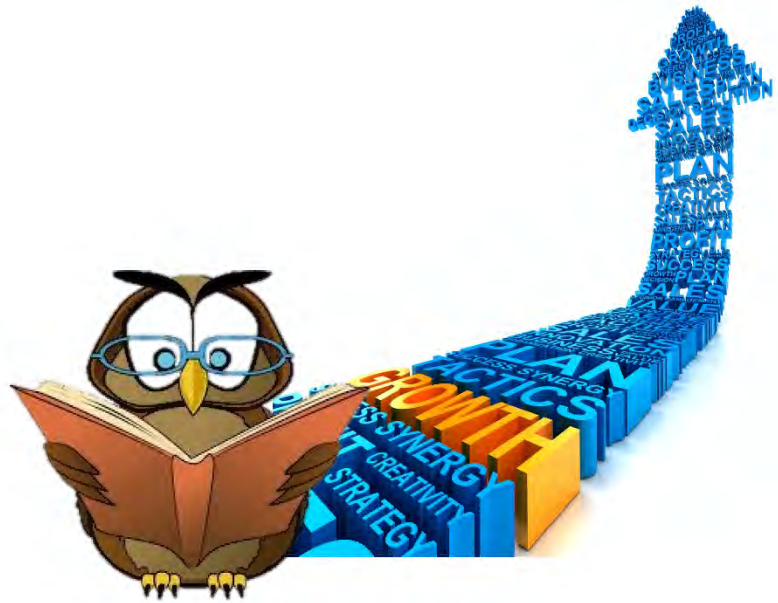


City Council
May 8, 2017
Monday



Worksession 4:00 P.M.
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
Distributed by the City Clerk's Office -5/4/2017-rk



May 2017

- Monday 8th:** **CITY COUNCIL**
Worksession 4:00 p.m., Committee of the Whole 5:00 p.m., and Regular Meeting 6:00 p.m.
- Tuesday 9th:** **CITY COUNCIL**
Worksession 4:00 p.m.
- ECONOMIC DEVELOPMENT ADVISORY COMMISSION**
Regular Meeting 6:00 p.m.
- Thursday 11th:** **ADA COMPLIANCE COMMITTEE**
Regular Meeting 4:00 p.m.
- Thursday 27th:** **CANNABIS ADVISORY COMMISSION**
Regular Meeting 5:30 p.m.
- Monday 15th:** **CITY COUNCIL**
Worksession 4:30-7:30 p.m.
- Tuesday 16th :** **POLICE STATION BUILDING TASK FORCE**
Regular Meeting 4:00 p.m.
- Wednesday 17th:** **HOMER ADVISORY PLANNING COMMISSION**
Worksession 5:30 p.m., Regular Meeting 6:30 p.m.
- Thursday 18th:** **PARKS ART RECREATION AND CULTURE ADVISORY COMMISSION**
Regular Meeting 5:30 p.m.
- Tuesday 23rd:** **POLICE STATION BUILDING TASK FORCE**
Regular Meeting 4:00 p.m.
- Wednesday 24th:** **PORT & HARBOR ADVISORY COMMISSION**
Regular Meeting 6:00 p.m.
- Monday 29th:** **CITY OFFICES CLOSED IN OBSERVANCE OF MEMORIAL DAY**
- Tuesday 30th:** **CITY COUNCIL**
Committee of the Whole 5:00 p.m., and Regular Meeting 6:00 p.m.

Regular Meeting Schedule

- City Council 2nd and 4th Mondays 6:00 p.m.
Library Advisory Board 1st Tuesday 5:30 p.m. with the exception of
January April August November
Economic Development Advisory Commission 2nd Tuesday 6:00 p.m.
Parks Art Recreation and Culture Advisory Commission 3rd Thursday 5:30 p.m. with the exception of
July, December, January
Planning Commission 1st and 3rd Wednesday 6:30 p.m.
Port and Harbor Advisory Commission 4th Wednesday 5:00 p.m. (May-August 6:00 p.m.)
Cannabis Advisory Commission Quarterly 4rd Thursday 5:00 p.m.

MAYOR AND CITY COUNCILMEMBERS AND TERMS

BRYAN ZAK, MAYOR – 18

DAVID LEWIS, COUNCILMEMBER – 17

CATRIONA REYNOLDS, COUNCILMEMBER – 17

DONNA ADERHOLD, COUNCILMEMBER – 18

HEATH SMITH, COUNCILMEMBER – 18

SHELLY ERICKSON, COUNCILMEMBER – 19

TOM STROOZAS, COUNCILMEMBER - 19

City Manager, Katie Koester

City Attorney, Holly Wells

<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

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



WORKSESSION
4:00 P.M. MONDAY
MAY 8, 2017
COWLES COUNCIL CHAMBERS

MAYOR BRYAN ZAK
COUNCIL MEMBER DAVID LEWIS
COUNCIL MEMBER CATRIONA REYNOLDS
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK JO JOHNSON

WORKSESSION AGENDA

1. CALL TO ORDER, 4:00 P.M.

Mayor Zak has requested telephonic participation.
Councilmember Lewis has requested excusal.

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

3. LIBRARY ADVISORY BOARD – LIBRARY REVENUE SOURCES Page 7

4. COMMENTS OF THE AUDIENCE

5. ADJOURNMENT NO LATER THAN 4:50 P.M.

Next Regular Meeting is Tuesday, May 30, 2017 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.

Non-City Resident Contributions for HPL

Presentation to Homer City Council by Library Advisory Board

May 8, 2017

Agenda

- Review request from City Council
- Background, Analysis & History
- Options
- Next Steps

Resolution 16-126

A RESOLUTION OF THE HOMER CITY COUNCIL REQUESTING THE LIBRARY ADVISORY BOARD TO LOOK INTO **HOW NON-CITY RESIDENTS CAN CONTRIBUTE TO LIBRARY OPERATIONS.**

WHEREAS, The Homer Public Library serves residents living north to Ninilchik, east to Kachemak Selo, and south to communities across Kachemak Bay; and

WHEREAS, Approximately 50% of library card holders live outside the City of Homer; and

WHEREAS, The City of Homer provides the primary funding for Homer Public Library; and

WHEREAS, Property taxes account for approximately 30% of the City of Homer's revenue; and

WHEREAS, Residents outside Homer city limits contribute to the support of City services, including the Library, through sales tax but not through property taxes.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, hereby requests the Library Advisory Board to look into how non-city residents can contribute to library operations.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 5th day of December, 29 2016.

An Old Question Still In Search Of An Answer

- Alaska statutes require basic library services to be provided free of charge to the residents of the municipality or community (Slide 14)
- Charging Fees for Library Cards has been explored and rejected multiple times over the past two decades. (1995, 1998, 2005, 2016)
- When put to a vote, voters have supported the library. (2004)
- Various fund development concepts for library operations have been proposed over the past 10 years; many have been implemented.
- Concepts such as borough support and a Library Service Area are still valid.
- No magic bullet.



ABBREVIATED TIMELINE	
June 1995	Memo from Library Director McRae re: out-of-town resident fee
July 1998	Memo from Library Director Helm re: cost of service to non-city residents
2004	LAB recommendation and draft ordinance to establish South Kenai Peninsula Borough Library Service Area
October 2004	Long-term loan to build and equip new library passes by 62.89%.
January 2005	Memo from LAB re: fees and legal/practical/policy issues in non-resident card fees
May 2005-2006	Memo from Library Director Hill re: Resolution 05-67 new revenue sources; new fee/fine structure; LAB fund development concepts to City council
November 2016	Memo from Library Director Dixon re: Library Service Area, Library Revenue and Charging Fees

Revenue Sources for 2017 Library Budget

2017 Library Expenditures

Salaries and Benefits	\$654,434
Maint. and Operations	\$182,729
<u>Debt Services</u>	<u>\$ 99,824</u>
TOTAL	\$936,986

2017 Library Revenue

		City	Non-City
CITY OF HOMER			
Fines, Fees & Gifts (abt 3%)	\$ 30,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Property Tax (abt 30%)	<u>\$281,096</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Other General Fund (abt 52% sales tax)</u>	<u>\$625,890</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
TOTAL	\$936,986		

What is the difference between city and non-city resident support for the library?

City residents contribute approximately 30% of General Fund revenue through property tax. Non-city residents contribute to the General Fund through sales tax, fines, fees, and gifts.

Applying that 30% to the library budget, city residents contribute approximately \$281K more than non-city residents to support the library.


NOTE: Building debt accounts for nearly \$100K of annual library budget.

Assumptions:

1. 50% of library users are non-city residents based on 50/50 split in library card registrations.
2. Property tax revenue represents 30% of General Fund revenue

Primary Ways To Increase Long-term Support

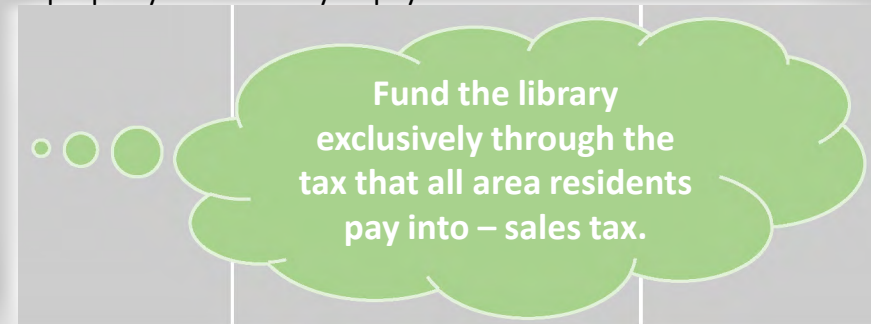
1. Increase existing tax
2. Implement new tax
3. Negotiate intergovernmental agreement
4. Charge fees
5. Retire debt



What are our options?

#1 Increase Existing Tax

OPTION	ANNUAL REVENUE	+ PROS	- CONS	LONG-TERM IMPACT	LAB SUPPORT
<p>1A – CITY -- Establish a dedicated sales tax to fund the library solely from sales tax</p>	<p>1. A sales tax increase of 0.17 would raise approx. \$291K to cover the Property Tax portion of the library budget. (Slide 16)</p> <p>2. A dedicated sales tax of 0.6 would raise approx. \$1 million to replace and fund the entire library budget.</p> <p>(Tax of 0.5 would raise \$856K, which would cover library budget <u>if building debt were retired.</u>)</p> <p>Impact = \$0.17 to \$0.60 on a \$100 purchase.</p>	<p>Spreads cost across all community members within existing service area.</p> <p>Maintains public funding of public service that will grow with the community.</p> <p>City of Homer is sole actor.</p> <p>Precedence of HART Fund.</p> <p>Voter buy-in.</p> <p>Strong community support for quality library services.</p> <p>Property tax exclusive to other services.</p>	<p>Subject to City of Homer voter approval.</p> <p>1/3 will support, 1/3 can be convinced, 1/3 will vote “no”.</p> <p>City residents might expect a reduction in property tax.</p>	<p>Provides a wider, consistent funding base without creating division within the community.</p> <p>Maintains library service as a public good with broadest access for all regardless of ability to pay.</p>	<p>Yes - Strong</p>
<p>1B – BOROUGH -- Increase borough sales or property tax to help fund library services for all borough residents.</p>	<p>Combined local government expense of 11 KPB public libraries in 2015 was approx. \$3 million (Slide 17).</p> <p>Sales Tax: An increase of 0.3 (to 3.3 percent) would raise approx. \$3 million.</p> <p>Property Tax: An additional mill rate of 0.5 to 5.0 would raise approx. \$3 million.</p>	<p>Spreads cost of library service across all borough residents.</p> <p>Solves funding problem for all city libraries in the borough.</p> <p>Maintains public funding of public service, which would grow with the borough.</p> <p>Involves KPB in funding library services to significant number of borough residents who are not city residents.</p>	<p>Requires boroughwide collaboration and cooperation.</p> <p>Must gauge interest of other KPB municipalities.</p> <p>Subject to KPB voter approval for borough library powers and taxation. (Slide 21)</p>	<p>Provides a wider, consistent funding base without creating division within the community.</p> <p>Maintains broadest access to library services for all regardless of ability to pay.</p>	<p>Yes - Moderate</p>



