ **What does revenue bonding mean?**

Revenue bonding means the act of securing a loan to do improvement work to capital facilities that add real value to the Enterprise assets. Revenue bonds are secured by the value of the asset and a cash flow (income) that assures repayment of the borrowed money including interest. The Harbor Enterprise will dedicate funds in its budget to make the bond loan payments.

❖ **What would the money be used for?**

Bond money will be used to pay the local share of any grant agreements that partially fund a project, and can be used to pay for projects where grant funds are not available. The bond funds will not be used for day to day maintenance and operations of the harbor.

A Work in Progress

The Improvement Committee and staff will continue searching for funding sources that will help to lower the costs of these projects. Likely there will be changes to the plan as we move ahead. These changes will be done with full transparency and vetted through the public process. However, it is important that the Committee have the flexibility to search out all funding avenues in order to get the biggest bang for the Enterprise buck.

Taking a Proactive Stance

The Harbor Enterprise has a simple mission: provide safe port and harbor for all customers, collect fees for services to pay operating costs, and to fund reserves for maintenance and/or future replacement of all port and harbor facilities. The Federal and State government does not own Homer Harbor, we do. The message coming down loud and clear from the government is that we must be proactive in our maintenance programs. In the grant applications we are required to show our commitment to maintaining the facilities now and when replacement becomes necessary, and that we have the funds in our reserves to cover those costs.

What is a Sustainable Rate?

What is the value of existing infrastructure, the life expectancy, and its maintenance costs? What will it cost to replace these facilities when they are simply worn out? The challenge for the Enterprise is to set rates that can be applied fairly and equitably to all Port and Harbor users. The rates need to be competitive yet still meet our mission of operating and maintaining all the Port and Harbor facilities. *Easy right!*

Asset Values Compared to Reserve Funds

The estimated asset value of the Enterprise infrastructure and facilities on the Homer Spit is \$44 million. You can see by the chart below that the projected ending balance of 2012 is \$1,285,027. Independent auditors recommend that our reserves balance should be at approximately \$10 million; and our annual transfer to our reserves from our operating budget should be about \$1.4 million instead of \$440,000.

CITY OF HOMER 2012 OPERATING BUDGET					
Port & Harbor Reserves 456 - 380					
Acct #		2009 Actual	2010 Actual	2011 Budget	2012 Budget
	Beginning Balance	1,219,265	1,383,836	1,652,816	1,675,027
4992	Annual Transfer	324,530	324,530	470,000	440,000
4801	Interest Income	11,050	35,752		
4610	Plans & Specs	320			
	Loan Repayment for Energy Projects 11-02(S)(A)				See Note *
5990	Energy Fund Transfer (Fund 620)		(48,620)	(131,335)	
5990	Bond Reserve Fund (456-382)	Budget			(500,000)
	Expenditures	(171,329)	(42,682)	(186,311)	
	Subtotal	1,383,836	1,652,816	1,805,170	1,615,027
	Encumbered			(130,143)	(330,000)
	Ending Balance	1,383,836	1,652,816	1,675,027	1,285,027

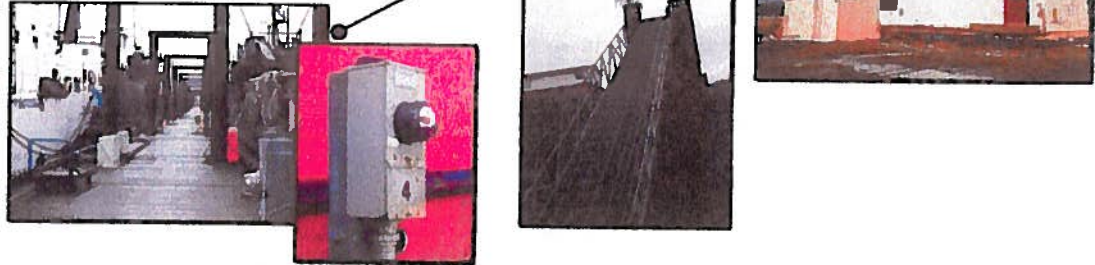
Port & Harbor Projects on the CIP List

A capital improvement plan (CIP) is a long-term guide for capital project expenditures. The CIP includes a list of capital projects, the community envisions for the future, and a plan that integrates timing of expenditures with the City's annual budget. A capital improvement project is one that warrants special attention in the municipal budget. Normally, public funds are not expended if the project is not listed in the CIP. Projects specifically related to the Port and Harbor, plus how long they have been on the CIP list, are listed below:

