



# City of Homer

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

Office of the City Clerk

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## Memorandum Agenda Changes/Supplemental Packet

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

FROM: JO JOHNSON, MMC, CITY CLERK

DATE: NOVEMBER 23, 2015

SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

### **ANNOUNCEMENTS**

Mayor's Proclamation – Light Up Homer for the Holidays **Page 3**

Lobbyist Report – Anderson Group, LLC **Page 5**

Travel Report, AML Newly Elected Officials Training – Councilmember Aderhold **Page 25**

### **PUBLIC HEARINGS**

**Ordinance 15-41(S)**, An Ordinance of the Homer City Council Appropriating Funds for the Calendar Year 2016 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, Capital Projects, and Internal Service Funds. City Manager.

Written public comments **Page 27**

### RECOMMENDATION:

Voice consensus to changes under Agenda Approval.

Fiscal Note: N/A



**CITY OF HOMER  
HOMER, ALASKA**

**MAYOR'S PROCLAMATION**

**Light Up Homer for the Holidays**

WHEREAS, The Homer Chamber of Commerce hosts an Annual Holiday Tree Lighting Ceremony at their Visitor Center each December; and

WHEREAS, Families, local businesses, Friends of the Chamber, and organizations are invited to light up Homer by stringing Holiday lights on your homes and businesses, hanging decorative lights in your windows, and turning on your porch lights at 6:00 p.m. on Friday, December 4<sup>th</sup>; and

WHEREAS, On Friday, December 4<sup>th</sup> the spruce tree on the front lawn of the Homer Chamber will be lit up for the Holidays; and

WHEREAS, Everyone of all ages is invited to attend this festive occasion between 5:00 and 7:00 p.m. at the Homer Chamber of Commerce Visitor Center, located at 201 Sterling Highway; and

WHEREAS, The festivities include music, refreshments, a bonfire, crafts for kids, and photos with Santa along with lighting up the Chamber's spruce tree; and

WHEREAS, The following businesses have provided financial support or the donation of in-kind services for the Holiday Tree Lighting Celebration: AlaskaUSA Federal Credit Union, AmericasCuisine, Boyd & Marie Walker, Cosmic Kitchen, Dutch Boy Landscaping, Dragonfly Nails by Dee, Enstar Natural Gas Company, Malone Insurance Agency, Safeway, Save-U-More, SVT Health & Wellness Community Health Center, Wells Fargo Bank, and the Homer Chamber of Commerce.

NOW, THEREFORE, I, Mary E. Wythe, Mayor of Homer, Alaska, do hereby proclaim Friday evening of December 4, 2015 as:

**Light Up Homer for the Holidays**

and urge the residents of our community to attend the festivities at the Homer Chamber of Conference Visitor Center and show your holiday spirit by lighting up your homes and businesses.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska, to be affixed this 23<sup>rd</sup> day of November, 2015.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHER, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK





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## City of Homer 2016 Pre-Session Lobbyist Report November 23, 2015

### Overview

The second session of a two-year Legislature is typically double the pace of the first session. At the conclusion of the 2016 regular session, and unless the Legislature is extended by a vote of the Legislature, all pending legislation will expire requiring reintroduction in 2017. The attached bill report includes all relevant legislation still 'alive' and currently being tracked by Anderson Group on behalf of the City of Homer.

The budget crisis will rule the days during the 90 day regular session and, given the unprecedented financial problems facing the state, legislative extensions or special sessions beyond 90 days are almost a given. Tough choices will require tough decisions, tough negotiations, and tough votes by legislators. In addition, all members of the State House (40) and half of State Senate (10) will be up for re-election in 2016.

As public officials, you are well aware of the grim financial outlook facing the State. The Governor and his administration has held over 40 hearings across the state. Last week he summoned lobbyists to Juneau for a 2 ½ hour meeting to discuss his long range fiscal plan. Anderson Group was there, as were other lobbyists representing a wide cross section of clients and interests. Governor Walker's key fiscal plan staff included Budget Director Pat Pitney, Revenue Commissioner Randy Hoffbeck, Attorney General Craig Richards as well as Chief of Staff Jim Whitaker. There were no handouts, but rather a power point of an extensively deliberated proposal including the following components (assuming all proposals were to pass the Legislature there would still be a \$1Billion deficit at current oil prices):

1. \$3.3 Billion in annual distributions to the State General Fund generated from an endowment combining existing and future revenue from Permanent Fund earnings, royalty oil and gas distributions and Constitutional Budget Reserves;
2. Capping the annual Permanent Fund Dividend;
3. \$200 million in operating budget reductions over the next 3 fiscal years: \$100 million in FY17; \$50 million FY18; \$50 million in FY19;
4. FY17 Revenue Sharing will be funded at \$38million statewide as the draw-down of this account continues;
  - a. *Governor Walker proposed to restore this fund to distribute \$60million in FY18 and beyond.*
5. No statewide sales tax –this mechanism will be left to local governments;
6. Increased 'sin' taxes, i.e. alcohol and tobacco;
7. Progressive school or 'income tax' with an exemption for those making under \$50,000 (this suggestion was being investigated and deliberated under different assumptions);
8. Capital budgets would be funded through voter-approved general obligation bonds;
9. Issuance of pension obligation bonds, which the Legislature provided authority to the Administration to issue in 2008.