#2 Implement New Tax

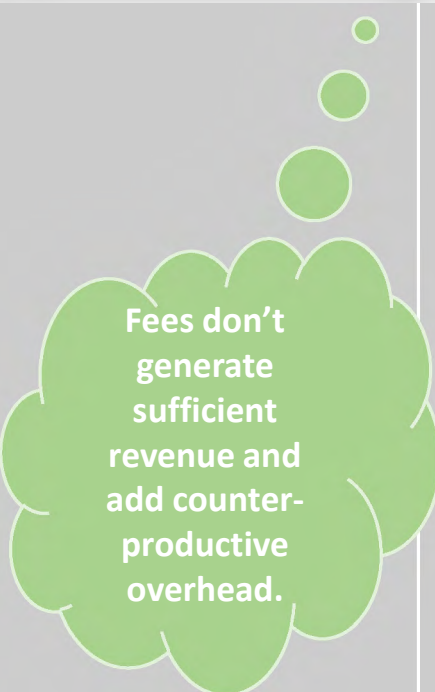
OPTION	ANNUAL REVENUE	+ PROS	- CONS	LONG-TERM IMPACT	LAB SUPPORT
<p>2A – CITY & SERVICE AREA -- Form a South Peninsula Library Service Area</p>	<p>Combined contribution of local governments to library services in Homer, Anchor Point, Ninilchik and Seldovia is approx. \$1 million. (Slide 20)</p> <p>Using the South Peninsula Hospital Service Area as a proxy and FY2017 data (Slide 19), a 1.7 mill rate would generate \$1 million. State, federal and other revenue would continue.</p>	<p>Establishes long-term, equitable funding solution for library services.</p> <p>Enables KPB to levy taxes or assessments to finance library services.</p> <p>Defined process that has been successful for hospital, fire and emergency medical, road, and recreational services.</p> <p>Voter buy-in.</p>	<p>Subject to service area voter approval.</p> <p>Would reduce city control.</p> <p>Long process.</p> <p>Could raise expectations of library service in areas outside City of Homer.</p>	<p>Establishes legal entity for long-term, quality library services.</p> <p>A new tax specific to library service would be equitable across the full user base and be separate from General Fund</p>	<p>Yes -- Moderate</p>
<p>2B – BOROUGH -- Implement a borough-wide bed/tourism tax with library services included in the allocations.</p>	<p>Allocate approx. \$3 million in new revenue to fund the local government portion for all recognized public libraries in the borough.</p>	<p>Low and uniform impact on borough residents.</p> <p>Common tax elsewhere.</p> <p>Public library services are a popular and recognized public good.</p>	<p>Implementation at borough level to be equitable.</p>	<p>Provides long-term, stable funding.</p>	<p>Yes -- Strong</p>

#3 Negotiate Intergovernmental Agreement

OPTION	ANNUAL REVENUE	+ PROS	- CONS	LONG-TERM IMPACT	LAB SUPPORT
<p>3A -- Establish with KPB a service-level agreement to compensate the city of Homer for library services provided to borough residents within the library's area of service.</p>	<p>Would vary with use.</p> <p>For 2017 . . . \$56 for each of 5000 non-city library users = \$281K gap (Slide 5)</p>	<p>Compensates city for actual services delivered based on library card registration.</p> <p>Similar model to Mat-Su Borough, which has provided block grants to Palmer and Wasilla public libraries as approx. 80% of their library use comes from out-of-city residents.</p> <p>FY14 = \$130K FY15 = \$97.5K FY16 = \$85K</p>	<p>Increased overhead to verify and report residency of all library card holders.</p> <p>KPB may need to acquire library powers.</p> <p>Subject to renewal.</p> <p>Year-to-year variance depending on budget and use. In Mat-Su. Amount of block grants has declined YOY. Borough rationale is that borough residents already support the city libraries through sales tax.</p> <p>Would increase expectations of other municipalities; would likely need to be boroughwide.</p>	<p>Agreement could end.</p> <p>Maintains public support for public service.</p>	<p>Yes -- Moderate</p>

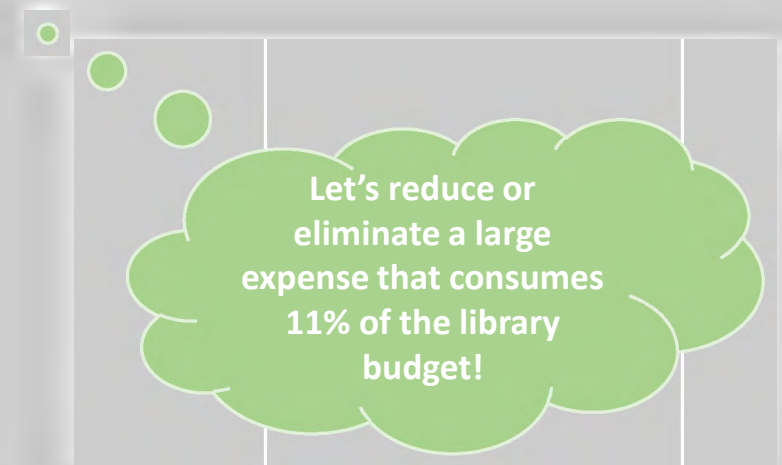
There's a strong case and precedent for Borough to compensate cities for services to borough residents.

#4 Charge Fees

OPTION	ANNUAL REVENUE	+ PROS	- CONS	LONG-TERM IMPACT	LAB SUPPORT
<p>4A -- Charge non-city residents a fee to register for a library card</p> <p>See Slide 22 for current fines and fee structure.</p> 	<p>A minimum \$281,000 in fees would be needed to cover property tax gap.</p> <p>At current rate of 5,000 non-city resident card holders, annual fee would be \$56.</p> <p>However, attrition and consolidation will reduce the number of cards:</p> <ul style="list-style-type: none"> • Some will not pay a fee. • Those without the ability to pay will drop out. • Families will use one card rather than pay for a card for every child <p>Number of non-city resident cards could fall to 3,000 to 1,200, with resulting higher fees up to \$234 to generate the same \$281K revenue. (Slide 23)</p> <p>A fixed fee of \$25 or \$50 per year would not raise sufficient revenue to bridge the gap. (Slide 23)</p>	<p>Non-city residents who contribute to library services through sales tax but not property tax would pay an additional fee based on library card registration.</p> <p>Established precedent for charging non-resident fees in lower 48, but typical scenario is a resident of one jurisdiction wanting to use a library in another jurisdiction for convenience or by choice.</p> <p>Area residents here don't have a choice or alternative for library service.</p>	<p>Does not meet funding need without a high fee.</p> <p>Must redefine current library service area to exclude non-city residents.</p> <p>Creates a contentious, divisive community issue. Non-city residents believe they support the library through sales tax, volunteerism, Friends, donations.</p> <p>Diminishes opportunity for families to use library cards to teach children rights and responsibilities.</p> <p>Increased overhead to verify physical residence. +5-10 mins. of processing time for new card registration alone would be abt \$3700 in staff time per yr – plus added cost of annual renewals and collection of fees from existing card holders.</p>	<p>Create barriers to service and compromise library purpose to provide access to information regardless of ability to pay.</p> <p>Of particular concern is impact on children, seniors, students, job seekers, small-business entrepreneurs. Especially literacy and school readiness.</p> <p>Compromises ability to acquire grant funds – breadth of service area is attractive to grant-making bodies and considered when receiving funds from USDA, Rasmuson grants and others.</p> <p>Overall, decreased use of the library with erosion in educational, cultural and economic life of the community.</p>	<p>No -- Opposed</p>

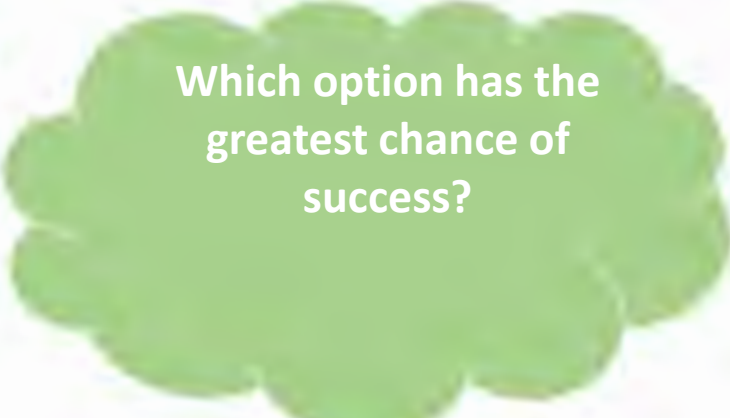
#5 Reduce Debt

OPTION	ANNUAL REVENUE	+ PROS	- CONS	LONG-TERM IMPACT	LAB SUPPORT
<p>5A – Pay off the library building as quickly as possible</p> <ol style="list-style-type: none"> 1. Use Permanent Fund – spend for debt reduction 2. Short-term dedicated sales tax to pay off debt (0.6% for 1 yr. or lower if spread across multiple yrs.) 	<p>Balance of building loan is approx. \$1.1 million. Annual payments are \$99.8K.</p> <p>Paying off balance would save \$1.03 million in interest. (Slide 24)</p> <p>Wasilla used short-term sales tax to pay for new library building.</p>	<p>Reduces annual library budget by \$100K.</p> <p>Opportunity to ask municipalities of Kachemak, Anchor Point, Seldovia to contribute to pay off.</p> <p>Could be strong appeal for fund raising.</p>	<p>Requires a large slump sum payment or an accelerated payment schedule that would still save money.</p>	<p>Reduces annual library budget by \$99.8K with no new revenue required.</p>	<p>Yes – Strong</p>



Next Steps

- City council determines most promising approaches.
- Allocate budget for seed money to further develop and vet for successful campaign.
- Engage KPB and other municipalities/libraries if needed.
- Survey the community (city and/or borough) to discern which approaches are most viable.
- Put to public vote, if needed.



Which option has the greatest chance of success?

Appendix

AS 14.56.400. Public Libraries.

- (a) A public library established under this section shall provide at least the following services free of charge to the residents of the municipality or community:
- (1) establish and maintain a collection of books and other materials for loaning;
 - (2) provide access to interlibrary loan services;
 - (3) provide reading or other educational programs for children; and
 - (4) provide reference information.
- (b) A public library established under this section shall submit an annual report of its operations and the services it provides to the director of the division that has responsibility for state libraries.

Current HPL Cardholders and Legal Service Area

HPL has approx. 10,000 card holders, almost evenly split between in-city and out-of-city residents plus visitors. A precise breakdown is not readily available, but, according to an analysis by zip code . . .

