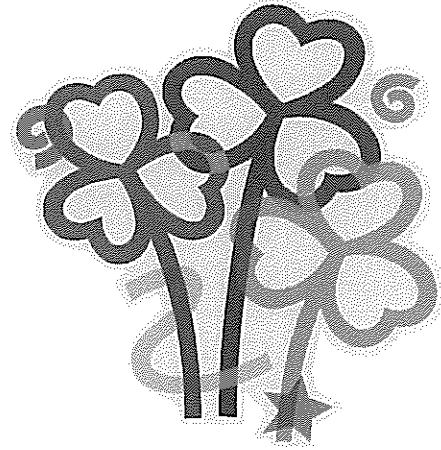


City Council
March 11, 2013
Monday



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

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

Produced and
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March 2013

- Monday 11th** CITY COUNCIL Committee of the Whole 5:00 p.m., and Regular Meeting 6:00 p.m.
- Tuesday 12th** ECONOMIC DEVELOPMENT ADVISORY COMMISSION Regular Meeting 6:00 p.m.
- Wednesday 13th** NEIGHBORHOOD MEETING – WADDELL ROAD AND STREET 5:15 p.m. – 6:00 p.m.
- Tuesday 19th** PUBLIC ARTS COMMITTEE Special Meeting 5:00 p.m.
WATER & SEWER TASK FORCE Regular Meeting 6:30 p.m.
- Wednesday 20th** PLANNING COMMISSION Worksession 5:30 p.m. and Regular Meeting 6:30 p.m.
- Thursday 21st** PARKS AND RECREATION ADVISORY COMMISSION Regular Meeting 5:30 p.m.
- Monday 25th** SEWARD'S DAY HOLIDAY. City offices closed.
- Tuesday 26th** CITY COUNCIL Worksession 4:00 p.m., Committee of the Whole 5:00 p.m., and Regular Meeting 6:00 p.m.
BAYCREST OVERLOOK IMPROVEMENT COMMITTEE Meeting 1:00 p.m.

Regular Meeting Schedule

- City Council 2nd and 4th Mondays 6:00 p.m.
Library Advisory Board 1st Tuesday 5:00 p.m.
Economic Development Advisory Commission 2nd Tuesday 6:00 p.m.
Parks and Recreation Advisory Commission 3rd Thursday of the month with exception of December 5:30 p.m.
Planning Commission 1st and 3rd Wednesday 6:30 p.m.
Port and Harbor Advisory Commission 4th Wednesday 5:00 p.m.
Transportation Advisory Committee Quarterly 3rd Tuesday 5:30 p.m.
Public Arts Committee Quarterly 3rd Thursday 5:00 p.m.
Lease Committee Quarterly 2nd Thursday 3:00 p.m.
Permanent Fund Committee Quarterly 2nd Thursday 5:15 p.m.

MAYOR AND CITY COUNCILMEMBERS AND TERMS

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

**City Manager, Walt Wrede
City Attorney, Thomas Klinkner**

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

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



COMMITTEE OF THE WHOLE
5:00 P.M. MONDAY
MARCH 11, 2013

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

COMMITTEE OF THE WHOLE AGENDA

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

Councilmembers Howard and Zak have requested telephonic participation.
Councilmember Burgess has requested telephonic participation or excusal.
Councilmember Dolma has requested excusal.

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

3. COMMISSION AND COMMITTEE REPORTS

4. CONSENT AGENDA

5. REGULAR MEETING AGENDA

6. COMMENTS OF THE AUDIENCE

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

Next Regular Meeting is Tuesday, March 26, 2013 at 6:00 p.m., Committee of the Whole 5:00 p.m., and Worksession 4:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

CALL TO ORDER
PLEDGE OF ALLEGIANCE
AGENDA APPROVAL



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

REGULAR MEETING AGENDA

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

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

Councilmembers Howard and Zak have requested telephonic participation.
Councilmember Burgess has requested telephonic participation or excusal.
Councilmember Dolma has requested excusal.

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

2. AGENDA APPROVAL

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

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

4. RECONSIDERATION

5. CONSENT AGENDA

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

- A. Homer City Council unapproved Regular meeting minutes of February 25, 2013. City Clerk. Recommend adoption.

Page 11

- B. **Memorandum 13-034**, from Deputy City Clerk, Re: Application for Liquor License Renewals for Don Jose's, Homer Liquor and Wine Company, Patel's, and Patel's #2. Page 25
- C. **Memorandum 13-035**, from Mayor, Re: Appointment of Nick Garay to the Prince William Sound Citizens Advisory Commission. Page 37
- D. **Ordinance 13-06**, An Ordinance of the Homer City Council, Amending HCC 3.12.020 Permanent Fund Contributions, and HCC 3.12.060 Expenditures of Income, to Provide that Five Percent of Income from the Homer Permanent Fund Income Sub-Fund is Available to be Appropriated for Grants to The Homer Foundation for the Benefit of the Community. City Clerk/Permanent Fund Committee. Recommended dates: Introduction March 11, 2013, Public Hearing and Second Reading March 26, 2013.0 Page 43
- Memorandum 13-036 from Permanent Fund Committee as backup. Page 47
- E. **Ordinance 13-07**, An Ordinance of the City Council of Homer, Alaska, Amending the 2013 Operating Budget by Appropriating up to \$42,450 from the Sewer, Water and Fleet Reserve Fund for the Purchase of a Steamer Truck. City Manager/Public Works Director. Recommended dates: Introduction March 11, 2013, Public Hearing and Second Reading March 26, 2013. Page 53
- Memorandum 13-037 from Public Works Superintendent as backup. Page 57
- F. **Resolution 13-023**, A Resolution of the City Council of Homer, Alaska, Noting the Sufficiency of the Petition for the Webber Subdivision Road Reconstruction and Paving Special Assessment District and Setting the Public Hearing Date for May 28, 2013. City Clerk. Recommend adoption. Page 59
- G. **Resolution 13-024**, A Resolution of the City Council of Homer, Alaska, Urging the State of Alaska to Fully Fund Kachemak Bay State Parks. Mayor/Burgess. Recommend adoption. Page 87
- H. **Resolution 13-025**, A Resolution of the Homer City Council Urging the Alaska State Legislature to Allocate Funds to Upgrade the Football Field at Homer High School to Artificial Turf. Roberts. Recommend adoption. Page 95
- I. **Resolution 13-026**, A Resolution of the City Council of Homer, Alaska, Expressing Support for HB 131, an Act Relating to Abandoned and Derelict Vessels. Mayor. Recommend adoption. Page 97
- J. **Resolution 13-027**, A Resolution of the City Council of Homer, Alaska, Expressing Support for HB 4, Legislative Efforts to Construct a Natural Gas Pipeline from the North Slope to South Central Alaska. Mayor. Recommend adoption. Page 107

- 6. VISITORS**
- 7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS**
 - A. Borough Report
 - B. Commissions/Board Reports:
 - 1. Library Advisory Board
 - 2. Homer Advisory Planning Commission
 - 3. Economic Development Advisory Commission
 - 4. Parks and Recreation Advisory Commission
 - 5. Port and Harbor Advisory Commission
- 8. PUBLIC HEARING(S)**
- 9. ORDINANCE(S)**
- 10. CITY MANAGER’S REPORT**
 - A. City Manager’s Report Page 117
 - 1. Lobbyist Report Page 121
 - B. Bid Report Page 127
- 11. CITY ATTORNEY REPORT**
- 12. COMMITTEE REPORT**
 - A. Public Arts Committee
 - B. Transportation Advisory Committee
 - C. Permanent Fund Committee

- D. Lease Committee
- E. Port and Harbor Improvement Committee
- F. Employee Committee Report

13. PENDING BUSINESS

- A. **Resolution 13-017(S)**, A Resolution of the City Council of Homer, Alaska, Approving a Contribution in Aid of Construction Agreement (CIAC) Between the City of Homer and Enstar Natural Gas Company for Construction of Improvements Within the Homer Natural Gas Distribution System Special Assessment District, in an Amount Not to Exceed \$12,160,632. City Manager. (Postponed from February 25, 2013) Page 129

14. NEW BUSINESS

15. RESOLUTIONS

- 16. COMMENTS OF THE AUDIENCE**
- 17. COMMENTS OF THE CITY ATTORNEY**
- 18. COMMENTS OF THE CITY CLERK**
- 19. COMMENTS OF THE CITY MANAGER**
- 20. COMMENTS OF THE MAYOR**
- 21. COMMENTS OF THE CITY COUNCIL**

22. ADJOURNMENT

Next Regular Meeting is Tuesday, March 26, 2013 at 6:00 p.m., Committee of the Whole 5:00 p.m., and Worksession 4:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PUBLIC COMMENTS UPON MATTERS
ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

Session 13-06 a Regular Meeting of the Homer City Council was called to order on February 25, 2013 at 6:02 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, DOLMA, HOWARD (telephonic),
LEWIS, ROBERTS, ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY ATTORNEY KLINKNER
FINANCE DIRECTOR MAURAS
LIBRARY DIRECTOR HILL
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Councilmember Howard has requested telephonic participation.

Mayor Wythe called for a motion to allow Councilmember Howard to participate by telephone.

BURGESS/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Council met as a Committee of the Whole from 5:00 p.m. to 5:57 p.m. to discuss Consent Agenda and Regular Meeting Agenda items.

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

AGENDA APPROVAL

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

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

PUBLIC HEARINGS - Ordinance 13-03(S)(2), An Ordinance of the City Council of Homer, Alaska, Authorizing the City to Issue a Natural Gas Distribution Special Assessment Bond in the

Principal Amount of Not to Exceed \$12,700,000 to Finance the Design and Construction of Natural Gas Distribution Improvements in the City, Fixing Certain Details of Such Bond and Authorizing Its Sale; and Repealing HCC Chapter 17.08. City Manager; Loan Agreement; **CITY MANAGER'S REPORT** - Thank you from the Kenai Peninsula Economic Development District for sponsoring the 2013 Industry Outlook Forum; and Homer Volunteer Fire Department Letter of Commendation to Firefighters. Housekeeping issues to agenda: change the order of Ordinance 13-03 and substitute & Resolution 13-017 and substitute.

Mayor Wythe called for a motion to approve the agenda.

BURGESS/ROBERTS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Karin Marks, city resident, supports Resolution 13-021. She was part of the committee to make the recommendation. With minimal expense most of the businesses in town will benefit.

Larry Slone, city resident, commented on Memorandum 13-022. He suggested an RFP for the parcel and to provide the Wooden Boat Society bonus points due to their service to the community.

Scott Adams, city resident, spoke on Resolution 13-022. He sees the economic benefits of the drill rig since the hotels are full and people are working. The City is making money.

RECONSIDERATION

CONSENT AGENDA

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

- A. Homer City Council unapproved Special and Regular meeting minutes of February 11, 2013. City Clerk. Recommend adoption.

- B. **Memorandum 13-029**, from Mayor, Re: Appointment of Merry Maxwell to the Economic Development Advisory Commission.
- C. **Memorandum 13-032**, from City Manager Wrede, Re: Tract 1-A, Fishing Hole Subdivision #2.
- D. **Resolution 13-021**, A Resolution of the City of Homer, Alaska, Approving Seasonal Day Use Parking at the Homer Education and Recreation Center Parking Lot and Authorizing the City Manager to Work with the State for Signage as Needed. City Manager. Recommend adoption.

Memorandum 13-031 from Community and Economic Development Coordinator and Planning Technician as backup.

- E. **Resolution 13-022**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Seek Proposals for Analysis of the Economic Impacts of the Drill Rig. Mayor/Burgess. Recommend adoption.

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

BURGESS/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

- A. **Esther Hammerschlag**, Homer Prevention Project

Esther Hammerschlag, Project Director for Homer Prevention Project, provided an overview of the project designed to reduce underage drinking and adult binge drinking. The project was born out of MAPP (Mobilizing for Action through Planning and Partnership). They have just completed their strategic plan. There are many participants in the project that include over two dozen groups in the community. For more information: www.homerpreventionproject.org or call 235-0570.

**ANNOUNCEMENTS/PRESENTATIONS/BOROUGH
REPORTS**

REPORT/COMMISSION

- A. Borough Report
- B. Commissions/Board Reports:
 - 1. Library Advisory Board

Eileen Faulkner, Chair of the Library Advisory Board, reported the computer program at the library is progressing with the program to start March 28th. March 4th – 7th the trainer will be at the library. The library will be closed to the public on Monday and Tuesday, March 4th and 5th, for staff training. The outreach partnership program with Best Beginnings is going well. As part of a grant Claudia travels to McNeil Canyon School weekly and Razdolna every other week for story hour. The final week of Big Read is this week. Tim O'Brien, author of *The Things They Carried* will give a presentation on March 1st at the Mariner Theatre. Board members are needed to fill vacancies. Interested persons are encouraged to apply.

- 2. Homer Advisory Planning Commission
- 3. Economic Development Advisory Commission

Josh Ross, Economic Development Advisory Commissioner, reported on the commission's work. They have been discussing marketing Homer for high tech businesses, revitalizing downtown Homer, and promoting Homer as an agricultural center. They have heard a lot of presentations from business owners on their ideas and concerns. A small group was formed to explore downtown revitalization. They came up with ideas for RV parking as outlined in Resolution 13-021.

- 4. Parks and Recreation Advisory Commission

Tricia Lillibridge, Parks and Recreation Advisory Commissioner, reported on the commission's work. They have been working on the Karen Hornaday Park playground and park projects, and the Diamond Creek recreation area. Council will be getting reports on the Diamond Creek area to approve. It is hoped a new pavilion can be constructed this summer at Karen Hornaday Park. A subcommittee was formed and has a pavilion design. The plan is the old pavilion will be taken down to be reused near the T-ball fields. The design was passed by the commission and forwarded to Public Works. There is a wonderful outdoor fire pit design, safe against the weather and winds, and has separate departments for multi users. Grass and walking trails will be used. The project will take a week to complete. Reservations will be handled through parks and

recreation department. HoPP has another piece of playground equipment to install. The commission reviewed the Land Allocation Plan and forwarded their recommendations. The Kachemak Drive Path Committee is still in effect; it has not been disbanded. There is a lot of work to do on the trail.

5. Port and Harbor Advisory Commission

Mayor Wythe recused herself due to her ongoing conflict of interest on the gas line and passed the gavel to Mayor Pro Tempore Roberts.

PUBLIC HEARING(S)

- A. **Ordinance 13-03**, An Ordinance of the City Council of Homer, Alaska, Authorizing the City to Issue a Natural Gas Distribution Special Assessment Bond in the Principal Amount of Not to Exceed \$12,700,000 to Finance the Design and Construction of Natural Gas Distribution Improvements in the City, Fixing Certain Details of Such Bond and Authorizing Its Sale; and Repealing HCC Chapter 17.08. City Manager. Introduction January 28, 2013, Public Hearings February 11 and 25, 2013, and Second Reading February 25, 2013.

Ordinance 13-03(S), An Ordinance of the City Council of Homer, Alaska Authorizing the City to Issue a Natural Gas Distribution Special Assessment Bond in the Principal Amount of not to Exceed \$12,700,000 to Finance the Design and Construction of Natural Gas Distribution Improvements in the City, Fixing Certain Details of Such Bond and Authorizing its Sale; and Repealing HCC Chapter 17.08. City Manager.

Memorandum 13-030 from City Manager as backup.

Ordinance 13-03(S)(2), An Ordinance of the City Council of Homer, Alaska Authorizing the City to Issue a Natural Gas Distribution Special Assessment Bond in the Principal Amount of not to Exceed \$12,700,000 to Finance the Design and Construction of Natural Gas Distribution Improvements in the City, Fixing Certain Details of Such Bond and Authorizing its Sale; and Repealing HCC Chapter 17.08. City Manager.

Mayor Pro Tempore Roberts opened the public hearing. In the absence of public testimony Mayor Pro Tempore Roberts closed the public hearing.

Mayor Pro Tempore Roberts called for a motion to substitute Ordinance 13-03(S)(2) for Ordinance 13-03.

BURGESS/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Pro Tempore Roberts called for a motion for the adoption of Ordinance 13-03(S)(2) by reading of title only for second and final reading.

LEWIS/BURGESS - SO MOVED.

Councilmember Burgess asked the City Attorney if the Borough could compel the City to foreclose on property in arrears of the assessment. Or can the Borough simply enforce that we must place the lien?

City Attorney Klinkner answered the lien is statutory and imposed on the property at the time assessments are levied. It is an automatic process and does not require any discretionary action on the part of the City. The City needs to use due diligence of enforcement of the assessments to raise the funds to pay the loan. The City is not compelled to foreclosure on a property to satisfy a lien.

Mayor Pro Tempore Roberts noted Council talked about the loan agreement at the Committee of the Whole and investigated all the changes in Ordinance 13-03(S)(2).

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

Motion carried.

Mayor Pro Tempore Roberts passed the gavel back to Mayor Wythe.

B. **Ordinance 13-04**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a 2012 Emergency Management Performance Grant from the State Division of Homeland Security and Emergency Management in the Amount of \$5,000 for an Update to the Emergency Operations Plan and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Fire Chief. Introduction February 11, 2013, Public Hearing and Second Reading February 25, 2013.

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

Mayor Wythe called for a motion for the adoption of Ordinance 13-04 by reading of title only for second and final reading.

BURGESS/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 13-05**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2013 Operating Budget by Appropriating \$10,500 from the General Fund for Emergency Relief to Pay Immediate Dislocation Expenses Incurred by the Tenants of Three Structures Affected by Sewer System Surcharges Caused by Extreme Weather on January 12 Through 14, 2013. City Manager. Introduction February 11, 2013, Public Hearing and Second Reading February 25, 2013.

Memorandum 13-019 from City Manager as backup.

Mayor Wythe opened the public hearing.

Larry Slone, city resident, expressed his support for the City to cover the costs. The City has some obligation if they did not inform the water and sewer user an event such as this was possible. There is a rider a person could put on their insurance policy.

Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion for the adoption of Ordinance 13-05 by reading of title only for second and final reading.

BURGESS/LEWIS - SO MOVED.

Councilmember Lewis asked if there was any insurance coverage the City could acquire that would cover like acts of deity.

City Manager Wrede answered insurance companies cover anything if you pay; you would be hard pressed to find an insurance company that would cover force majeure.

Councilmember Burgess noted it would be prudent of the City to advise potential new customers and existing customers though a disclaimer that installing a check valve is an option. It would advise people it is a possibility that uncommon things do tend to happen.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

A. City Manager's Report

1. Finance Director Resignation: Finance Director Regina Mauras has accepted a job in Washington State and has tendered her resignation. Her last day at work will be March 8. She will make herself available after that if questions come up. We have started the recruitment

process for this very important position. I would like to thank Regina for all of her dedication and hard work over the past seven years. She has contributed a lot to the City and its financial management. I would especially like to take note of the very significant improvements she made in the areas of internal controls and basic accounting practices. Regina was a real asset and she will be missed.

2. **Damage at Water Treatment Plant:** At recent meetings the Council was briefed on the extreme weather event that caused damage to the sewer collection system and to three structures in town. Understandably, most of the focus to date has been on the damage to the structures and the displaced tenants. However, there was also extensive damage to the sewer treatment plant itself. We did not realize the extent of the damage at the time but that is now becoming clear. The staff at the treatment plant has performed yeoman's work troubleshooting and making repairs to insure that the plant is functioning properly. Much of this work was done standing in knee deep sewage. Lots of overtime has been needed and these guys deserve a special thank you for keeping the community and Kachemak Bay protected from potential contamination. The bottom line though, is that the cost of repairs now exceeds \$100,000 and could continue to grow. We have not yet brought forward an appropriation ordinance because we did not fully understand the extent of the damage or ultimate cost for repairs and for health and safety reasons, we needed to move fast. At the time this was written, we were considering whether to file an insurance claim. The deductible for this policy is \$100,000. This insurance is for coverage of property damage to property owned by the City and differs from the coverage in place regarding the private structures.

3. **Grant Aviation:** As you probably heard by now, Grant Aviation is discontinuing service to Homer effective immediately. We are currently in the process of terminating their lease at the terminal and all of the normal steps that entails.

4. **Transportation Committee Recommendations:** Council recently asked the administration to look into acquiring the ROW that would be needed to push Waddell Way through to Heath St.; an important step in implementing the Transportation Plan. It has come to the City's attention that there is a potential buyer for the property (currently for sale) and PW and Planning have been working with the interested party to see if we can work out a plan that benefits all. There are a number of variables and considerations that come into play when thinking about the best alignment for the proposed east-west corridor. Carey brought this issue to the Transportation Committee at their meeting on the 19th. The Committee gave it careful consideration and its recommendations are attached. We hope to talk about this in some detail at the Committee of the Whole.

5. **Emergency Operations Plan Update:** Chief Painter has hosted three meeting so far. The next meeting is scheduled for Thursday, February 21. The Emergency Operations Plan is a very important document and we appreciate the volunteers who are participating on the Committee.

6. **Trip to Juneau:** Next week the Mayor and Katie will travel to Juneau to visit legislators and members of the administration. We have developed a general work plan / agenda on issues to be addressed but any input the Council might have would be most welcome.

7. **Harbor Projects;** This week I hope to be able to start the harbor revenue bond application process with the Alaska Municipal Bond Bank. The goal is to have the financing in place close to the time the capital budget is approved so that we can keep to the proposed construction schedule.

8. **Lillian Walli Estates:** The Council requested by resolution that the City initiate the petition process for forming a road, water, and sewer special assessment district in Lillian Walli

Estates. The Planning Department is working on that and is making good progress. Letters of interest went out to all property owners recently.

9. Port and Harbor Rate Study: The adopted budget contains funding for a Port and Harbor Rate Study. We are starting to focus attention on that issue and we should have more information for you soon.

10. Fiscal Impacts of the drill rig Endeavor: At the last meeting we discussed the possible benefits of commissioning a study of the economic impacts associated with the drill rig being moored in Homer. Several Council members expressed interest in doing this. This agenda contains a resolution on that topic sponsored by the Mayor and Council member Burgess to get the issue on the table.

City Manager Wrede reported the deadline for the re-appropriation of the \$2M is March 7th for the capital budget. Both Senator Micciche and Representative Seaton are on board. The Mayor will be talking to them on her upcoming Juneau trip. Council requested re-appropriation of the \$2M to the Skyline Fire Station with remaining funds going towards the Harbormaster's office. The estimate for the Harbormaster's office without the bathrooms is \$2M. After the Skyline Fire Station is built there should be \$1.3M or \$1.4M to put towards the Harbormaster's office.

Council discussed Waddell Way, the proposed east/west corridor from Lake Street to Heath Street. The corridor is a long term goal of the Transportation Plan. The Transportation Advisory Committee recommended the road be placed through the HEA property. A request to purchase the land is before HEA for consideration. There is a potential buyer for the Waddell property. A Worksession will be scheduled when more information is available.