There was extensive discussion as to how best to proceed; whether one component at a time should be rolled out over the next few years or whether the proposal should be packaged, deliberated, and passed all this session. Discussion ensued as to the Administration's responsibility to balance the budget over the long term. We can expect to see the details of the Governor's final budget proposal in the next few weeks, well in advance of the December 15 legal deadline.

In a recent publication of the Alaska Digest, the Governor's plan and public official reactions were described as follows: "If put into place, the plan would generate a sustainable \$3.3 billion a year to the state general fund. An additional \$825 million of other state revenues would bring total income to about \$4.12 billion. That would still leave a gap of \$1 billion a year, assuming a state general fund budget of about \$5.1 billion, the current year level. The plan would also have the effect of reducing the annual PFD dividend. The concept of Walker's plan, adding to the Permanent Fund and taking a portion of its revenues to help support the state budget, has been discussed for years and is not new. The mechanism for reducing the dividend is new, however. There's been no real criticism of the plan so far but legislators have yet to fully understand it. The governor is being given credit, however, for at least stepping forward with something."

### **Session Issues begin to Surface**

In addition to the budget deliberations, there are numerous major issues expected to come before the Legislature this session. Some will offer financial relief while others will impose financial hardships. A brief description of each is described below.

#### **PERS/TRS Liability, Muni Rates and Fees**

The PERS termination cost issue has been percolating for years and is likely to come to a head. The statute was put into place ([CH13 SLA08](#)) to prevent non-state public employers (i.e. municipalities) from intentionally removing salary base and shrinking contributions to pay off the unfunded liability. Given the single-agent, multiple-employer retirement system, and now that the State, itself, is in cost-cutting mode, every department/group/classification the state terminates has the effect of transferring unfunded liability - and future costs - to the municipalities.

In these tight financial times, municipalities across the state are wrestling with managing costs and yet they do not have the flexibility to manage their workforce without the risk of incurring termination costs. The State itself is not required to make additional contributions to the system upon department/group/classification termination because, as the payer of last resort, it considers itself exempt from the statute.

Previous legislative action to appropriate \$3 billion from the Constitutional Budget Reserve to pay down the unfunded liability for PERS and TRS, extending the term over which debt payments are to be made, and strong earnings over recent years reduced the State's annual actuarial payment from approximately \$750 million in FY15 to \$260 million going forward. The Legislature's action was similar to refinancing a home and took significant pressure off of the State's operating budget last session.

The state's "on-behalf" payment to PERS and TRS - \$263 million in FY16 - is a significant line-item in the general fund operating budget. The Administration has expressed support for using Pension Obligation Bonds to help pay the costs of the unfunded liability. An unofficial analysis indicates the annual savings could be approximately \$20 million. So far, a few legislative leaders have expressed concern and are not convinced that the risk/reward makes sense. The Legislature is also likely to continue to threaten increasing the municipalities PERS contribution rate, i.e. > 22. PERS employers have a significant unpaid bill, and comparative responsibility and options for paying this bill will be considered during the 2016 legislative session.

### **Mandatory Senior Property Tax Exemption**

In 2014 the number of applicants increased statewide by 6.7% to 33,656 exemptions. The total value of property exempted under these programs increased by 6.3% from \$4.35 billion to \$4.62 billion. It is estimated that property taxes received by local Alaskan governments were impacted by over \$62 million dollars due to these exemptions. As you are aware, the impact of this mandate is an annual cost of \$275,439 in uncollected revenue to the City of Homer.

Municipalities have attempted to repeal and/or modify this statute, but not since the economic downturn in the mid-1990's. The effort was met with great opposition by Alaska's senior population. As a last resort due to the lack of legislative support for an outright repeal, municipalities attempted to negotiate a local option provision with legislators and organizations representing seniors. The idea was to allow municipalities the ability to adopt an opt-out provision or a needs-based program. Unfortunately the local option idea was also short-lived. Ironically the local option legislation failed due to lack of support by enough legislators AND municipalities. Opposing the senior lobby at that time, either in Juneau or on the front lines in each community was not politically possible. In the face of unprecedented deficits and an entirely different economic environment facing many Alaska's Seniors today, it may be worthwhile to bring the issue forward to alleviate these escalating costs born by all other local government taxpayers.

### **State Sales Taxes, Bed Taxes, and 'Sin' Taxes**

Sales or bed tax legislation is not likely to be proposed by the Walker Administration. However, it is unknown at this time as to whether or not the Governor would veto a bill that reaches his desk if it gains traction during session. It is highly likely we will see legislation sponsored by individual Legislators in this and other tax proposals. The Administration has expressed support in various meetings for increased alcohol and cigarette taxes.

