

City Council
May 26, 2015
Tuesday



Let's remember
our heroes.

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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- Tuesday 26th:** **CITY COUNCIL**
Committee of the Whole 5:00 p.m. and Regular Meeting 6:00 p.m.
- Wednesday 27th:** **PORT AND HARBOR ADVISORY COMMISSION**
Regular Meeting 6:00 p.m.
- Thursday 28th:** **CANNABIS ADVISORY COMMISSION**
Regular Meeting 5:00 p.m.
- Tuesday 2nd:** **LIBRARY ADVISORY BOARD**
Regular Meeting 5:00 p.m.
- Wednesday 3rd:** **PLANNING COMMISSION**
Worksession 5:30 p.m. and Regular Meeting 6:30 p.m.
- Monday 8th:** **CITY COUNCIL**
Worksession 4:00 p.m., Committee of the Whole 5:00 p.m.,
and Regular Meeting 6:00 p.m.

Regular Meeting Schedule
City Council 2nd and 4th Mondays 6 p.m.
Library Advisory Board 1st Tuesday with the exception of January,
April, August and November 5:00 p.m.
Economic Development Advisory Commission 2nd Tuesday 6 p.m.
Parks and Recreation Advisory Commission 3rd Thursday with the exception of July,
December and January 5:30 p.m.
Planning Commission 1st and 3rd Wednesday 6:30 p.m.
Port and Harbor Advisory Commission 4th Wednesday 5 p.m. (May-August 6:00 p.m.)
Public Arts Committee Quarterly 2nd Thursday 5:00 p.m. Upstairs in the Conference Room
Permanent Fund Committee Quarterly 2nd Thursday 5:15 p.m.

MAYOR AND CITY COUNCILMEMBERS AND TERMS
BETH WYTHE, MAYOR – 16
FRANCIE ROBERTS, COUNCILMEMBER – 15
BRYAN ZAK, COUNCILMEMBER - 16
DAVID LEWIS, COUNCILMEMBER – 17
BEAUREGARD BURGESS, COUNCILMEMBER – 15
GUS VAN DYKE, COUNCILMEMBER – 16
CATRIONA REYNOLDS, COUNCILMEMBER – 17

City Manager, Katie Koester
City Attorney, Thomas F. Klinkner

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

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



COMMITTEE OF THE WHOLE
5:00 P.M. TUESDAY
MAY 26, 2015
COWLES COUNCIL CHAMBERS

MAYOR BETH WYTHE
COUNCIL MEMBER FRANCIE ROBERTS
COUNCIL MEMBER DAVID LEWIS
COUNCIL MEMBER BRYAN ZAK
COUNCIL MEMBER BEAUREGARD BURGESS
COUNCIL MEMBER GUS VAN DYKE
COUNCIL MEMBER CATRIONA REYNOLDS
CITY ATTORNEY THOMAS KLINKNER
CITY MANAGER KATIE KOESTER
CITY CLERK JO JOHNSON

COMMITTEE OF THE WHOLE AGENDA

- 1. CALL TO ORDER, 5:00 P.M.**
- 2. AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

- 3. WATER & SEWER RATES**

Memorandum 15-077 from Finance Director as backup.

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- 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 Monday, June 8, 2015 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.



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum 15-077

TO: Mayor Wythe and City Council
THROUGH: Katie Koester, City Manager
FROM: John Li, Finance Director
DATE: May 20, 2015
SUBJECT: Water & Sewer Commodity Rate Model Review

-
1. Water Consumption (see Chart I & Table I):
 - a. Chart I illustrates levels of consumptions for the past 5 year.
 - b. Table I - Out of approximate 1700 water users, the top 100 customers consume more than 50% of total water.
 2. Revenues (see Chart II & Chart III):
 - a. Overall Water & Sewer revenues have been increasing in the past 5 years.
 - b. Values graphed including ONLY consumption (volume) based revenue.
 - c. Chart III - 2014 actual operating revenue (**draft audit**) is below the targeted (budget) number by about \$71,000. However, with the Water Hydrant Transfer of \$180,499, which was factored into the current rate model, the total water and sewer revenues were more than enough to meeting the FY 2014 expenditure level.
 3. Expenditures:
 - a. The Water & Sewer Operating expenditures were budgeted for \$3,457,288 (excluding transfers to reserves). The overall actual expenditures (**draft audit**) are \$3,547,270. It is about \$90,000 over the budget.
 4. For FY 2014, due to the additional (non-operating, reoccurring) revenue mentioned in item 2, the Water & Sewer Operations had a **\$63,932 (draft Audit)** surplus, which will be added to the fund balance.
 5. Note: The reorganization of Public Works and Water & Sewer [**personnel**] reduced FY 2015 Water & Sewer Operating Expense budget significantly.
 6. Recommendations:

The Commodity Based Rate Model approved by the Council and put into effect as of January 1, 2014, seems effective. I would recommend the Council to allow the rate model to continue.

Water Consumption (Gal.) ≈ 1700 users

Chart I

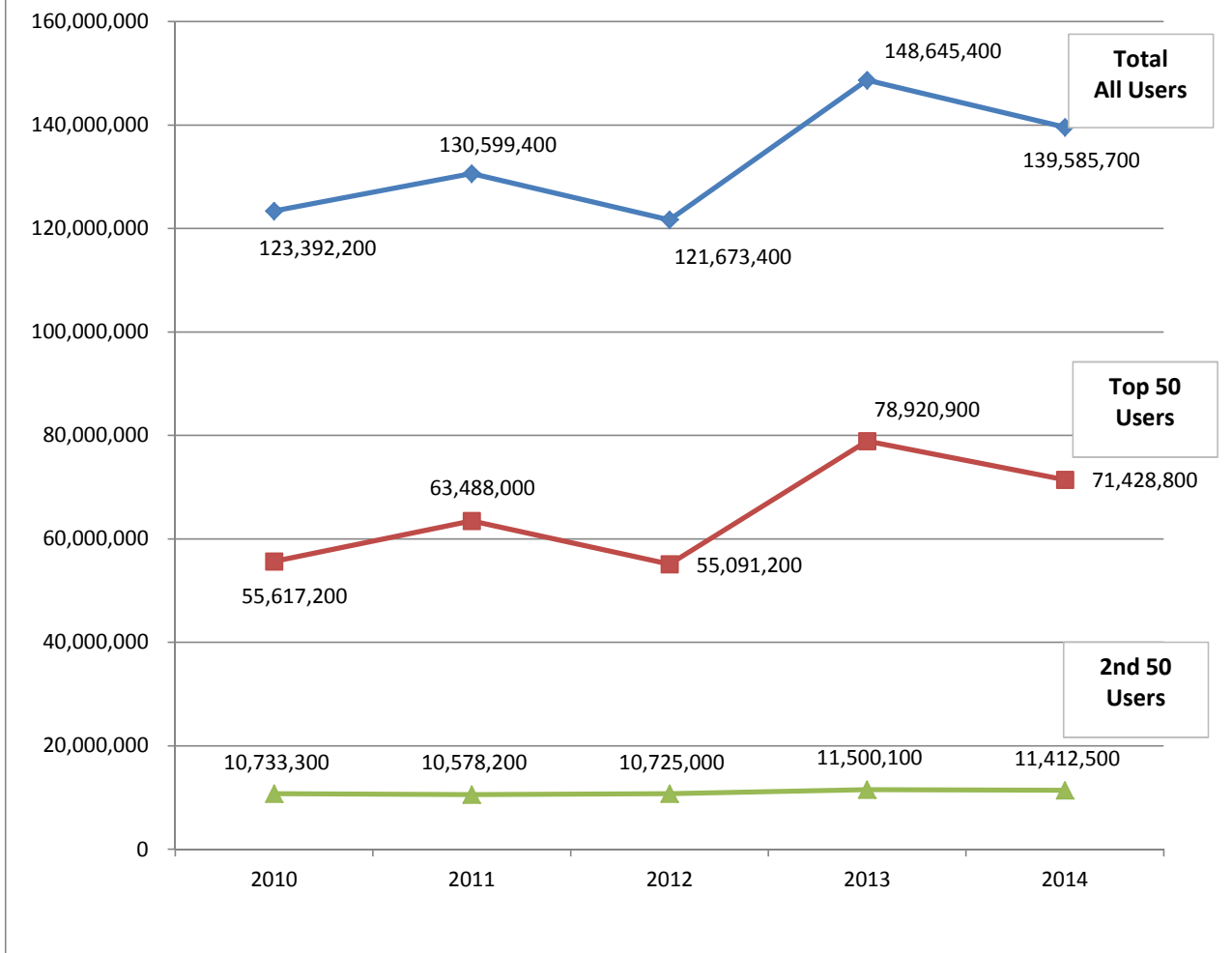
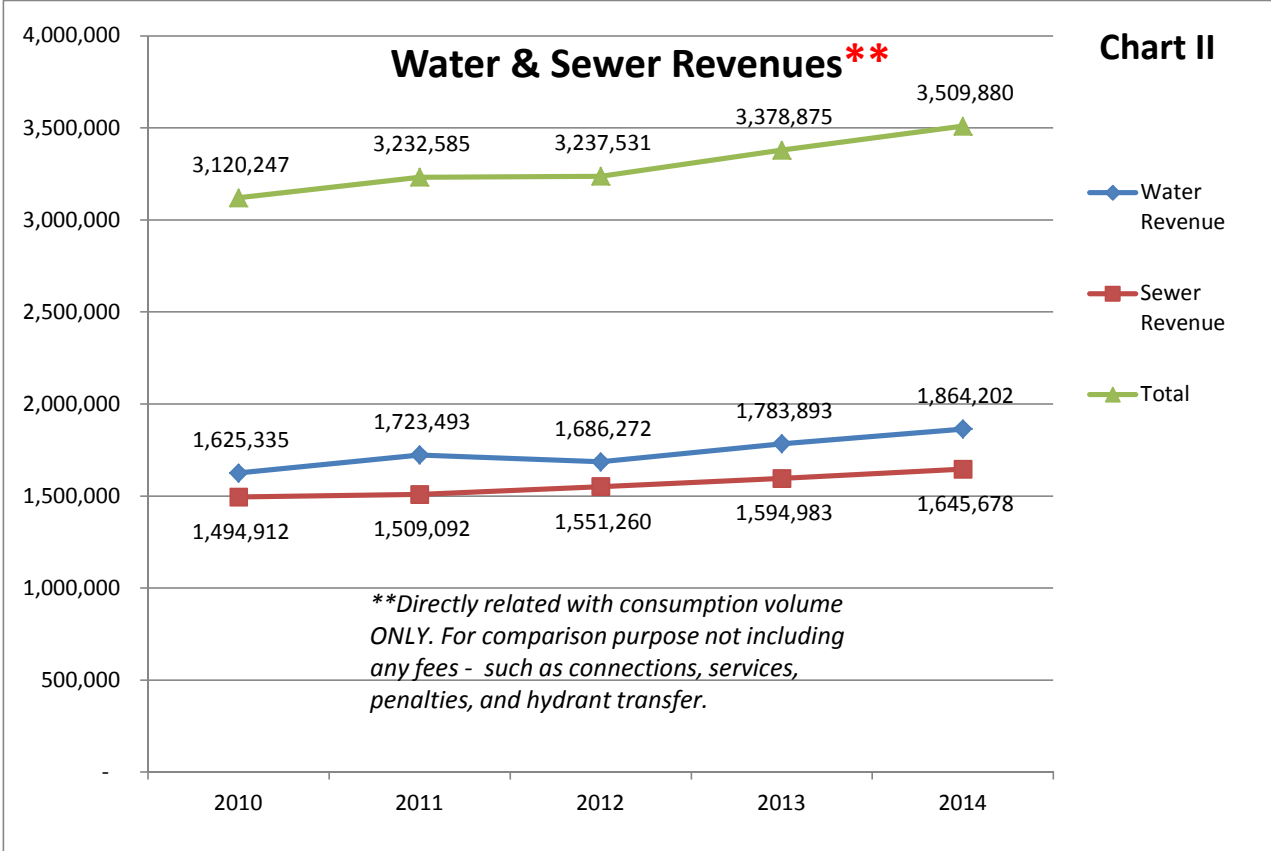


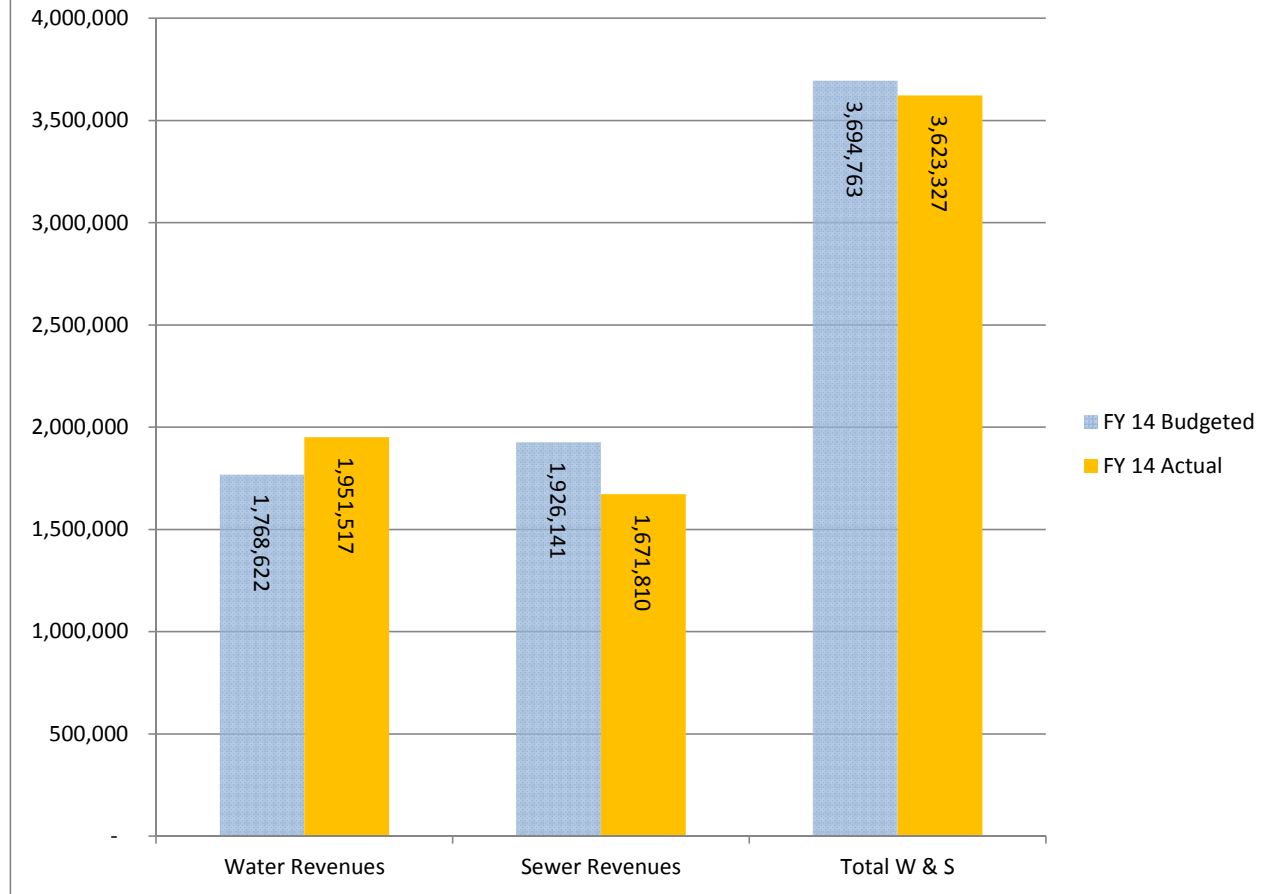
Table I

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total Water Sales (Gal.)	123,392,200	130,599,400	121,673,400	148,645,400	139,585,700
Top 50 Consumers	55,617,200	63,488,000	55,091,200	78,920,900	71,428,800
2nd 50 Consumers	10,733,300	10,578,200	10,725,000	11,500,100	11,412,500
Total Toal 100 Consumers	66,350,500	74,066,200	65,816,200	90,421,000	82,841,300
Total Toal 100 Consumers	54%	57%	54%	61%	59%
Num of Water Users	1705	1708	1740	1776	1776



Water & Sewer Operating Revenue Comparison Budget vs. Actual (FY 2014)

Chart III



CALL TO ORDER
PLEDGE OF ALLEGIANCE
AGENDA APPROVAL

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



REGULAR MEETING
6:00 P.M. TUESDAY
MAY 26, 2015
COWLES COUNCIL CHAMBERS

MAYOR BETH WYTHE
COUNCIL MEMBER FRANCIE ROBERTS
COUNCIL MEMBER DAVID LEWIS
COUNCIL MEMBER BRYAN ZAK
COUNCIL MEMBER BEAUREGARD BURGESS
COUNCIL MEMBER GUS VAN DYKE
COUNCIL MEMBER CATRIONA REYNOLDS
CITY ATTORNEY THOMAS KLINKNER
CITY MANAGER KATIE KOESTER
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

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 May 11, 2015. City Clerk. Recommend adoption. **Page 27**
- B. **Memorandum 15-068**, from Mayor, Re: Reappointment of Patrick Brown to the Economic Development Advisory Commission. **Page 41**

- C. **Ordinance 15-14**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Vessel Passenger Tax Program Grant from the Kenai Peninsula Borough for FY 2014 in the Amount of \$13,925.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction May 26, 2015, Public Hearing and Second Reading June 8, 2015.

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- D. **Ordinance 15-15**, An Ordinance of the City Council of Homer, Alaska, Purchasing Tax Foreclosure Property, Kenai Peninsula Borough (KPB) Tax Parcel Number 173-052-19 and Designating its Use for Public Purpose and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction May 26, 2015, Public Hearing and Second Reading June 8, 2015.

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- E. **Ordinance 15-16**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 3.05.012, Complete Financial Plan, to Exclude State Revenue Sharing From Income in the City Budget. Mayor. Recommended dates: Introduction May 26, 2015, Public Hearing and Second Reading June 8, 2015.

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- F. **Resolution 15-035**, A Resolution of the City Council of Homer, Alaska, Requesting That the United States Coast Guard Continue to Maintain and Upkeep the Oil Spill Response Caches Located in Kachemak Bay, Cook Inlet, and the State of Alaska. Reynolds/Burgess. Recommend adoption.

Page 87

- G. **Resolution 15-036**, A Resolution of the Homer City Council Awarding the Contract to Create a Municipal Art Baseline Inventory to Far North Photography of Homer, Alaska, in the Amount of \$3,700 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Recommend adoption.

Page 91

Memorandum 15-071 from Public Arts Committee as backup.

Page 93

- H. **Resolution 15-037**, A Resolution of the Homer City Council Awarding the 2015 Septic Tank Pumping Contract to Homer Septic Services of Homer, Alaska, in the Amount of \$35,510.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Recommend adoption.

Page 101

Memorandum 15-072 from Permit Technician as backup.

Page 103

- I. **Resolution 15-038**, A Resolution of the Homer City Council Electing to Participate in the AMLJIA Loss Control Incentive Program for the City of Homer for the 2014-2015 Policy Year. City Manager/Finance. Recommend adoption. **Page 117**

- J. **Resolution 15-039**, A Resolution of the City Council of Homer, Alaska, Establishing a 2015 Mill Rate of 9.962541 Mills for the Ocean Drive Loop Special Service District. City Manager. Recommend adoption. **Page 119**

- K. **Resolution 15-040**, A Resolution of the Homer City Council Establishing the Property Tax Mill Levy Rate at 4.5 for 2015. City Manager. Recommend adoption. **Page 121**

- L. **Resolution 15-041**, A Resolution of the City Council of Homer, Alaska, Approving a Five-Year General Concession Lease at the Homer Airport Terminal for Daniel Lush, dba Flying Whale Coffee, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommend adoption. **Page 125**

- Memorandum 15-073 from City Manager as backup. **Page 127**

- M. **Memorandum 15-070**, from City Clerk, Re: Travel Authorization for Mayor Wythe to Attend the “Building a Sustainable Future: Conversation with Alaskans” Discussion June 5-7, 2015 at University of Alaska Fairbanks. **Page 147**

6. VISITORS

- A. Cody Davidson and Mike Hurd, Youth On Record Alaska, 10 minutes. **Page 153**

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. Mayor’s Proclamation Mary Epperson Day June 6, 2015 **Page 161**

- B. Borough Report

- C. Commissions/Board Reports:
 - 1. Library Advisory Board

 - 2. Homer Advisory Planning Commission
 - a. Minutes of May 6, 2015 **Page 163**

3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission
6. Cannabis Advisory Commission

- D. Thank You from Rotary Club of Homer-Kachemak Bay for hosting Russian Open Work Team from Yakutsk, Siberia **Page 171**

8. PUBLIC HEARING(S)

- A. **Ordinance 15-09**, An Ordinance of the City Council of Homer, Alaska, Amending Subsection (d) of Homer City Code Section 21.58.020, Installation Requirements, to Delete the One-Acre Minimum Lot Area for Small Wind Energy Systems. Zak. Introduction April 13, 2015, Referred to Planning Commission, Public Hearing and Second Reading May 26, 2015. **Page 177**

Memorandum 15-069 from City Planner as backup. **Page 183**

- B. **Ordinance 15-13**, An Ordinance of the Homer City Council, Enacting Homer City Code Chapter 9.20, Hotel Tax; and Submitting to the Qualified Voters of the City at the October 6, 2015 Regular City Election the Question of Levying a Tax of 2.5% in Addition to the General City Sales Tax on Rent for Occupancy of a Room in a Hotel, Motel, Inn, Bed and Breakfast or Similar Structure. Lewis. Introduction May 11, 2015, Public Hearing and Second Reading May 26, 2015. **Page 195**

Memorandum 15-065 from City Manager as backup. **Page 201**

9. ORDINANCE(S)

- A. **Ordinance 15-17**, An Ordinance of the City Council of Homer, Alaska, Amending Ordinance 13-03(S)(2) to Permit the City to Prepay Principal of the Natural Gas Distribution Special Assessment Bond Authorized by Ordinance 13-02(S)(2), and Authorizing an Amendment to the Loan Agreement Between the City and the Kenai Peninsula Borough Regarding the Bond. City Manager. Recommended dates: Introduction May 26, 2015, Public Hearing and Second Reading June 8, 2015.

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- B. **Ordinance 15-18**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2015 Capital Budget by Appropriating \$613,000 From the General Fund Fund Balance to the Public Safety Building Project Account to Fund the New Public Safety Building to 35% Design. Mayor. Recommended dates: Introduction May 26, 2015, Public Hearing and Second Reading June 8, 2015. **Page 233**

Memorandum 15-074 from City Manager as backup. **Page 239**

10. CITY MANAGER'S REPORT

- A. City Manager's Report **Page 259**

1. Memorandum 15-076, from City Manager, Re: Process for land sales. **Page 281**
2. Memorandum 15-075 from IT Manager, Re: Telephonic Participation at Council Meetings. **Page 297**

- B. Bid Report **Page 299**

- C. Games Report **Page 301**

1. Alaska Marine Conservation Council

11. CITY ATTORNEY REPORT

12. COMMITTEE REPORT

- A. Public Arts Committee
- B. Permanent Fund Committee
- C. Employee Committee Report
- D. Port and Harbor Building Task Force
- E. Public Safety Building Review Committee
- F. Vessel Haul-Out Task Force

13. PENDING BUSINESS

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 Monday, June 8, 2015 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 15-18 a Regular Meeting of the Homer City Council was called to order on May 11, 2015 at 6:00 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, LEWIS, REYNOLDS, VAN DYKE, ZAK

ABSENT: ROBERTS (excused)

STAFF: CITY MANAGER KOESTER
CITY CLERK JOHNSON
FINANCE DIRECTOR LI
FIRE CHIEF PAINTER
PORT AND HARBOR DIRECTOR HAWKINS

Mayor Wythe declared Councilmember Roberts' Absence as excused. There was no objection from the Council.

The Council conducted a Worksession from 4:02 p.m. to 4:52 p.m. to discuss Strategic Doing. The Council met as a Committee of the Whole from 5:00 p.m. to 5:44 p.m. to meet the Open World Team Russian Group visiting from Yakutsk, Siberia, Russia, complete an overview of the Homer Accelerated Water and Sewer Program (HAWSP) and Homer Accelerated Roads and Trails Program (HART) Funds, and 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 following changes were made: **CONSENT AGENDA** - Memorandum 15-058 renumbered to 15-066; Memorandum 15-059 renumbered to 15-067; **CITY MANAGER'S REPORT** - City Manager's Report Supplemental.

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

LEWIS/REYNOLDS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Don Lane, city resident, expressed support for Resolution 15-034 on behalf of commercial fishers.

David Morris, Homer resident, expressed support for Resolution 15-034 on behalf of charter fishers.

RECONSIDERATION

CONSENT AGENDA

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

- A. Homer City Council unapproved Regular meeting minutes of April 27, 2015. City Clerk. Recommend adoption.
- B. **Memorandum 15-058 066**, from Mayor, Re: Appointments Chad Jones, Carrie Harris, David Etzwiler, Shane Monroe, Aryn Young, Councilmembers Beauregard Burgess and David Lewis, Police Chief Mark Robl, and Planning Commissioner Don Stead to the Cannabis Advisory Commission.
- C. **Resolution 15-033**, A Resolution of the Homer City Council Extending the City of Homer Prisoner Meal Service Contract for One Year to the Firm of Homer Senior Citizens, Inc. of Homer, Alaska, and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Recommend adoption.

Memorandum 15-~~059~~ **067** from Police Chief as backup.

- D. **Resolution 15-034**, A Resolution of the City Council of Homer, Alaska, Requesting That the North Pacific Fishery Management Council Take Action to Reduce the Quantity of Halibut Bycatch in the Bering Sea Aleutian Island Fisheries by Setting New Bycatch Limits Which Lower Halibut Prohibited Species Catch Caps by 50% of the Current Limits. Reynolds. Recommend adoption.

- E. **Memorandum 15-060**, from City Manager, Re: Capital Improvement Plan Schedule for 2016 - 2021 & FY 2017 Legislative Requests.

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

LEWIS/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

- A. Senator Gary Stevens and Representative Seaton, Legislative Update

Senator Stevens told the Council the State is in a fiscal crisis; the situation is serious with a historical \$7 billion deficit. The legislative session ended and the Legislature was called back into special session. Historically the House and Senate adopt the budget. The Senate passed a budget with a 16% reduction of expenditures, and passed the CBR (Constitutional Budget Reserve) vote. The budget went to the House, but there is not a three-fourths vote. There is a minority in the House making demands on the budget and a compromise is needed to get into the CBR to balance the budget. The Legislature adjourned and said they could only fund the budget for six months and the Governor said no, there has to be a balanced budget. A compromise is needed to get the House and Senate together. There is \$16 billion in savings in the CBR and about \$10 billion to get us into the future. It is a complex time for the Legislature.

Representative Seaton told the Council a difference in philosophies is driving the budgetary problem. The Senate took a lot of money out of education for the based student funding. Part of that funding was returned, but the minority in the House is insisting for the based student funding, Medicaid expansion, teachers, early childhood learning programs, and the contract provisions for COLA. A special session topic is Erin's Law requiring age appropriate sexual and child abuse education during school. Erin's Law was passed in the House. The City's water line with the federal match is still in the budget. Graphs showing Medicaid expansion with fiscal notes was passed out to the Council. If we decide not to expand it will cost us \$352M more through the general fund in the next six years. With reform only it is \$69M over the next six years. With the high reimbursement rate in mental health and transportation from rural Alaska it becomes a big item. In the demographics for Medicaid expansion there are 41,900

people between the ages of 19 and 64 that aren't covered under Denali Kid Care. If 100% of those people enrolled we would save \$329M. It is a big savings for the State of Alaska. If we do Medicaid at 63% enrollment we get federal funding of over \$1 billion in the medical system, translating into a lot of jobs.

Councilmembers Lewis and Burgess expressed opposition to SB 21 offering oil tax credits to oil companies that operate in Alaska. Both Senator Stevens and Representative Seaton expressed opposition at former Governor Parnell's SB 21. The credits are more than the revenue received on oil. Governor Walker may address the oil tax credits next year.

Governor Walker has called for a Conference of Alaskans June 5-7 at University of Alaska Fairbanks. Revenue issues and oil tax credits will be the discussion.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. Recognition and Swearing In of EMT and Firefighter Recruits

Mayor Wythe administered the oath of office to EMTs and Firefighters.

B. Mayor's Proclamation, National Public Works Week – May 17 - 23, 2015

Mayor Wythe read and presented the proclamation to Public Works Superintendent Dan Gardner.

C. Mayor's Proclamation, National Police Week – May 10 - 16, 2015 and Memorial Day May 15, 2015

Councilmember Van Dyke read and presented the proclamation to Police Sergeant Dave Shealy.

D. Mayor's Proclamation, National Hospital Week - May 10 - 16, 2015

Councilmember Reynolds read and presented the proclamation to Shara Sutherlin and Derotha Ferraro of South Peninsula Hospital.

E. Mayor's Proclamation, National Nursing Home Week - May 10 - 16, 2015

Councilmember Zak read and presented the proclamation to Shara Sutherlin and Derotha Ferraro of South Peninsula Hospital.

F. Borough Report

G. Commissions/Board Reports:

1. Library Advisory Board

Amy Alderfer, Library Advisory Board Member, reported on the western library lot. A trail has been cleared and the library, Friends of the Homer Library, and the Library Advisory Board are working together to connect the lot with the library's missions and programs. It will be a safe place to walk with increased lighting and provide space for more library programs. The groups are working with public works, the police, and an architect for planned development. Summer reading programs are underway for all ages. It is an opportunity to read, create, and discover at the library. The library is fortunate to have received donated and discarded books. These books are used for periodic book sales and donations to Haven House, the jail, the Food Pantry, the Fritz Creek Library, and the Senior Center. The library promotes literacy and learning for the enrichment of our community.

2. Homer Advisory Planning Commission

a. Minutes of April 15, 2015

3. Economic Development Advisory Commission

4. Parks and Recreation Advisory Commission

5. Port and Harbor Advisory Commission

PUBLIC HEARING(S)

- A. **Ordinance 15-11**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Section 17.04.100, Subdivision After Levy of Assessments, to Provide for Subdivisions of Property Subject to Natural Gas Distribution Assessments. City Manager. Introduction April 27, 2015, Public Hearing and Second Reading May 11, 2015.

Memorandum 15-056 from Interim City Manager as backup.

Mayor Wythe recused herself from discussion due to her standing conflict of interest with gas line related subjects. She passed the gavel to Councilmember Lewis.

Councilmember Lewis opened the public hearing.

Scott Adams, city resident, voiced his objection against setting an end date for new assessments on subdivided properties.

City Manager Koester explained Enstar uses a mechanism to assess lots and a portion of those funds go to the Free Main Allowance. If the ordinance does not pass there will not be an end date for creating new assessments for the gas line.

Councilmember Lewis closed the public hearing.

REYNOLDS/ZAK - MOVED TO ADOPT ORDINANCE 15-11.

The Council discussed the rationale for setting a two-year limit to assess subdivided properties. If the limitation was not set we could not close out the assessment district. The city attorney and interim city manager recommended setting the date to one year during construction and two years after construction is completed.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Lewis returned the gavel to Mayor Wythe.

B. **Ordinance 15-12**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2015 Operating Budget by Appropriating \$8,500 to Aha Consulting, Inc. From the Information Systems Budget to Fund Website Design and Software Upgrades. City Manager. Introduction April 27, 2015, Public Hearing and Second Reading May 11, 2015.

Memorandum 15-052 from City Manager as backup.

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

Mayor Wythe called for a motion for the adoption of Ordinance 15-12 by reading of title only for second and final reading.

LEWIS/REYNOLDS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- A. **Ordinance 15-13**, An Ordinance of the Homer City Council, Enacting Homer City Code Chapter 9.20, Hotel Tax; and Submitting to the Qualified Voters of the City at the October 6, 2015 Regular City Election the Question of Levying a Tax of 2.5% in Addition to the General City Sales Tax on Rent for Occupancy of a Room in a Hotel, Motel, Inn, Bed and Breakfast or Similar Structure. Lewis. Recommended dates: Introduction May 11, 2015, Public Hearing and Second Reading May 26, 2015.

Memorandum 15-065 from City Manager as backup.

Mayor Wythe called for a motion for the adoption of Ordinance 15-13 for introduction and first reading by reading of title only.

LEWIS/REYNOLDS – SO MOVED.

Councilmember Zak declared a potential conflict of interest due to being the owner of a vacation rental.

Mayor Wythe deferred to Clerk Johnson who advised Councilmember Zak would be in the small group of individuals that would be collecting the tax and erring on the side of caution should be excused.

Mayor Wythe ruled Councilmember Zak did have a conflict of interest and was excused from discussion. There was no objection from the Council.

Councilmember Lewis advocated for the ordinance as a revenue source of \$300,000 for the City. The Borough passed a bed tax that was vetoed by the mayor who had heard from the people of Homer that they wanted their own say, rather than letting the rest of the borough tell them what to do. Ordinance 15-13 will allow the Homer voters to decide about the 2.5% bed tax. Revenues from the tax will be allocated as follows:

- 25% to parks, arts, recreation and culture programs in the city.
- 20% to council-approved programs to market and promote the city.
- 10% to funding the Homer Accelerated Roads and Trails Program.
- 10% to funding the Homer Accelerated Water Sewer Program.
- 35% to the general fund of the city to be appropriated as determined by the council.

If the advisory vote passes it will go to the Borough who will need to decide if the City of Homer may have a bed tax. It is the first of four to five steps in the process. If we want to

replenish HART and HAWSP we will need a 7% tax, which would be 14.5% tax in between sales tax and bed tax. Most people don't ask what the tax rates are when they are booking a room. Portland has an 18% bed tax, Seward a 4% bed tax in addition to sales tax, and Anchorage has a 12% bed tax.

Mayor Wythe advised the Council if they are interested in the vote passing we will need to have a public service campaign.

The Council discussed increasing the percentage of tax but determined the people may find the lower amount more agreeable. When the issue was before the Borough the majority of the objection of a borough-wide bed tax came from hoteliers and people with a vested interest, mostly from the Homer area. Specific hotel owners said they may find it more palatable if the tax were low.

Other Alaska communities accrue bed tax funds and the national average bed tax is 10%. The Southern Kenai Peninsula underspends on marketing ourselves as a destination in the state and nationally. There is a lot of competition for tourist dollars within the state. The bed tax dollars generally go to supporting tourism marketing.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Zak returned to his seat.

CITY MANAGER'S REPORT

A. City Manager's Report

1. Memorandum 15-061 from Port and Harbor Director, Re: Certified Port Executive Program Report
2. Memorandum 15-063 from Personnel Director, Re: 2015 Benefit Broker/Consultant RFP

Cannabis vs. Marijuana

Interim City Manager Yoder sits on the Alcohol and Beverage Control Board and spent some time last week discussing Marijuana regulations. He called to let us know that the ballot

language used the word marijuana and in order to be consistent all of the state regulations will use the word marijuana and not cannabis.

New Port and Harbor Building

The Port and Harbor has committed to May 16th as the final move in date. We considered trying to squeeze in a ribbon cutting on May 11th to take advantage of the Senator and Representative's presence, but schedules were just too tight. The Port and Harbor has set aside June 11th at 5pm as the date/time for an official grand opening and ribbon cutting for the new port and harbor building. Unless Council has conflicts, we will move forward with making arrangements for that date. Please let us know if you have any ideas for the ribbon cutting to make it extra special.

Waterway Suitability Assessment Workshop

Port and Harbor Director Hawkins has been asked to participate in the Alaska LNG Project Waterway Suitability Assessment Workshop on Waterway Safety Assessment. This is a 3 day workshop in Anchorage, though Hawkins will only be able to attend the first day. Due to the sensitive nature of the plans being discussed, Hawkins had to sign a confidentiality agreement to attend the meeting. The City of Homer has a high degree of interest in the safety of our waters and will be following this project and the Waterway Suitability Assessment process closely. I think it will be a good use of his time.

Public Service Picnic

City Council is invited to a Public Service Picnic at City Hall Thursday May 14th from 11:30am-1:30pm. The City will provide dogs and burgers and departments are asked to bring their favorite side. It will be a great opportunity to appreciate our public employees and share some good food, good company, and hopefully welcome in a beautiful spring and summer.

RFP for Insurance Benefit Broker and Consulting Services

The City will issue an RFP for Insurance Benefit Broker and Consulting Services in June. The City's consulting needs have changed over the last year and holding off on issuing the RFP has allowed us to realize some savings and establish new patterns of usage with private insurance that will be valuable to whomever the consultant is. With conversations on health insurance just around the corner this fall, it is timely to secure a consultant this summer. Personnel Director Browning provides more detail in the attached memo.

Homer Student for 2015 Congress of Future Science and Technology Leaders

Homer High Sophomore Robert Martin will be attending the 2015 Congress of Future Science and Technology Leaders in Boston, Massachusetts this summer. It is a tremendous honor to be able to send a Homer student to this prestigious congress. Robert will learn a great deal about science, technology and represent the City of Homer and State of Alaska among his colleagues. The City of Homer is proud of Mr. Martin's accomplishments. We are quite

fortunate to have a youth with such extraordinary talent in our community. For more information on the Congress, see the attached press release.

B. Supplemental City Manager's Report

Loan from Borough on Natural Gas HSAD

The 12.7m loan from the Kenai Peninsula borough for the Natural Gas HSAD is guaranteed by the entirety of the assessments levied on the parcels of real property on the final assessment roll. When the Council discusses reducing the number of parcels in the assessment district, for example by exempting condominium owners while the court proceedings take place, we are in violation of the terms of our loan with the Borough. Even though there are sufficient funds to pay the Borough from the Free Main Allowance, the City is not allowed to use funds for that purpose under the current loan agreement. Attorney Klinkner is working with the Borough attorney on a modification of the agreement to allow the City to use the Free Main Allowance to pay assessments. This change should be made before the Council makes any additional exemptions from the assessment roll. For example, Councilmember Burgess has talked about an Ordinance that would allow an exemption to the roll if a mistake was made and a parcel that was not served was included in the Natural Gas HSAD.

I have included a letter from Attorney Klinkner to KPB Attorney Thompson that explains this in detail.

Conveyance for a Public Purpose: Bridge Creek Watershed

The Borough Planning Department sent the attached notice of land for conveyance to all municipalities. A municipality can request conveyance of a parcel if an immediate need and public purpose can be demonstrated. The Planning Department has identified a 40 acre parcel in the Bridge Creek Watershed that meets those criteria (parcel number 17305219).

Reasons to acquire the parcel include:

- The City of Homer was granted extra territorial power by the Borough to protect the Bridge Creek Watershed from activities that would impair the water quality, or increase the cost for treatment.
- The purchase would further Comprehensive Plan Goal 2, Objective D, Provide extra protection for areas with the highest environmental value or development constraints.
- The parcel is in the BCWSD and contains tributaries leading to the reservoir.
- Forty acres is a significant size and the tributaries extend the entire length of the parcel.
- Acquiring the parcel is the best way to limit development without depriving someone of property rights.

- Limiting activity in the watershed is the best way to preserve water quality and limit the future costs of water treatment.

The City of Homer would be responsible for taxes owed and interest and any KPB out of pocket expense. The Borough currently estimates this amount at \$2,805.21. The assessed value is \$47,000. The deadline for expressing an interest in the property is May 20th. Unless I hear an objection from Council I will submit the request. Any formal action accepting the property will come before Council.

Work session Request form Parks and Recreation Advisory Commission

The Parks and Recreation Advisory Commission has requested a work session on June 8th to discuss proposed changes to the Beach policy. The Commission would like to discuss their proposal and rationale behind them before bringing a formal proposal to Council, which would follow on the 22nd. There is availability on June 8th.

City Manager Koester reported the new port and harbor building is ready for staff to move into this weekend. There will be an official grand opening on June 11 at 5:00 p.m. She asked for ideas from the Council to make it extra special.

Homer High School Sophomore Robert Martin has been selected to attend the 2015 Congress of Future Science and Technology Leaders conference in Boston this summer. It is an honorable nomination for the Homer student.

City Manager Koester referenced the supplemental report that includes information on the loan with the Kenai Peninsula Borough for the gas line. The terms of the loan do not allow us to make payments with any funds other than property assessments. Free Main Allowance (FMA) funds are not to be used to pay the loan. It is problematic when any parcels are exempted from the final assessment roll such as condominiums or future exempted parcels. A letter from the attorney to the Borough talks about amending the loan agreement. An amendment will require assembly action. Borough administration is very amenable in working with us. We have over \$1M in the FMA that could be used. We need to resolve this issue before bringing forward other potential exemptions from the gas line assessments.

The Borough Planning Department sent a notice for conveyance of land for a public purpose. This includes a notice of lots that will be put up for auction, with municipalities getting a first look. Our planning department has identified a 40-acre parcel in the Bridge Creek Watershed that would be beneficial for the City to own. With the Council's consent City Manager Koester will submit a form to be considered to purchase the parcel to protect our watershed. The deadline is May 20. The City would be responsible for back taxes of \$3,000 for a parcel assessed at \$47,000. We will need to prove a public purpose to protect our watershed.

The Parks and Recreation Advisory Commission has requested a Worksession for the June 8 meeting on beach policy.

- C. Bid Report

CITY ATTORNEY REPORT

- A. City Attorney Report of April 2015

COMMITTEE REPORT

- A. Public Arts Committee
- B. Permanent Fund Committee
- C. Employee Committee Report

City Manager Koester requested this committee be kept in an active status for future discussions on healthcare.

- D. Port and Harbor Building Task Force
- E. Public Safety Building Review Committee
- F. Vessel Haul-Out Task Force

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE

There were no comments of the audience.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comments.

COMMENTS OF THE CITY MANAGER

City Manager Koester had no comments.

COMMENTS OF THE MAYOR

Mayor Wythe recognized the proclamations for the hospital, nursing homes, peace officers, and public works. She encouraged people to stop by the hospital to see the excellent care facility. If you see police officers and public works employees, thank them for the service they provide to the community. Help is needed for the Homer High School graduation event as requested on the flyer at City Hall.

COMMENTS OF THE CITY COUNCIL

Councilmember Zak thanked Councilmember Reynolds for the resolution on the halibut bycatch. It is great to see both the commercial and sports fishermen are affected by the bycatch. It is the community coming together to address and take action on something that has affected us economically. He thanked the Seldovia Village Tribe for sharing their annual report that lists their mission goals and objections. He acknowledged the visiting Rotarians from Russia through the International World Vision Exchange. Steve Yoshida had a lot to do with their visit; he was one person in the community who visited Russia on a peace exchange and spoke to the students about world peace. The Rotarians are taking tours of our facilities and taking ideas back to their communities.