- 1186 Anchor Point residents
- 97 Ninilchik residents
- 43 Seldovia residents
- All others have Homer zip codes

New cards issued 2014-2016:

Residence	2014	2015	2016	3-Yr Total	%
City	302	441	438	1,181	50%
Borough	272	357	372	1,001	42%
Transient	78	55	59	192	8%
TOTAL	652	853	869	2,374	

Since at least 1991, Homer Public Library legal service area has been defined and approved by the City Council to be

- North to Ninilchik
- South to Kachemak Selo
- Across Kachemak Bay to Halibut Cove, Seldovia, Nanwalek and Port Graham

City of Homer 2017 Property and Sales Tax

City of Homer 2017 Operating Budget

General Fund (100) Revenue Detail		Actual		Budget			Δ %	
A/C	Revenue Categories			Adopted	Amended	Draft	vs. Prior Yr Amended	
Num.	& Descriptions	12/31/2014	12/31/2015	12/31/2016	12/31/2016	12/31/2017	\$	%
4101	Real Prop Tax	2,794,940	2,888,902	2,855,317	2,855,317	2,914,354	59,037	2.1%
4102	Per Prop Tax	198,901	207,959	203,277	203,277	221,084	17,807	8.8%
4103	Motr Vehicle Tx	53,100	50,034	54,268	54,268	53,192	(1,076)	-2.0%
4104	Prior Years Taxes	37,483	32,957	38,308	38,308	35,037	(3,271)	-8.5%
4105	Pen/Int Prop Tx	1,508	4,808	1,541	1,541	5,111	3,570	231.7%
4107	Oil Tax	0	0	0	0	0	0	0.0%
	Total Property Taxes	3,085,931	3,184,660	3,152,711	3,152,711	3,228,778	76,067	2.4%
4201	Sales Tax	4,989,941	5,022,763	6,088,816	6,088,816	6,420,356	331,540	5.4%
4202	Cooperative Tax	26,845	25,306	27,000	27,000	33,831	6,831	25.3%
4203	Liquor License	24,350	23,200	24,500	24,500	23,333	(1,167)	-4.8%
4205	Sales Tax Comm	4,000	3,000	4,000	4,000	3,667	(333)	-8.3%
	Total Sales and Use Taxes	5,045,136	5,074,268	6,144,316	6,144,316	6,481,188	336,872	5.5%

2017 Sales Tax Chart

1%	\$1,712,095
0.75%	\$1,284,876
0.70%	\$1,198,467
0.60%	\$1,027,257
0.50%	\$856,047
0.25%	\$428,023
0.20%	\$342,419
0.18%	\$308,177
0.17%	\$291,056
0.10%	\$171,210

Kenai Peninsula Borough Public Libraries

7 of 11 public libraries in the KPB received approx. \$3.1 million in local government revenue in 2015, the most recent year available in statewide statistics.

KPB libraries with support from local government revenue are Homer, Kasilof, Kenai, Ninilchik, Seldovia, Seward and Soldotna.

The other 4 libraries – Anchor Point, Cooper Landing, Hope and Moose Pass – primarily are funded with state revenue.

Revenue from increased borough sales or property tax could provide local government revenue – approx. \$3,100,000.

Sales tax = additional 0.3; new borough sales tax of 3.3%

Property tax = additional mill rate of 0.5; new borough property tax rate of 5.0

Kenai Peninsula Borough 2017 Revenue

Fund: 100 General Fund								
Fund Budget:	FY2014	FY2015	FY2016	FY2016	FY2017	FY2018	FY2019	FY2020
	Actual	Actual	Original	Forecast	Assembly	Projection	Projection	Projection
			Budget	Budget	Adopted			
Taxable Values (000'S)								
Real	5,709,929	5,503,304	5,742,736	5,742,736	6,008,834	6,008,834	6,068,922	6,190,300
Personal	260,500	291,854	297,106	297,106	327,539	330,814	334,122	337,463
Oil & Gas (AS 43.56)	989,766	1,142,158	1,224,525	1,224,525	1,467,353	1,438,006	1,409,246	1,409,246
Total Taxable Values	6,960,195	6,937,316	7,264,367	7,264,367	7,803,726	7,777,654	7,812,290	7,937,009
Mill Rate	4.50	4.50	4.50	4.50	4.50	5.00	5.00	5.50
Revenues:								
Property Taxes:								
Real	\$ 25,472,141	\$ 24,710,621	\$ 25,842,312	\$ 25,842,312	\$ 27,039,753	\$ 30,044,170	\$ 30,344,610	\$ 34,046,650
Personal	1,205,137	1,289,146	1,310,237	1,310,237	1,444,447	1,620,989	1,637,198	1,818,926
Oil & Gas (AS 43.56)	4,456,169	4,933,810	5,510,363	5,510,363	6,603,089	7,190,030	7,046,230	7,750,853
Penalty and Interest	472,331	474,377	492,447	492,447	473,354	473,354	473,354	473,354
Flat Tax	532,117	532,117	560,000	560,000	560,000	560,000	560,000	560,000
Motor Vehicle Tax	716,429	725,720	712,000	712,000	712,000	712,000	712,000	712,000
Total Property Taxes	32,854,324	32,665,791	34,427,359	34,427,359	36,832,643	40,600,543	40,773,392	45,361,783
Sales Tax	30,277,598	30,139,903	30,835,546	29,838,504	30,286,082	30,740,373	31,355,180	31,982,284
Federal Revenue	6,315,333	3,329,127	2,740,000	3,201,100	3,201,100	3,201,100	2,740,000	2,740,000
State Revenue	5,926,543	9,745,430	6,013,727	5,703,634	5,228,651	4,407,599	3,624,503	3,619,885
Interest Revenue	895,924	937,902	950,000	950,000	950,000	1,250,000	1,250,000	1,250,000
Other Revenue	346,386	514,919	250,000	250,000	250,000	250,000	250,000	250,000
Total Revenues	76,616,108	77,333,072	75,216,632	74,370,597	76,748,476	80,449,615	79,993,075	85,203,952
Other Financing Sources:								
Transfers From Other Funds:	1,674	-	-	-	-	-	-	-
Total Other Financing Sources	1,674	-	-	-	-	-	-	-
Total Revenues and Other Financing Sources	76,617,782	77,333,072	75,216,632	74,370,597	76,748,476	80,449,615	79,993,075	85,203,952

SKPH Service Area 2017 Revenue Budget

Fund: 601 South Kenai Peninsula Hospital Service Area								
Fund Budget:	FY2014 Actual	FY2015 Actual	FY2016 Original Budget	FY2016 Forecast Budget	FY2017 Assembly Adopted	FY2018 Projection	FY2019 Projection	FY2020 Projection
Taxable Value (000's)								
Real	1,435,237	1,370,406	1,410,045	1,410,045	1,424,391	1,424,391	1,438,635	1,467,408
Personal	63,217	89,265	94,781	95,890	98,061	99,042	100,032	101,032
Oil & Gas (AS 43.56)	113,913	120,451	97,733	97,733	162,557	159,306	156,120	156,120
Total Taxable Value:	1,612,367	1,580,122	1,602,559	1,603,668	1,685,009	1,682,739	1,694,787	1,724,560
Mill Rate:	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30
Revenues:								
Property Taxes								
Real	\$ 3,288,513	\$ 3,148,883	\$ 3,243,104	\$ 3,243,104	\$ 3,276,099	\$ 3,276,099	\$ 3,308,861	\$ 3,375,038
Personal	164,034	200,063	213,636	216,136	221,029	223,241	225,472	227,726
Oil & Gas (AS 43.56)	262,000	222,062	224,786	224,786	373,881	366,404	359,076	359,076
Interest	12,173	11,319	7,363	7,363	7,742	7,731	7,787	7,924
Flat Tax	100,708	100,708	87,464	87,464	87,464	89,213	90,997	92,817
Motor Vehicle Tax	72,335	74,224	72,564	72,564	73,280	74,746	76,241	77,766
Total Property Taxes	3,899,763	3,757,259	3,848,917	3,851,417	4,039,495	4,037,434	4,068,434	4,140,347
Interest Earnings	27,072	20,579	21,975	21,975	19,297	29,410	38,789	41,893
Other Revenue	-	1,455	-	-	-	-	-	-
Total Revenues:	3,926,835	3,779,293	3,870,892	3,873,392	4,058,792	4,066,844	4,107,223	4,182,240

Public Libraries Included in South Peninsula Library Service Area

FY2015 City	FY2015 Total Local Government Revenue	FY2015 Total State Government Revenue	FY2015 Total Federal Government Revenue	FY2015 Total All Other Revenue	FY2015 Total Operating Revenue
Anchor Point	\$0	\$14,722	\$0	\$16,985	\$30,232
<i>Homer</i>	\$942,032	\$6,689	\$4,000	\$39,871	\$981,497
Ninilchik	\$4,950	\$6,970	\$0	\$11,410	\$21,910
Seldovia	\$8,092	\$6,650	\$0	\$4,609	\$17,346
Totals	955,074	35,031	4,000	72,875	1,050,985

Revenue from Service Area taxation would replace local government revenue – approx. \$1,000,000 annually at a mil rate of 1.7.

KPB does not currently have library service powers but could

AS 29.35.300. Additional Powers.

(b) A second class borough acquires an additional power by transfer of the power by a city or by holding an election on the question. For acquisition of an areawide power, the election shall be held areawide. For acquisition of a nonareawide power, the election shall be held nonareawide.

Powers of the Kenai Peninsula Borough

The Assembly of the Kenai Peninsula Borough has provided the funding for the services and programs it has determined to be a priority in this budget. The left hand column (Title Power) provides the legal authority for the governing body to exercise its appropriation and prioritization authority. The right hand column (Titled Department), are the departments where the appropriation amount and the expenditure authority can be found that reflect the governing body's priorities.

Power	Date of Acquisition	Statutory Reference	Method of Acquisition	Department(s)
<u>Mandatory Areawide Powers</u>				
Public Schools	01/01/64	AS 29.35.100	Mandated	Education
Assessment & Collection of Taxes	01/01/64	AS Ch. 29.45	Mandated	Assessing/Finance
Planning, Platting, Land Use	01/01/64	AS Ch. 29.40	Mandated	Planning
<u>Acquired Areawide Powers</u>				
Solid Waste	05/21/74	AS 29.35.030	Ordinance	Solid Waste
Postsecondary Funding	10/02/90	KPB 5.24.010	Election	Non-departmental
Senior Citizen Funding	10/01/85	KPB 5.22.010	Election	Non-departmental
E911 Call taking	06/30/85	AS 29.35.130 KPB Ord. 84-75	Ordinance	Emergency Services
Transportation	09/26/00	AS 29.35.210(b)(1) KPB 13.10	Ordinance	Non-departmental
<u>Acquired Service Area Powers</u>				
Emergency Services	Various	AS 29.35.450	Election	Emergency Services
Road Maintenance, Improvement & Construction	10/06/1981, 10/06/1985 & 10/10/2000	AS 29.35.490 KPB 16.41	Election	Roads
Special Assessment Districts for Road Improvements	06/03/1997	AS 29.46.010 KPB 14.31	Ordinance	Assessing/Roads
Hospital	04/08/89	AS 29.35.450 KPB 16.08 & 16.24	Election	Hospital Service Areas
Recreation	07/30/74 & 10/11/11	AS 29.35.450 KPB 16.16 & 16.55	Election	Recreation
Senior Citizen Services	10/05/1993	AS 29.35.450	Election	Nikiski Senior Service Area
Flood Protection, Planning & Mitigation	10/14/03	AS 29.35.450 KPB 16.50	Election	Emergency Services
<u>Acquired Non-Areawide Powers</u>				
Tourism Promotion	05/15/90	AS 29.35.210(B) KPB 19.10	Ordinance	Non-departmental
Port & Harbor	10/13/1981	AS 29.35.220(c) KPB Res. 91-129	Election	Non-departmental
Special Assessment Districts to Finance Certain Public Utility Services	04/07/1992	AS Ch. 29.46 KPB 5.35	Election & Ordinance	Assessing
Rural Development Fund Program	12/11/1990	AS 29.35.210(a)(8) KPB 19.20	Ordinance	Mayor's Office
Economic Development	02/04/1997	AS 29.35.210(a)(8) KPB 19.30	Ordinance	Mayor's Office

2017 Library Fines and Fee Schedule

After-Hours Private Facility Use	Conference Room \$50/hour Reading Lounge \$50/hour Children's Room \$50/hour Entire facility, excluding staff work space -- \$300 Facility Use Fee plus \$50/hour staff supervisor. \$300 damage/cleaning deposit.		Interlibrary Loans	\$3 standard-size books \$.15 per page for photo copy \$4 for microfilm/videos/CDS/Audios Additional charges may be assessed.
Library Cards	Replacement Cards \$5/issue Temporary Card \$25		Replacement/ Repaired Items	Replacement cost plus \$7 processing fee per item Cases, hang-up bags, etc.: Replacement cost or \$2, whichever is greater Maps or inserts - \$10/item Out-of-print items - \$50/Alaskana, \$40/nonfiction, \$35/fiction
Overdue Items	14-day Circulation (except digital devices) \$0.15/day 7-day and 1-day Circulation - \$1/day Digital Devices - \$5/day Interlibrary Loans - \$1/day 2nd Overdue Notice - \$1/notice Bill Notice - \$2/notice Admin. Fee for Bills Sent to Collection Agency \$25 Maximum Overdue Charge per item (except digital devices) \$10		Damaged Items	\$2/page \$3/book jacket or cover damaged beyond repair - Full bindery cost or full replacement cost plus \$7 processing charge.
Photocopies (per side)	\$.15/ea (letter size) and (legal size) \$.25/ea (11"x17") \$0.50/ea color copies (letter size) and (legal size) \$2/ea color copies (11"x17")		Improper Return of Digital Devices	\$25 if not returned to Front Desk staff

Projections for Non-City Resident Fees Annual Revenue

	Attrition	Consolidation	# of Non-City Cards	Fee to Raise \$281K	Raised by \$25 Fee	Raised by \$50 Fee
Current			5000	\$ 56	\$125,000	\$250,000
Optimistic Forecast	10%	20%	3600	\$ 78	\$90,000	\$180,000
Moderate Forecast	30%	40%	2100	\$ 134	\$52,500	\$105,000
Worst-Case Forecast	40%	60%	1200	\$ 234	\$30,000	\$60,000

Attrition = Per cent of current library card holders who would choose to not pay a fee to retain a card.