- Barge Mooring Facility 2011
- Deep Water/Cruise Ship Dock Expansion, Ph. I 1989
- East Boat Harbor 2004
- End of the Road Wayside, Ph. I 2008
- Fish Dock Restrooms 2001
- Fishing Lagoon improvements 2009
- Harbor Entrance Erosion Control 1998
- Harbor Float Replacement 2003
- Harbor Sheet Pile Loading Dock 2011
- HH Float Replacements 2011
- Homer Spit Dredged Material Beneficial Use 2010
- Ice Plat Upgrade 2011



- Load and Launch Ramp 2012
- Marine Ways Large Vessel Haulout Facility 2011
- Mariner Park Restrooms 2004
- **Port and Harbor Building 1985**
- **Ramp 3 Gangway and Approach 2003**
- Truck Loading Facility Upgrades at Fish Dock 2012
- **Upgrade System 5 – Vessel Shore Power 2010**



Selected Projects for Bond Funding

These projects were selected by the Improvement Committee and Port and Harbor Commission.

Item No.	Description	Total Cost
1	Port and Harbor Building	\$1,631,000
2	Harbor Entrance Erosion Control	\$2,288,000
3	Ramp 3 Gangway & Approach	\$795,000
4	Harbor Float Replacement	\$6,783,000
5	Upgrade System 5 – Vessel Shore Power	\$971,000
Homer Harbor Capital Improvements Total		\$12,468,000

Grants & Matching Funds Needed

The following graph shows a breakdown of the project costs, the grant funding, and the local matching requirements as to date. Staff and the Improvement Committee are striving to find additional funding sources that will lower the cost to the Enterprise.

Project Description	Grant Funding	Local Funding
Port and Harbor Building*		\$1,631,000
Harbor Entrance Erosion Control*		\$2,288,000
Ramp 3 Gangway & Approach	\$795,000	
Harbor Float Replacement	\$6,783,000	
Upgrade System 5 – Vessel Shore Power	\$971,000	
	\$8,549,000	
Denall Grant Monies (25% matching required)	- \$330,000	\$110,000
	\$8,219,000	
50/50 Match (half of total)		\$4,109,500
Total amount needed		\$8,138,500
Annual Bond Payment (\$70,361 per million)		\$572,633