Councilmember Van Dyke commented on his disadvantage sitting between Councilmembers Zak and Burgess who can orate very well. With reading the Mayor's Proclamation he exceeded his talking ability for the night. Representative Seaton and Senator Stevens gave a pretty good insight on the financial status of the state. He liked the recommendation from Councilmember Reynolds about the halibut bycatch. It has gotten under his skin for a long time; he believes any bycatch is too much.

Councilmember Reynolds expressed appreciation at participating by phone at the last council meeting. While in D.C. she was able to meet with Congressman Young, Senator Sullivan, and staff of Senator Murkowski's. She provided information on the Deep Water Dock, the East Boat Harbor Expansion, and Public Safety Building projects. They provided suggestions of funding sources and grant opportunities. Her travel to D.C. was at no expense to the City as she was there on other business. She thanked the Rotary for bringing visitors from Russia. She thanked and congratulated the volunteer firefighters and EMT. It is a tremendous amount of work and commitment, showing a devotion to the community. She gave a huge shout out to the graduates at Homer Flex School and wished them well with their upcoming lives.

Councilmember Burgess thanked Robert Archibald about the information on the oil caches. It is important to the community to have fast oil response spill gear on hand. He issued a huge thanks to the EMTs and firefighters; our lives depend on them. As schools face funding shortfalls, the roads crumble, and public safety funding is reduced, he reminded people what they voted on two years ago to reduce the amount of taxation on state oil revenues. Congratulations, you now live in a state with a constitutional mandate to vouch-safe the financial mineral resources of your state for your benefit yet you live in a state where we actually pay oil companies for the privilege of giving them our oil. Keep it in mind as you are making voting decisions and digesting propaganda of the oil companies of which you are a satellite conglomerate. He thanked public works who does a lot here in town. We have a good public works department with the tremendous amount of work they manage to get done. He is considering an ordinance to more specifically outline the way in which local peace officers can respond to federal issues or conflict of interest with Patriot Act requirements, specifically habeas corpus requirements and the obligation to have a warrant. Under the Patriot Act you can black bag people, disappear them, or search their homes. He will be meeting with the police chief in the upcoming weeks to discuss possibilities for outlining procedures. It is important we make sure citizens have right to due process, fair trial, and to know what charges are being laid against them whether or not the Congress decides to follow the Constitution or not. It was encouraging to see people from a sister country here; it is always interesting to see what prejudices and preconceptions we have from the propaganda machines of our own government and their government. It is important that people know there are real people at the other end of the line. It is good to realize we are all normal humans and probably just want to get along.

Councilmember Lewis commented on last week's college graduation where Francie was the keynote speaker. He is not sure if the State Legislature passed the banning of Planned Parenthood from sex education in the schools. With all the news and Texas being one of the great states that has been there so they didn't get a federal takeover, in one of their schools that practiced abstinence and had a huge chlamydia outbreak amongst the teenagers. Now we want to ban Planned Parenthood from sex education in the schools. We really need to think about that.

ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 7:28 p.m. The next Regular Meeting is Tuesday, 26, 2015 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, MMC, CITY CLERK

Approved: _____



City of Homer

www.cityofhomer-ak.gov

Office of the Mayor

491 East Pioneer Avenue
Homer, Alaska 99603

mayor@ci.homer.ak.us

(p) 907-235-3130

(f) 907-235-3143

Memorandum 15-068

TO: HOMER CITY COUNCIL
FROM: MARY E. WYTHE, MAYOR
DATE: MAY 18, 2015
SUBJECT: REAPPOINTMENT OF PATRICK BROWN TO THE ECONOMIC DEVELOPMENT
ADVISORY COMMISSION

Patrick Brown is reappointed to the Economic Development Advisory Commission for a term to expire April 1, 2018.

RECOMMENDATION:

Confirm the reappointment of Patrick Brown to the Economic Development Advisory Commission.

Fiscal Note: N/A

From: Patrick Brown [<mailto:pbrown5@yahoo.com>]
Sent: Wednesday, February 11, 2015 12:17 PM
To: Melissa Jacobsen
Subject: Patrick Brown Reappointment to Homer EDAC request

Request for Reappointment Homer EDAC

February 11, 2015

Mayor Wythe
City of Homer
491 East Pioneer Avenue
Homer Alaska 99603

Honorable Mayor Wythe:

I am requesting reappointment to the Homer Economic Development Advisory Commission when my term expires April 1, 2015. In addition to this appointment I was also nominated and elected to the Vice-Chair position. My appointment was as non-resident representative.

I would be honored to continue my efforts on behalf of our great city striving to progress our quality of life by improving our economic advantages into tangible results based upon the Comprehensive Economic Development Strategy.

I also state that support from the entire staff at City Hall has been exemplary including Katie and Melissa. Their patience and dedication to enlighten me by providing information at my request to gather greater oversight on initiatives is immensely appreciated. It is a genuine refreshing pleasure to advise our Council on economic matters while deliberating with great individuals and teams of professionals.

Ready to serve and advise!

Respectfully,
Patrick Brown
40996 Woodman Lane
Homer Alaska 99603
Phone 907.775.4638
Email: PBrown5@yahoo.com

ORDINANCE REFERENCE SHEET
2015 ORDINANCE
ORDINANCE 15-14

An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Vessel Passenger Tax Program Grant from the Kenai Peninsula Borough for FY 2014 in the Amount of \$13,925.00 and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. City Council Regular Meeting May 26, 2015 Introduction
 - a. Kenai Peninsula Borough Grant Agreement
 - b. Kenai Peninsula Borough Ordinance 2014-19-50 w/backup memorandum and letters

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4 **ORDINANCE 15-14**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 ACCEPTING AND APPROPRIATING A COMMERCIAL VESSEL
8 PASSENGER TAX PROGRAM PASS THROUGH GRANT FROM THE
9 KENAI PENINSULA BOROUGH FOR CALENDAR YEAR 2014 IN THE
10 AMOUNT OF \$13,925.00, AND AUTHORIZING THE CITY MANAGER
11 TO EXECUTE THE APPROPRIATE DOCUMENTS.
12

13 WHEREAS, The State of Alaska collects revenues under the Commercial Vessel
14 Passenger Tax Program and remits proceeds to boroughs which contain ports where cruise
15 ships land; and
16

17 WHEREAS, The Kenai Peninsula Borough has received such funds for calendar year
18 2014 and decided to pass those revenues through to Homer and Seward; the communities
19 where cruise ships land and utilize local infrastructure and services; and
20

21 WHEREAS, The Borough Assembly adopted KPB Ordinance 2014-19-50 which
22 appropriated funds and authorized a pass through grant to the City of Homer in the amount
23 of \$13,925.00.
24

25 WHEREAS, The grant funds must be used for port and harbor projects that benefit
26 cruise ship passengers and the City has proposed to use the proceeds of this grant for
27 passenger seating at the cruise ship passenger loading/staging area, and signage on trails
28 around the harbor.
29

30 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
31

32 Section 1. The Homer City Council hereby accepts and appropriates a Commercial
33 Vessel Passenger Tax Program pass through grant from the Kenai Peninsula Borough for
34 calendar year 2014 in the amount of \$13,925.00 as follows:
35
36
37

38 Appropriation:

39	<u>Account</u>	<u>Description</u>	<u>Amount</u>
40	460-927	KPB CVPT Pass Through Grant for 2014	\$13,925.00

41
42 Section 2. The City Manager is authorized to execute the appropriate documents.

43
44 Section 3. This ordinance is a budget ordinance only, is not permanent, and shall not
45 be codified.

46
47 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
48 _____, 2015.

49
50 CITY OF HOMER
51
52 _____
53 MARY E. WYTHE, MAYOR

54 ATTEST:
55
56 _____
57 JO JOHNSON, MMC, CITY CLERK

58
59 YES:
60 NO:
61 ABSTAIN:
62 ABSENT:
63
64 First Reading:
65 Public Hearing:
66 Second Reading:
67 Effective Date:

68
69 Reviewed and approved as to form:
70
71 _____
72 Mary K. Koester, City Manager
73
74 Date: _____
75 _____
76 Thomas F. Klinkner, City Attorney
77
78 Date: _____



KENAI PENINSULA BOROUGH

GRANT AGREEMENT

Total Grant Funds
\$13,925.00

Authorizing Ordinance
O2014-19-50

KPB Account Number
271.94910.15CPV.43011

Total Grant Award
\$13,925.00

Project Title
Commercial Passenger Vessel Tax Program

Funding Source
State

Grantee		Borough Contact Person	
Name	DUNS# 040171563	Name	
City of Homer	EIN# 92-0030963	Brenda Ahlberg, Community & Fiscal Projects Manager	
Mailing Address		Mailing Address	
491 E. Pioneer Avenue		144 N. Binkley Street	
City/State/Zip		City/State/Zip	
Homer AK 99603		Soldotna, AK 99669	
Contact Person		Email	
Katie Koester, City Manager		bahlberg@kpb.us	
Phone	Fax	Phone	Fax
235-8121	235-3148	714-2153	714-2377

The Kenai Peninsula Borough (*hereinafter* "Borough") and City of Homer (*hereinafter* "Grantee") agree as set forth herein.

Section I: The Borough shall pay Grantee for the performance of the project work under the terms outlined in this agreement. The amount of the payment is based upon project expenses incurred, which are authorized under this agreement. In no event shall the payment exceed \$13,925.00.

Section II: The Grantee shall perform all of the work required by this agreement.

Section III: The work to be performed under this agreement begins 04/21/2015 and shall be completed no later than 06/30/2016.

Section IV: the agreement consists of this page and the following attachments:

- A. Scope of Work and Use of Funds
- Payment Method and Reporting Requirements
- Standard Provisions
- B. Financial/Progress Report
- C. Signature Authorization Form
- Certificate(s) of Insurance – *provided by Grantee*

Section V: The Community & Fiscal Projects Manager shall control the original, including any attachments filed.

Grantee	Borough
Signature:	Signature:
Authorized Signatory Name and Title Katie Koester, City Manager	Authorized Signatory Name and Title Mike Navarre, Mayor
Date:	Date:
	Attest: Johni Blankenship, Borough Clerk

Approved as to form and legal sufficiency:

Holly Montague, Deputy Borough Attorney

FY15 KPB Grant Agreement

City of Homer - Commercial Passenger Vessel Tax Program CY2014 Funds

Scope of Work and Use of Funds

Project Description: The purpose of this Borough Grant is to provide funding through the State of Alaska Commercial Passenger Vessel Tax Program, *hereinafter* referred to as CPVT, to the City of Homer, *hereinafter* referred to as “Grantee.” The Grantee will use the funds for port and harbor projects impacted by cruise ship landings as governed by the Alaska Statutes (see “Source of Funds, page 2).

Project Management

1. The project will be managed by the Grantee.
2. The City Manager, or such other person(s) as indicated on Attachment C, shall be designated as the representative to receive or make all communications regarding the performance or administration of this agreement. The Borough Community & Fiscal Projects Manager, or such other person(s) as designated by the Borough Mayor, is hereby designated as the representative of the Borough to receive or make all communications, payment requests, and reports regarding the performance or administration of this agreement, and who approves payment under this agreement. The parties may change their representative upon written notification to the other party.

Key Contact Information

Brenda Ahlberg, Community & Fiscal Projects
714-2153 • bahlberg@kpb.us
Kenai Peninsula Borough
144 N. Binkley St.
Soldotna AK 99669

Project Approval

The Assembly approved and appropriated CPVT funds from calendar year 2014 in the amount of \$13,925.00 to the Grantee through KPB Ordinance 2014-19-50. Grantee shall cite KPB account number **271.94910.15CPV.43011** in correspondence and reporting forms.

Grant funds, or any earnings there from, may be spent only for the purposes of the grant project as described above. Any monies used for purposes not authorized by this agreement shall be refunded to the Borough immediately after such expenditures, with or without demand by the Borough. Request to amend the budget shall be submitted to the Community & Fiscal Projects Manager no less than ninety (90) days prior to performance period end date.

Project Performance Period

Period: The performance period shall be effective for the period commencing on April 21, 2015 and ending on June 30, 2016. The Grantee must liquidate all obligations not later than June 30, 2016. The Borough shall have no obligation for payment of services rendered by the Grantee which are not performed within this specified period.

Request to Extend: Any determination to extend the project performance period is solely at the discretion of the Borough. A request to amend the performance period should be submitted not later than ninety (90) days prior to the established end date.

Funding

1. Source of Funds:
 - a. This project is being funded in full through the State of Alaska Department of Commerce, Community & Economic Development, "Commercial Passenger Vessel Tax Program" (CPVT) as governed by AS 43.52.200 - 43.52.295.
 - b. All unexpended grant funds as of the end of the grant period must be returned to the Borough. Funds will be considered obligated if they have actually been expended or encumbered prior to the end date of the performance period.
2. Condition for Receipt of Funds: The Grantee shall comply with AS 43.52.230 (b), federal legislation and court rulings that permit the use of these funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels.
3. Funds, or earnings there from, shall not be expended for the purposes of lobbying activities before the Borough Assembly, the Alaska State Legislature or U.S. Congress.

Payment Terms and Reporting Requirements

1. Payments:
 - a. The Grantee will be compensated for up to and not exceeded \$13,925.00 as determined by the State of Alaska for projects identified in the City of Homer's request letter dated March 23, 2015 and approved by Kenai Peninsula Borough Ordinance 2014-19-50.
 - b. Under no circumstances will funds be released to the Grantee unless all required reporting is current.
2. Reporting Requirements:
 - a. The Borough's approval of the proposed expenditures shall not be construed to mean that the Borough is liable in any manner whatsoever if it is determined by an agency or court of competent jurisdiction that the city's project does not satisfy the statutory criteria.
 - b. Upon completion of the projects, but no later than thirty days thereafter the agreement end date, the Grantee shall provide a detailed written report to the Borough administration and assembly, explaining the use of these funds and their compliance with statutory requirements.

- c. The Grantee agrees to refund any such amounts, including principal, interest, costs, fees, fines, or other charges, if it is determined by a court of competent jurisdiction that the Grantee's expenditure of the funds does not meet the statutory criteria.
- d. This agreement is not to be construed as entitlement to city receiving the future allocation of the Borough's CPVT.
- e. Failure to meet the reporting requirements set forth in this agreement may result in the Borough withholding future allocations of the borough's grant of CPVT funds.

Mail OR Email Narrative and Fiscal Reports to:

Brenda Ahlberg, Community & Fiscal Projects Manager
Kenai Peninsula Borough
144 N. Binkley St., Soldotna AK 99669
(907) 714-2153 • bahlberg@kpb.us

Standards for Financial Management

Financial Management System:

1. The Grantee will maintain an accounting system and a set of accounting records that at a minimum, allows for the identification of individual projects by source of revenue and expenditures related to this project.
2. All costs will be supported by source documentation. Grantee shall retain all contracts, invoices, materials, payrolls, personnel records, conditions of employment, and other data relating to matters covered by this agreement for a period of three years after the completion date of the agreement, or until final resolution of any audit findings, claims, or litigation related to the grant.
3. The Grantee's accounting records will be the basis for generating financial reports which must reflect accurate and complete data. In addition, financial records must be properly closed out at the end of the project period and all reports submitted in a timely manner.

Procurement Standards

The Grantee agrees to use a competitive process when making procurements for goods and services. These standards include but are not limited to the following:

1. Grantee may use its own procurement policies provided that they adhere to the applicable standards;
2. Grantee shall maintain a code of conduct which shall govern the performance of its officers, employees or agents in contracting with or expending grant funds; and
3. All procurement transactions shall be conducted in a manner so as to provide for maximum open and free competition.

Audits and Monitoring

Audits:

1. Provisions of 2 AAC 45.010 shall apply to a Borough Grantee receiving a grant of \$100,000 or more from the Borough. An audit in compliance with 2 AAC 45.010 shall be

required on the performance of the grant conditions. Such audit report shall be due to the Borough no later than 30 days after the audit is completed, or 6 months after the expiration of the grant, whichever is sooner. A copy of a federal single audit report may be submitted to fulfill the requirements of this section.

2. An annual audited financial statement, certified by a Certified Public Accountant, shall be submitted by a Borough Grantee receiving a grant less than \$100,000 from the Borough. Such financial statement shall be due no later than 6 months from the termination of this agreement.
3. Grantees receiving less than \$100,000 from the Borough and receiving payments on a reimbursable basis are exempt from the audit requirements.

Monitoring:

1. The Grantee may receive an on-site review from the Borough, or its authorized representatives, in addition to reviews from State of Alaska personnel representing the AK Department of Commerce, Community & Economic Development. Monitoring staff may review project and financial activity relating to the terms of this agreement. Upon request, the Borough shall be given full and complete access to all information related to the performance period of this agreement to ensure compliance with the project activities and consistently applied costs.
2. The Grantee shall provide the Borough and its authorized representatives all technical staff, assistance and information needed to enable the Borough or the State personnel to perform its monitoring function. This assistance from the Grantee includes, but is not limited to, information about the Grantee's project operation, accounting and data-base systems.

Program and Financial Deficiencies:

1. Through audits, reviews, monitoring or other means, the Borough may find the Grantee to have program or financial deficiencies in the performance of the agreement. Such deficiencies may include, but are not limited to, the areas of accounting, financial controls, budgeting, and/or project compliance issues. If deficiencies are found, the Borough may require the Grantee to take corrective action and to submit a written corrective action plan to address identified deficiencies. All corrective action plans must be accepted by the Borough or its authorized representatives. Any corrective action must be satisfactorily completed within thirty days from the date of written notification.
2. The Borough, in its sole discretion, may require the Grantee to submit periodic written verification that measures have been taken to implement the corrective action. If the Grantee fails to demonstrate its compliance with the approved corrective action plan within the time constraints set by the Borough, the Borough may, at its option, exercise its rights to terminate the agreement. The Borough may exercise any of the other rights and remedies available to it at law or in equity.

Standard Provisions

1. **No Maintenance or Further Funding Responsibility:** By signing this agreement, Grantee certifies that it will not ask the Borough to operate or maintain its program, except as may be otherwise agreed to in writing signed by both parties. Grantee understands, acknowledges and agrees that the Borough shall not be responsible for any services, programs, maintenance, operations, or further funding to Grantee, or actions related thereto, and has

not, and will not assume any such responsibility, all of such to be the sole and exclusive responsibility of Grantee.

2. **Defense and Indemnification:** The Grantee shall indemnify, defend, save and hold the Borough, its elected and appointed officers, agents and employees, harmless from any and all claims, demands, suits, or liability of any nature, kind or character including costs, expenses, and attorneys fees resulting from Grantee or Grantee's officers, agents, employees, partners, attorneys and suppliers' performance or failure to perform this agreement in any way whatsoever. This defense and indemnification responsibility includes claims alleging acts or omissions by the Borough or its agents, which are said to have contributed to the losses, failure, violations, or damage. However, Grantee shall not be responsible for any damages or claim arising from the sole negligence or willful misconduct of the Borough, its agents, or employees. Grantee shall also not be required to defend or indemnify the Borough for damage or loss that has been found to be attributed to an independent party directly responsible to the Borough under separate written contract. If any portion of this clause is voided by law or court of competent jurisdiction, the remainder of the clause shall remain in full force and effect.
3. **Insurance:** Grantee shall purchase at its own expense and maintain in force at all times during the term of this agreement Commercial General Liability and Automobile Insurance. Such policies are to include bodily injury, personal injury, and property damage with respect to the property and the activities conducted by Grantee in which coverage shall not be less than \$1,000,000 per occurrence or such higher coverage as specified by the Borough. The policy shall name the Borough as an additional insured. Borough approval shall be required for the amount of any deductible or self-insured retention.

Additionally, Grantee shall purchase and maintain at its own expense worker's compensation and employers liability insurance for all employees per Alaska State Statutes who are performing work under this agreement.

Proof of Insurance: Grantee shall deliver to the Borough certificates of insurance along with Grantee's signature on this agreement. The certificates shall indicate the Borough as an additional insured. This insurance shall be primary and exclusive of any other insurance by the Borough. Failure to provide the certificate of insurance required by this section, or a lapse in coverage, is a material breach of the terms of this agreement entitling the Borough to terminate this agreement.

4. **Relationship of Parties:** Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent, or of partnership, or of joint venture between the parties hereto, it being understood and agreed that neither method of computation of payment nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Borough and independent Grantee of funds.
5. **No Exclusive Service; No Property Interest:** The Grantee understands, acknowledges and agrees that all supplies, materials and equipment purchased with the grant funds shall be and shall remain the property of the Grantee, subject to all applicable State statutes and Federal regulations.

6. **Termination.** The Borough may terminate this agreement, by written notice, when it is in the best interest of the Borough. In the event that Grantee does not perform the tasks as required in this agreement, or does not submit any required reports for verification of performance, the Borough may exercise its option to terminate this agreement.
7. **Permits, Taxes and Adherence to Local, State, and Federal Laws:** Signing of this agreement does not, in any manner, excuse Grantee from complying with any other law, Alaska state statute or regulation, or Borough ordinance or regulation. Grantee must in all cases adhere to all local, state and federal laws and regulations that pertain to public funds, to the services performed pursuant to this agreement, and related to wages, taxes, social security, workers compensation, nondiscrimination, licenses, permits, and registration requirements. Grantee shall pay all taxes pertaining to its performance under this agreement, and shall acquire and maintain in good standing all permits, licenses and other entitlements necessary to the performance under this agreement.
8. **Jurisdiction; Choice of Law:** Any civil action arising from this agreement shall be brought in the superior court for the Third Judicial District of the State of Alaska at Kenai. The law of the State of Alaska shall govern the rights and obligations of the parties.
9. **Non-Waiver:** The failure of the Borough at any time to enforce a provision of this agreement shall in no way constitute a waiver of the provisions, nor in any way affect the validity of this agreement or any part thereof, or the right of the Borough thereafter to enforce each and every protection hereof. No conditions or provisions of this grant agreement can be waived unless approved by the Borough in writing. Waiver by the Borough of any non-compliance by Grantee, or excusing or extending performance, shall not be considered a waiver of any other rights of the Borough or a waiver of the right to terminate in the event of future breaches.
10. **No Third-Party Beneficiary:** This agreement is intended solely for the benefit of each party hereto. Nothing contained herein shall be construed or deemed to confer any benefit or right upon any third party.
11. **Environmental Requirements:** The Grantee must comply with all environmental standards, to include those prescribed under State of Alaska and Federal statutes and Executive Orders.
12. **Entire Agreement:** This agreement represents the entire and integrated agreement between the Borough and Grantee, and supersedes all prior, inconsistent negotiations, representations or agreements, whether written or oral. This agreement may be amended only by written instrument signed by both the Borough and Grantee.



KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7599
PHONE: (907) 714-2153 • **FAX:** (907) 714-2377
EMAIL: bahlberg@kpb.us

FROM: City of Homer
KPB ACCOUNT: 271.94910.15CPV.43011

Contract Amount: \$13,925.00
Ending: 06/30/2016

Financial / Progress Report

<p>Submit Report To: Brenda Ahlberg Community & Fiscal Projects Manager Kenai Peninsula Borough 144 N. Binkley St., Soldotna, AK 99669</p>	<p>Project Name: Commercial Passenger Vessel Tax Program Date: Report No.: Quarter From: To:</p>
---	---

FINANCIAL REPORT:

Cost Category	Authorized Budget	Expenditures from Last Report	Expenditures This Period	Total Expenditures to Date	Balance of Funds
	\$ -				
Personnel		-	-		\$ -
Travel		-	-	-	\$ -
Contractual		-	-	-	\$ -
Supplies	\$ 13,925.00	-	-	-	\$ 13,925.00
Other		-	-	-	\$ -
		-	-	-	\$ -
TOTALS	\$ 13,925.00	-	\$ -	\$ -	\$ 13,925.00

Advance funding	\$ 13,925.00
Expenditures applied to advance	\$ 13,925.00
Remaining Advance Balance	\$ -

PROGRESS REPORT: Describe activities that have occurred during this reporting period. Describe any challenges you may have experienced, any foreseen problems, and/or any special requests. Attach additional pages.

Reference: City of Homer's request letter dated March 23, 2015 and approved by Kenai Peninsula Borough Ordinance 2014-19-50.

Grantee Certification: I certify that the above information is true and correct, and that expenditures have been made for the purpose of, and in accordance with, applicable grant agreement terms and conditions.

Signature: _____ Date: _____

Printed Name and Title: _____

Signature Authorization Form

Grant Program: Commercial Passenger Vessel Tax Program - State Pass Thru Funding

Agreement Number: 271.94910.15CPV.43011

Effective Date 04/21/2015

Name of Grantee

City of Homer

DUNS# and Tax ID#

DUNS # 040171563 TAX ID# 92-0030963

Point of Contact Information

Program Manager, Chief Financial Officer, and Signatory Official must be three (3) different individuals.

Primary and Alternate Signatories: Grant Award/Amendments and Grant Reports

Program Manager Name
Individual managing the project

Brian Hawkins

PM Address

491 E. Pioneer Ave., Homer, AK 99603

PM Telephone

907-235-3160

PM Fax

907-235-3152

PM Email

bhawkins@ci.homer.ak.us

Chief Financial Officer Name
Authorized to certify financial expenditures and records

John Li

CFO Address

491 E. Pioneer Ave. Homer, AK 99603

CFO Telephone

907-235-8121

CFO Fax

907-235-3140

CFO Email

jli@ci.homer.ak.us

Signatory Official Name
City Manager

Katie Koester

Signatory Official Address

491 E. Pioneer Ave., Homer AK 99603

Signatory Official Telephone

907-235-8121

Signatory Official Fax

907-235-3140

Signatory Official Email

kkoester@ci.homer.ak.us

Signatures required by each of the above-named individuals.

Project Manager

Signature and Date

Chief Financial Officer

Signature and Date

Signatory Official

Signature and Date

Introduced by: Mayor
Date: 04/07/15
Hearing: 04/21/15
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2014-19-50**

**AN ORDINANCE APPROPRIATING COMMERCIAL PASSENGER VESSEL TAX
PROCEEDS RECEIVED FROM THE STATE OF ALASKA IN THE AMOUNT OF
\$361,657.50 AND ALLOCATING \$347,732.50 TO THE CITY OF SEWARD AND
\$13,925.00 TO THE CITY OF HOMER**

- WHEREAS**, in the August 22, 2006 state election, the voters approved the initiative in Ballot Measure 2, enacting AS 43.52.200 – 43.52.295, which imposed a tax on travel aboard certain cruise ships travelling in Alaska waters; and
- WHEREAS**, the Alaska legislature has authorized the sharing of Commercial Passenger Vessel (CPV) excise tax collections with eligible ports of call in the State; and
- WHEREAS**, CPV excise tax collections are derived from taxes imposed on cruise ship passengers; and
- WHEREAS**, the City of Seward and City of Homer are eligible ports of call for receiving CPV funds; and
- WHEREAS**, when the eligible ports of call are cities located in a borough then the cities and the borough each receive \$2.50 for each passenger; and
- WHEREAS**, the total amount received by the borough from the State of Alaska for the 2014 calendar CPV programs was \$361,657.50; and
- WHEREAS**, the City of Seward and City of Homer have requested that funds received by the borough that are derived from cruise ship passengers in each city be appropriated to each city for port improvement projects; and
- WHEREAS**, the intended use of these funds by the cities of Seward and Homer will comply with AS 43.52.230(b), federal legislation and court rulings that permit the use of these funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels;
- NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

SECTION 1. That the mayor is authorized to execute grant agreements and any other documents deemed necessary to expend the funds and to fulfill the intents and purposes of this ordinance.

SECTION 2. That \$361,657.50 received from the State of Alaska in FY2015 for the commercial passenger vessel excise tax collection program be appropriated from the miscellaneous grant fund balance to account 271.94910.15CPV.43011 contract services, for payment to the City of Seward in the amount of \$347,732.50 and to the City of Homer in the amount of \$13,925.00 to be used solely for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels in accordance with AS 43.52.230(b).

SECTION 3. This ordinance shall become effective immediately upon enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS *
DAY OF * 2015.**

Dale Bagley, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:



KENAI PENINSULA BOROUGH

Grant Management

MEMORANDUM

MIKE NAVARRE
BOROUGH MAYOR

TO: Dale Bagley, Assembly President
Members of the Kenai Peninsula Assembly

THRU: Mike Navarre, Mayor *MN*
Craig Chapman, Finance Director *l Chapman*

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager *B Ahlberg*

DATE: March 26, 2015

SUBJECT: Ordinance 2014-19- 50, An Ordinance Appropriating Commercial Passenger Vessel Tax Proceeds Received from the State of Alaska in the Amount of \$361,657.50 and allocating \$347,732.50 to the City of Seward and \$13,925.00 to the City of Homer

In the August 22, 2006 election the Alaska voters approved the initiative in Ballot Measure No. 2, which imposed a tax on passengers travelling for at least 72 hours aboard a vessel with 250 or more berths, that anchors or moors in Alaska waters with the intent to allow passengers to disembark. The initiative enacted statutes AS 43.52.200 - AS 43.52.295 that provide for the levy and collection of this tax and the disposition of the proceeds. The taxes are deposited into a state fund called the Commercial Passenger Vessel (CPV) tax account. A portion of the proceeds are disbursed to the first seven ports of call each year. If ports of call are located in a city within a borough, \$2.50 per passenger is distributed to the city and to the borough in which the city is located. Both the City of Seward and the City of Homer have qualified for these funds, and the borough has accordingly received proceeds from the CPV account.

For the calendar years 2007 through 2013 the tax proceeds were awarded to the City of Seward and City of Homer by way of grant agreements. The use of funds must comply with State of Alaska Department of Commerce, Community & Economic Development, "Commercial Vessel Passenger Tax Program" as governed by AS 43.52.200 - 43.52.295; specifically, AS 43.52.230 (b), "shall use the funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels."

This ordinance will approve the 2014 calendar year appropriations to be allocated to the City of Seward and the City of Homer, which will be executed by way of grant agreements. Brenda Ahlberg, the Community & Fiscal Projects Manager, shall oversee the program.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Acct. No.	<u>271.94910.15CPV.43011</u>
Amount	<u>\$361,657.50</u>
By:	<u><i>pp</i></u> Date: <u>3/24/15</u>



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue

Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

March 23, 2015

Mayor Mike Navarre
Kenai Peninsula Borough
144 N. Binkley St.
Soldotna, AK 99669
Delivered electronically

SUBJECT: 2014 Cruise Passenger Tax Receipts

Dear Mayor Navarre:

I am writing to confirm that the City of Homer wishes to receive the 2014 Commercial Vessel Passenger Tax receipts from the Borough. It is our understanding that you will be sponsoring an ordinance that would make the Borough's share of these tax receipts for vessel landing in Homer available to the City. The City appreciates that and understands that the amount to be passed through for calendar year 2014 is \$13,925.

The City of Homer recognizes that these funds must be used for port and harbor improvements that directly benefit cruise ship passengers. The City agrees to comply with the provisions contained in AS 43.52.200 - 43.52.295 and former SB 256 and HB 310. The 2014 funds will be used toward passenger seating at the cruise ship passenger loading/staging area and, as budget allows, signage on the trails around the harbor.

Thank you very much for your time and consideration. Please do not hesitate to contact me if you have any questions.

Sincerely,

Marvin Yoder
City Manager

Cc: Brenda Ahlberg, KPB Community and Fiscal Projects Manager



February

Mayor Mike Navarre
Kenai Peninsula Borough
144 N. Binkley
Soldotna, Alaska 99669

March 9, 2015

RE: Cruise ship passenger tax proceeds

Dear Mayor Navarre,

On behalf of the City of Seward, I would like to thank the Borough Assembly and administration for allocating the Commercial Passenger Vessel (CPB) excise tax to the cities of Seward and Homer, based on their pro-rata share of cruise ship passengers visiting each port. These funds continue to be critical to Seward's ability to provide improvements to our port infrastructure in support of cruise ships and their passengers.

The City was asked to submit a letter requesting their allotment of 2014 cruise ship head tax proceeds, and to identify the intended use of these funds. AS 43.52.230(b) requires that "a city or borough that receives a payment under this subsection shall use the funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels." We have identified the following projects for possible use of the CPV funds, including: 1) bus transportation for cruise passengers and crew; 2) ambulance services (\$10,000 annually); 3) passenger bus and rest benches; 4) cruise ship dock maintenance and repairs; 7) cruise ship berth enhancements and amenities such as signage, paving, and cruise-related pedestrian path awnings; 8) harbor float repairs/replacement; and cruise-related pedestrian improvements to and from the cruise dock.

In the past, the City has used CPV funds for projects such as construction of a security dock in the Small Boat Harbor to enhance U.S. Coast Guard, fire, and emergency response; harbor and port dredging; bus transportation; outboard replacement for the fire and rescue boats; ambulance services; breakwater repairs, etc.

We appreciate your support of our request and look forward to working with you to enhance facilities for the cruise ship industry in our region.

Sincerely,

A handwritten signature in blue ink that reads "James Hunt".

James Hunt, City Manager
Seward, Alaska
907.224.4047

From: [Pickarsky, Penny](#)
To: [Ahlberg, Brenda](#)
Cc: [Chapman, Craig](#); [Friedersdorff, Chad](#)
Subject: Commercial Passenger Vessel tax
Date: Friday, February 27, 2015 8:08:39 AM

Good morning Brenda,

We received the CY2014 Commercial Passenger Vessel tax revenue this week.

Here is the breakdown of the portion paid to the borough.

Homer	\$ 13,925.00
<u>Seward</u>	<u>\$ 347,732.50</u>
Total	\$ 361,657.50

Thanks!

Penny Pickarsky
Financial Planning Manager
Kenai Peninsula Borough
Finance Department
144 North Binkley Street
Soldotna AK 99669
(907) 714-2194
Email: ppickarsky@kpb.us

Disclaimer Notice: This email and any attachments to it may be confidential and are intended solely for the use of the individual to whom it is addressed. Any views or opinions expressed are solely those of the author and do not necessarily represent those of the Kenai Peninsula Borough.

If you are not the intended recipient for this email, you must neither take any action based upon its contents, nor copy or show it to anyone.

Please contact the sender if you believe you have received this email in error.

ORDINANCE REFERENCE SHEET
2015 ORDINANCE
ORDINANCE 15-15

An Ordinance of the City Council of Homer, Alaska, Purchasing Tax Foreclosure Property, Kenai Peninsula Borough (KPB) Tax Parcel Number 173-052-19, and Designating Its Use for Public Purpose and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. City Council Regular Meeting May 26, 2015 Introduction
 - a. Letters to Kenai Peninsula Borough Re: Conveyance of Tax Foreclosure Parcel
 - b. Kenai Peninsula Borough Land Description and Value History
 - c. Map of KPB Parcel No. 173-052-19

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 15-15

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, PURCHASING TAX FORECLOSURE PROPERTY, KENAI PENINSULA BOROUGH (KPB) TAX PARCEL NUMBER 17305219, AND DESIGNATING ITS USE FOR PUBLIC PURPOSE AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, Pursuant to Homer City Code 18.06.010 Real property acquisitions, authority. a. The City may acquire, own and hold real property within or outside the City boundaries by any lawful means or conveyance, and may exercise all rights and powers in the acquisition, ownership and holding of real property as if the City were a private person; and

WHEREAS, Kenai Peninsula Borough Land Management has prepared a preliminary list of foreclosed parcels to be sold in the Borough's 2015 Tax Foreclosure Auction; and

WHEREAS, Pursuant to AS 29.45.450 Deed to Borough or City, a city may request conveyance of tax foreclosed property when the city has an immediate need for that property and property may be deeded to the City subject to taxes owed through judgment date, interest, and any out of pocket cost incurred by the KPB through the date of the actual payment; and

WHEREAS, There is a 40-acre parcel in the Bridge Creek Watershed, KPB tax parcel number 17305219, that would serve the public by protecting the integrity of Homer's water source; and

WHEREAS, The parcel may be deeded to the City of Homer upon payment of the taxes owed to the Borough with accrued interest, and out of pocket cost incurred by the Borough upon KPB tax parcel number 17305219 in the amount of \$2,805.21; and

WHEREAS, Upon receipt of \$2,805.21 the Borough will record a quitclaim to convey title to the City; and

WHEREAS, Pursuant to the provisions of Homer City Code 18.06.030, 18.06.042, and 18.06.044 Real property acquisitions, designation for public use, and authorization for the appropriation, KPB tax parcel number 17305219 shall be retained for a public purpose and classified as "undesignated".

43 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
44

45 Section 1. The City of Homer hereby appropriates funds as follows:
46

<u>Expenditure</u>	<u>Description</u>	<u>Amount</u>
47 150-0392-5904	48 Purchase / KPB Parcel 49 Number 17305219	\$2,805.21

50
51 Section 2. The City Manager is hereby authorized to execute the appropriate
52 documents for the purchase of property described as follows:
53

Record Owner	KPB Tax Parcel Number	Legal Description	Borough Assessed Property Value	Acreage
Kenai Peninsula Borough	17305219	T 6S R 13W SEC 4 Seward Meridian HM SW1/4 NW1/4	\$47,200.00	40 acres

54
55 Section 3. This is a budget amendment ordinance, is temporary in nature, and shall
56 not be codified.
57

58 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____ day of
59 _____, 2015.
60

61 CITY OF HOMER

62
63
64
65 _____
66 MARY E. WYTHER, MAYOR

67 ATTEST:

68
69
70 _____
71 JO JOHNSON, MMC, CITY CLERK
72
73
74
75

76 YES:

77 NO:

78 ABSTAIN:

79 ABSENT:

80 First Reading:
81 Public Hearing:
82 Second Reading:
83 Effective Date:

84
85

86 Reviewed and approved as to form:

87

88

89 _____
Mary K. Koester, City Manager

Thomas F. Klinkner, City Attorney

90

91 Date: _____

Date: _____



KENAI PENINSULA BOROUGH

144 North Binkley St., Soldotna, Alaska 99669-7520
1-800-478-4441 • 907-714-2205 • Fax 907-714-2378
www.kpb.us/land • lmweb@kpb.us



**MIKE NAVARRE
BOROUGH MAYOR**

May 14, 2015

Katie Koester, City Manager
City of Homer, Alaska
491 East Pioneer Ave.
Homer AK 99603

Ms. Koester,

Subject: Conveyance of Tax Foreclosure Parcel ID No. 17305219

The borough has received your letter of May 12, 2015 and your application (attached) requesting the conveyance of subject parcel to the City of Homer pursuant to A.S. 29.45.460. This parcel may be deeded to the city upon payment of the taxes owed to the Borough with accrued interest but without penalty, and any out of pocket cost incurred by the Borough. Upon receipt of this payment the Borough will have a quitclaim recorded to convey title to the city. After receiving title, the city, by ordinance must meet the obligations of A.S. 29.45.460 with respect to retention for a public purpose, or sale of the tax foreclosed property, as applicable.

Amount Due:

\$2,805.21 if received by June 15, 2015

Please send the check to my attention and payable to the Kenai Peninsula Borough. If you have any questions please contact me.

Ph: (907) 714-2211 * Fax: (907) 714-2378 * E-mail: dconetta@kpb.us

Sincerely,

Daniel A. Conetta

Daniel A. Conetta, SR/WA
Land Management Agent



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

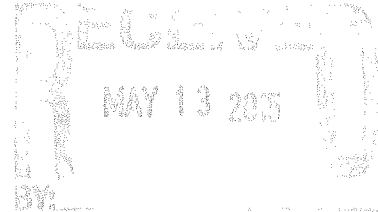
citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

May 12, 2015

Dan Conetta, Land Management Agent
Kenai Peninsula Borough
144 North Binkley Street
Soldotna, AK 99669-7520



RE: Request for Conveyance of Parcel 17305219

Mr. Conetta,

The City of Homer is responding to the May 6, 2015 memo soliciting interest in tax foreclosure properties. The City has identified a 40 acre parcel in the Bridge Creek Watershed that would serve the public by protecting the integrity of Homer's water source (parcel number 17305219).

Reasons to acquire the parcel include:

- The City of Homer was granted extra territorial power by the Borough to protect the Bridge Creek Watershed from activities that would impair the water quality, or increase the cost for treatment.
- The purchase would further Comprehensive Plan Goal 2, Objective D, Provide extra protection for areas with the highest environmental value or development constraints.
- The parcel is in the Bridge Creek Watershed District and contains tributaries leading to the reservoir.
- Forty acres is a significant size and the tributaries extend the entire length of the parcel.
- Acquiring the parcel is the best way to limit development without depriving someone of property rights.
- Limiting activity in the watershed is the best way to preserve water quality and limit the future costs of water treatment.

The City of Homer understands we would be responsible for taxes owed, interest and any Kenai Peninsula Borough out of pocket expense and that the current estimate for parcel 17305219 is \$2,805.21.

Thank you for the opportunity to acquire this parcel that would benefit the community of Homer. Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Katie Koester".