### **Oil and Gas Tax Credits**

The Administration suggests the State can no longer afford the current tax credit structure made available to companies exploring and producing oil and gas statewide. For example, in the Cook Inlet these tax credits constitute a direct subsidy to Cook Inlet producers and ratepayers - estimated at \$1.4 billion between FY14 and FY18 - intended to help secure gas supply to Southcentral Alaska rather than generate future revenue to the state. The Administration is proposing to repeal the tax credit program and replace it with state loans and guarantees; that is, the state would guarantee loans made in the private market. Private lenders are typically reluctant to invest in high risk ventures. With state backed guarantees, the Administration hopes to shore up private capital markets while saving immediate general fund dollars.

### **Restoration of the Capital Municipal Matching Grant Program**

During the economic downturn in the early 1990s (during the Hickel Administration), the Legislature agreed to endorse the Municipal Matching Grant Program in lieu of funding municipal capital projects through discretionary spending. \$20 million was appropriated to an account and distributed based on a formula using match requirements, project criteria, and populations with a minimum amount set aside for the smallest communities. For example, the largest communities were required to fund 30% of projects submitted through municipal ordinance and sent to the State in October each year. Small communities could provide their 30% local match in combination of funds and assets such as land. Municipalities submitted projects that met statutory criteria including fire, life, and safety enhancements. This program offered a means for communities to continue providing basic services through state shared revenues. This program may be reconsidered this coming session for implementation in FY 17.

### **Second Class Borough Services – Consolidated Services**

There are currently 49 cities located in seven second class boroughs across the state. There are conversations throughout the state about combining services in the areas of road maintenance, fire, EMS, and other administrative functions relative to areas within second class boroughs. The State of Alaska is also looking at consolidated services throughout all agencies in these and other areas. It is likely that we will see proposed legislation addressing consolidated services.

## **Revenue Sharing**

We expect communities to band together in attempt to secure long term funding through the Revenue Sharing Program, in spite of the State's budget woes. Most agree that local governments must remain solvent and many communities will be at risk should this program end. The Legislature has publically stated that 'they' are already financing municipal needs through other programs, i.e. their contributions to cover pension liabilities in addition to local contributions to education and school construction debt service.

The local contribution issue will come to a head in February or March when the Supreme Court is expected to decide on the required local effort lawsuit brought forward by the Ketchikan Borough. Legislators are not happy about facing a \$230 million bill resulting from the lawsuit. This issue adds to external pressure on the revenue sharing discussion. Even if the state loses, it is unlikely the Courts will rule that the Legislature 'pay' this bill. History shows the Courts typically give deference to the Legislature's ultimate power of appropriation, which may result in legislative changes to the school foundation formula. Such a development would further complicate the already challenging session ahead.

## **The Future of the Capital Budget**

The Administration and Legislature appear to be in agreement with the need for a continued capital budget of some amount – and its value to Alaska's overall economy. Just how we get there is another matter. As difficult as it is to accept, unless a restored Municipal Matching Grant program or similar idea is enacted, municipal capital funding for even the smallest projects is an uphill battle. If the Governor's proposal for general fund obligation bonds to fund capital projects is advanced, it will likely include regionally balanced large mega projects versus the smaller projects historically funded by each Legislator through 'discretionary' funds, i.e. ambulances, roads, non-profits and other fire life safety projects.

Port and Harbor projects may fall into a general obligation bond category however. This process has its downside – that is it must be passed in a statewide general election; currently schedule every other year. Another option may be to seek assistance from Alaska's Federal Delegation. And in view of the state's budget crisis you can assume municipalities are already lining up at their doors.

END

Linda 460-6767  
Yuri 388-8611







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Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HB 3</a>	Workers' compensation Death Benefit	<a href="#">Josephson</a>	<a href="#">(H) L&amp;C</a>	1/21/15	In work-related injuries causing death, adds one year of health insurance coverage as a death benefit for certain survivors of police officers, firefighters and emergency medical technicians. Coverage applies to volunteers in these roles, airport police and University of AK police.
<a href="#">HB 4</a>	Automated external defibrillators	<a href="#">Wilson</a>	<a href="#">CH16</a> <a href="#">SLA15</a>	5/14/15	Limits civil damages for defibrillator use to instances of gross negligence and removes the requirement that training be provided by a particular organization.
<a href="#">HB 39</a>	State Group Health Insurance Policies	<a href="#">Seaton</a>	<a href="#">(H)FIN</a> <a href="#">Heard &amp; Held</a>	2/25/15	Establishes a volunteer advisory committee on Wellness within the Department of Administration. Sets goal of keeping annual state health care cost increases to no more than 2% a year via implementation of committee recommendations.
<a href="#">HB 47</a>	PERS: Interest on Delinquent Contributions	<a href="#">Foster</a>	<a href="#">(H)FIN</a>	4/7/15	Allows municipal employers with a population decrease greater than 25% in the 2010 census to calculate their PERS contribution based on the number of active employees in the system on June 30, 2012 versus 2008. Changes the interest calculation for late payments for these municipal employers from an actuarial formula to the lesser of either a negotiated agreement with the State or 3 percentage points above the 12th Federal Reserve District discount rate in effect on the applicable calendar year. Implements these changes retroactive to July 1, 2009.