City Manager Wrede reported Council appropriated \$20,000 for survey and engineering work on the Kachemak Drive trail. Public Works Director Carey Meyer has been looking at it closely. The original vision was to angle up the bluff; it is extremely steep in some places. To get a 10-ft. wide pathway bridges and retaining walls would be needed. Carey outlined a different plan for the trail, an extension of the existing trail that goes to the airport. The trail would stay at the toe of the bluff, similar to the Spit trail. His idea was it didn't make sense to spend a lot of money surveying a trail that would be too expensive to build. It received mixed results at the Parks and Recreation Advisory Commission meeting. The resolution approving the survey was not specific about a route; the money was to be used on a survey.

- B. Bid Report
- C. Games Report
- D. Records Inventory Report
- E. Other

CITY ATTORNEY REPORT

City Attorney Klinkner was asked by Councilmember Burgess to comment on the input received on the inequity of rendering assessments for the gas line per lot per user to the value of the lot.

City Attorney Klinkner advised there are numerous different methods to assess costs of an improvement to a benefitted property. They include a flat assessment per lot, by square footage, front street footage, square footage to a particular depth, assessed valuation, or by proximity to the improvement. Council approved an improvement plan that proposed assessments on a per lot basis. That is not binding and final at this point. The time that assessments and their method of assessment become binding and final is when the assessment roll is before Council after notice to property owners and their opportunity to object. Council can make adjustments to the assessment roll and the assessment method they think is warranted before the final roll is approved. After the final roll is approved and confirmed by the Council any party dissatisfied with the methodology has thirty days to take the matter to Superior Court. At this point any challenge to the proposed method of assessment is premature. A final challenge has to follow the exhaustion of the remedy by first coming to Council for the relief before going to court. The matter is still open for discussion and deliberation if there is a sentiment amongst Council based on public input that another method is more appropriate. Council may still consider it.

Asked by Councilmember Burgess if the assessment per lot is consistent or out of the norm, Attorney Klinkner advised the courts give the Council broad discretion in determining what is the appropriate method of assessment. The statutory standard is that the method of assessment is proportionate to the benefit received. There is considerable precedent in practice around the state of assessing for natural gas improvements on a per lot basis. It has happened in Mat-Su, within the Kenai Peninsula Borough, and the cities of Kenai and Soldotna. There was one case decided by the Alaska Supreme Court upholding per lot assessments on a road improvement.

Mayor Wythe asked if Council were to make a substantial change in the manner they determine the assessment, would they be required to go back for an objection period? People have said if the assessments are changed on the multi-tenant lots they would have voted differently.

Attorney Klinkner answered when the contract with Enstar is entered the City is contractually committed to the construction of the distribution system. Council cannot go back and undue the district. Property owners can still object to the actual assessments before the assessments are levied. Council would be able to say the condos are assessed as one property and everyone else's assessments would change.

COMMITTEE REPORT

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

Councilmember Roberts reported the TAC met last week and talked about the Waddell Way connection between Heath Street and Lake Street. The matter will be on Council's agenda in the near future.

- C. Permanent Fund Committee
- D. Lease Committee
- E. Port and Harbor Improvement Committee
- F. Employee Committee Report

PENDING BUSINESS

Mayor Wythe recused herself due to her ongoing conflict of interest on the gas line and passed the gavel to Mayor Pro Tempore Roberts.

- A. **Resolution 13-017**, A Resolution of the City Council of Homer, Alaska, Approving a Contribution in Aid of Construction Agreement (CIAC) Between the City of Homer and Enstar Natural Gas Company for Construction of Improvements Within the Homer Natural Gas Distribution System Special Assessment District, in an Amount Not to Exceed \$12.7 Million. City Manager. (Postponed from February 11, 2013)

Resolution 13-017(S), A Resolution of the City Council of Homer, Alaska, Approving a Contribution in Aid of Construction Agreement (CIAC) Between the City of Homer and Enstar Natural Gas Company for Construction of Improvements Within the Homer Natural Gas Distribution System Special Assessment District, in an Amount Not to Exceed ~~\$12.7 Million~~ **\$12,160,632**. City Manager. (Postponed from February 11, 2013)

Mayor Pro Tempore Roberts called for a motion to substitute Resolution 13-017(S) for Resolution 13-017.

LEWIS/BURGESS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

City Manager Wrede noted the only difference is the number. Resolution 13-017 had the \$12.7M figure which is the amount we are borrowing. The \$12,160,632 is the actual construction amount. The difference is the administration fees that are built in. He asked for postponement as the agreement is not yet ready. They are having a vigorous discussion about the free main allowance. Postponing will not be a major setback as the funds will not be available until March 19 when the Borough takes up the loan agreement.

LEWIS/BURGESS - MOVED TO POSTPONE TO OUR MARCH 11TH MEETING.

Councilmember Burgess commented the agreement obligates Enstar to build out a 2" line. Some areas may have higher volume.

City Manager Wrede answered that is covered in the agreement. Enstar has discretion to oversize the pipe in an area with a lot of development. They do that at their own expense.

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

Motion carried.

Mayor Pro Tempore Roberts passed the gavel back to Mayor Wythe.

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE

There were no comments of the audience.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner had no comment.

COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Wrede said goodbye to Regina and wished her well. She is moving on to another job in the state of Washington. He will miss her husband, his water delivery guy.

COMMENTS OF THE MAYOR

Mayor Wythe wished Regina well.

COMMENTS OF THE CITY COUNCIL

Councilmember Howard's comments were inaudible.

Councilmember Lewis echoed Walt and Beth's remarks about Regina and wished her the best of luck.

Councilmember Burgess dittoed the comments and thanked everybody.

Councilmember Roberts said goodbye to Regina. She will really miss her, especially during budget time. She does a great job during budget time, having everything organized and on the internet so the community can see it. In the laydown packet there is a commendation from the Fire Chief about three young firemen. Their quick thinking saved a structure from burning. She thanked all the firemen in the community.

Councilmember Dolma and Zak had no comments.

ADJOURNMENT

There being no further business before the Council, Mayor Wythe adjourned the meeting at 7:16 p.m. The next Regular Meeting is Monday, March 11, 2013 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

JO JOHNSON, CMC, CITY CLERK

Approved: _____

Office of the City Clerk

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



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

MEMORANDUM 13-034

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

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

DATE: MARCH 5, 2013

SUBJECT: APPLICATION FOR LIQUOR LICENSE RENEWALS FOR DON JOSE'S, HOMER LIQUOR AND WINE COMPANY, PATEL'S, AND PATEL'S #2

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

Type: Beverage Dispensary
Lic #: 2252
DBA Name: Don Jose's Mexican Restaurant
Service Location: 127 W Pioneer Ave.
Owner: Don Jose's LLC
Mailing Address: 2052 E Northern Lights Blvd., Anchorage, AK 99508

Type: Package Store - Seasonal
Lic #: 2531
DBA Name: Homer Liquor & Wine Company
Service Location: 4306 Homer Spit Road #4
Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

Type: Package Store - Seasonal
Lic #: 3176
DBA Name: Patel's
Service Location: 4470 Homer Spit Road
Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

Type: Package Store
Lic #: 3472
DBA Name: Patel's #2
Service Location: 369 E Pioneer Ave.
Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

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

Fiscal Note: Revenues.



CITY OF HOMER

POLICE DEPARTMENT

4060 HEATH STREET HOMER, AK 99603-7609

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

MEMORANDUM

DATE: February 28, 2013
TO: Melissa Jacobsen, CMC, Deputy City Clerk
FROM: Mark Robl, Chief of Police *MR*
SUBJECT: Liquor License Renewal

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

Type: Beverage Dispensary
Lic #: 2252
DBA Name: Don Jose's Mexican Restaurant
Premise Address: 127 W Pioneer Ave
Owner: Don Jose's LLC
Mailing Address: 2252 E Northern Lights Blvd., Anchorage, AK 99508

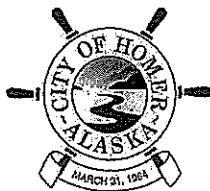
Type: Package Store-Seasonal
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Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

Type: Package Store
Lic#: 3472
DBA Name: Patel's #2
Service Location: 369 E Pioneer Ave.
Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

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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(907) 235-8121
ext: 2224, 2226, or 2227
Fax: (907) 235-3143
Email: clerk@ci.homer.ak.us

MEMORANDUM

TO: MARK ROBL, POLICE CHIEF

FROM: MELISSA JACOBSEN, DEPUTY CITY CLERK

DATE: FEBRUARY 28, 2013

SUBJECT: LIQUOR LICENSE RENEWAL FOR DON JOSE'S HOMER LIQUOR AND WINE COMPANY, PATEL'S, PATEL'S #2

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

Type: Beverage Dispensary
Lic #: 2252
DBA Name: Don Jose's Mexican Restaurant
Service Location: 127 W Pioneer Ave.
Owner: Don Jose's LLC
Mailing Address: 2052 E Northern Lights Blvd., Anchorage, AK 99508

Type: Package Store - Seasonal
Lic #: 2531
DBA Name: Homer Liquor & Wine Company
Service Location: 4306 Homer Spit Road #4
Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

Type: Package Store - Seasonal
Lic #: 3176
DBA Name: Patel's
Service Location: 4470 Homer Spit Road
Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

Type: Package Store
Lic #: 3472
DBA Name: Patel's #2
Service Location: 369 E Pioneer Ave.
Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

This matter is scheduled for the March 11, 2013 City Council meeting. Please respond with objections/non-objections to these liquor license renewals by **Wednesday, March 6, 2013**.

Thank you for your assistance.

"WHERE THE LAND ENDS AND THE SEA BEGINS"

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

Office of the City Clerk

Jo Johnson, CMC, City Clerk
Melissa Jacobsen, CMC, Deputy City Clerk II
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MEMORANDUM

TO: MARK ROBL, POLICE CHIEF

FROM: MELISSA JACOBSEN, DEPUTY CITY CLERK

DATE: FEBRUARY 28, 2013

SUBJECT: LIQUOR LICENSE RENEWAL FOR DON JOSE'S HOMER LIQUOR AND WINE COMPANY, PATEL'S, PATEL'S #2

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

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Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

This matter is scheduled for the March 11, 2013 City Council meeting. Please respond with objections/non-objections to these liquor license renewals by **Wednesday, March 6, 2013**.

Thank you for your assistance.



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Commerce, Community,
and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

2400 Viking Drive
Anchorage, Alaska 99501
Main: 907.263.5900
Chris Lambert: 907.263.5923
TDD: 907.465.5437
Fax: 907.263.5930

February 25, 2013

RE: Liquor License Renewal Notice

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

HOMER

Type: Beverage Dispensary
Lic #: 2252
DBA Name: Don Jose's Mexican Restaurant
Service Location: 127 W Pioneer Ave.
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Lic #: 3472
DBA Name: Patel's #2
Service Location: 369 E Pioneer Ave.
Owner: MSA Inc.
Mailing Address: 369 E Pioneer Ave., Homer, AK 99603

KENAI

Type: Beverage Dispensary
Lic #: 3032
DBA Name: Pizza Paradisos
Service Location: 815 Frontage Road
Owner: George Pitsilionis
Mailing Address: PO Box 2917, Kenai, AK 99611

Type: Beverage Dispensary
Lic #: 3039
DBA Name: Don Joses Mexican Restaurant
Service Location: 205 S Willow
Owner: Don Jose's LLC
Mailing Address: 2052 E Northern Lights Blvd., Anchorage, AK 99508

Type: Package Store
Lic #: 3218
DBA Name: Oaken Keg Spirit Shop #1808
Service Location: 10576 Kenai Spur Hwy.
Owner: Carr-Gottstein Foods Co.
Mailing Address: PO Box 29096 MS 6531, Phoenix, AZ 85038-9096

Type: Package Store
Lic #: 4544
DBA Name: 2 Go Mart
Service Location: 11120 Kenai Spur Hwy.
Owner: Tesoro Northstore Company
Mailing Address: Attn: Tara Arce (TX1-012), 19100 Ridgewood, San Antonio, TX 78259

OUTSIDE CITY LIMITS

Type: Package Store
Lic #: 2225
DBA Name: 2 Go Mart #201
Service Location: 47235 Kenai Spur Hwy.
Owner: Tesoro Northstore Company
Mailing Address: Attn: Tara Arce (TX1-012), 19100 Ridgewood, San Antonio, TX 78259

Type: Restaurant Eating Place
Lic #: 4153
DBA Name: Seward Salmon Bake
Service Location: 31832 Herman Leirer Road
Owner: Vince Benjamin
Mailing Address: PO Box 3151, Seward, AK 99664

Type: Restaurant Eating Place
Lic #: 5012
DBA Name: Sacketts Smokehouse Kenai Grill
Service Location: 16201 Sterling Hwy.
Owner: Glenn C. Sackett
Mailing Address: PO Box 673, Cooper Landing, AK 99572

SEWARD

Type: Beverage Dispensary
Lic #: 822
DBA Name: Christo's Palace
Service Location: 133 Fourth Ave.
Owner: Manolakakis Inc.
Mailing Address: PO Box 830, Seward, AK 99664

Type: Beverage Dispensary
Lic #: 1153
DBA Name: Tony's Bar
Service Location: 135 Fourth Ave.
Owner: Seward Alaska Ventures Inc.
Mailing Address: PO Box 187, Seward, AK 99664

Type: Beverage Dispensary - Tourism
Lic #: 4689
DBA Name: The Ivory Cove
Service Location: 202 Fifth Ave.
Owner: The Kishan Group Inc.
Mailing Address: 5851 S Virginia Street, Reno, NV 89502

Type: Package Store
Lic #: 1154
DBA Name: Tony's Liquor Store
Service Location: 135 Fourth Ave.
Owner: Seward Alaska Ventures Inc.
Mailing Address: PO Box 187, Seward, AK 99664

Type: Package Store
Lic #: 4334
DBA Name: Oaken Keg #2728
Service Location: 1907 Seward Hwy.
Owner: Carr-Gottstein Foods Co.
Mailing Address: PO Box 29096 MS 6531, Phoenix, AZ 85038-9096

SOLDOTNA

Type: Package Store
Lic #: 3262
DBA Name: 2 Go Mart #203
Service Location: 35482 Spur Hwy.
Owner: Tesoro Northstore Company
Mailing Address: Attn: Tara Arce (TX1-012), 19100 Ridgewood, San Antonio, TX 78259

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

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

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

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

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

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

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

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

Sincerely,

SHIRLEY A. COTÉ
Director

/s/Christine C. Lambert

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

Transmission Log

CITY CLERK'S OFFICE

Thursday, 2013-02-28 08:35

22

Date	Time	Type	Job #	Length	Speed	Station Name/Number	Pgs	Status
2013-02-28	08:34	SCAN	00069	0:45	21600	907-235-3151	4	OK -- V.34 1M31

Office of the City Clerk

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



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MEMORANDUM

TO: MARK ROBL, POLICE CHIEF
FROM: MEUSSA JACOBSEN, DEPUTY CITY CLERK
DATE: FEBRUARY 28, 2013
SUBJECT: LIQUOR LICENSE RENEWAL FOR DON JOSE'S HOMER LIQUOR AND WINE COMPANY, PATEL'S, PATEL'S #2

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

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This matter is scheduled for the February 11, 2013 City Council meeting. Please respond with objections/non-objections to these liquor license renewals by Wednesday, February 6, 2013.

Thank you for your assistance.

"WHERE THE LAND ENDS AND THE SEA BEGINS"
To access City Clerk's Home Page on the Internet: <http://clerk.ci.homer.ak.us>

*Office of the Mayor
Mary E. Wythe
Homer City Hall*

*491 E. Pioneer Avenue
Homer, Alaska 99603-7624*



*Phone 907-235-8121 x2229
Fax 907-235-3143*

MEMORANDUM 13-035

TO: HOMER CITY COUNCIL
FROM: MARY E. WYTHE, MAYOR
DATE: MARCH 5, 2013
SUBJECT: APPOINTMENT OF NICK GARAY TO THE PRINCE WILLIAM SOUND REGIONAL CITIZENS ADVISORY COMMISSION.

Nick Garay is appointed to the Prince William Sound Regional Citizens Advisory Commission (PWSRCAC) to fill the seat vacated by John Velsko. Mr. Garay's appointment is effective May 1, 2013 and will expire May 2015.

RECOMMENDATION:

Confirm the appointment of Nick Garay to the Prince William Sound Regional Citizens Advisory Commission effective May 1, 2013.

Fiscal Note: N/A

Jo Johnson

From: Nick Garay <nick.garay@gmail.com>
Sent: Sunday, March 03, 2013 5:44 PM
To: Jo Johnson
Subject: Re: PWSRCAC Appointment
Attachments: N Garay 2013 Resume.pdf

To Whom it May Concern,

This letter is to affirm interest in representing the city of Homer in serving the Prince William Sound Regional Citizens Advisor Commission.
I believe with my background in the maritime industry I will be able to provide valuable insight to the board as well as reflect the interests of the city of Homer while negotiating many of the topics the commission oversees.

Please see the attached resumé for my professional credentials

Respectfully Submitted,

Nick Garay
P.O. Box 2653
Homer, AK
99603
707-738-2339

On Feb 28, 2013, at 11:59, "Jo Johnson" <JJohnson@ci.homer.ak.us> wrote:

<image001.gif>

Hi Nick,

You have expressed your enthusiasm on serving on the Prince William Sound Regional Citizens Advisory Commission. Mayor Wythe will make the appointment at the March 11th City Council meeting, providing you submit a letter of interest in serving on the board. To meet the packet deadline I will need your letter by Tuesday, March 5th.

John Velsko highly recommends your appointment to the PWSRCAC. I'm sure you will be a valuable board member with your capacious experience in the marine trade.

Thank you,

Jo Johnson

City Clerk

City of Homer

491 E. Pioneer Ave.

Homer, AK 99603

907-235-3130 Fax 907-235-3143

PUBLIC RECORDS LAW DISCLOSURE: Most e-mails from or to this address will be available for public inspection under Alaska public records law.

Nick Garay

nick.garay@gmail.com

Permanent Address:

PO Box 2653
Homer, AK 99603
Cell: (707) 738-2339
Home: (907) 235-2150
Email: nick.garay@gmail.com
garay@acsalaska.net

Objective

I am seeking a position in maritime employment where my current professional knowledge and technical expertise will be a resource within my field of work. I intend to use my position to further broaden my scope of the industry while providing my employer the best performance and work commensurate to my abilities

Education, Licensing, and, Accreditation.

California Maritime Academy, Vallejo, California, Graduated April 2006

Second Mate Unlimited License

1600 Ton Master Oceans

PIC/DL Tankerman Endorsement

Bachelor of Science in Marine Transportation

Academic Minor in Law

STCW qualifications complete and current

Basic Dynamic Positioning certification

*Please ask for a further list of endorsements and competencies if inclined: i.e. VSO, BRM, etc.

Work Experience

2013 Alta Logistics (Contractor to Shell Alaska)

Port of Seward, Alaska: Operations Manager for Seward Terminal. Scope of work included supporting Shell's efforts in securing and stabilizing the drill-rig Kulluk: staging equipment, providing vessel support and logistical assistance, organizing longshore crews and equipment/warehousing/yard oversight. Jan-Mar 2013

2012 Icicle Seafoods

P/V Robert M Thorstenson: Mate aboard Icicle's 5,000 ton processing flagship. The vessel transits and works throughout numerous remote Alaskan locations. Duties included general management of the vessel as well as underway pilotage and ship handling through Southcentral and Southeast Alaska-Canada. *The vessel is "uninspected fishing" and requires no pilots, thus the bridge compliment is required to be proficient in local knowledge, handling and docking the vessel. Late July-August 2012

2012 Central Gulf Lines

M/V Green Ridge: Second Mate: The Green Ridge is an 650,' 50,000 gross-ton car carrier serving numerous ports in the Asian far east including, Hawaii, Guam, Busan South Korea, Okinawa Japan, among other destinations throughout mainland Japan. Duties included (OICNW) navigation/vessel operations in regions of high density traffic, as well as planning the vessels voyage from the US Pacific Coast throughout Asia and the Pacific Rim. April-June 2012

2011 Matson Navigation

M/V Manoa: Third Mate: The Manoa is an unlimited tonnage container ship serving the ports of Seattle, Oakland, and Honolulu. As third mate I was responsible for maintaining the vessels safety equipment systems, as well as serving navigation and cargo watches. Jan 2011-May 2011

2011 Aldrich Offshore

R/V Westward Wind: August 2011 - October 2011

Mate aboard converted 160' crab catcher processor/research vessel. Vessel performed various science operations in Northern Alaska's Chukchi Sea. Duties included ship handling operations, navigational duties

08-10 Horizon Lines

Horizon Hunter: Containership: Employed as Second Officer. Primary responsibilities include voyage planning, navigation preparation and implementation, safe work practice implementation, Officer in charge of a navigational watch (OICNW) and cargo operations oversight. The Vessel was charged with container delivery between ports within Hawaii, Guam, China, Taiwan, and California. April-May 2010

Horizon Anchorage: Containership: Employed as Third Officer. Responsibilities include bridge watch (OICNW), cargo load/discharge, responsible to ships safety equipment maintenance, repair, as prescribed under Horizon HSE. The vessel brought box and reefer cargo between the port of Tacoma, Anchorage, Kodiak, and Dutch Harbor Alaska. January - May 2009

07-08 Edison Chouest Offshore

AHTS OSRV Nanuq (Ice Classed, DP 2, Anchor Handling Tug, Supply Boat) Unlimited Tonnage Vessel: Employed as Mate. Ship performed oil exploration operations in Northern Alaska's Chukchi and Beaufort Seas. Experience in various conditions of Arctic ice. Performed shipyard duties during the construction of vessel until completion, including preparing ship for ABS and Coast Guard Audit (May 2007) - December 2007

Ice Classed Research Vessel Laurence M. Gould

Employed as Mate. Ship contracted under National Science Foundation for Antarctic Research. Primary area of operations ranged from Punta Arenas, Chile, to Palmer Station on the Antarctic Peninsula February 2008 - May 2008

Research Vessel Icebreaker Nathaniel B. Palmer: Unlimited Tonnage Vessel:

Employed as Third Mate. Ship contracted under National Science Foundation for Antarctic Research. Primary area of operations ranged from Punta Arenas, Chile, to Palmer Station on the Antarctic Peninsula May 2008 - Jan 2009

06 Seabulk Tankers

Seabulk Arctic: Third Mate, duties included safety maintenance and records, cargo loading and discharge watches, navigational watches, among other various duties. Primary route between Valdez and Nikiski, Alaska, along with frequent Washington and California West Coast deliveries. October 2006 - February 2007

04 Cadet Shipping: Alaska Tanker Company

Overseas Washington: Indoctrinated into ATC's culture of safe work practice, HSQE, and professional work environment. Valdez, Alaska to Cherry Point, Washington

2000-Current **Commercial Fisherman/Permit Owner:** Western Alaska's Bristol-Bay Sockeye Salmon fishery: F/V United

Previous **Prince William Sound:** Pink Humpy/Seine fishery (salmon)
Cook Inlet: Drift Gilnet and Set Net Sockeye fishery (salmon)
Washington Coast: Trawl fishery (prawn)

Awards/ Honors

Homer Real Estate Scholarship Recipient 2002
Western Undergraduate Exchange Scholarship Recipient 2002-2006
CMA Dean's List

Community Service

Member of Circle K International Charitable organization
Directed 2005 Vallejo-Fiji orphanage drive, bringing donated supplies to the Dilkusha children's home in Fiji.