Katie Koester

City Manager



Kenai Peninsula Borough

Assessing Department
144 N. Binkley Street
Soldotna AK 99669

May 19 2015 5:33PM

General Information

KENAI PENINSULA BOROUGH 144 N BINKLEY ST SOLDOTNA, AK 99669-7520	Property ID	17305219
	Address	
	Document / Book Page	20140012340
	Acreage	40.0000

Owners

Property ID	Display Name	Address
17305219	KENAI PENINSULA BOROUGH	144 N BINKLEY ST

Legal Description

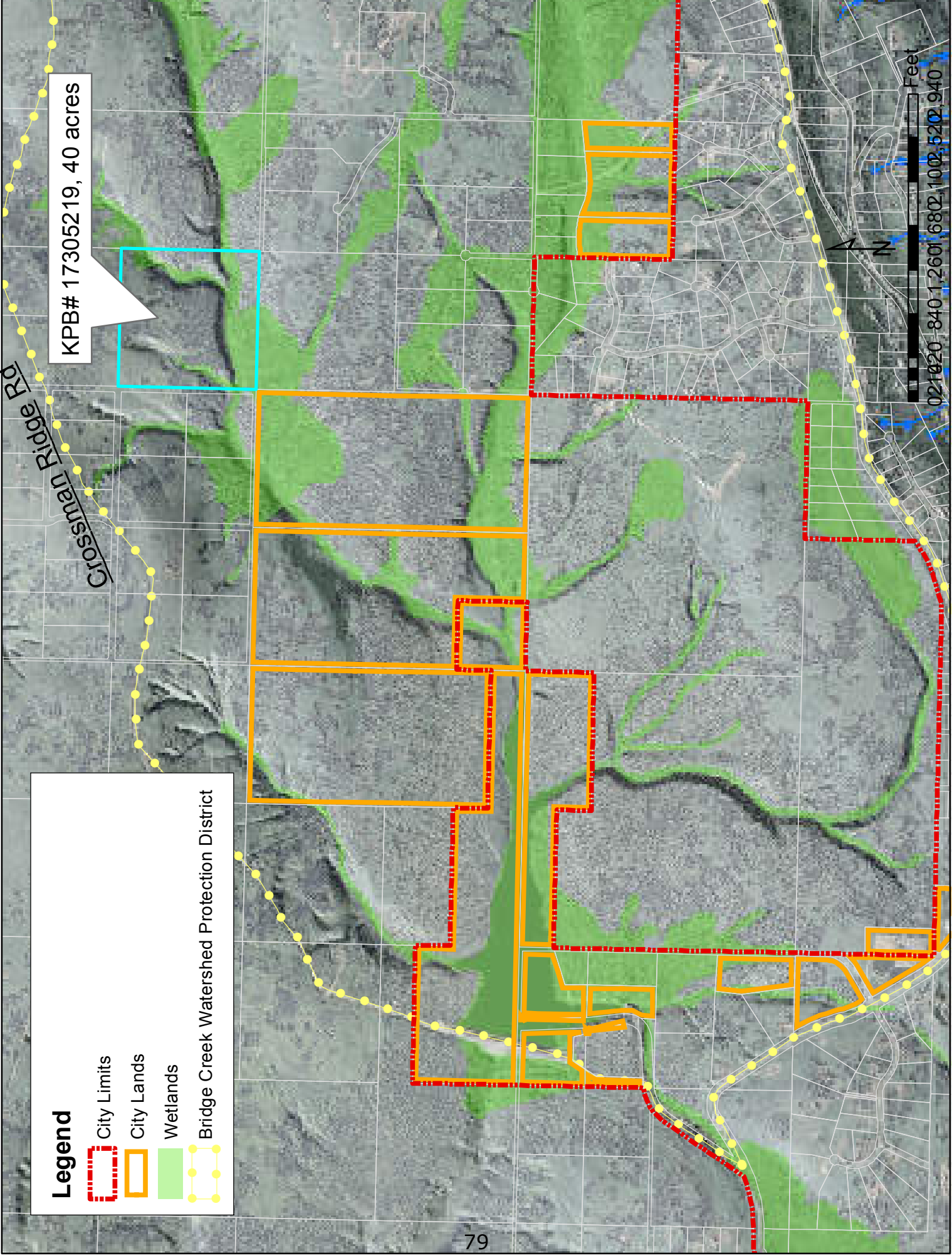
Description
T 6S R 13W SEC 4 Seward Meridian HM SW1/4 NW1/4

Value History

Year	Reason	Assessed		
		Land	Structures	Total
2015	Main Roll Certification	\$47,200	\$0	\$47,200
2014	Main Roll Certification	\$47,200	\$0	\$47,200
2013	Main Roll Certification	\$47,200	\$0	\$47,200
2012	Main Roll Certification	\$47,200	\$0	\$47,200
2011	Main Roll Certification	\$67,700	\$0	\$67,700
2010	Main Roll Certification	\$67,700	\$0	\$67,700
2009	Main Roll Certification	\$67,700	\$0	\$67,700
2008	Main Roll Certification	\$64,200	\$0	\$64,200
2007	Main Roll Certification	\$49,400	\$0	\$49,400
2006	Main Roll Certification	\$49,400	\$0	\$49,400
2005	Main Roll Certification	\$49,400	\$0	\$49,400
2004	Main Roll Certification	\$50,600	\$0	\$50,600
2003	Main Roll Certification	\$50,600	\$0	\$50,600
2002	Main Roll Certification	\$50,600	\$0	\$50,600
2001	Main Roll Certification	\$50,600	\$0	\$50,600

Land Details

Primary Use	Land Type	Acres	Eff Frontage	Eff Depth	Asd Value
	Rural F	20.0000	0.00	0.00	\$42,200
	Rural G	20.0000	0.00	0.00	\$5,000



KPBB# 17305219, 40 acres

Crossman Ride Rd

Legend

- City Limits
- City Lands
- Wetlands
- Bridge Creek Watershed Protection District

Feet
0 100 200 300 400 500 600 700 800 900 1000

ORDINANCE REFERENCE SHEET
2015 ORDINANCE
ORDINANCE 15-16

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 3.05.012, Complete Financial Plan, to Exclude State Revenue Sharing From Income in the City Budget.

Sponsor: Mayor

1. City Council Regular Meeting May 26, 2015 Introduction

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Mayor

4 **ORDINANCE 15-16**

5 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
6 AMENDING HOMER CITY CODE 3.05.012, COMPLETE FINANCIAL
7 PLAN, TO EXCLUDE STATE REVENUE SHARING FROM INCOME IN
8 THE CITY BUDGET.
9

10 THE CITY OF HOMER ORDAINS:
11

12 Section 1. Homer City Code 3.05.012, Complete financial plan, is amended to read as
13 follows:
14

15 3.05.012 Complete financial plan.
16

17 a. The budget shall provide a complete financial plan of all City funds and activities for
18 the next fiscal year. In organizing the budget, the City Manager shall utilize the most feasible
19 combination of expenditure classification by fund, organizational unit, program, purpose or
20 activity and object.

21 b. The budget shall begin with a clear general summary of its contents, which
22 summary shall show principal sources of anticipated revenue, stating separately the amount
23 to be raised by property taxes, and by department the kinds of expenditures in such a manner
24 as to present to the public a clear and simple estimate of budget detail.

25 c. The budget shall show in detail all estimated income, including the proposed
26 property tax levy, but shall exclude state revenue sharing, which will be appropriated when
27 received. The budget also shall show in detail ~~and~~ all proposed expenditures, including debt
28 service, for the ensuing fiscal year.

29 d. The budget shall be prepared on a modified accrual basis and subsequent reporting
30 an auditing shall reflect this basis of goods and services are received, and revenues are
31 recorded when payment is received; except for material or available revenue which should be
32 accrued to reflect properly the taxes levied and the revenues earned.

33 e. The budget shall include in separate sections:

34 1. Proposed expenditures for current operations during the ensuing fiscal year
35 detailed by offices, departments and agencies in terms of their respective work
36 programs, and the method of financing such expenditures;

37 2. Anticipated net surplus or deficit (fund balance) for the ensuing fiscal year of
38 each enterprise fund owned or operated by the City and the proposed method of its
39 disposition; subsidiary budgets for each such enterprise fund, giving detailed income
40 and expenditures information, shall be presented in the budget;

41 3. Proposed capital budget will be presented under a separate document.
42 Expenditures during the ensuing fiscal year, detailed by offices, departments and

43 agencies, when practicable, and the proposed method of financing each such capital
44 expenditure.

45 f. Comparative data for the previous and current fiscal years shall be provided in a
46 format for ease of comparison with the proposed revenues and expenditures.

47 g. Data for the current fiscal year shall include the total of the amounts actually
48 received or encumbered to the time of preparing the budget, plus anticipated receipts and
49 expenditures for the remainder of the current year

50
51 Section 2. This Ordinance is of a permanent and general character and shall be
52 included in the City Code.

53
54 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this _____ day of
55 _____, 2015.

56
57 CITY OF HOMER
58
59
60
61 _____
62 MARY E. WYTHE, MAYOR

63 ATTEST:

64
65
66 _____
67 JO JOHNSON, MMC, CITY CLERK
68

69
70
71
72 AYES:
73 NOES:
74 ABSTAIN:
75 ABSENT:
76
77 First Reading:
78 Public Reading:
79 Second Reading:
80 Effective Date:

81
82
83
84

85 Reviewed and approved as to form:

86

87

88

89 _____
Mary K. Koester, City Manager

90

91 Date: _____

92

Thomas F. Klinkner, City Attorney

Date: _____

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Reynolds, Burgess

4 **RESOLUTION 15-035**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 REQUESTING THAT THE UNITED STATES COAST GUARD
8 CONTINUE TO MAINTAIN AND UPKEEP THE OIL SPILL RESPONSE
9 CACHES LOCATED IN KACHEMAK BAY, COOK INLET, AND THE
10 STATE OF ALASKA.

11
12 WHEREAS, Homer and other coastal communities in Alaska depend on Alaska's
13 marine resource for sustenance, recreation, cultural traditions, and livelihood; and

14
15 WHEREAS, The commercial, recreational and sport fishery is of critical importance to
16 Homer and the state, providing significant income to the City of Homer, the State of Alaska
17 and its residents through commercial and charter fisheries; and

18
19 WHEREAS, The halibut stock, King salmon and other fisheries are in a critical condition
20 after a continuous stock decline over the last decade; and

21
22 WHEREAS, Cook Inlet is home to an endangered population of beluga whales as well
23 as killer whales, harbor porpoises, harbor seals, and endangered Steller sea lions. It is also
24 one of the most populated and industrialized regions in Alaska, where the health and habitat
25 of these species are continuously threatened. Potential impacts from oil spills or blowouts on
26 these species, their habitats, their prey species, and on the communities that depend on
27 these species and habitats can be substantial; and

28
29 WHEREAS, The extreme difficulties of responding to the 2010 *Deepwater Horizon* oil
30 and gas blowout in the easily accessible and warm water climate of the Gulf of Mexico during
31 the summer of 2010 highlights the challenges and inadequacy of responding to such
32 incidents in the more harsh, less temperate climate and unfavorable conditions found on
33 waters in Kachemak Bay and off the coast of Alaska; and

34
35 WHEREAS, Contrary to claims that such incidents are rare in Alaska, several oil well
36 blowouts have occurred on Cook Inlet rigs since 1962 and there is an average of one oil spill in
37 Cook Inlet every month; and

38
39 WHEREAS, Marine waters of Kachemak Bay and Cook Inlet are dominated by extreme
40 tides and temperatures, where high winds, fog and winter ice can increase the likelihood of
41 the occurrence of an oil spill and can make oil spill clean-up impossible for significant
42 portions of the year; and

43 WHEREAS, The threat from such incidents to the unique natural resources of
44 Kachemak Bay and Cook Inlet is higher than ever, as the industry intends to expand
45 exploratory drilling, primarily in the waters of the northern portion of the Inlet and proposed
46 drilling anticipates sinking wells into previously untapped pre-Tertiary formations containing
47 unknown pressures; and

48
49 WHEREAS, An oil spill the size of the one that occurred in the Gulf of Mexico would
50 wreak havoc on the premier commercial, subsistence and sport fishing economies of
51 Kachemak Bay and Cook Inlet. Nor would the cold water environment of Kachemak Bay and
52 Cook Inlet soon recover from such an event as evidenced from the still unresolved biological
53 impacts of the Prince William Sound 1989 Exxon Valdez oil spill; and

54
55 WHEREAS, Alaska is one of the few states in the U.S. that continues to authorize the
56 discharge of oil and gas-related toxic effluent from drilling operations directly into marine
57 waters which exacerbates the potential consequences of blowouts and other incidents; and

58
59 WHEREAS, The risks posed by increased oil and gas exploration and development in
60 Cook Inlet mandate the most stringent review and regulation of drilling rigs be conducted by
61 the State of Alaska and the U.S. Coast Guard; and

62
63 WHEREAS, The U.S. Coast Guard currently provides oil-spill response equipment
64 which is pre-positioned in remote areas to help Homer and other local communities mount
65 an early response to pollution incidents in order to minimize environmental damage; and

66
67 WHEREAS, In many cases, U.S. Coast Guard-owned equipment may be the first and
68 only line of defense to respond to and protect sensitive areas during the early hours of an oil
69 spill. Additionally, other equipment that may be co-located, but owned by private oil spill
70 response organizations, may not necessarily be made available to a community for use on a
71 spill that is not directly related to a client of that private organization; and

72
73 WHEREAS, In the event of a large spill, such as Exxon Valdez, all available U.S. Coast
74 Guard equipment in the region will most likely be utilized to get ahead of the leading edge of
75 the spill and to protect sensitive areas; and

76
77 WHEREAS, The U.S. Coast Guard is recommending decommissioning the Oil Spill
78 Response Equipment caches in Homer and the region due to funding constraints and that this
79 action will seriously threaten the unique resource values of Kachemak Bay and Cook Inlet;
80 and

81
82 WHEREAS, Due to the remote nature of Homer and other communities in the State
83 that currently have U.S. Coast Guard oil-spill response equipment caches it would be days

84 before response equipment could be brought in from outside the area in the event of a spill;
85 and

86
87 WHEREAS, For the reasons stated herein, the U.S. Coast Guard caches in Homer and
88 other remote Alaskan communities are more critical than similar caches may be in the more
89 populated Lower 48 States.

90
91 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council requests that the U.S.
92 Coast Guard maintain the oil spill response equipment caches in Kachemak Bay, Cook Inlet,
93 and the State of Alaska.

94
95 PASSED AND ADOPTED by the Homer City Council this 26th day of May, 2015.

96
97 CITY OF HOMER

98
99
100 _____
101 MARY E. WYTHE, MAYOR

102
103 ATTEST:
104
105
106 _____
107 JO JOHNSON, MMC, CITY CLERK

108
109 Fiscal note: N/A

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 15-036

A RESOLUTION OF THE HOMER CITY COUNCIL AWARDING THE CONTRACT TO CREATE A MUNICIPAL ART BASELINE INVENTORY TO FAR NORTH PHOTOGRAPHY OF HOMER, ALASKA, IN THE AMOUNT OF \$3,700.00 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, In accordance with the Procurement Policy, Request for Proposals were advertised on February 18 and 25, 2015 in the Homer Tribune, and posted on the Clerk's home page; and

WHEREAS, Proposals were due on April 9, 2015 and five proposals were received; and

WHEREAS, The Public Arts Committee evaluated and scored the proposals and selected the firm of Far North Photography of Homer, Alaska, as the lowest responsive bidder qualified to complete the work; and

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

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, approves the contract award to Create a Municipal Art Baseline Inventory to the firm of Far North Photography of Homer, Alaska, in the amount of \$3,700.00 and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 26th day of May, 2015.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Account No. 156-367, \$3,700.00 budgeted for project.



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 15-071

TO: MAYOR WYTHE AND CITY COUNCIL
FROM: PUBLIC ARTS COMMITTEE
THRU: RENEE KRAUSE, CMC, DEPUTY CITY CLERK I
DATE: MAY 18, 2015
RE: RECOMMENDATION TO AWARD

The members of the Public Arts Committee reviewed and discussed five proposals. These were submitted in response to an advertised request for proposals from qualified individuals or firms to create a complete catalogue of City of Homer owned art assets for long term planning and care of the collection.

The Committee reviewed the proposals at a special meeting on April 20, 2015 narrowing the field to two proposers and requested Staff to direct questions to these final proposers. The Committee reviewed the proposer's response at the regular meeting on May 14, 2015.

The members of the Committee have unanimously agreed on the following proposer finding that the proposal concept, proposed amended time frame and budget fall within the established project guidelines to create and perform the Municipal Art Inventory for the City of Homer:

Far North Photography, Jim Lavrakas, P.O. Box 1459 Homer, Alaska, in the Amount of \$3,700 with the final submission of documents and electronic files to be completed no later than November 1, 2015 to the Public Arts Committee for final review and approval of the Committee at their regular meeting scheduled for November 13, 2015. Final documents will be presented to Council for acceptance at the regular meeting scheduled for December 2015.

RECOMMENDATION

Approve recommendation to award a contract as noted above and authorize the City Manager to execute the appropriate documents.

**Request for Proposals
By the City of Homer, Alaska
For a Consultant/Contractor to
Create a Municipal Art Baseline Inventory**

FEB 13 2015

The City of Homer, Alaska is requesting proposals from qualified individuals or firms to create a complete catalogue of City of Homer owned art assets for long term planning and care of the collection. Proposals will be received at the Office of the City Clerk, City Hall, City of Homer, 491 East Pioneer Avenue, Homer, Alaska until 4:00 P.M., Thursday, April 9, 2015. The time of receipt will be determined by the City Clerk's time stamp. **Proposers are required to be on the Plan Holder's List to have their proposals evaluated by the committee.**

The purpose of the Inventory is to create a complete and centralized catalogue of City of Homer owned art assets for long term planning and care of the collection. The firm/person hired for this project will canvas city properties for artworks, identify artworks, assess the condition of the artwork, photo document the artwork and complete a report with condition information, maintenance guidelines and any recommendations for specialized care and/or repairs, as well as other related services. The project is to be completed no later than August 31, 2015. The project consists of furnishing all labor, materials, equipment, tools, supervision, and other facilities necessary to perform the desired services. The City reserves the right to negotiate the scope of work with the selected firm/individual to meet project objectives and budgetary goals. In the event that a negotiation is unsuccessful, the City may enter into negotiations with next highest rated firm or individual. The City reserves the right to accept or reject any or all proposals, to waive irregularities or informalities in the proposals, and to award the contract to the respondent that best meets the City's needs.

Plan holder registration forms, and Plans and Specifications are available on line at <http://www.cityofhomer-ak.gov/rfps>. All proposers must submit a City of Homer Plan Holders Registration form to be on the Plan Holders List and to be considered responsive. Sealed proposals shall be received at the Office of the City Clerk **no later than 4:00 pm, Thursday, April 9, 2015**. Please direct proposal submission questions to Renee Krause, Deputy City Clerk, at (907) 235-8121 ext 2224, rkrause@ci.homer.ak.us or mail to 491 E Pioneer Avenue, Homer, AK 99603.

Dated this 13th day of February, 2015.

CITY OF HOMER

Jo Johnson, Acting City Manager

Homer Tribune – February 18 & 25, 2015

Account Number – 156-0367-5227

Request for Proposals
By the City of Homer, Alaska
For a Consultant/Contractor to
Create a Municipal Art Baseline Inventory

The City of Homer, Alaska is requesting proposals from qualified firms or individuals for the project described herein.

The following subjects are discussed in this RFP to assist you in preparing your proposal.

- I. Introduction
- II. Scope of Services
- III. General Requirements
- IV. Proposal Format and Content
- V. Evaluation Criteria and Selection Process
- VI. Schedule

I. Introduction

The City of Homer is soliciting proposals from qualified consultants/contractors to provide professional services to perform an inventory. The purpose of the inventory is to create a comprehensive, centralized catalogue of all art assets owned by the City of Homer as a tool for long term planning and care of the city's art collection. The Public Arts Committee staff maintains information on city's art assets for the public.

The firm/person hired for this project will canvas city properties for artworks, identify artworks, assess the condition of the artwork, photo document the artwork and complete a report with condition information, maintenance guidelines and any recommendations for specialized care and/or repairs, as well as other related services. The project is to be completed no later than August 31, 2015.

The Inventory will consist of:

- (a) Canvassing and searching City properties and facilities to locate artwork;
- (b) The performance of condition assessments for located artwork;
- (c) Photographic documentation of located artwork;
- (d) Provenance research; and
- (e) Related services as applicable

Homer has a rich history of arts and culture. While the community is abundant in some aspects of programming and facilities, it has been over 7 years since a formal survey of the city owned artwork was conducted. Currently, the City faces tight budgets and decreased grant opportunities. The City anticipates approximately \$4,000 will be available for this project.

The consultant will work closely with City staff and the Public Arts Committee.

The City expects the inventory to be a catalogue of the collection obtained over the years

through donations, commissions and purchase. The goal is for the inventory to be completed no later than August 31, 2015 with presentation to Council of the completed inventory book no later than December 2015.

Project Overview and Methodology

The City recognizes the limited project budget. The City will provide a spreadsheet of art currently accounted for within the Municipal Collection. The City, through Staff and Public Arts Committee members, will participate in assisting the selected consultant/contractor locating and accessing the collection assets. The City is looking for a consultant/contractor who can create an innovative and inclusive inventory process that can be continued by staff and/or Public Arts Committee members in the future.

Project Limitations:

The City seeks to address the following through this project:

1. Identify existing artwork
 - a. Include locations and facilities
 - b. Note any barriers to access the art by the public
 - c. Include size or configuration in description
2. Identify Artist and date created
3. Identify medium used if known
4. The date acquired by the city.

II. Scope of Services

The project consists of furnishing all labor, materials, equipment, tools, supervision, and other facilities necessary to develop a physical inventory in accordance with the standards and criteria of the City of Homer.

Documents: The consultant/contractor shall provide a draft of the inventory document to the Public Arts Committee for comment and review. The consultant/contractor will then provide a revised final product electronically and in an organized binder for City Council adoption.

Community meetings/presentations: The consultant/contractor will be required to attend up to one (1) meeting of the Public Arts Committee. Special meetings will be scheduled as required for this project with a minimum two week notice for proper advertising if necessary. The consultant/contractor may attend via teleconference with the Public Arts Committee, at various stages of the inventory effort if required.

Project Schedule

The proposal should include a schedule of major milestones for the project. The City anticipates the schedule should include, but not be limited to, the following stages:

- Project Start
- Background Research
- Data Collection and Analysis

- Public Arts Committee Draft
- Revised Final
- City Council action

Products

All documents are to be produced in a digital, editable format. The consultant/contractor will submit the information electronically in addition to providing one (1) hard copy contained in a three ring binder. The consultant/contractor will agree to transfer ownership of all information and materials produced to the City.

Draft and Final Documents:

- Formatted for an 8 1/2” x 11” Document
- Microsoft “Word” 2010 or similar and pdf format
- Paper Documents organized and contained in three ring binder

III. General Requirements

The following information is presented as a general guideline for the preparation of the proposals. It is not intended to be an exhaustive list of project requirements.

- a) It is the responsibility of the firms/persons submitting proposals to determine the actual efforts required to complete the tasks and total project.
- b) The consultant/contractor selected will present a progress report to the Public Arts Committee at the **August 13, 2015** meeting. The selected firm or individual should expect substantial input from the City.
- c) All documents for this project shall be in a format and on media approved by the City.
- d) **Proposers are required to be on the Plan Holder's List to have their proposals evaluated by the Public Arts Committee.**

IV. Proposal Format and Content

Proposals which do not address the items listed in this section, may be considered incomplete and may be deemed non-responsive by the City. Direct any questions regarding this proposal to Renee Krause, Deputy City Clerk, City of Homer, (907) 235-8121 ext 2224 or rkrause@ci.homer.ak.us. The City of Homer reserves the right to reject any and all proposals submitted and shall not be liable for any costs incurred by any proposer in response to this solicitation or for any work done prior to the issuance of a notice to proceed.

PROPOSAL FORMAT

- A. Letter of Transmittal
- B. Narrative

- 1. Provide a brief description of the firm/person including experience, and the

experience of its key individuals. Include brief resumes of the key personnel who will work on this project. Discuss the experience of these person(s) and relate that experience to this project. Include what portion of this contract each person would be working upon.

2. Provide a list of relevant projects designed by or under the direction of the individual or firm submitting the proposal. Provide three client references.
 3. Include a Work Program that is designed to satisfy the requirements listed in the "Scope of Services." Describe your understanding of the project, the proposed work plan, and the schedule you intend to follow in order to complete the project in a timely manner.
- C. Fee Proposal and Rate Schedule
1. Submit a fee proposal to perform the Scope of Services described herein. All basic services of each task shall be completed for total compensation not to exceed the lump sum fees outlined in this document. No additional services provided will be compensated unless approved prior.
 2. Provide an exact statement of the services to be provided within the fees proposal and fee schedule to be used in billing for services, including out-of- scope services.
- D. Submit one (1) original and six (6) copies of the completed Proposal in a sealed, opaque envelope marked as follows:

**City of Homer
Consultant/Contractor to
Create a Municipal Art Baseline Inventory**

PROPOSAL DATED _____, 2015.

The Proposals shall be addressed to:

City of Homer, City Clerk Office
Attn. Renee Krause
491 East Pioneer Avenue
Homer, Alaska 99603

Proposals shall be received at the office of the City Clerk until 4:00 PM, April 9, 2015.

V. Evaluation Criteria and Selection Process

The City will select the consultant/contractor who best meets the needs of the City as evidenced by their qualifications, experience, project understanding and approach, and other factors as outlined in this RFP.

A selection committee consisting of the Public Arts Committee and up to two (2) city staff members will conduct the interviews with selected finalists if required. The Public Arts Committee and Staff will evaluate the proposals submitted and make a recommendation to the City Council through the City Manager.

The Public Arts Committee will employ the following criteria (with relative weights) in evaluating each proposal and making their recommendation:

1. Overall Approach and Project Understanding (35 %)
2. Qualifications and Team Experience (25 %)
3. Work Plan, Schedule, Public Approach and Strategy (25 %)
4. Project Cost (15%)

VI. Schedule

Proposals due:	4:00 PM	April 9, 2015
Selection of Proposal:	No Later than	April 23, 2015
Award contract:		April 27, 2015
Notice to proceed:		By May 1, 2015
Draft of Product:		August 13, 2015
Completion of contract:		August 31, 2015

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 15-037

A RESOLUTION OF THE HOMER CITY COUNCIL AWARDING THE 2015 SEPTIC TANK PUMPING CONTRACT TO HOMER SEPTIC SERVICES OF HOMER, ALASKA, IN THE AMOUNT OF \$35,510.00 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, In accordance with the Procurement Policy the Invitation to Bid was advertised in the Homer Tribune on April 22 and 29, 2015, posted on the Clerk's home page, and sent to an in-state plans room; and

WHEREAS, Bids were due on May 6th; and addendum was issued to extend the due date to May 13, 2015 and one bid was received; and

WHEREAS, Bids were opened and the firm of Homer Septic Services of Homer, Alaska, was determined to be the low responsive bidder and found to be qualified to complete the work; and

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

NOW, THEREFORE, BE IT RESOLVED, that the City Council of Homer, Alaska, approves the award of the 2015 Septic Tank Pumping Contract to the firm of Homer Septic Services of Homer, Alaska, in the amount of \$35,510.00 and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 26th day of May, 2015.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Acct No. 200.504.5210 - \$35,510.00



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907- 235-3170

(f) 907-235-3145

Memorandum 15-072

TO: MARY K. KOESTER, CITY MANAGER

FROM: JEAN HUGHES, PERMIT TECHNICIAN

DATE: MAY 15, 2015

SUBJECT: 2015 KACHEMAK CITY SEPTIC TANK PUMPING CONTRACT
AWARD RECOMMENDATION

On May 13, 2015, the City received a single bid for the tri-annual pumping contract for the VGES tanks in Kachemak City. The work involves the pumping and agitating ('crustbusting') of 134 septic tanks. The work takes place within a one hundred day contract period. The Invitation to Bid was advertised in the Homer Tribune on 4/22/15 and 4/29/15.

The only bid received was from Homer Septic Services for \$35,510.00 (\$265.00 per tank)

Fiscal Note - This work is paid for through a portion of the customer's monthly sewer rate and funded under account 200.5210.504. The budget for this work is \$39,000.

Recommendation - Award the City of Homer 2015 Septic Tank Pumping Contract to Homer Septic Services in the amount of \$35,510.00.

History of Past Pumping Contracts

Year	Contract Amount	Tanks Pumped	Price Per Tank	Contractor
1994	\$5,289.50	69	\$76.66	Homer Honey Bear
1996	\$5,962.00	75	\$79.50	Homer Honey Bear
1998	\$7,200.00	76	\$94.74	Homer Honey Bear
2000	\$6,950.00	82	\$84.76	Peninsula Pumping
2003	\$9,309.00	100	\$93.09	Moore- Quick Pumping
2006	\$18,000.00	116	\$155.00	Homer Septic Services
2009	\$30,000.00	126	\$238.10	Homer Septic Services
2012	\$33,655.00	127	\$265.00	Homer Septic Services
2015	\$35,510.00	134	\$265.00	Homer Septic Services

INVITATION TO BID

By the City of Homer, Alaska For 2015 Septic Tank Pumping Contract

Sealed Bids for Septic Pumping Services will be received by the Office of the City Clerk, at 491 E. Pioneer Avenue, Homer, Alaska 99603 until **2:00 p.m., May 6, 2015**, at which time they will be publicly opened. Bids received after the time fixed for receipt of the Bid shall not be considered. **All bidders must submit a City of Homer Plan Holders Registration form to be on the Plan Holders List and to be considered responsive.** Plan holder registration forms, and Plans and Specifications are available on line at <http://www.cityofhomer-ak.gov/rfps>

For Bid Plans and Specifications contact:

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

The project consists of furnishing all labor, materials, equipment, tools, supervision, and other facilities necessary to perform the desired services. The work includes, but is not limited to the following:

Locate and pump 132 septic tanks located in Kachemak City, Alaska
and 2 septic tanks on the Homer Spit

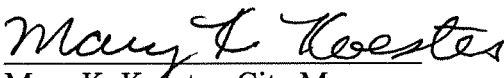
Please direct all questions regarding this project to:

Jean Hughes, Permit Technician
907 235-3170

The City of Homer reserves the right to accept or reject any or all bids, and to waive irregularities or informalities in the bids.

Dated this 17th day of April, 2015.

City of Homer


Mary K. Koester, City Manager

Publish: Homer Tribune, April 22 and 29, 2015
Acct#: 200-0504-5210

CONTRACT REQUIREMENTS

By the City of Homer, Alaska For 2015 Septic Tank Pumping Contract

The City of Homer, Alaska is requesting bids from qualified firms and individuals for the project described herein.

The following subjects are discussed herein to assist you in the preparation of your proposal.

- A. Term of Contract
- B. Scope of Work
- C. Delivery Schedule
- D. Contractor Responsibilities
- E. Insurance
- F. Obligations of the City
- G. Billing and Payment
- H. Bid Schedule
- I. Attachments
 - Project Location Map
 - Septic Tank Details consisting of 3 pages

- A. **TERM OF CONTRACT:** This Contract shall be completed within sixty **(100) days from the date of Notice to Proceed**. It is anticipated that the Notice to Proceed shall be issued on or about **June 1, 2015**, with a completion date of **September 8rd, 2015**.

Liquidated damages in the amount of \$100.00 per day will apply to the Contractor's unexcused delay in the Completion of the Contract. The liquidated damage amount specified herein shall only apply to the Owner and are exclusive of third party damages or claims. The liquidated damage amount shall not cover any damages or expenses the Owner may incur as a result of the Contractor's unexcused delay in completing any portion of the Contract, which delay results in whole or in part in delay, disruption, hindrance, interference, damages, or expenses to any third party. The Contractor shall remain liable for the full amount of any such delay damages or expenses suffered by any third party without limitation by any liquidated damage provision set forth in the Contract.

- B. **SCOPE OF WORK:** The Contractor agrees to furnish all labor, materials, equipment, and other facilities as required to locate and pump approximately 132 septic tanks located throughout Kachemak City and 2 septic tanks located on the Homer Spit. **Pumping will include backflushing.** The work shall include exposing the tank ports and replacing the existing organic mat when pumping is completed.
- C. **DELIVERY SCHEDULE:** Septage from the tank pumping shall be delivered, by the Contractor, to the City of Homer dump station, located on Kachemak

Drive, near the airport. Septage will be pumped through a bar screen at the dump station. Contractor will place debris from the screen into a City provided dumpster. Septage delivered to the receiving station shall be delivered at such a rate so as not to overflow the receiving station and at a maximum rate of 10,000 gallons per day. Septage will be received between the hours of 8:00 am and 4:30 pm., Monday through Friday.

- D. CONTRACTOR RESPONSIBILITIES: The Contractor shall be responsible for clean-up of any spillage of septage and will log each load of septage on a form provided by the City. The Contractor shall also measure the depth of floating solids and bottom solids in the septic tanks before pumping, and record this information on the form.
- E. INSURANCE: The Contractor shall provide automotive liability insurance in the minimum amount of five hundred thousand dollars (\$500,000.00) and shall provide comprehensive liability insurance in the minimum amount of five hundred thousand dollars (\$500,000.00). Both the City of Homer and the City of Kachemak shall be named as additional insured on the Contractor's insurance policy. The Contractor shall be required to provide proof of insurance and a copy of a current business license prior to commencement of work.
- F. OBLIGATIONS OF THE CITY OF HOMER:
1. Provide a metal detector for the Contractor's use in locating the septic tank access ports.
 2. Provide a set of as-built drawings of the septic tank locations.
- G. BILLING AND PAYMENT: Billing for payment may be submitted (semi-monthly) to the Department of Public Works of the City of Homer for approval of payment. The City shall make payment on the approved invoice within 21 working days from the date of receipt of the invoice by Public Works.
- H. BID SCHEDULE: The attached bid schedule shall reflect all work associated with the project to be completed within the specifications and allotted time.

Submit two (2) copies of the executed Bid Schedule to the location described in the Invitation to Bid, in an opaque envelope, marked as follows:

2015 SEPTIC TANK PUMPING CONTRACT
City of Homer

Bid Date: May 06, 2015

2015 SEPTIC TANK PUMPING CONTRACT
INVITATION TO BID

City of Homer
Bid Schedule

This is a Lump Sum bid. The Bidder agrees to perform the work as described in the bid packet and submits the following bid as full and just compensation for said work.

BID AMOUNT: _____
Amount in Figures

Amount in Words

Provide a bid amount per tank for additional tanks that may require pumping within the project area.

Additional Tank Pumping Bid per tank: _____
Amount in Figures

Additional Tank Pumping Bid per tank: _____
Amount in Words

By: _____
Printed Name

Date: _____

Title: _____

Alaska Business License#

Business Name

Business Address

CONTRACT

This Contract, made and entered into by and between the City of Homer, Alaska, a Municipal Corporation, hereinafter called the "City" and

Hereinafter called the "Contractor";

WITNESSETH:

The Contractor, in consideration of the sum to be paid him by the City and of the covenants and agreements herein contained, hereby agrees at his own cost and expense to do all the work and furnish all the materials, tools, labor and all appliances, machinery and appurtenances for City to the extent of the Bid made by the contractor, dated **May 06, 2015** all in full compliance with the Contract documents referred to herein as:

2015 Septic Tank Pumping Contract

- a) Invitation to Bid
- b) The signed copy of the Bid
- c) Contract Documents

Are hereby referred to and reference made a part of the Contract as fully and completely as if the same were fully set forth herein.

In consideration of the performance of the work as set forth in these Contract Documents, the City agrees to pay to the Contractor the amounts specified in the Bid and to make such payments upon the Contractor's invoicing as approved by the City Engineer.

CONTRACT COMPLETION TIME

The Contractor agrees to complete the project, in all respects by **September 08, 2015**.

CONTRACT AMOUNT

Contract Amount in Words: _____

Contract Amount in Numbers: _____

CONTRACT

LIQUIDATED DAMAGES:

Liquidated damages in the amount of \$100.00 per day will apply to the Contractor's unexcused delay in the Completion of the Contract. The liquidated damage amount specified herein shall only apply to the Owner and are exclusive of third party damages or claims. The liquidated damage amount shall not cover any damages or expenses the Owner may incur as a result of the Contractor's unexcused delay in completing any portion of the Contract, which delay results in whole or in part in delay, disruption, hindrance, interference, damages or expenses to any third party. The Contractor shall remain liable for the full amount of any such delay damages or expenses suffered by any third party without limitation by any liquidated damage provision set forth in the Contract.

IN WITNESS WHEREOF, we, the parties hereto, each herewith subscribe the same this _____ day of _____, 2015.

CITY OF HOMER

By: _____

Title: _____

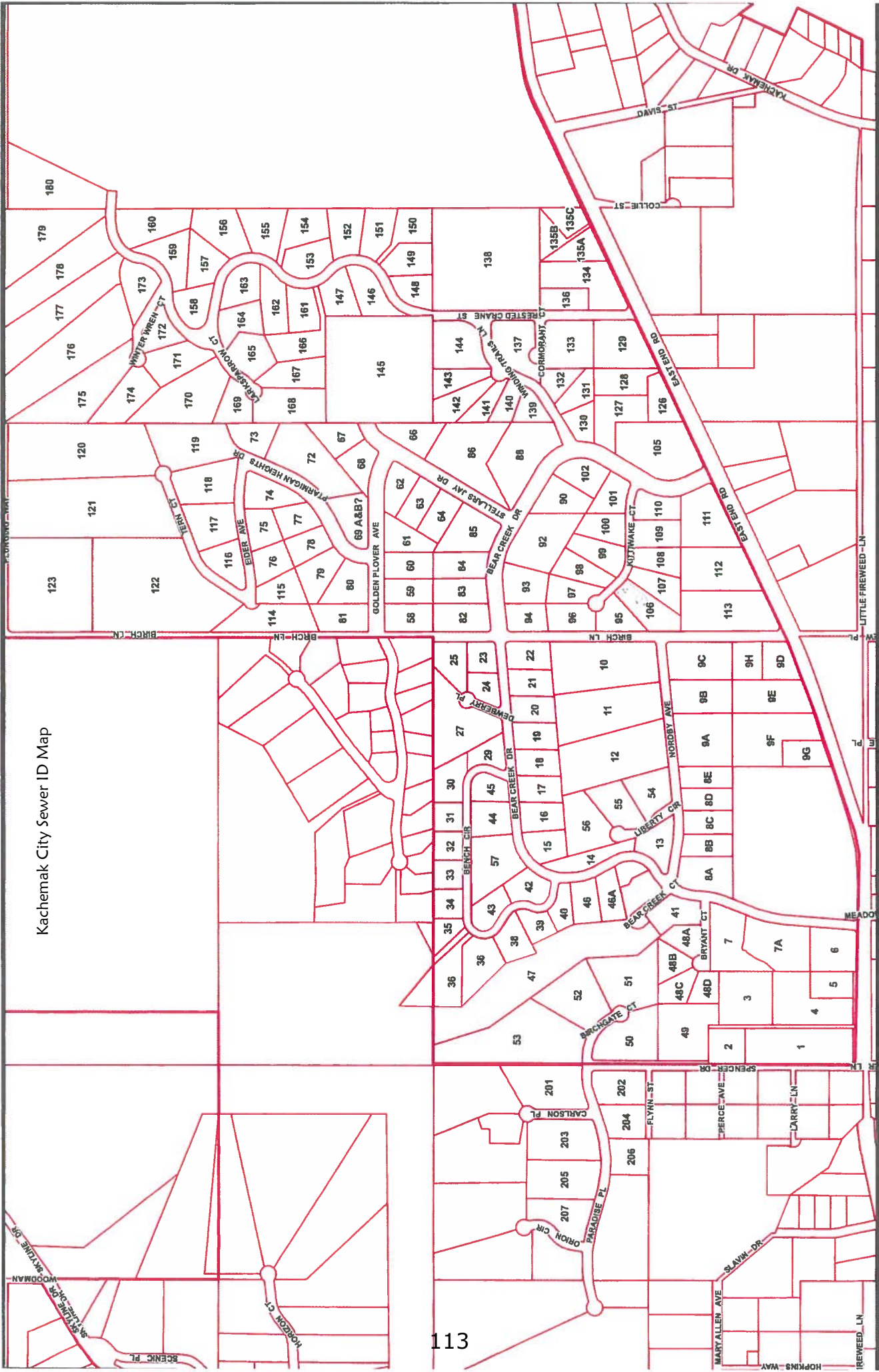
CONTRACTOR

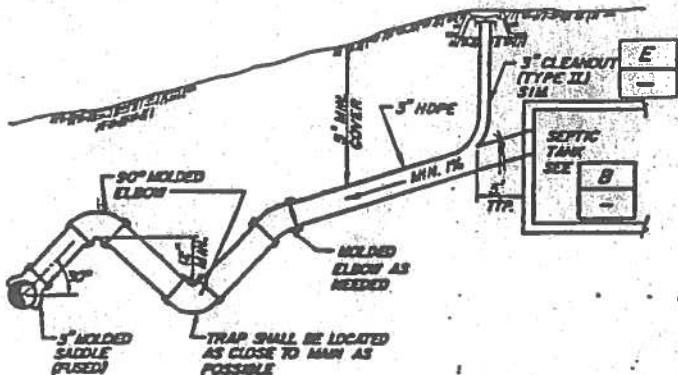
(Contractor)

By: _____

Title: _____

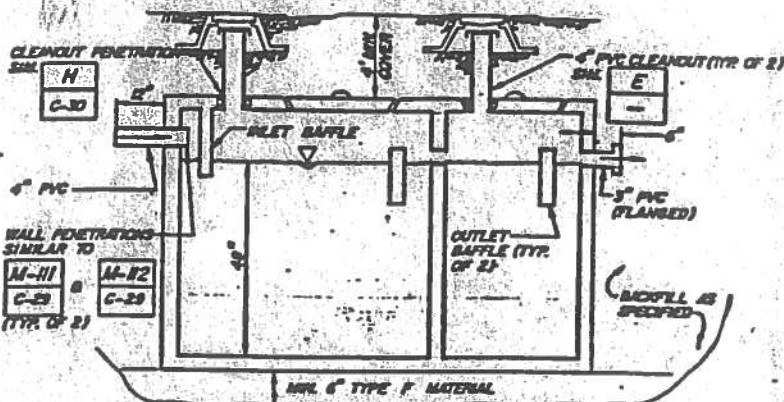
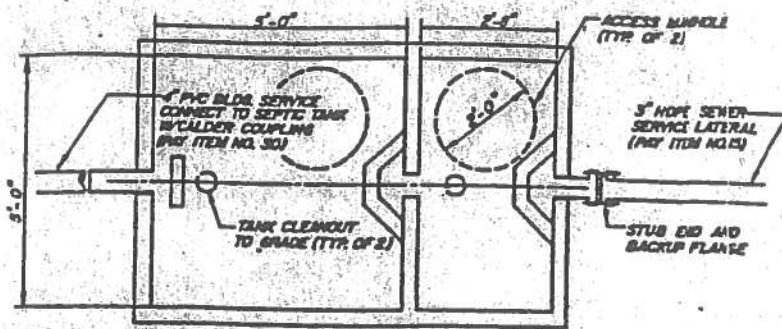
Kachemak City Sewer ID Map



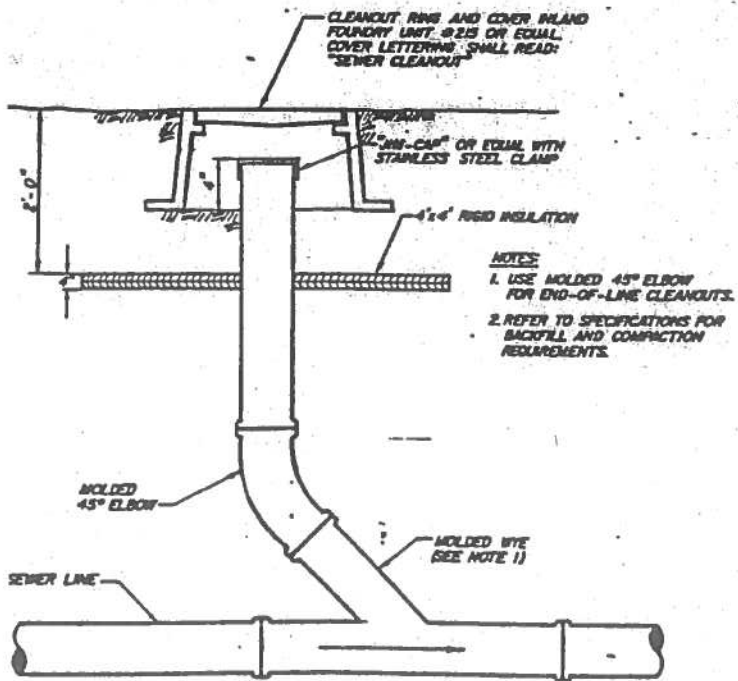


NOTE: SEWER LATERAL SHALL BE BEDDED ON UNDISTURBED NATIVE SOIL. ANY OVEREXCAVATION SHALL BE BACKFILLED WITH TYPE E BACKFILL COMPACTED TO 95% MAX. DENSITY. TRENCH BACKFILL SHALL CONSIST OF TYPE F BACKFILL COMPACTED TO 95% MAX. DENSITY, EXCEPT BENEATH TRAPPED MAINS. TRENCH BACKFILL BENEATH TRAPPED MAINS SHALL CONSIST OF TYPE F BACKFILL COMPACTED TO 95% MAX. DENSITY.