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Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HB 53</a>	Use of Pesticides and Broadcast Chemicals	<a href="#">Kreiss-Tomkins, Ortiz</a>	<a href="#">(H)TRA-Heard &amp; Held</a>	3/10/15	Requires State to develop a pesticide application plan and provide public notice prior to using pesticides or broadcast chemicals in certain state owned or leased areas including within 150 feet of fish habitat or within 600 feet of a water source used for human consumption. The plan must be provided to local governing bodies, who may request a hearing. Public comments must be incorporated into revised plans if a hearing is held.
<a href="#">HB 58</a>	Eligibility for AK Energy Efficiency Loans	<a href="#">Kreiss-Tomkins</a>	<a href="#">(H)FIN</a>	3/23/15	Adds federally recognized tribes that are tax exempt to the list of entities eligible to receive loans from the Alaska energy efficiency revolving loan fund.
<a href="#">HB 59</a>	Marijuana Concentrates	<a href="#">Seaton</a>	<a href="#">(H) JUD</a>	3/11/15	Adopts legislative intent language to: delay implementation of regulations for marijuana concentrates until November 2016 and make specified activities related to marijuana concentrates illegal and grounds for license revocation. Prohibits registered marijuana establishments from manufacture, possession, distribution, manufacture or display of marijuana concentrates until November 24, 2016. Effective immediately, allows marijuana establishments licensed under AS 17.38 to avoid prosecution for marijuana offenses unrelated to marijuana concentrates.

# City of Homer

Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HB 65</a>	Leg./Public Official Financial Disclosure	<a href="#">Hawker</a>	<a href="#">(S)JUD-Meeting Cancelled</a>	4/10/15	Allows municipal candidates in communities with population of less than 5,000 to file paper rather than electronic APOC reports; exempts municipal officers from communities of less than 1,000 population from APOC filings; specifies how these communities may terminate the exemption. Changes the required due date for financial disclosures for legislators, public officials and Boards and Commission members to May 15 from the current March 15 deadline. Allows public officials to request a waiver from APOC disclosure if specified conditions are met.
<a href="#">HB 68</a>	Electronic Distribution of Reports	<a href="#">Kreiss-Tomkins</a>	<a href="#">(S)STA</a>	4/13/15	Requires all state agencies with the technological capability to do so to post all agency reports in the Alaska Online Public Notice System; prohibits print copies of reports except under specified conditions. Prohibits hiring contractors to produce photos or graphics for reports unless certain conditions are met.
<a href="#">HB 74</a>	Donated Leave by Certain Public Employees	<a href="#">Lynn</a>	<a href="#">(H)STA</a>	1/23/15	Allows public employees to donate sick leave or donated leave to other employees to use as leave for medical purposes.
<a href="#">HB 75</a>	Marijuana Reg;Clubs; Munis; Local option elect	<a href="#">(H) CRA</a>	<a href="#">Returned to (S) RLS</a>	4/19/15	Allows municipalities authority to regulate marijuana. Requires creation of local advisory board for any municipality that hasn't prohibited marijuana operations.

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Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HB 77</a>	Disability:ID/license and training requirements	<a href="#">Thompson</a>	<a href="#">(H)FIN</a>	4/7/15	Adds training requirements to existing police standards council related to recognition of disabilities; Requires state to allow persons to voluntarily include disability information on state ID cards and drivers' licenses. Requires drivers' license exam to include responsibilities of drivers' when encountered by a peace officer.
<a href="#">HB 79</a>	Marijuana Reg; Controlled Substances; Crimes; Defense	<a href="#">(H) JUD</a>	<a href="#">(H)JUD Hearing Cancelled</a>	3/9/15	Make multiple changes to criminal statutes involving a controlled substance to conform to Marijuana initiative, including legal amount to possess, age-based restrictions, location etc. Establishes defense in a marijuana prosecution if specified legal requirements are met (age, location, amount, etc.). Prohibits open marijuana containers except under specified conditions.
<a href="#">HB 84</a>	Reporting of Federal Receipts	<a href="#">Reinbold</a>	<a href="#">(H)FIN</a>	3/9/15	State agencies and municipalities must report federal receipts, conditions, match requirements and % of overall budget to Department of Administration by Oct.31 for prior FY; report must include plan for addressing reductions in federal receipts greater than 5%. DOA is required to submit a report to LB&A by Nov. 30 compiling information; authorizes LB&A to recommend reduction or repeal of agency appropriations to the legislature based on report. State agencies and municipalities must have an appropriation from the legislature to accept fed receipts that require the state to match, supplement or replace such receipts.