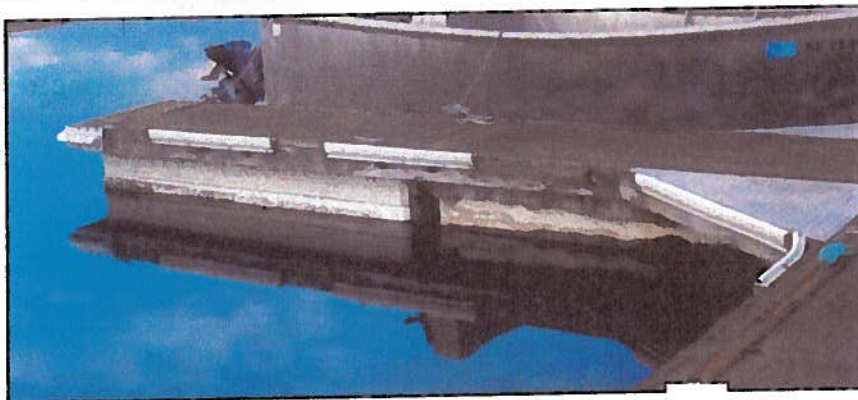
*not eligible for grant program

Proposed Port Tariff Rate Increases

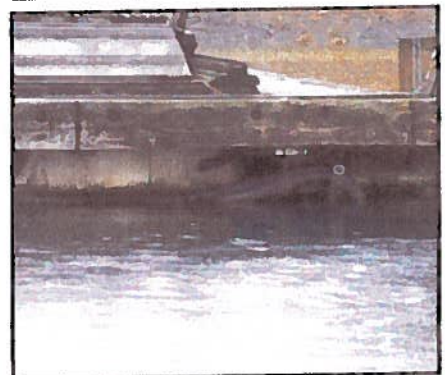
2012 & 2013 Proposed Homer Port & Harbor Rate Increases	2011 Actual Revenue	2012 Increase	2013 Increase
*All rates implemented over a two year period.			
Fuel Wharfage: Increase from \$0.0103 per gallon to \$0.02 per gallon.	\$141,176	\$66,477	\$132,953
Moorage: Increase 15% from current rate of \$35.22 per linear foot per year.	\$1,589,214	\$119,191	\$238,382
Ice: Increase 10% from current rate of \$119.00 per ton.	\$372,722	\$18,636	\$37,272
Passenger Fee: Implement existing rate of \$2.00 per person. Includes all vessels (no minimum).	n/a	\$40,000	\$80,000
Dockage: Change docking rate from per linear foot rate to a graduated rate schedule, 100% similar to Anchorage's.	\$157,848	\$48,422	\$87,983
Total 2012 Increases from 2011		\$292,726	
Total 2013 Increases from 2011			\$576,590

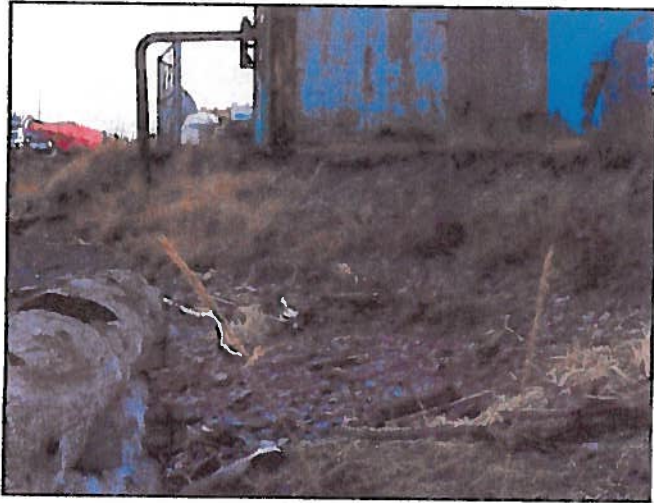
Facility Conditions throughout the Harbor

Harbor maintenance is like painting a boat: if you start at the bow and work your way all around, by the time you get to where you began it'll be time to start all over again. The facilities on the Spit deal with salt water, extreme tides, extreme weather, and heavy use. This means we have to work hard to stay ahead of the game and we ask: is the Homer Harbor keeping up with the wear and use after all these years?

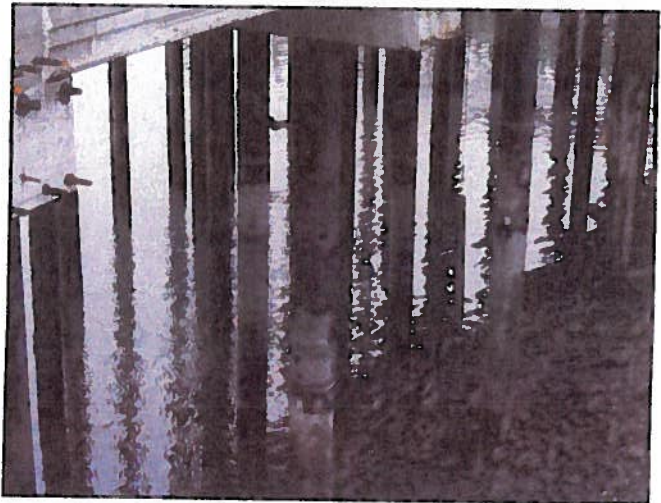
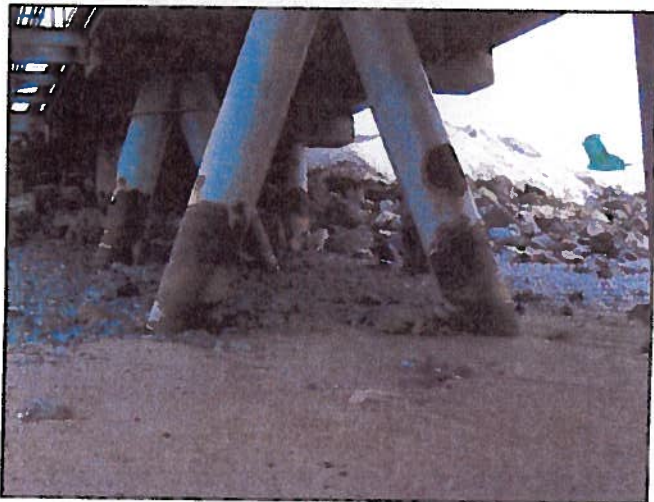