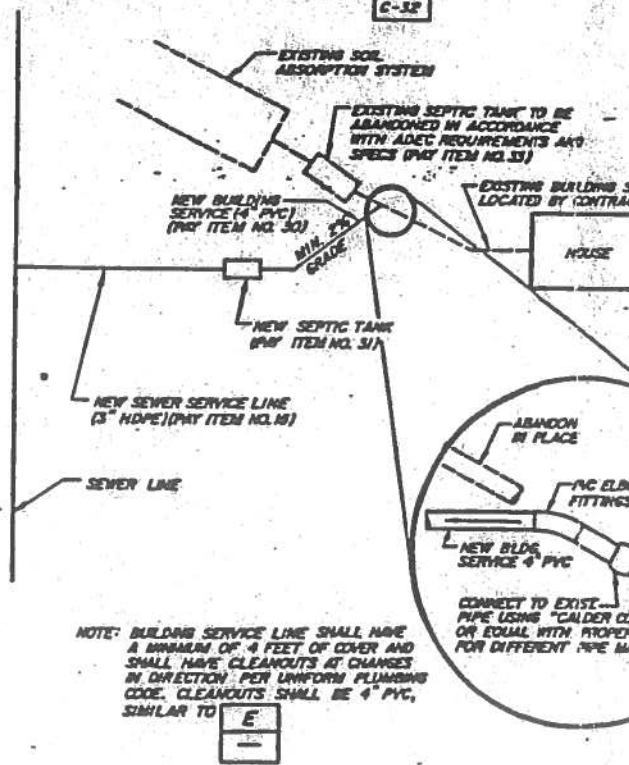
TYPICAL SEWER SERVICE LATERAL (3" HDPE) A
NOT TO SCALE



REINFORCED CONCRETE SEPTIC TANK B
NOT TO SCALE
NOTE: WHERE NOTED ON FINISH PLANS (COMMENT NO. 2), BUILDING SERVICE STUB-OUTS CAPPED SHALL BE MARKED AT END W/BLAND POST. SEE E C-32



SEWER LINE CLEANOUT (TYPE II) E
NOT TO SCALE



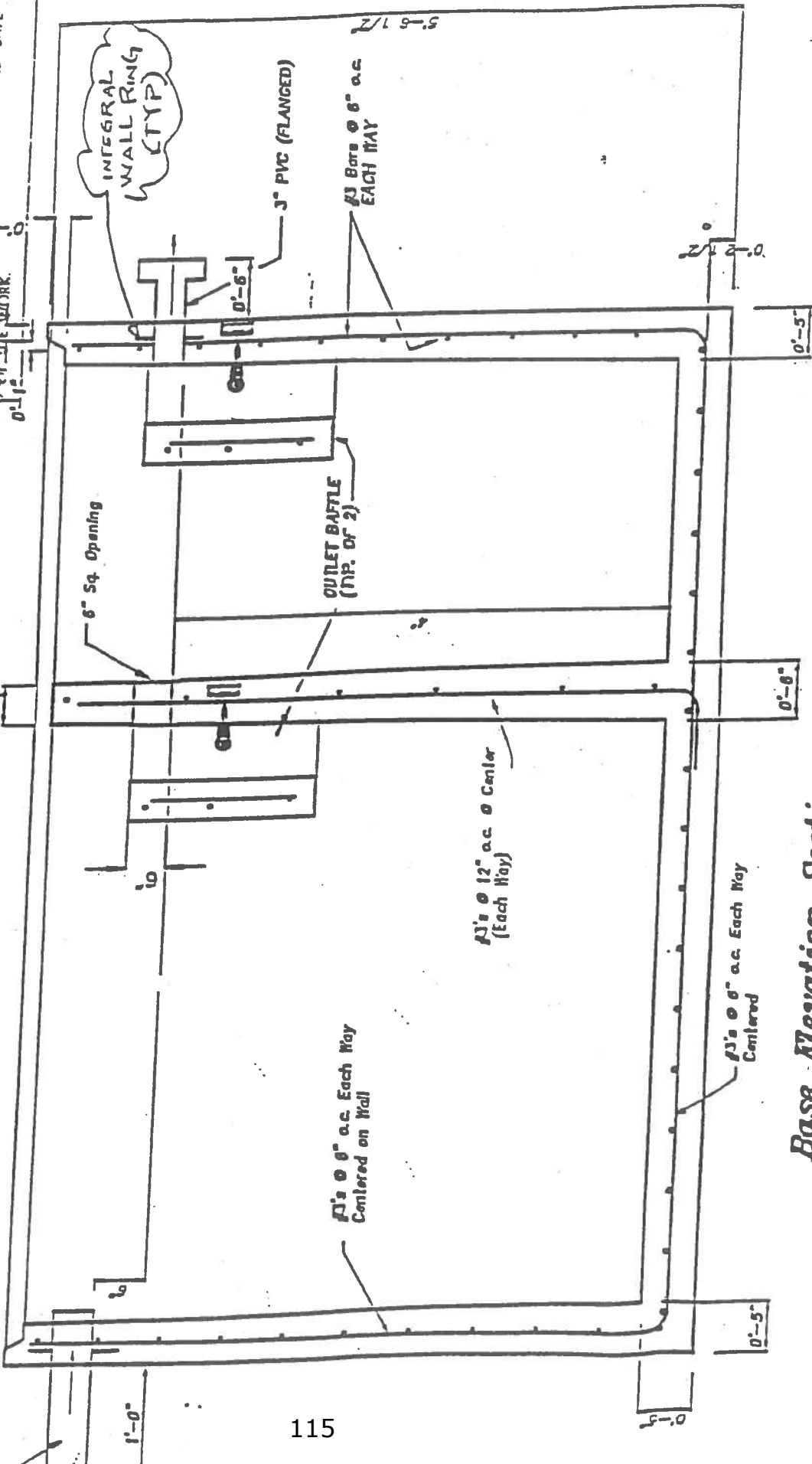
TYPICAL SEWER SERVICE
NOT TO SCALE

SCALE:	DESIGNED BY: M. EROMAN	SUBMITTED BY: Kurt H. Vance	C.E. NO.:	1/20/89
DATE:	DRAWN BY: B. DAVIS	PROJECT ENGINEER:	A.C.E. NO.:	DATE:
REVISIONS:	CHECKED BY: K. VAUSE	RECORDED BY: [Signature]	C.E. NO.:	1/20/89
		JAMES M. MONTGOMERY	A.C.E. NO.:	DATE:

JAMES M. MONTGOMERY CONSULTING ENGINEER

MAKE CORRECTIONS NOTED IN XI. REVISION NO. 10-11-11
 REVIEWED BY: LMT/LB
 RECOMMENDED BY: 10-11-11

CONTRACTOR'S COMMENTS OR COMMENTS MADE ON CONTRACTOR'S SHOP DRAWINGS DURING THIS REVIEW DO NOT RELIEVE THE CONTRACTOR FROM COMPLIANCE WITH CONTRACT PROVISIONS AND SPECIFICATIONS. THIS SHOP DRAWING HAS BEEN REVIEWED FOR COMPLIANCE WITH THE FEDERAL SPECIFICATIONS AND GENERAL CONTRACT WITH THE CONTRACTOR'S COMMENTS RELATING TO THE CONTRACTOR'S COMMENTS AND DIMENSIONS. ALL DIMENSIONS ARE IN FEET AND INCHES. CORRECTING WORK WITH OTHER TRADES, AND SATISFACTORY AND SAFE PERFORMANCE OF THE WORK.



Base Elevation Section

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/
4 Finance Director

5 **RESOLUTION 15-038**

6
7 A RESOLUTION OF THE HOMER CITY COUNCIL ELECTING TO
8 PARTICIPATE IN THE AMLJIA LOSS CONTROL INCENTIVE
9 PROGRAM FOR THE CITY OF HOMER FOR THE 2015-2016 POLICY
10 YEAR.

11
12 WHEREAS, The City of Homer is a member of the Alaska Municipal League Joint
13 Insurance Association (hereinafter "AMLJIA"); and

14
15 WHEREAS, The AMLJIA provides comprehensive risk management assistance and
16 provides workers' compensation, liability and property coverage for the City of Homer; and

17
18 WHEREAS, The AMLJIA developed the Loss Control Incentive Program to help reduce
19 member losses individually and pool wide; and

20
21 WHEREAS, The AMLJIA provides all written program materials necessary, and offers
22 assistance to participants; and

23
24 WHEREAS, Pool members that participate in the Loss Control Incentive Program and
25 complete the required activities, will have the opportunity to earn a discount on their
26 contribution; and

27
28 WHEREAS, It is the City of Homer's policy to provide a safe environment for its students,
29 employees, citizens, and the visiting public; and

30
31 WHEREAS, The Loss Control Incentive Program will enhance such an environment.

32
33 NOW, THEREFORE, BE IT RESOLVED by the Homer City Council electing to participate in
34 the AMLJIA Loss Control Incentive Program for the 2015-2016 policy year.

35
36 PASSED AND ADOPTED by the City Council of Homer, Alaska, this 26th day of May, 2015.

37
38 CITY OF HOMER

39
40
41 _____
42 MARY E. WYTHE, MAYOR

43 ATTEST:

44

45

46

47

48 _____
JO JOHNSON, MMC, CITY CLERK

49

50 Fiscal Note: Acct. No. 100-0100; Estimated \$10,000 discounted in 2015.

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4 **RESOLUTION 15-039**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 ESTABLISHING A 2015 MILL RATE OF 9.962541 MILLS FOR THE
8 OCEAN DRIVE LOOP SPECIAL SERVICE DISTRICT.
9

10 WHEREAS, The City of Homer may by ordinance, establish, alter, and abolish
11 differential tax zones to provide and levy property taxes for services not provided generally in
12 the City, or a differential levy than that generally provided in the City; and
13

14 WHEREAS, The City Council adopted Ordinance 11-49(S) to create the Ocean Drive
15 Loop Special Service District to provide special services to the properties along the seawall to
16 include operation, maintenance, repair, reconstruction, improvement, insurance,
17 administration and other related activities conducted in the course of making and keeping
18 the seawall operational for its intended erosion control purpose; and
19

20 WHEREAS, The District is funded by a property tax levied on the properties in the
21 Special Service District; and
22

23 WHEREAS, HCC 15.10.020 provides that “The City Council shall annually set the mill
24 levy pursuant to Section 9.04.040”; and
25

26 WHEREAS, HCC 9.04.040 states that the City Council must establish a mill rate no later
27 than June 15 of each year; and
28

29 WHEREAS, The mill rate established herein is in addition to the general real property
30 tax mill rate.
31

32 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby establishes a
33 2015 mill rate of 9.962541 mills for the Ocean Drive Loop Special Service District and
34 authorizes the City Manager to so inform the Kenai Peninsula Borough.
35

36 PASSED AND ADOPTED by the Homer City Council this 26th day of May, 2015.
37

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CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Revenue \$25,000 Acct. 808-375

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 15-040

A RESOLUTION OF THE HOMER CITY COUNCIL ESTABLISHING
THE CITY OF HOMER PROPERTY TAX MILL LEVY RATE AT 4.5 MILLS
FOR 2015.

WHEREAS, Homer City Code 9.04.040 states that the City Council must establish a mill rate no later than June 15 of each year; and

WHEREAS, Council set the mill rate at 4.5 mills for 2015 with the adoption of budget Ordinance 14-51(A); and

WHEREAS, The 4.5 mill rate established by Ordinance 14-51(A) will be maintained.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby establishes the City of Homer property tax mill levy rate at 4.5 mills for 2015 and authorizes the City Manager to so inform the Kenai Peninsula Borough.

PASSED AND ADOPTED by the Homer City Council this 26th day of May, 2015.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Estimated real property tax revenue \$2,845,800, Account No. 100-0005-4101.

CITY OF HOMER
HOMER, ALASKA

City Manager

ORDINANCE 14-51(A)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, APPROPRIATING FUNDS FOR THE CALENDAR YEAR 2015 FOR THE GENERAL FUND, THE WATER-SEWER FUND, THE PORT/HARBOR FUND, DEBT FUNDS, AND CAPITAL RESERVE FUNDS (CONDITIONAL EXPENDITURES).

THE CITY OF HOMER ORDAINS:

Section 1. Pursuant to the authority of Alaska Statute, Title 29, the appropriations for Calendar Year ending December 2015 are appropriated as follows:

General Fund	\$12,173,135
Water Fund	\$ 1,979,379
Sewer Fund	\$ 1,574,471
Port/Harbor Fund	\$ 4,871,722
Capital Projects	\$ 2,351,720
Total Expenditures	\$ 22,950,427
Internal Service Funds	\$ 1,775,562

Section 2. Such amounts are appropriated to the objects and purposes stated in the adopted budget.

Section 3. A copy of the budget shall be certified by the City Clerk and filed in the Office of the City Clerk.

Section 4. The supporting Line Item Budget detail as presented by the Administration and reviewed by the City Council is incorporated as part of this Budget Ordinance.

Section 5. The property tax mill levy is set at 4.5 mills for 2015.

Section 6. This Ordinance is limited to approval of the Budget and appropriations for Calendar Year 2015, is a non code Ordinance and shall become effective January 1, 2015.

PASSED AND ENACTED by the Homer City Council on this 8th day of December, 2014.

PASSED AND ENACTED by the Homer City Council on this 8th day of December, 2014.

CITY OF HOMER

Mary E Wythe
MARY E. WYTHE, MAYOR

ATTEST:

J. Johnson
JO JOHNSON, MMC, CITY CLERK

Introduction: 10/27/14
Public Hearing: 11/24/14 & 12/08/14
Second Reading: 12/08/14
Effective Date: 01/01/15

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

Reviewed and approved as to form:

Walt Wrede
Walt Wrede, City Manager

Date: 12/29/14

Thomas F. Klinkner
Thomas F. Klinkner, City Attorney

Date: 12-31-14

Fiscal Note: See Line Item Budget and detail.

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 15-041

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
APPROVING A FIVE-YEAR GENERAL CONCESSION LEASE AT THE
HOMER AIRPORT TERMINAL FOR DANIEL LUSH, DBA FLYING
WHALE COFFEE, AND AUTHORIZING THE CITY MANAGER TO
EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, In accordance with the Procurement Policy the Request for Proposals for a general concession lease at the Homer Airport Terminal was advertised in the Homer Tribune on April 15 and 22, 2015, posted on the Clerk's home page, and sent to an in-state plans room; and

WHEREAS, Proposals were due on May 1, 2015 and one proposal was received; and

WHEREAS, Daniel Lush, dba Flying Whale Coffee, submitted a lease proposal that the Administration found to be complete and fully responsive to the RFP; and

WHEREAS, The Lease Committee reviewed the proposal at a Special Meeting on May 7, 2015 and passed a recommendation that the City Council adopt a resolution authorizing the City Manager to enter into lease negotiations with Mr. Lush; and

WHEREAS, The Administration recommends a new five-year lease.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves a new five-year general concession lease at the Homer Airport Terminal for Flying Whale Coffee and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 26th day of May, 2015.

CITY OF HOMER

MARY E. WYTHE, MAYOR

39 ATTEST:

40

41 _____

42 JO JOHNSON, MMC, CITY CLERK

43

44 Fiscal Note: \$2,400 annual lease plus 10% gross sales.



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum 15-073

TO: MAYOR WYTHER AND HOMER CITY COUNCIL
FROM: KATIE KOESTER, CITY MANAGER
DATE: MAY 20, 2015
SUBJECT: NEW AIRPORT LEASE APPROVAL / FLYING WHALE COFFEE STAND

The City recently issued a Request for Proposals (RFP) for airport terminal concessions. Flying Whale Coffee submitted a proposal for a five-year lease.

Five years is the maximum term permitted by the State Department of Transportation. (Leases within the airport terminal are subleases. The City leases the land the terminal sits on from the State).

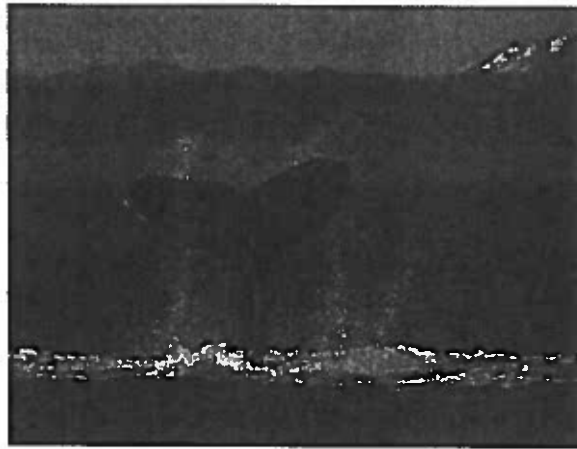
The proposal submitted by Flying Whale Coffee is complete and fully responsive to the RFP. The proposal is included for your information. The credit report and the financial statement have been removed in order to protect the privacy of the owners and proprietary business information.

Lease proposals for space within City-owned buildings have not been reviewed by the Lease Committee in the past. These were always handled administratively. There are good reasons for that, especially at the airport terminal. The lease policies and the code are designed to address land leases and are not particularly well suited for leased space within buildings. However, this lease proposal was taken to the Lease Committee, which recommended approving a five-year lease.

RECOMMENDATION: Approve a five-year general concession lease at the Homer Airport Terminal for Flying Whale Coffee, and authorize the City Manager to execute the appropriate documents.

BUSINESS PLAN

Flying Whale Coffee - at Homer Airport



Daniel Lush, Owner

Created on March 12, 2015

1. EXECUTIVE SUMMARY

1.1 Product

We are proposing a Coffee Cart Service located in the Homer Airport Terminal to meet the need of the travelling public for the best refreshment items (like coffees, fruit smoothies, and a few baked goods). This cart provides all components for operations needing only, a 220 electrical plug, fresh water and a drain pipe. Fortunately, each of these are available in the Homer Terminal, unused at the present time.

1.2 Customers

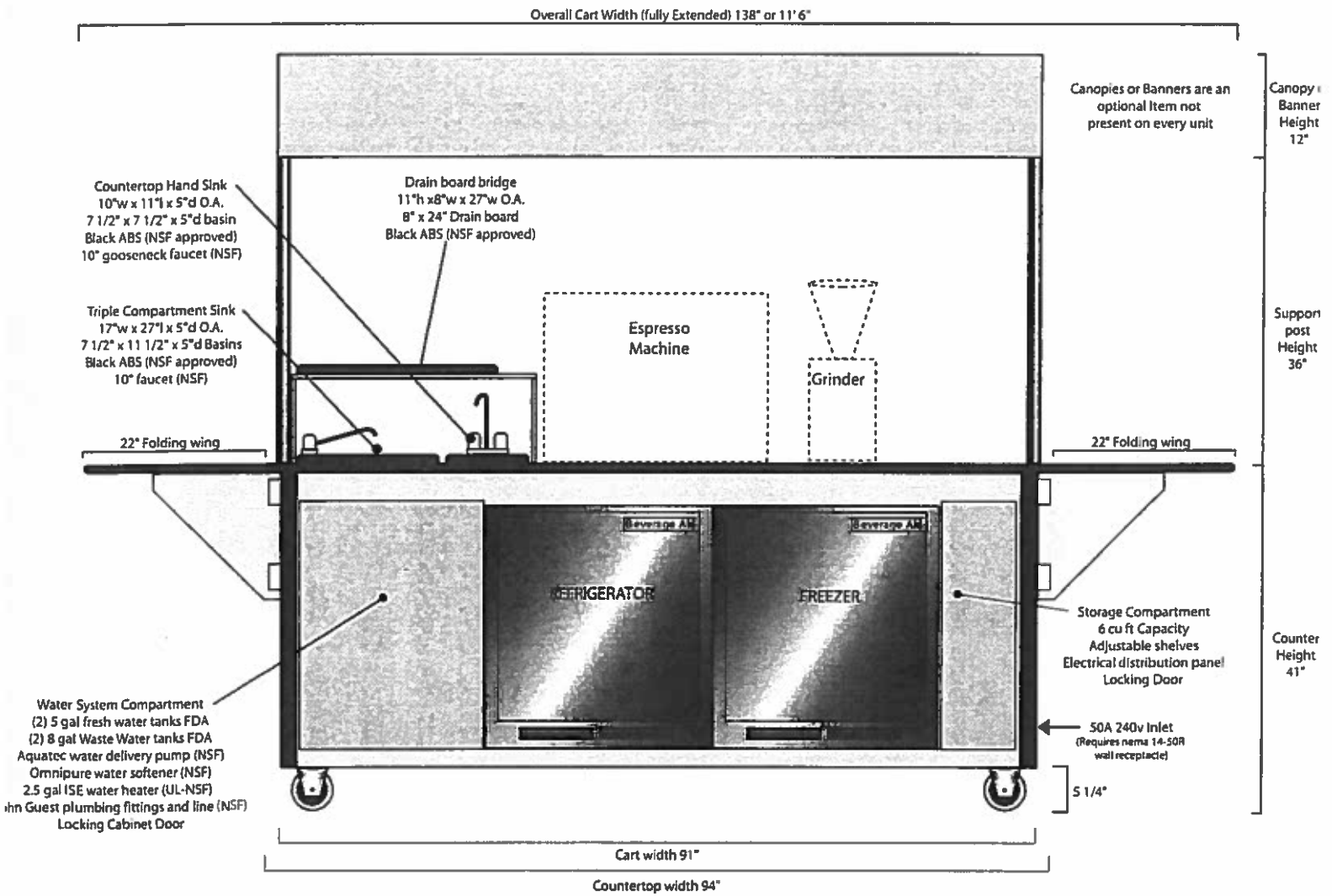
The customers are primarily those persons travelling through, working in, and working around the Homer Airport. We would meet them at the flight times in the morning, afternoon and early evening. Our cart would be open an hour before and one half hour following flights. Seven day a week service is planned for the first summer. Future days and times of operation would be informed by customer demand.

1.3 What Drives Us

We would like to be open for business activity starting May 1, 2015. Upon acceptance of this proposal all licenses, insurance, and other records can be presented to the airport manager or city representative upon request for verification. After the execution of the five year lease and security deposit given, we will purchase and deliver to the Terminal everything needed for start up. We agree to pay the Terminal standard 10% of our gross sales and \$200.00 per month along with applicable sales taxes to the borough and city of Homer. The city agrees to provide trash, water, and sewer, as offered to tenants. Upon set up and hook up we will open for business daily offering quality filtered coffee, smoothies, and baked

goods. The next goal, is to introduce Espresso coffee and a few memento gifts (tee shirts, coffee mugs, etc.) As we become known for quality products throughout the community of Homer, we expect to see customers drawn in from the neighborhood, beyond the neighborhood, and those making a special trip just to buy our products. A goal is to buy locally made products where possible and promote those Homer businesses who supply us.

Coffee Cart
Example



Drawing is to scale
1 inch : 1 foot

Operator Side View
854-JC

Cart Construction
Steel skeleton frame - Powdercoated FDA approved gloss White
Countertop - 1" Medex core w/ 909-48 Black Formica® surface (NSF)
Opposing side is white Formica® cabinet liner (NSF)
Counter edge is 1" black bullnose McCue bumper moulding
Sides & Doors - 3/4" MDF core, Formica surface
Exterior surface is standard grade Formica® (NSF)
Interior is white Formica® cabinet liner (NSF)
Bottom & Interior Walls - 3/4" Celtec expanded PVC white gloss (FDA)
Casters - 5" colson non-marking, rigid on Left, swivel w/ brake on Right (NSF)

3. MARKET RESEARCH

3.1 Industry

There has been a phenomenal growth in the quality retail coffee business in Alaska and Homer in particular. This is good for two reasons. First there is a lot of demand for coffee. Secondly, this is good because there is no current competition at the airport. There are both training courses, models, and expert advisers currently available to coffee businesses in Homer. Coffee is the second highest traded commodity world wide according to Kaladi Brothers trainer Jared Mockli. Demand should remain strong. We will have the support of local coffee roasters and coffee business expert on site for our start up.

3.2 Customers

The customers are coming and going on Raven airlines, many are tourists. Some will be workers in and around the airport. According to Raven management, there are approximately five thousand persons a month flying through the airport. Also friends and relatives come to pick up and drop off those persons. Workers in surrounding businesses may stop by our coffee cart. Our initial aim is to attract on average 40-45 customers each day. We know there will be more business in the summer and less in winter. Therefore, it is important to start-up by this summer to capture the most customers at the start.

3.3 Competitors

The only other comfort foods at the airport are in vending machines. In contrast we will offer freshly made products without preservatives. We are not worried about competition from the vending machines. Also, continuing users of the vending machines may buy some gift items from us, not available in the machines.

3.4 Competitive Advantage

2. COMPANY DESCRIPTION

2.1 Mission Statement

To meet the needs of the traveling public and those serving the airport for the best refreshment items and to give one last chance for travelers to purchase a gift item with a "Made in Homer" brand when they were unable to get a memento.

2.2 Principal Members

Dan Lush and family are the principal members. Our roles are to work in the business and manage all aspects of it. This will be a family operated business. Dan is a life long manager, having supervised employees, start up businesses and management in large corporate situations. We will display our expert training in drink making, customer service, and positive sales - promoting the unique values of life in our beautiful area of Alaska. Part-time employees will cover times when the principal members are unavailable.

2.3 Legal Structure

Sole Proprietorship

Location, location, location is the moto in real estate sales. This is our chief advantage. Fresh, organic, compostable, biodegradable products, and personal friendly service are the silver lining that will keep our customers coming back. We come with a fresh enthusiasm for this business and we love people and listening to them. People in the airport will find us to be a great resourse for local information.

3.5 Regulations

Food handling and safety regulations apply to our company. We will have certificates from Alaska Environmental Health, tax license, liability insurance, etc. as required by law. Our food products will be kept in a refrig and a freezer built in to our food cart. Foods are kept below 40 degrees or above 145 degrees. For the most part they will be fresh made and served on the spot.

4. PRODUCT/SERVICE LINE

4.1 Product or Service

We will offer the best coffee products and fruit smoothies drinks. We will use as many local and biodegradable products as practicle. We will strive to increase these values by training and purchasing. For example, locally made cups and lids, and baked goods. Bids will be taken from local coffee roasters, and bake shops willing to provide the top quality we insist on.

4.2 Pricing Structure

Our pricing will be comperable to other similar products found in Homer coffee shops.

4.3 Product/Service Life Cycle

We are a retail business.

4.4 Intellectual Property Rights

Our company name is uniquely our own.

4.5 Research & Development

We are taking coffee classes in Anchorage. Dan has two degree certificates in coffee making. We will present drinks that we like and will continuously renew our offerings. We will have a signature smootie and a whale of a coffee.

5. MARKETING & SALES

5.1 Growth Strategy

We plan to grow by meeting more of the market demands for added products as we get feedback from customers. We have lived in Homer since 2000 and have found people here let you know what they want. Customers will appreciate our commitment to supporting charitable organizations like the Haven House and Sprout. Customers will relate to our story which includes attending High School and College in Alaska, being involved in several small businesses after college, for example "Fundways" a business that helped School PTA's raise funds. That was the business that first brought us to visit Homer in 1975. Good service and quality product always bring growth to any company.

5.2 Communication

Communication will be by direct conversation around the coffee experience. The smell of coffee making is attractive in any indoor location and we will have that going for us. Our artistic signage and menu will attract attention. Locals will hear about us in newspaper and radio spots especially when we first open.

5.3 Prospects

Direct visibility to those present in the airport terminal along with the smell of coffee making is very attractive. Customers can count on us for a comfort food lift for all members of their family. Fruit smoothies bring a smile to kids everywhere. And some find coffee irresistible.

6. FINANCIAL PROJECTIONS

6.1 PROFIT & LOSS

	Year 1	Year 2	Year 3
Sales	\$64,500	\$75,250	\$80,625
Costs/Goods Sold	\$15,000	\$17,000	\$18,000
GROSS PROFIT	\$49,500	\$58,250	\$62,625

OPERATING EXPENSES

Salary (Office & Overhead)	\$600	\$600	\$600
Payroll (taxes, etc.)	\$17,250	\$17,250	\$19,550
Outside Services			
Supplies (office & operation)	\$250	\$250	\$250
Repairs & Maintenance	\$0	\$150	\$150
Advertising	\$0	\$0	\$0
Car, delivery & travel	\$1,500	\$1,500	\$1,500
Accounting & legal	\$200	\$200	\$200
Rent	\$8,500	\$9,500	\$10,000
Telephone	\$300	\$300	\$300
Utilities	\$0	\$0	\$0
Insurance	\$600	\$600	\$600
Taxes (real estate, etc.)			
Interest	\$0	\$0	\$0
Depreciation	\$2,500	\$2,500	\$2,500
Other expenses			
TOTAL EXPENSES	\$31,700	\$32,850	\$35,650

NET PROFIT (before taxes)

Income Taxes			
NET PROFIT (after tax)	\$17,800	\$25,400	\$26,975

Owner Draw/Dividends			
----------------------	--	--	--

ADJUSTED TO RETAINED

\$17,800

\$25,400

\$26,975

6.2 CASH FLOW (05/01/2015 to 05/01/2016)

	Pre Startup EST	Year 1	Year 2	Year 3	Total Item EST
Cash on hand	\$30,000	\$14,600	\$35,450	\$63,550	\$143,600
CASH RECEIPTS					
Cash Sales	\$0	\$64,500	\$75,250	\$80,650	\$220,400
Collections from CR Accounts					\$0
Loan/Cash Injection					\$0
TOTAL CASH RECEIPTS	\$0	\$64,500	\$75,250	\$80,650	\$220,400
TOTAL CASH AVAILABLE (before cash out)	\$30,000	\$79,100	\$110,700	\$144,200	\$364,000
CASH PAID OUT					
Purchases	\$600	\$15,000	\$17,000	\$18,000	\$50,600
Gross Wages		\$17,900	\$24,500	\$32,850	\$75,250
Outside Services		\$0	\$0	\$0	\$0
Supplies		\$600	\$600	\$600	\$1,800
Repairs & Maintenance		\$0	\$300	\$300	\$600
Advertising		\$0	\$0	\$0	\$0
Car, delivery & travel		\$750	\$750	\$750	\$2,250
Accounting & legal		\$500	\$500	\$500	\$1,500
Rent	<i>Should be</i>	\$500	\$600	\$700	\$1,800
Telephone	<i>\$8,500</i>	\$0	\$0	\$0	\$0
Utilities		\$0	\$0	\$0	\$0
Insurance	\$500	\$0	\$500	\$500	\$1,500
Taxes (real estate, etc.)	\$0				\$0
Interest					\$0
Other expenses		\$400	\$400	\$400	\$1,200
SUBTOTAL	\$1,100	\$35,650	\$45,150	\$54,600	\$136,500
Loan principal payment	\$0				\$0
Capital purchase	\$14,000	\$8,000	\$2,000	\$600	\$24,600
Other startup costs	\$300	\$0	\$0	o	\$300
Reserve and/or Escrow					\$0
Others withdrawal					\$0
TOTAL CASH PAID OUT	\$15,400	\$43,650	\$47,150	\$55,200	\$161,400

CASH POSITION	\$14,600	\$35,450	\$63,550	\$89,000	\$202,600
---------------	----------	----------	----------	----------	-----------

6.3 BALANCE SHEET

Assets

Start Date:05/01/2015 End Date:05/01/2016

CURRENT ASSETS		
Cash in bank	\$16,000	\$89,000
Accounts Receivable		
Inventory		
Prepaid Expenses		
Deposits		
Other current Assets		
TOTAL CURRENT ASSETS	\$16,000	\$89,000

FIXED ASSETS		
Machinery & Equipment	\$14,000	
Furniture & Fixtures		
Leaseholder improvements		
Land & Buildings		
Other fixed assets		
TOTAL FIXED ASSETS (net of depreciation)	\$14,000	\$0

OTHER ASSETS		
Intangibles		
Other		

TOTAL OTHER ASSETS	\$0	\$0
TOTAL ASSETS	\$30,000	\$89,000

Liabilities & Equity

CURRENT LIABILITIES		
Accounts Payable	\$30,000	
Interest Payable		
Taxes Payable		
Notes, short term (due in 12 months)		
Current part, long-term debt		
TOTAL CURRENT LIABILITIES	\$30,000	\$0

LONG TERM DEBT		
Bank loans payable		
Notes payable to stockholders		
LESS: short-term portion		
Other long-term debt		
TOTAL LONG-TERM DEBT	\$0	\$0

TOTAL LIABILITIES	\$30,000	\$0
--------------------------	----------	-----

OWNERS EQUITY		
Common Stock		
Retained Earnings		\$89,000
TOTAL OWNERS EQUITY	\$0	\$89,000
TOTAL LIABILITIES & EQUITY	\$30,000	\$89,000

6.4 BREAK EVEN ANALYSIS

DIRECT COSTS	Fixed Costs (\$)	Variable Costs (%)
Cost of Goods Sold	\$40	0%
Inventory		0%
Raw Materials	\$10	0%
Direct Labor	\$60	0%

INDIRECT COSTS

Salaries		
Supplies	\$0	
Repairs & Maintenance	\$0	
Advertising	\$0	
Car, delivery & travel	\$0	
Rent	\$6	0%
Telephone	\$0	
Utilities	\$0	
Insurance	\$2	0%
Taxes	\$0	
Interest	\$0	
Depreciation	\$4	
Other Costs	\$0	
TOTAL DIRECT COSTS	\$110	0%
TOTAL INDIRECT COSTS	\$12	0%

BREAKEVEN SALES LEVEL: \$122



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 15-070

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

FROM: JO JOHNSON, MMC, CITY CLERK

DATE: MAY 18, 2015

SUBJECT: TRAVEL AUTHORIZATION FOR MAYOR WYTHE TO ATTEND THE "BUILDING A SUSTAINABLE FUTURE: CONVERSATIONS WITH ALASKANS" DISCUSSION JUNE 5-7, 2015 AT UNIVERSITY OF ALASKA FAIRBANKS.

Mayor Beth Wythe would like to attend the "Building a Sustainable Future: Conversations with Alaskans" Discussion June 5-7, 2015 at University of Alaska Fairbanks.

Gov. Bill Walker and Lt. Gov. Byron Mallott are calling on Alaskans to participate in a discussion about Alaska's fiscal future. They want to tap the wisdom, knowledge and commitment of Alaskans to meet our current challenges and ensure we have a prosperous future.

Cost estimates for travel include round trip airfare from Homer to Fairbanks at \$455.00 and room rates at \$145.00 per night. Per diem is \$58.00 per day, for three meals.

For FY 2015 Council budgeted \$4,500 for transportation and \$2,500 for subsistence. To date \$588.38 has been expended from Transportation Acct. No. 100.0100.5236, leaving a balance of \$3,911.62; and \$128.99 has been expended from Subsistence Acct. No. 100.0100.5237, with a balance of \$2,371.01 remaining.

RECOMMENDATION:

Discuss the travel and if approved allocate funds for transportation.

Fiscal Note: Mayor and Council 2015 Budget: 100.0100.5236 - Transportation: \$4,500.00 and 100.0100.5237 - Subsistence: \$2,500.00.



Governor's Office > Press Room > Full Press Release

ADMINISTRATION TO INITIATE FISCAL DIALOGUE

May 7, 2015 JUNEAU – Gov. Bill Walker and Lt. Gov. Byron Mallott are calling on Alaskans to participate in a discussion about Alaska’s fiscal future. The Walker/Mallott administration will kick off the conversation Fri., June 5 – Sun., June 7 at the University of Alaska Fairbanks. “Building a Sustainable Future: Conversations with Alaskans” will bring together members of the Walker/Mallott transition team and other Alaskans starting that Friday evening through Sunday afternoon.

“Lt. Governor Byron Mallott and I want to tap the wisdom, knowledge and commitment of Alaskans to meet our current challenges and ensure we have a prosperous future,” Governor Walker said. “Our fiscal forecast demands long-term focus and attention. I am confident that this event, coupled with the statewide conversations over the summer months, will bring the best ideas forward.”

The weekend will feature a series of presentations and discussions on the current fiscal status of the state, the right size of government, and revenue options moving forward. All presentations will be videotaped and posted online. The public will be able to participate online. Gov. Walker’s Cabinet members will be on hand to answer questions about their departments’ budgets and services, and will be listening to the conversations. Legislators are invited to attend the presentations and observe the dialogue.

After the event, attendees will take information back to their communities, continue the dialogue through the summer, and report back to the Governor and his administration.

The event will be open to the media. For more information on the gathering, email govpress.releases@alaska.gov.

###

PRESS ROOM

- [Press Room](#)
- [Press Archives](#)
- [Official Portrait](#)
- [Proclamations](#)
- [Administrative Orders](#)

CONTACT INFORMATION

Grace Jang
Press Secretary
(907) 465-3976

Katie Marquette
Deputy Press Secretary
(907) 465-5801

Click [here](#) to subscribe to Governor Walker's press releases list.

VISITORS

Youth On Record Alaska is the only digital music production and recording program in Homer year round. The goals of Youth ON Record Alaska (YOR-AK) are to provide industry standard music production classes for Alaska's youth while providing a platform to promote healthy living and positive interaction. The program is run by Cody Davidson and Mike Hurd and is a collaboration project of KBFPC and Haven House. The classes happen every Friday from 3:30-5:30pm and are FREE to youth ages 12-18 yrs old. One of the R.E.C. Room's most popular programs, YORAK teaches industry-level skills that inspire and empower young people. Beyond just musical instruction, YORAK connects youth with positive adult interactions and exposes young people to peer to peer education with a format of the more experienced young people teaching new participants the skills they've acquired by being a YORAK student. This program has the structure and energy to grow to reach many more youth in and outside of Homer. Accessing the villages across Kachemak Bay is a dream of the program managers. They also hope to continue to collaborate with other organizations (and bands like Blackwater Railroad Co.!) to enrich this music production experiences. Continuing to build the equipment capacity so more youth can have hands on learning with the recording software is our first step. Please encourage families and teens that you know to come learn more about YORAK every Friday at the R.E.C. Room, or anyone can donate to YORAK by making checks payable to KBFPC or by stopping into the R.E.C. Room.







ANNOUNCEMENTS
PRESENTATIONS
BOROUGH REPORT
COMMISSION REPORTS

CITY OF HOMER
HOMER, ALASKA

MAYOR'S PROCLAMATION

MARY EPPERSON DAY
JUNE 6, 2015

WHEREAS, The Homer City Council proclaimed June 6, 2010 as Mary Epperson Day and encouraged everyone to recognize June 6th as Mary Epperson Day; and

WHEREAS, Mary Epperson has contributed so much of her time and energy to the advancement of the arts in Homer that her name is synonymous with the arts; and

WHEREAS, She has played an integral part in helping to start, guide, and support local organizations, including the Homer Council on the Arts, Kenai Peninsula Orchestra, The Homer Foundation, and Kenai Peninsula College; and

WHEREAS, She has provided support and inspiration to other arts organizations, including Pier One Theatre, Inlet Winds, and Homer Youth String Orchestra Club, consistently supporting artists and their artistic endeavors; and

WHEREAS, By sharing her passion of the arts so generously, Mary is largely responsible for the vibrant Homer arts community; and

WHEREAS, She inspires us all to take on artistic challenges, give freely of ourselves, and to do so with a loving heart and a warm smile; and

NOW, THEREFORE, I, Beth Wythe, Mayor, do hereby proclaim the day of June 6, 2015 as;

MARY EPPERSON DAY

in the City of Homer, Alaska.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the City of Homer, Alaska, on this 26th day of May, 2015.

CITY OF HOMER

MARY E. WYTHER, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Session 15-07, a Regular Meeting of the Homer Advisory Planning Commission was called to order by Chair Stead at 6:30 p.m. on May 6, 2015 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONERS BRADLEY, ERICKSON, HIGHLAND, STEAD, STROOZAS

ABSENT: BOS, VENUTI

STAFF: CITY PLANNER ABBOUD
DEPUTY CITY CLERK JACOBSEN

Approval of Agenda

The agenda was approved by consensus of the Commission.

Public Comment

The public may speak to the Planning Commission regarding matters on the agenda that are not scheduled for public hearing or plat consideration. (3 minute time limit).

None

Reconsideration

None

Adoption of Consent Agenda

All items on the consent agenda are considered routine and non-controversial by the Planning Commission and are approved in one motion. There will be no separate discussion of these items unless requested by a Planning Commissioner or someone from the public, in which case the item will be moved to the regular agenda and considered in normal sequence.

A. Approval of Minutes of April 15, 2015 meeting

Chair Stead called for approval of the consent agenda.

HIGHLAND/STROOZAS SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Presentations

None

Reports

A. Staff Report PL 15-27, City Planner's Report

City Planner Abboud reviewed the staff report.

There was brief discussion of the resolution partially releasing the development covenant of the Lillian Walli Estates Subdivision.

Public Hearings

Testimony limited to 3 minutes per speaker. The Commission conducts Public Hearings by hearing a staff report, presentation by the applicant, hearing public testimony and then acting on the Public Hearing items. The Commission may question the public. Once the public hearing is closed the Commission cannot hear additional comments on the topic. The applicant is not held to the 3 minute time limit.

A. Staff Report PL 15-28 Small Wind Energy Systems to delete the one acre minimum

City Planner Abboud reviewed the staff report.