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Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HB 90</a>	Peace Officer/Firefighter Retirement	<a href="#">Millet</a>	<a href="#">(H)L&amp;C</a>	1/30/15	Establishes the Protective Occupation Retirement Council to advise the ARM Board concerning retirement benefits for protective occupation employees. Establishes a new DB retirement plan for protective occupation employees joining after 7/1/06; sets employer and employee contribution rates; provides for adjustments to employee contribution rates; adjusts retirement benefits depending on years of service; Requires Council to actuarially calculate the assumed variable benefit for eligible employees; provides specified annual stipend amounts to employees for purchase of major medical insurance; allows protective occupation employees hired after 7/1/06 who are part of the DC plan to make a one time irrevocable decision to participate in the DB plan.
<a href="#">HB 96</a>	Collection of Biometric Information	<a href="#">Thompson</a>	<a href="#">(H)STA</a>	2/4/15	Establishes a new section of law covering the collection of biometric information, including disclosure, sale, disposal, use, storage and exemptions.
<a href="#">HB 113</a>	PERS Credit/Workers Comp. Police & Fire	<a href="#">Josephson</a>	<a href="#">(H)L&amp;C</a>	2/18/15	Allows peace officers and firefighters unable to work due to an on the job injury or occupational illness to receive credited service to PERS defined contribution plan and requires the state to make payments to PERS on behalf of these employees during this period even if the firefighter or peace officer does not work for the state.

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Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HB 114</a>	Workers Comp: Death Benefit	<a href="#">Josephson</a>	<a href="#">(H)L&amp;C- Heard &amp; Held</a>	3/25/15	Increases the permanent total disability benefit for those injured on the job from \$177,000 to \$252,420 multiplied by % of impairment. For injuries causing death, requires employers to notify personal representative of the estate or specified relatives. For specified relatives dependent on the deceased for support, sets maximum allowable death benefit at \$252,420 & adds annual increases based on the Anchorage CPI. Allows lump sum payment to the estate of the deceased if there are no dependent relatives.
<a href="#">HB 118</a>	Muni Energy Improvement Assessments/Bonds	<a href="#">(H)RLSReqGO V</a>	<a href="#">(H)FIN- Heard &amp; Held</a>	4/7/15	Allows local governments to implement an assessment process to pay for energy improvements in commercial properties & establishes program requirements. Local governments may finance the program through bonds other than GO bonds or use a 3rd party lender. Requires written contract with property owner & 3rd party lender (if applicable) & notice to lienholder.
<a href="#">HB 122</a>	Corporation/LLC/Partnership Reports	<a href="#">Colver</a>	<a href="#">(H)L&amp;C- Heard &amp; Held</a>	4/13/15	Changes reporting requirements and required fees for specified corporations, limited liability companies and limited liability partnerships. Authorizes DCCED to adopt necessary regulations and provides for January 1, 2016 effective date.
<a href="#">HB 123</a>	Establish Marijuana Control Board	<a href="#">(H)RLSReqGO V</a>	<a href="#">CH4 SLA15</a>	5/6/15	Creates marijuana control board within DCCED, with authority to regulate marijuana cultivation, transportation, production and sale. Members are appointed by the Governor, serve 3 yr terms and represent public health, public safety, the industry and the general public. Provides for shared staff with the ABC Board. Provides for immediate effective date.



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Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HB 125</a>	Restrictions on Sale of Dextromethorphan	<a href="#">Millet</a>	<a href="#">(H)RLS</a>	4/10/15	Prohibits sale of dextromethorphan to anyone under 18 years old unless the person has a prescription. Requires sellers to check ID's; sets fines for violations.
<a href="#">HB 133</a>	Regulation of marijuana businesses; Board	<a href="#">(H) CRA</a>	<a href="#">(H)L&amp;C</a>	3/4/15	Regulates marijuana establishments; restricts product advertising that may entice children; requires child-proof packaging, sets labeling requirements. Establishes 6 license types and accompanying application processes and denial criteria. Restricts retailer licenses from being within 200 ft of specified buildings. Establishes procedures for license suspensions and revocations.
<a href="#">HB 135</a>	Public Employee Roth Contributions	<a href="#">(H)RLSReqGO</a> <a href="#">V</a>	<a href="#">CH29</a> <a href="#">SLA15</a>	5/28/15	Establishes a Roth contribution program as an option for public employees participating in the deferred compensation program.
<a href="#">HB 146</a>	Municipal Tax Exemption	<a href="#">Munoz</a>	<a href="#">CH36</a> <a href="#">SLA15</a>	6/29/15	Allows municipalities to exempt or partially exempt from taxation all or a portion of increased value of property subdivided into 3 or more parcels; limits the exemption to no more than 5 years. Specifies conditions for termination or continuation of the exemption.
<a href="#">HB 160</a>	Repeal Art in Public Places	<a href="#">Gattis</a>	<a href="#">(H)STA- Heard &amp; Held</a>	3/31/15	Repeals the requirement for dedicated amount of money to be set aside for art in public buildings; deletes the associated responsibilities for managing the public art fund from the State Council on the Arts. Does not apply to buildings with an existing contract for art as part of the public building process or where an existing public art project is being managed by the State Council on the Arts.