ORDINANCE REFERENCE SHEET
2013 ORDINANCE
ORDINANCE 13-06

An Ordinance of the Homer City Council, Amending HCC 3.12.020 Permanent Fund Contributions, and HCC 3.12.060 Expenditures of Income, to Provide that Five Percent of Income from the Homer Permanent Fund Income Sub-Fund is Available to be Appropriated for Grants to The Homer Foundation for the Benefit of the Community.

Sponsor: City Clerk/Permanent Fund Committee

1. City Council Regular Meeting March 11, 2013 Introduction
 - a. Memorandum 13-036 from Permanent Fund Committee as backup
 - b. Permanent Fund Committee Synopsis of February 14, 2013

CITY OF HOMER
HOMER, ALASKA

City Clerk/
Permanent Fund Committee

ORDINANCE 13-06

AN ORDINANCE OF THE HOMER CITY COUNCIL,
AMENDING HCC 3.12.020 PERMANENT FUND
CONTRIBUTIONS, AND HCC 3.12.060 EXPENDITURES OF
INCOME, TO PROVIDE THAT FIVE PERCENT OF INCOME
FROM THE HOMER PERMANENT FUND INCOME SUB-
FUND IS AVAILABLE TO BE APPROPRIATED FOR
GRANTS TO THE HOMER FOUNDATION FOR THE
BENEFIT OF THE COMMUNITY.

THE CITY OF HOMER HEREBY ORDAINS:

Section 1. HCC 3.12.020, Contributions, is amended to read as follows:

3.12.020 Contributions. a. If monies from the distribution of the Exxon Valdez settlement or other forms of “wind-fall” monies become available to the City, 95% 100% of such funds shall be placed in the Homer Permanent Fund.

b. “Wind-fall monies” shall be defined as any new monies received by the City from any source other than standard budgeted operating revenues and not allocated to any specific purpose. “Wind-fall monies” do not include bond proceeds, grant funds allocated to a specified purpose, or the proceeds of non-Exxon Valdez litigation when such proceeds are recovered as damages to compensate or reimburse the city for expenditures previously made by the city. In all cases, the City Council’s determination of whether monies are “wind-fall” is final and conclusive.

~~c. The remaining five percent of Exxon Valdez settlement funds and other wind fall monies are available to be appropriated by the City Council for grants to the Homer Foundation or other local non-profit organizations for the benefit of the community.~~

Section 2. HCC 3.12.060, Expenditures of income, is amended to read as follows:

3.12.060 Expenditures of income. a. Expenditures of Permanent Fund income may be made only as authorized in this chapter.

~~b. The income from the income sub-fund may be appropriated by the City Council and be expended for general governmental purposes, including but not limited to ordinary operating expenses.~~ Five percent of the income from the income sub-fund is available to be appropriated by the City Council for grants to the Homer Foundation for the benefit of the community. The remainder of the income from the income sub-fund may be appropriated by the City Council and be expended for general governmental purposes, including but not limited to ordinary operating expenses.

c. The income from the growth sub-fund shall not be expended. It shall be added to the principal of the growth sub-fund and reinvested.

47 Section 3. This Ordinance is of a permanent and general character and shall be included
48 in the City Code.

49
50 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this
51 _____ day of _____, 2013.

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54 CITY OF HOMER

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57 _____
58 MARY E. WYTHER, MAYOR
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61 ATTEST:

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64 _____
65 JO JOHNSON, CMC, CITY CLERK
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71 AYES:
72 NOES:
73 ABSTAIN:
74 ABSENT:
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78 First Reading:
79 Public Reading:
80 Second Reading:
81 Effective Date:
82

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84 Reviewed and approved as to form:
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87 _____
88 Walt Wrede, City Manager

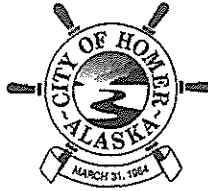
89 _____
90 City Attorney

91
92 Date: _____

93 Date: _____

Office of the City Clerk


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



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

MEMORANDUM 13-036

TO: MAYOR WYTHE AND CITY COUNCIL

FROM: JO JOHNSON, CMC, CITY CLERK & COMMITTEE MEMBER 

DATE: MARCH 5, 2013

SUBJECT: AMENDMENTS TO THE DISTRIBUTION PROVISIONS OF THE PERMANENT FUND

The Permanent Fund Committee is tasked with review of the established investment policies of the Permanent Fund each year. At their February meeting the committee made the review and recommended an amendment to the language for the five percent of funds allocated to non-profits.

The committee recommended clarifying the language of the five percent distribution of the eligible earnings from the income sub-fund. Additionally, they recommended The Homer Foundation be the sole recipient of those funds for distribution. The committee felt that distributing the eligible earnings solely to The Homer Foundation would be a better means of ensuring the funds were used for the benefit of the entire community.

RECOMMENDATION:

Adopt Ordinance 13-06 with the amendments as proposed by the Permanent Fund Committee.

PENDING BUSINESS

NEW BUSINESS

- A. Review of Homer City Code 3.12 the Established Investment Policies of the Permanent Fund

The language in HCC 3.12.020(c) may need to be cleared up to exclude other local non-profit organizations and allocate to The Homer Foundation only. The current language reads five percent of funds are available for distribution. It should be interest on five percent of the funds.

MAURAS/ROBERTS – MOVED TO AMEND HCC 3.12.020(A) TO 100%; HCC 3.12.020(C) TO READ: FIVE PERCENT OF THE ELIGIBLE EARNINGS FROM THE PERMANENT FUND AND OTHER WINDFALL MONIES ARE AVAILABLE TO BE APPROPRIATED BY THE CITY COUNCIL FOR GRANTS TO THE HOMER FOUNDATION FOR THE BENEFIT OF THE COMMUNITY.

The five percent of the earnings that were to be distributed will go to The Homer Foundation. Windfall monies may or may not include earnings from the jack-up rig.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Recommendations will be forwarded to City Council by memorandum with an ordinance making the changes.

INFORMATIONAL MATERIALS

- A. U.S. Bank Reports for period ending December 31, 2012

COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)

There were no comments of the audience.

COMMENTS OF THE CITY STAFF

There were no comments from the staff.

COMMENTS OF THE COUNCILMEMBER

Francie Roberts is glad to be on the committee as she has always been interested in what is done here.

COMMENTS OF THE CHAIR

Acting Chair Johnson stated she misses Barbara and will miss Regina.

Session 13-01 a Regular Meeting of the Permanent Fund Committee was called to order on February 14, 2013 at 5:17 p.m. by Acting Chair Jo Johnson at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMITTEE MEMBERS: FRANCIE ROBERTS, MATT NORTH, REGINA MAURAS, JO JOHNSON

ABSENT: BARBARA HOWARD (excused)

APPROVAL OF AGENDA

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

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

APPROVAL OF MINUTES

A. Synopsis of Regular Meeting of November 8, 2012

MAURAS/NORTH - MOVED TO APPROVE THE MINUTES OF NOVEMBER 8TH.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

Regina Mauras reported the balances of the Permanent Fund ending December 31, 2012: Income - \$596,197 and Growth - \$1,052,951 for a Total of \$1,649,148. The amount excludes the recent allotment to Green Dot.

Another local investor expressed his concerns about how the investments were handled by U.S. Bank. Mrs. Mauras encouraged him to speak to the PFC if he had concerns.

PUBLIC HEARING

COMMENTS OF THE COMMISSION

Matt North commented if there are questions about the statements and the values of the bonds with large premiums we should have someone available to address how premiums work. He is happy to do that.

Francie Roberts requested a brief presentation by Matt North at the next meeting on bonds.

Regina Mauras commented U.S. Bank is to report to us sometime in the year. She has not yet heard from them. In her absence there may or may not be a Finance Director before the May meeting. She suggested an acting Finance Director sit in the seat since it is such a small body.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 5:32 p.m. The next Regular Meeting is scheduled for Thursday, May 9, 2013 at 5:15 p.m. in the Homer City Hall Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

Submitted by Jo Johnson

ORDINANCE REFERENCE SHEET
2013 ORDINANCE
ORDINANCE 13-07

An Ordinance of the City Council of Homer, Alaska, Amending the 2013 Operating Budget by Appropriating up to \$42,450 from the Sewer, Water and Fleet Reserve Fund for the Purchase of a Steamer Truck.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting March 11, 2013 Introduction
 - a. Memorandum 13-037 from Public Works Superintendent as backup

CITY OF HOMER
HOMER, ALASKA

City Manager/
Public Works Director

ORDINANCE 13-07

AN ORDINANCE OF THE CITY COUNCIL OF HOMER,
ALASKA, AMENDING THE 2013 OPERATING BUDGET BY
APPROPRIATING UP TO \$42,450 FROM THE SEWER,
WATER AND FLEET RESERVE FUND FOR THE PURCHASE
OF A STEAMER TRUCK.

WHEREAS, Public Works has purchased a boiler unit as backup to the existing truck
mounted boiler/steamer unit with funds authorized in the 2013 Operating Budget; and

WHEREAS, Climate change impacts are expected to increase the potential for winter
rain and ice formation in ditches and culverts (see Memorandum 13-037); and

WHEREAS, The current steamer truck unit is fully utilized to complete fire hydrant
thawing and other miscellaneous thawing operations; and

WHEREAS, Having a second truck on which to mount this backup unit would be a great
asset to the community, providing better response to community needs; and

WHEREAS, This second steamer unit will benefit not only the City's ability to respond
to road drainage issues, but also water and sewer system maintenance issues.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The FY 2013 Operating Budget is hereby amended by appropriating not more
than \$42,450 from the Public Works Fleet, Water and Sewer Reserve funds for the purchase of a
used truck for use in mounting the backup boiler steamer unit.

Expenditure:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
152-383 (PW Fleet Reserve)	Steamer Truck Purchase	\$14,150
256-378 (Water Reserve Fund)	Steamer Truck Purchase	\$14,150
256-379 (Sewer Reserve Fund)	Steamer Truck Purchase	\$14,150

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

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

CITY OF HOMER

MARY E. WYTHE, MAYOR

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54 ATTEST:

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59 JO JOHNSON, CMC, CITY CLERK

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62 YES:
63 NO:
64 ABSTAIN:
65 ABSENT:
66

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68 First Reading:
69 Public Hearing:
70 Second Reading:
71 Effective Date:
72

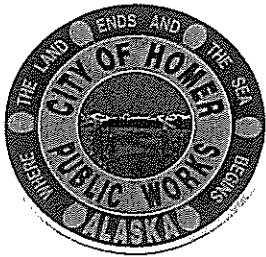
73
74 Reviewed and approved as to form:
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77
78 Walt E. Wrede, City Manager

79
80 Date: _____
81

Thomas F. Klinkner, City Attorney

Date: _____



**CITY OF HOMER
PUBLIC WORKS DEPARTMENT**

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

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

EMAIL : jjonker@ci.homer.ak.us

MEMORANDUM 13-037

To: Walt Wrede, City Manager
From: Jan Jonker, PW Superintendent
Thru: Carey Meyer, PW Director
Date: Tuesday, March 05, 2013
Subject: Used Truck Purchase for New Steamer

We have finally taken possession of our new 2012 vapor steamer unit. This unit was purchased as a backup to our existing steamer unit which frequently cannot keep up with the workload that it is needed to be performed. We also found out last year how the community suffers when our only steamer breaks down as spring arrives.

This unit was intended to serve as a back up to our existing truck mounted unit. Public Works does not have a truck in which to mount the new steamer unit to allow it to be used. Based on the type of winter that we have had (extreme glaciation), and warnings that Homer should expect more winter rain and ice formation in ditches and culverts, a second truck mounted unit will be a great asset to the community.

Our existing unit is mainly used for fire hydrant steaming/thawing (preventative maintenance on the 370 hydrants on the system). To keep these hydrants from freezing and breaking our program includes the steaming/thawing of these (3) times each during the winter months. This is a full time job during the winter. Our steamer also is needed and used for thawing culverts and drainages and also thawing frozen water and/or sewer services which precludes it from fire hydrant steaming.

With our ever expanding infrastructure it would be of great benefit to City residents and this department to have two mobile steaming/thawing units available for use.

We have researched the availability of a used truck for this purpose and have not found a suitable one in the state of Alaska. We have identified several units in the lower 48 and one being in the Seattle area @ \$27,500. Below is a proposed budget for the purchase of a used truck and associated needed appurtenances.

1. Used truck purchase	\$30,000.00
2. Freight to Alaska (est)	5,000.00
3. Fabricated 750-900 gal water tank	2,500.00
4. Side door purchase/install	1,500.00
5. Insulate/sheet interior	2,500.00
6. Work lights (interior & exterior)	300.00
7. Heat (interior)	500.00
8. Strobe light	150.00
Estimated Total Budget	\$42,450.00

Recommendation

The City Council pass an ordinance amending the 2013 budget to authorize the purchase of a truck and appurtenances as described above. As this equipment is used for both general fund and water/wastewater fund work, the Council should fund this purchase equally from the PW Fleet Reserve Fund, Water Reserve Fund & Sewer Reserve Fund @ 1/3 each.

- PW Reserve Fund 152-383 \$14,150.00
- Water Reserve Fund 256-378 \$14,150.00
- Sewer Reserve Fund 256-379 \$14,150.00

CITY OF HOMER
HOMER, ALASKA

City Clerk

RESOLUTION 13-023

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, NOTING THE SUFFICIENCY OF THE PETITION
FOR THE WEBBER SUBDIVISION ROAD
RECONSTRUCTION AND PAVING SPECIAL ASSESSMENT
DISTRICT AND SETTING THE PUBLIC HEARING DATE
FOR MAY 28, 2013.

WHEREAS, A petition for road reconstruction and paving improvements for property owners within the Webber Subdivision was circulated from December 28, 2012 to February 26, 2013; and

WHEREAS, Pursuant to HCC 17.04.040(a)(2) the sufficiency of the petition requires signatures of not less than one half in value of the real property in the proposed improvement district; and

WHEREAS, Signatures from property owners in favor of the road reconstruction and paving improvements equal 61.4%; and

WHEREAS, A neighborhood meeting has been scheduled for March 13, 2013; and

WHEREAS, The notice of public hearing and statement of objection form will be sent to property owners by certified mail in accordance with HCC 17.04.050(a).

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council notes the sufficiency of the petition for the Webber Subdivision Road Reconstruction and Paving Special Assessment District and sets a public hearing date of May 28, 2013.

PASSED AND ADOPTED by the City Council of Homer, Alaska this 11th day of March, 2013.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Staff time and certified mail fees.

Office of the City Clerk

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



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

March 1, 2013

Dear Property Owner,

A petition for the Waddell Street and Waddell Road Reconstruction and Paving improvements was initiated resulting in the Webber Subdivision Special Assessment District (SAD) in your neighborhood. By certified mail you were notified of the SAD petition and advised to sign the petition if you support the request that a Homer Accelerated Roads and Trails Program Special Assessment District for road reconstruction and paving improvements be created to include your property.

There was sufficient interest for the district. Pursuant to HCC 17.04.040(b), a resolution initiating a Special Assessment District will be presented to City Council at their March 11, 2013 regular meeting and a neighborhood meeting is scheduled for Wednesday, March 13, 2013 from 5:15 p.m. to 6:00 p.m. in the City Hall Cowles Council Chambers at 491 E. Pioneer Avenue. Staff will be available at the neighborhood meeting to answer questions on the proposed project, so please plan to attend. For further information contact the City Clerk's Office at 235-3130.

Sincerely,

A handwritten signature in cursive script that reads "Melissa".

Melissa Jacobsen, CMC
Deputy City Clerk

PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water _ Sewer _ Road Reconstruction X Paving X

We the undersigned owners of real property fronting, predominately, Waddell Street and Waddell Road, located within Webber, Webber No. 7, Bluff Park No. 4 Harmon Porter Addn., and Bluff Park Harmon Porter 1997 Addn. Subdivisions within the City of Homer, Alaska, request that a Homer Accelerated Roads and Trails Program Special Assessment District for road reconstruction and paving improvements be created to include the properties listed below. We represent the owners of at least one-half or more in value of the real property to be benefited by these improvements.

Pursuant to the Homer Accelerated Roads and Trails Program, property owner contribution to road improvements is \$30 per front foot for gravel and \$17 per front foot for paving. Projects will be authorized only after a public hearing to insure public participation in the process.

If you are in favor of these improvements please sign in the Signature and Date slot. Please date your signature. We ask that you include your phone number for future reference, although this is not mandatory. **Deadline for this petition is February 26, 2013.** For this petition to be sufficient, signatures representing at least one half or more in value of the real property to be benefited must be secured. If sufficient, a neighborhood meeting will be held.
IN WITNESS WHEREOF, we have set our hands:

Signature/Date (Phone Number Optional)	Property Owner Name & Address	Legal Description & Parcel Number	Assessed Property Value
	Rex D. Kaufman PO Box 15362 Fritz Creek, AK 99603	Lot 1, Bluff Park No. 4 Harmon Porter Addn. 175-100-54	\$231,000
<i>Wilfred V. Jr. & Jacqueline J. Dentz</i>	Wilfred V. Jr. & Jacqueline J. Dentz 656 Waddell Rd. Homer, AK 99603	Lot 2, Bluff Park No. 4 Harmon Porter Addn. 175-100-55	\$346,500
<i>Kevin L. Gottlieb</i>	Kevin L. Gottlieb 1842 Bootlegger Cove Dr. Anchorage, AK 99501	Lot 3, Bluff Park No. 4 Harmon Porter Addn. 175-100-56	\$387,900
	John & Barbara Valensi 418 Mt. Vernon Dr. Council Bluffs, IA 51503	Lot 4, Bluff Park No. 4 Harmon Porter Addn. 175-100-57	\$115,900
	Charles A. Gibson & Deborah A. Poore 710 Waddell St. Homer, AK 99603	Lot 5, Bluff Park No. 4 Harmon Porter Addn. 175-100-58	\$234,100

PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water Sewer Road Reconstruction X Paving X

We the undersigned owners of real property fronting, predominately, Waddell Street and Waddell Road, located within Webber, Webber No. 7, Bluff Park No. 4 Harmon Porter Addn., and Bluff Park Harmon Porter 1997 Addn. Subdivisions within the City of Homer, Alaska, request that a Homer Accelerated Roads and Trails Program Special Assessment District for road reconstruction and paving improvements be created to include the properties listed below. We represent the owners of at least one-half or more in value of the real property to be benefited by these improvements.

Pursuant to the Homer Accelerated Roads and Trails Program, property owner contribution to road improvements is \$30 per front foot for gravel and \$17 per front foot for paving. Projects will be authorized only after a public hearing to insure public participation in the process.

If you are in favor of these improvements please sign in the Signature and Date slot. Please date your signature. We ask that you include your phone number for future reference, although this is not mandatory. **Deadline for this petition is February 26, 2013.** For this petition to be sufficient, signatures representing at least one half or more in value of the real property to be benefited must be secured. If sufficient, a neighborhood meeting will be held.

IN WITNESS WHEREOF, we have set our hands:

Signature/Date (Phone Number Optional)	Property Owner Name & Address	Legal Description & Parcel Number	Assessed Property Value
<i>Carol J. Porter Renfrew 20 Renfrew 2/18/13</i>	Thomas D. Renfrew & Carol L. Porter- Renfrew 645 Waddell St. Homer, AK 99606	Lot 8, Bluff Park No. 4 Harmon Porter Addn. 175-100-61	\$286,200
<i>Matthew Early 2/18/13</i>	Matthew Early 609 Waddell St. Homer, AK 99603	Lot 9, Bluff Park No. 4 Harmon Porter Addn. 175-100-62	\$238,300
<i>Kurt St. Jean 2/18/13</i>	Kurt St. Jean 722 Waddell St. Homer, AK 99603	Lot 6A, Bluff Park Harmon Porter 1997 Addn. 175-100-64	\$227,900
<i>David K. & Jennifer A. Olsen 2/18/13</i>	David K. & Jennifer A. Olsen PO Box 3944 Homer, AK 99603	Lot 7A, Bluff Park Harmon Porter 1997 Addn. 175-100-66	\$202,400
<i>John Phillip Rummery 2/18/13</i>	John Phillip Rummery 579 Waddell St. Homer, AK 99603	Lot 2 Block 2, Webber Subdivision 175-182-02	\$149,100

PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water Sewer Road Reconstruction X Paving X

We the undersigned owners of real property fronting, predominately, Waddell Street and Waddell Road, located within Webber, Webber No. 7, Bluff Park No. 4 Harmon Porter Addn., and Bluff Park Harmon Porter 1997 Addn. Subdivisions within the City of Homer, Alaska, request that a Homer Accelerated Roads and Trails Program Special Assessment District for road reconstruction and paving improvements be created to include the properties listed below. We represent the owners of at least one-half or more in value of the real property to be benefited by these improvements.

Pursuant to the Homer Accelerated Roads and Trails Program, property owner contribution to road improvements is \$30 per front foot for gravel and \$17 per front foot for paving. Projects will be authorized only after a public hearing to insure public participation in the process.

If you are in favor of these improvements please sign in the Signature and Date slot. Please date your signature. We ask that you include your phone number for future reference, although this is not mandatory. **Deadline for this petition is February 26, 2013.** For this petition to be sufficient, signatures representing at least one half or more in value of the real property to be benefited must be secured. If sufficient, a neighborhood meeting will be held.
IN WITNESS WHEREOF, we have set our hands:

Signature/Date (Phone Number Optional)	Property Owner Name & Address	Legal Description & Parcel Number	Assessed Property Value
	Thomas J. & Jacqueline W. McDonough 555 Waddell St. Homer, AK 99603	Lot 4 Block 2, Webber Subdivision 175-182-04	\$144,700
	Kary B. Greeley 3430 Main St. Ste B2 Homer, AK 99603	Lot 5 Block 2, Webber Subdivision 175-182-05	\$194,400
	Kyoko Haseo C/O PO Box 1972 Soldotna, AK 99669	Lot 6 Block 2, Webber Subdivision 175-182-06 Lot 7 Block 2, Webber Subdivision 175-182-07 Lot 8 Block 2, Webber Subdivision 175-182-08	\$40,200 \$40,200 \$141,200
	Homer Hotels, LLC 575 Sterling Hwy Homer, AK 99603	Lot 11-A, Webber Subdivision No. 7 175-183-11	\$124,400

PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water Sewer Road Reconstruction Paving

We the undersigned owners of real property fronting, predominantly, Waddell Street and Waddell Road, located within Webber, Webber No. 7, Bluff Park No. 4 Harmon Porter Addn., and Bluff Park Harmon Porter 1997 Addn. Subdivisions within the City of Homer, Alaska, request that a Homer Accelerated Roads and Trails Program Special Assessment District for road reconstruction and paving improvements be created to include the properties listed below. We represent the owners of at least one-half or more in value of the real property to be benefited by these improvements.