Consolidation = Per cent of library cards that would not be renewed because families with multiple cards would choose to pay for only one card for their entire family to use.

Library Loan Interest Savings Calculations

Amy Milburn
Area Director | Rural Development
United States Department of Agriculture
110 Trading Bay Road, Suite 160, Kenai, AK 99611
Phone: (907) 283-6640 ext. 101 | Fax (855) 711-9103
www.rurdev.usda.gov/AKHome.html | "Committed to the future of rural communities"



United States Department of Agriculture
USDA is an equal opportunity provider, employer and lender.

Good Morning Amy,

Below is the answers that finance office gave me, and it's the same thing I did. My numbers would be more accurate on interest saved if they paid off the loan, since they figured it on a 40 year loan and I used the original 30 years. So the interest saved if they paid off the loan today would be \$1,030,752.69

Again, this is a best guess estimate... Hope this helps.

- 1) Interest saved if entire loan paid off at once 1,275,825.82
Accrued PC screen to 03/24/2017, then accrued screen to 09/27/2040 assuming this is the last day of the loan
Took difference between unpaid interest for both accrual dates
- 2) Interest saved if loan paid off in 2 lump sums To know this answer we would need specific dates of the payoffs for two lump sums
- 3) Interest saved if a single \$250,000 extra payment made today, 03/24/2017 23,824.69
Accrue payoff screen to anticipated date of extra payment and use unpaid interest figure. An extra payment will apply to interest first (as of date of credit of extra payment) and the rest to principal.
- 4) Interest saved if additional payment made each year To know this answer we would need specific dates

Please keep in mind that these are not exact figures but rough estimates. We can't give specific figures unless we have specific dates.

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



COMMITTEE OF THE WHOLE
5:00 P.M. MONDAY
MAY 8, 2017
COWLES COUNCIL CHAMBERS

MAYOR BRYAN ZAK
COUNCIL MEMBER DAVID LEWIS
COUNCIL MEMBER CATRIONA REYNOLDS
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK JO JOHNSON

COMMITTEE OF THE WHOLE AGENDA

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

Mayor Zak has requested telephonic participation.
Councilmember Lewis has requested excusal.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

3. CONSENT AGENDA

4. REGULAR MEETING AGENDA

5. COMMENTS OF THE AUDIENCE

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

Next Regular Meeting is Tuesday, May 30, 2017 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.

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. MONDAY
MAY 8, 2017
COWLES COUNCIL CHAMBERS

MAYOR BRYAN ZAK
COUNCIL MEMBER DAVID LEWIS
COUNCIL MEMBER CATRIONA REYNOLDS
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK JO JOHNSON

REGULAR MEETING AGENDA

Worksession 4:00 p.m. and Committee of the Whole 5:00 p.m. in Homer City Hall Cowles Council Chambers.

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

Mayor Zak has requested telephonic participation.
Councilmember Lewis has requested excusal.

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

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 2.08.040.)

3. MAYORAL PROCLAMATIONS AND RECOGNITIONS

- A. Mayor's Proclamation, Municipal Clerks Week, May 7-13, 2017 Page 43
- B. Mayor's Proclamation, National Hospital Week, May 7-13, 2017 Page 45
- C. Mayor's Proclamation, Public Service Recognition Week, May 7-13, 2017 Page 47
- D. Mayor's Proclamation, Police Officers Memorial Day, May 15, 2017 and National Police Week May 15 – 21, 2017 Page 49
- E. Mayor's Proclamation, National Public Works Week, May 21-27, 2017 Page 51

- F. Mayor's Proclamation, May 2017 as Bike Month Page 53
- G. Mayor's Proclamation, Kids to Parks Day, May 20, 2017 Page 55
- H. Mayor's Proclamation, Elks National Youth Week, May 1-7, 2017 Page 57

4. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

5. RECONSIDERATION

6. CONSENT AGENDA

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

- A. Homer City Council unapproved Special and Regular meeting minutes of April 24, 2017. City Clerk. Recommend adoption. Page 65
- B. **Memorandum 17-069** from Mayor Zak, Re: Appointment of Avram Salzman to the Parks Art Recreation & Culture Advisory Commission as Student Representative. Recommend approval. Page 91
- C. **Memorandum 17-070** from Special Projects and Communication Coordinator Carroll Re: 2018-2023 CIP; FY 2019 Legislative Request Schedule Update. Recommend approval. Page 97
- D. **Ordinance 17-19**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Vessel Passenger Tax Program Pass Through Grant from the Kenai Peninsula Borough for Calendar Year 2016 in the Amount of \$27,630.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction May 8, 2017, Public Hearing and Second Reading May 30, 2017. Page 99
- E. **Resolution 17-045**, A Resolution of the City Council of Homer, Alaska, Amending the Kachemak Drive Phase III Water and Sewer Special Assessment District Roll by Exempting Government Lot 9, Township 6 South, Range 13 West, Section 23, Seward Meridian, Kenai Peninsula Borough Parcel No. 17915012, Owned by Kachemak Moose Habitat, Inc. Mayor. Recommend adoption. Page 117

- F. **Resolution 17-046**, A Resolution of the City Council of Homer, Alaska, Awarding Contracts for the 2017, 2018, and 2019 Public Works Gravel Supply to the Firms of R/C Land Improvement and Paul's Services, both of Anchor Point, Alaska and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. Recommend adoption. Page 119

Memorandum 17-073 from Public Works Superintendent as backup. Page 121

- G. **Resolution 17-047**, A Resolution of the City Council of Homer, Alaska, in Support for SB 54, an Act Relating to Crime and Criminal Law; Relating to Violation of Condition of Release; Relating to Sex Trafficking; Relating to Sentencing; Relating to Imprisonment; Relating to Parole; Relating to Probation; Relating to Driving Without a License; Relating to the Pretrial Services Program. Mayor/City Council. Recommend adoption. Page 123

- H. **Resolution 17-048**, A Resolution of the Homer City Council Maintaining the Water and Sewer Fees at the 2017 Rate and Updating the Homer Fee Schedule Accordingly. City Manager/Finance Director. Recommend adoption. Page 141

Memorandum 17-072 from City Manager as backup. Page 147

7. VISITORS

- A. Eric Peterson, Principal of Paul Banks Elementary, Boys and Girls Club Survey, 10 minutes. Page 153

- C. Rachel Lord, Economic Development Advisory Commission, Business Retention and Expansion Program, 10 minutes.

8. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS (10 minute limit per report)

- A. Letter from US Navy Commander JD Gainey, Commanding Officer, USS Hopper (DDG70) Page 167

- B. Borough Report

- B. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks Art Recreation and Culture Advisory Commission
5. Port and Harbor Advisory Commission
6. Cannabis Advisory Commission

9. PUBLIC HEARING(S)

10. ORDINANCE(S)

- A. **Ordinance 17-20**, An Ordinance of the City Council of Homer, Alaska, Supporting a Business Retention and Expansion Program Proposed by the Economic Development Advisory Commission and Appropriating Funds in an Amount not to Exceed \$1,400 from the General Fund Balance for Public Outreach to Promote Business Participation in the Program. Smith. Recommended dates: Introduction May 8, 2017, Public Hearing and Second Reading May 30, 2017. Page 173

Memorandum 17-074 from Special Projects and Communications Coordinator as backup. Page 177

11. CITY MANAGER'S REPORT

- A. City Manager's Report Page 199
- B. Bid Report Page 201

12. CITY ATTORNEY REPORT

13. COMMITTEE REPORT

- A. Employee Committee Report Page 207
- B. Americans with Disabilities Act Compliance Committee
- C. Police Station Building Task Force

14. PENDING BUSINESS

- A. **Resolution 17-044**, A Resolution of the City Council of Homer, Alaska, Re-adopting the Established Investment Policy for the Permanent Fund. City Manager. Page 211

Memorandum 17-066 from Finance Director as backup. Page 213

Memorandum 17-071 from City Manager as backup. Page 215

15. NEW BUSINESS

16. RESOLUTIONS

- A. **Resolution 17-049**, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Hickerson Memorial Cemetery Expansion 2017 Project to the Firm of _____, of _____, _____ in the Amount of _____, and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.
Page 221

17. COMMENTS OF THE AUDIENCE

18. COMMENTS OF THE CITY ATTORNEY

19. COMMENTS OF THE CITY CLERK

20. COMMENTS OF THE CITY MANAGER

21. COMMENTS OF THE MAYOR

22. COMMENTS OF THE CITY COUNCIL

23. ADJOURNMENT

Next Regular Meeting is Tuesday, May 30, 2017 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.

MAYORAL PROCLAMATIONS
AND RECOGNITIONS

**CITY OF HOMER
HOMER, ALASKA**

MAYOR'S PROCLAMATION

**MUNICIPAL CLERKS WEEK
MAY 7-13, 2017**

WHEREAS, The Office of the Municipal Clerk, a time honored and vital part of local government exists throughout the world; and

WHEREAS, The Office of the Municipal Clerk is the oldest among public servants; and

WHEREAS, The Office of the Municipal Clerk provides the professional link between the citizens, the local governing bodies and agencies of government at other levels; and

WHEREAS, Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and

WHEREAS, The Municipal Clerk serves as the information center on functions of local government and community; and

WHEREAS, Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Municipal Clerk through participation in education programs, seminars, workshops and the annual meetings of their state, provincial, county and international professional organizations; and

WHEREAS, It is most appropriate that we recognize the accomplishments of the Office of the Municipal Clerk.

Now, Therefore, I, Catriona Reynolds, Mayor Pro-Tempore of Homer, Alaska, proclaim the week of May 7 through May 13, 2017, as Municipal Clerks Week, and further extend appreciation to our Municipal Clerks and to all Municipal Clerks for the vital services they perform and their exemplary dedication to the communities they represent.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska, to be affixed this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

**CITY OF HOMER
HOMER, ALASKA**

MAYOR'S PROCLAMATION

NATIONAL HOSPITAL WEEK MAY 7-13, 2017

WHEREAS, South Peninsula Hospital is in its 61st year of providing quality care for the community; and

WHEREAS, South Peninsula Hospital has three times been named a Top 100 Critical Access Hospital, outperforming 1,300 critical access hospitals nationwide in quality, outcomes, patient perspective, affordability and financial growth; and

WHEREAS, South Peninsula Hospital is the only state-designated Trauma Level IV provider open 24 hours a day, seven days a week, providing emergency care for the entire southern peninsula; and

WHEREAS, South Peninsula Hospital provides a broad scope of services needed in the community, including but not limited to Acute Care, Surgery, Orthopedics, Adult and Pediatric Therapy, Laboratory, Imaging, Family Practice, Patient Centered Medical Home, Birthing Center, Home Health, Infusion Clinic, Specialty Clinics, Functional Medicine, Sleep Center and Health & Wellness Education; and

WHEREAS, South Peninsula Hospital works to increase services, expand technology and grow the specialties available to better serve the community, including the recent addition of neurology, e-ICU and tele-stroke; and

WHEREAS, South Peninsula Hospital runs the only skilled nursing home on the southern Kenai peninsula, offering the residents of our community the freedom to age right here, close to the place they call home; and

WHEREAS, South Peninsula Hospital meaningfully engaged the contributions of more than 100 volunteers who provided over 5,000 hours of service in the last year; and

WHEREAS, South Peninsula Hospital employs over 400 residents, offering competitive salaries, benefits and a professional career track for our local residents; and

WHEREAS, South Peninsula Hospital has significant local economic impact by supporting an annual payroll of over \$25 million, by the purchase of supplies and services, by attracting new residents to the community, and by supporting local organizations and activities in the community; and

WHEREAS, South Peninsula Hospital last year provided more than \$4.5 million dollars in financial assistance, charity care and uncompensated care; and

WHEREAS, South Peninsula Hospital regularly scores at or above state and national averages in every survey category in the Medicare quality compare program; and

WHEREAS, the success of South Peninsula Hospital is due to a unique partnership between the City of Homer, the Kenai Peninsula Borough and South Peninsula Hospital, Inc.