Deteriorating Floats through Harbor

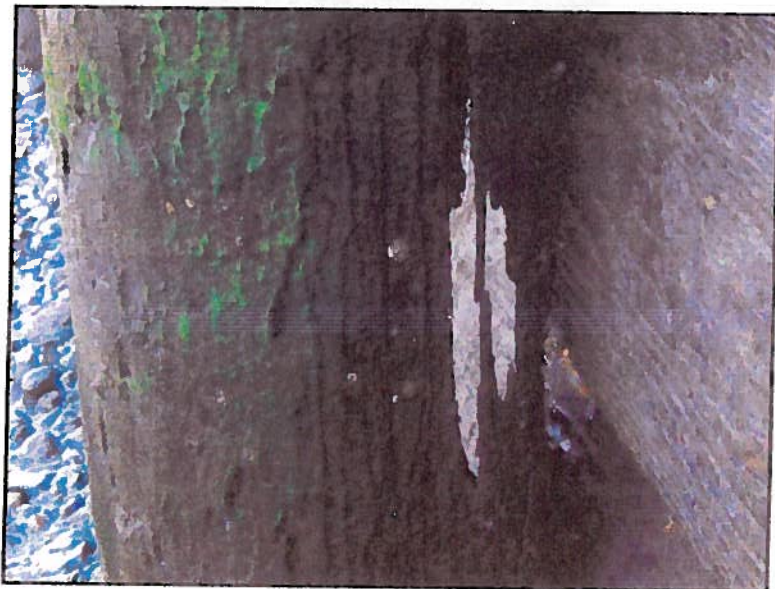




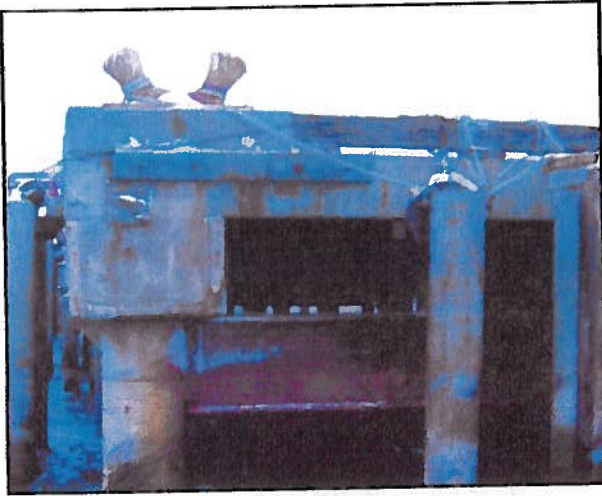
Harbor Entrance Erosion



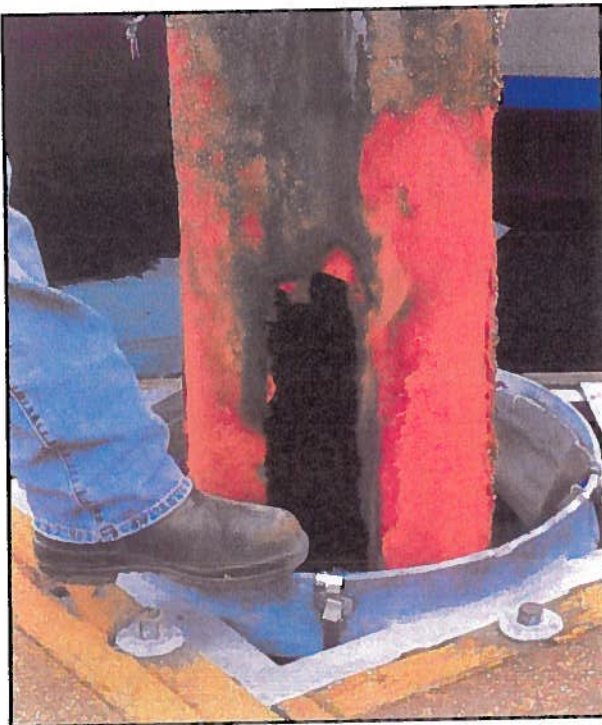
Corrosion on Pioneer Dock and Fish Dock Pilings