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If you are in favor of these improvements please sign in the Signature and Date slot. Please date your signature. We ask that you include your phone number for future reference, although this is not mandatory. **Deadline for this petition is February 26, 2013.** For this petition to be sufficient, signatures representing at least one half or more in value of the real property to be benefited must be secured. If sufficient, a neighborhood meeting will be held.

IN WITNESS WHEREOF, we have set our hands:

Signature/Date (Phone Number Optional)	Property Owner Name & Address	Legal Description & Parcel Number	Assessed Property Value
	Leonard H. Van Sandt 2020 Campbell Pl. Anchorage, AK 99507	Lot 13-A, Webber Subdivision No. 7 175-183-13	\$148,600
	Stephen R. & Kathleen A. Boyle 544 Waddell St. Homer, AK 99603	Lot 14-A, Webber Subdivision No. 7 175-183-14	\$133,800
	John R. & Judith E. Johnson 236 W. Rezanof Dr. Kodiak, AK 99615	Lot 15-A, Webber Subdivision No. 7 175-183-15	\$186,100
<i>For Laura Todd 2/18/13</i>	Laura L. Todd PO Box 688 Homer, AK 99603	Lot 16-A, Webber Subdivision No. 7 175-183-16	\$97,400
<i>Rebecca Frye 2/18/13 580 Waddell Homer, Ak. 99603</i>	Michael C. & Rebecca B. Frye 580 Waddell St. Homer, AK 99603	Lot 17-A, Webber Subdivision 175-183-17	\$235,200

PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

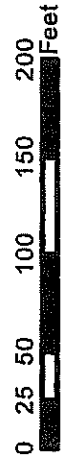
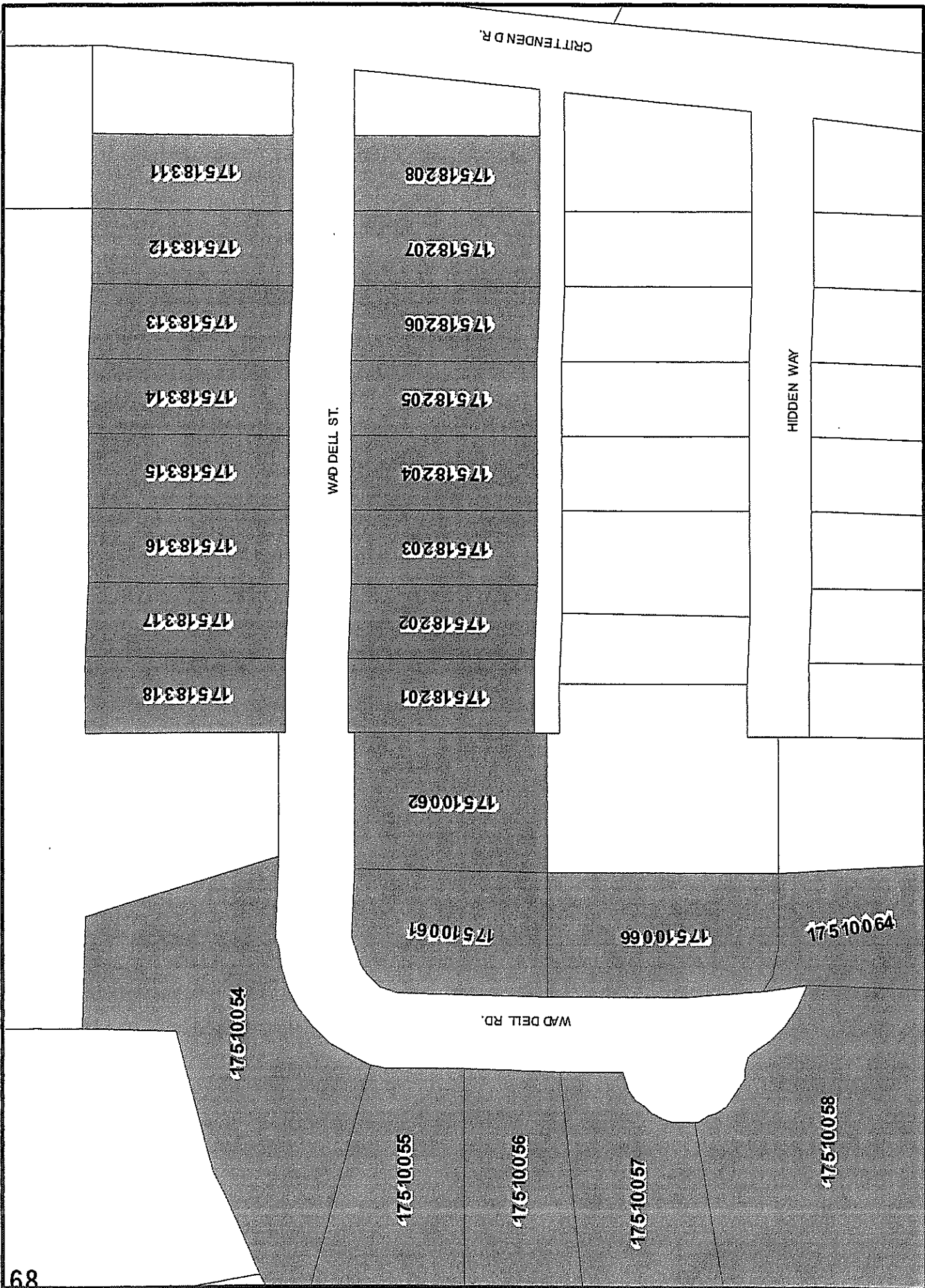
District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water _ Sewer _ Road Reconstruction X Paving X

We the undersigned owners of real property fronting, predominately, Waddell Street and Waddell Road, located within Webber, Webber No. 7, Bluff Park No. 4 Harmon Porter Addn., and Bluff Park Harmon Porter 1997 Addn. Subdivisions within the City of Homer, Alaska, request that a Homer Accelerated Roads and Trails Program Special Assessment District for road reconstruction and paving improvements be created to include the properties listed below. We represent the owners of at least one-half or more in value of the real property to be benefited by these improvements.

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IN WITNESS WHEREOF, we have set our hands:

Signature/Date (Phone Number Optional)	Property Owner Name & Address	Legal Description & Parcel Number	Assessed Property Value
	Paul D. Gutzler 567 Waddell St. Homer, AK 99603	Lot 3 Block 2, Webber Subdivision 175-182-03	\$143,800
	Charles & Barbara Deal PO Box 2584 Homer, AK 99603	Lot 18-A, Webber Subdivision No. 7 175-183-18	\$146,600
<i>Barbara D. Kaun 2/18/13 235-5209 Douglas Tuttle</i>	Douglas L. Tuttle & Barbara D. Kaun PO Box 3542 Homer, AK 99603	Lot 12-A, Webber Subdivision No. 7 175-183-12	\$159,800
<i>Claudia L. Carlson Feb 18, 2013</i>	Claudia L. Carlson PO Box 124 Homer, AK 99603	Lot 1 Block 2, Webber Subdivision 175-182-01	\$165,300



Waddell Rd. & Waddell St. L.I.D.

PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water _ Sewer _ Road Reconstruction X Paving X

We the undersigned owners of real property fronting, predominately, Waddell Street and Waddell Road, located within Webber, Webber No. 7, Bluff Park No. 4 Harmon Porter Addn., and Bluff Park Harmon Porter 1997 Addn. Subdivisions within the City of Homer, Alaska, request that a Homer Accelerated Roads and Trails Program Special Assessment District for road reconstruction and paving improvements be created to include the properties listed below. We represent the owners of at least one-half or more in value of the real property to be benefited by these improvements.

Pursuant to the Homer Accelerated Roads and Trails Program, property owner contribution to road improvements is \$30 per front foot for gravel and \$17 per front foot for paving. Projects will be authorized only after a public hearing to insure public participation in the process.

If you are in favor of these improvements please sign in the Signature and Date slot. Please date your signature. We ask that you include your phone number for future reference, although this is not mandatory. **Deadline for this petition is February 26, 2013.** For this petition to be sufficient, signatures representing at least one half or more in value of the real property to be benefited must be secured. If sufficient, a neighborhood meeting will be held.
IN WITNESS WHEREOF, we have set our hands:

Signature/Date (Phone Number Optional)	Property Owner Name & Address	Legal Description & Parcel Number	Assessed Property Value
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<i>Stephen R. Boyle 12/31/12</i>	Stephen R. & Kathleen A. Boyle 544 Waddell St. Homer, AK 99603	Lot 14-A, Webber Subdivision No. 7 175-183-14	\$133,800
<i>Kathleen A. Boyle</i>	John R. & Judith E. Johnson 236 W. Rezanof Dr. Kodiak, AK 99615	Lot 15-A, Webber Subdivision No. 7 175-183-15	\$186,100
	Laura L. Todd PO Box 688 Homer, AK 99603	Lot 16-A, Webber Subdivision No. 7 175-183-16	\$97,400
	Michael C. & Rebecca B. Frye 580 Waddell St. Homer, AK 99603	Lot 17-A, Webber Subdivision 175-183-17	\$235,200

DEC 31 2012 PM 01:04

REQUEST FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

District Name: Webber Subdivision 2013 Road Reconstruction and Paving Improvement Requested: Water ___ Sewer ___ Road Reconstruction Paving

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Request Date: December 21, 2012

District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water Sewer Road Reconstruction X Paving X

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	Kevin L. Gottlieb 1842 Bootlegger Cove Dr. Anchorage, AK 99501	Lot 3, Bluff Park No. 4 Harmon Porter Addn. 175-100-56	\$387,900
	John & Barbara Valensi 418 Mt. Vernon Dr. Council Bluffs, IA 51503	Lot 4, Bluff Park No. 4 Harmon Porter Addn. 175-100-57	\$115,900
	Charles A. Gibson & Deborah A. Poore 710 Waddell St. Homer, AK 99603	Lot 5, Bluff Park No. 4 Harmon Porter Addn. 175-100-58	\$234,100

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Request Date: December 21, 2012


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	Matthew Early 609 Waddell St. Homer, AK 99603	Lot 9, Bluff Park No. 4 Harmon Porter Addn. 175-100-62	\$238,300
	Kurt St. Jean 722 Waddell St. Homer, AK 99603	Lot 6A, Bluff Park Harmon Porter 1997 Addn. 175-100-64	\$227,900
	David K. & Jennifer A. Olsen PO Box 3944 Homer, AK 99603	Lot 7A, Bluff Park Harmon Porter 1997 Addn. 175-100-66	\$202,400
	John Phillip Rummery 579 Waddell St. Homer, AK 99603	Lot 2 Block 2, Webber Subdivision 175-182-02	\$149,100

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PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

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District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water Sewer Road Reconstruction X Paving X

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<i>Wilfred V. Jr. Dentz</i> 1-30-2013	Wilfred V. Jr. & Jacqueline J. Dentz 656 Waddell Rd. Homer, AK 99603	Lot 2, Bluff Park No. 4 Harmon Porter Addn. 175-100-55	\$346,500
<i>Jacqueline J. Dentz</i> 1-30-2013	Kevin L. Gottlieb 1842 Bootlegger Cove Dr. Anchorage, AK 99501	Lot 3, Bluff Park No. 4 Harmon Porter Addn. 175-100-56	\$387,900
	John & Barbara Valensi 418 Mt. Vernon Dr. Council Bluffs, IA 51503	Lot 4, Bluff Park No. 4 Harmon Porter Addn. 175-100-57	\$115,900
	Charles A. Gibson & Deborah A. Poore 710 Waddell St. Homer, AK 99603	Lot 5, Bluff Park No. 4 Harmon Porter Addn. 175-100-58	\$234,100

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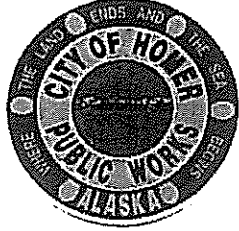
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	Kary B. Greeley 3430 Main St. Ste B2 Homer, AK 99603	Lot 5 Block 2, Webber Subdivision 175-182-05	\$194,400
	Kyoko Haseo C/O PO Box 1972 Soldotna, AK 99669	Lot 6 Block 2, Webber Subdivision 175-182-06 Lot 7 Block 2, Webber Subdivision 175-182-07 Lot 8 Block 2, Webber Subdivision 175-182-08	\$40,200 \$40,200 \$141,200
	Homer Hotels, LLC 575 Sterling Hwy Homer, AK 99603	Lot 11-A, Webber Subdivision No. 7 175-183-11	\$124,400

74 FEB 07 2013 PM 11:58



**CITY OF HOMER
PUBLIC WORKS DEPARTMENT**

Carey S. Meyer, P.E. - Director
3575 Heath Street
Homer, Alaska 99603

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

EMAIL : cmeyer@ci.homer.ak.us

January 2, 2012

RE: Proposed Waddell Street Road Paving SAD

Recently the City Clerk mailed you a petition regarding the creation of a Road Paving Special Assessment District (SAD) for Waddell Street. You probably have seen a petition before and may be wondering why you are seeing another one.

Previous attempts at creating a SAD have not been successful, partly because the City changed the way SAD's are created in midstream during the last attempt, which reportedly introduced some confusion into the process. Some property owners, having previously signed petitions, did not respond to the second mailing. This letter is intended to clear up any alleged confusion and allow each property owner to express their support (or lack thereof) for the creation of a SAD one last time.

If you support the project, sign the petition and return it to the City Clerk. If you oppose the project do not sign the petition (no response indicates no support). Even if you have expressed support previously, it is important that you use the petition sent to you recently to voice your support for this SAD.

If owners of more than 50% of the assessed value of properties sign the request, a neighborhood meeting will be scheduled (probably in March) to answer any questions you may have about the project. After the meeting, a 90 day non-objection period will be implemented (objections will count as a no "vote"; no response will count as support). In the mean time, please do not hesitate to call the City Clerk (235-3130) about SAD creation procedures or me (399-7232) if you have any questions about the project.

For over twenty years, the community has agreed to pay an additional ¾ of a cent sales tax, the proceeds of which are used to subsidize the cost of paving roads in neighborhoods like yours. If a SAD is successful, the benefitted properties are assessed \$30/frontage foot to bring the road up to gravel standards and an additional \$17/frontage foot for paving. Based on the cost of construction on past SAD's and the per linear foot assessments mentioned above; my analysis indicates that the City subsidizes approximately 75% of the cost of gravel road construction and about 40% of the cost of paving.

Assessments are financed by the City, with payments spread over a 10 year period. The assessment payments do not start until the project is complete.

Yours Very Truly;

CITY OF HOMER

A handwritten signature in cursive script that reads "Carey Meyer".

Carey S. Meyer, P.E.
Public Works Director

Office of the City Clerk

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



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

December 27, 2012

Dear Property Owner:

A request for road improvements was made for your neighborhood. The request was made by Tom Renfrew and Carol Porter-Renfrew on December 21, 2012.

A Special Assessment District may be initiated with petition signatures of the record owners of one half or more in value of the real property in the proposed district. We have compiled a list of the property owners within the boundaries of the Waddell Street improvement district, including your parcel(s).

If you support the road reconstruction and paving improvements and wish for the City to determine a cost estimate of the project you will need to sign and return the Property Owner Petition. By signing you are indicating that you may favor the road improvements and wish to hear more about the project, including costs. The Property Owner Petition must be returned to the City Clerk by **February 26, 2013**.

If you are not interested in starting the road reconstruction and paving improvements you do not need to sign the Property Owner Petition. Your lack of response indicates that you are not in favor of the Special Assessment District.

Pursuant to the Homer Accelerated Roads and Trails Program, property owner contribution to road improvements is \$30 per front foot for gravel and \$17 per front foot for paving. Projects will be authorized only after a public hearing to insure public participation in the process.

We will determine the amount of interested property owners by the number of signatures that are returned. You will be notified of the results once the petition deadline has passed.

Please call with questions you may have about the Special Assessment District. We would be happy to assist you.

Sincerely,

A handwritten signature in cursive script that reads "Melissa".

Melissa Jacobsen
Deputy City Clerk

Enc. Property Owner Petition
Map of proposed project

PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

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	Michael C. & Rebecca B. Frye 580 Waddell St. Homer, AK 99603	Lot 17-A, Webber Subdivision 175-183-17	\$235,200

PETITION FOR ROAD RECONSTRUCTION AND PAVING FOR WADDELL STREET & WADDELL ROAD

Tom Renfrew & Carol Porter-Renfrew of 645 Waddell St. Homer, Alaska, filed a request for road reconstruction and paving improvements.
Request Date: December 21, 2012

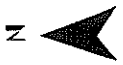
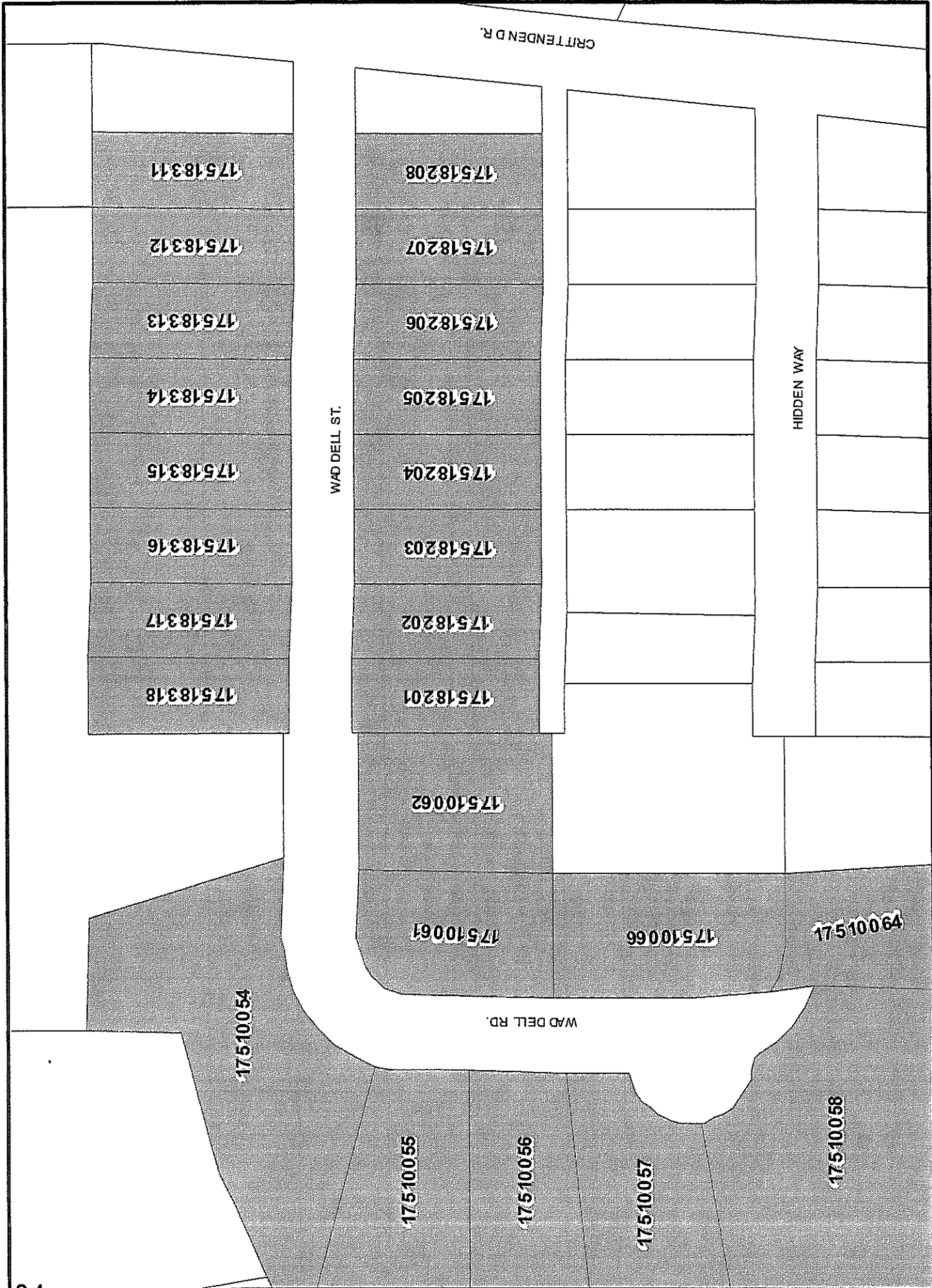
District Name: Webber Subdivision Road Reconstruction and Paving Improvement Requested: Water Sewer Road Reconstruction Paving

We the undersigned owners of real property fronting, predominately, Waddell Road, located within Webber, Webber No. 7, Bluff Park No. 4 Harmon Porter Addn., and Bluff Park Harmon Porter 1997 Addn. Subdivisions within the City of Homer, Alaska, request that a Homer Accelerated Roads and Trails Program Special Assessment District for road reconstruction and paving improvements be created to include the properties listed below. We represent the owners of at least one-half or more in value of the real property to be benefited by these improvements.

Pursuant to the Homer Accelerated Roads and Trails Program, property owner contribution to road improvements is \$30 per front foot for gravel and \$17 per front foot for paving. Projects will be authorized only after a public hearing to insure public participation in the process.

If you are in favor of these improvements please sign in the Signature and Date slot. Please date your signature. We ask that you include your phone number for future reference, although this is not mandatory. **Deadline for this petition is February 26, 2013.** For this petition to be sufficient, signatures representing at least one half or more in value of the real property to be benefited must be secured. If sufficient, a neighborhood meeting will be held.
IN WITNESS WHEREOF, we have set our hands:

Signature/Date (Phone Number Optional)	Property Owner Name & Address	Legal Description & Parcel Number	Assessed Property Value
	Paul D. Gutzler 567 Waddell St. Homer, AK 99603	Lot 3 Block 2, Webber Subdivision 175-182-03	\$143,800
	Charles & Barbara Deal PO Box 2584 Homer, AK 99603	Lot 18-A, Webber Subdivision No. 7 175-183-18	\$146,600
	Douglas L. Tuttle & Barbara D. Kaun PO Box 3542 Homer, AK 99603	Lot 12-A, Webber Subdivision No. 7 175-183-12	\$159,800
	Claudia L. Carlson PO Box 124 Homer, AK 99603	Lot 1 Block 2, Webber Subdivision 175-182-01	\$165,300



Waddell Rd. & Waddell St. L.I.D.

12-21-12

Tom and Carol Renfrew request
the formation of an LTD for the
purpose of paving Waddell Street,
Homer, AK.