Tom Taffe, city resident, commented that there is a lot going on in this industry. There is a lot of information to look at to make good decisions and the city should work with HEA for a vision on how we move forward with this. He touched on setback concerns relating to propellers or materials that can be thrown from the equipment. He encouraged that they take their time on this and that he is available if they need assistance.

There were no further comments and the hearing was closed.

Commissioner Highland noted they usually discuss ordinances over multiple meetings. She felt this is moving too quickly. City Planner Abboud responded that this is a response to council's request.

STROOZAS/HIGHLAND MOVED THAT THE PLANNING COMMISSION SUPPORTS ORDINANCE 15-09 TO DELETE THE ONE ACRE MINIMUM LOT AREA FOR SMALL WIND ENERGY SYSTEMS AND RECOMMENDS ADOPTION BY THE CITY COUNCIL.

Commissioner Highland commented she could see doing this for the simplicity of the moment but then we do more research and get a broader spectrum of wind energy and the different types available now. She expressed they may want to address more than what this simple one has.

City Planner Abboud noted that all the regulations for small wind energy systems are included in code; this is just one small section of that code. When we get to the tower ordinance the Commission can look further into topic. We also noted that it's hard to say what the demand will be for the systems. He clarified that currently there is only one allowed per lot.

Commissioner Stroozas agrees that we don't know what the demand will be, so until it becomes an issue it can be refined at a later date.

Chair Stead questioned how it was noticed and the definition of small wind energy system.

City Planner Abboud replied that it was noticed in accordance with city code requirements and it could be carried over to another hearing. He clarified a small wind energy system generates energy rated at less than 25 kW and total height less than 170 feet and primary function to create electric power for onsite consumption.

Chair Stead commented a 10 kW system is starting to become large for a home and therefore you will want something with a larger lot size to prevent damage and impacts to neighbors. If it was for a system less than 1.5 kW, he might support approving it on less than one acre. He thinks there should be a size limit for units allowed on a lot less than one acre and thinks they should hold off on this.

City Planner Abboud questions if they are regulating for something that's worth regulating and questions if a system on a lot less than one acre will be able to meet the other code requirements and still provide sufficient power.

Commissioner Erickson agrees that it should be regulated by the amount of kilowatts produced. There are some compact ones to locate on houses on the lower end of kilowatt production.

City Planner Abboud thought it is reasonable to add that stipulation, otherwise they are re-thinking the whole ordinance.

It was noted that they don't have the information to make a recommendation on size limitations tonight and more information would be helpful.

City Planner Abboud commented that while there are some lots in town that are one acre or larger with owners who have the money to put in the systems but there just isn't a big demand for it. He thinks this deserves a response without reinventing the wheel, but it's up to the Commission.

VOTE: YES: STROOZAS
NO: STEAD, HIGHLAND, ERICKSON, BRADLEY

Motion failed.

Plat Consideration

A. Staff Report PL 15-29, Ageya Homestead 2015 Preliminary Plat

Commissioner Erickson stated she has a conflict of interest.

HIGHLAND/BRADLEY MOVED THAT COMMISSIONER ERICKSON HAS A CONFLICT OF INTEREST.

Commissioner Erickson explained she has a business relationship with the applicant that falls within the parameters of city code regulations.

VOTE: YES: HIGHLAND, STEAD, STROOZAS, BRADLEY

Motion carried.

Commissioner Erickson left the table.

City Planner Abboud reviewed the staff report. He acknowledged the the comments provided by Lynella Grant and regarding the replat and explained that her concerns will be addressed at the Borough level.

Kenton Bloom, project surveyor, commented he was available to answer questions.

There were no public comments.

There was brief discussion reiterating that the Borough will do the research related to the plat.

HIGHLAND/STROOZAS MOVED TO APPROVE STAFF REPORT PL 15-29 AGEYA HOMESTEAD 2015 PRELIMINARY PLAT WITH STAFF COMMENTS AND RECOMMENDATIONS.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

B. Staff Report PL 15-30 Bayview Gardens Sub. No. 12 Preliminary Plat

City Planner Abboud reviewed the staff report.

Kenton Bloom, project surveyor, commented he was available to answer questions.

There were no public comments and no questions from the Commission.

STROOZAS/ERICKSON MOVED TO APPROVE STAFF REPORT PL 15-30 BAYVIEW GARDENS SUB. NO. 12 PRELIMINARY PLAT WITH STAFF COMMENTS AND RECOMMENDATIONS

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

C. Staff Report PL 15-31 East Highlands Sub. No. 2 2015 Preliminary Plat

City Planner Abboud reviewed the staff report.

Kenton Bloom, project surveyor, reviewed sewer service location issue and provided a drawing to show how he recommends moving lot line to address sewer line issue.

Chair Stead asked if the section line easement raises issue. Mr. Bloom responded that it's an issue for the owner in the sense they have a section line easement that doesn't really connect to anything. The Bayview side was vacated as part of their plat and it was overlooked. The parent plat for this Highlook Subdivision didn't even show the section line and the title report didn't show it. When he got the original patent from the federal government, it showed the section line easement which is how they realized it was there. There is sufficient area for the applicant to do what she needs. He will recommend his client contact the Planning staff to talk about a setback waiver for the house on proposed lot 5A.

There were no public comments.

STROOZAS/BRADLEY MOVED TO APPROVE STAFF REPORT PL 15-31 EAST HIGHLANDS SUB.NO. 2 2015 PRELIMINARY PLAT WITH STAFF COMMENTS AND RECOMMENDATIONS.

Question was raised whether the information Mr. Bloom provided was adequate or if they need to take more action. Chair Stead commented that he thinks it is adequate as it was acknowledged and in the record and the Borough will have it when it goes forward.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Pending Business

A. Staff Report PL 15-33 Towers Ordinance

City Planner Abboud reviewed the staff report and the commission went through the review points addressed in the staff report.

There was brief discussion regarding the exemptions listed in HCC 21.05.030 and that the recommendation that wireless communication equipment mounted to an existing structure and doesn't exceed 10 feet seems reasonable.

Commissioner Erickson expressed concern about ensuring the proposed maximum height requirements are appropriate. City Planner Abboud noted that they can be taller than what's listed through the conditional use permit process. Applicants would have to justify the necessity of the larger structure.

Commissioner Highland questioned if the wind energy systems are in here because of the towers and if there will be a separate one for small wind energy systems. City Planner Abboud said it is included because they are on tall towers but it doesn't change anything that is already there.

The Commission didn't make any recommendations.

B. Staff Report PL 15-34 Site Development Standards

City Planner Abboud reviewed the staff report.

Commissioners discussed reseeding within 9 months versus one year. If the development is a house, building the foundation the activity that most disturbs the ground and reseeding could be completed once the foundation is in and also the time frame could vary depending on when construction starts. The Commission recommended reseeding by August 31st or within 9 months, whichever comes first.

They also discussed information Mr. Steffy's provided relating to voluntary compliance and the need to educate the public and encourage certified seed and certified gravel to help reduce invasive species. Commissioner Erickson suggested the city taking a lead in requiring local pits bring in the guys from the state could solve a lot of the problem without costing anything. It would raise awareness and they would be more willing to work with Mr. Steffy.

Commissioner Highland noted mention of a state law relating to noxious weeds and that language could be incorporated in permitting language. We are in better shape than other communities so it's important to somehow get on board before it gets worse. She support's Mr. Steffy's recommendation of holding an invasive weeds clinic for contractors, maybe that's another place for the city to be a leader and work with the Soil & Water Conservation District.

Commissioner Erickson noted Mr. Steffy's comments about packaged seed you can buy at the store that could contain noxious material, so it can come from various sources. It will be important not to target anyone as the problem and to educate people on what to look for to get a better product. We will need to do our best to watch and protect ourselves from it. She thinks it would be better for the city to take the lead and educate rather than having it in code. A lot of people don't realize there could be noxious plants in the cheap grass seed.

City Planner Abboud encouraged that the city could be a leading advocate for this and include it as a subject of conversation in site planning and so forth. He agrees that education is a good start because most of the people in Homer feel compelled to do the right thing.

Regarding the alternate erosion control methods, Commissioner Highland noted that an idea is bringing it to people's attention to use certified forage.

Regarding adverse impacts, City Planner Abboud said it needs to be stated what people can't do for risk of impacting neighbors, it gives staff the tool to work with property owners to work to solutions. He will look at other codes to see what type of adverse impact language is used. He has never had to take anyone to task in a penalty phase, but there are neighbors who have filed suit against each other. Commissioner Erickson commented about the issues with tree cutting on Mt. Augustine Drive and that it's important to have this language to be able to address issues that affect other people's property. She would be uncomfortable removing the language. The other commissioners concurred.

New Business

A. Staff Report PL 15-32 Appointment to the Cannabis Advisory Commission

City Planner Abboud commented that the Mayor has already recommended Chair Stead to the Cannabis Advisory Commission.

There was no objection expressed.

Informational Materials

- A. City Manager's report for April 27, 2105 Council Meeting
- B. Lillian Walli Sub. Updated from Marvin Yoder

Comments of the Audience

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

None

Comments of Staff

None

Comments of the Commission

Commissioner Highland said she doesn't feel good about the action on the small wind energy ordinance. She confirmed that the ordinance goes back to the council with the message they voted no on eliminating one acre minimum requirement, but she thinks there is so much more that needs to be looked at. City Planner Abboud explained council is expecting a response to the one change and that it can come back to the group another time. Ms. Highland said she would like them to do a better job restructuring how the ordinance is written based on more up to date information. City Planner Abboud said he will work to schedule a worksession and invite someone to discuss the industry, rather than their project, to talk about what our code does or doesn't accommodate.

Commissioner Bradley commented she supports a longer conversation regarding small wind energy systems.

Commissioner Erickson commented she would like the commission to revisit the corporate colors in the sign ordinance. She knows if two businesses it's impacting and not for the good of Homer.

Commissioner Stroozas agrees that the sign code needs to be addressed. He is aware of a movement to advocate repealing the current sign ordinance as its written and it will likely come before them to try to put a new one together that is more up to date and business friendly. He reminded the group about Shorebird Festival.

Chair Stead reminded the group about the HEA annual meeting. He commented there were positive comments tonight and hopefully we'll get somewhere on these issues.

Adjourn

There being no further business to come before the Commission, the meeting adjourned at 8:59 p.m. The next regular meeting is scheduled for May 20, 2015 at 6:30 p.m. in the City Hall Cowles Council Chambers. A worksession will be held at 5:30 p.m.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____

HOMER • KACHEMAK BAY ROTARY CLUB

*"Service above self"
"He profits most who serves best"*

MAY 19 2015



P. O. Box 377 • Homer, Alaska 99603

May 14, 2015

Dear Mayor Wyeth, and
Homer City Council,

On behalf of the Rotarians from the Rotary club of Homer-Kachemak Bay, who hosted the Russian Open World team from Yakutsk, Siberia, we send our gratitude and appreciation for your involvement in educating the team members about your organization. The team members were extremely complimentary about the facilities and places they had visited and the information they were given. The team was in Homer for less than 3 days and had a very full itinerary. We apologize that at times we were later than expected to some of the site visits. Some of the comments from the Russian team include how warmly they were welcomed everywhere they went, and how open and helpful people were. They were excited by the beauty of Homer and the kindness of all the people they met at all the places on their schedule. They each learned a great deal about their respective professions and the way similar professionals worked here.

As you know, the team visited our hospital and medical clinics, and the family planning clinic as well as the Center, Haven House, Hospice of Homer and CICADA. They also visited the food pantry, the senior center, the Chamber of Commerce, the Pratt Museum, Kachemak Bay College, the Homer News, and KBBI. Part of the team visited Homer High School and were very impressed with the facilities and class offerings, and with the staff and students they met. They were interviewed by staff from the Homer News, the Homer Tribune and KBBI, and were introduced to the City Council.

The team members told us they would not have wanted anything different about their visit to Homer because it was just "great" as they experienced it.

We thank you very much for your generosity to give the team your time and attention and to give them an excellent taste of the worlds of health care, education, and journalism in Homer.

Sincerely,

The Open World organizing committee for the Rotary Club of Homer-Kachemak Bay

A handwritten signature in black ink that reads "Ursula C. Finley".

PUBLIC HEARING(S)

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

Ordinances 15-09 and 15-13

A **public hearing** is scheduled for **Tuesday, May 26, 2015** during a Regular City Council Meeting. The meeting begins at 6:00 p.m. in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Ordinance 15-09 and 15-13 internet address:

<http://www.cityofhomer-ak.gov/ordinances>

Ordinance 15-09, An Ordinance of the City Council of Homer, Alaska, Amending Subsection (d) of Homer City Code Section 21.58.020, Installation Requirements, to Delete the One-Acre Minimum Lot Area for Small Wind Energy Systems. Zak.

Ordinance 15-13, An Ordinance of the Homer City Council, Enacting Homer City Code Chapter 9.20, Hotel Tax; and Submitting to the Qualified Voters of the City at the October 6, 2015 Regular City Election the Question of Levying a Tax of 2.5% in Addition to the General City Sales Tax on Rent for Occupancy of a Room in a Hotel, Motel, Inn, Bed and Breakfast or Similar Structure. Lewis.



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

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

A handwritten signature in cursive script that reads "Jo Johnson".

Jo Johnson, MMC, City Clerk
Publish: Homer Tribune: May 20, 2015

CLERK'S AFFIDAVIT OF POSTING

I, Renee Krause, Deputy City Clerk I for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for **Ordinance 15-09**, Amending Subsection (d) of Homer City Code Section 21.58.020, installation Requirements, to Delete the One-Acre Minimum Lot Area for Small Wind Energy Systems and **Ordinance 15-13**, Enacting Homer City Code 9.20, Hotel Tax; and Submitting to the Qualified Voters of the City at the October 6, 2015 Regular City Election the Question of Levying a Tax of 2.5% in Addition to the general City Sales Tax on Rent for Occupancy of a Room in a Hotel, Motel, Inn, Bed and Breakfast or Similar Structure was distributed to the City of Homer kiosks located at City Clerk's Office, and the Homer Public Library, on May 14, 2015 and posted the same on City of Homer Website on Wednesday, May 13, 2015.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 14th day of May, 2015.

Renee Krause

Renee Krause, CMC, Deputy City Clerk I



ORDINANCE REFERENCE SHEET
2015 ORDINANCE
ORDINANCE 15-09

An Ordinance of the City Council of Homer, Alaska, Amending Subsection (d) of Homer City Code Section 21.58.020, Installation Requirements, to Delete the One-Acre Minimum Lot Area for Small Wind Energy Systems.

Sponsor: Zak

1. City Council Regular Meeting April 13, 2015 Introduction and Referred to the Planning Commission for review
2. City Council Regular Meeting May 26, 2015
 - a. Memorandum 15-069 from City Planner as backup w/draft ordinance, Staff Report 15-28, PC minutes excerpt 5/06/15, Memo PL 15-02

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Councilmember Zak

4 **ORDINANCE 15-09**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING SUBSECTION (d) OF HOMER CITY CODE SECTION
8 21.58.020, INSTALLATION REQUIREMENTS, TO DELETE THE ONE-
9 ACRE MINIMUM LOT AREA FOR SMALL WIND ENERGY SYSTEMS.

10
11 WHEREAS, Wind energy systems have become more sophisticated and diverse since
12 the existing wind turbine definitions, standards, and other governing ordinances of the city of
13 Homer, Alaska, were created in 2009; and

14
15 WHEREAS, The Homer City Code currently lacks standards recognizing that there are
16 now new types of wind energy systems that have much smaller underlying footprints and
17 dramatically lowered noise levels; and

18
19 WHEREAS, The Homer City Code currently lacks standards recognizing that there are
20 now new types of wind energy systems that have largely eliminated the potential harm to
21 birds; and

22
23 WHEREAS, The Homer City Code currently lacks standards recognizing that there are
24 now new types of wind energy systems that have much greater stamina with respect to
25 Alaskan weather; and

26
27 WHEREAS, The Homer City Code currently lacks standards recognizing that modern
28 wind turbines create the opportunity to decentralize locally and, as a result, better deal with
29 climate change, natural disasters, and terrorism; and

30
31 WHEREAS, The Climate Action Plan of the City of Homer encourages renewable energy
32 to reduce fossil fuel use and carbon emissions; and

33
34 WHEREAS, The cost of electric power has become a serious financial issue for the
35 citizens and small businesses of Homer.

36
37 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

38
39 Section 1. Subsection (d) of Homer City Code 21.58.020, Installation requirements, is
40 hereby amended to read as follows:

41
[Added language underlined. Deleted language stricken through.]

d. Dimensional Requirements.

~~1. A small wind energy system may be installed only on a lot having an area not less than one acre.~~

12. The distance from a small wind energy system to the closest property line may not be less than 1.1 times its total height.

23. All guy wires, cables and other accessory support structures for a small wind energy system must be on the same lot as the small wind energy system, but may be located within required setback areas, and shall be properly jacketed to ensure visible safety standards.

Section 2. This Ordinance is of a permanent and general character and shall be included in the City Code.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of _____, 2015.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

[Added language underlined. ~~Deleted language stricken through.~~]

83 Reviewed and approved as to form.

84

85 _____

86 Mary K. Koester, City Manager

87

88

89 Date: _____

90

91

92 Fiscal Note: NA

Thomas Klinkner, City Attorney

Date: _____

[Added language underlined. ~~Deleted language stricken through.~~]



City of Homer

www.cityofhomer-ak.gov

Planning

491 East Pioneer Avenue
Homer, Alaska 99603

Planning@ci.homer.ak.us

(p) 907-235-3106

(f) 907-235-3118

Memorandum 15-069

TO: MAYOR WYTHER AND HOMER CITY COUNCIL
THROUGH KATIE KOESTER, CITY MANAGER
FROM: RICK ABOUD, CITY PLANNER
DATE: May 13, 2015
SUBJECT: AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING SUBSECTION (d) OF HOMER CITY CODE SECTION 21.58.020, INSTALLATION REQUIREMENTS, TO DELETE THE ONE-ACRE MINIMUM LOT AREA FOR SMALL WIND ENERGY SYSTEMS.

The Planning Commission held a public hearing on this item at the May 6th meeting. There was one who testified, his support or opposition was unclear. After debate among the 5 commissioners present at the meeting, they voted 1 to 4 in support of the ordinance as presented. The resistance to the ordinance was based on concern for further considerations of the definition of the "small energy system" that would be allowed on less than one acre. A desire to learn more about the most current applications of wind energy was expressed. The subject will be explored further at future meetings.

Att.

1. Proposed draft ordinance
2. Staff Report 15-28
3. Excerpts of Planning Commission meeting of 5.6.15
4. Memo Pl 15-02

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Councilmember Zak

4 **ORDINANCE 15-09**

5
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26

27 WHEREAS, The Homer City Code currently lacks standards recognizing that modern
28 wind turbines create the opportunity to decentralize locally and, as a result, better deal with
29 climate change, natural disasters, and terrorism; and
30

31 WHEREAS, The Climate Action Plan of the City of Homer encourages renewable energy
32 to reduce fossil fuel use and carbon emissions; and
33

34 WHEREAS, The cost of electric power has become a serious financial issue for the
35 citizens and small businesses of Homer.
36

37 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
38

39 Section 1. Subsection (d) of Homer City Code 21.58.020, Installation requirements, is
40 hereby amended to read as follows:
41

[Added language underlined. Deleted language stricken through.]

d. Dimensional Requirements.

~~1. A small wind energy system may be installed only on a lot having an area not less than one acre.~~

12. The distance from a small wind energy system to the closest property line may not be less than 1.1 times its total height.

23. All guy wires, cables and other accessory support structures for a small wind energy system must be on the same lot as the small wind energy system, but may be located within required setback areas, and shall be properly jacketed to ensure visible safety standards.

Section 2. This Ordinance is of a permanent and general character and shall be included in the City Code.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of _____, 2015.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form.

Mary K. Koester, City Manager

Thomas Klinkner, City Attorney

Date: _____

Date: _____

Fiscal Note: NA

[Added language underlined. ~~Deleted language stricken through.~~]



City of Homer

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Planning

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Staff Report PL 15-28

TO: Homer Advisory Planning Commission
FROM: Rick Abboud, City Planner
DATE: May 6, 2015
SUBJECT: Draft ordinance 15-09 amending 21.58.020, Installation requirements, to delete the one-acre minimum lot area for small wind energy systems.

Introduction

The City Council introduced an ordinance to delete the one-acre minimum lot sized requirement for the installation of a wind energy system. This was referred to the Planning Commission for a recommendation.

Analysis

This amendment does not change any other standard or requirement for the installation of a wind energy unit. Practically, it opens up the opportunity for these units anywhere that the 1.1 fall zone on a lot is available. Currently, I am not able to permit even a small rooftop or vertical axis system that might not need to be located above the tree level on a lot due to the one acre restriction.

The Commission narrowly approved this requirement in their previous recommendation. I believe that it was approved on the bases of reducing the opportunity of these devices in the more densely populated urban environments. In consideration that all safety, noise, and setback requirements have not been compromised, I do not oppose the ordinance. The underlying issue of scenic preservation is the community value that may be addressed. The building standards of Homer (basically anything can be built to 35 feet) seem to show support for tolerance of the ordinance. The fact the all new development is required to bury all utilities seems to oppose the ordinance.

An example of the space necessary for a wind energy system under the new regulations:

One 40' tall unit requires 1.1 fall zone setback, $40 \times 1.1 \times 2 = 88'$. Standard lots are required to have a 3:1 ratio. So, if you need at least 88' of the narrow dimension and your lot is 3:1, your long distance would be $88' \times 3 = 264'$. In this example, your theoretical minimum lot would be $88' \times 264' = 23,232$ square ft. or .53 acres. Or course, there are other examples of non-standard

lot dimensions but this does give one the idea of what size of lot might accommodate a system that is just 5' taller than the building height limit.

Staff Recommendation: Hold public hearing and make recommendation in consideration of the adoption of the draft ordinance to the City Council.

Attachments:

1. Memorandum PL15-02
2. Draft Ordinance 15-09
3. City Council minutes

Session 15-07, a Regular Meeting of the Homer Advisory Planning Commission was called to order by Chair Stead at 6:30 p.m. on May 6, 2015 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONERS BRADLEY, ERICKSON, HIGHLAND, STEAD, STROOZAS

ABSENT: BOS, VENUTI

STAFF: CITY PLANNER ABBOUD
DEPUTY CITY CLERK JACOBSEN

Public Hearings

Testimony limited to 3 minutes per speaker. The Commission conducts Public Hearings by hearing a staff report, presentation by the applicant, hearing public testimony and then acting on the Public Hearing items. The Commission may question the public. Once the public hearing is closed the Commission cannot hear additional comments on the topic. The applicant is not held to the 3 minute time limit.

A. Staff Report PL 15-28 Small Wind Energy Systems to delete the one acre minimum

City Planner Abboud reviewed the staff report.

Tom Taffe, city resident, commented that there is a lot going on in this industry. There is a lot of information to look at to make good decisions and the city should work with HEA for a vision on how we move forward with this. He touched on setback concerns relating to propellers or materials that can be thrown from the equipment. He encouraged that they take their time on this and that he is available if they need assistance.

There were no further comments and the hearing was closed.

Commissioner Highland noted they usually discuss ordinances over multiple meetings. She felt this is moving too quickly. City Planner Abboud responded that this is a response to council's request.

STROOZAS/HIGHLAND MOVED THAT THE PLANNING COMMISSION SUPPORTS ORDINANCE 15-09 TO DELETE THE ONE ACRE MINIMUM LOT AREA FOR SMALL WIND ENERGY SYSTEMS AND RECOMMENDS ADOPTION BY THE CITY COUNCIL.

Commissioner Highland commented she could see doing this for the simplicity of the moment but then we do more research and get a broader spectrum of wind energy and the different types available now. She expressed they may want to address more than what this simple one has.

City Planner Abboud noted that all the regulations for small wind energy systems are included in code; this is just one small section of that code. When we get to the tower ordinance the Commission can look further into topic. We also noted that it's hard to say what the demand will be for the systems. He clarified that currently there is only one allowed per lot.

Commissioner Stroozas agrees that we don't know what the demand will be, so until it becomes an issue it can be refined at a later date.

Chair Stead questioned how it was noticed and the definition of small wind energy system.

City Planner Abboud replied that it was noticed in accordance with city code requirements and it could be carried over to another hearing. He clarified a small wind energy system generates energy rated at less than 25 kW and total height less than 170 feet and primary function to create electric power for onsite consumption.

Chair Stead commented a 10 kW system is starting to become large for a home and therefore you will want something with a larger lot size to prevent damage and impacts to neighbors. If it was for a system less than 1.5 kW, he might support approving it on less than one acre. He thinks there should be a size limit for units allowed on a lot less than one acre and thinks they should hold off on this.

City Planner Abboud questions if they are regulating for something that's worth regulating and questions if a system on a lot less than one acre will be able to meet the other code requirements and still provide sufficient power.

Commissioner Erickson agrees that it should be regulated by the amount of kilowatts produced. There are some compact ones to locate on houses on the lower end of kilowatt production.

City Planner Abboud thought it is reasonable to add that stipulation, otherwise they are re-thinking the whole ordinance.

It was noted that they don't have the information to make a recommendation on size limitations tonight and more information would be helpful.

City Planner Abboud commented that while there are some lots in town that are one acre or larger with owners who have the money to put in the systems but there just isn't a big demand for it. He thinks this deserves a response without reinventing the wheel, but it's up to the Commission.

VOTE: YES: STROOZAS

NO: STEAD, HIGHLAND, ERICKSON, BRADLEY

Comments of the Commission

Commissioner Highland said she doesn't feel good about the action on the small wind energy ordinance. She confirmed that the ordinance goes back to the council with the message they voted no on eliminating one acre minimum requirement, but she thinks there is so much more that needs to be looked at. City Planner Abboud explained council is expecting a response to the one change and that it can come back to the group another time. Ms. Highland said she would like them to do a better job restructuring how the ordinance is written based on more up to date information. City Planner Abboud said he will work to schedule a worksession and invite someone to discuss the industry, rather than their project, to talk about what our code does or doesn't accommodate.

HOMER ADVISORY PLANNING COMMISSION
REGULAR MEETING MINUTES
MAY 6, 2015

Commissioner Bradley commented she supports a longer conversation regarding small wind energy systems.



City of Homer

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Memorandum PL 15-02

TO: HOMER ADVISORY PLANNING COMMISSION

FROM: RICK ABBOUD, CITY PLANNER

DATE: MAY 6, 2015

SUBJECT: DRAFT ORDINANCE 15-09 AMENDING SUBSECTION (D) OF HOMER CITY CODE SECTION 21.58.020, INSTALLATION REQUIREMENTS, TO DELETE THE ONE-ACRE MINIMUM LOT AREA FOR SMALL WIND ENERGY SYSTEMS.

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

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

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

Discussion: Comprehensive Plan Chapter 9, Goal 4: "Support renewable-energy research and development." A strategy stated to accomplish this goal includes "Encourage the development of tidal, geothermal, wind and other renewable energy sources to generate energy for adjacent uses or for transmission to the electrical grid." This amendment is directly correlated toward accomplishing this goal.

Staff response: This amendment is consistent with the Comprehensive Plan.

b. Will be reasonable to implement and enforce.

Staff response: This code amendment will be reasonable to implement and enforce. It does not require the creation of any additional processes than currently exists.

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

Staff response: The public health, safety and welfare are not compromised, as no safety standards for wind energy systems are modified.

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

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

21.95.010 Initiating a code amendment.

Staff response: The City Council initiated the code amendment. Per HCC 21.95.010(a).

21.95.030 Restriction on repeating failed amendment proposals.

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

ORDINANCE REFERENCE SHEET
2015 ORDINANCE
ORDINANCE 15-13

An Ordinance of the Homer City Council, Enacting Homer City Code Chapter 9.20, Hotel Tax; and Submitting to the Qualified Voters of the City at the October 6, 2015 Regular City Election the Question of Levying a Tax of 2.5% in Addition to the General City Sales Tax on Rent for Occupancy of a Room in a Hotel, Motel, Inn, Bed and Breakfast or Similar Structure.

Sponsor: Lewis

1. City Council Regular Meeting May 11, 2015 Introduction
 - a. Memorandum 15-065 from City Manager as backup
2. City Council Regular Meeting May 26, 2015 Public Hearing and Second Reading
 - a. Memorandum 15-065 from City Manager as backup
 - b. City Attorney's Opinion on Councilmember Zak's Conflict of Interest

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

Lewis

3
4 **ORDINANCE 15-13**

5
6 AN ORDINANCE OF THE HOMER CITY COUNCIL, ENACTING
7 HOMER CITY CODE CHAPTER 9.20, HOTEL TAX; AND SUBMITTING
8 TO THE QUALIFIED VOTERS OF THE CITY AT THE OCTOBER 6,
9 2015 REGULAR CITY ELECTION THE QUESTION OF LEVYING A TAX
10 OF 2.5% IN ADDITION TO THE GENERAL CITY SALES TAX ON RENT
11 FOR OCCUPANCY OF A ROOM IN A HOTEL, MOTEL, INN, BED AND
12 BREAKFAST OR SIMILAR STRUCTURE.

13
14 THE CITY OF HOMER ORDAINS:

15
16 Section 1. Homer City Code 9.20, Hotel Tax, is enacted to read as follows:

17
18 Chapter 9.20 - HOTEL TAX

19 9.20.010 Definitions

20 9.20.020 Levy of tax; allocation tax revenues

21
22 9.20.010 Definitions. In this chapter,

23 "Guest" means a person who pays rent for the transient occupancy of a hotel room.

24 "Hotel" means a structure in the city containing one or more rooms that are rented or
25 offered for rent for transient occupancy for dwelling, lodging, or sleeping purposes and
26 includes any hotel, motel, inn, bed and breakfast or similar structure.

27 "Operator" means a person who owns, operates or controls a hotel, the rent for one or
28 more rooms in which is taxable under this chapter.

29 "Rent" means the amount of money, and the fair market value of consideration other
30 than money, given in exchange for the right to transient occupancy of a hotel room.

31 "Transient occupancy" means occupancy for fewer than 30 consecutive days. An
32 employee's occupancy for fewer than 30 days of a room that is rented by an employer for
33 more than 30 consecutive days for use basis by employees on a rotating is not a transient
34 occupancy.

35
36 9.20.020 Levy of tax; allocation tax revenues.

37 a. Subject to the remainder of this chapter, a tax of two and one-half percent (2.5%) of
38 the rent is levied on all rent. This tax is in addition to the tax levied under Chapter 9.16.

39 b. Revenues from the tax levied under (a) of this section shall be allocated as follows:

40 1. Twenty five percent (25%) shall be allocated to parks, arts, recreation and
41 culture programs in the city.

42 2. Twenty percent (20%) shall be allocated to council-approved programs to

43 market and promote the city.

44 3. Ten percent (10%) shall be allocated to funding of street reconstruction
45 improvements and related utilities, construction of new local roads, and construction
46 of new local trails.

47 4. Ten percent (10%) shall be allocated to funding debt retirement of the sewer
48 treatment plant improvements, and to the extent revenues from such tax exceed such
49 debt retirement obligations, for the purpose of funding water and sewer systems.

50 5. Thirty five percent (35%) shall be allocated to the general fund of the city to
51 be appropriated as determined by the council.

52

53 Section 2. The City shall submit the following proposition to the qualified voters of the
54 City at the October 6, 2015, regular City election. The proposition must receive an affirmative
55 vote from a majority of the qualified voters voting on the question to be approved.

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PROPOSITION NO. ____

**TAX ON RENT FOR OCCUPANCY OF A ROOM IN A HOTEL, MOTEL, INN, BED
AND BREAKFAST OR SIMILAR STRUCTURE**

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Shall the City of Homer levy a tax of two and one-half percent (2.5%) on
all rent for occupancy of a room in a hotel, motel, inn, bed and breakfast or
similar structure for dwelling, lodging, or sleeping purposes for fewer than 30
consecutive days, in addition to the City's general sales tax?

Revenues from the tax shall be allocated as follows:

1. 25% to parks, arts, recreation and culture programs in the city.

2. 20% to council-approved programs to market and promote the city.

3. 10% to funding the Homer Accelerated Roads and Trails Program.

4. 10% to funding the Homer Accelerated Water Sewer Program.

5. 35% to the general fund of the city to be appropriated as determined
by the council.

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Section 3. The proposition shall be printed on paper ballots and machine ballots, and
the following words shall be added as appropriate next to an oval provided for marking the
ballot for voting by hand or machine:

PROPOSITION NO. ____

Yes

No

Section 4. Section 1 of this ordinance is of a permanent and general character and
shall be included in the city code.



City of Homer

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Office of the City Manager

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Memorandum 15-065

TO: Mayor Wythe and Homer City Council
FROM: Katie Koester, City Manager
DATE: May 6, 2015
SUBJECT: Information on proposed bed tax ordinance

Councilmember Lewis has introduced Ordinance 15-13 asking Homer voters to approve a bed tax on the October ballot. It is important to note that even if the Homer voters approve a bed tax, the Kenai Peninsula Borough would still have to pass an ordinance authorizing a bed tax. The Ordinance proposes a 2.5% tax with revenue distributed 5 ways.

1. 25% to parks, arts, recreation and culture programs in the city.
2. 20% to council-approved programs to market and promote the city.
3. 10% to funding the Homer Accelerated Roads and Trails Program.
4. 10% to funding the Homer Accelerated Water and Sewer Program.
5. 35% to the general fund of the city to be appropriated as determined.

According to KPEDD literature published in 2014, using 2012 sales tax figures, a bed tax would generate \$120,000 in Homer.

A 2.5% bed tax would generate \$300,000

- \$75,000 to parks, arts, recreation and culture programs in the city.
- \$60,000 to council-approved programs to market and promote the city.
- \$30,000 to funding the Homer Accelerated Roads and Trails Program.
- \$30,000 to funding the Homer Accelerated Water and Sewer Program.
- \$105,000 to the general fund of the city to be appropriated as determined.

It is safe to assume current numbers would be a little higher. However, the percentages proposed in the ordinance are not sufficient to replace the amount of revenue that was dedicated to the HART and HAWSP fund before 2009. The current distribution of sales tax revenue is 15% HART roads, 2% HART trails and 15% HAWSP.

The Kenai Peninsula Borough estimates that the City of Homer would have collected an additional \$800,000 in 2014 with a year round sales tax on non-prepared food. Using the KPTMC estimate from 2012, a 7% bed tax would be required to replace that loss.

A 7% bed tax would generate \$840,000

- \$210,000 to parks, arts, recreation and culture programs in the city.

\$168,000 to council-approved programs to market and promote the city.
\$84,000 to funding the Homer Accelerated Roads and Trails Program.
\$84,000 to funding the Homer Accelerated Water and Sewer Program.
\$294,000 to the general fund of the city to be appropriated as determined.

LAW OFFICES

BIRCH HORTON BITTNER & CHEROT

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May 15, 2015

VIA ELECTRONIC DELIVERY

Ms. Jo Johnson
City Clerk
City of Homer
491 E. Pioneer Avenue
Homer, AK 99603-7624

RE: Conflict of Interest Regarding Bed Tax Ordinance
Our File No.: 506742.23

Dear Jo:

You have asked whether Council member Zak is disqualified from participating in official action due to conflict of interest under the circumstances described below. I conclude that these circumstances do not disqualify Council member Zak from participating in the official action.

At the May 11, 2015, Council meeting, the Council voted to introduce Ordinance 15-13, which would submit to City voters the question of whether the City should levy a tax of 2.5% on the rent for transient occupancy of a room in a hotel, motel, inn, bed and breakfast, or similar structure. Council member Zak declared a potential conflict of interest in the action based on his ownership of a "vacation rental." At that time, the Mayor ruled that Council member Zak had a disqualifying conflict of interest, and he did not participate in the discussion or vote on the introduction of Ordinance 15-13.

HCC 1.18.030(b) prohibits a Council member from participating in any official action in which the Council member (i) has a substantial financial interest in the subject of the official action, (ii) will have a substantial financial interest in the subject of the official action within a period of one year after the action, or (iii) will recognize a substantial financial interest as a result of the action. However, this rule is subject to the exception that it "does not prohibit any gain or loss that would generally be in common with all other citizens or a large class of citizens."

Ms. Jo Johnson
May 15, 2015
Page 2

HCC 1.18.020 defines "financial interest" to include property ownership, but excludes from the definition, "[f]inancial interests of a type which are generally possessed in common with all other citizens or a large class of citizens." HCC 1.18.020 defines "substantial financial interest" as "a financial interest that would result in a pecuniary gain or loss exceeding \$1,000 in a single transaction or more than \$5,000 in the aggregate in 12 consecutive months."

Council member Zak owns property whose rental could be subject to the tax levied by Ordinance 15-13. Thus, he has a financial interest in action on Ordinance 15-13, unless his interest is possessed in common with a large class of citizens. It is not clear how many Homer citizens own property whose rental would be subject to tax under Ordinance 15-13, or whether that number would constitute a "large class of citizens" under HCC 1.18.020. Thus, I cannot conclude that Council member Zak has no financial interest in official action on Ordinance 15-13 by possessing that interest in common with a large class of citizens.

However, Council member Zak is disqualified from participating in action on Ordinance 15-13 only if he has a **substantial** financial interest in that action. He would have a substantial financial interest in Ordinance 15-13 only if the tax levied by that ordinance would result in a pecuniary gain or loss exceeding \$1,000 in a single transaction or more than \$5,000 in the aggregate in 12 consecutive months.

To consider the tax levied by Ordinance 15-13 to result in any pecuniary loss to Council member Zak, one first must assume that he would bear at least part of the economic burden of the tax, rather than being able to pass the entire burden of the tax on to his vacation rental customers. However, even if one were to assume that the tax levied by Ordinance 15-13 would result in a pecuniary loss to Council member Zak, it is highly unlikely that the 2.5% tax would result in pecuniary loss of a magnitude exceeding either dollar threshold for a substantial financial interest. The tax would impose a pecuniary loss exceeding \$1,000 in a single transaction only if Council member Zak were to receive more than \$40,000 for a single rental of his vacation rental property. The tax would result in a pecuniary loss of more than \$5,000 in 12 consecutive months only if he were to receive more than \$200,000 of vacation rental income during that 12-month period.

Ms. Jo Johnson
May 15, 2015
Page 3

For the reasons stated above, I conclude that Council member Zak is not disqualified from participating in action on Ordinance 15-13.

Yours truly,

BIRCH HORTON BITTNER & CHEROT

A handwritten signature in blue ink, appearing to read "Thomas F. Klinkner", written in a cursive style.

Thomas F. Klinkner

TFK:lcj



TOURISM, IT'S EVERYONE'S BUSINESS

CHALLENGES WITH THE KENAI'S CURRENT TOURISM MARKETING STRATEGY

We are the best Alaska has to offer, and yet we aren't competing on a level playing field with our competition!

Tourism in Alaska is big business, and communities are aggressively competing for visitor dollars. If the Kenai is going to remain competitive, we have got to stay in the game.

- Anchorage - 7 million dollars
- Juneau - 1 million
- Fairbanks - 2.9 million
- Mat-Su Borough - \$850,000
- KPTMC - \$300,000 from KPB

When the Kenai Peninsula is not marketing competitively with other areas, we do not exist in the minds of potential Alaskan visitors.

We do not have our hand out for a gift!

TOURISM GETS VERY LITTLE RESPECT ON THE KENAI. It is estimated that tourism brings in more than 30% of our sales tax, yet asking for our marketing dollars to keep that money flowing into our communities is viewed as an ask as for a hand out rather than an investment.

We should be working together! Incorporated communities that benefit from sales tax dollars are in the same boat as the Borough as a whole.

WE ALL SPEND A HUGE AMOUNT OF TIME SECURING A SMALL AMOUNT OF MONEY FOR PROMOTING WHEN WE COULD BE MARKETING AND MAKING A REAL DIFFERENCE IN THE NUMBER OF PEOPLE WHO ARE VISITING OUR COMMUNITIES!

WE ARE ASKING THAT YOU ARE PART OF THE CONVERSATION... IS A BED TAX WORTH EXPLORING?

KPTMC put forward a broad base 1% tourism assessment plan that would collect from all segments of the industry. This plan was not supported by the KPB administration. Bed taxes are common and accepted by the traveling public and the administration would support formulating a plan. **If the tourism industry on The Kenai bands together to create it's own stream of marketing dollars WE CAN CONTROL OUR OWN DESTINY AND GROW!**

ARGUMENTS AGAINST A BED TAX:

CON: Some argue that higher prices will lead to a decline of tourism.

PRO: The marketing that we will be able to put in place will GROW our visitor base, not shrink it. Bed taxes are in place throughout the nation and Alaska. We are the only region in Alaska that does not have one.

CON: Bed taxes, as with other taxes, have the habit of continuously increasing regardless of economic conditions.

PRO: If The Kenai's tourism industry formulates this plan and brings it forward to our Borough and Cities, we can control the amount of tax levied and the way it is spent, rather than having it forced on us and used for general government in the future.

CON: A bed tax could affect our residents, such as traveling sports teams.

PRO: We can control the way a bed tax would be structured and look at options such as making it seasonal.

TOURIST PAY. BUSINESS BENEFITS. THE KENAI WINS.

TOURISM, IT'S EVERYONE'S BUSINESS

ARGUMENTS AGAINST A BED TAX:

CON: A bed tax would put an additional burden on the accommodations sector to collect taxes for the rest of the industry.

PRO: We could build in a 5% return for the businesses collecting the tax to offset the time spent on additional bookkeeping and credit card charges.

ARGUMENTS FOR A BED TAX:

The intent of a bed tax would be to create a sustainable funding source for tourism marketing and infrastructure for the Borough and our cities. Investing in Tourism Marketing is an investment in the economic development of the Kenai Peninsula Borough.

An identified funding source that would be 100% identified as being from the Tourism Industry would stop the argument from many in the Borough that they do not want their tax dollars going to pay for tourism marketing.

We could all stop spending so much time fighting for a small slice of what the industry deserves and get about the business of selling our product!

IMAGINE WHAT WE COULD DO WITH AN ADEQUATE MARKETING BUDGET...

TV and Radio advertising in the Anchorage market all Spring and Fall to drive shoulder season visitation.

Full page cooperative ads in national magazines.

A presence at national consumer shows that our competitors are attending.

A presence on international sales missions that our competitors are attending.

A position dedicated to working to bring conventions and meetings to The Kenai.

Stimulate off season and niche markets such as Eco-tourism and winter sports.