NOW, THEREFORE, I, Catriona Reynolds, Mayor Pro-Tempore of Homer, Alaska proclaim the week of May 7-13, 2017 as National Hospital Week, and express my great appreciation for all the hard working employees and volunteers, facilities, and technologies that make the healthcare possible at South Peninsula Hospital, Long Term Care and their ancillary services.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

**CITY OF HOMER
HOMER, ALASKA**

MAYOR'S PROCLAMATION

PUBLIC SERVICE RECOGNITION WEEK

May 7-13, 2017

Whereas, Americans are served every single day by public servants at the federal, state, county and city levels. These unsung heroes do the work that keeps our nation working; and

Whereas, Public employees take not only jobs, but oaths; and

Whereas, Many public servants, including military personnel, police officers, firefighters, border patrol officers, embassy employees, health care professionals and others, risk their lives each day in service to the people of the United States and around the world; and

Whereas, Public servants include teachers, doctors and scientists . . . train conductors and astronauts . . . nurses and safety inspectors . . . laborers, computer technicians and social workers . . . and countless other occupations. Day in and day out they provide the diverse services demanded by the American people of their government with efficiency and integrity; and

Whereas, Without these public servants at every level, continuity would be impossible in a democracy that regularly changes its leaders and elected officials.

NOW, THEREFORE, I, Catriona Reynolds, Mayor Pro-Tempore of the City of Homer, do hereby proclaim the week of May 7-13, 2017 as:

PUBLIC SERVICE RECOGNITION WEEK

and encourage all citizens to recognize the accomplishments and contributions of government employees at all levels — federal, state, county and city.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska, to be affixed this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

**CITY OF HOMER
HOMER, ALASKA**

MAYOR'S PROCLAMATION

**PEACE OFFICERS MEMORIAL DAY - MAY 15, 2017
NATIONAL POLICE WEEK - MAY 15 - 21, 2017**

WHEREAS, The members of the Homer Police Department and the Alaska State Troopers stationed in the Homer area play an essential role in safeguarding the rights and freedoms of the Homer area residents, our citizens; and

WHEREAS, It is important that all citizens know and understand the duties, responsibilities, hazards, and sacrifices of their Police Officers and State Troopers; and

WHEREAS, It is also important that members of our Homer Police Department and Alaska State Troopers recognize their duty to serve the people by safeguarding life and property, by protecting against violence and disorder, by protecting the innocent against deception, and protecting the weak against oppression; and

WHEREAS, The men and women of the Homer Police Department and State Troopers unceasingly provide a vital public service and lay their lives on the line for the safety of the Homer area citizens; and

WHEREAS, The Congress and President of the United States have designated May 15 of each year as Peace Officers Memorial Day and the week in which May 15 falls is National Police Week.

NOW, THEREFORE, I, Catriona Reynolds, Mayor Pro-Tempore of the City of Homer, Alaska, on behalf of the Homer City Council and the Citizens and patriotic, civic and education organizations of our community, do hereby proclaim May 15, 2017 as:

PEACE OFFICERS MEMORIAL DAY

and call upon all citizens of Homer to observe the week of May 15 - 21, 2017 as National Police Officer Week in honor of those law enforcement officers, who through their courageous deeds have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty, and let us recognize and pay respect to the survivors of our fallen heroes.

IN WITNESS WHEREOF, I have hereunto set my hand and cause to be affixed the official seal of the City of Homer, Alaska, on this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

**CITY OF HOMER
HOMER, ALASKA**

MAYOR'S PROCLAMATION

NATIONAL PUBLIC WORKS WEEK

May 21 – 27, 2017

WHEREAS, Public works infrastructure, facilities, and services are of vital importance to the health, safety, and well-being of the people of the United States; and

WHEREAS, Those facilities and services could not be provided without the dedicated efforts of public works staff, who represent State and local governments throughout the United States; and

WHEREAS, Those individuals design, build, operate, and maintain the transportation systems, water infrastructure, sewage and refuse disposal systems, public buildings, and other structures and facilities that are vital to the citizens and communities of the United States; and

WHEREAS, It is in the interest of the public for citizens and civic leaders to understand the role that public infrastructure plays in –

- (1) Protecting the environment;
- (2) Improving public health and safety;
- (3) Contributing to economic vitality; and
- (4) Enhancing the quality of life of every community of the United States.

WHEREAS, Every day public works professionals make important contributions to improve –

- (1) The public infrastructure of the United States; and
- (2) The communities that those professionals serve.

NOW, THEREFORE, I, Catriona Reynolds, Mayor Pro-Tempore of the City of Homer, do hereby proclaim the week of May 21-27, 2017 as:

NATIONAL PUBLIC WORKS WEEK

and encourage all residents to recognize the substantial contributions that public works professionals make to the City and the Nation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska, to be affixed this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

CITY OF HOMER
HOMER, ALASKA

MAYOR ' S PROCLAMATION

MAY 2017 BIKE MONTH

WHEREAS, Bicycle riding is a viable and environmentally-sound form of transportation, an alternative means of commuting to work or school, an excellent form of exercise, and provides quality family recreation; and

WHEREAS, The City of Homer, Alaska, recognizes the bicycle as a legitimate roadway vehicle and therefore is entitled to legal and responsible use of all public roadway facilities in the Homer area; and

WHEREAS, Whether traveling by bike, foot, car or truck, road users should always be careful and conscious of their surroundings; and

WHEREAS, The City of Homer, Alaska, encourages the increased use of the bicycle, benefiting all citizens of Homer by improving air quality, reducing traffic congestion and noise, decreasing the use of and dependence upon finite energy sources, and fostering personal fitness; and

WHEREAS, During the month of May the Homer Cycling Club reminds everyone that Homer Shares the Road.

NOW, THEREFORE, I, Catriona Reynolds, Mayor Pro-Tempore of the City of Homer, do hereby proclaim

May 2017 as Bike Month

May 15-19 as Bike Week

May 19 as Bike to Work and School Day

in Homer, and encourage all in the Homer area to participate in Bike Month activities, to always be aware of people on bikes, and to recognize and practice bicycle safety throughout the year.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska, to be affixed this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Kids To Parks Day PROCLAMATION



WHEREAS, May 20th, 2017 is the seventh Kids to Parks Day organized and launched by the National Park Trust; and

WHEREAS, Kids to Parks Day empowers kids and encourages families to get outdoors and visit America's parks; and

WHEREAS, it is important to introduce a new generation to our nation's parks because of the decline in Park attendance over the last decades; and

WHEREAS, we should encourage children to lead a more active lifestyle to combat the issues of childhood obesity, diabetes, mellitus, hypertension and hypercholesterolemia; and

WHEREAS, Kids to Parks Day is open to all children and adults across the country to encourage a large and diverse group of participants; and

WHEREAS, Kids to Parks Day will broaden children's appreciation for nature and outdoors.

NOW, THEREFORE, I, Catriona Reynolds, Mayor Pro-Tempore, of Homer, Alaska, do hereby proclaim to participate in Kids to Parks Day, and urge residents of Homer to make time May 20th, 2017 to take the children in their lives to a neighborhood, state or national park.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska, to be affixed this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK



**CITY OF HOMER
HOMER, ALASKA**

MAYOR'S PROCLAMATION

**ELKS NATIONAL YOUTH WEEK
May 1-7, 2017**

WHEREAS, The Elks Lodges of Alaska, observe May 1-7, 2017 as Elks National Youth Week in tribute of our Junior Citizens, honoring them for their achievements and contributions to the life of the Community, State, and Nation; and

WHEREAS, It is our responsibility to guide, inspire and encourage our youth, to go forth and serve America, our privilege to manifest a lively interest in all their activities and ambitions, and help prepare them for the duties and opportunities of citizenship, which is the objective of Elks National Youth Week.

NOW, THEREFORE, I, Catriona Reynolds, Mayor Pro-Tempore for the City of Homer, Alaska do hereby proclaim the first week in May as Elks National Youth Week, and I call upon all citizens and all departments of the local government to cooperate in the observance that we may attain these worth objectives.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska, to be affixed this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

PUBLIC COMMENTS
UPON MATTERS
ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

Session 17-09 a Special Meeting of the Homer City Council was called to order on April 24, 2017 at 2:00 p.m. by Mayor Bryan Zak 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: ADERHOLD, ERICKSON, LEWIS, REYNOLDS, SMITH, STROOZAS

STAFF: CITY MANAGER KOESTER
CITY CLERK JOHNSON
CITY ATTORNEY WELLS
FINANCE DIRECTOR WALTON

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

Mayor Zak called for a motion for the approval of the agenda.

LEWIS/REYNOLDS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

A. Appeal to the Board of Adjustment

Appeal of Penalty on Delinquent Assessment Payment for the Homer Natural Gas Special Assessment District.

William Stovell, Parcel Nos. 17932003 and 17932004, appeared before the Board of Adjustment. He was working on environmental cleanup in Attu at the time the statement was mailed and became due. His finances are on cruise control when he is working. Upon realizing the payment was missed, he paid it as soon as he got home. The year before he paid the assessments timely.

LEWIS/STROOZAS - MOVED TO WAIVE THE LATE FEES.

The Board of Adjustment ruled that the penalties be waived on the basis of:
Proof that the property owner was unable to make the payment on time because of an extreme non-financial personal hardship. This could include a serious illness or death of the property owner or an immediate family member that reasonably prevented making the payment on time. Furthermore, the waiver is a one-time event.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Dan Gardner, Parcel No. 17903073, appeared before the Board of Adjustment. He never received a bill. He paid it because he took the initiative to check with Finance to see if an assessment was due. He should not owe a late fee for something that he never received a bill for. It was a Borough error; the City did their part.

REYNOLDS/LEWIS - MOVED TO WAIVE MR. GARDNER'S LATE FEES.

The Board of Adjustment ruled that the penalties be waived on the basis of:
A clerical error by the Kenai Peninsula Borough contributed substantially to the late payment. For the purpose of this procedure, a clerical error is a mistake made by City personnel that resulted in the failure of the City to correctly and timely notify the property owner of the due date for the delinquent assessment payment, or to correctly credit a timely assessment payment to the property owner's account. Examples of a clerical error include, but are not limited to:

Application of a timely payment to the wrong account. Failing to send the property owner timely notice of the payment due date. Sending the property owner notice of the payment due date using a name or address other than the name and addresses of the property owner that currently appear on the Kenai Peninsula Borough property tax roll.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Steven and Nikki Rich, Parcel No. 17369008, appeared before the Board of Adjustment. Steven was a partner in the property ownership and the statement was mailed to the partner's address instead of him. He wrote three letters to Finance and was told to wait to make the

assessment payment each time. Once he was told the assessment was not paid, he paid it immediately.

The Board of Adjustment ruled that the penalties be waived on the basis of:
Proof that the property owner was unable to make the payment on time because of an extreme non-financial personal hardship. This could include a serious illness or death of the property owner or an immediate family member that reasonably prevented making the payment on time.

LEWIS/REYNOLDS – MOVED TO WAIVE THE PENALTIES.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Guy and June Morgan, Parcel No. 17508211, provided a letter but did not appear before the Board of Adjustment.