Carol Renfrew
235-2119

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1 CITY OF HOMER
2 HOMER, ALASKA

3 Mayor/Burgess

4 RESOLUTION 13-024

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER,
7 ALASKA, URGING THE STATE OF ALASKA TO FULLY
8 FUND KACHEMAK BAY STATE PARKS.
9

10 WHEREAS, State parks and recreational areas are vital to local residents' recreational
11 opportunities; and
12

13 WHEREAS, Kachemak Bay State Parks attract people from all around the state, the
14 country, and the world; and
15

16 WHEREAS, The Kachemak Bay State Parks generate millions of dollars and create jobs
17 for the local economy; and
18

19 WHEREAS, Since 1985 park use has steadily increased, yet funding for parks has
20 steadily declined; and
21

22 WHEREAS, In 1985 there were two Rangers assigned to the 400,000 acres of Kachemak
23 Bay State Parks, and today there is only one Ranger overseeing the entire lower Kenai Peninsula;
24 and
25

26 WHEREAS, Fully funding the Kachemak Bay State Parks requires a modest sum of
27 money in return of millions of dollars for the local economy.
28

29 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby urges the
30 State of Alaska to fully fund Kachemak Bay State Parks.
31

32 PASSED AND ADOPTED by the Homer City Council this 11th day of March, 2013.
33

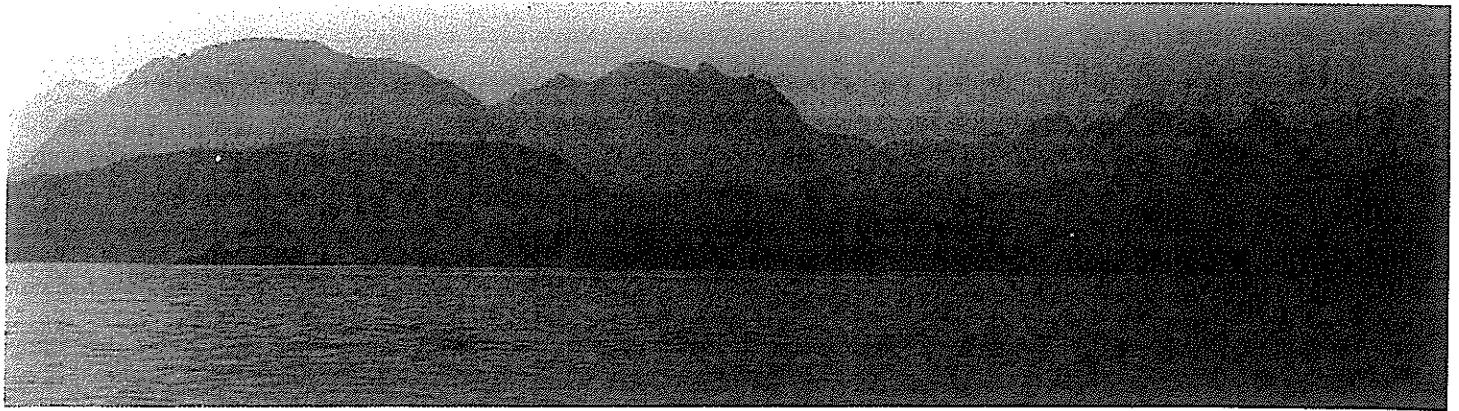
34 CITY OF HOMER
35

36
37
38 MARY E. WYTHE, MAYOR

39 ATTEST:
40

41
42
43 JO JOHNSON, CMC, CITY CLERK
44

45 Fiscal Note: N/A



**Kachemak Bay State Parks Citizen Advisory Board
PO Box 3248, Homer, AK 99603**

Representative Jonathan Kreiss-Tomkins
House Natural Resources
Finance Subcommittee

Dear Representative Kreiss-Tomkins,

Kachemak Bay State Parks are at a critical point; they need your help. The inverse relationship between the increasing use of the parks and the decrease of park funding is threatening the ability of the parks to function. Since 1985 park use has increased 1000% but park funding has steadily declined. The parks generate millions of dollars and create jobs for the local economy. Since 2006, Alaska has had a 40% surge and is second in the nation in fishing, hunting, wildlife watching, and outdoor recreation.

Kachemak Bay State Parks (KBSP) spans 400,000 acres and includes the first legislatively designated state park in Alaska. The parks have evolved into one of Alaska's most visited recreational areas, attracting well over 50,000 hikers, kayakers, hunters, fishermen, backpackers, campers, and wildlife viewers yearly from around the state, the country, and the world. The abundance of recreational opportunities provide a powerful economic engine for the southern Kenai Peninsula, and have become the basis of many local businesses: lodges, B&Bs, water taxis, fishing guides, kayak guide services, restaurants, to name a few. Here in Alaska, according to the 2011 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation conducted by the US Fish and Wildlife Service, wildlife viewers spent over \$2 billion and anglers spent over \$600 million.

The Parks have grown significantly in the past three decades. In 1985, there were two trailheads for 10 miles of hiking trails, one campsite, no public use cabins, no bridges, and two water taxi services, overseen by two rangers and a number of support staff. By 1999 there were six rangers covering the lower Kenai Peninsula. Today there are 16 trailheads for 90+ miles of hiking trails, five public use cabins with 100% occupancy in the summer, 18 campsites, multiple bridges, and over 12 commercial water taxi operators. Despite these improvements and increased visitation, funding for maintaining the parks has steadily eroded. Now, there is no ranger dedicated to the parks, with only one district ranger overseeing the entire lower Kenai Peninsula. He has one

seasonal support staffer. At the current level of funding, the parks cannot continue to attract visitors, who, in turn, infuse the local economy with millions of dollars.

In these days of economic uncertainty, it is imperative to have a diversified economy. Putting a relatively modest sum of money into a park system that generates millions of dollars for the local economy is a simple step that will go a long way towards addressing the parks' funding shortfall. Adding an additional \$283,600 to the budget would enable State Parks to hire more staff to professionally manage Kachemak Bay State Parks, develop more year round recreational activities and keep the area safe and well maintained. Also a one-time capital expense of \$105,500 for equipment and training would be needed. A cost breakdown is attached.

Respectfully,

David Taylor, Chair
Kachemak Bay State Parks Citizen Advisory Board

CC:

Rep. Alan Austerman
Rep. Mia Costello
Rep. Eric Feige
Rep. Neal Foster
Rep. Les Gara
Rep. Max Gruenberg
Rep. David Guttenberg
Rep. Mike Hawker
Rep. Bob Herron
Rep. Lindsey Holmes
Rep. Craig Johnson
Rep. Andrew Josephson
Rep. Scott Kawasaki
Rep. Jonathan Kreiss-Tomkins
Rep. Beth Kerttula
Rep. Kurt Olson
Rep. Lance Pruitt
Rep. Dan Saddler
Rep. Paul Seaton
Rep. Bill Stoltze
Rep. Geran Tarr
Rep. Chris Tuck
Rep. Peggy Wilson
Sen. Click Bishop
Sen. Fred Dyson
Sen. Dennis Egan
Sen. Johnny Ellis

Sen. Anna Fairclough
Sen. Hollis French
Sen. Cathy Giessel
Sen. Lesil McGuire
Sen. Peter Micciche
Sen. Gary Stevens
Sen. Bill Wielechowski
Gov. Sean Parnell
Director of State Parks Ben Ellis
Commissioner Dan Sullivan

Cost Breakdown

- Full time Ranger (cost per year: \$83,700)
- One park Specialist (cost per year: \$62,400)
- 2 Natural Resource Tech 1s (cost per year: \$67,700)
- 5 ACC (Alaska Conservation Corp) (seasonal \$60,000)
- 8 volunteers (cost \$9,800)

Job Descriptions for these Positions

Park Ranger: Manages other positions listed above. Acts as district ranger in his absence. Patrols parks, enforces all State Park, Alaska Dept. of Fish and Game, and other applicable state statutes and regulations. Provides public outreach programs, educational and interpretive school programs, and collects and records visitor use data and statistics. Maintains parks vessel and related equipment. 12 month annual position.

Park Specialist: Lead park employee for maintenance, construction and management of parks trails, trailheads, and mooring buoys. Trains and supervises trail crew. Maps trail system. Provides technical expertise in trail design and maintenance. Maintains records of trail usage, maintains trail signs and bulletin boards. Coordinates volunteer service organizations for trail-related work. 10 month annual position.

Natural Resource Tech 1: Reports to Park Specialist. Supervises ACC trail crew for trail construction and maintenance projects. 6 month annual position.

ACC (Alaska Conservation Corp): Reports to Natural Resource Tech 1 and Park Specialist. Maintains trails, trailheads, and mooring buoys as instructed. May construct new trails. 4 month summer position.

Volunteers: Work under direction of Natural Resource Tech 1 and ACC facilities managers. Conduct work on trails as supplement to ACC crew. May paint and seal boardwalks, public use cabins and ranger station facilities, and repair campsites and other facilities as needed. Volunteers are trained with the goal of hiring them as ACCs and having them move up the chain of command. 4 month summer position.

One-Time Capital Expense

Ranger Truck (\$45,000)

Ranger Law Enforcement Training (\$10,000)

Ranger Equipment (computer, defensive gear, uniform) (\$6,000)

Trail Crew Vehicle (\$40,000)

Trail Crew Equipment (\$4,500)

Introduced by: Haggerty, Mayor
Date: 01/08/13
Action: Adopted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2013-004**

**A RESOLUTION URGING THE STATE OF ALASKA TO FULLY FUND
KACHEMAK BAY STATE PARKS**

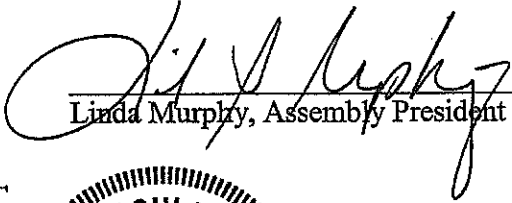
- WHEREAS,** state parks are an important use of public lands; and
- WHEREAS,** these parks and recreational areas are vital to local residents for their recreational opportunities and quality of life; and
- WHEREAS,** Alaska State Parks are an economic engine vital to our local and state economies; and
- WHEREAS,** nationally outdoor recreation is experiencing an increased interest, and Alaska is experiencing the highest percentage increase; and
- WHEREAS,** the Kenai Peninsula Borough is home to 16 State Parks, State Recreational Areas and Special Management Areas; and
- WHEREAS,** over the last 20 years annual visitation to Kachemak Bay State Park has increased from 500 visitors to over 6,000; and
- WHEREAS,** the deferred maintenance load is growing, not shrinking; and
- WHEREAS,** in 1985 there were two Rangers assigned to the 400,000 acre Kachemak Bay State Park and today there is only one Ranger covering the entire southern Kenai Peninsula; and
- WHEREAS,** the State of Alaska budget for the Division of Parks and Recreation has been static for the same period;

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

SECTION 1. That Kenai Peninsula Borough urges the Governor and the Legislature of the State of Alaska to increase the budget of Alaska State Parks, including Kachemak Bay State Park.

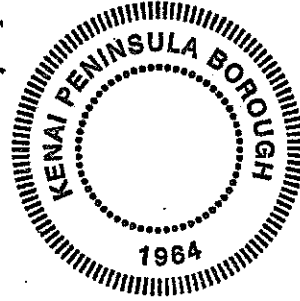
SECTION 2. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 8TH DAY OF JANUARY, 2013.


Linda Murphy, Assembly President

ATTEST:


John Blankenship, MMC, Borough Clerk



Yes: Haggerty, Johnson, McClure, Pierce, Smalley, Smith, Tauriainen, Wolf, Murphy
No: None
Absent: None

CITY OF HOMER
HOMER, ALASKA

Roberts

RESOLUTION 13-025

A RESOLUTION OF THE HOMER CITY COUNCIL URGING
THE ALASKA STATE LEGISLATURE TO ALLOCATE
FUNDS TO UPGRADE THE FOOTBALL FIELD AT HOMER
HIGH SCHOOL TO ARTIFICIAL TURF.

WHEREAS, The City of Homer supports recreational opportunities for its citizens; and

WHEREAS, The Homer High School football field is in need of upgrading; and

WHEREAS, The Homer High School football field is an important recreational and
economic resource for our community; and

WHEREAS, The Homer High School field offers health benefits for high school youth
and the community; and

WHEREAS The Kenai Peninsula Borough Assembly has placed the upgrading of the
Homer High School football field to artificial turf on their CIP list as a Tier 1 project.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, urges
the Alaska State Legislature to allocate funds to upgrade the football field at Homer High School
to artificial turf.

PASSED AND ADOPTED by the Homer City Council this 11th day of March, 2013.

CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

1 CITY OF HOMER
2 HOMER, ALASKA

3 Mayor

4 RESOLUTION 13-026

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER,
7 ALASKA, EXPRESSING SUPPORT FOR HB 131, AN ACT
8 RELATING TO ABANDONED AND DERELICT VESSELS.
9

10 WHEREAS, Abandoned and derelict vessels clog Alaskan harbors and are a burden on
11 local municipalities; and
12

13 WHEREAS, Local municipal harbor masters often find themselves without sufficient
14 legal protection to deal with abandoned and derelict vessels left in their harbor facilities; and
15

16 WHEREAS, Harbor enterprise budget models are based on the collection of harbor fees
17 from vessels that seek safe moorage from harbor facilities; and
18

19 WHEREAS, As an enterprise, harbor facilities have a responsibility to maintain and
20 repair the facility with the income from the collection of moorage fees; and
21

22 WHEREAS, In recent years, derelict and abandoned vessels represent a loss of tens of
23 thousands of dollars in revenue to the Homer Port and Harbor Enterprise Fund; and
24

25 WHEREAS, Removing an abandoned or derelict vessel frees up space in a harbor for the
26 moorage of vessels that positively contribute to the economic health of the enterprise and the
27 community; and
28

29 WHEREAS, Derelict vessels are at risk of sinking and causing damage to the
30 environment; and
31

32 WHEREAS, Measures the State can take to facilitate the removal of abandoned and
33 derelict vessels will help Alaska's environment and economy; and
34

35 WHEREAS, HB 131 gives municipalities the authority to remove and dispose of
36 abandoned and derelict vessels in state waters.
37

38 NOW, THEREFORE, BE IT RESOLVED that the City of Homer supports HB 131, an
39 Act Relating to Abandoned and Derelict Vessels.
40

41 PASSED AND ADOPTED by the Homer City Council this 11th day of March, 2013.

42

43

CITY OF HOMER

44

45

46

MARY E. WYTHE, MAYOR

47

48 ATTEST:

49

50

51 JO JOHNSON, CMC, CITY CLERK

52

53 Fiscal Note: N/A

54

55

Alaska State Legislature

State Capitol Room 102
Juneau, Alaska 99801-1182
(907) 465-2689
Fax: (907) 465-3472
1-800-665-2689



270 W Pioneer Ave. Suite B
Homer, Alaska 99603
(907) 235-2921
Fax: (907) 235-4008
1-800-665-2689

REPRESENTATIVE PAUL SEATON HOUSE DISTRICT 30

Sponsor Statement

HB 131

HB 131 assists state agencies and municipalities with the problem of derelict and abandoned vessels in Alaska. Derelict vessels can be a very costly problem for the state. Sunken derelict vessels present environmental and navigation hazards requiring removal, the cost of which often falls on state agencies and municipalities. Abandoned vessels in harbors create a large problem for municipalities and take up valuable moorage space. HB 131 would provide state agencies and municipalities with authority in statute to address abandoned and derelict vessels.

During the past 20 years, the state has transferred ownership of most of the state-owned harbors to local municipalities. Municipal harbor masters often find themselves without sufficient legal authority to deal with abandoned and derelict vessels left in these harbor facilities. Some local municipal governments do not have the legal and financial resources to create or change codes to protect themselves from the liabilities and hazards of abandoned and derelict vessels. HB 131 provides clear authorization for municipalities to respond to abandoned and derelict vessels.

Current derelict vessel statute at AS 30.30 puts the primary duty to handle derelict vessels on the Department of Transportation and Public Facilities (DOT&PF). DOT&PF has not historically been funded to establish a derelict vessel program. The Department of Natural Resources (DNR) has responsibility for clean-up activities when an abandoned vessel is on state submerged land or state tideland. Often DNR relies on state criminal trespass statutes in their efforts to remove abandoned and derelict vessels from state submerged land. For DNR to perform

work under the Abandoned and Derelict Vessel statute, they must receive a delegation of authority from DOT&PF which can create time delays in performing necessary clean-up activities. HB 131 broadens to abandoned and derelict vessel statute from DOT&PF to "a state agency". This provides agencies such as DNR and the Department of Environmental Conservation with a greater ability to quickly respond to individual derelict vessel situations.

HB 131 also creates a requirement that if a vessel has been denied entrance to a harbor due to its derelict status, the vessel may not be stored in state waters for more than two weeks unless all of the petroleum products and hazardous materials have been removed. The two-week timeline is consistent with the current DNR requirement that an anchored vessel receive authorization to be stored in state waters for more than two weeks.

28-LS0519\A

HOUSE BILL NO. 131

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE SEATON

Introduced: 2/20/13

Referred: Community and Regional Affairs, Transportation

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to abandoned and derelict vessels."

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 30.30.010(a) is amended to read:

4 (a) A person may not store or leave a vessel in a wrecked, junked, or
5 substantially dismantled condition or abandoned

6 **(1) on the waters of the state** [UPON ANY PUBLIC WATER,] or at
7 a port or harbor [,] of the state **or a municipality** [,] without the consent of the **state**
8 agency **or municipality** having jurisdiction **over** [OF] the water, port, or harbor; [,] or

9 **(2)** docked at any private property without the consent of the owner of
10 the property.

11 * **Sec. 2.** AS 30.30.010(b) is amended to read:

12 (b) **A state agency, municipality,** [THE DEPARTMENT] or a peace officer
13 may remove a derelict vessel from **waters of the state** [PUBLIC WATER IN ANY
14 INSTANCE] when the vessel obstructs or threatens to obstruct navigation, contributes
15 to air or water pollution, or in any other way constitutes a danger or potential danger to

28-LS0519A

1 the environment.

2 * **Sec. 3.** AS 30.30.010 is amended by adding a new subsection to read:

3 (e) A vessel that has been denied entrance to a harbor by a state agency or
4 municipality may not be stored on waters of the state for more than 14 consecutive
5 days unless all hazardous materials and petroleum products have been removed.

6 * **Sec. 4.** AS 30.30.020 is amended to read:

7 **Sec. 30.30.020. Disposition of certain abandoned vessels.** A vessel that has
8 been left unattended for [A CONTINUOUS PERIOD OF] more than 30 consecutive
9 days [AND IS] in the waters of the state or on public property [,] or [IS] on private
10 property without authorization of the owner or occupant of the property [,] may be
11 taken into custody by a state agency, municipality, [THE DEPARTMENT] or a
12 peace officer and disposed of by the state agency or municipality [DEPARTMENT]
13 under this chapter.

14 * **Sec. 5.** AS 30.30.030 is amended to read:

15 **Sec. 30.30.030. Limitation on applicability.** Wherever outside of an
16 organized municipality in the state it is, or has become, the custom, common or
17 accepted practice to anchor, moor, or otherwise leave a vessel in a port or harbor [,] or
18 in the [PUBLIC] waters [,] of the state in such a manner that it does not threaten or
19 obstruct navigation, or to store or otherwise leave a vessel without permission on
20 public or private property, unattended for [A PERIOD OF] more than 30 days, where
21 climatic conditions make use of the vessel impracticable [,] or applicable provisions of
22 law preclude use of the vessel during that period of time, the unattended anchoring,
23 mooring, storing, or leaving of the vessel does not constitute abandonment of the
24 vessel as that term is used in AS 30.30.010 - 30.30.100 [AS 30.30.010 - 30.30.020].

25 * **Sec. 6.** AS 30.30.040 is amended to read:

26 **Sec. 30.30.040. Notice to owner.** On taking custody of an abandoned vessel, a
27 written notice immediately shall be posted on the vessel and a duplicate of that notice
28 sent by registered or certified mail, with a return receipt, to the registered owner of the
29 vessel at the registered owner's last known address and to all lienholders shown on the
30 records of a state or federal agency. The notice must contain a brief description of the
31 vessel, the location of custody, and the intended disposition of the vessel if not

28-LS0519A

1 repossessed within 20 days after the mailing of the notice. A notice need not be sent to
2 the purported owner or any other person whose interest in the vessel is not recorded
3 with a state agency [DEPARTMENT] or a federal agency.

4 * **Sec. 7.** AS 30.30.060 is amended to read:

5 **Sec. 30.30.060. Possession by interested party.** A person having an interest in
6 an abandoned vessel may take possession of it before the date of the public auction
7 upon payment to the state agency or municipality [DEPARTMENT] of all port or
8 harbor use fees, towing, handling, storage, appraisal, advertising, and any other
9 expenses incurred by the state agency or municipality [DEPARTMENT] in
10 connection with the vessel. If the person taking possession of the vessel is not the
11 registered owner, the person shall, before taking possession of the vessel, pay the
12 expenses incurred by the state agency or municipality [DEPARTMENT] and post
13 adequate security, which may not exceed the appraised value of the vessel. The
14 security, if not forfeited, shall be returned to the person one year after receipt.

15 * **Sec. 8.** AS 30.30.070 is amended to read:

16 **Sec. 30.30.070. When public auction not required.** Public auction is not
17 required when the appraised value of an abandoned vessel, as determined by an
18 independent appraiser, is less than \$100. The appraiser must have at least one year of
19 experience in the sale, purchase, or appraisal of vessels. Upon that determination and
20 after public advertisement has been made once in a newspaper of general circulation,
21 the state agency or municipality [DEPARTMENT] may sell the vessel by
22 negotiation, dispose of it as junk, donate the vessel to a governmental agency, or
23 destroy it.

24 * **Sec. 9.** AS 30.30.080 is amended to read:

25 **Sec. 30.30.080. Effect of sale.** The transfer of interest by sale under
26 AS 30.30.050 - 30.30.070 shall be evidenced by a bill of sale from the state agency or
27 municipality [DEPARTMENT], considered a transfer by operation of law, and
28 governed by applicable provisions of law.

29 * **Sec. 10.** AS 30.30.090 is amended to read:

30 **Sec. 30.30.090. Derelict vessel.** A vessel that has been left unattended for [A
31 CONTINUOUS PERIOD OF] more than 24 consecutive hours is a derelict if

28-LS0519A

1 (1) the vessel is sunk or in immediate danger of sinking, is obstructing
2 a waterway, or is endangering life or property; or

3 (2) the vessel has been moored or otherwise left in the waters
4 [WATER] of the state or on public property contrary to law [,] or regulations adopted
5 by a state agency or municipality [THE DEPARTMENT,] or the vessel has been left
6 on private property without authorization of the owner or occupant of the property,
7 and if

8 (A) the vessel's certificate of number or marine document has
9 expired and the registered owner no longer resides at the address listed in the
10 vessel registration or marine document records of a state agency
11 [DEPARTMENT] or the United States Coast Guard;

12 (B) the last registered owner of record disclaims ownership and
13 the current owner's name or address cannot be determined;

14 (C) the vessel identification numbers and other means of
15 identification have been obliterated or removed in a manner that nullifies or
16 precludes efforts to locate or identify the owner; or

17 (D) the vessel registration records of a state agency
18 [DEPARTMENT] and the marine document records of the United States Coast
19 Guard contain no record that the vessel ever has been registered or
20 documented, and the owner's name or address cannot be determined.