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Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HB 182</a>	Individual Income Tax and Tax Credits	<a href="#">Seaton</a>	<a href="#">(H)FIN scheduled not heard</a>	4/17/15	Establishes a 15% income tax of the taxpayer's federal income tax due on income from a source in the state for both residents and non-residents, combined with a capital gains tax that is the lesser of 10% or the difference between the taxpayer's federal income tax rate on ordinary income and the taxpayer's rate on long-term capital gains; defines income from sources in state; specifies information required for filing a return. Requires employers to withhold taxes for employees and specifies procedures to remit to the State. Repeals specified tax credits. Effective date of January 1, 2016.
<a href="#">HB 183</a>	North Slope Gas Project Property Tax; Assessment	<a href="#">(H)RLSReqGO V</a>	<a href="#">(H)CRA-Heard &amp; Held</a>	4/16/15	Sets the framework for levying a tax assessment on property exclusively used for a North Slope natural gas project; amends the definition of taxable property and determines the full and true value from the original cost adjusted for inflation, reduced by an annual depreciation allowance, then subject to a throughput factor, as specified. Applies to tax year beginning after Dec. 31, 2015.
<a href="#">HB 208</a>	Community Revenue Sharing	<a href="#">Edgmon</a>	<a href="#">(H)FIN</a>	4/18/15	Raises the minimum basic community revenue sharing amount from \$220,000 to \$384,000.
<a href="#">HB 211</a>	RIP For Public Employees/Teachers	<a href="#">Kawasaki</a>	<a href="#">(H)STA</a>	4/19/15	Creates an optional retirement incentive program (RIP) for PERS and TRS; employers may limit applicability by budget or administrative component, job classification or geographic location; applies only to vested DB age 50 and over with over 20 years of service or over 17 years of service for peace officers/firefighters; program to sunset 7/1/2018.

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Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">HJR 2</a>	Const.Amend: Permanent Fund Earnings Account	<a href="#">Hawker, Millet</a>	<a href="#">(H)STA</a>	1/21/15	Amends Constitution to: establish an earnings account as a separate account within the Alaska Permanent Fund. Allows fiscal year appropriations from the earnings account that do not exceed 4.5% of the average market value of the Fund on June 30 for the first five of the six fiscal years immediately prior; allows appropriations from the earnings account at any time to the Permanent Fund. Effective January 1, 2017, puts the earnings reserve account into the Permanent Fund and reconstitutes Fund according to specifications.
<a href="#">HJR 19</a>	Const. Amend:Appropriations from CBR	<a href="#">Reinbold</a>	<a href="#">(H)JUD</a>	4/7/15	Amends the Alaska Constitution to allow for appropriation from the budget reserve fund of up to 10% of the current fund balance.
<a href="#">SB 8</a>	Industrial Hemp Production Licenses	<a href="#">Ellis</a>	<a href="#">(S)JUD-Meeting Cancelled</a>	4/10/15	Specifies requirements for obtaining license to produce industrial hemp, including fingerprints and background check fees. Requires DCCED to develop regulations specifying allowable level of THC no greater than 3%, establishing testing standards, assessing fees and other requirements. Allows licensed industrial hemp license as affirmative defense against prosecution under certain conditions.
<a href="#">SB 12</a>	Paid Sick Leave	<a href="#">Weilechowski</a>	<a href="#">(S) L&amp;C</a>	1/21/15	Requires employers not subject to collective bargaining agreements to provide a minimum of 1 hour of paid sick leave for every 40 hours worked; establishes conditions for use of sick leave and allows employees to recover damages if an employer is non-compliant. Allows employers to substitute paid leave for required sick leave if certain conditions are met. Applies to work performed after September 30, 2015.

# City of Homer

Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">SB 13</a>	Warrantless search of electronic data	<a href="#">Weilechowski</a>	<a href="#">(S)CRA- Heard &amp; Held</a>	3/24/15	Prohibits municipalities or its agents from collecting or using electronic data or telephone records obtained without a search warrant. Prohibits state agencies or their agents from cooperating with federal agencies in collection or use of electronic data or telephone records without a search warrant.
<a href="#">SB 14</a>	Medical Board; Medical Review Organization	<a href="#">Coghill</a>	<a href="#">(S)JUD- Meeting Cancelled</a>	4/10/15	Adds a licensed mobile intensive care paramedic to the State Medical Board membership. Expands definition of health care provider to include emergency medical technician, emergency medical dispatcher and licensed mobile intensive care paramedic. Expands medical review organizations to include specified emergency medical personnel under specified conditions.
<a href="#">SB 17</a>	Denial of Public Records Request	<a href="#">Weilechowski</a>	<a href="#">(S) STA</a>	1/21/15	Requires denial of a public records request to be in writing, state the reason for denial, inform the requestor of a right to appeal and adhere to other criteria, including meeting requirements set in regulation.
<a href="#">SB 30</a>	Marijuana Reg; Controlled Substances; Crimes; Defense	<a href="#">(S)JUD</a>	<a href="#">(H)JUD- Heard &amp; Held</a>	4/16/15	Deletes marijuana, hash and hash oil from the controlled substance schedule; adds being under the influence of marijuana as illegal activity to several existing statutes; Allows personal use of marijuana for persons over 21 and allows growing, transporting, processing up to 6 plants per adult; specifies allowable activities for retail establishment, cultivation facility, manufacturing facility, testing facility. Allows local option for communities, specifies parameters and processes. Specifies certain activities that are illegal; adds marijuana testing to allowable substance for employer drug testing.