The Board of Adjustment ruled that the penalties be waived on the basis of:
Proof that the property owner was unable to make the payment on time because of an extreme non-financial personal hardship. This could include a serious illness or death of the property owner or an immediate family member that reasonably prevented making the payment on time.

ADERHOLD/LEWIS – MOVED TO WAIVE THE PENALTIES BASED ON OTHER CIRCUMSTANCES DEEMED RELEVANT THAT INTERFERE TO MAKE A PAYMENT (NO NOTIFICATION 2 YEARS IN A ROW).

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Sarah Vance, city resident, suggested email notification. If there is a way to sign up for e-billing, notification could be tracked and bills would not get lost in the mail as easily.

ADJOURNMENT

There being no further business to come before the Council, Mayor Zak adjourned the meeting at 2:40 p.m. The next Regular Meeting is Monday, May 8, 2017 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.

JO JOHNSON, MMC, CITY CLERK

Approved: _____

Session 17-10 a Regular Meeting of the Homer City Council was called to order on April 24, 2017 at 6:00 p.m. by Mayor Bryan Zak 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: ADERHOLD, ERICKSON, LEWIS, REYNOLDS, SMITH, STROOZAS

STAFF: CITY MANAGER KOESTER
CITY CLERK JOHNSON
CITY ATTORNEY WELLS
CITY PLANNER ABBOUD
FINANCE DIRECTOR WALTON
POLICE CHIEF ROBL
PORT AND HARBOR DIRECTOR HAWKINS

Council met for a Worksession from 4:00 p.m. to 4:45 p.m. to discuss Water and Sewer Rates. From 5:00 p.m. to 5:57 p.m. Council met as a Committee of the Whole to discuss Resolution 17-040 and Consent and Regular 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 2.08.040.)

The following changes were made: **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS** - Thank You from Bunnell Street Arts Center; **CONSENT AGENDA - Resolution 17-040**, A Resolution of the City Council of Homer, Alaska, Declaring the 2017 Property Tax Assessments to be Unfair in Relationship to Other Borough Communities and Request Said Assessments be Invalidated Until the New Tax Model is Fairly Implemented Borough Wide. Stroozas/Erickson/Smith. Written public comments. **PUBLIC HEARING(S) - Ordinance 17-07(S-2)**, An Ordinance of the City Council Of Homer, Alaska, Amending Homer City Code 21.93.060, 21.93.070, 21.93.080, 21.93.100, 21.93.110, 21.93.500, 21.93.540, 21.93.550, 21.93.560, 21.93.570, 21.93.700, 21.93.710 to Offer Appellants the Choice Between an Appeal Before the Board of Adjustment or a Hearing Officer in Appeals of Planning Commission Decisions. Erickson. Written public comments. **PENDING BUSINESS - Ordinance 17-04**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.30.020 to Add "Auto Equipment Sales, Rentals, Service, Repair and Storage" to the List of Permitted Uses in the Marine Industrial District. Lewis. Written public comments.

Mayor Zak called for a motion for the approval of the agenda as amended.

LEWIS/REYNOLDS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

A. Promotion of Police Officer Larry Baxter to Investigations Sergeant

Mayor Zak administered the oath to Sergeant Larry Baxter.

B. Mayor's Proclamation, Week of the Young Child, April 24-28, 2017

Councilmember Smith read and presented the proclamation to Red Asselin Martin.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Vivian Finley, city resident, commented on Memorandum 17-065. She is sorry that Resolution 17-019 did not pass. She supports the Council for advocating for the resolution and will vote against the recall.

Scott Adams, city resident, supports Resolution 17-040 and would like the City to be at the head of a class action suit against the Borough property assessments. Some properties were rated high while others went down. He doesn't see how it is fair.

Ron Keffer, city resident, commented on Memorandum 17-065. The ballot language for the special election reads like an indictment. The statement is an accusation, unclear, imprecise, and false. We can't know today whether these councilmembers caused irreparable damage.

Kate Finn, Anchor Point resident, commented on Memorandum 17-065. In China there is no opportunity for any type of discussion and she never felt free to speak there. We are not homogenous; that is what makes us unique. She will vote against the recall, as the Council is doing their work.

Ann Keffer, city resident, commented on Memorandum 17-065. When she read the language of the recall proposition she thought they were guilty, but it is a false accusation. People signed the recall petition because they thought they did something illegal. The law is unclear on recall,

making it a costly and dangerous situation for local governments. This town is too small for anything but love and the recall is anything but love.

Poppy Benson, city resident, commented on Memorandum 17-065. She has researched recall and assumed it was used when people we caught taking bribes, etc. Many recalls in small cities are politically based. Rifts can take years to end and will discourage citizens from taking elected seats. In our city this recall is what people talked about, but nothing happened.

Mayor Zak thanked everyone for their comments regarding the recall petition process. He told the listening audience City Council members are free to discuss the recall petition when they are on their own time and not acting in their official capacity as councilmembers. The City Attorney has advised all councilmembers to refrain from discussing the recall petition during council meetings, work sessions, and other official public events. This means that none of the councilmembers can respond to or address any of the public comments or concerns raised tonight regarding the recall petition.

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 10, 2017. City Clerk. Recommend adoption.
- B. **Resolution 17-040**, A Resolution of the City Council of Homer, Alaska, Declaring the 2017 Property Tax Assessments to be Unfair in Relationship to Other Borough Communities and Request Said Assessments be Invalidated Until the New Tax Model is Fairly Implemented Borough Wide. Stroozas/Erickson/Smith. Recommend adoption.

Moved to Resolutions, Item A. Aderhold.

- C. **Resolution 17-041**, A Resolution of the City Council of Homer, Alaska, Approving the Terms and Conditions for the Sale of T 7S R 13W Sec 1 Seward Meridian HM 0890034 Homer Spit Sub Amended Lot 47, KPB Parcel No. 18103408 and Authorizing the City Manager to Enter into Negotiations. City Manager. Recommend adoption.

- D. **Resolution 17-042**, A Resolution of the City Council of Homer, Alaska, Supporting HB 177, An Act Relating to the Response to, and Control of, Aquatic Invasive Species; Establishing the Aquatic Invasive Species Response Fund; and Relating to the Provision of Information About Aquatic Invasive Species. Aderhold. Recommend adoption.

- E. **Resolution 17-043**, A Resolution of the Homer City Council Opposing SB 14, HB 132, Prohibiting Municipalities From Regulating Transportation Network Companies and Network Company Drivers. Mayor/City Council. Recommend adoption.

- F. **Resolution 17-044**, A Resolution of the City Council of Homer, Alaska, Re-adopting the Established Investment Policy for the Permanent Fund. City Manager. Recommend adoption.

Memorandum 16-066 from Finance Director as backup.

Moved to Resolutions, Item B. Smith.

Item B, Resolution 17-040 was moved to Resolutions, Item A. Aderhold.

Item F, Resolution 17-044 was moved to Resolutions, Item B. Smith.

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

LEWIS/REYNOLDS- SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

- A. Lisa Asselin Martin, Week of the Young Child

Red Asselin Martin, Coordinator for Early Childhood Coalition and Outreach Specialist for Sprout Family Services, reported on building the community from the ground up as role

models. There are local individuals and agencies that connect families with young learners, activities, and resources. There are a number of events planned for the Week of the Young Child. They include public health, reading hour at the Homer Book Store, and a planting party.

Building a community from the ground up is encouraging children to be compassionate, kind, and developing empathy. It is putting into place building blocks for children to love one another. Kids experience anxiety and their actions are impacted as to how they feel. Children empathize with people like them.

Ms. Martin displayed a video questioning different kids on what kindness means to them. She hopes we can all remember to be kind in the months to come.

B. Safe and Healthy Kids Fair Coalition

Brittany August, Case Manager at South Peninsula Behavior Health Center, and Mike Illg, Recreation Manager for City of Homer, provided an overview of the upcoming weekend events. The Week of the Young Child begins on Saturday, April 29th from 10:00 a.m. to 2:00 p.m., in the commons area of the high school. There will be 37 different agencies and organizations with interactive booths for all children, from birth to 15 years old. All agencies are local and have donated prizes. Some of the activities include a teddy bear clinic, face painting, the bookmobile summer reading program, and various demonstrations, including Project Drive that allows teens to experience driving impaired with the use of goggles. There is an opportunity to win a bicycle in each age category.

Beyond other agencies in the community, city agencies are collaborating too. Public Works sweeps the lower parking lot at the high school, Friends of the Library has a bookmobile, the Fire Department provides a helmet check and helmet sales, and the Police will be there with Project Drive. Community Recreation has a bike rodeo in the high school parking lot. Without the City's support, this important event doesn't happen. The kick off for the summer is to be safe and healthy. Events begin at 10:00 a.m. and end at 2:00 p.m. The bike rodeo is from 10:00 a.m. to noon. Bicycles will be tuned up for free by Cycle Logical. There will also be a Homer High School invitational track meet, and hot dogs and fish tacos.

8. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS
(10 minute limit per report)

- A. Memorandum 17-065 from City Clerk, Re: Ballot Language for the Special Election of June 13, 2017.
- B. Borough Report
- C. Commissions/Board Reports:
 - 1. Library Advisory Board
 - 2. Homer Advisory Planning Commission
 - 3. Economic Development Advisory Commission
 - 4. Parks Art Recreation and Culture Advisory Commission

Louise Ashmun, PARCAC, reported the commission met last week to discuss the Sister City art collection and the support of a mayoral proclamation for Kids to Parks Day. They reviewed the mockups of Mariner Park and Bishop’s Beach signs to make rules clearer. They discussed the prospect of gates and rock barriers at Mariner Park. The commission reviewed the 2004 Non-Motorized Transportation and Trails Plan. Although most of the policies in the plan have been implemented, most of the recommended sidewalks have not been completed. The safety needs are the sidewalks, specifically for Main Street and Svedlund Street. PARCAC will put sidewalks on the CIP list each year. A high school student has applied for the student seat on the PARCAC. Ms. Ashmun appreciates Councilmember Reynolds attending their last meeting.

- 5. Port and Harbor Advisory Commission

Port and Harbor Advisory Commissioner Bob Hartley reported the harbor is beginning to ramp up for the coming summer months. This includes the salmon derby, new hires for the harbor, the charter fleet, and charging fees at the load and launch. The commission is evaluating the port and harbor tariff. It is one of the most important documents for harbor operations. It covers rates, charges, and all other rules and regulations. The new tariff will replace the old outdated document that is very confusing and contradictive. He invited the Council and public to their meeting on Wednesday.

- 6. Cannabis Advisory Commission

Councilmember Lewis reported the commission will meet on Thursday.

PUBLIC HEARING(S)

- A. **Ordinance 17-07(S-2)**, An Ordinance of the City Council Of Homer, Alaska, Amending Homer City Code 21.93.060, 21.93.070, 21.93.080, 21.93.100, 21.93.110, 21.93.500, 21.93.540, 21.93.550, 21.93.560, 21.93.570, 21.93.700, 21.93.710 to Offer Appellants the Choice Between an Appeal Before the Board of Adjustment or a Hearing Officer in Appeals of Planning Commission Decisions. Erickson. Introduced January 23, 2017, Referred to Planning Commission, Public Hearing and Second Reading March 28, 2017. Reconsidered by Erickson, March 29, 2017. Substitute S-2 Introduced April 10, 2017, Public Hearing and Second Reading April 24, 2017

Memorandum 17-064 from Councilmember Aderhold as backup.

Mayor Zak opened the public hearing.

Terry Yager, city resident, expressed concern about the hearing officer. As a small city, more than one voice makes sense. A hearing officer with a nice education may not be familiar with local customs. He is also concerned about cost effectiveness and the city manager being the single person that appoints the hearing officer. He asked that Council set aside the ordinance and have a Worksession with more public input.

Joe Singleton, city resident, supports the changes made to the ordinance that will keep the hearing officer from handling dog complaints and itinerant merchant complaints.