ALASKA SALES AND BED TAXES

Destination	Sales Tax	Bed Tax	Total
Anchorage		12	12
Cordova		6	6
Fairbanks		8	8
Haines		4	4
Homer	7.5		7.5
Juneau		12	12
Kenai	6	0	6
Ketchikan		6.5	6.5
Kodiak		10	10
Mat-Su CVB		5	5
Palmer	3	5	8
Seldovia	7.5		7.5
Seward	7	4	11
Sitka		12	12
Soldotna	6		6
Unalaska/Dutch Harbor	3	5	8
Wasilla	2.5	5	7.5

By aggressively marketing The Kenai and our individual communities, we will see our fair share of visitors and groups - and their expenditures, which will support hundreds of small businesses in the region that rely on the tourism industry - from golf courses and restaurants to art galleries and outdoor adventure operators.

THE NATIONAL AVERAGE

BED TAX IS 10%

The goal is to HELP the industry, to provide funds to attract tourists and meetings to The Kenai, which in turn will generate sales tax revenue for the region, which helps to pay for schools, fire, police, streets and other city services.

HOW MUCH WOULD A BED TAX GENERATE ON THE KENAI?

Using 2012 Accommodations Sales Tax figures, a 1% Borough wide bed tax would generate just under \$700,000.

A 1% City bed tax in Homer would generate \$120,000.

ORDINANCE(S)

ORDINANCE REFERENCE SHEET
2015 ORDINANCE
ORDINANCE 15-17

An Ordinance of the City Council of Homer, Alaska, Amending Ordinance 13-03(S)(2) to Permit the City to Prepay Principal of the Natural Gas Distribution Special Assessment Bond Authorized by Ordinance 13-02(S)(2), and Authorizing an Amendment to the Loan Agreement Between the City and the Kenai Peninsula Borough Regarding the Bond.

Sponsor: City Manager

1. City Council Regular Meeting May 26, 2015 Introduction
 - a. Ordinance 13-03(S)(2)
 - b. Resolution 15-017

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4 **ORDINANCE 15-17**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING ORDINANCE 13-03(S)(2) TO PERMIT THE CITY TO
8 PREPAY PRINCIPAL OF THE NATURAL GAS DISTRIBUTION
9 SPECIAL ASSESSMENT BOND AUTHORIZED BY ORDINANCE 13-
10 02(S)(2), AND AUTHORIZING AN AMENDMENT TO THE LOAN
11 AGREEMENT BETWEEN THE CITY AND THE KENAI PENINSULA
12 BOROUGH REGARDING THE BOND.

13
14 WHEREAS, By Ordinance 13-03(S)(2), adopted February 25, 2013, the City authorized
15 the issuance of a Natural Gas Distribution Special Assessment Bond (“Bond”) in the principal
16 amount of not to exceed \$12,700,000, and the execution and delivery of a Loan Agreement
17 between the City and the Kenai Peninsula Borough regarding the Bond; and
18

19 WHEREAS, By Resolution 15-017, adopted March 23, 2015 the City confirmed the
20 assessment roll for the Homer Natural Gas Distribution Special Assessment District
21 (“District”); and
22

23 WHEREAS, On April 3, 2015, the Superior Court in *Castner v. City of Homer, et al.*, Case
24 No. 3HO-13-00038CI, ruled that the City’s method of assessing condominium units in the
25 District was unlawful, and this decision has been stayed pending review by the Alaska
26 Supreme Court; and
27

28 WHEREAS, The Council may consider whether to (i) waive the assessment of certain
29 properties in the District that cannot be served by the natural gas distribution system, and (ii)
30 recognize subdivisions reducing the number of contiguous lots under common ownership by
31 assessing only the reduced number of lots; and
32

33 WHEREAS, The City and the Kenai Peninsula Borough have agreed that the City should
34 prepay the principal of the Bond in an amount equal to any reduction in the amount of
35 assessments in the District that results from (i) any requirement that the City reassess
36 condominium units in the District, or (ii) any decision by the Council to waive the assessment
37 of properties in the District that cannot be served by the natural gas distribution system or to
38 assess only a reduced number of contiguous lots in common ownership resulting from
39 resubdivision.
40
41
42

43 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

44
45 Section 1. Section 14 of Ordinance 13-03(S)(2) is amended to read as follows (added
46 language is underlined):

47
48 Section 14 – Reserve Fund.

49 (a) A special fund of the City designated the "City of Homer Natural
50 Gas Distribution Special Assessment Bond Reserve Fund" is hereby created for
51 the purpose of paying and securing the payment of the Bond, and is hereby
52 pledged for that purpose. The Reserve Fund shall be held separate and apart
53 from all other funds and accounts of the City and shall be a trust fund for the
54 Registered Owner of the Bond. There shall be paid into the Reserve Fund:

55 (1) That part of the proceeds of the Bond which is
56 designated for deposit in the Reserve Fund by the Loan Agreement; and

57 (2) All monies received from ENSTAR as refunds of main
58 extension advances or free main allowance arising out of new
59 customers connecting to the Improvement, which shall be held in a
60 separate subaccount in the Reserve Fund; and

61 (3) Any Sinking Fund and Guaranty Fund balances remaining
62 after the discharge of the Bond.

63 (b) Until the Bond has been discharged, the funds in the Reserve
64 Fund may be used only to pay the difference between the amount of principal
65 and interest due on the Bond and the amount in the Sinking Fund that is
66 available to pay that principal and interest; provided, (i) monies in the Reserve
67 fund that were received from ENSTAR as refunds of main extension advances
68 or free main allowance arising out of new customers connecting to the
69 Improvement may be used as provided in subsection (d) of this section, and
70 (ii) if the Finance Director determines that the amount of funds available in the
71 Reserve Fund exceeds the amount of the next annual installment of principal
72 and interest due on the Bond, the Finance Director may apply such excess to a
73 prepayment of the Bond.

74 (c) At such time as the Finance Director determines that the sum of
75 the amounts in the Reserve Fund, the Guaranty Fund and the Sinking Fund
76 equals or exceeds the amount required to (i) discharge the Bond, (ii) pay all
77 refunds of assessments required upon discharge of the Bond, and (iii) pay any
78 other amounts that may be owing on the Bond, the Finance Director shall
79 cause such payment to be made and the Bond to be discharged.

80 (d) Monies in the Reserve fund that were received from ENSTAR as
81 refunds of main extension advances or free main allowance arising out of new
82 customers connecting to the Improvement may be used as follows:

83 (1) The City may prepay principal of the Bond in an amount
84 equal to the reduction in the total amount of assessments against

85 condominium units in the District pursuant to the decision of the
86 Superior Court in *Castner v. City of Homer, et al.*, Case No. 3HO-13-
87 00038CI, or a decision of the Alaska Supreme Court on review of the
88 Superior Court’s decision, provided that immediately following such a
89 prepayment the amount in the Reserve Fund shall not be less than the
90 Reserve Requirement.

91 (2) The City may prepay principal of the Bond in an amount
92 equal to the reduction in the total amount of assessments in the District
93 due to action of the City either (i) waiving the assessment of certain
94 properties in the District that cannot be served by the natural gas
95 distribution system, or (ii) recognizing subdivisions reducing the
96 number of contiguous lots under common ownership by assessing only
97 the reduced number of lots, provided that immediately following such a
98 prepayment the amount in the Reserve Fund shall not be less than the
99 Reserve Requirement.

100
101 Section 2. The City Manager is hereby authorized to execute the First Amendment to
102 Loan Agreement, in substantially the form presented at this meeting, but with such changes,
103 modifications, additions and deletions therein as she shall deem necessary, desirable or
104 appropriate, the execution thereof to constitute conclusive evidence of approval of any and
105 all changes, modifications, additions or deletions therein from the form and content of said
106 document now before this meeting.

107
108 Section 3. This Ordinance is not permanent in nature, and shall not be codified.

109
110 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
111 _____, 2015.

112
113 CITY OF HOMER

114
115
116 _____
117 MARY E. WYTHE, MAYOR

118
119 ATTEST:

120
121
122 _____
123 JO JOHNSON, MMC, CITY CLERK

127 YES:
128 NO:
129 ABSTAIN:
130 ABSENT:
131
132
133 First Reading:
134 Public Hearing:
135 Second Reading:
136 Effective Date:

137
138

139
140 Reviewed and approved as to form.

141

142 _____
143 Mary K. Koester, City Manager

144

145 Date: _____

146

147

148 Fiscal Note: NA

Thomas Klinkner, City Attorney

Date: _____

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**CITY OF HOMER
HOMER, ALASKA**

City Manager

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.

WHEREAS, On February 11, 2013, the Council adopted Ordinance 13-02 creating the City of Homer Natural Gas Distribution Special Assessment District (“District”), and authorizing the City Manager to proceed with the design and construction of a natural gas distribution system in the District (the “Improvement”), and negotiate for the sale of special assessment bonds or other financing for the construction of the Improvement for Council approval; and

WHEREAS, Interim financing for the Improvement is required in anticipation of the levying of special assessments against the real property in the District, and after the levying of the assessments, long-term financing for the Improvement will be required; and

WHEREAS, AS 29.46.130 and AS 29.46.140 authorize the City of Homer “City” respectively to issue notes to obtain interim financing for improvements in a special assessment district, and to issue bonds to obtain long-term financing for improvements in a special assessment district, in each case payable out of special assessments for the improvement, without voter approval; and

WHEREAS, The City Manager has negotiated a Loan Agreement between the Kenai Peninsula Borough (“Lender”) and the City, the form of which is now before this meeting, which provides for the Lender to purchase a bond to finance the Improvement on the terms and conditions set forth therein and in this Ordinance, and it is in the best interest of the City that the City sell the bond to the Lender under such terms and conditions; and

WHEREAS, Homer City Code Chapter 17.08, regarding special assessment bonds, contains terms that are obsolete and conflict with the terms of the financing authorized by this ordinance, and should be repealed.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1 – Definitions. In addition to the terms that are defined in the recitals above, the following terms shall have the following meanings in this Ordinance:

47 "Bond Register" means the registration books maintained by the Registrar as Bond
48 registrar, which include the names and addresses of the owners or nominees of the owners of the
49 Bond.

50
51 "Bond" means the "Natural Gas Distribution Special Assessment Bond, 2013" of the
52 City, the issuance and sale of which are authorized herein.

53
54 "City" means the City of Homer, a municipal corporation of the State of Alaska,
55 organized as a first class city under Title 29 of the Alaska Statutes.

56
57 "Council" means the Council of the City of Homer, as the general legislative authority of
58 the City, as the same shall be duly and regularly constituted from time to time.

59
60 "District" means the Homer Natural Gas Distribution System Special Assessment District
61 created by Ordinance 13-02.

62
63 "ENSTAR" means ENSTAR Natural Gas Company, a division of Semco Energy, Inc., a
64 Michigan corporation.

65
66 "Guaranty Fund" means the fund of that name created by Section 15.

67
68 "Improvement" means the natural gas distribution system to be constructed in the
69 District.

70
71 "Lender" means the Kenai Peninsula Borough, a municipal corporation of the State of
72 Alaska, organized as a second class borough under Title 29 of the Alaska Statutes.

73
74 "Loan Agreement" means the Loan Agreement between the City and the Lender
75 concerning the Bond.

76
77 "Ordinance" means this Ordinance 13-03(S) of the City.

78
79 "Registered Owner" means the person named as the registered owner of a Bond in the
80 Bond Register. The Lender is the initial Registered Owner.

81
82 "Registrar" means the City Treasurer, or any successor that the City may appoint by
83 resolution.

84
85 "Reserve Fund" means the fund of that name created by Section 14.

86
87 "Sinking Fund" means the fund of that name created by Section 13.

88

89 "Special Assessments" means all special assessments to be levied against real property in
90 the District to pay the costs of the Improvement.
91

92 Section 2 – Authorization of Bond and Purpose of Issuance. For the purpose of providing
93 the funds necessary to pay the costs of designing and constructing the Improvement, to pay
94 interest on the Bond during the construction of the Improvement, the funding of the reserves
95 required herein, and to pay all costs incidental thereto and to the issuance of the Bond, the City
96 shall issue the Bond in a principal amount equal to the aggregate amount of the advances that the
97 Registered Owner makes to the City for such purposes, but not to exceed \$12,700,000.
98

99 Section 3 – Obligation of Bond. The Bond is a special obligation of the City and is
100 payable solely from assessments to be levied against the real property in the District for the
101 Improvement, and funds pledged for the payment of the Bond under this Ordinance. Said
102 assessments shall constitute a sinking fund for the payment of principal of and interest on the
103 Bond. Neither the faith and credit nor the taxing power of the City is pledged for the payment of
104 the Bond.
105

106 Section 4 – Description of Bond. The Bond shall be designated "City of Homer Natural
107 Gas Distribution Special Assessment Bond, 2013," shall be issued in fully registered form, and
108 shall be numbered in the manner and with such additional designation as the Registrar deems
109 necessary for purposes of identification, and may have endorsed thereon such legends or text as
110 may be necessary or appropriate to conform to the rules and regulations of any governmental
111 authority or any usage or requirement of law with respect thereto. The Bond shall be dated as of
112 its delivery date.
113

114 The Bond shall bear interest from its date at a rate of Four Percent (4.0%) per annum, and
115 shall be payable in two payments of interest only on the 1st days of April 2014 and 2015, and ten
116 equal annual installments of principal and interest, commencing on the 1st day of April 2016 and
117 continuing on April 1 of each year thereafter, until April 1, 2025, when the remaining principal
118 balance of the Bond, plus accrued interest, shall be due and payable. Interest will be computed
119 on the basis of a 360-day year consisting of twelve 30-day months.
120

121 Section 5 – Optional Redemption. The Bond shall be subject to optional redemption in
122 whole or in part at any time, at a redemption price equal to the principal amount of the Bond to
123 be redeemed plus accrued interest to the date of redemption.
124

125 Section 6 – Notice of Redemption. Notice of any intended redemption of the Bond shall
126 be given not less than 10 nor more than 45 days prior to the date fixed for redemption by first
127 class mail to the Registered Owner of the Bond at its address as it appears on the Bond Register
128 on the day the notice is mailed. The requirements of this section shall be deemed to be complied
129 with when notice is mailed as herein provided, whether or not it is actually received by the
130 Registered Owner. All official notices of redemption shall be dated and shall state the
131 redemption date and the redemption price.

175 is the single registered Bond entitled \$12,700,000 City of Homer Natural Gas Distribution
176 Special Assessment Bond, 2013.

177
178 THIS BOND IS PAYABLE SOLELY FROM ASSESSMENTS TO BE LEVIED
179 AGAINST THE REAL PROPERTY IN THE CITY OF HOMER NATURAL GAS
180 DISTRIBUTION SPECIAL ASSESSMENT DISTRICT, AND FUNDS PLEDGED FOR THE
181 PAYMENT OF THE BOND UNDER THE ORDINANCE, AND IS NOT A GENERAL
182 OBLIGATION OF THE CITY, AND NEITHER THE FAITH AND CREDIT NOR THE
183 TAXING POWER OF THE CITY IS PLEDGED FOR ITS REPAYMENT.

184
185 IT IS HEREBY CERTIFIED and declared that this Bond is issued pursuant to and in
186 strict compliance with the Constitution and laws of the State of Alaska and the ordinances of the
187 City of Homer, and that all acts, conditions and things required to happen, to be done and to be
188 performed precedent to and on the issuance of this Bond have happened, been done and been
189 performed.

190
191 IN WITNESS WHEREOF, the City of Homer, Alaska, has caused this Bond to be
192 executed by the signature of its Mayor and attested by its Clerk under the seal of the City on this
193 25th day of ~~March~~, 2013.

February

CITY OF HOMER

Francie Roberts

FRANCIE ROBERTS, MAYOR
PRO TEMPORE

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202 ATTEST:

J. Johnson
JOHNSON, CMC, CITY CLERK

203
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207
208 Section 8 – Execution. The Bond shall be executed in the name of the City by the
209 signature of the Mayor, and its corporate seal shall be impressed or otherwise reproduced thereon
210 and attested by the signature of the City Clerk. The execution of the Bond on behalf of the City
211 by persons who at the time of the execution are duly authorized to hold the proper offices shall
212 be valid and sufficient for all purposes, although any such person shall have ceased to hold office
213 at the time of delivery of the Bond or shall not have held office on the date of the Bond.

214
215 Section 9 – Payment of Principal and Interest. The Bond shall be payable in lawful
216 money of the United States of America which at the time of payment is legal tender for the
217 payment of public and private debts. Installments of principal and interest on the Bond shall be

218 payable on the due date in immediately available funds at the office of the Registered Owner in
219 Soldotna, Alaska, or at another location specified at the option of the Registered Owner;
220 provided that the final installment of the principal of the Bond, plus accrued interest, shall be
221 payable upon presentation and surrender of the Bond by the Registered Owner at the office of the
222 Registered Owner in Soldotna, Alaska.

223
224 Section 10 – Registration.

225
226 (a) Bond Register. The Bond shall be issued only in registered form as to both
227 principal and interest. The Registrar shall keep, or cause to be kept, a Bond Register at its
228 principal office. The Treasurer of the City is hereby appointed as Registrar and paying agent for
229 the Bond.

230
231 (b) Registered Ownership. The City and the Registrar, each in its discretion, may
232 deem and treat the Registered Owner of the Bond as the absolute owner thereof for all purposes,
233 and neither the City nor the Registrar shall be affected by any notice to the contrary. Payment of
234 the Bond shall be made only as described in Section 9, but such registration may be transferred
235 as herein provided. All such payments made as described in Section 9 shall satisfy and discharge
236 the liability of the City upon the Bond to the extent of the amount or amounts so paid.

237
238 (c) Transfer or Exchange of Registered Ownership. The registered ownership of the
239 Bond may be transferred or exchanged, but no transfer of the Bond shall be valid unless it is
240 surrendered to the Registrar with the assignment form appearing on such Bond duly executed by
241 the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory
242 to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and shall
243 cause to be executed and delivered, without charge to the Registered Owner or transferee, a new
244 Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and
245 interest rate and for the same aggregate principal amount, naming as Registered Owner the
246 person or persons listed as the assignee on the assignment form appearing on the surrendered and
247 canceled Bond. The Bond may be surrendered to the Registrar and exchanged, without charge,
248 for an equal aggregate principal amount of Bonds of the same date, maturity, and interest rate.
249 The Registrar shall not be obligated to transfer or exchange the Bond following any notice of
250 redemption.

251
252 Section 11 – Lost Stolen, Destroyed or Mutilated Bond. Upon surrender to the Registrar
253 of a mutilated Bond, the City shall execute and deliver a new Bond of like maturity and principal
254 amount. Upon filing with the Registrar of evidence satisfactory to the City that a Bond has been
255 destroyed, stolen or lost and of the ownership thereof, and upon furnishing the City with
256 indemnity satisfactory to it, the City shall execute and deliver a new Bond of like maturity and
257 principal amount. The person requesting the execution and delivery of a new Bond under this
258 section shall comply with such other reasonable regulations as the City may prescribe and pay
259 such expenses as the City may incur in connection therewith.

261 Section 12 – Application of Bond Proceeds. The proceeds of the sale of the Bond shall
262 be applied to pay the costs of designing and constructing the Improvement, including the funding
263 of the reserves required herein, and to pay all costs incidental thereto and to the issuance of the
264 Bond, including without limitation the costs of the Lender as provided in the Loan Agreement,
265 and shall be deposited in the appropriate funds or accounts of the City for such purposes.
266

267 Section 13 – Sinking Fund. A special fund of the City designated the "City of Homer
268 Natural Gas Distribution Special Assessment Bond Sinking Fund" is hereby created for the
269 purpose of paying and securing the payment of the Bond. The Sinking Fund shall be held
270 separate and apart from all other funds and accounts of the City and shall be a trust fund for the
271 Registered Owner of the Bond. Payments of principal and interest on assessments levied for the
272 Improvement in the District shall be deposited in the Sinking Fund. Amounts in the Sinking
273 Fund shall be used to pay principal and interest on the Bond, and are hereby pledged for that
274 purpose. Prepayments of assessments shall be applied to prepay the principal of the Bond, and
275 upon any such prepayment the amortization of the principal of the Bond shall be adjusted so that
276 each remaining scheduled payment of principal and interest on the Bond shall be in an equal
277 amount.
278

279 Section 14 – Reserve Fund.
280

281 (a) A special fund of the City designated the "City of Homer Natural Gas Distribution
282 Special Assessment Bond Reserve Fund" is hereby created for the purpose of paying and
283 securing the payment of the Bond, and is hereby pledged for that purpose. The Reserve Fund
284 shall be held separate and apart from all other funds and accounts of the City and shall be a trust
285 fund for the Registered Owner of the Bond. There shall be paid into the Reserve Fund:
286

287 (1) That part of the proceeds of the Bond which is designated for deposit in
288 the Reserve Fund by the Loan Agreement; and
289

290 (2) All monies received from ENSTAR as refunds of main extension
291 advances or free main allowance arising out of new customers connecting to the
292 Improvement; and
293

294 (3) Any Sinking Fund and Guaranty Fund balances remaining after the
295 discharge of the Bond.
296

297 (b) Until the Bond has been discharged, the funds in the Reserve Fund may be used
298 only to pay the difference between the amount of principal and interest due on the Bond and the
299 amount in the Sinking Fund that is available to pay that principal and interest; provided, if the
300 Finance Director determines that the amount of funds available in the Reserve Fund exceeds the
301 amount of the next annual installment of principal and interest due on the Bond, the Finance
302 Director may apply such excess to a prepayment of the Bond.
303

304 (c) At such time as the Finance Director determines that the sum of the amounts in
305 the Reserve Fund, the Guaranty Fund and the Sinking Fund equals or exceeds the amount
306 required to (i) discharge the Bond, (ii) pay all refunds of assessments required upon discharge of
307 the Bond, and (iii) pay any other amounts that may be owing on the Bond, the Finance Director
308 shall cause such payment to be made and the Bond to be discharged.

309
310 Section 15 – Guaranty Fund. A special fund of the City designated the "City of Homer
311 Natural Gas Distribution Special Assessment Bond Guaranty Fund" is hereby created for the
312 purpose of paying and securing the payment of the Bonds, and is hereby pledged for that
313 purpose. The Guaranty Fund shall be held separate and apart from all other funds and accounts
314 of the City and shall be a trust fund for the Registered Owner of the Bonds. The Council
315 annually shall appropriate to the Guaranty Fund a sum the Council determines to be adequate,
316 with all other available funds, to cover a deficiency in the funds available to pay principal and
317 interest on the Bonds if the reason for the deficiency is nonpayment of assessments when due.
318 Money received from actions taken against property for nonpayment of assessments levied in the
319 District shall be credited to the Guaranty Fund. Amounts in the Guaranty Fund shall be used to
320 pay principal and interest on the Bonds when other funds are not available for that purpose.

321
322 Section 16 – Amendatory and Supplemental Ordinances.

323
324 (a) The Council from time to time and at any time may adopt an Ordinance or
325 Ordinances supplemental hereto, which Ordinance or Ordinances thereafter shall become a part
326 of this Ordinance, for any one or more of the following purposes:

327
328 (1) To add to the covenants and agreements of the City in this Ordinance,
329 other covenants and agreements thereafter to be observed, or to surrender any right or
330 power herein reserved to or conferred upon the City.

331
332 (2) To make such provisions for the purpose of curing any ambiguities or of
333 curing, correcting or supplementing any defective provision contained in this Ordinance
334 or in regard to matters or questions arising under this Ordinance as the Council may deem
335 necessary or desirable and not inconsistent with this Ordinance and which shall not
336 adversely affect the interests of the Registered Owner of the Bond.

337
338 Any such supplemental Ordinance may be adopted without the consent of the Registered
339 Owner of the Bond, notwithstanding any of the provisions of subsection (b) of this section.

340
341 (b) With the consent of the Registered Owners of not less than 60 percent in
342 aggregate principal amount of the Bond at the time outstanding, the Council may adopt an
343 Ordinance or Ordinances supplemental hereto for the purpose of adding any provisions to or
344 changing in any manner or eliminating any of the provisions of this Ordinance or of any
345 supplemental Ordinance; provided, however, that no such supplemental Ordinance shall:

346

347 (1) Extend the due date of any principal installment payable under the Bond,
348 or reduce the rate of interest thereon, or extend the time of payments of interest from their
349 due date, or reduce the amount of the principal thereof, or reduce any premium payable
350 on the redemption thereof, without the consent of the Registered Owners of all of the
351 Bond so affected; or

352
353 (2) Reduce the aforesaid percentage of Registered Owners of the Bond
354 required to approve any such supplemental Ordinance without the consent of the
355 Registered Owners of all of the Bond then outstanding.

356
357 (3) Remove the pledge and lien of this Ordinance on assessments to be levied
358 against the real property in the District, and funds pledged for the payment of the Bond
359 under this Ordinance.

360
361 It shall not be necessary for the consent of the Registered Owner of the Bond under this
362 subsection (b) to approve the particular form of any proposed supplemental Ordinance, but it
363 shall be sufficient if such consent shall approve the substance thereof.

364
365 (c) Upon the adoption of any supplemental Ordinance pursuant to the provisions of
366 this section, this Ordinance shall be deemed to be modified and amended in accordance
367 therewith, and the respective rights, duties and obligations under this Ordinance of the City and
368 the Registered Owner of the Bond shall thereafter be determined, exercised and enforced
369 thereunder, subject in all respects to such modification and amendment, and all the terms and
370 conditions of any such supplemental Ordinance shall be deemed to be part of the terms and
371 conditions of this Ordinance for any and all purposes.

372
373 (d) Any Bond executed and delivered after the adoption of any supplemental
374 Ordinance pursuant to this section may bear a notation as to any matter provided for in the
375 supplemental Ordinance, and if the supplemental Ordinance shall so provide, a new Bond so
376 modified as to conform, in the opinion of the Council, to any modification of this Ordinance
377 contained in any such supplemental Ordinance may be prepared by the City and delivered
378 without cost to the Registered Owner of the Bond then outstanding, upon surrender for
379 cancellation of such Bond in an equal aggregate principal amount.

380
381 Section 17 – Sale of Bond; Loan Agreement. The Bond shall be sold at negotiated sale to
382 the Lender as provided in the Loan Agreement. The City Manager is hereby authorized to
383 execute the Loan Agreement, in substantially the form presented at this meeting, but with such
384 changes, modifications, additions and deletions therein as he shall deem necessary, desirable or
385 appropriate, the execution thereof to constitute conclusive evidence of approval of any and all
386 changes, modifications, additions or deletions therein from the form and content of said
387 document now before this meeting, and from and after the execution and delivery of said
388 document, the City Manager hereby is authorized, empowered and directed to do all acts and
389 things and to execute all documents as may be necessary to carry out and comply with the

390 provisions of the Loan Agreement as executed. Upon the execution of the Loan Agreement, the
391 City shall execute and deliver the Bond to the Borough in the form authorized herein.
392

393 Section 18 – Authority of Officers. The City Manager, the acting City Manager, the
394 Clerk and the acting Clerk are, and each of them hereby is, authorized and directed to do and
395 perform all things and determine all matters not determined by this Ordinance, to the end that the
396 City may carry out its obligations under the Bond and this Ordinance.
397

398 Section 19 – Miscellaneous. No recourse shall be had for the payment of the principal of
399 or the interest on the Bond or for any claim based thereon or on this Ordinance against any
400 member of the Council or officer of the City or any person executing the Bond.
401

402 Section 20 – Ordinance a Contract with Registered Owner. In consideration of the
403 purchase and acceptance of the Bond by those who shall own the same from time to time, the
404 provisions of this Ordinance shall constitute a contract with the Registered Owners of each
405 Bond, and the obligations of the City under this Ordinance shall be enforceable by any court of
406 competent jurisdiction; and the covenants and agreements herein set forth to be performed on
407 behalf of the City shall be for the equal benefit, protection and security of the Registered Owners
408 of any and all of the Bond.
409

410 Section 21 – Severability. If any one or more of the provisions of this Ordinance shall be
411 declared by any court of competent jurisdiction to be contrary to law, then such provision shall
412 be null and void and shall be deemed separable from the remaining provisions of this Ordinance
413 and shall in no way affect the validity of the other provisions of this Ordinance or of the Bond.
414

415 Section 22 – Repeal of HCC 17.08. HCC Chapter 17.08 is repealed.
416

417 Section 23 – Codification. Section 22 of this Ordinance is of a permanent and
418 general character and shall be included in the City Code. The remainder of this Ordinance
419 is not permanent in nature, and shall not be codified.
420

421 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 25th day of
422 February 2013.
423

424 CITY OF HOMER

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427 _____
428 FRANCIE ROBERTS, MAYOR
429 PRO TEMPORE
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431 ATTEST:

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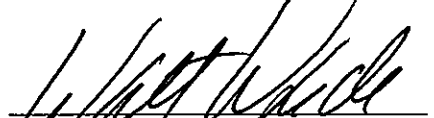
454


JO JOHNSON, CMC, CITY CLERK

YES: 6
NO: 0
ABSTAIN: 0
ABSENT: 0

First Reading: 1/28/13
Public Hearing: 2/11/13 @ 2/25/13
Second Reading: 2/25/13
Effective Date: 2/26/13

Reviewed and approved as to form:


Walt E. Wrede, City Manager

Thomas F. Klinkner, City Attorney

Date: 2/26/13

Date: _____

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**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 15-017

A RESOLUTION OF THE HOMER CITY COUNCIL CONFIRMING THE ASSESSMENT ROLL, ESTABLISHING DATES FOR PAYMENT OF SPECIAL ASSESSMENTS AND ESTABLISHING DELINQUENCY, PENALTY, AND INTEREST PROVISIONS FOR THE HOMER NATURAL GAS SPECIAL ASSESSMENT DISTRICT.

WHEREAS, In compliance with Homer City Code Chapter 17, Improvement Districts, the Homer City Council initiated a Homer Natural Gas Special Assessment District on July 23, 2012 via Resolution 12-069 assessing all parcels equally that benefited from the natural gas distribution system; and

WHEREAS, Public hearings were held on January 14 and 28, 2013 to hear objections to the formation of such district; and

WHEREAS, The objection deadline for written protests was January 25, 2013 and 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; and

WHEREAS, Ordinance 13-02 was adopted by the Council on February 11, 2013 creating the Homer Natural Gas Special Assessment District; and

WHEREAS, The Homer Natural Gas Special Assessment District was completed by Enstar; and

WHEREAS, All assessment per parcel corrections deemed necessary have been made and a final assessment roll was prepared and public hearings were scheduled for March 9 and 16, 2015; and

WHEREAS, All record property owners within the district were mailed notice of their right to object, the website link to the final assessment roll, and notice of the March 9th and 16th public hearings; and

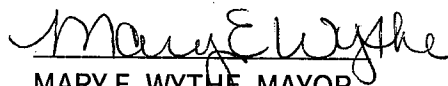
WHEREAS, The final assessment roll as presented by the City Clerk and reviewed and corrected where necessary and attached hereto as Attachment A, is hereby confirmed as the official assessment roll for the Homer Natural Gas Special Assessment District and the Mayor and Clerk shall be directed to sign same.

43 NOW, THEREFORE, BE IT RESOLVED THAT ON OR BEFORE 5:00 p.m. on July 1, 2015, all
44 assessments in the Homer Natural Gas Special Assessment District shall become due and
45 payable in full. All assessments not paid in full by this date shall be considered delinquent
46 and in default and shall have added a penalty of ten percent (10%) which penalty and
47 principal amount of the assessment shall both draw interest at a rate of three percent (3%)
48 per annum until paid. Should default occur, the City of Homer will institute a civil action for a
49 foreclosure of the assessment lien. Foreclosure shall be against all property on which
50 assessments are in default. All costs including collection and legal fees resulting from such
51 action, shall be added and incorporated into the assessed amount due plus interest and
52 penalties and shall be reimbursed from the proceeds of foreclosure sale of the assessed real
53 property; and

54
55 BE IT FURTHER RESOLVED that an optional ten (10) year payment plan is offered
56 whereby the assessment may be paid in ten (10) equal yearly installments plus interest of
57 four percent (4%) on the unpaid balance of the assessment. The first such installment shall be
58 due and payable without interest on or before 5:00 p.m. July 1, 2015 and each installment
59 thereafter shall be due on or before July 1st of each year, plus interest on the unpaid balance
60 of the assessment. If any annual installment payment is not received when due, the entire
61 outstanding principal amount of the assessment shall be in default and shall be immediately
62 due and payable. The entire outstanding assessment principal (including the annual
63 installment) shall have added a penalty of ten percent (10%) on the outstanding principal.
64 The principal and penalty shall draw interest at the rate of fifteen percent (15%) per annum
65 until paid. Should default occur, the City will institute civil action for foreclosure of the
66 assessment lien. Foreclosure shall be against all property on which assessments are in
67 default. All costs including collection and legal fees resulting from such action shall be added
68 and incorporated into the assessed amount due plus interest and penalties, and shall be
69 reimbursed from the proceeds of foreclosure sale of the assessed real property.

70
71 PASSED AND ADOPTED by the Homer City Council on this 23rd day of March, 2015.

72
73 CITY OF HOMER

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75
76 
77 MARY E. WYTHE, MAYOR

78
79 ATTEST:

80
81 
82 _____
83 JO JOHNSON, MMC, CITY CLERK
84

85 Fiscal Note: Total project costs are \$12,359,388; 3,788 assessments = \$3,262.77 per parcel.
86
87

ORDINANCE REFERENCE SHEET
2015 ORDINANCE
ORDINANCE 15-18

An Ordinance of The City Council of Homer, Alaska, Amending the FY 2015 Capital Budget by Appropriating \$613,000 From the General Fund Fund Balance to the Public Safety Building Project Account to Fund the New Public Safety Building to 35% Design.

Sponsor: Mayor

1. City Council Regular Meeting May 26, 2015 Introduction
 - a. Memorandum 15-074 from City Manager as backup w/attachments
Memorandum 15-007 from Public Safety Building Review Committee and
Community Revenue Sharing Program estimates from Anderson Group

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Mayor

4 **ORDINANCE 15-18**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING THE FY 2015 CAPITAL BUDGET BY APPROPRIATING
8 \$613,000 FROM THE GENERAL FUND FUND BALANCE TO THE
9 PUBLIC SAFETY BUILDING PROJECT ACCOUNT TO FUND THE
10 NEW PUBLIC SAFETY BUILDING TO 35% DESIGN.

11
12 WHEREAS, Resolution 14-093 adopted by the City Council on October 13, 2014,
13 established the 2015-2020 Capital Improvement Plan and the Capital Project Legislative
14 Priorities for Fiscal Year 2016; and

15
16 WHEREAS, A new public safety building has been included in the “Top 5” CIP Priority
17 List since 2015 and inserted as the number one non-water and sewer project; and

18
19 WHEREAS, Ordinance 13-38(S) adopted by the City Council on September 23, 2013
20 funded preliminary design of the new public safety building in; and

21
22 WHEREAS, Resolution 14-020 adopted by the City Council on January 13, 2014
23 established the Public Safety Building Review Committee; and

24
25 WHEREAS, The Public Safety Building Review Committee has met many times to
26 advance the project and work on space needs analysis, comparison of alternatives,
27 preliminary design, cost estimation, site selection, and developing a financing plan; and

28
29 WHEREAS, The Public Safety Building Review Committee has done all the work they
30 can without additional funding; and

31
32 WHEREAS, Designing the new public safety building to 35% will give the City a product
33 that is ready to take to the voters for bonding; and

34
35 WHEREAS, It is appropriate and in the City’s interest to dedicate \$613,000 of 2015 and
36 2016 State Revenue Sharing in order to move this project forward; and

38 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

39

40 Section 1. The City of Homer hereby amends the FY 2015 Capital Budget by
41 appropriating \$606,000 from the General Fund Fund Balance for 35% design of the new public
42 safety building.

43

44 Transfer From:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
100-0100	General Fund Fund Balance	\$613,000

47

48 Transfer To:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
156-0377	Public Safety Building Project Account	\$613,000

51

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

54

55 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___day of _____, 2015.

56

57 CITY OF HOMER

58

59

60 _____
MARY E. WYTHE, MAYOR

61

62

63 ATTEST:

64

65 _____

66 JO JOHNSON, MMC, CITY CLERK

67

68

69

70

71 YES:

72 NO:

73 ABSTAIN:

74 ABSENT:

75 First Reading:
76 Public Hearing:
77 Second Reading:
78 Effective Date:

79
80

81 Review and approved as to form:

82

83 _____
84 Mary K. Koester, City Manager

Thomas F. Klinkner, City Attorney

85

86 Date: _____

Date: _____

87

88 Fiscal Note: Fiscal information included in body of Ordinance.



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum 15-074

TO: Mayor Wythe and Homer City Council
FROM: Katie Koester, City Manager
DATE: May 20, 2015
SUBJECT: Funding Public Safety Building to 35% Design

Ordinance 15-18 authorizes funding for bringing the public safety building to 35% design. The cost to bring this project to 35% design is \$663,000, however, there is \$50,329 left in the Public Safety Building Project Account that can be used on funding the next phase.

The Council has wisely indicated a desire to ensure State Revenue Sharing is spent on one time capital budget items and not factored into the operating budget. With the state budget in crisis, municipalities have been told revenue sharing could go away. The current proposal is to decrease State Revenue Sharing by 33% starting in FY2017 (see chart from Anderson Group). This will result in over a \$100,000 decrease for the City of Homer in FY2017. While it is wise to not count on State Revenue Sharing to balance the budget given the State's current fiscal climate, I caution that because Revenue Sharing has been used in the past and currently to balance the budget, appropriating the funds to a capital expense will have an impact on the current 2015 and 2016 budget.

Ordinance 15-18 takes Revenue Sharing from SFY2015 and adds it to SFY2016 Revenue Sharing to come up with the one time funds for 35% design. According to the draft audit there is a surplus from last year's budget in an amount equal to or greater than the SFY2015 Revenue Sharing payment from the State (\$341,037). The City will receive the SFY2016 Revenue Sharing Payment July 1 (\$321,468).

Enc:

Memorandum 15-007 from Public Safety Building Review Committee
Community Revenue Sharing Program estimates from Anderson Group



Memorandum 15-007

TO: Homer City Council

FROM: Public Safety Building Review Committee (PSBRC)

DATE: January 05, 2015

SUBJECT: **Public Safety Building
Conceptual Design Status Report
Recommendations on How to Proceed**

The Committee, working with City staff, has worked over the last eleven months to accomplish the completion of the Public Safety Building conceptual design scope of work contained within Ord. 14-020. The ordinance contained the following tasks:

“Review and rate GC/CM proposals and make a recommendation to the Council.”

✓ *This work is complete. A construction manager and project architect have been selected and the Council awarded contracts that achieve the first level of design.*

“Review the proposed contract and provide input on the scope of work and deliverables.”

✓ *This work is complete and was elucidated within the contract documents.*

“Review work products and participate in regular briefing with the contractor.”

✓ *This work is complete to the extent of reaching a conceptual design – a design and funding benchmark.*

“Make recommendations / provide direction to staff /contractors as the project proceeds.”

✓ *This work is complete to this juncture of additional policy related direction. The committee selected a site for the new facilities and the Council has ratified the location. The site selection has allowed advancement of the preliminary site and building design.*

“Make recommendations to Council as to how to proceed as benchmarks are achieved.”

✓ *We have reached a financial and design benchmark. Our recommendations are stated below.*

The committee, at the onset, agreed to work by consensus. In the event of failing unanimity, the options discussed are presented.

The committee initiated interactions with the citizenry, through the opportunities of its meetings, which often held three agenda spots for public comment and questions, and

presentations to civic organizations. We hope that these will continue as the next phase develops.

We have reached a point that requires policy direction from the City Council which may include further appropriation of funds to advance the project beyond the initial phase. The Council also now needs to decide whether to dissolve or extend the life of the Committee (as directed in the enabling ordinance).

Recommendations:

1. The City Council approve the conceptual design.

- Needs Analysis – A space needs study, commissioned by the architect with a firm specializing in accurate program identification and space allocations for municipal public safety buildings, documented a 2016 building size of ~22,000 square feet for the Police Department and ~21,200 square feet for the Police Department. Space allocations were based on mid-point (not the largest acceptable or the smallest acceptable) square footages for each program element.
- Site Planning - A site plan was developed that provides an efficient layout of a combined facility (as a single project); but also provides for the opportunity to construct in two phases. The site is not large enough to construct a building of a single story, so much of the building is on two floors.
- Site Mitigations – The HERC site contains a variety of existing encumbrances:
 - A waterway transects the property;
 - The Public Works Department occupies one of the existing buildings;
 - The gymnasium and an adjacent classroom are used for community recreation and training;
 - The skateboard park is located there; and
 - An outdoor basketball court is partially located there.
- Public Comment – Almost all public comment revolved around the loss of the recreational spaces. Some also wondered about the proximity to the KPSD Homer Middle School and the access to the school across the HERC property. When questions were posed by the public, the Committee or City staff or the GC/CM Design Team provided responsive information.
- Alternatives:
 - The “Build Everything as Soon as Possible” approach.
 - Pro: Notion that soonest money is the cheapest money, and soonest construction is the least expensive price per square foot.
 - Con: Shortage of funds for the size of the designed project may delay construction for many years, and returns a focus on the mitigations listed above.
 - The “Two Phases” approach.
 - Pro: Phasing allows a continued use of some of the existing facilities and may be the only sized plan that can be financed through municipal bonding or financing in this calendar year.

- Con: Future construction costs will undoubtedly be higher than today's. The Fire/EMS personnel worry that Phase II may fall off the list of City priorities.
 - The "Private/Public" Partnership approach.
 - Pro: Teaming with a private partner could allow the entire project to proceed. A private entity can put certain tax advantages to good use, where the City cannot.
 - Con: The Council has previously decided that owning and maintaining municipal buildings is the best public policy.
- Policy Considerations:
 - Does the City go to complete design and pursue funding for the complete project; or
 - Does the City go to complete design and pursue funding for the first phase of the project; or
 - Does the City go to Phase One design and pursue funding for the first phase of the project; or
 - Does the City put the project on hold until a more solid funding plan has been established?

2. The City Council approve a schedule for the project. The GC/CM team developed a schedule with the following milestones:

	<u>Start</u>	<u>End</u>
35% Preliminary Design	Feb 2015	Dec 2015
Bond proposition on the ballot	Jun 2015	Oct 2015
65% GMP Design	Nov 2015	Sept 2016
100% Final Design	Sept 2016	Apr 2017
Construction	May 2017	Sept 2018

3. The City Council approve a budget to take the project to 35% design. Taking the next step will fill in some of the blank areas and establish some of the craft budgets (civil, electrical, mechanical and specialties) to further public information and review. A rough order of magnitude cost estimate was completed by the GC/CM team for the project; assuming 2017-18 construction. The total cost of a single combined project is \$29.9 M. Postponing construction or phasing may increase the overall cost of the project.