# City of Homer

Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">SB 36</a>	Electronic Distribution of Reports/Notices	<a href="#">Giessel</a>	<a href="#">(S)STA- Heard &amp; Held</a>	2/12/15	Allows municipalities to post tax millage information, foreclosure lists and redemption notices on municipal web sites as an alternative to publication in a newspaper; for municipalities with no web site, allows notice posting in 3 public places for at least 4 consecutive weeks. Requires state agencies to produce reports electronically rather than by print and requires state agency reports to be posted on the state online public notice system.
<a href="#">SB 56</a>	Muni Energy Improvement Assessments/Bonds	<a href="#">(S)RLSGOV</a>	<a href="#">(S)FIN- Heard &amp; Held</a>	4/9/15	Allows local governments to implement an assessment process to pay for energy improvements in commercial properties & establishes program requirements. Local governments may finance the program through bonds other than GO bonds or use a 3rd party lender. Requires written contract with property owner & 3rd party lender (if applicable) & notice to lienholder.
<a href="#">SB 62</a>	Regulation of marijuana businesses; Board	<a href="#">(S)JUD</a>	<a href="#">(S)STA- Heard &amp; Held</a>	4/7/15	Regulates marijuana establishments; restricts product advertising that may entice children; requires child-proof packaging, sets labeling requirements. Establishes 6 license types and accompanying application processes and denial criteria. Restricts retailer licenses from being within 200 ft of specified buildings. Establishes procedures for license suspensions and revocations.

# City of Homer

Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">SB 83</a>	Peace Officer/Fire Fighter Retirement	<a href="#">McGuire</a>	<a href="#">(S)STA- Heard &amp; Held</a>	4/9/15	Establishes an advisory board to the ARM Board concerning retirement benefits for protective occupation employees. Establishes a new DB retirement plan for employees joining after 7/1/06; provides for adjustments to employee contribution rates; adjusts retirement benefits depending on years of service; provides stipends to employees for purchase of major medical insurance; allows protective occupation employees hired after 7/1/06 who are part of the DC plan to make a one time irrevocable decision to participate in the DB plan.
<a href="#">SB 87</a>	Muni Taxes on Deteriorated Property	<a href="#">Meyer</a>	<a href="#">(S)CRA- Heard &amp; Held</a>	3/31/15	Adds residential property located in a deteriorated area and meeting specified conditions to the definition of deteriorated property eligible for optional deferment of municipal taxes; changes one of the conditions for commercial properties to be eligible by requiring that the structure has <u>not</u> undergone any renovation, demolition, removal or substantial rehabilitation or replacement in order to meet one of 3 qualifying requirements for the exemption.
<a href="#">SB 88</a>	Teachers and Public Employee Retirement Plans	<a href="#">Egan</a>	<a href="#">(S)CRA- Heard &amp; Held</a>	4/9/15	Creates new defined benefit tiers in the public employees retirement system and the teachers retirement system allowing the choice between a defined benefit or defined contribution system.

# City of Homer

Bill No.	Short Title	Prime Sponsor	Status	Status Date	Bill Summary
<a href="#">SB 100</a>	North Slope Gas Project Property Tax; Assessment	<a href="#">(S)RLSGOV</a>	<a href="#">(S)CRA- Heard &amp; Held</a>	4/14/15	Sets the framework for levying a tax assessment on property exclusively used for a North Slope natural gas project; amends the definition of taxable property and determines the full and true value from the original cost adjusted for inflation, reduced by an annual depreciation allowance, then subject to a throughput factor, as specified. Applies to tax year beginning after Dec. 31, 2015.
<a href="#">SB 114</a>	Deposits into the Dividend Fund	<a href="#">McGuire</a>	<a href="#">(S) STA</a>	4/18/15	Reduces from 50 to 25% the payments from mining leases, royalties, royalty sale proceeds and other specified proceeds that are deposited into the Permanent Fund. Requires annual transfers from the earnings reserve account to the general fund equaling 5% of the average market value of the permanent fund in the preceeding five fiscal years. Changes calculation of the annual dividend payment; allows 74.5% of proceeds from specified mining leases and other payments to be deposited into the dividend fund; allows appropriation from the earnings reserve account if the amount of the annual dividend is less than \$1,000. Repeals requirement to inflation proof the permanent fund from the earnings reserve account.





**From:** [Donna Aderhold](#)  
**To:** [Jo Johnson](#); [Katie Koester](#)  
**Subject:** Newly Elected Official Training  
**Date:** Sunday, November 22, 2015 6:34:44 PM

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Thank you for sponsoring my participation in Newly Elected Official training at the Alaska Municipal League conference in Anchorage on November 16-17, 2015.

I found the training very useful and productive and highly recommend that all newly elected (and continuing) officials attend. The presenters are very knowledgeable on their subject-matter and dynamic speakers who are passionate about imparting their knowledge on elected officials.