Wood Grid Piling Deterioration & Retaining Wall Sinkholes



Deep Water Dock – Missing fender & fender being held on by chains



Harbor
Float
Pilings



Pioneer Dock Damaged Dolphin

Load & Launch Ramp Deterioration



MANAGERS REPORT
April 23, 2012

TO: MAYOR HORNADAY / HOMER CITY COUNCIL

FROM: WALT WREDE

UPDATES / FOLLOW-UP

NATURAL GAS UPDATE

This Legislative capital budget this year once again contains funding for construction of a natural gas transmission line from Anchor Point to Homer. As some of you know, it was a wild and bumpy ride getting there, to say the least. The Legislative grant funding will come to the City of Homer and the amount is \$8.15 Million. Combined with the \$2.5 Million local match, (raised through the \$1.00 per mcf tariff increase), this will be enough to construct the project.

We are optimistic that the Governor will not veto this line item again. I say that for several reasons. First, he has stated in a letter to the Mayor, in a press interview, and in other conversations, that he was pleased with Homer's willingness to contribute to the cost of the transmission line and its progress in planning for the distribution system. Second, he has stated that he is unlikely to veto many projects, if any this year, because the Legislature stayed within the agreed upon budget caps. So, hold on Homer. It looks like getting natural gas to the area is much closer than it ever has been before. If the Governor does not veto this item, construction work could start as early as this fall.

Now is the time to really focus on whether the City Council wants to participate and provide financing for the local distribution system. Anchor Point and Kachemak City have already decided to do so. The Borough has established a 200 plus lot LID in Anchor Point and there is discussion about more.

We have talked about this issue in workshops and last year a special committee discussed the topic but did not make specific recommendations. Council has adopted several ordinances that put the City into position to accept gas utility line construction and to finance construction if it chooses. The next big decision, and it is becoming increasingly urgent, is if and how the Council will provide financial assistance to its businesses and residences so that they can hook up quickly. If the Council decides to move ahead with an LID or other financing strategy, the goal would be to have it approved and in place by this fall so that cost estimates will be locked in place and Enstar can make construction plans for the 2013 construction season.

Attached is a copy of a memorandum that I prepared for the workshop we had back in February. Since that time, there have been a number of new developments. They include:

- Enstar has provided cost estimates for three separate build-out scenarios. One is for the “core area”, one for the entire City limits, and one for the core area plus a loop that includes West Hill Road, Skyline Drive, and East Hill Road.
- The City Attorney has determined that lots which front the main transmission line being financed by the State cannot be included in an LID. This is important because there are many such lots and the street main construction costs will be borne by the other properties in the LID. This will drive up the cost per lot from prior estimates.
- The Legislature adopted SB 25. This bill allows AIDEA to provide direct loans for gas pipeline construction and it may provide an alternative source of low interest loans for the distribution system, potentially saving lots of money in bond closing costs and interest payments.
- The Economic Development Commission recently adopted a motion recommending that the Council finance construction of the distribution system using an LID and that the LID encompass the entire town.

Suggested Course of Action:

Step 1. Workshop: The first thing the Council must decide is whether it wants to provide financing for construction of the distribution system. If the answer is yes, then the next question is how. For example, it could simply make LIDs available to any area that wants to petition for them. Or, it could initiate an LID on its own that encompassed the core area or the entire town (or some other variation). There is a lot of information that would need to be considered in making this decision (maps, cost estimates, amortization schedules, etc.). That is why I suggest a workshop first, so that the Council can have as much information available to it as possible before making decisions. This workshop should be widely advertised and perhaps a public hearing might be added to the regular meeting agenda.

Step 2. Initiate an LID under HCC 17.04.040. There are advantages to the Council initiating an LID rather than waiting for individual neighborhoods to get organized. If the Council adopted a resolution initiating an LID under HCC 17.04.040, it would set in motion a whole chain of events including community meetings, development of a specific improvement plan, public hearings, more votes by the Council and so on. The ordinance would be followed from that point on.

I look forward to discussing this issue during the Manager’s Report and perhaps during the Committee of the Whole, if there is time.

ATTACHMENTS

1. February 6 Memorandum
2. Ordinance 12-15