Project Funding Needs – How Much and When?

Need	Amount	Date Needed
Complete 10% Conceptual Design	\$300,000	Appropriated
Complete 35% Preliminary Design	\$663,000	February, 2015
Complete 65% GMP Design	\$643,000	November, 2015
Complete 100% Final Design	\$316,000	September, 2016

Total Design/City Admin = \$1,922,000

Site Preparation/Demolition	\$975,000	March, 2017
First Year Building Construction	\$18,000,000	July, 2017
Second Year Building Construction	\$9,000,000	July, 2018

Total Construction/Inspect/CA/Art = \$27,975,000

Total Project \$29,897,000

The Design Team attempted to assess building square footage for both Police and Fire to determine if initial costs could reasonably be reduced. The design team concluded that rather than eliminating square footage to reduce costs, the City should seek cost sharing with other local, state, and federal agencies for jail, range, and emergency management facilities.

The Committee concluded that from a practical perspective there is no significant square footage with a lower priority that should be postponed (with the possible exception of the shooting range). The Committee also determined that it was premature to make reductions in scope prior to establishing firmer designs and cost estimates. Cutting and trade-offs can come later in the process.

If the State would participate in Jail construction (say pay 1/3 the cost); it could reduce the City's cost by \$1,100,000. Participation in Range construction (say pay half the cost) might reduce the City's cost by \$900,000). The potential for Federal/State/Borough participation in the cost of this project should also be investigated. Private organizations (such as the NRA) might also contribute to the costs of the project.

4. The City Council should either disband or reauthorize the Committee. Per the resolution that created the PSBRC, the committee "shall be disbanded when the initial scope of work is complete and the Council appropriation is expended. The Council may extend the life of the Committee and expand its scope of work if the project proceeds beyond this initial phase and additional project revenues are secured."
5. The City Council should consider some policy matters that are outside of the purview of the PSBRC.
 - a. What is the future of the fire department? Many have suggested that the EMS/Fire response duties found on the southern peninsula, be combined or reorganized. This could affect the programing and sizing of the new City facilities.

- b. What will the operational costs of the new facilities be and how will the City pay for those costs? The existing maintenance, janitorial, heating and lighting expenses will be magnified by the increased size of the new facilities. As part of a plan presented to the public, operational costs should be addressed.

Community Revenue Sharing Program

\$Millions

COH

%Chg

Actual	FY14 CRS Beginning Balance (7/1/2013)	180.00		
	FY14 CRS Allocation (7/1/2013)	(60.00)	341,603	
	FY14 CRS Appropriation (7/1/2013)	60.00		
	<u>FY14 Ending Balance (6/30/2014)</u>	<u>180.00</u>		
	FY15 CRS Beginning Balance (7/1/2014)	180.00		
	FY15 CRS Allocation (7/1/2014)	(60.00)	340,595	-0.30%
	<u>FY15 CRS Appropriation (7/1/2014)</u>	<u>52.00</u>		
	<u>FY15 Ending Balance (6/30/2015)</u>	<u>172.00</u>		
Estimated	FY16 CRS Beginning Balance (7/1/2015)	172.00		
	FY16 CRS Allocation (7/1/2015)	(57.33)	320,747	-5.83%
	FY16 CRS Appropriation (7/1/2015)	-		
	<u>FY16 Ending Balance (6/30/2016)</u>	<u>114.67</u>		
	FY17 CRS Beginning Balance (7/1/2016)	114.67		
	FY17 CRS Allocation (7/1/2016)	(38.22)	213,831	-33.33%
	FY17 CRS Appropriation (7/1/2016)	-		
	<u>FY17 Ending Balance (6/30/2017)</u>	<u>76.44</u>		
	FY18 CRS Beginning Balance (7/1/2017)	76.44		
	FY18 CRS Allocation (7/1/2017)	(25.48)	142,554	-33.33%
	<u>FY18 CRS Appropriation (7/1/2017)</u>	<u>-</u>		
	<u>FY18 Ending Balance (6/30/2018)</u>	<u>50.96</u>		

38 Reserves for the to begin preliminary engineering and design work on the new public safety
39 building as follows:

40

41 **Transfer From:**

42 <u>Account</u>	<u>Description</u>	<u>Amount</u>
43 156-0394	Police Depreciation Reserve	\$ 50,000
44 156-0393	Fire Depreciation Reserve	\$ 50,000
45 156-0375	General Depreciation Reserve	<u>\$200,000</u>
46	TOTAL	\$300,000

47 **Transfer To:**

48 <u>Account</u>	<u>Description</u>	<u>Amount</u>
49 * 151 6 -0377	Public Safety Building	
50	Project Account	<u>\$300,000</u>
51	TOTAL	\$300,000

52

53 Section 2. The Council authorizes the City Manager to solicit a Request for Proposals
54 for a GC/CM contract pursuant to applicable provisions of the City Procurement Code.

55

56 Section 3. This is a budget amendment ordinance only, is not permanent in nature,
57 and shall not be codified.

58

59 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 23rd day of September, 2013.

60

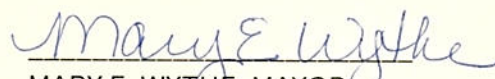
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CITY OF HOMER

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MARY E. WYTHE, MAYOR

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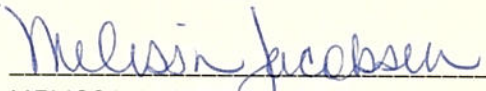
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ATTEST:

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MELISSA JACOBSEN, CMC
DEPUTY CITY CLERK

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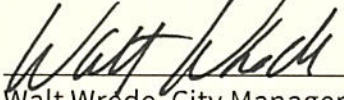
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Acct. # amended per Finance 12/18/13 J. Johnson, City Clerk

77 YES: 5
78 NO: 0
79 ABSTAIN: 0
80 ABSENT: 1

81
82 First Reading:
83 Public Hearing:
84 Second Reading:
85 Effective Date:


86
87 Reviewed and approved as to form.

88 
89 _____
90 Walt Wrede, City Manager

91
92 Date: 9/26/13
93

94
95 Fiscal Note: NA
96

97



Thomas F. Klinkner, City Attorney

Date: 9/30/13


- 37 • Review the proposed contract and provide input on the scope of work and
- 38 deliverables
- 39 • Review work products and participate in regular briefing with the contractor
- 40 • Make recommendations and provide direction to staff and the contractors as
- 41 the project proceeds
- 42 • Make recommendations to Council as to how to proceed as various
- 43 benchmarks are achieved.
- 44

45 BE IT FURTHER RESOLVED that the Committee shall establish its own work schedule
46 and shall be disbanded when the initial scope of work is complete and the Council
47 appropriation is expended. The Council may extend the life of the Committee and expand its
48 scope of work if the project proceeds beyond this initial phase and additional project
49 revenues are secured.


50
51 BE IT FURTHER RESOLVED that the City Clerk is authorized to advertise for parties
52 interested in serving as the public and business community representatives.

53
54 PASSED AND ADOPTED by the City Council of Homer, Alaska, this 13th day of January,
55 2014.

56
57 CITY OF HOMER

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59
60 
61 MARY E. WYTHE, MAYOR

62
63 ATTEST:

64 
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66 _____
67 JO JOHNSON, MMC, CITY CLERK

68
69 Fiscal Note: Staff time and advertising costs.

70
71

**CITY OF HOMER
HOMER, ALASKA**

Mayor/City Council

RESOLUTION 14-093

A RESOLUTION OF THE HOMER CITY COUNCIL ADOPTING THE 2015-2020
CAPITAL IMPROVEMENT PLAN AND ESTABLISHING CAPITAL PROJECT
LEGISLATIVE PRIORITIES FOR FISCAL YEAR 2016.

WHEREAS, A duly published hearing was held on September 8, 2014 in order to obtain public comments on capital improvement projects and legislative priorities; and

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

NOW, THEREFORE BE IT RESOLVED by the City Council of Homer, Alaska, that the "City of Homer Capital Improvement Plan 2015-2020" is hereby adopted as the official 6-year capital improvement plan for the City of Homer.

BE IT FURTHER RESOLVED that the following capital improvement projects are identified as priorities for the FY 2016 State Legislative Request:

1. Water Storage/Distribution Improvements
2. Public Safety Building
3. Harbor Sheet Pile Loading Dock
4. Fire Department Fleet Management Plan
5. East to West Transportation Corridor

BE IT FURTHER RESOLVED that projects for the FY 2016 Federal Legislative Request will be:

1. Deep Water/ Cruise Ship Dock Expansion, Phase 1
2. East Boat Harbor


BE IT FINALLY RESOLVED that the City Manager is hereby instructed to advise appropriate State and Federal representatives and personnel of the City's FY 2016 capital project priorities and take appropriate steps to provide necessary background information.

PASSED AND ADOPTED by the Homer City Council for the City of Homer on this 13th day of October, 2014.


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CITY OF HOMER


MARY E. WYTHE, MAYOR

ATTEST:



JO JOHNSON, MMC, CITY CLERK

Fiscal Note: N/A

CITY MANAGER'S REPORT



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

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Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

City Manager's Report

TO: Mayor Wythe and Homer City Council
FROM: Katie Koester, City Manager
DATE: May 26, 2015
SUBJECT: City Manager's Report

Bridge Creek Watershed Lots for Sale

I was approached by Aryn Young and Beau Burgess of Porcupine LLC regarding lots for sale in the Bridge Creek Watershed (see attached map). According to Planning Director Abboud, at a minimum 2 of these lots, lots 17368015 and 17368014 are rich with tributaries and would be very beneficial for the preservation of the watershed (see attached map). The assessed value of the lots is \$16,300 and \$20,000, however the lot owner is asking \$55,000 for both parcels. The lots would need to be appraised before they could be purchased by the City to determine fair market value. The City Council would need to identify a source of funding for land purchase. There is the Land Reserve fund, however it currently carries a small negative balance (-\$200). One option would be for the Council to advance with the land sales proposed in the Land Allocation Plan with the intention of building up the fund and pursuing purchase of the lots at a later date. A second option would be to transfer funds from the General Fund to the Land Reserve Fund (this is what is proposed in the resolution before you today authorizing the purchase of 40 acres of foreclosed property in the watershed from the Borough). However, Ms. Young indicated a desire to put the lots on the market in the near future, which means the City runs the risk of the lots selling before the City is able to build up the necessary capital. Of course the third option is to do nothing given the current fiscal climate. Please let me know if Council believes these lots are valuable enough to warrant further investigation.

Blue Crest Energy Update

Port and Harbor Director Hawkins and I had a visit from Blue Crest Energy this week updating the City on plans for the drilling of the Cosmo oil project. The project is located on the bluff side of Milepost 151 of the Sterling Highway near Anchor Point. Though the rig and drill operation will be located onshore, the project will horizontally drill to access oil fields offshore. Product will primarily be trucked north to Nikiski. During construction, September – April, Blue Crest will be employing 300-350 people and depending on Homer hotels for housing employees that cannot be found locally (primarily through contractors). The City has put Blue Crest in touch with the Chamber and Homer Marine Trades Association as potential resources. During construction it is also likely that the Port will be used for bringing in construction materials, though details have yet to be finalized. I have included a Frequently

Asked Questions for your information. Blue Crest will be holding a public meeting on June 10th at Land's End.

Street Sweeping Delays

Public Works was expecting to have their new sweeper (the one that picks up the bulk of the material as opposed to the vacuum sweeper that is for secondary cleanup) the first half of April. The unit was being manufactured over the winter. The vendor, Yukon Equipment, was late getting it to Homer and once it was delivered Public Works found programming issues with it. The vendor and manufacturer are working diligently on resolving the issues, however it has resulted in a delay of street sweeping. Unfortunately, this is taking place when we need that piece of equipment the most. Public Works has been using the vacuum sweeper as best as it can be used, but many streets still have not been swept. The vacuum unit is not designed to pick up heavy sand, so it is a slow operation to use it as a pick-up broom. The new unit was delivered on May 19th and Public Works will have it in operation every day until the streets are cleaned. Please be patient with street sweeping and know that Public Works is doing the best they can with the limited tools available.

Float Debris

Councilmembers have heard from members of the public regarding float debris that have been found on Kachemak Bay beaches. As part of the harbor float replacement project, the contractor, Harris Sand and Gravel, was required to dispose of the old harbor floats. Unfortunately the City did not stipulate in the contract during the first phase of the project how the floats were to be disposed of and Harris Sand and Gravel gave floats from the first phase away to a number of different people last fall. The floats were taken to various sites around the bay and some obviously were not properly secured. No one knows for sure how many of the first phase 1 floats have become float debris. A recent letter from concerned residents leads us to believe that there are quite a few float sections that have gotten away from their owners and that some level of action needs to be taken. In the second phase (System 4 rehab) of the harbor float improvement project the city made stipulations in the contract as to how the demoed floats were to be disposed of. The floats were removed from the harbor to the chip pad and could only be reused/returned into the bay if the flotation billets were replaced with encapsulated billets as required by fish and game habitat.

The City has installed a dumpster above the commercial barge ramp for members of the public to deposit flotation debris that they find (see attached map). Debris cleanup is complicated by the fact that many of the old floats are on private property – this is why it is important that members of the public who have debris on their beaches, or were given the floats and cannot safely secure them, communicate with the City and Borough landfill so that arrangements can be made for proper disposal. The City provided dumpster will be for smaller parts and pieces. Persons interested in returning large float sections to the harbor recovered from the bay will need to contact the harbormaster so that arrangements can be made to remove the floats from the water.

Port and Harbor Director Hawkins, Public Works Director Meyer, and I will be meeting with Harris Sand and Gravel to discuss debris cleanup. I will keep you updated on the progress.

Water Storage/Distribution Improvements Project

The funding for this project (\$1,922,577) continues to remain in the State budget. Public Works will be completing a grant application (to facilitate the preparation of a formal grant agreement) for the City Manager's signature. Public Works will be preparing a resolution authorizing the City Manager to execute the formal grant agreement, and an ordinance that appropriates the matching funds for the project from the HAWSP Fund (\$832,961) for Council action at the first meeting in June. (See attached letters to adjacent property owners for more information).

Jail Contract Cuts

The final word is not in yet from the state on what the cuts will be to the jail contract; however the situation does not look good. Though the program was cut by 30% in the operating budget, program administrators and the Department of Public Safety were optimistic that funding solutions to help mitigate the damage could be found given the integral nature of Community Jails to the State. The latest word from the State is cuts could be as deep as 50%. The City of Homer is anticipating a cut of \$240,000- \$450,000. The Department of Corrections still does not have a final number for communities, though they hope to by the end of the month. The reality of the cuts are fast approaching; the State's fiscal year begins on July 1. I will be meeting with the Finance Director and Police Chief to discuss possible funding scenarios, how the City would react, and the risk involved to the City.

Natural Gas, Interest, and the Free Main Allowance

The City started incurring interest on the loan from the Borough as soon as we made the first draw on the loan. Interest for all assessed property owners begins accruing on July 1, 2015. The first two years of interest payments were never calculated into the total project cost because the City did not really know what those costs would be because there was always the possibility the City might pay off early or perhaps borrow less because project costs were less than estimated. Either of those could change what the City ultimately paid in interest. The thought at the time was to budget for the interest and/or use the Free Main Allowance. The net result of this is that the first two years of interest payments, \$813,000 is absorbed by the project. This eats up a large chunk of the Free Main Allowance. The fiscal impact of losing the condominium case, if that were to happen, could cost around \$300,000, depending on how the Council decides to assess condominiums. At the very beginning of the project Enstar estimated we would receive \$1.6M in FMA over the course of 10 years. We have received \$1.1M to date. As you can see, there is very little wiggle room in the project to account for things like deferred assessments and additional exemptions. Essentially, by paying the first two years of interest on behalf of the property owners the City has given each property owner their share of the FMA up front instead of waiting until the loan has been paid off to redistribute any leftover funds. This equates to \$215 per lot owner.

FMA estimate from Enstar over 10 years	\$1,600,000
First two years of interest	-\$813,000
Assessments for condominiums	-\$326,200
Remaining	\$460,800

FMA current balance	\$1,100,000
First two years of interest	-\$813,000
Assessments for condominiums	-\$300,000
Remaining	-\$13,000

Enc:

Bridge Creek Watershed Parcel Map

Blue Crest FAQ

Map of Dumpster for Float Debris

State of Alaska DEC Funding Notice Water Storage and Distribution Improvements Project

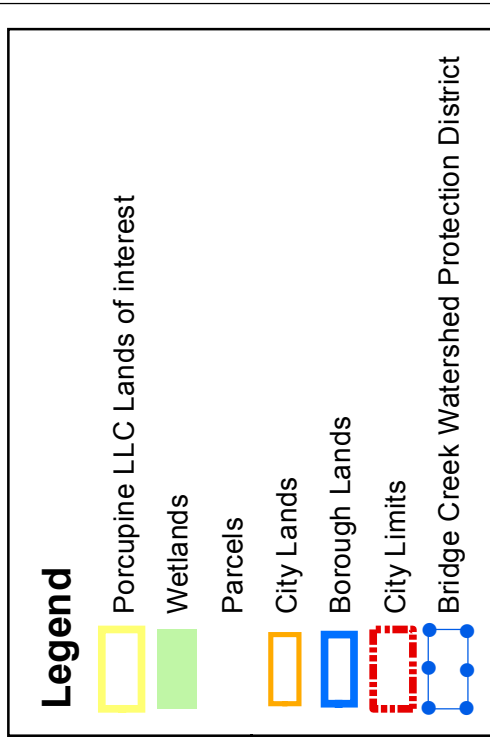
Letters from Public Works to property owners impacted by water storage distribution improvements project

Memorandum 15-075 from IT Manager Poolos Re: Telephonic Participation at Council Meetings

Homer Foundation Quarterly Report

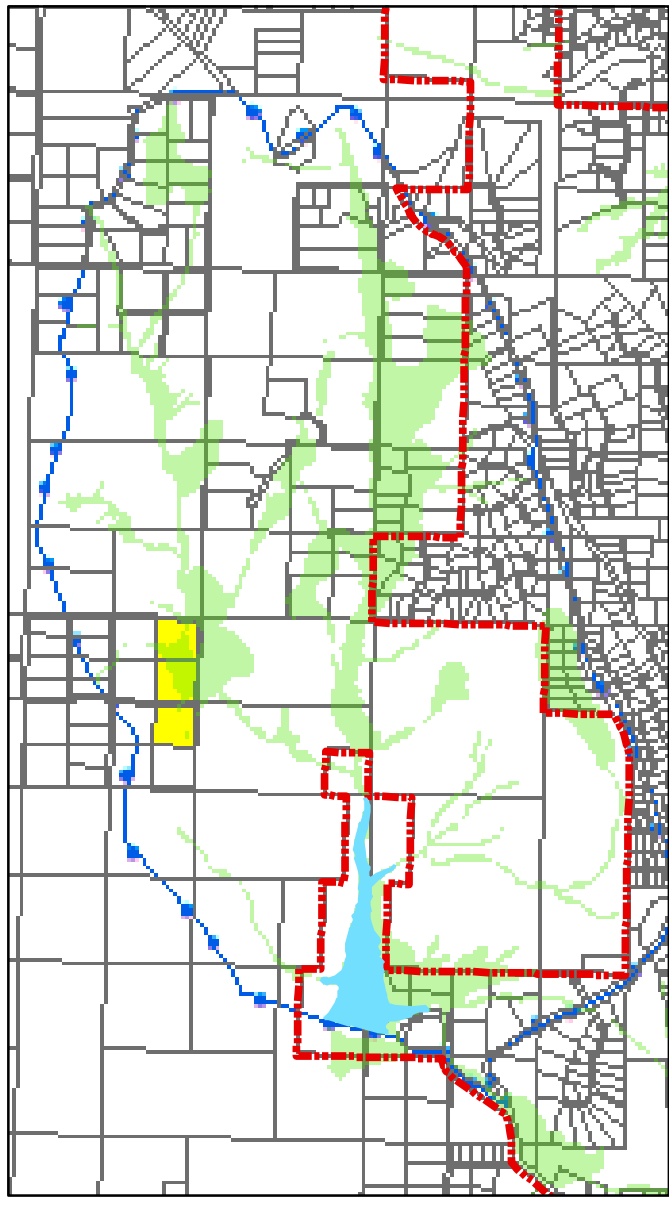
Thank You Card from Food Pantry

HEA Phone Scam Alert



Bridge Creek Lands for Sale

May 2015





Frequently Asked Questions

Honor. Stewardship. Fidelity

1. *Who is BlueCrest Energy, Inc?*
2. *Where is the Cosmo oil project located?*
3. *Will Cosmo produce oil or gas?*
4. *What is the process and how will the oil get to market?*
5. *Will there be a traffic increase during construction and operations?*
6. *How is BlueCrest affiliated with Buccaneer Energy?*
7. *What job opportunities are there?*
8. *How will our community benefit from BlueCrest?*

1. Who is BlueCrest Energy, Inc?

BlueCrest Energy, Inc (BlueCrest) is a privately held venture focused on acquisition, exploration, and development of oil and gas resources. BlueCrest is based in Fort Worth, Texas with a regional office in Anchorage, Alaska. BlueCrest is the Cosmopolitan Development Project (Cosmo) operator in Cook Inlet. All of BlueCrest's directors and management have extensive experience in oil and gas in Alaska including work for ARCO, ConocoPhillips, BP, and Eni Petroleum and have close ties to Alaska. Our company values are centered on fulfilling our commitments to stakeholders, environmental stewardship, and fidelity to conducting our operations with the highest level of ethical standards.

2. Where is the Cosmo oil project located?

The project is located onshore about six miles north of Anchor Point and about 10 miles south of Ninilchik on an existing gravel pad near Milepost 151 the top of a 150 foot bluff along the eastern shore of Cook Inlet. Project components are located on both State of Alaska oil and gas leases and on private land in the Kenai Peninsula Borough (KPB).

3. Will Cosmo produce oil or gas?

Both, the Cosmo oil development project is located solely onshore. The Cosmo project will develop those reserves by accessing assets offshore in Cook Inlet. BlueCrest is evaluating and may choose to pursue an offshore gas play in the future. Offshore development would focus on dry gas only and recover reserves from a monopod platform.

4. What is the process and how will the oil get to market?

Once the oil is recovered through drilling operations, it will go through a separation and conditioning process for treatment. Treated oil will be stored in heated tanks until it is loaded into insulated trucks for transport from the Cosmo project area to the Tesoro refinery in Nikiski. Vehicles will travel primarily along the Sterling Highway from Anchor Point to Nikiski with some smaller access points in Kenai and Soldotna. An independent third party will be responsible for transportation operations.

5. Will there be a traffic increase during construction and operations?

The transportation corridor between Anchor Point and Ninilchik will experience an increase in mixed fleet vehicle traffic depending on the project's phase of construction and production. Currently, the Sterling Highway is the only transportation alternative for bringing oil to market. BlueCrest has completed a traffic analysis study to investigate traffic impacts to residents. Study results will help BlueCrest determine the best methods for minimizing impacts to residents.

6. How is BlueCrest affiliated with Buccaneer Energy?

BlueCrest is not affiliated with Buccaneer Energy. Buccaneer is an Australian based company that held assets in the Kenai Loop gas field at one time. BlueCrest is based entirely in United States. Its management staff and directors have a long history of doing business in Alaska and understand the importance of responsible resource development that contributes to Alaska's economy.

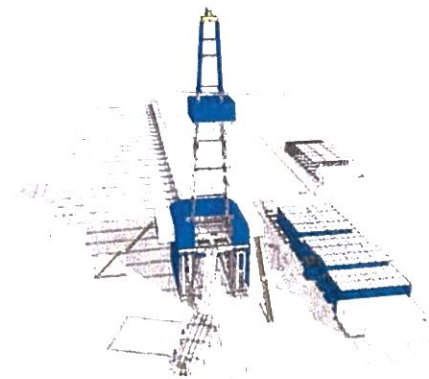
BlueCrest and Buccaneer had a partnership in 2011 and 2012 while negotiating leases in Cook Inlet. There are no shared financial interests between BlueCrest and Buccaneer and BlueCrest does not own any of Buccaneer's debt.

7. What job opportunities are there?

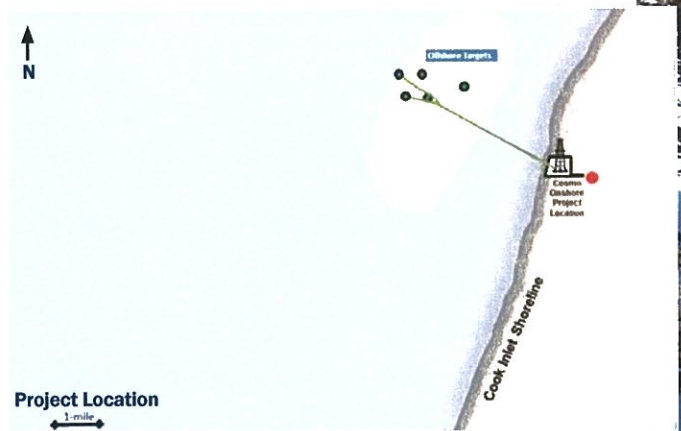
BlueCrest intends to use local residents and services primarily in the KPB and Anchorage to staff and support drilling and production operations in Anchor Point. Potential job opportunities include lodging and food services, rig crews and support personnel, drilling services, water and fuel needs, security and health and safety staff, field supervision, and maintenance and tradesman. BlueCrest will present information on the drilling and operations program to those interested in employment opportunities. Anyone hired will be required to complete all the appropriate training courses and able to accept employment based on BlueCrest hiring requirements and industry standards. Seasonal and long-term employment will be dictated by the nature of the position and existing development phase. BlueCrest will certify all contractors demonstrate compliance with health, safety, and training requirements.

8. How will our community benefit from BlueCrest?

In addition to local hire opportunities, the State of Alaska will benefit from a new source of tax and royalty revenues and the KPB will benefit from property tax revenue. BlueCrest is also working to identify community investment opportunities and is open to suggestions about what opportunities best support local residents.



Potential Rig Configuration

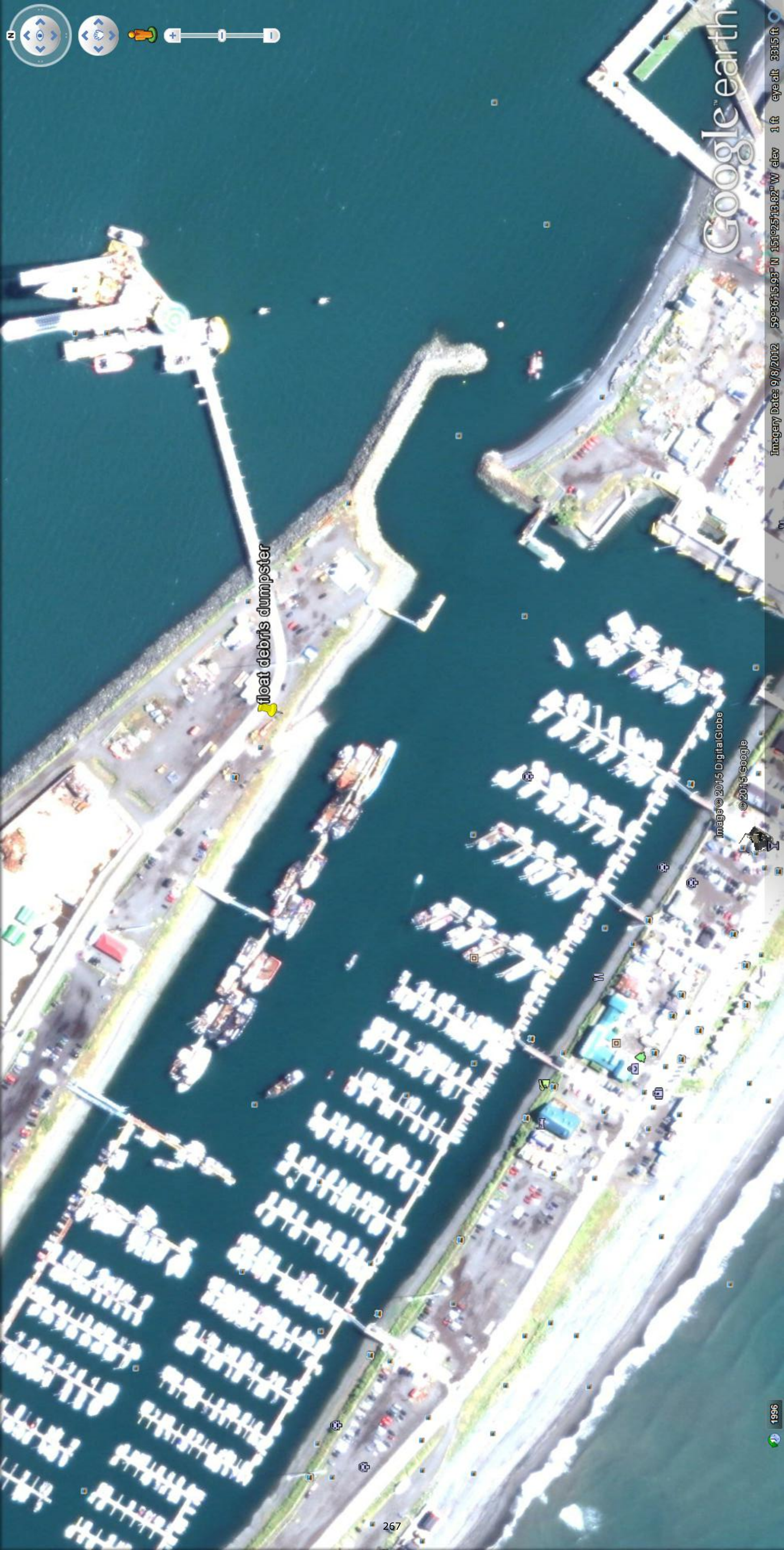


Project Location



Onshore Gravel Pad

Contact:
Larry Burgess
Health, Safety and Environment Manager
lbjurgess@bluecrestenergy.com
(907) 754-9552



float debris dumpster

Google earth

Imagery © 2015 DigitalGlobe

© 2015 Google

1996

Imagery Date: 9/8/2012

59°36'15.93" N 151°25'13.82" W elev 1 ft eye alt 3315 ft



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Environmental
Conservation

DIVISION OF WATER

Post Office Box 111800
Juneau, Alaska 99811-1800
Main: 907.465.5300
Fax: 907.465.5177
www.dec.alaska.gov

May 19, 2015

Ms. Katie Koester
City Manager
City of Homer
491 E. Pioneer Avenue
Homer, AK 99603

RE: FY16 Funding Notice (SB26)

Dear Ms. Koester:

As you may be aware, your community will be eligible to receive \$1,922,577 in Municipal Matching Grant funding for the Water Storage and Distribution Improvements Project through the capital budget being finalized in the legislature. The local contribution (match) requirement is 30%. The grant number assigned to this project is MMG No. 40909.

Due to the need to ensure that state funds are obligated and expended in a timely manner, **we require you to submit your application for these funds by June 15, 2015 in order to have a grant offer in place by the beginning of State Fiscal Year 2016.**

By no later than June 15, 2015 please complete the online Grant application at the Division of Water, Municipal Grants and Loans Program Website:
<http://dec.alaska.gov/water/MuniGrantsLoans/index.htm>. Additional information on the program, requirements and forms can be found on this page.

If you are not able to complete the grant application online, please mail (and e-mail) the completed signed grant application to the following address by June 15, 2015:

DEC.Water.MGL.MAT@alaska.gov
Alaska Department of Environmental Conservation
Division of Water, Municipal Matching Grants & Loans Program
Attn: MAT (Municipal Administrative Team)
P.O. Box 111800
410 Willoughby Avenue, Suite 303
Juneau, AK 99811-1800

If you have any questions regarding this process you may contact me directly or any of the parties below:

Mike Lewis, Program Manager 907-269-7616 mike.lewis@alaska.gov
Zorrie Cassell-Caparroso, Grants Accountant 907-465-5172 soraida.cassell-caparroso@alaska.gov
Beth Verrelli, Project Engineer 907-269-7603 beth.verrelli@alaska.gov

The department looks forward to working with the City of Homer on this jointly funded project to provide improved services to the residents of your community.

Sincerely,



Zorrie Cassell-Caparroso
Municipal Grants and Loans Program Accountant

cc: Mike Lewis, Program Manager, ADEC
Beth Verrelli, Project Engineer, ADEC



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907- 235-3170

(f) 907-235-3145

May 12, 2015

**RE: Proposed South Slope Dr./Shellfish Ave. Water Line
Status of Project**

Property Owner;

Background: Public Works, with the support of the City Council, has made completion of the water main on across Shellfish Avenue (from East Hill Road to Mountain View Drive) a high priority. Attached is a map that shows the location of the proposed water main. This water main will potentially provide water service to your property.

Extending a water main across Shellfish Avenue will:

- 1) Interconnect two isolated water pressure zones; increasing water service dependability City wide,
- 2) Provide more dependable domestic water service and fire flows to the South Peninsula Hospital,
- 3) Provide water and fire service to the adjacent properties, and
- 4) Provide water to the future Shellfish Avenue water storage tank site as recommended in the Water/Sewer Master Plan.

The design of the Shellfish/South Slope water line is complete and construction funding of this water main is still a part of the State budget. I expect that the water main will be bid later this summer.

Not all of your neighbors are looking forward to the installation of a water main down South Slope and across Shellfish Avenue. You yourself may or may not like the idea. But, connecting the two isolated sections of the water distribution system is, in my opinion, in the best interest of the community.

The completion of this work will have future financial impacts on you. The main purpose of this letter is to inform you about these potential impacts and help you make decisions that minimize the long term financial impact and maximize the benefits that come with the extension of piped water to your neighborhood.

Potential Scenarios:

The City moves forward with the installation of the water main. No assessments will be levied and there would be no immediate financial obligation to property owners.

The City Council will be asked to provide us with direction regarding the conditions under which properties will be allowed to connect to the water main, but the following provisions, in my opinion, would most likely be implemented:

A policy will be developed or deferred assessments would be levied that will require that a “fair share” of the cost of installing the main be paid by the property owner before connection to the main is allowed. Current policy would suggest that the “fair share” would need to be paid in full prior to water service being provided. No City financing is currently available to assist in the payment of this cost. Before existing structures can be connected to the water main, property owners will need to show that there is an ADEC approved septic system serving the property. The Council could require that City piped sewer service be available before water service is provided. I estimate that the cost per lot to install the proposed water main is approximately \$20,000.

Advantages – No immediate financial obligation created for benefitted property owners.

Disadvantages – Benefitted property owners would be responsible for a “fair share” lump sum payment in the future before connection to the water main is allowed.

A Special Assessment District (SAD) could be formed. A special assessment district that would provide piped water to your neighborhood has never been attempted. The need for water has not been that great, due to the lack of development pressure in the area. But if a district was formed now, the City would pay 25% of the cost of the water main, and would secure low interest financing for the project which would allow for payments to be made over a 20 year period. The district could also include provisions for providing piped sewer service (with the City paying 25% of the cost and providing low interest financing). Previous projects have secured 1.5% financing. Both piped water and sewer service could be provided through the SAD process. No SAD could be created without a majority of affected property owners supporting its creation.

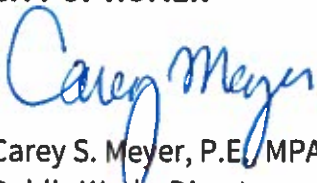
Advantages – Property owners could connect immediately to the water main, sewer could also be provided, and the City would subsidize the cost and provide low interest financing. No upfront lump sum payment to connect to the project would be required.

Disadvantages – Property owners not interested in connecting to the new system would be obligated to begin making payments in support of water (and maybe sewer) main construction.

I suspect that this situation may not be welcomed by you or your neighbors. I am sending this letter to let you know what is in the works, discuss options that can be pursued, and help you understand how the project might affect you. Please call me if you have questions (435-3124). I will also be scheduling a neighborhood meeting soon to allow for a more detailed face-to-face discussion of the proposed project.

Yours Very Truly;

CITY OF HOMER



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



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907- 235-3170

(f) 907-235-3145

May 11, 2015

**RE: Proposed Kachemak Drive Water Line
Status of Project**

Property Owner;

Background: Public Works, with the support of the City Council, has made completion of the water main on Kachemak a high priority. Attached is a map that shows the location of the water mains installed over the last several years on Kachemak Drive (Phase I and II); and the last piece that will connect the two (what is now referred to a Phase III). You are a property owner within Phase III.

Phase I, constructed in 2008, extended the water main along Kachemak Drive from the south. Phase II, constructed in 2012, extended water from the north. There remains a 4,500' section in between.

Phase I created a 6,500' long dead end water main; Phase II created a 23,000' long dead end main. Connecting these water mains together will;

- 1) Improve drinking water quality along Kachemak Drive and reduce maintenance costs.
- 2) Provide water service and fire protection to the lots not now presently served with water.
- 3) Create another way to get water to the Spit (an important economic engine for our community).

The design of the Phase III water line is complete and construction funding of this water main is still a part of the State budget. I expect that the Kachemak Drive Phase III water main will be bid later this summer.

Not all of your neighbors are looking forward to the installation of a water main along the last section of Kachemak Drive. You may or may not like the idea. But, connecting the two long dead end mains is, in my opinion, in the best interest of the community.

The completion of this work will have future financial impacts on you. The main purpose of this letter is to inform you about these potential impacts and help you make decisions that minimize the long term financial impact and maximize the benefits that come with the extension of piped water to your neighborhood.

Potential Scenarios:

The City moves forward with the installation of the water main. No assessments will be levied and there would be no immediate financial obligation to property owners.

The City Council will be asked to provide us with direction regarding the conditions under which properties will be allowed to connect to the water main, but the following provisions, in my opinion, would most likely be implemented:

A policy will be developed or deferred assessments would be levied that will require that a “fair share” of the cost of installing the main be paid by the property owner before connection to the main is allowed. Current policy would suggest that the “fair share” would need to be paid in full prior to water service being provided. No City financing is currently available to assist in the payment of this cost. Before existing structures can be connected to the water main, property owners will need to should that there is an ADEC approved septic system serving the property. The Council could require that City piped sewer service be available before water service is provided. I estimate that the cost per lot to install the proposed water main is approximately \$21,000.

Advantages – No immediate financial obligation created for benefitted property owners.

Disadvantages – Benefitted property owners would be responsible for a “fair share” lump sum payment in the future before connection to the water main is allowed.

A Special Assessment District (SAD) could be formed. Attempts to form a district have failed in the past, but if a district was formed now, the City would pay 25% of the cost of the water main, and would secure low interest financing for the project which would allow for payments to be made over a 20 year period. The district could also include provisions for providing piped sewer service (with the City paying 25% of the cost and providing low interest financing). Previous projects have secured 1.5% financing. Both piped water and sewer service could be provided through the SAD process. No SAD could be created without a majority of affected property owners supporting its creation.

Advantages – Property owners could connect immediately to the water main, sewer could also be provided, and the City would subsidize the cost and provide low interest financing. No upfront lump sum payment to connect to the project would be required.

Disadvantages – Property owners not interested in connecting to the new system would be obligated to begin making payments in support of water (and maybe sewer) main construction.

I suspect that this situation may not be welcomed by you or your neighbors. I am sending this letter to let you know what is in the works, discuss options that can be pursued, and help you understand how the project might affect you. Please call me if you have questions (435-3124). I will also be scheduling a neighborhood meeting soon to allow for a more detailed face-to0face discussion of the proposed project.

Yours Very Truly;

CITY OF HOMER



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

HOMER FOUNDATION
 Quarterly Report to Fund Holders
Jan - Mar 2015

Fund Holder City of Homer
 Fund **City of Homer Fund**

Fund Type: Field of Interest
 Fund Code: 1305

PORTFOLIO SHARE (Corpus)

Beginning Balance	217,132.97
Contributions	-
Withdrawals	-
Portfolio Market Change	(4,548.27)
Ending Balance	212,584.70

AVAILABLE FOR DISTRIBUTION (Earnings)

Beginning Balance	18,249.47
Earnings Allocation	2,857.60
Grants Awarded: None	-
Grants Total	-
Transfers	-
Ending Balance	21,107.07



City of Homer

April 28th, 2015

We do depend on the support of the City of Homer to enable us to help vulnerable citizens among us

We so appreciate all you do with us!
Lonna Wells

Non-profits are of process value to a healthy community

Russ Decker

Thanks so much for your help and support. Can't do it without you. Love just

Thank you!
Connie Creal

Thanks!
Pete Finis

Pat Boone
Thank you for your help

Thank you so much!
Dore Vinters


Thanks!
Bill Wells

The Board of the Home Food Pantry

None should go hungry or feel helpless in a time of need



Homer Electric
Association, Inc.

A Touchstone Energy® Cooperative 

3977 Lake Street, Homer, AK 99603 (907) 235-8551
280 Airport Way, Kenai, AK 99611 (907) 283-5831

Public Service Announcement

DATE: May 16, 2015

Phone scams reported in southcentral Alaska

Utilities, including Homer Electric, are getting reports from businesses regarding suspicious phone calls.

The phone scam is targeting customers in Anchorage and on the Kenai Peninsula.

The fraudulent caller impersonates a utility representative and requests payment for the customer's supposed past due bill and threatens immediate disconnection of electric service if the bill is not paid. The goal of the scammers is to obtain credit card or other financial information.

If a suspicious phone call is received, end the phone call and contact Homer Electric for verification and to check the status of your account. Homer Electric has a protocol for contacting members which includes advanced notification prior to a phone call.

Scammers are becoming smarter, so don't be fooled by caller ID even if it says Homer Electric Association.

Never give anyone your personal information such as your Social Security number, bank account number or credit card number unless you initiated the conversation and you are confident the transaction is legitimate.

If you have questions or need additional information, please call 1-800-478-8551.



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum 15-076

TO: Mayor Wythe and Homer City Council
FROM: Katie Koester, City Manager
DATE: May 20, 2015
SUBJECT: Process for land sales

At the April 14th meeting the Council asked for a memo outlining the current procedure for selling land. The process for municipal property sales is outlined in Homer City Code, Chapter 18.12. A summary follows:

1. **Appraisal.** A parcel cannot be sold for less than fair market (appraised) value. If the KPB assessed value of the parcel is over \$1,000 it must be appraised within 6 months before Council authorizes sale.
2. **Council Action.** Council must declare a parcel is no longer required for a public purpose. Most of the time this can happen by resolution, however if the property was acquired by foreclosure, it must be done by ordinance.
Resolution includes:
 - Terms and conditions of the sale
 - Specifies if sale is by sealed bid or public outcry auction
 - Sale by sealed bid. Bidder must turn in bid accompanied by check or money order equal to 20% for residential lots and 10% for all others by noon the Friday before the Council meeting.
 - Specifies if sale is for cash or cash deposit and installment agreement
3. **Advertising.** Advertise sale of land in local paper and 3 public places at least 30 days prior to the date of sale.
4. **Sale of Parcel.**
 - a. Sealed bids. Council opens sealed bids received the Friday before the meeting at their regular meeting and awards the bid to the highest bidder per square foot. If 2 or more parcels submit identical bids, Council can accept any bid or reject all bids. Council must approve the purchase agreement.
 - b. Auction. Approval of a public sale by Council authorizes the City Manager to take the necessary steps to complete and close the sale

What if....