21 * **Sec. 11.** AS 30.30.100(a) is amended to read:

22 (a) A state agency, municipality, or peace officer [THE DEPARTMENT]
23 may take or cause a derelict vessel to be taken into custody immediately. Upon taking
24 custody of a derelict vessel, the state agency or municipality [DEPARTMENT] shall
25 concurrently

26 (1) publish a notice of intended disposition once in a newspaper of
27 general circulation;

28 (2) when possible, post a notice of intended disposition on the vessel;
29 and

30 (3) serve a duplicate of the notice of intended disposition by certified
31 mail, with a return receipt, on

28-LS0519A

1 (A) the registered owner of the vessel, if known, at the
2 registered owner's last known address or the address on record with a state
3 agency [DEPARTMENT] or the United States Coast Guard; and

4 (B) all lienholders who have filed a financing statement
5 indexed in the name of the registered owner [,] or who are shown on the
6 records of a state agency [DEPARTMENT] or the United States Coast Guard.

7 * **Sec. 12.** AS 30.30.120 is amended to read:

8 **Sec. 30.30.120. When vessel abandoned.** A vessel is abandoned on the
9 premises of a vessel repair business when all of the following conditions have been
10 satisfied:

11 (1) the service requested or required by a person whose vessel is towed
12 or brought to a vessel repair business, including but not limited to towing and
13 rendering estimates of the cost of repairs, has been performed;

14 (2) no authorization is given to perform any further service with
15 respect to the vessel, but the vessel is left on the repair business premises;

16 (3) the owner of the repair business or the business owner's authorized
17 representative has given notice by registered or certified mail, with a return receipt, to
18 the registered owner of the vessel at the address on record at the vessel repair business
19 and the address on record in a state agency [DEPARTMENT] or the United States
20 Coast Guard, and to any person with a recorded interest in the vessel, stating that, if
21 the vessel is not repossessed within 30 days after the mailing of the notice, it will be
22 sold or disposed of; the notice also must contain a description of the vessel and its
23 location, and it need not be sent to an owner or a person with an unrecorded interest in
24 the vessel whose name or address cannot be determined; and

25 (4) the vessel is not repossessed within the 30-day period specified in
26 (3) of this section.

27 * **Sec. 13.** AS 30.30.170 is amended to read:

28 **Sec. 30.30.170. Definitions.** In this chapter,

29 (1) "municipality" has the meaning given in AS 29.71.800;

30 (2) "state agency" means a state department or agency in the
31 executive branch; "state agency" does not include an agency of the legislative or

28-LS0519A

1 judicial branch, the University of Alaska, or a public corporation;

2 (3) ["DEPARTMENT" MEANS THE DEPARTMENT OF
3 TRANSPORTATION AND PUBLIC FACILITIES;

4 (2)] "vessel" means every description of watercraft or other artificial
5 contrivance, other than a seaplane on the water, used or capable of being used as a
6 means of transportation on or through the water;

7 (4) [(3)] "waters of the [THIS] state" means the navigable waters
8 within the territorial limits of the state, and the marginal sea adjacent to the state, as
9 defined in AS 44.03.

10 * Sec. 14. AS 30.30.160 is repealed.

CITY OF HOMER
HOMER, ALASKA

Mayor

RESOLUTION 13-027

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, EXPRESSING SUPPORT FOR HB 4, LEGISLATIVE
EFFORTS TO CONSTRUCT A NATURAL GAS PIPELINE
FROM THE NORTH SLOPE TO SOUTH CENTRAL ALASKA.

WHEREAS, The City of Homer will be receiving access to natural gas for the first time in 2013 with the construction of a natural gas trunk line into the community; and

WHEREAS, Known reserves in the Cook Inlet Basin are insufficient to supply the future demand for natural gas in South Central Alaska; and

WHEREAS, A stable supply of energy is key to the economic future of the entire South Central region; and

WHEREAS, There is a critical need for a long-term solution that provides affordable energy throughout the Railbelt; and

WHEREAS, HB 4 empowers the Alaska Gasline Development Corporation (AGDC) to further advance an in-state gas pipeline.

NOW, THEREFORE, BE IT RESOLVED that the City of Homer supports legislative efforts to construct a natural gas pipeline from the North Slope to South Central Alaska.

PASSED AND ADOPTED by the Homer City Council this 11th day of March, 2013.

CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A



Representative Mike Hawker Alaska State Legislature

Sponsor Statement

Sponsor Substitute for House Bill 4
In-state Gasline Development Corp

House Bill 4 (HB 4) creates an entity charged with getting Alaska's natural gas into the hands of Alaskans. HB 4 empowers the Alaska Gasline Development Corporation (AGDC) to lead Alaska into a natural gas future.

For decades, Alaskans have looked to natural gas to ease crippling instate energy costs and air quality problems; to support new industry and jobs; to promote economic development; and to generate state revenue as the resource is commercialized. HB 4 provides AGDC the authority and resources to develop, finance, and operate a 500 million cubic feet per day gas pipeline from the North Slope, serving Fairbanks and Southcentral, at the lowest possible cost, without delay. While pursuing this project, AGDC is structured to be responsive if alternatives materialize that provide greater benefit to Alaskans, including potential partnership with industry on a large-diameter export pipeline. Finally, HB 4 enables AGDC to consider future pipelines that extend the benefits of natural gas to more Alaskans.

This legislation includes ways for the state to support AGDC and an instate natural gas pipeline and to alleviate uncertainty and risk, thereby minimizing the prices Alaskans pay for natural gas. HB 4 maximizes state efforts; separates AGDC from political influence; and creates a regulatory environment for a contract carrier pipeline that encourages future development of oil and gas resources. HB 4 also provides crucial checks and balances to ensure AGDC is accountable to Alaskans.

To date, private sector companies have not built a gas pipeline of this magnitude. The risks and costs associated with a pipeline spanning the 700-mile-plus length of Alaska are significant for any private sector entity. Yet, Alaskans remain in critical need of natural gas for instate use. The state can act now to bring a project together, opening new private sector development opportunities while addressing our instate energy issues.

This is Alaska's opportunity to advance the state's interests to get Alaskan gas into the hands of Alaskans on our schedule, without waiting for others to determine our future.

Alaska Gas for Alaskans

Alaska has long wanted to develop Alaska's rich North Slope natural gas resource

1. As clean, reliable, reasonably priced energy for Alaskans
 - Electric and home heating costs
 - Economic development for communities
 - Industrial development opportunities
2. As a commercial product, generating state revenue
 - Production taxes and royalty gas
 - Future oil and gas exploration and development

Presentation to the House Resources Committee, Feb. 4, 2013

▶ 2

An Alaska Natural Gas Future for Alaskans

House Bill 4: In-State Gasline Development Corp.
Rep. Mike Hawker and Speaker Mike Chenault

Alaska Gas for Alaskans

Alaska has tried for decades

- Some milestones met
- Divergent interests
- Massive scale, costs, risks

Alaska still has no gasline

What we've been doing isn't working

▶ 3

Alaska Gas for Alaskans

By 2010, frustration with a lack of progress on a big line

- Trying to make others develop a pipeline for Alaska, on our terms, wasn't delivering the results we wanted

Fresh approach: Decide what we want, and do it ourselves

- Instate-energy as primary driver
- Use the state as a catalyst
- Provide opportunities for the private sector partners

▶ 4

Alaska Gas for Alaskans

House Bill 369 of 2010 goals:

1. Build a team under AHFC leadership
2. Consolidate state's gas pipeline work to date
3. Fill in data gaps; decide optimal route
4. Report back to the Legislature with a project plan

House Bill 369 passed with broad, bipartisan support

▶ 5

Alaska Gas for Alaskans

AGDC delivered with the July 2011 Project Plan

- A pipeline for Alaskans is possible
- An in-state line could deliver competitively priced gas to major population centers
- Project will require firm, long-term contracts for pipeline capacity in order to support financing
- Legislative action required

▶ 6

Alaska Gas for Alaskans

AGDC recommended legislation for the authority to:

- Determine pipeline ownership structure
- Work confidentially with private sector partners
- Operate as a contract carrier
- Decide rates and tariff terms

AGDC further needs the state to:

- Waive property taxes and state land lease fees
- Provide sufficient funding

▶ 7

Alaska Gas for Alaskans

Now, House Bill 4:

- Provides further direction for AGDC
- Includes AGDC recommendations
- Maintains momentum – delays hurt!
 - AGDC estimates \$200 million per year inflation
 - Southcentral gas supply (and costs) increasingly uncertain
 - Fairbanks energy costs and air quality – no end in sight
 - As urban costs increase, rural communities hurt more
- Continuing expectation for state to offset high cost

▶ 8

Alaska Gas for Alaskans

Sponsor principles for HB 4:

1. Keep politics out of pipeline development
2. Build in maximum flexibility, options for AGDC
3. Support an aggressive, responsible schedule driven by the needs of Alaskans
4. Let the markets shape pipeline decisions
5. Provide reasonable backstops for Alaska gas consumers
6. Include ways the state can further keep costs down and enhance a pipeline project's success
7. Respect state policy of encouraging future development of Alaska oil and gas basins

▶ 9

Alaska Gas for Alaskans

Under House Bill 4, AGDC will:

1. Continue work in the in-state line
 - Requires sufficient shipper support to finance a pipeline
 - Target date: Gas flowing in 2019
2. Work with TransCanada and the three producers to see if the two projects can merge into one
 - Uncertain; no development commitment to date by TC and producers
3. Be prepared for participation in other frameworks
 - For example, a spur line off an AGIA line
4. Once the main in-state line is complete, evaluate other pipeline opportunities
 - Lines off the main line connecting communities, industrial developments
 - Other stand-alone Alaska gas pipelines

▶ 11

Alaska Gas for Alaskans

House Bill 4 strikes a balance

- Equips AGDC for success in developing a gasline
- AGDC has significant authority and autonomy -- and a clear mission
- AGDC poised to shift gears if another project develops that delivers gas to Alaskans at the lowest possible costs, without delay
- Institutional 'checks and balances' -- a pipeline, yes, but not at any cost
- May not go forward unless there is a commercial project that has sufficient contractual support for financing without additional state financial participation
- Must deliver gas to Alaskans at a competitive price

▶ 10

Alaska Gas for Alaskans

House Bill 4:

1. Provides the framework for AGDC to serve as Alaska's natural gas pipeline corporation
2. Maximizes state's efforts in gas pipeline development
3. Resolves regulatory uncertainties while supporting future development of Alaska resources

▶ 12

Alaska Gas for Alaskans

Establishes AGDC as Alaska's gas pipeline entity

- HB 4 moves AGDC from its present location as a subsidiary of Alaska Housing Finance, to a stand-alone state corporation
- Locates AGDC under Department of Commerce, Community and Economic Development for *administrative purposes only*
 - AGDC will be governed by a 5-member board with expertise in relevant fields, appointed by the governor, confirmed by the legislature
- Provides clear transition language

▶ 13

Alaska Gas for Alaskans

Clearly states AGDC's purpose:

- To advance an in-state gas pipeline as described in the July 2011 project plan, with modifications as appropriate, making gas available to Fairbanks, Southcentral, and other communities in the state at the lowest rates possible;
- To develop pipelines serving utility and industrial customers, at commercial reasonable rates;
- To develop pipelines offering commercial rates to shippers and that offer access for shippers producing gas in Alaska

▶ 14

Alaska Gas for Alaskans

Provides clear statutory abilities to AGDC to function as a corporation and to accomplish its purpose

AGDC may:

- Enter into ownership and operating partnerships
- Create subsidiaries, including a subsidiary to market gas
- Issue revenue bonds limited to AGDC's own backing to finance a pipeline
- Enter into confidentiality agreements necessary to participate with private sector shippers, partners, financiers
- Keep confidential information like field studies and tariff models that are assets AGDC is developing for the state
- Exercise the state's existing power of eminent domain

▶ 15

Alaska Gas for Alaskans

House Bill 4 also:

- Exempts AGDC and ANGDA from the state procurement code and state personnel act
- Exempts AGDC from the Executive Budget Act
- Applies public official disclosure rules to AGDC board members

▶ 16

Alaska Gas for Alaskans

Maximizes state's efforts in gas pipeline development

- Additional state support for a project in the public's interest will help reduce delays and keep costs as low as possible

House Bill 4:

- Redefines ANGDA as an AGDC subsidiary
- Adapts ANGDA's purpose to serve as a gas marketer
- Encourages the DNR commissioner to work with an AGDC gas marketing subsidiary to make state royalty gas available for shipment through an AGDC pipeline
- Limits judicial review of state permitting decisions and authorizations to avoid delays

Alaska Gas for Alaskans

- Waives state and local property taxes during pipeline construction
- Requires state entities to cooperate and share information with AGDC
 - AGDC requests receive priority (except for AGIA requests)
 - AGDC and state entities can enter into confidentiality agreements if necessary to protect third-party information in the state's possession
- Calls on the state to provide water, sand, gravel, and other non-hydrocarbon natural resources to AGDC
 - AGDC will pay usual prices; cost cannot be included in tariff base and passed on to pipeline shippers
- Directs DNR to waive annual fees on a state right-of-way lease for AGDC

Alaska Gas for Alaskans

Resolves regulatory uncertainties

- Regulatory uncertainties add risk, which adds costs and can deter private sector participation. AGDC needs to know how a pipeline will be regulated before soliciting private sector partners

House Bill 4:

- Allows natural gas pipelines to operate as contract carriers through changes to the Right-of-Way Leasing Act and through Regulatory Commission of Alaska oversight
- Reinforces state policy that pipelines should be fair; offer reasonable access to new/future shippers; and encourage future development of Alaska's oil and gas resources

Alaska Gas for Alaskans

Why a contract carrier?

- Shippers need to know that the space they are 'reserving' by signing long-term commitments will be available
- Those firm, uninterruptible contracts are the way gas pipelines are financed
- The future income promised through those contracts secures revenue bonds
- House Bill 4 establishes contract carrier status while providing for expansions in the future

Alaska Gas for Alaskans

Right-of-Way Leasing Act

- Includes a set of covenants a lessee must agree to
- HB 4 modifies covenants reflecting common carrier principles, to allow for contract carriage
 - 'Nuts and bolts' of covenants remain the same
 - Contract carrier covenants still require a pipeline, per contractual terms, to provide connections with other pipelines and facilities
 - Contract carrier covenants still require expansions on commercially reasonable terms
 - Contract carrier covenants still require a pipeline to ship without discrimination

▶ 21

Alaska Gas for Alaskans

Regulatory Commission of Alaska oversight for a contract carrier gas pipeline

- Mandates a baseline package of rates and terms (recourse tariff) available to all interested parties, and allows negotiations of rates and terms off the baseline
- Requires RCA to decide if precedent agreements are 'just and reasonable'
- Premise is contracts entered into willingly by two parties are just and reasonable - with checks and balances
- Provides certainty and protection for public utilities

▶ 22

Alaska Gas for Alaskans

- Allows confidential filing of precedent agreements; requires public filing of final contracts
- Requires a CPCN (building permit) from the RCA, with special terms for an AGDC pipeline reflecting the state-sanctioned mission
- Directs RCA to intervene when a dispute threatens the public health and safety; requires contracts to include dispute resolution terms
- Sets standards for fair, accessible open seasons; requires open seasons for new capacity/expansions
- Sets timelines that should not interfere with commercial processes

▶ 23

Thank you

House Bill 4: In-state Gasline Development Corp.

Sponsors:

Rep. Mike Hawker & Speaker Mike Chenault

Contact: Rena Delbridge, Staff to Rep. Hawker
(907) 465-4949 – Rena.Delbridge@akleg.gov

▶ 24

VISITORS

ANNOUNCEMENTS
PRESENTATIONS
BOROUGH REPORT
COMMISSION REPORTS

PUBLIC HEARING(S)

ORDINANCE(S)

CITY MANAGER'S REPORT

MANAGER'S REPORT
March 11, 2013

TO: MAYOR WYTHE / HOMER CITY COUNCIL

FROM: WALT WREDE

UPDATES / FOLLOW-UP

I regret that I did not have the time to prepare a written report for this meeting. I have been on the road much of the time since the last meeting. The City Manager's Report will be verbal at this meeting.

ATTACHMENTS

1. March Employee Anniversaries
2. Lobbyist Report



City of Homer

Memorandum

To: Mayor Wythe and Homer City Council
From: Walt Wrede, City Manager
Date: March 6, 2013
Re: March Employee Anniversaries

I would like to take the time to thank the following employees for the dedication, commitment and service they have provided the City and taxpayers of Homer over the years.

Matt Clarke,	Port & Harbor	12	Years
Mitch Hrachiar,	Public Works	12	Years
Gary Richardson,	Public Works	9	Years
Elton Anderson,	Port & Harbor	7	Years
Renee Krause,	Clerk's Office	6	Years
Dana Harrington,	Port & Harbor	2	Years



In Juneau:
319 Seward Street, Ste. 11
Juneau, AK 99801
907.586.1977 p
907.586.1061 f

In Fairbanks:
3165 Riverview Drive
Fairbanks, AK 99709
907.474.9463 p
907.479.9113 f

City of Homer

Lobbyist Report – Half Way Mark
March 6, 2013

Overview

This week the first session of the 28th Legislature passed the half-way mark. This is the time when the pace quickens and the rubber hits the road for Legislators, staff, Administration officials' and lobbyists. A daily task of advancing favorite projects or slowing the passage of unfavorable legislation becomes more challenging. Longer days and nights are required of all those who successfully negotiate the 'end game' of lawmaking as the 90 day adjournment approaches. And thus decision making and negotiating skills are taken to elevated levels. In an attempt to gain support to advance their district and personal priorities, this is that time of session when Legislators begin to lobby one another. Armed with information from the Administration, constituents, staff, professionals, lobbyists and interests, they now begin to spend much more time making their case with their colleagues and securing votes.

Operating Budget (HB65)

House Finance Committee proposed the same funding level for Community Revenue Sharing as the previous few years; \$60million. They are in the final stage of completing the FY14 Operating Budget. As House leaders strive to limit their draw from savings reserves to balance this year's budget, this is the first time in almost 10 years that the Legislature has reduced the Governor's budget as opposed to adding budget increments.

As noted in the last report, the following schedule applies to final passage of the House FY14 Operating Budget. Senate Finance will then amend the House bill. After the Senate passes their version of the Budget, it will be assigned to a conference committee whose members include the Finance Chairs of the House & Senate. There they will compromise on line by line differences between the bills. Word has it that the Senate will not aim as high in their budget reductions in FY14 and intend to take a slower approach to reducing the State's operating budget over the next 5 years.

The House Schedule: (fyi only - no pressing issues requiring Homer testimony at this time)

March 6 4:15pm – 5:15pm Testimony from Homer, Kenai, Ketchikan, Kodiak, Mat-Su, Glenallen, Tok, and Seward. Testimony is limited to 2 minutes each.

FY14 Capital Budget (SB18)

As the above process ensues, Senate Finance set a deadline for Legislators to work with their respective Delegations to submit their top 15 priorities totaling no more than \$7million per Senate District. This dollar amount does not include an amount set aside for discretionary dollars for individual legislators. Of course simple math indicates that \$7million per Senator District x 20 districts totals \$140 million. As previously reported, a goal of \$200 - \$240million in total legislative additions is a sharp decline from **\$1.2billion** added to the Governor's budget last year.

In meetings with District Legislators, it was suggested that since Homer did very well in the Governor's capital budget the Districts limited allocation would more than likely be spread to other district requests and priorities. *It is important to note here that 3 of the 4 projects in the Governor's budget are for 'Federal Authorization' of projects and are not general funds.* These are projects that have been prioritized for advancement by DOTPF IF AND WHEN federal funds are received in the future. It is by no means a guarantee of a near term project .

Refresher: SB18 Governor's Capital Projects– Homer
 Homer Harbor \$4.206 state general funds (local match required)
 Homer – Beluga Lake Float Plane Base Study .250 (Federal 'Authority')
 Homer East End Road Rehab mp 3.7 to 12.2 .850 (Federal 'Authority')
 Homer Lake Street Rehab 5.000 (Federal 'Authority')

Homer recently proposed that the Delegation fund the 2nd and 3rd priorities through a reappropriation; redirecting unobligated general fund dollars to the Skyline Fire Station and the Port & Harbor Building. While these funds are not enough to provide for completion of either project, a strong advocacy in support of at least \$410,000.00 to complete the Skyline Fire Station will allow all funds to go toward the Port & Harbor Building, thereby completing both projects. That was the message delivered to the Homer Delegation during last week's Juneau meetings.

Status of Legislation – Homer Bills of Interest

HB4, 'In-State Gas Line' The Alaska Gasline Development Corporation bill was amended March 5 and passed from House Resources to the House Finance committee. House Leaders, with the support of many communities and other entities, are pushing ahead to fund \$400million to capitalize the fund and advance the project this year (details in millions):

AGDC total project cost to project sanction:	\$400,000.0
Agencies need through construction (FY14 - FY19):	<u>27,000.0</u>
	\$427,000.0
Prior year appropriations:	<u>- 72,000.0</u>
Funding needed this session:	\$355,000.0
FY14 Governor's Capital:	<u>- 25,000.0</u>
Funds needed to project sanction/construction:	\$330,000.0

HB 30 'Performance Review' On February 19 this bill passed the House with a near majority of House Legislators. It was sent directly to Senate Finance for consideration. As previously noted, this bill is part of the House Majorities recent announcement of their guiding principles. The House has established a goal to significantly reduce the operating budget. Their actions on HB65 noted above, indicates this commitment. The bill requires agencies to identify potential cuts equaling 10% of their budgets over a 10 year period and identifying non essential programs. This effort is one to watch closely with its potential for negative impact and pressure on Municipal Revenue Sharing.

HB35 ' Home Conversion Loans' This legislation is still in House Finance committee. The issue is not one of support amongst committee members, but rather, how to fund the program for conversions. In an effort of relationship building, Mayor Beth Wythe and Katie Koester met with Rep. Wilson to again communicate their support and offer assistance wherever possible.

HB 40 'Farm Exemption'

Rep. Hughes bill has passed through both the House & Senate in record time. The optional municipal program will allow a property tax exemption of structures for the sole purpose of food preparation and storage. The bill is expected to pass the Senate next week and be sent to the Governor for his signature.

HB 152 PRS/TRS Termination Cost Legislation

This municipal consensus legislation has been in the making since the start of session and was introduced yesterday and sent to the House Labor & Commerce Committee. As a means to cut costs to municipalities, the bill is extremely complex and a top priority for AML and many communities, large and small. As one who has studied the issue and worked on PRS/TRS legislation over the past 6 years, Anderson Group's Yuri Morgan is taking the lead on this bill and has been intricately involved in its complexities. See attached summary.