The training included sessions on the roles and responsibilities of municipal officials, budgets and governmental accounting, lobbying the Alaska legislature and governor's office, local tax policy in Alaska (which, unfortunately, was focused a bit too much on property taxes and not enough on other types of taxes because they are less common in the state), the Open Meetings Act, quasi-judicial role and ex parte contact, municipal insurance through the AML, ethics and conflicts of interest, and parliamentary procedures and conducting effective meetings. The training wrapped up with a mock meeting which was "acted" out by participants (I had a cameo role as a member of the public) to demonstrate in a humorous way many of the ways a meeting should not be held and included breaks to discuss how the meeting could have gone better and how the elected officials should have acted.

The training included a detailed handbook which will provide good reference for me as I learn my role as a city council member.

Thank you again!  
Donna

Donna Aderhold  
Homer City Council

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From: [janie leask](#)  
To: [Mayor Email](#); [Bryan Zak](#); [Catriona Reynolds](#); [David Lewis](#); [Donna Aderhold](#); [Gus Van Dyke](#); [Heath Smith](#)  
Cc: [Department Clerk](#)  
Subject: Community use of the HERC  
Date: Sunday, November 22, 2015 12:39:54 PM

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Dear Members of the Homer City Council -

Dr. Kenneth Cooper, the father of aerobics, once said - "the reason I exercise is for the quality of life I enjoy." This is pretty much of a no-brainer, but at age 67, it's my key to a continued quality of life.

I am a resident of the city of Homer. My husband and I are lifelong Alaskans and recent Homer transplants. We both visited and recreated here for years and chose to move to Homer two years ago because of its beauty, sense of community, and opportunities to enjoy the outdoors.

I grew up playing competitive sports. My father, Wally Leask, was inducted into the Alaska Sports Hall of Fame as the first Alaska Native who played professional basketball. Needless to say, organized sports was, and continues to be, a most important part of my life. I played softball and hockey for 20 years each, and now Pickleball.

When we first moved to Homer I played women's hockey with the famous Homer Divas. Unfortunately I broke my wrist. I was invited to play Pickleball at the HERC and have been an avid player ever since - playing 3-4 times per week. Homer had a strong delegation at this year's Alaska Senior Games in Fairbanks. My partners and I took gold in our age divisions in both women's doubles and mixed doubles and I took gold in women's singles. Another Homer team took bronze in their age division and a couple who play here the summer, but live in Fairbanks also took gold in singles and doubles.

Playing sports is truly necessary for my quality of life as I have Osteopenia, a condition many seniors my age have. I need weight-bearing exercise and for me, Pickleball provides that opportunity. Moreover, it has been a way for me to meet some wonderful people and has also been the springboard to my involvement in this community.

I'm aware Homer's Community Recreation program, and specifically the HERC building, is potentially on the budget chopping block. Mike Illg has done an incredible job as your community recreation manager, ambassador, promoter, and advocate. He's always creatively looked at ways to efficiently increase the opportunities for all

levels of recreation in Homer. In recognition of his efforts, Mike recently recognized by the Alaska Recreation and Park Association's when he received the ARPA Professional Award for 2014, the highest recognition the ARPA gives. He's truly an asset to our community.

And speaking of assets. In my opinion, the HERC building, which is the site of Pickleball in Homer is truly an underused asset. I don't understand why instead of trying to mothball the building, the Council doesn't consider ways to expand its use as a way to both increase revenues and provide opportunities for the community. It used to be the center of recreation and while the building is old - it's solid. From what I've seen over the past two years, it appears there's been an effort to inhibit use of the building in order to show it's being underutilized in an effort to further the argument for tearing it down and using it as the site of the Public Safety Building. Until the Council, and the residents of Homer, make the decision how to move forward with the building of a combined public safety building and if, truly, the HERC is the sole location - why not use the HERC as a way to increase revenues both to the City as well as to further the mission, accessibility, and reach of the Community Recreation program?

There are a number of school and community activities which can be held at the HERC. Besides sports, there are fairs, assemblies, private weddings/birthday parties, etc. Its use is limited by imagination and the current limitations imposed by the fire marshall which I don't quite understand. I would encourage you to have the Fire Marshall re-inspect the gym and the other rooms in the lower level. These rooms are terrific and in the recent past have been the home for a number of community recreation classes.

Instead of cutting the recreation program and mothballing the HERC, consider it an asset and brainstorm ways in which it can pay for itself and maybe even make a profit. I would be happy to participate in such a brainstorming as I believe recreation is incredibly important to maintain my personal quality of life as well as the quality of life of all Homer residents.

For me, this not a public safety vs. recreation issue. I'm certainly not against providing adequate police and fire protection for our community. Homer, as well as our state, is facing difficult financial times. Individuals, businesses & families are hunkering down in light of the economic forecast we've all heard and the decisions which our legislators and Governor are facing. While it might have made sense to build a combined Public Safety building a few years ago, I don't believe it makes sense today and I further believe if you put it to a vote, the residents of Homer would vote down a bond issue.

I know you're wrestling with some tough decisions and truly appreciate your public service. I will be voting FOR Proposition 1 which will buy us additional time to explore all budget and funding options.

Janie Leask

Resident of Homer