No buyer is found. If no acceptable sealed bid is received or no buyer is found at an outcry auction, the Council can authorize the City Manager by resolution to negotiate sale of property.

Property was acquired by foreclosure. If a property was acquired by the City through foreclosure less than 10 years before the date of sale, the former owner is entitled to a portion of the sale after all unpaid taxes and assessments are collected.

City wants to give the land to another government entity. The City Council can, by resolution, transfer, donate, or dedicate land below market value and without an appraisal to another government entity (state, federal or municipality).

Next Steps

- 1. Get an Appraisal for Identified City Lots.** During the April 14th review of the Land Allocation Plan Council asked for staff to move forward on the sale of 17 lots in 6 separate locations. In order to move forward the first action that needs to be taken is to have the lots appraised. If the appraisals can be done within the authority of a city manager authorized sole source contract and funds can be found in the existing budget I will work on getting the lots appraised and bring a resolution to the Council with terms of sale for all 17 lots.
- 2. Improving the Process.** Council indicated a desire to look at revising the process for selling city lots to make it more fluid. If the Council would like to take this opportunity to make recommendations on how the process could be improved, they can be incorporated into an ordinance for your next meeting.

Enc:

Chapter 18.12 Municipal Property Sales

Example of resolution authorizing sealed bid sale: Resolution 07-105

Example of RFP soliciting bids

Lots from Land Allocation Plan designated for sale

Chapter 18.12

MUNICIPAL PROPERTY SALES

Sections:

[18.12.010](#) Public sale – Resolution and notice required.

[18.12.020](#) Appraisal.

[18.12.030](#) Procedure.

[18.12.040](#) Sale by sealed bid.

[18.12.050](#) Negotiation.

[18.12.055](#) Proceeds of sale of foreclosed properties.

[18.12.060](#) Disposal of surplus real property to governmental entities.

Prior legislation: Ord. 77-8.

18.12.010 Public sale – Resolution and notice required.

Unless otherwise provided in this chapter, real property no longer required for public purposes may be sold to the highest responsible bidder at a public auction sale or by sealed bids as set forth in HCC [18.12.040](#). The City Council shall have the authority to determine by resolution at a regular meeting when said property is no longer required for public purposes and to authorize the sale thereof; except no property acquired by the City through a foreclosure proceeding shall be sold unless an ordinance retaining the property for public purpose or classifying it for sale shall previously have been adopted pursuant to HCC [18.06.042](#). Unless otherwise provided herein, notice of a proposed public sale of real property shall be published at least once in a newspaper of general circulation within the City and shall be posted in at least three public places within the municipality. Both commencement of publication and posting shall be accomplished not less than 30 days prior to the date fixed for public sale. [Ord. [90-28](#) § 17, 1990. Code 1967 § 26-200.1].

18.12.020 Appraisal.

Real property shall not be sold for less than its fair market value, as defined in HCC [18.02.020](#). The property to be sold shall be appraised by a qualified appraiser within the six-month period immediately preceding the date of the Council resolution authorizing same. No independent appraisal shall be required if the property does not exceed \$1,000 in value as shown in the

current tax assessment records of the Kenai Peninsula Borough. [Ord. [90-11](#) § 6, 1990. Code 1967 § 26-200.3].

18.12.030 Procedure.

The Council in the resolution authorizing the sale of real property shall set forth the terms and conditions of the public sale including whether the sale shall be by sealed bids or public outcry auction. The Council may reserve the right to reject any and all bids received. The resolution shall provide if the sale is for cash, or a cash deposit and installment purchase agreement. The Council shall approve or disapprove all public sales of real property at the next regular meeting following the sale and shall further approve or disapprove any purchase agreement prior to its execution by the City. The approval of any public sale by the Council authorizes the City Manager to take all steps and execute all instruments to complete and close the sale. The City Manager or his designee shall conduct the sale and shall give to the bidder at the auction a receipt for all monies received by the City. A successful bidder who does not timely comply with any of the terms and conditions in the resolution of the Council authorizing the sale shall forfeit any cash deposit paid to the City, unless return of all or any portion of such cash deposit is expressly authorized by the Council. [Code 1967 § 26-200.5].

18.12.040 Sale by sealed bid.

a. All real property or interest therein offered for public sale by sealed bid may be sold to any person submitting an offer in writing to the Council. Such offer shall be submitted in a sealed envelope marked “Real Property Bid” and must be accompanied by a check or money order made payable to the City in an amount equal to at least 20 percent of the amount bid for residential lots and 10 percent of the amount bid for other parcels. Bids below the appraised value shall not be considered.

b. All real property bids received prior to 12:00 noon, on a Friday preceding a regular meeting of the Council, shall be opened by the Council at their next regular meeting. If there is more than one acceptable bid for a particular lot or group of lots, the lot or lots shall be sold to the highest bidder. The highest bidder shall be the one whose bid represents the highest price per square foot. In the event that two or more parties submit high but identical bids, the Council may accept any bid or reject all bids. [Code 1967 § 26-200.7].

18.12.050 Negotiation.

Should no buyer be found at a public sale or should not an acceptable sealed bid be received at a sale by sealed bid, the Council may authorize the City Manager or his delegates to negotiate a sale of such property or interest therein and shall prescribe the terms thereof. Such authority shall be provided by resolution in the same manner as a resolution providing for public sale. [Code 1967 § 26-200.8].

18.12.055 Proceeds of sale of foreclosed properties.

a. On sale of foreclosed real property, the proceeds of such sale shall be first applied to the cost of collection and then divided between the Kenai Peninsula Borough and the City. The division is in proportion to the respective municipal taxes and assessments against the property at the time of foreclosure.

b. If foreclosed real property that has been held by the City for less than 10 years after the close of the redemption period and never designated to be retained for a public purpose pursuant to HCC [18.06.042](#) is sold at a foreclosure sale, the former record owner is entitled to the portion of the proceeds of the sale that exceeds the amount of unpaid taxes and assessments, the amount equal to taxes and assessments that would have been levied after foreclosure if the property had continued in private ownership, penalty, interest, and costs to the Kenai Peninsula Borough and City of foreclosing and selling the property, and costs to the Borough and City of maintaining and managing the property that exceed amounts received by the Borough and City for use of the property.

c. If the former record owner is entitled to a portion of the proceeds of sale under subsection (b) of this section, the City shall provide the former owner of the property written notice advising of the amount of the excess and the manner in which a claim for the balance of the proceeds may be submitted. Notice is sufficient under this subsection if mailed to the former record owner at the last address of record of the former record owner. On presentation of a proper claim, the City shall remit the excess to the former record owner. A claim for the excess filed after six months of the date of sale is forever barred. [Ord. [91-2](#) § 5, 1991; Ord. [90-28](#) § 15, 1990].

18.12.060 Disposal of surplus real property to governmental entities.

The City may sell, convey, exchange, transfer, donate, dedicate, or assign any real property no longer needed for public purpose to the United States, the State of Alaska, a political subdivision of the State, or an agency of any of these entities, for consideration agreed upon between the City and the grantee without a public sale or otherwise complying with the provisions of HCC [18.12.010](#) through [18.12.050](#), if the City Council determines the transaction is advantageous to the City. The terms of any such transaction shall be fixed by resolution of the City Council. A transaction may be for less than fair market value and without an appraisal unless otherwise directed by the City Council. [Ord. [91-23](#), 1991].

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 07-105

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA DECLARING THAT THE OLD LIBRARY BUILDING AND PROPERTY IS NO LONGER NEEDED FOR A PUBLIC PURPOSE, AUTHORIZING ITS SALE BY SEALED BID PURSUANT TO THE PROVISIONS OF HCC 18.12.010 THROUGH 18.12.050, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, HCC 18.12.010 provides that real property no longer required for a public purpose may be sold to the highest responsible bidder at a public auction sale or by sealed bids; and

WHEREAS, Ordinance 07-17A, adopted on May 14, 2007, amended the budget by approving the sale of the old library and directing that the proceeds be used to reduce the debt on the new Homer Public Library; and

WHEREAS, An appraisal has been conducted pursuant to HCC 18.12.020; and

WHEREAS, The property has been subdivided as directed by Ordinance 07-17A; and

WHEREAS, HCC 18.12.030 states that the City Council in the Resolution authorizing the sale of real property shall set forth the terms and conditions of the public sale.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds that the old Homer Public Library and the property associated with it is no longer needed for a public purpose and that it is in the public interest to place the property up for sale pursuant to the provisions of HCC 18.12 and the City Manager is hereby authorized to execute the appropriate documents necessary to conduct the sale.

BE IT FURTHER RESOLVED that the terms and conditions of the sale shall conform to HCC 18.12.010 through HCC 18.12.050 and shall be as follows:

- The notice of proposed sale shall be published at least once in a newspaper of general circulation within the City and posted in three public places.
- There shall be at least 30 days between the publication and posting of the public notice and the date fixed for the public sale.
- An information packet on the property shall be available to all interested parties in the Office of the City Clerk. The packet will include information on how to get questions answered and how to arrange for a tour of the property.

- The property shall be sold by sealed bid and the procedures for the sale shall follow the provisions contained in HCC 18.12.040.
- The Lots shall be bid upon and sold independently. In other words, if a perspective buyer is interested in both lots, he/she must bid on them separately.
- The appraised value for each lot shall be the minimum bid.
- The property is to be sold "as is" and the City will make a good faith effort at full disclosure regarding existing conditions.
- The full purchase price must be paid in full at closing, which must occur within 45 days after notification is sent to the successful bidder(s). The city manager may extend the date of closing not more than 30 days if the bidder has taken steps to secure the funds necessary to pay the purchase price and appears reasonably likely to succeed in doing so within the time allowed. Failure of the successful to close within the time allowed will result in cancellation of the sale and forfeiture of all rights.
- City will provide at its expense standard owner's policy of title insurance, subject to all matters revealed in a preliminary commitment for title insurance.
- City and buyer will share equally the costs of closing.

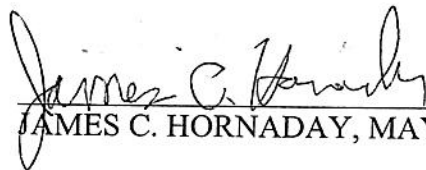
BE IT FURTHER RESOLVED, That the property to be sold is described as follows:

Lot 1: Includes a building with a gross floor area of 3,441 square feet and 0.434 Acres (approximately 17,000 square feet) of land including both paved and gravel parking lots sufficient for most uses allowed in the CBD. **MINIMUM BID \$462,500**

Lot 2: 1.312 Acres (approximately 59,000 square feet) of raw land with 215 feet of frontage on Main Street. **MINIMUM BID \$225,000**

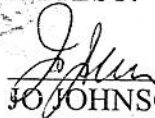
PASSED AND ADOPTED by the Homer City Council this 13th day of November, 2007.

CITY OF HOMER



JAMES C. HORNADAY, MAYOR

ATTEST:



JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Projected Revenue approximately \$700,000.

**REQUEST FOR PROPOSALS
CITY OF HOMER**

**TO PURCHASE CITY REAL PROPERTY
TWO PARCELS**

The City of Homer, Alaska is hereby advertising for sealed bids to purchase the following real property:

- Lot 1: 141 West Pioneer Ave - Old Homer Public Library building with 3,441 sq. ft. and approximately 17,000 sq. ft. of land feet of land.
Appraised Value & Minimum bid is \$462,500.

- Lot 2: Plat No. 88-43, containing 1.312 acres (approximately 59,000 Square feet) of vacant land with 215 feet of frontage on Main Street.
Appraised Value & Minimum bid is \$225,000.

Responses to the City's request for proposal will be received at the office of the City Clerk, 491 East Pioneer Avenue, Homer, Alaska 99603, until 12:00 noon on January 11, 2008. It shall be opened by the City Council at the next regular scheduled meeting, January 14, 2008. **Proposals received after the time specified or proposals received from proposers not listed on the plan holders list will be considered non-responsive and shall not be considered.**

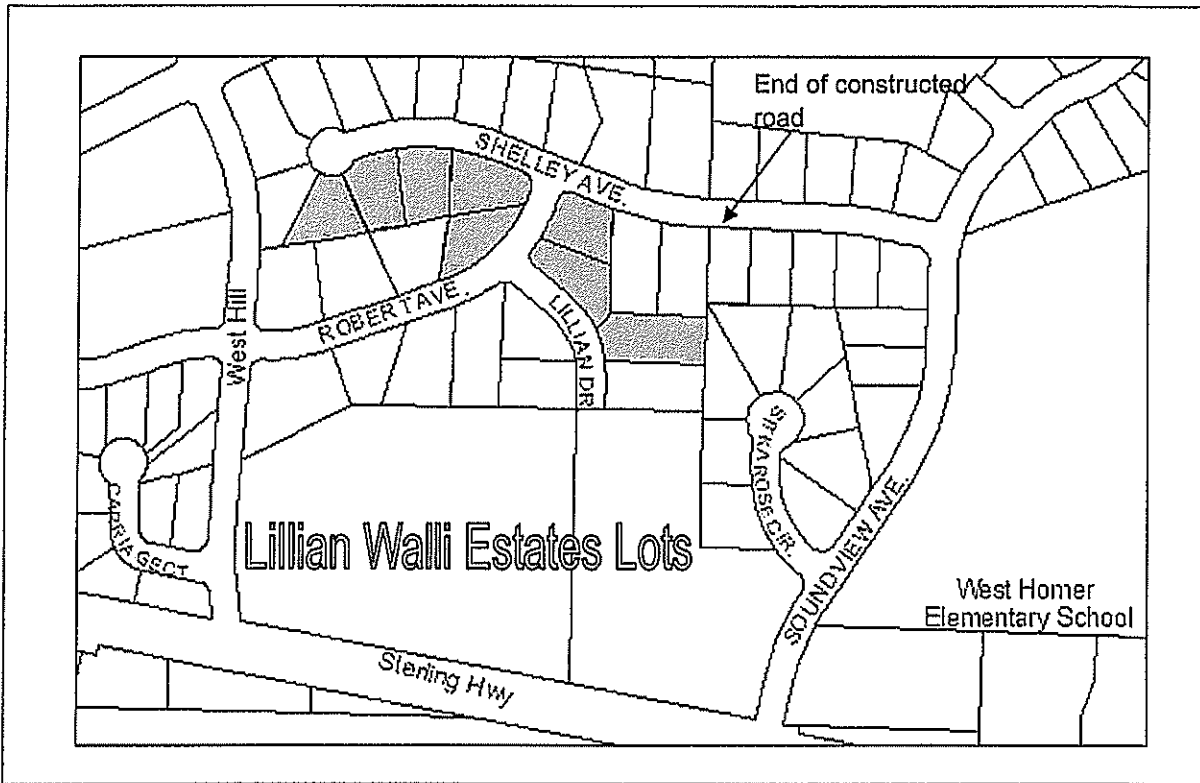
Copies of the Request for Proposal package are available at the Office of the City Clerk, for a fee of \$20.00. To obtain a copy of the proposal package and to be listed on the plan holders list, please contact the City Clerk at (907) 235-3130. If you have any questions on the contents of the RFP package, please contact the City Manager at (907) 235-8121, extension 2222.

The City reserves the absolute right to reject any or all proposals, may waive any or all informalities or irregularities, and may permit the correction of errors or omissions in responses.

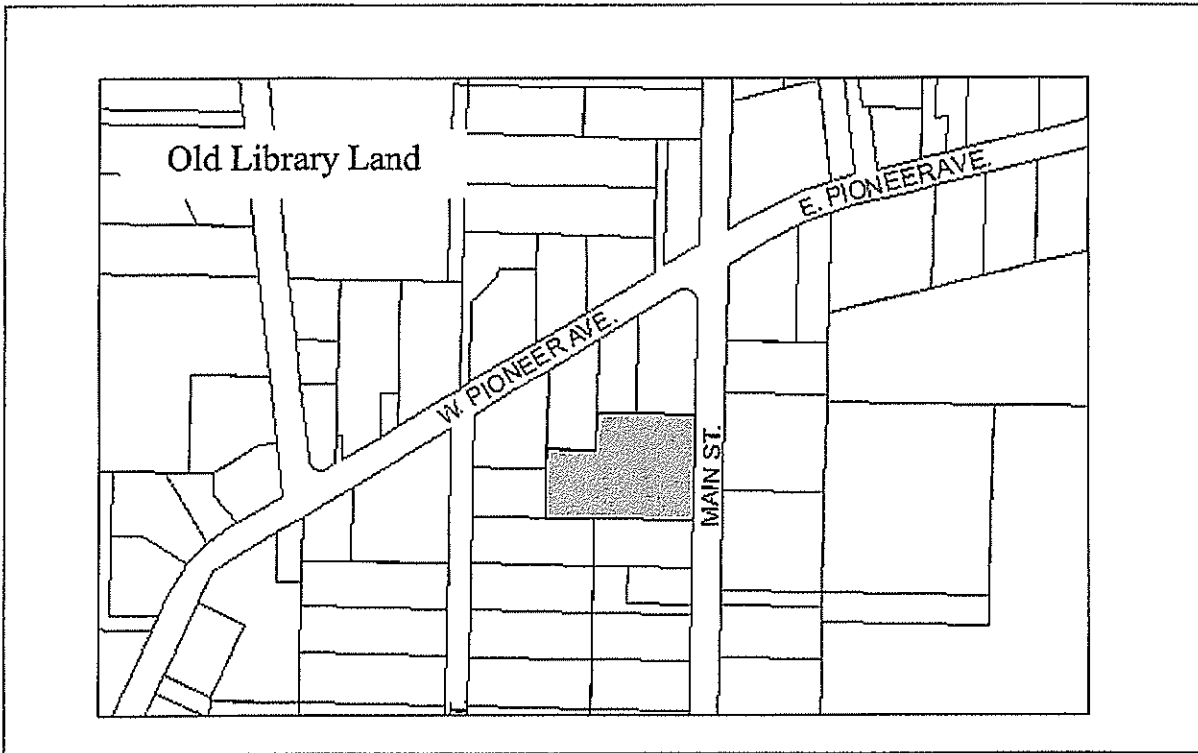
Walt Wrede, City Manager

City of Homer Use Only

Publish: Homer News 12/13/2007 & 12/20/2007
Account #100.114.5227



Designated Use: Sell	
Acquisition History: Tax foreclosure. Eight lots, KPB Ord 93-09, 93-147, and 94-2(A)	
Area: East lot is just over a third of an acre. Total Acreage: 3.02 acres.	Parcel Number: 175241-10-12, 26-30
2006 Assessed Value: \$7,800-\$8,400 per lot. Total: \$56,000	
Legal Description: HM0880016 T06S R14W S24 LILLIAN WALLI ESTATE SUB LOT 60, 65, 66, 67, 70, 57, 58, 59.	
Zoning: Rural Residential	Wetlands: All lots mapped as potential wetlands
Infrastructure: No roads, water or sewer immediately adjacent to these lots.	
Notes: Resolution 2004-24A: The Council directed staff to work with Parks and Recreation to identify a lot to keep as a park.	
Resolution 2012-50(S): Initiated a Special Assessment District to develop the subdivision. This process began in fall 2012.	
These lots were previously assessed for the Sterling Highway Sewer line.	
Resolution 15-030(A) Sell all lots.	
Finance Dept. Code: 392.0005	



Designated Use: Sell.
Acquisition History: Deed: Jewel July 1982 (back lot portion) Deed: Watson 1978 (library/Pioneer area)

Area: 1.31 acres	Parcel Number: 17514416
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2009 Assessed Value: \$189,200

Legal Description: T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2008016 HOMER PUBLIC LIBRARY NO 2 LOT 2

Zoning: Central Business District	Wetlands: Drainage and wetlands may be present
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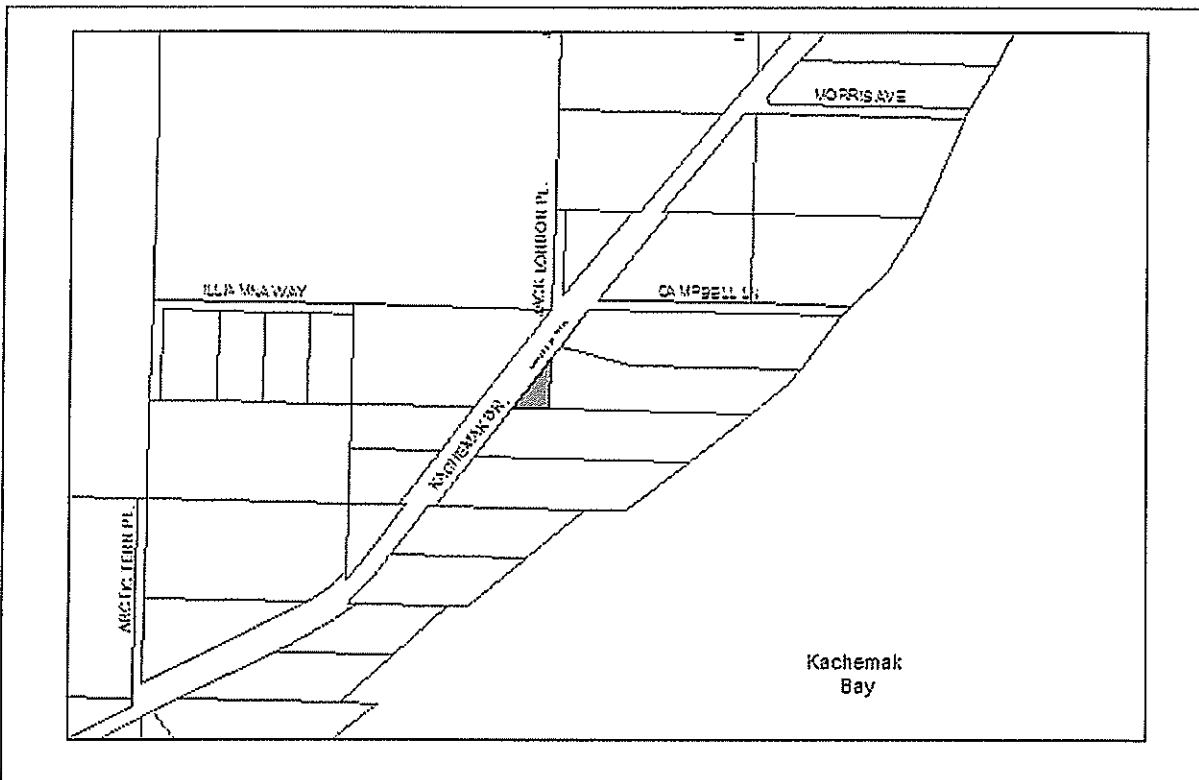
Infrastructure: Paved road, water, sewer

Notes: This land was formerly part of the old library site. The library building was subdivided onto its own lot, and sold. This lot was put up for sale but did not receive any bids. Minimum bid in late 2007 was set at \$462,500. Intent to sell the lot and pay down debt on the library loan.

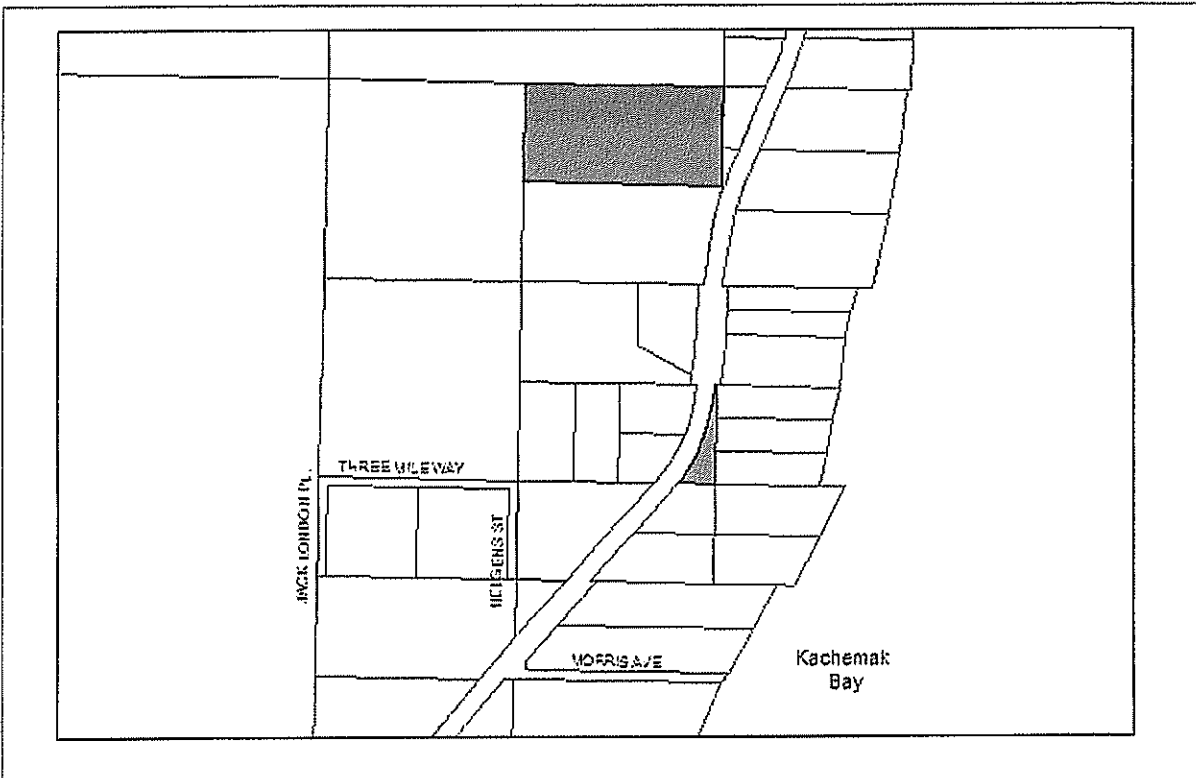
Land was put on the market again in 2009 with a minimum bid of \$228,000, and no bids were received. Resolution 11-037(A) Offer for sale, and if not sold, designate as a conservation buffer. February 2012 update: Land will be put on the market again in the spring.

The land has a nice bay view, but would require stumping. Driveway access off of Main Street is very steep. It is likely significant dirt work would be needed to make this lot viable for commercial or multifamily development.

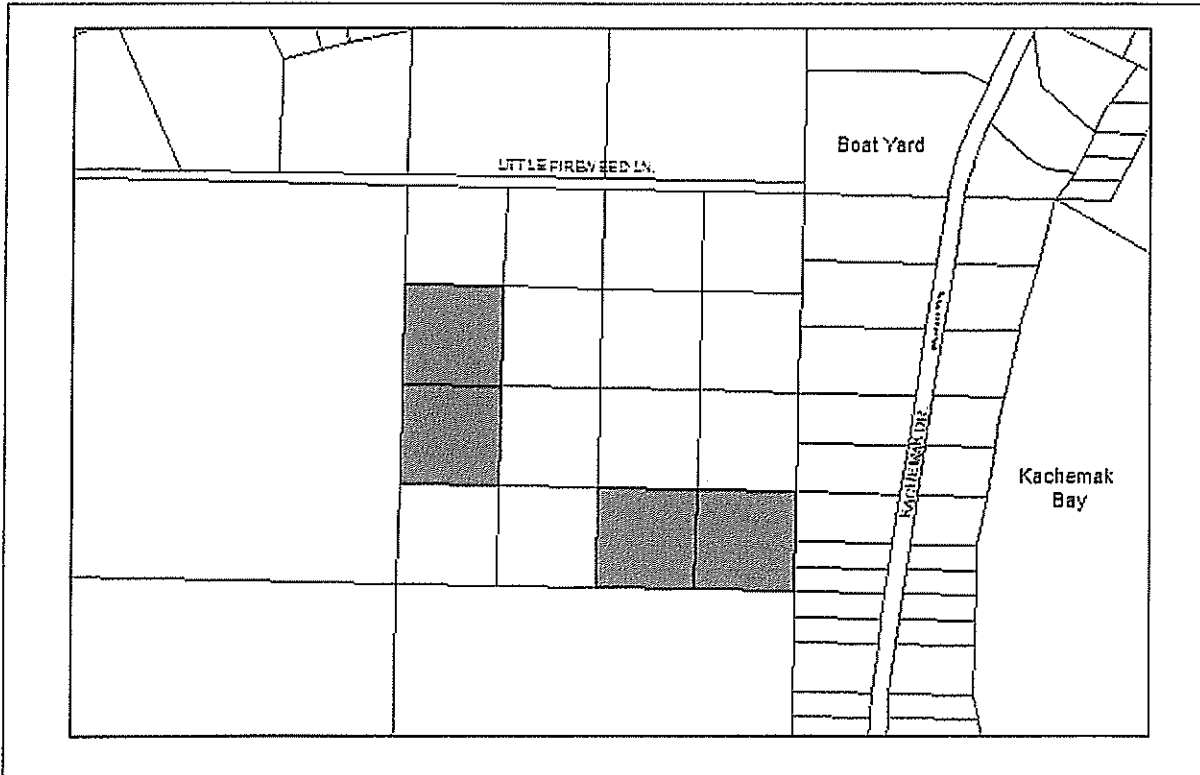
Finance Dept. Code:



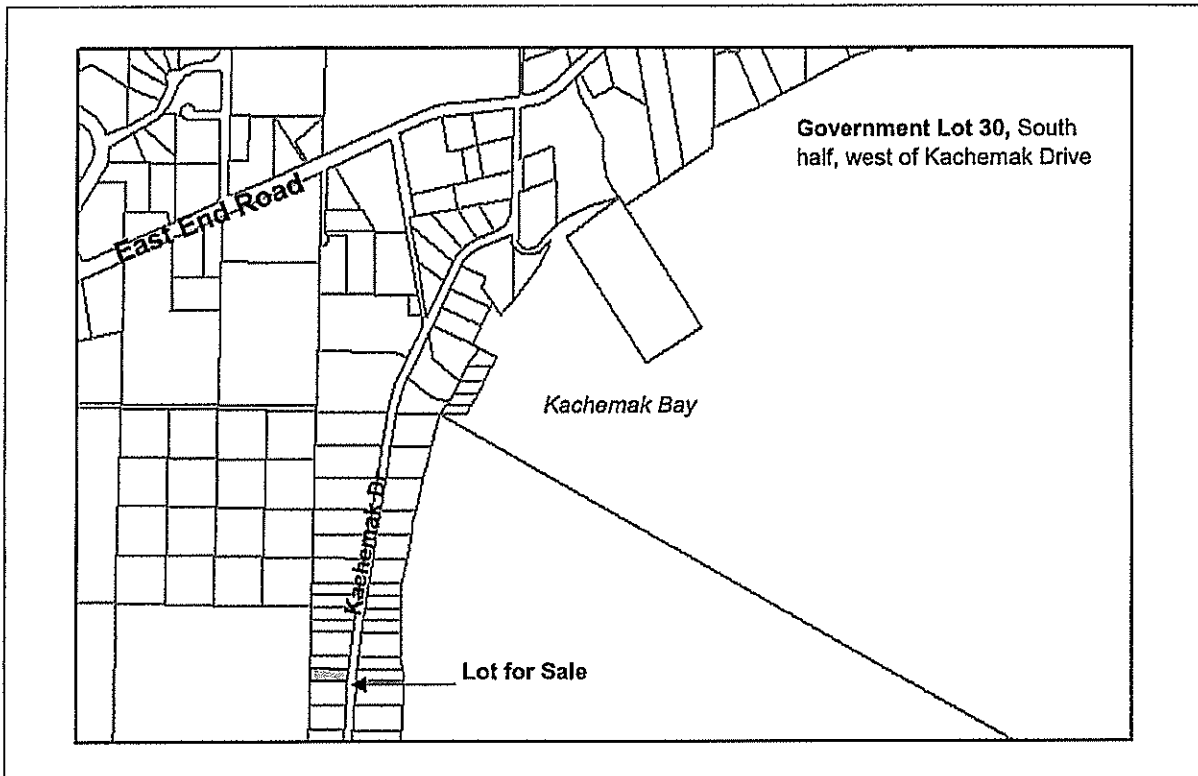
Designated Use: Sell	
Acquisition History: Tax Foreclosure Ord 78/18	
Area: 0.24 acres	Parcel Number: 17915003
2009 Assessed Value: \$18,200	
Legal Description: That Portion of Govt Lot 3 Lying southwesterly of Kachemak Drive, T6S R13W S23	
Zoning: Rural Residential	Wetlands: No wetlands
Infrastructure: Paved road access	
<p>Notes: Limited developable area due to setback requirements from Kachemak Dr.</p> <p>Resolution 15-030(A): List lot for sale pending appraisal and attempt to contact adjacent land owners to see if they have an interest in purchasing.</p>	
Finance Dept. Code:	



Designated Use: Resolution 15-030(A): Sell	
Acquisition History: No history for Gov't Lot 36. Lot 1: Ordinance 97-06(S) KPB	
Area: Gov't Lot 36: 5 acres Harry Feyer Subdivision Lot 1: 0.39 acres	Parcel Number: 17910001, 17911005
2009 Assessed Value: \$72,300 (lot 36), \$23,800 (lot 1)	
Legal Description: Government Lot 36 HM T06S R13W S14, Harry Feyer Subdivision Lot 1	
Zoning: Rural Residential	Wetlands: Lot 36 is wetland. Lot 1 is not.
Infrastructure: Paved Road access, power.	
<p>Notes: Access to Gov't lot 36 is by public access easement rather than dedicated Right of Way. Future development of this lot would need to address any access concerns.</p> <p>Lot 1 is a sliver of land left over after the dedication of Kachemak Drive. Currently, two driveways cross the property to reach the homes to the west. The majority of this lot has an access easement across it, so there is only a portion of land that could be used for a structure. Further, Kachemak Drive is only 60 feet wide at this point instead of the usual 100 ft width.</p> <p>Resolution 11-37(A): Future Kachemak Drive Trail and rest areas.</p> <p>Resolution 15-030(A): List lot for sale pending appraisal.</p>	
Finance Dept. Code:	



Designated Use: Sell	
Acquisition History: The western lots were granted by State Patent.	
Area: 10 acres total. Each lot is 2.5 acres.	Parcel Number: 179080 09,15,25,26
2009 Assessed Value: Each lot: \$20,400. Total: \$81,600	
Legal Description: Government Lots 10, 21, 24, 25, HM T06S R13W S14	
Zoning: General Commercial 2	Wetlands: Lots are mostly wetlands. Formal delineation would be needed prior to any project planning.
Infrastructure: No infrastructure currently available.	
<p>Notes: Two adjacent lots are privately owned. The rest of the square lots are owned by the Kenai Peninsula Borough. There is limited legal access to the eastern lots. There may be no legal access to the western lots.</p> <p>Resolution 15-030(A) Sell</p>	
Finance Dept. Code:	



Designated Use: Sell (Resolution 2011-37(A))	
Acquisition History: Tax foreclosure, Ord 2010-24(S)	
Area: 0.49 acres	Parcel Number: 17908050
2009 Assessed Value: \$2,300	
Legal Description: South half of Government Lot 30 Lying West of Kachemak Drive	
Zoning: Rural Residential	Wetlands: Will require wetland permit for development
Infrastructure: Paved road, power lines. Part of Phase II Kachemak Drive Water and Sewer LID.	
Notes: Acquired from the Kenai Peninsula Borough through tax foreclosure. Parcel is wetlands.	
Finance Dept. Code:	



Memorandum 15-075

TO: City Council
THROUGH: Katie Koester, City Manager
FROM: Nick Poolos, IT Manager
DATE: 5/20/2015
SUBJECT: Telephonic Meeting Participation and Audio Quality

Since 2004 the City has spent over \$60,000 on 2 separate audio systems in Council Chambers. The over the past 2 years the audio system in Council Chambers has suffered inconsistent audio quality when a using the telephonic conferencing features. The current system was designed and installed by local contractors in 2010. When the telephonic participation feature is used, there are 3 different signal processors attempting to combat feedback, match telephone audio levels, and mix the council chambers and telephone audio. These three systems are not aware of each other and do not share information. This often leads to the systems fighting each other which renders the telephone participant to sound like they are speaking into a “tin can” through being completely unintelligible.

IT has purchased a basic calibrated microphone and will be obtaining iOS test software. This will allow all the levels through the current system to be set to a reference standard prior to the June 8th meeting. This will allow the city to maximize the performance of the existing system.

If adjusting the levels of the current system does not provide consistent performance, then Council will need to authorize the design, programming, and installation of a unified room audio and teleconference system. The city still has an AudiaFlex that was the core of the 2004 system. This is a very configurable boardroom audio controller. The AudiaFlex is still a fully supported room audio controller and it is one of the top 3 in the marketplace. The city would need to replace a board in the Audia, the microphones in the room, and pay for a consultant to program and balance the system. A rough estimate of the cost is in the \$20,000 - \$40,000 range. If Council wishes to pursue this course, IT can work on tightening up the budget range and bring back a full proposal.

Additionally here are the guidelines for a remote participant to help ensure the best audio quality:

1. Use a plan old landline phone if convenient. The current system is setup for landline phones. The use of a cell phone will always cause a small loss of audio quality.
2. If you are using a cell phone, make use of the speaker phone feature in a quiet room while participating in the meeting. Ambient background noise is something the system has to work hard to cancel out, which will degrade the audio quality.
3. If you are using a cell phone, please ensure that you have a strong cell signal (“full bars”) prior to the start of the meeting. Anything less than a full strength cell signal will degrade your audio.
4. IT is always available to test the system the day of a meeting. If possible such a test is preferable as it is much easier adjustments to the system before the meet as opposed to during the meeting.



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum

TO: MAYOR AND CITY COUNCIL
FROM: JO JOHNSON, MMC, CITY CLERK
DATE: MAY 18, 2015
SUBJECT: BID REPORT

RFP – Refurbishment of Homer Fire Department Apparatus Tanker 2 - The City of Homer, Alaska, is requesting proposals to refurbish Tanker 2. The intent of this proposal effort is to provide an opportunity for fire apparatus manufacturers and service centers to bid on the project to refurbish an existing fire engine to NFPA Level 2 requirements. This is the first of two projects to be considered (the second to follow the initial project). Proposals will be received at the Office of the City Clerk, City Hall, City of Homer, 491 East Pioneer Avenue, Homer, Alaska, until 4:30 p.m., Friday June 19, 2015.



City of Homer

www.cityofhomer-ak.gov

Office of the Mayor

491 East Pioneer Avenue
Homer, Alaska 99603

mayor@ci.homer.ak.us

(p) 907-235-3130

(f) 907-235-3143

Memorandum

TO: MAYOR WYTHE AND CITY COUNCIL

FROM: JO JOHNSON, MMC, CITY CLERK

DATE: MAY 18, 2015

SUBJECT: GAMES REPORT

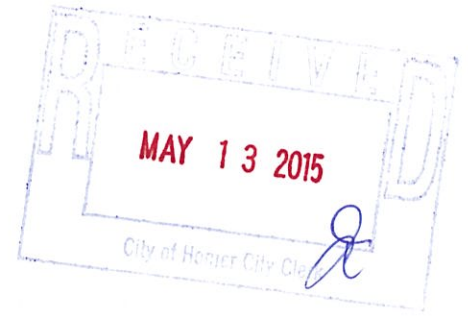
We have received notification of a 2015 Gaming Permit Application by the following entities:

Alaska Marine Conservation Council

RECOMMENDATION:

Informational only.

Fiscal Note: Revenues.



April 28, 2015

491 East Pioneer Avenue
Homer, AK 99603

To Whom It May Concern:

This letter is to inform you that the Alaska Marine Conservation Council (AMCC) is holding a cash raffle this fall with the drawing to be held Saturday, October 24th in Kodiak, AK.

Enclosed please find two copies of AMCC's 2015 Gaming Permit for your files as required by State regulations. We will be selling tickets from our main office in Anchorage, as well as distributing tickets to our board members throughout the state who will sell tickets in their home communities including Homer.

Please do not hesitate to contact me at (907) 277-5352 should you have any questions.

Thank you.

Sincerely,

Samantha Baker
Engagement & Development Manager
sam@akmarine.org
Alaska Marine Conservation Council
PO Box 101145, Anchorage, AK 99510

Enclosures:
Copy of gaming permit



ALASKA DEPARTMENT OF REVENUE

Charitable Gaming Permit

Permit No
1820

Location Authorized: May. 7, 2015 through Dec. 31, 2015

Permittee

Alaska Marine Conservation Council
PO Box 101145
Anchorage AK 99510-1145

Authorized Games of Chance and Skill

Raffle or Lottery Effective 05/07/2015

Self-Directed Location:

ID#:31916

Homer
Homer AK 99603

This qualified organization or municipality is authorized to conduct the listed games of chance and skill for the permit year. Gaming activities of this permittee must be conducted in accordance with AS 05.15. and 15 AAC 160. This permit is not transferable or assignable.

Katrina E Mitchell, Gaming Manager

05/07/2015

Caution: This does not permit you to do business in Alaska without complying with other State or US Laws.

Issued By

Print Date



This permit must be posted in a conspicuous place at the location of the authorized activity.



ALASKA MARINE CONSERVATION COUNCIL
PO BOX 101145
Anchorage AK 99510-1145

- Post this permit in a conspicuous place at the specified location.
- This permit expires on December 31st, at midnight, of the year issued.
- Gaming is a privilege; protect your permit. Statutes and Regulations are on the internet and staff is available to answer questions. Ask before you make a mistake.
- Gaming permits can't be loaned or transferred to another person or organization for any purpose.
- You will lose your permit if you conduct card games, dice games, sports boards, or other games that have the three elements of gambling--consideration, chance, and prize-- if they are not specifically authorized by statute.



ALASKA DEPARTMENT OF REVENUE

Charitable Gaming Permit

Location Authorized: May. 7, 2015 through Dec. 31, 2015

Permit No
1820

Permittee

Alaska Marine Conservation Council
PO Box 101145
Anchorage AK 99510-1145

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Homer
Homer AK 99603

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Katrina E Mitchell, Gaming Manager

05/07/2015

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PO BOX 101145
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CITY ATTORNEY REPORT

COMMITTEE REPORTS

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

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