SB23 / HB74 North Slope LNG Trucking Project

This legislation was introduced by the Governor on behalf of Fairbanks and Interior Communities in recognition of their cost of energy at 250 times that of the rest of the state. The bills authorize AIDEA to provide up to \$275 million in financing at 3% for a natural gas liquefaction plant affiliated infrastructure on the North Slope as well as providing for financing of a liquid natural gas (LNG) distribution system within the Fairbanks North Star Borough. In today's hearing on HB74 in House Labor & Commerce, Rep. Chenault informed the committee that Homer was in the process of forming an LID and paying the cost of their distribution. The City of Homer has requested grant funding of half of the cost of their distribution system. If a state policy is to be made to aide communities in their efforts toward natural gas distribution systems, its only fair that all communities have access to equal or similar subsidies.

Homer's Fly-In....and valuable 'face time' in Juneau...

was extremely successful. As mentioned above, the schedule began by meetings with Rep. Seaton & Senator Micciche and included discussions with Speaker Chenault and the Governor's Chief of Staff Mike Nizich. The busy 2 ½ days of appointments ended literally on the way out of 'Dodge' with a stop at the DOTPF office where Homer was joined by the Deputy Commissioner as well as Department Directors overseeing highways and ports and harbors.

Mayor Wythe & Katie were welcomed everywhere with their message of 'Homer is open for business and paying our way to the extent possible'. Of particular interest was the meeting with Mike Nizich who was more than impressed with the speed at which Homer has advanced their effort to complete their gasoline distribution system and their willingness to participate in the cost. This was recognized as no small undertaking.

END

Linda 460-6767
Yuri 388-8611

HB 152 - Modification to PERS Termination Costs

Speaking Points

I. KEY MESSAGE:

- a. System-wide salaries (DB + DC) have increased by \$325 million, or 18.6%, over the salary base "floor" established in SB125 by the 25th Legislature in 2008. As a result, contributions toward the unfunded liability have NOT been compromised or reduced; rather, they have INCREASED at a rate greater than the actuarial-assumed annual growth rate of 4%.
- b. Muni's understand the challenge associated with the unfunded liability and support the need to reduce the liability. However, the current penalty for termination costs is significant to Muni's and immaterial at the SOA level.
- c. Employers are incentivized to maintain a stable salary base and avoid termination costs, which if triggered would be due annually until the unfunded liability is paid off.
- d. Muni's must have operational flexibility during these challenging fiscal times so that they can adjust staffing levels as a result of funding changes and other mandated and/or basic changes in programs or services the public needs, i.e. reduced Federal or State funding.
- e. A \$70 million (estimated) fiscal note represents 1% of total PERS Unfunded Liability (\$6.9 B) PERS @ 6/30/11.
- f. Muni's propose partial termination costs, sharing with the SOA, to enable efficient decision making in our communities
 1. Muni's request that 22% remain as the contribution to PERS.
 2. Muni's request the legislature to provide relief to the communities based on salary size if circumstances warrant

II. Modification to the PERS termination language is needed due to the following:

- a. Municipal organizations need flexibility in staffing levels to operate and manage efficiently
 1. Grant funding may be reduced or eliminated due to changes beyond municipal control i.e. reduced Federal or State funding. This potentially results in need to reduce staff/classification
 2. Staff flexibility (classification changes) is required to meet changing community needs.
- b. Municipalities are working toward modernizing and standardizing job classifications. This will likely result in fewer classifications, but not necessarily fewer employees. Current language will trigger a termination study and costs unnecessarily.

III. Bill proposes the following modifications:

Section 1: Retains the minimum requirement for employers to make contributions based on 22% of the greater of (i) their current salary base, or (ii) their salary base as of 6/30/08, regardless of terminated participation - partial or otherwise - from the DB plan.

Section 2: Regarding the DB plan, replaces the requirement for termination cost studies performed by the actuary with termination costs determined via formula incorporating the following:

- a. Establishes partial termination thresholds beyond which termination costs would apply. Employer categories based on salary base size
 1. 20% for employers whose total system-wide salary base is greater than \$5MM (~93% in FY12)
 2. 50% for employers whose total system-wide salary base is greater than \$1MM (~6% in FY12)
 3. not applicable for under \$1MM (~1% in FY12)
- b. Establishes a rolling, two-year period, over which costs from partial terminations would be determined;
- c. Using readily available data, establishes the formula for determining termination costs whereby any terminated salaries beyond the threshold (20%/50%) would be applied to the current past service contribution rate (24.19% today), and paid annually, until the debt is paid off.
- d. Formula is simple and does not require a consultant fee. For example:
 1. Amount by which an employer's salary base exceeds its salary base from two years prior (by 20% or 50% depending on current salary base level) * past service contribution rate * years to pay down total unfunded liability; $\$100,000 \times 24\% = \$24,000$ annually x 30 years = \$720,000

Sections 3, 4 & 5: Same as Section 2 described above, only pertaining to the DC plan.

Section 6: Repeals language requiring a termination study for an employer that requests termination from the plan all together. Such an employer would still be subject to the 6/30/08 salary base "floor".

Section 7: Annuls the current regulation that covers the calculation of termination costs/studies.

Sections 8 & 9: Adds applicability/retroactivity language to allow employers to discontinue any payments after the effective date of the Act where an employer would not have had to pay if the new formula were in place after 6/30/08.

Section 10: immediate effective date.

Office of the City Clerk

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



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

MEMORANDUM - REPORT

TO: MAYOR WYTHE AND HOMER CITY COUNCIL
FROM: MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK *WJ*
DATE: MARCH 5, 2013
SUBJECT: BID REPORT

INVITATION TO BID FOR 2013 LIGHT VEHICLE PURCHASE Sealed bids will be received at the office of the City Clerk, City Hall, City of Homer, 491 East Pioneer Avenue, Homer, Alaska 99603, until 2:00 p.m. March 18, 2013 at which time all bids will be publicly opened and read for the following:

- (1) ½ Ton 4x4 Extended Cab Pick Up (Port & Harbor)
- (1) Expedition EL, SSV, 4 x 4 (HVFD)
- (1) Expedition, SSV, 4 x 4 (HPD)

CITY ATTORNEY REPORT

COMMITTEE REPORT(S)

PENDING BUSINESS

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Manager

4 RESOLUTION 13-017(S)
5

6 A RESOLUTION OF THE CITY COUNCIL OF HOMER,
7 ALASKA, APPROVING A CONTRIBUTION IN AID OF
8 CONSTRUCTION AGREEMENT (CIAC) BETWEEN THE
9 CITY OF HOMER AND ENSTAR NATURAL GAS COMPANY
10 FOR CONSTRUCTION OF IMPROVEMENTS WITHIN THE
11 HOMER NATURAL GAS DISTRIBUTION SYSTEM SPECIAL
12 ASSESSMENT DISTRICT, IN AN AMOUNT NOT TO
13 EXCEED ~~\$12.7 MILLION~~ \$12,160,632.
14

15 WHEREAS, On July 23, 2012 the City Council adopted Resolution 12-069 initiating a
16 special assessment district for a natural gas distribution system within the City; and
17

18 WHEREAS, On September 24, 2012, the Council adopted Resolution 12-081 accepting
19 and approving the improvement plan submitted by the City Manager for the proposed natural gas
20 distribution system special assessment district; and
21

22 WHEREAS, On February 11, 2013, the Homer City Council adopted Ordinance 13-02
23 which created the City of Homer Natural Gas Distribution System Special Assessment District
24 and authorized the City Manager to proceed with the improvement; and
25

26 WHEREAS, Enstar Natural Gas Company is the only natural gas distribution public
27 utility that is authorized by the Regulatory Commission of Alaska to provide natural gas service
28 within the City of Homer, and it is appropriate for the City to contract with Enstar Natural Gas
29 Company for construction of a natural gas distribution system in the City on a sole source basis
30 under HCC 3.16.060(i); and
31

32 WHEREAS, The City and Enstar Natural Gas Company have negotiated a Contribution
33 in Aid of Construction Agreement (CIAC) for construction of the natural gas distribution system
34 described in the adopted Improvement Plan, for a not to exceed amount of ~~\$12.7 Million~~
35 \$12,160,632.
36

37 NOW, THEREFORE, BE IT RESOLVED that the form and content of the CIAC
38 between the City and Enstar Natural Gas Company, a division of SEMCO Energy, Inc., a copy
39 of which is attached and incorporated herein, hereby are in all respects authorized, approved and
40 confirmed, and the City Manager hereby is authorized, empowered and directed to execute and

41 deliver the CIAC to Enstar Natural Gas Company on behalf of the City, in substantially the form
42 and content now before this meeting but with such changes, modifications, additions and
43 deletions therein as he shall deem necessary, desirable or appropriate, the execution thereof to
44 constitute conclusive evidence of approval of any and all changes, modifications, additions or
45 deletions therein from the form and content of said document now before this meeting, and from
46 and after the execution and delivery of said document, the City Manager hereby is authorized,
47 empowered and directed to do all acts and things and to execute all documents as may be
48 necessary to carry out and comply with the provisions of the CIAC as executed.

49
50 PASSED AND ADOPTED by the Homer City Council this 25th day of February, 2013.

51
52 CITY OF HOMER

53
54
55
56 _____
57 FRANCIE ROBERTS, MAYOR
58 PRO TEMPORE

59 ATTEST:
60
61
62 _____
63 JO JOHNSON, CMC, CITY CLERK

64
65
66 Fiscal Note: ~~\$12.7 Million~~ \$12,160,632 to be financed.

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS
DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 THIS AGREEMENT made this ____ day of March, 2013, by and between ENSTAR Natural
2 Gas Company, a division of SEMCO Energy, Inc., whose address is 3000 Spenard Road, P. O. Box
3 190288, Anchorage, Alaska 99519-0288 (hereafter "ENSTAR"), and the City of Homer, whose
4 address is 491 East Pioneer Avenue, Homer, Alaska 99603 (hereafter "CITY").
5

6 WHEREAS, ENSTAR is a gas distribution public utility which provides natural gas service
7 subject to tariff on file with the Regulatory Commission of Alaska and is authorized to provide said
8 service within the CITY, and
9

10 WHEREAS, the CITY is in the process of forming a natural gas distribution special
11 assessment district (hereafter "HSAD") consisting of the lots and tracts within the CITY area as
12 shown on Attachment "A", for the purpose of installing a natural gas distribution system extension
13 (hereafter "System"), and
14

15 WHEREAS, the System, which will be an extension of ENSTAR's existing system, will be
16 constructed and ultimately the responsibility of, and be owned and operated by ENSTAR, its
17 successors or assigns, and,
18

19 WHEREAS, said System must be installed to ENSTAR's specifications, by ENSTAR or by
20 a contractor approved by ENSTAR in order for ENSTAR to connect to the System and to assume
21 full responsibility for the System, and
22

23 WHEREAS, Section 602 of ENSTAR's tariff governs System extensions.
24

25 NOW THEREFORE, in consideration of the premises ENSTAR and the CITY agree as
26 follows:
27

28 1. For a contribution in aid of construction (CIAC) in an amount not to exceed
29 \$12,160,632 calculated in accordance with Section 602 of ENSTAR's tariff and subject to the
30 provisions below, ENSTAR will construct an extension of its natural gas distribution system of
31 approximately 392,000 feet of 2" High Density Polyethylene Pipe to allow service to all lots and
32 tracts within the HSAD as depicted on Attachment "A" to this Agreement. ENSTAR may elect (but
33 shall not be obligated) to construct the System to accommodate future customer load, but all costs to
34 accommodate future load in excess of the CIAC stated above will be borne solely by ENSTAR.
35 This Agreement does not provide for the connection of a service line from the System to the
36 property owner or customer's facilities. The cost, terms and conditions for the connection of a
37 service line is governed by a separate Service Line Agreement between ENSTAR and the individual
38 property owner or customer which must be executed before natural gas can be provided to said
39 facilities. The not to exceed CIAC referenced above is an estimate calculated in accordance with
40 Section 602 of ENSTAR's Tariff. This is a total project cost estimate used to calculate property
41 assessments in the HSAD and for the purposes of seeking project financing. The parties agree to the
42 following provisions with respect to the CIAC.

43 (a) Construction of the System will occur in two Phases. Phase I is planned for
44 the 2013 construction season and Phase II is planned for the 2014 construction season. The not to

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS
DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 exceed CIAC applies to the total System and to both Phases and construction seasons. ENSTAR
2 agrees that if construction is delayed and cannot be completed until 2015, the not to exceed CIAC
3 and the final CIAC based upon the actual costs described below apply and remain in effect.

4 (b) ENSTAR agrees that if the total project cost exceeds the not to exceed CIAC,
5 it will be responsible for the excess, and will not ask the CITY for an additional contribution.

6 (c) ENSTAR agrees that the actual CIAC may be less than the not to exceed
7 CIAC. In accordance with the provisions of Section 7 below, ENSTAR agrees to invoice the CITY
8 for its actual costs of construction on a time and materials basis. For the purposes of this contract,
9 actual cost means:

10 (1) Labor costs for work performed by ENSTAR employees plus
11 allowable administrative and construction overheads at the rates established by the State of Alaska
12 Annual Systems Audit for 2013 reimbursable construction projects.

13 (2) The actual contract cost for installation of pipe by a qualified third-
14 party contractor. ENSTAR agrees that there will be no mark-ups, overhead or profit charged on
15 third-party contracts.

16 (3) The actual contract cost of all other third-party contracts, including,
17 but not limited to, surveyors. ENSTAR agrees that there will be no mark-ups, overhead or profit
18 charged on third-party contracts.

19 (4) The actual cost of all project materials, plus a markup on material
20 handled by ENSTAR employees to compensate ENSTAR for its administrative and construction
21 overheads at the rates established by the State of Alaska Annual Systems Audit for 2013
22 reimbursable construction projects. ENSTAR agrees that inventory overheads will not apply if
23 materials are delivered directly to the construction site.

24 (d) The CITY reserves the right to examine or audit all financial records directly
25 related to this project and the invoices submitted to the CITY. This includes, but is not limited to,
26 contracts, invoices, timesheets, and other relevant documents.

27
28 2. ENSTAR shall perform, or have performed, all studies, analyses, engineering,
29 contracting, acquisition, construction, supervision, testing, acceptance and other acts necessary to
30 construct the System.

31
32 3. ENSTAR shall install the System within existing easements and right-of-ways where
33 natural gas lines may be installed or it will obtain easements as needed where existing easements
34 and right-of-ways are not adequate. ENSTAR's inability to secure the necessary easements and/or
35 right-of-ways shall be considered reasonable cause under paragraph 15 of this Agreement.

36
37 4. ENSTAR shall own the System; however, if at any time before the end of the useful
38 life of the System, ENSTAR or its successors or assigns formally abandons natural gas service to
39 any lot or tract shown on Attachment "A," excluding abandonment of service lines or related plant
40 then, ENSTAR shall, upon written demand by the CITY, convey to the CITY all of ENSTAR's
41 rights, title and interest in that part of the System abandoned, including any unrefunded construction
42 deposits.
43

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS
DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 5. The CITY makes no warranties of title, quality or fitness for a particular use and
2 specifically denies any warranty or responsibility of any kind with respect to the engineering,
3 construction, location, condition or completeness of the System.
4

5 6. ENSTAR shall assume full responsibility for all aspects of the System, including but
6 not limited to the System's maintenance, upkeep and safety. ENSTAR agrees to maintain and
7 operate the System at ENSTAR's sole expense for the useful life of the System or until gas service
8 is discontinued in accordance with applicable law. Additionally, excluding incidents which arise in
9 whole or in part from the negligent acts or omissions of the CITY or its personnel that cause bodily
10 injury or death or physical damage to tangible property, ENSTAR agrees to indemnify, save, hold
11 harmless and defend the CITY for and from any and all claims, charges and suits arising in whole or
12 in part out of the engineering, construction, location, operation, use or any condition of the System,
13 or arising from ENSTAR's failure to obtain necessary permits, authorizations, or failure to comply
14 with any federal, state or local law applicable to the Agreement, or arising out of any other action or
15 failure to act by ENSTAR related to the System.
16

17 7. The CITY shall pay ENSTAR, in total, no more than the not to exceed CIAC set out
18 in paragraph 1 above. The actual CIAC may be less and will be based upon actual costs incurred as
19 described in Section 1 above. The parties have a mutual interest to ensure that the project proceeds
20 expeditiously and efficiently. Therefore, the City agrees to advance funds in three lump sum
21 installments in calendar year 2013. On or about March 25, 2013, the City will provide a lump sum
22 in the amount of \$2,000,000 to facilitate pre-construction activities including, but not limited to,
23 permitting, surveying, engineering, design and procurement. This date is subject to final approval of
24 the financing documents by a lending institution, the City Council, and the availability of the bond
25 proceeds. Notwithstanding a written authorization to proceed from the CITY, until ENSTAR has
26 received this initial advance of \$2,000,000, ENSTAR shall not be obligated to commence pre-
27 construction activities.
28

29 Provided that ENSTAR first has notified the City that ENSTAR has signed a construction contract
30 with a third-party contractor, the City will forward a second lump sum in the amount of \$3,000,000
31 no later than June 3, 2013. Notwithstanding a written authorization to proceed from the City, until
32 ENSTAR has received this second advance payment of \$3,000,000, ENSTAR shall not be obligated
33 to commence installation of natural gas distribution mains.
34

35 Finally, the City shall forward a third lump sum payment in the amount of \$2,000,000 no later than
36 August 5, 2013. If the third advance is not made by August 5, 2013, ENSTAR may cease all
37 construction activities until such payment is actually received by ENSTAR.
38

39 The foregoing advance payments will be made in 2013 for a total of \$7,000,000. If the project is
40 terminated for any reason, ENSTAR will refund any unused balance within thirty (30) days of
41 contract termination.
42

43 Beginning in 2014, after all funds advanced in 2013 are exhausted, ENSTAR shall invoice the
44 CITY each month during construction of the System for actual costs for ENSTAR labor, project

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS
DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 materials, and contractor work incurred during the preceding month. Save and except for portions
2 of an invoice that are disputed in good faith, payments are to be made within thirty (30) days of
3 receipt by the CITY of an ENSTAR invoice until the project is deemed complete, or the CIAC
4 amount in paragraph 1 has been paid in full. Any amount outstanding after thirty (30) days will
5 accrue interest at the rate of 10.5% percent per annum. In the event that all or a portion of any
6 invoice (except for any portion of the invoice that is disputed in good faith) is not paid within forty-
7 five (45) days from receipt of billing, ENSTAR may suspend all construction activities until the past
8 due balance has been paid in full.

9
10 8. For the purposes of conforming with the section of ENSTAR's tariff governing
11 System extensions (Section 602), the HSAD will be considered a developing subdivision. The
12 CITY will be analogous to a developer for the purposes of payment and refund of the CIAC outlined
13 in paragraph 1 above.

14
15 9. The HSAD is designed and engineered to accommodate a single service line and
16 meter to each lot and tract shown in Attachment "A." In the event a tract or parcel is subdivided
17 into multiple lots, or a tract or parcel is developed in a manner requiring multiple meters or service
18 lines, ENSTAR, in its sole discretion, may require payment for a separate main extension and/or
19 reinforcement costs.

20
21 10. ENSTAR, in its sole discretion, may elect to treat property outside of the HSAD as
22 shown in Attachment "A" as property not eligible for connection to the HSAD without payment for
23 a separate main extension and/or reinforcement costs. Alternatively, ENSTAR may elect to connect
24 such property to the System installed under the terms of this Agreement. In that event, property
25 outside of the HSAD shall be treated as property that has not contributed to the cost of the System.
26 Accordingly, if the property is connected during the calendar year of construction, or within two (2)
27 full years following the year of construction, the property owner or customer will be required to pay,
28 as a main CIAC, a prorated share of the original CIAC prior to connection to the System, as outlined
29 in Section 602e(2)(a) of ENSTAR's tariff. Any deposits collected from outside the HSAD plus the
30 Free Main Allowance (FMA) attributable to the new customer will be refunded pro rata to the CITY
31 and any new customer who has paid a deposit by February 1 for the previous year's new customer
32 additions.

33
34 11. Refunds:

35 (a) The Main Extension CIAC collected from a new Participant (as described in
36 paragraph 10 above) plus the FMA attributable to the new Participant will be calculated and paid by
37 ENSTAR annually on a pro rata basis to the CITY and any new Participant having paid a Main
38 Extension CIAC. These will be paid by April 1 and be based upon the prior year's Participant
39 additions to the Main Extension.

40 (b) Refunds not involving the collection of a CIAC will be calculated for the
41 CITY and those Participants who have Main Extension Advances on the Main Extension, except for
42 Feeder Mains, prorata, equal in total to the amount of the Free Main Allowance for each new
43 consuming Customer directly served by the Main Extension (not already included in a refund made
44 under paragraph 11(a) above) until all of the CIAC portion of the Advance has been refunded or

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
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DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 until the end of ten (10) full calendar years following the calendar year of construction, whichever
2 occurs earlier. These refunds will be calculated and paid by ENSTAR quarterly within one month
3 following the end of the calendar quarter and will be based upon the previous calendar quarter's
4 Customer additions to the Main Extension.

5 (c) After the end of ten (10) full calendar years following the calendar year of
6 construction the entire remaining amount of the CIAC shall become non-refundable and the
7 property of ENSTAR.

8 (d) ENSTAR may offset against any portion, or all, of any Main Extension
9 CIAC, or any refund of a Main Extension CIAC, for any or all outstanding monies due ENSTAR by
10 the CITY.

11 (e) This Main Extension CIAC shall bear no interest and in no case may the
12 amount of the refund or the amount totally refunded exceed the amount of the original CIAC.

13 (f) After April 1st of each year, the CITY may request a report of Customers
14 added, in the preceding calendar year, to an outstanding Main Extension CIAC.

15 (g) The CITY may distribute the refund entitlements, credit the refund against
16 assessments due the CITY under the HSAD, make special assessment bond payments (related to
17 financing the HSAD), deposit the refund in a fund used as security for said special assessment
18 bonds, or may make such use of the refund as it determines to be appropriate.

19
20 12. The CITY shall indemnify, hold harmless, save and defend ENSTAR from any and
21 all claims, charges and suits arising out of the formation of the HSAD, the collection of the HSAD
22 assessments by the CITY and claim for a refund by a property owner if such claim arises from a
23 property within the HSAD/Special Assessment District and asserts misuse or misappropriation of
24 refunds paid to the CITY under the provisions of this Agreement.

25
26 13. Subject to the provisions of Section 7 above relating to advance payments, this
27 Agreement becomes effective on the date it is fully executed, provided ENSTAR shall not proceed
28 with the construction of the System until written authorization to proceed has been received from
29 the CITY, and provided further, if the CITY is unable to secure financing for the project at what the
30 CITY Council determines are reasonable terms and conditions, or if the CITY Council does not
31 form the HSAD, the CITY may cancel this Agreement. If an HSAD is canceled by the CITY, the
32 CITY agrees to reimburse, upon demand by ENSTAR, all expenses and costs related to construction
33 of the System, incurred after the receipt of written authorization to proceed.