Ralph Crane, city resident, supports Ordinance 17-07(S-2). Having worked with Board of Adjustments, he believes this is the right way to handle appeals. This gives the appellant the choice of an appeal to the board or a hearing officer.

Mayor Zak closed the public hearing.

Mayor Zak called for a motion for the adoption of Ordinance 17-07(S-2) by reading of title only for second and final reading.

LEWIS/REYNOLDS – SO MOVED.

Councilmember Aderhold prepared Memorandum 17-064 to address concerns from community members. She asked the city attorney to weigh in on how the ordinance is written, whether there may be challenges, and if it is a good idea.

City Attorney Wells advised the origin of the hearing officer process is based on a decision by the State of Alaska Office of Administrative Hearings to provide cities with hearing officers that cost less than most lawyers. This is because those individuals do not have the emotional connection with the parties and won't garner as many accusations or alleged appearances of impropriety. The City currently has three Alaska Supreme Court appeals by Mr. Griswold, all of which have a component of accusations of bias and impropriety, all of which the City prevailed on at the Superior Court level. It is significant to have three cases and the cost of litigating is significant. Ordinance 17-07 began as an attempt to try to create and improve the appearance of impropriety and impartiality and to assist in alleviating some costs associated with the appeals.

Ordinance 17-07(S-2) provides choice between the Board of Adjustment and a hearing officer. In some instances it could be a good option, but to be a good option it would have to be much more precise, either tied to a monetary amount or tied to non-opposition. Otherwise you have someone who takes advantage of the Board versus someone who takes advantage of a hearing officer. Two cases with similar facts may come out with very different outcomes and that is risky. Often for legislative bodies sitting as a Board it is very hard to say no to somebody despite what the law says you need to do. You may have very clear legal obligations or criteria that you've adopted when not thinking of an individual, but when applying it to a person it is very hard to stick to the criteria. This opens the City up to a choice that doesn't have direction, so the City will be vulnerable to challenge on the choice itself.

Councilmember Smith believes the choice of the board or a hearing officer should be the appellant's choice. If the appellant sees a clear conflict of interest as our three Supreme Court cases would show, it would make sense that Mr. Griswold would chose a hearing officer. That choice before him alleviates the Board of Adjustment from having to face another appeal, but he may appeal it regardless. Putting the choice in the hands of the appellant is the right thing to do. If it creates challenges we can iron that out. The fact that Council is elected and given the power to act as a Board of Adjustment qualifies us to do that. We hear and see so few cases so he does not see it as a huge financial burden to the City.

Councilmember Erickson wanted to make sure if there is a problem with the Board of Adjustment with conflict, the appeal would automatically default to the hearing officer.

City Attorney Wells said it would be hard to have a situation where all of the Council was conflicted out.

Councilmember Erickson commented if you have three councilmembers who are conflicted the default would go to the hearing officer.

City Attorney Wells said it would be a great idea to say if more than two Board of Adjustment members have a conflict it goes to a hearing officer.

Councilmember Lewis noted a board member would have to decide when they had a conflict since right now the Board of Adjustment meets and then you would declare a conflict of interest. If there are not enough board members remaining another hearing date with the hearing officer would need to be scheduled. There is a time limit from when the appeal is filed to the Board deciding the appeal.

City Attorney Wells said it creates two points of appeal; the point of appeal of the conflict of the board members and then an appeal of the hearing officer's decision at the end. It is subject to appeals of two decision makers' involvement. That's very difficult and a lot of legal vulnerability for the City.

Councilmember Lewis noted it was then the Board of Adjustment who decides on the conflict. In the past Mayor Hornaday always had a conflict due to some of the remarks he made about Mr. Griswold. The decision of having the Board of Adjustment or a hearing officer would need to be made prior to the appeal hearing.

Councilmember Aderhold commented it is a really important process. Community members and the Council do not fully understand it. She suggested postponing for a Worksession with the City Attorney to include public participation sending it back to the Planning Commission, or voting it down and starting over.

City Attorney Wells said a lot of communities have moved to the hearing officer. It may be more beneficial to wait to have a Worksession until there is more data on likelihood of appeal and risk of unilateral decision making.

Councilmember Reynolds said we had a straightforward ordinance to change to a hearing officer and now it has switched to be confusing and convoluted. We have not played through all the scenarios and this doesn't solve anything. We might want to start from scratch with an idea of where we want to go. She likes the initial reasoning for just switching to a hearing officer. The whole purpose was to remove the possibility of there being perceived or actual conflict. She suggested tabling it or voting it down and start again.

Councilmember Stroozas said there have been people on both sides. They are either in favor of the hearing officer or the Board of Adjustment. The substitute ordinance is a reasonable compromise so that it is up to the appellant to decide which way to go.

Councilmember Aderhold asked what the rights are for someone else in the community with standing. That is the person who may be the one to appeal a decision to the court.

City Attorney Wells answered if you give the appellant the right to choose, the other parties will have to follow suit. The appellant makes the venue decision and the other parties are placed

into that jurisdiction if they feel the party appealing chose the board because of the perception of receiving favoritism.

ADERHOLD/REYNOLDS – MOVED TO POSTPONE TO THE SECOND MEETING IN JUNE OR JULY AND HAVE A WORKSESSION WITH THE ATTORNEY.

There was no discussion.

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

Motion carried.

- B. **Resolution 17-038**, A Resolution of the City Council of Homer, Alaska, Amending the Homer Accelerated Roads and Trails Program Policy Manual Adding Sections for Project Eligibility and Funding for Sidewalks, Eliminating the Provision for Debt Service Ratio, and Editing for Readability and Consistency. City Clerk/Planning Commission.

Memorandum 17-028 from Deputy City Planner as backup.

Mayor Zak opened the public hearing.

Deb Lowney, city resident, questioned why we are considering new road construction in this climate and not looking at modifying HART funds to complete projects in the CIP and HART plans. In 1984 the Homer Area Roads Plan saw there was no standard policy for sidewalks and bicycles. Major streets do not have sidewalks, creating dangerous and hazardous conditions. Main Street was first articulated in 2004 in the Homer Non Motorized Trails and Transportation Plan (HNMTTP) and listed as a high priority. Sidewalk recommendations are always a top priority on the CIP list. She supports using the street portion of HART funds for sidewalks. There is a proposal before the Council that has been approved by PARCAC to allow groups or community members to apply for HART trail funds to complete some of the projects on the trails list and/or are on the map system. It will provide more options to get some of the projects completed.

Mayor Zak closed the public hearing.

Motion on the floor from April 10th: MOTION FOR THE ADOPTION OF RESOLUTION 17-038 BY READING OF TITLE ONLY.

Councilmember Erickson said Main Street is a state road and we can't touch the street to create a sidewalk or trail.

Councilmember Aderhold clarified it is state-owned from Pioneer south and city-owned from Pioneer north. Ms. Lowney brings up good points.

City Planner Abboud advised page 3 of the manual allows citizens to work with administration to use HART funds to construct public trails.

City Manager Koester referenced page 367 of the council packet that outlines the work PARCAC did to establish guidelines and a review process for citizens to use HART funds to construct public trails.

Asked about using street funds for sidewalks, City Manager Koester said section E, page 358 says to use HART fund. Projects must be mapped as either sidewalks, paved shoulders, or separated pathways or directly serve the special populations discussed in sections 3.1 and 3.2 of the HNMTP. Effort will be made to find grants or non-city funding sources to match city construction funds whenever possible. Sidewalks have always been eligible for HART funds as evidenced by the Soundview sidewalk project under construction now. The real crux is when do we cost share through a special assessment district process and when do we outright spend HART funds. HART funds could be spent quickly with the list of requested sidewalks in the community.

VOTE: YES. LEWIS, SMITH, ADERHOLD, REYNOLDS, STROOZAS, ERICKSON

Motion carried.

REYNOLDS/LEWIS - MOVED AFTER A BRIEF RECESS TO SUSPEND THE RULES AND MOVE RESOLUTION 17-040 TO DIRECTLY AFTER A BRIEF BREAK.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Zak called for a recess at 7:48 p.m. and reconvened the meeting at 7:52 p.m.

G. **Resolution 17-040**, A Resolution of the City Council of Homer, Alaska, Declaring the 2017 Property Tax Assessments to be Unfair in Relationship to Other Borough Communities and Request Said Assessments be Invalidated Until the New Tax Model is Fairly Implemented Borough Wide. Stroozas/Erickson/Smith. Recommend adoption.

Mayor Zak called for a motion for the adoption of Resolution 17-040 by reading of title only.

REYNOLDS/STROOZAS – SO MOVED.

Councilmember Aderhold said Council had an earlier discussion at the Committee of the Whole on the 2017 property tax assessments with Mayor Navarre. Assembly President Kelly Cooper provided information as well as members of the community. She appreciates where people are coming from on their concerns with the borough assessments, but doesn't feel the resolution is the way to get resolution. There is a process in place that is being followed and this resolution will not have any bearing on how the process is followed.

SMITH/LEWIS – MOVED TO AMEND LINE 31 TO READ: NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF HOMER, ALASKA, DECLARES THE NEW 2017 PROPERTY TAX ASSESSMENT MODEL TO BE UNSUBSTANTIATED AND REQUEST THAT THE BOROUGH PRODUCE PROOF THAT THIS NEW MODEL DOES GENERATE FULL MARKET VALUE ASSESSMENTS AND IS CAPABLE OF BEING IMPLEMENTED FAIRLY AND CONSISTENTLY THROUGHOUT THE BOROUGH.

Councilmember Smith commented there is no proof generated that the model is correct. He knows the Borough's hands are tied as to the tools they have, but when they can't explain the model and prove what they are producing is fair market value, it is difficult for him to have faith in the process. Some of it seems very arbitrary. When it negatively impacts and is all over the map they need to have some kind of explanation and have a way to produce it to us to make sense.

Councilmember Erickson agreed because the people she has talked to have properties side by side with two different taxes. She is greatly concerned about the borough assessments, the private appraisers, and what our economy is doing. Borough assessments are at their highest and they used to be below appraised value.

Councilmember Reynolds said the resolution is making a statement, but the Borough has a mechanism in place to appeal. We heard comments from the public at the Committee of the Whole. She regrets not asking those people if they put forward appeals. The Borough is moving through the appeal process and allowing everyone to appeal their own lot.

Councilmember Stroozas commented the model has not been substantiated. He can offer evidence of view properties that are side by side with one being larger than the other, the smaller property is assessed at a much higher value. There is subjectivity of the assessments and they are fair or equitable.

Councilmember Smith said this is not about process; it is about the model. If the model is broken it doesn't matter that you have the process in place to appeal. We want to be shown that the model is right and that it is applied fairly and is a true representation of what market value really is.

Councilmember Stroozas said there are issues that can't be substantiated and it is up to the Borough to prove to us that it is correct, not for the citizens to prove to the Borough that they are wrong.

Kenai Peninsula Borough Mayor Navarre said Resolution 17-040 would be a little insulting. It is neither consistent nor accurate. The first whereas says "not indicative of "prevailing market conditions" as per AS 29.45.110." The Borough is required per AS 29.45.110 to assess at full and true value. They use models that are calibrated and verified by market data. We have very little market data. The International Association of Assessing Officers is used. The third whereas says "Borough Mayor has cited a 50% increase in land value due to parcel access to natural gas." It is not accurate. The City of Homer sales data indicated natural gas had already been captured in the models. There is a 50% increase in the base value of the land. When we talk about a model, there are a number of different models that are used. We are dealing with perceptions and opinions, not reality. Between now and next year we may be making additional adjustments to values in Homer and throughout the Kenai Peninsula. This is not just the focus on Homer; this is the year Homer was canvassed and so more different types of things were captured. One of those things may be a new structure that was added and people didn't tell the Borough. There are a lot of reasons why values go up and down. Some values went up and some values went down. He cannot tell definitively that the valuations are wrong. He can't prove that they are right and we can't prove that they are wrong. There is a process that we go through to try to establish that. As we go through this process we will see some additional data that will be used so that we continue to get the numbers right. There is subjectivity and a human element to it. People from Kenai or Soldotna doing the assessing are trained based on the assessing protocols that are used. He is fairly confident we didn't get it 100% right, but assessments are a reflection of full and true value.