34
35 14. Subject to the provisions of Section 7 above relating to advance payments, upon
36 receipt of written authorization to proceed and certification of funding availability satisfactory to
37 ENSTAR, ENSTAR shall proceed expeditiously with surveys, acquisition of permits and
38 easements, and other actions necessary to begin the project. However, should adverse weather
39 conditions render completion of the project either too costly or impractical in ENSTAR's judgment,
40 ENSTAR may delay completion of the project until the following construction season, unless prior
41 to construction start-up, the CITY cancels this Agreement pursuant to paragraph 15 below. If
42 project completion is delayed under the provisions of this paragraph, ENSTAR agrees that the not to
43 exceed CIAC remains in effect.
44

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS
DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 15. This Agreement is entered into based upon an estimate of actual construction costs.
2 If for any reasonable cause ENSTAR is unable to begin constructing the System during the 2013
3 construction season, either party may cancel this Agreement or may negotiate a new price consistent
4 with the same methodology as described in this agreement as determined for the following year. In
5 this paragraph, "reasonable cause" means a delay that is caused by a "Force Majeure Event" as
6 defined in paragraph 26 below, or any other event or condition that another provision of this
7 Agreement identifies as reasonable cause for the purpose of this paragraph.

8
9 16. ENSTAR shall be responsible for obtaining all permits, easements, authorizations,
10 labor, materials, contracts and other things and actions necessary to construct the System.
11 ENSTAR's inability to secure the necessary permits, easements, authorizations, labor, materials or
12 contracts shall be considered reasonable cause under paragraph 15 of the Agreement.

13
14 17. The CITY will be allowed to participate in ENSTAR's typical processes associated
15 with subcontracting the services to third-party contractors. Selection of any contractor, however,
16 will be the sole responsibility of ENSTAR. In the selection process, preference will be given to a
17 qualified bidder with the lowest bid. ENSTAR agrees to publish public notice in a newspaper of
18 general circulation in the Homer area when soliciting bids from third-party contractors. In no event,
19 however, shall this Section 17 be interpreted to require ENSTAR to deviate from its normal
20 procedure for accepting and awarding contracts.

21
22 18. Pursuant to Section 602f(3)(d) of ENSTAR's tariff, the CITY will annually provide
23 ENSTAR with a sworn verification that refunds to the CITY for the previous year made pursuant to
24 ENSTAR tariff Section 602e(3) have been applied on behalf of individual Participants in
25 accordance with the CITY's ordinances and resolutions that authorized the HSAD.

26
27 19. This Agreement is binding on the successors, assigns and legal representatives of the
28 parties.

29
30 20. Notice under this Agreement may be mailed or emailed to the contact person listed
31 below.

32
City of Homer

Contact Person: Walt Wrede, City Manager
491 E. Pioneer Avenue
Homer, Alaska 99603
Office Phone: (907) 235-8182 x2222
Cell Phone: (907) 391-1201
Email: wwrede@ci.homer.ak.us

ENSTAR Natural Gas Company,
a division of SEMCO Energy, Inc.
Contact Person: Vin Robinson, P.E.
P. O. Box 190288
Anchorage, Alaska 99519-0288
Office Phone: (907) 334-7712
Cell Phone: (907) 230-4464
Email: vin.robinson@enstarnaturalgas.com

33 21. This is the entire Agreement between the parties about the subject matter of this
34 transaction and all prior agreements, understandings and representations, whether oral or written,

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS
DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 about this subject matter are merged into and superseded by this written Agreement. It may not be
2 modified except in writing signed by both parties.
3

4 22. No failure or delay by any party in exercising any right under this Agreement shall
5 operate as a waiver of that right, nor shall any partial exercise of a right preclude any further
6 exercise of that or any other right. The rights shall be cumulative and not exclude any rights or
7 remedies provided by law.
8

9 23. The parties to this Agreement make no representation (except as expressly stated
10 herein) or warranty of any kind or nature, directly or indirectly, express or implied, as to any matter
11 whatsoever, including merchantability or fitness for a particular purpose.
12

13 24. This Agreement shall be construed under the laws of Alaska. Any dispute hereunder
14 will be resolved by the Alaska Superior Court at Anchorage. However, this clause shall not be
15 interpreted to affect the primary jurisdiction of the Regulatory Commission of Alaska.
16

17 25. Neither ENSTAR nor the CITY shall be liable to the other for exemplary, punitive,
18 incidental or consequential damages (including without limitation lost profits or revenues) resulting
19 from or arising out of this Agreement, whether the claim is based in contract, tort, strict liability or
20 any other legal theory or principle.
21

22 26. No delay or failure of performance by ENSTAR or the CITY, or the agents, directors,
23 officers, employees and contractors of either, shall constitute a default hereunder or give rise to any
24 claim for damages if and to the extent that such delay or failure is caused by Force Majeure
25 affecting that party's ability to perform. "*Force Majeure Event*" means any event that directly or
26 indirectly renders a Party unable, wholly or in part, to perform or comply with any obligation,
27 covenant or condition in this Agreement if the event, or the adverse effects of the event, is outside of
28 the control of, and could not have been prevented by, the affected Party with reasonable foresight, at
29 reasonable cost, and by the exercise of reasonable diligence in good faith, and is not attributable to
30 the negligence or willful misconduct of the affected Party. Force Majeure Events include without
31 limitation the following events (to the extent they otherwise satisfy the definition):

32 (a) act of God, fire, lightning, landslide, earthquake, storm, hurricane, hurricane
33 warning, flood, high water, washout, explosion or well blowout;

34 (b) strike, lockout or other industrial disturbance, act of the public enemy, war,
35 military operation, blockade, insurrection, riot, epidemic, arrest or restraint by government of
36 people, terrorist act, civil disturbance or national emergency;

37 (c) the inability of the affected Party to acquire, or the delay on the part of the
38 affected Party in acquiring materials, supplies, machinery, equipment, servitudes, right-of-way
39 grants, pipeline shipping capacity, easements, permits or licenses, approvals or authorizations by
40 regulatory bodies or oil and gas lessors needed to enable the Party to perform;

41 (d) breakage of or accident to machinery, equipment, facilities, or lines of pipe,
42 and the repair, maintenance, improvement, replacement, test, or alteration to the machinery,
43 equipment, facilities, or lines of pipe, and the freezing of a well or line of pipe, well blowout, or the
44 partial or entire failure of a Gas well; or

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS
DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 (e) act, order, or requisition of any governmental agency or acting governmental
2 authority, or any governmental law, proration, regulation, or priority.

3
4 This Force Majeure provision shall not apply to payment when due of money that is owed by one
5 party or to the other under the terms of this Agreement.

6
7 27. ENSTAR and the CITY are independent entities and are not the agent, partner or
8 employee of the other.

9
10 28. Nothing in this Agreement is intended to benefit any third party not a signatory
11 hereto.

12
13 29. The parties recognize that this Agreement is the product of the joint efforts of the
14 parties and agree that it shall not be construed against one party or the other as a result of the
15 preparation, submittal or other event of negotiation, drafting or execution hereof.

16
17 30. In the event of any action, or any judicial proceedings, or if the parties agree to
18 arbitration proceedings to resolve any dispute under this Agreement, or to enforce any term of this
19 Agreement, or to protect or preserve any rights under this Agreement, the prevailing party shall be
20 entitled to an award of its actual reasonable costs and actual reasonable attorney fees incurred.

21
22 31. Each person signing this Agreement warrants that he or she has authority to sign the
23 Agreement.

24
25 32. Neither party shall assign this Agreement without the prior written consent of the
26 other, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, and
27 subject to the provisions of Section 17 above, the CITY agrees that ENSTAR may assign portions of
28 the Work to qualified subcontractors without the consent of the CITY.

29
30 33. Additional Terms.

31 (a) The CITY represents and warrants that neither federal Davis Bacon wages
32 nor Alaska 'Little Davis Bacon' wages' (AS 36.05) apply to this project.

33 (b) ENSTAR will not be required to provide revegetation in areas where working
34 in previously disturbed soils.

35 (c) ENSTAR will follow all federal, state, municipal and local codes and
36 regulations in the installation and preparation of the pipeline extension.

37 (d) ENSTAR shall prepare its own SWPPP to ensure adequate coverage for
38 ENSTAR's scope of work.

39 (e) ENSTAR believes (but does not warrant) that this Agreement does not
40 require the review or approval of the Regulatory Commission of Alaska.

**NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF
CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS
DISTRIBUTION SPECIAL ASSESSMENT DISTRICT**

1 34. By signing, the CITY acknowledges having read and understood each and every term
2 and condition of this Agreement.

3
4 CITY OF HOMER

5
6
7
8 By: _____

9
10 Its: _____

11
12 Date: _____

13
14
15
16
17 ENSTAR NATURAL GAS COMPANY,
18 a division of SEMCO Energy, Inc.

19
20
21
22 By: _____

23
24 Its: _____

25
26 Date: _____

27
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30
31
32 Fund Certification \$12,160,632
33 -Subject to Special Assessment Bonds to be issued.

34
35
36
37 _____
38 Finance Director

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**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 12-069

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, INITIATING A SPECIAL ASSESSMENT DISTRICT
TO PROVIDE A NATURAL GAS DISTRIBUTION SYSTEM IN
THE CITY, AND AUTHORIZING THE CITY MANAGER TO
PREPARE A PROPOSED IMPROVEMENT PLAN.

WHEREAS, The City of Homer ("City") has obtained financing for the construction of a natural gas transmission line from Anchor Point to the City; and

WHEREAS, HCC 17.04.040(a)(1) authorizes the City Council by a vote of not less than three fourths of its membership to initiate a special assessment district; and

WHEREAS, The City Council deems it necessary and in the best interest of the City and its residents to initiate a special assessment district for a natural gas distribution system in the City to provide natural gas utility service to properties in the City upon the completion of the natural gas transmission line; and

WHEREAS, The Council finds that the natural gas distribution system will benefit equally all parcels of real property in the City that will receive access to natural gas service through the construction of the natural gas distribution system, and that all parcels so benefited should be assessed equally for the cost of the natural gas distribution system; and

WHEREAS, The Council finds that it would be most equitable, and consistent with the benefit conferred by the natural gas distribution system to credit grant funding for the natural gas transmission line in the City against the total cost of the natural gas distribution system in determining the amount to be assessed against each lot that will have access to natural gas service from the natural gas distribution system; and

WHEREAS, HCC 17.04.040(b) provides that upon the Council's initiation of a special assessment district the Clerk shall schedule a meeting of record owners of property in the proposed district, and refer the proposed district to the City Manager for the preparation of an improvement plan for the district.

NOW THEREFORE, BE IT RESOLVED:

Section 1. Initiation of special assessment district. As authorized by HCC 17.04.040(a)(1), the Council hereby initiates a special assessment district for a natural gas distribution system in the City, to provide natural gas utility service to properties in the City upon the completion of a natural gas transmission line from Anchor Point to the City.

46 Section 2. Meeting of property owners; Improvement plan. The Clerk shall schedule
47 a meeting of record owners of real property in the proposed district in accordance with HCC
48 17.04.040(b)(1), and refer the proposed district to the City Manager for the preparation of an
49 improvement plan, as provided in HCC 17.04.040(b)(2).
50


51 Section 3. Effective date. This resolution shall become effective upon passage and
52 approval.
53

54 PASSED AND ADOPTED by the Homer City Council this 23rd day of July, 2012.
55

56 CITY OF HOMER
57

58 
59 _____
60 JAMES C. HORNADAY, MAYOR

61 ATTEST:

62 
63 _____
64 JOHNSON, CMC, CITY CLERK
65

66 Fiscal Note: N/A
67

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Manager

4 RESOLUTION 12-081

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER,
7 ALASKA, ACCEPTING AND APPROVING THE
8 IMPROVEMENT PLAN SUBMITTED BY THE CITY
9 MANAGER FOR THE PROPOSED NATURAL GAS
10 DISTRIBUTION SYSTEM SPECIAL ASSESSMENT
11 DISTRICT.
12

13 WHEREAS, The Homer City Council recently adopted Resolution 12-069 which
14 initiated the proposed natural gas distribution system special assessment district pursuant to HCC
15 17.04.040 (a) (1); and
16

17 WHEREAS, HCC 17.04.040 (b) (2) provides that upon adoption of a resolution initiating
18 a special assessment district, the City Manager shall prepare “an improvement plan for the
19 district that includes final boundaries for the district, the design of the proposed improvement, a
20 cost estimate for the improvement, the percentage of the improvement cost to be assessed against
21 properties in the district, a method for allocating the assessed cost of the improvement among the
22 properties in the district, the time period over which assessments will be financed, and a
23 preliminary assessment roll for the district.”; and
24

25 WHEREAS, The City Council subsequently adopted Resolution 12-076 which
26 established exclusion criteria to determine which parcels within the City limits would not be
27 served by the proposed improvement and which parcels would be served but exempted from the
28 assessment district because they were not benefitted by the improvement; and
29

30 WHEREAS, The City Manager presented a proposed district improvement plan to the
31 City Council for review and approval at its regular meeting on September 24, 2012; and
32

33 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby accepts
34 and approves the Natural Gas Distribution System Special Assessment District Improvement
35 Plan submitted by the City Manager; a copy of which is attached and incorporated herein; and
36

37 BE IT FURTHER RESOLVED that the Council authorizes the Administration to proceed
38 to the next steps in the Special Assessment District approval process beginning with the required
39 meetings with record owners of real property in the proposed district (HCC 17.04.040 (b) (1)).
40

41 PASSED AND ADOPTED by the Homer City Council this 24th day of September, 2012.

42

43

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CITY OF HOMER



JAMES C. HORNADAY, MAYOR

ATTEST



JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

NATURAL GAS DISTRIBUTION SYSTEM

SPECIAL ASSESSMENT DISTRICT

IMPROVEMENT PLAN

September 24, 2012

Introduction

The Homer City Council recently adopted Resolution 12-069 which initiated the Natural Gas Distribution System Special Assessment District. The Homer City Code (HCC 17.04.040 (b) (2)) provides that after a resolution initiating a special assessment district is adopted, the City Manager must prepare an improvement plan for the district. This document constitutes the improvement plan for the proposed gas distribution system special assessment district and contains the information required by code.

Boundaries of the District

When the City Council adopted Resolution 12-069 initiating the District, the intent was to initiate one special assessment district that would cover the entire area within the City limits. However, this does not mean that every lot or parcel in the City will receive direct access to gas. This special assessment district is designed to provide financing for construction of gas mains in most City streets. The City Council subsequently adopted Resolution 12-076 which established exclusion criteria to assist in determining which properties would not be served directly by gas mains constructed through the assessment district and which properties would be served but not benefitted and therefore exempted from the assessment district.

The exact boundaries of the proposed assessment district are difficult to draw on a map because of the size, complexity, and special characteristics of this district. The boundaries of the district can better be articulated by a narrative definition. This special assessment district includes all lots or parcels that are directly benefitted by the proposed improvement. Directly benefitted is defined as properties that have frontage on a road which contains a gas main. Properties fronting the trunk line that was partially funded with a legislative grant are also included. A list of properties within the assessment district is contained in the Preliminary Assessment Roll which is attached as Exhibit A. The preliminary assessment roll does not contain properties that are served but exempt from assessment under Resolution 12-076. Finally, Exhibit B is a map which shows the location and extent of the gas main improvements to be constructed. Lots with direct frontage on the mains are included in the assessment district.

Design of the Improvements

Exhibit B illustrates the location and extent of the gas main improvements. The improvements consist of 73 miles of pipe plus the portion of the trunk line which runs through the City. Most of the main lines

are two inches in diameter. Some are four inches in diameter if the demand load justifies it. Some are four inches or larger in order to provide for anticipated future growth. The specific design and engineering specifications will be the responsibility of Enstar Natural Gas Company. The exact location of mains within City Rights of Way will be determined through the City permitting process. Construction permits will be approved and construction work in City roads will be inspected by the Department of Public Works. The build-out of this construction project is expected to take two construction seasons. Exhibit B is color coded to show Year I and Year II phases, beginning with the downtown core in Year I. If this Special Assessment District is approved by January 2013, construction on the distribution system in the downtown area could begin in 2013.

Cost Estimate

Enstar has provided a construction cost estimate of \$12,160,632 for constructing the improvement other than the trunk line in the City (1). This translates into \$31.55 per foot (2). In addition to the construction cost, the City will add an administrative fee (3) and direct construction costs (4) to the total to be assessed. Based upon the number of properties to be assessed (3,855), it is estimated that the construction cost (excluding the cost of the trunk line in the City) per lot is \$3,283.30 plus interest on the portion of the project that the City will finance (5). This assessment number is anticipated to be an upper end, conservative estimate. The cost per property may be reduced depending upon the interest rate and the actual construction costs. The cost per lot will also be reduced by the Free Main Allowance (6).

NOTES

1. This is a not to exceed construction contract number and is good for two construction seasons provided a construction contract is signed in 2013. The estimate is probably high due to the large numbers of unknowns and the complexity of the built environment in Homer. The actual amount the City pays will be based upon actual costs. The City will receive invoices and have the ability to audit construction accounts. If the bids and actual costs are lower than this estimate, the assessments will be adjusted downward.
2. This number is significantly higher than the published tariff for standard construction. The tariff permits costs above the published tariff rate for non standard construction conditions; which Homer has. Costs that exceed the tariff rate must be justified and the City will request a full accounting.
3. Adopted Fee Schedule for Special Assessment Districts. For projects \$500,000 and over: \$25,000 plus 2.5%. The fee is \$316,515 and covers work by multiple departments to support this assessment district.
4. Direct Construction Costs: Estimated to be \$180,000. To cover the cost of seasonal inspectors, utility locators, project management, and equipment.
5. Interest: The assessment per property is estimated to be \$3,283.30 plus interest on the portion of the project that the City will finance. The interest rate is estimated to be 4% at this time. The City will take whatever interest rate it receives from the lender and pass it on to the property owner. The City will make no money on interest.

6. The Free Main Allowance is a type of refund the City will receive when properties hook up to natural gas. The intent is to partially compensate the City for its investment in the infrastructure. Initial estimates are that the City will receive \$1.6 Million in refunds over 10 years. The free main allowance can be applied to the City's loan payments and therefore reduce assessments.

Financing

The City will pay Enstar Natural Gas Company to construct the distribution system. Enstar will construct, own, operate, and maintain the system and assume all liability. In order to pay for construction, the City will need to borrow \$12,160,632; the balance of the construction cost will be paid for from grant funds. This can be done a variety of ways including selling special assessment bonds, obtaining AIDEA loan guarantees for a commercial loan, selling revenue bonds through the Alaska Municipal Bond Bank, and borrowing money from the Kenai Peninsula Borough. The City will weigh all of the alternatives in an effort to obtain the best terms. The decision on where to obtain financing will likely be made in November or December. This improvement plan anticipates a ten year term.

Percentage of Improvement Cost to be Assessed Against Properties in the District

75% of the cost of the improvement, including administrative and direct costs will be assessed against properties in the District. 25% of the cost of the improvement will be paid from grant funds.

Method for Allocating the Assessed Cost for the Improvement Among the Properties in the District

Resolution 12-069 initiating the Special Assessment District stipulates that all properties in the District will be assessed equally regardless of frontage, square footage, or appraised value.

Time Period Over Which Assessments will be Financed

Ten Years

Preliminary Assessment Roll

See Exhibit A

CITY OF HOMER
HOMER, ALASKA

City Manager

ORDINANCE 13-02

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA CREATING THE CITY OF HOMER NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT DISTRICT, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AND AUTHORIZING THE CITY MANAGER TO PROCEED WITH THE IMPROVEMENT.

WHEREAS, On July 23, 2012 the Council adopted Resolution 12-069 initiating a special assessment district for a natural gas distribution system in the City; and

WHEREAS, On September 24, 2012, the Council adopted Resolution 12-081 accepting and approving the improvement plan submitted by the City Manager for the proposed natural gas distribution system special assessment district; and

WHEREAS, Notice of a public hearing on the improvement plan has been published at least twice in a newspaper of general circulation in the City, and mailed via certified mail to every record owner of real property in the proposed district not less than 60 days before the hearing; and

WHEREAS, The Council conducted public hearings on the improvement plan on January 14, and January 28, 2013; and

WHEREAS, Owners of real property that would bear 50 percent or more of the assessed cost of the improvement did not file timely written objections to the improvement plan with the City Clerk.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The natural gas distribution system in the City that is proposed in the improvement plan will improve the public health, safety and welfare, and is necessary and of benefit to the properties to be assessed.

Section 2. Owners of real property that would bear 50 percent or more of the assessed cost of the improvement did not file timely written objections to the improvement plan with the City Clerk

Section 3. There is hereby created the City of Homer Natural Gas Distribution Special Assessment District ("District"). The improvement that is to be constructed in the District shall be as described in the improvement plan and illustrated in Exhibit B to this ordinance. The properties that are to be assessed for the improvement are described in Exhibit A to this ordinance.

47 Section 4. The estimated cost of the improvement is \$16,875,551. Seventy-five percent
48 (75%) of the cost of the improvement will be assessed against the properties in the District. The
49 estimated amount of the assessments is \$3,283.30 per lot.

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51 Section 5. The improvement shall be constructed in two phases. Phase I construction
52 shall commence in 2013 and Phase II construction shall commence in 2014. The two phases are
53 illustrated in Exhibit B to this resolution.

54
55 Section 6. The City Manager is authorized to proceed with the improvement, negotiate
56 for the sale of a special assessment bond or other financing for the construction of the
57 improvement for Council approval, and take such other actions that are necessary to accomplish
58 the improvement in accordance with the improvement plan upon financing approval by the
59 Council.

60
61 Section 7. Upon the completion of Phase II of the construction of the improvement, an
62 amount equal to the actual total improvement cost not paid from grant funds, divided by the total
63 number of properties within the District shall be assessed against each property within the
64 District. The City Clerk shall prepare a final assessment roll assessing to each property in the
65 District the amount determined under this section. The proposed assessment roll for the District
66 shall be prepared and presented in accordance with HCC 17.04.070.

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68 Section 8. The special assessments against properties in the District are liens on those
69 properties and are prior and paramount to all liens except municipal real property tax liens and
70 may be enforced as provided for the enforcement of municipal real property tax liens.

71
72 Section 9. This ordinance is not permanent in nature, and shall not be codified.

73
74 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____
75 day of _____ 2013.

76
77 CITY OF HOMER

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80 _____
81 MARY E. WYTHE, MAYOR
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83

84 ATTEST:

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86

87

88 JO JOHNSON, CMC, CITY CLERK

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90 YES:

91 NO:

92 ABSTAIN:

93 ABSENT:

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95 First Reading:

96 Public Hearing:

97 Second Reading:

98 Effective Date:

99

100 Reviewed and approved as to form:

101

102

103

104 Walt E. Wrede, City Manager

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106

107 Date: _____

Thomas F. Klinkner, City Attorney

Date: _____

NEW BUSINESS

RESOLUTION(S)

COMMENTS OF THE AUDIENCE
COMMENTS OF THE CITY ATTORNEY
COMMENTS OF THE CITY CLERK
COMMENTS OF THE CITY MANAGER
COMMENTS OF THE MAYOR
COMMENTS OF THE CITY COUNCIL
ADJOURNMENT