Councilmember Stroozas commented that "prevailing market conditions" are pretty hard to dodge. It is only worth what a willing buyer and seller agree to on the value of the property or structure.

Mayor Navarre agreed it is prevailing market conditions. We use the market data which is limited. If we had 100% of the market data for every sale our models would probably start out closer and then be adjusted. We are asked to do a job and the very tools used to do the job better are withheld from us. It is not a fair way to have the boroughs do the assessments and then be criticized for it. He hasn't seen a commending resolution from the City in the last year or years before. If the City is going to reflect angst when there is an anomaly it is not fair to the professional assessors.

Councilmember Lewis asked if the assessors could come down and explain the model. Mayor Navarre answered yes.

Mayor Navarre said if you wish to take an action to help the citizens of Homer, send a resolution to the state assessor and tell them we messed up, based on anecdotal information and some real information and opinions. Mayor Navarre or the Borough do not have tools to make adjustments based on Resolution 17-040. That process is already in place with the appeal process. Adjustments and calibrations are made based on market data from sales everywhere. Some of the data from the appeals will be used. We don't use three and four year old data. For commercial we have to because we have so little sales reports for commercial.

Councilmember Smith said this is not meant to be an attack on the assessment office or our assessors or their qualifications. We are just voicing concern of our constituents and to get the Borough's attention to do more due diligence in showing us the model is accurate. People that are arguing are saying the assessments are based on perceptions, opinions, and not reality. If the market is dictating the fair market value and they see conflict in what the Borough is producing, it creates a conflict of perception of opinion and what we say is reality. It is about coming to a common ground and understanding that the model works. They don't see the model as producing the reality that they are living. It is a great idea that Councilmember Lewis offered to bring the assessors down here so they can show us that. This is more that the Borough is going to have the burden of proof and they will show people it is a model that represents the reality that we are living in.

Mayor Navarre said the appeal process is in place that we are part ways through. You don't know what the model is until the appeal process is finished. For those that haven't appealed, there is no recourse at this point unless the state assessor says we have made a major error. The proof of whether the model works also has some subjectivity. Folks who thought we were wrong should have appealed. If assessors divert attention from reviewing properties to come here, that will delay things too. If the assessor sends out a corrected notice there is also a 30-day appeal period. There have been 140 appeals already resolved. Of the 750 appeals we are down to 600 now. Some of those will be worked out over time. Certification will be done on June 1, but some of the Board of Equalization hearings will be done after June with adjustments made after that.

VOTE: (amendment) YES. ADERHOLD, STROOZAS, SMITH, ERICKSON

VOTE: NO. REYNOLDS, LEWIS

Motion carried.

VOTE: (main motion as amended) YES. ERICKSON, STROOZAS, SMITH

VOTE: NO. REYNOLDS, ADERHOLD, LEWIS

Mayor Zak broke the tie vote with a NO vote.

Motion failed.

ORDINANCE(S)

CITY MANAGER’S REPORT

A. City Manager’s Report

Sales Tax Data

I am pleased to report sales tax returns in 2016 were up 4% or \$249,848 from 2016 budget. As you recall, the 2017 budgeted for a 5.5% sales tax increase from 2016 budget. If 2017 continues on the trend of up 1.5% from 2016, we will hit that mark.

	GF Sales Tax Revenue (excludes HAWSP)	% increase from 2016 budget
2016 Budget	\$6,144,316	
2016 Actual (unaudited)	\$6,394,164	4%
2017 Budget	\$6,481,188	5.5%

Comparing 1st Quarters

1 st Quarter 2016	\$1,081,421	% increase
1 st Quarter 2017	\$1,098,377	1.5%

Firewood for Sale in City Campgrounds

The PARCAC and City Parks Division would like firewood to be available in our campgrounds. Having bundled firewood for sale at Mariner Beach, the Fishing Hole, and the Hornaday Park campgrounds would reduce the impact of campers scavenging the beach and wooded areas for firewood. The City Manager’s office struggled with how to solicit participation for this opportunity and researched how other communities managed firewood sales. However, we did not want to get too far ahead of ourselves and create a process for an interest that does not exist. Thus far, we have not had anyone come forward interested in providing this service. If you know of anyone who would be interested in selling firewood, please have them contact the City Manager’s Office to get the ball rolling.

Ice and Bait Machines

The City has entered into a short-term agreement with Alaska Ice, LLC to install an ice and bait machine at the harbor. Several locations were considered, however the top of Ramp 4 was chosen because it is the greatest distance from other “brick and mortar” businesses that sell bagged ice and bait. The City will license these two machines, in one location, for 6-months. If the machines prove to be sufficiently profitable, we will consider a Request for Proposal for a long-term arrangement.

Total IFQ Landings & Pounds by Port report from NOAA.gov

Attached is a yearend report from NOAA on landings by port. Looking at the report and comparing Homer to the other bigger harbors in terms of landings and pounds, Kodiak beat us out by about 100,000 pounds but it took about an additional 120 landings to do it. What could that mean? The bigger loads came to Homer because it made sense to the vessels in terms of run time and fuel. Where we are falling short is in the black cod landings. This is likely due to the lack of processing and run time verses profit for the vessels. The Port and Harbor is hopeful that with transfer of ownership of Fish Factory to an international company this spring we could see an upswing in black cod landings in Homer.

Airport public comment

The Department of Transportation and Public Facilities is soliciting public comment on improvements to the airport facilities. See attached map and public notice.

Navy Ship to Visit Homer

The City of Homer will be welcoming the USS Hopper, a navy destroyer, to the Port April 28-1. The Chamber is arranging to have transportation and tour opportunities available for crew who will be spending some time on shore leave getting to know our beautiful City while they are here. Navy volunteers will also be helping in the community during their short stay. Please welcome these men and women to our community and take an opportunity to thank them for their service.

City Manager Koester said the ice machine on the Spit will be a 6-month short-term agreement with Alaska Ice, LLC. We will then issue a RFP to provide the opportunity for people to submit a proposal. The ice machine will be located at the top of Ramp 4 and will be the responsibility of the vendor.

The USS Hopper, a Navy destroyer, will visit Homer April 29 - May 2 and tie up to the Deep Water Dock. Asked about tours of the vessel, City Manager Koester said they are checking with Navy personnel.

B. Bid Report

C. Records Destruction Report

CITY ATTORNEY REPORT

City Attorney Wells reported there are three pending Alaska Supreme Court cases filed by Frank Griswold. They all regard conditional use and land use permits from other applicants that Mr. Griswold has taken issue with. We prevailed on all cases on the first round. Two cases are awaiting decision and one is at the early stages of arguing.

This afternoon the ACLU filed a civil complaint on behalf of Councilmembers Aderhold, Lewis, and Reynolds challenging the certification of the recall petition. The City anticipated that the certification might be vulnerable to challenge given the lack of clarity in the state statutes governing recall. We are moving as quickly as possible to get court guidance and direction and take steps to argue the City's position to support and defend the basis for certification, and to do so before the recall election in an expedited manner. This will be fast moving, more so than any other litigation. It will be trying to beat the June election date. An Executive Session will need to be held with the non-conflicted council members. The main topic of discussion will be attorney fees, the City's largest vulnerability. The ACLU is seeking full costs and attorneys' fees. We need to discuss how to move forward. She has advised Council not to speak as a council on the recall election. It will take research on her part to determine how Council gives direction on the litigation regarding the recall election. The Executive Session will likely be scheduled for May 8th.

COMMITTEE REPORT

- A. Employee Committee Report
- B. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported there was no quorum so no meeting was held. Last Friday some committee members met and spent a couple hours starting the building assessment. They measured entryways with the assistance of Public Works.

- C. Police Station Building Task Force

Police Station Building Task Force Member Coletta Walker reported there are photos and drawings coming in for a steel building from a northwest distributor and she is also looking at the possibility of a modular wooden frame police station. Photos with the station layout will be sent. The first drawing is for a 10,000 sq. ft. building, but she hopes to get to an 8,000 sq. ft. building staying under \$6M. She has also visited with a gentleman that will build to suit and do a lease purchase. If we can do the project for under \$6M it will be good. Apprising the public at the council meetings will keep them on board with the project. She would like to do a remodel, but questioned what to do with the police force during a remodel. The HERC building was suggested, but may be a big expense to relocate the police while remodeling. It may be better to start with new construction. The goal is to be expedient, stay under budget, and use creative ways of coming up with the money without state and federal funding.

PENDING BUSINESS

- A. **Ordinance 17-04**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.30.020 to Add “Auto Equipment Sales, Rentals, Service, Repair and Storage” to the List of Permitted Uses in the Marine Industrial District. Lewis. Introduced January 23, 2017, Referred to Planning Commission. Recommend Public Hearing May 8, 2017.

Ordinance 17-04(S), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.30.040 to add a Definition of “Temporary Auto Sales” and 21.30.050 to add “Temporary Auto Sales” to the List of Permitted Uses in the Marine Industrial District. Lewis.

Memorandum 17-063 from City Planner as backup.

Motion on the floor from January 23rd: MOTION FOR THE INTRODUCTION OF ORDINANCE 17-04 BY READING OF TITLE ONLY.

Mayor Zak called for a motion to substitute Ordinance 17-04(S) for Ordinance 17-04, but no motion was made.

Councilmember Lewis brought this forward for the Homer Hockey Association. If adopted, it would be considered spot zoning and we would be looking at another lawsuit.

VOTE: NO. ERICKSON, LEWIS, REYNOLDS, STROOZAS, ADERHOLD, SMITH

Motion failed.

- B. **Memorandum 17-055(A)**, From Mayor Zak, Appointment of Ralph Crane and Garrette Garoutte to the Cannabis Advisory Commission.

Mayor Zak called for a motion for the approval of Memorandum 17-055(A) to appoint Ralph Crane and Garrette Garoutte to the Cannabis Advisory Commission.

LEWIS/REYNOLDS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

RESOLUTIONS

- A. **Resolution 17-044**, A Resolution of the City Council of Homer, Alaska, Re-adopting the Established Investment Policy for the Permanent Fund. City Manager. Recommend adoption.

Memorandum 16-066 from Finance Director as backup.

Mayor Zak called for a motion for the adoption of Resolution 17-044 by reading of title only.

LEWIS/REYNOLDS – SO MOVED.

Councilmember Smith commented \$30,000 is needed just to inflation proof the Permanent Fund. We could use it for a new police station. It would dramatically reduce what we need to bond for. He would like to start a discussion about the future of the fund. At the current earning rates it will be eons before we can withdraw funds.

Councilmember Reynolds learned from the Library Advisory Board members that it would save 10% to 11% on the library budget if we paid off the library. The Permanent Fund would be enough to do a similar thing for the police station. She, too, would like to have a discussion about the fund.

ERICKSON/LEWIS – MOVED TO POSTPONE TO THE NEXT MEETING.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Deb Lowney, city resident, commented on the upper portion of Main Street that is very residential and heavily used by pedestrians. It has been on the CIP for years as a priority. She would like more flexibility from HART funds so that they can be used for sidewalks.

Hal Spence, city resident, said it has been 15 – 16 years since he was a reporter for the Homer News. He is familiar with council business. He thanked the Council for going through the minutia of important issues, which can be frustrating.

Kim Seymour, city resident, commented on the borough property tax. After taxing of the gas line it makes him ask if he really wants to live here. Alaska needs manufacturing; it is what made America great. Raising taxes is not a great way to promote growth.

Scott Adams, city resident, appreciates Mayor Navarre's visit. He questioned why the Borough changed their property assessment model. He supports auto sales at the hockey rink and using the Permanent Fund towards the police station or knocking down some payments.

COMMENTS OF THE CITY ATTORNEY

City Attorney Wells had no comments.

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 Zak appreciates Mayor Navarre coming to speak to us and thanked Councilmember Stroozas for bringing Resolution 17-040 forward. Mayor Navarre did a good job explaining the process. He is happy to hear the Board of Equalization will come to Homer for people. He is looking forward to all the good things community members are doing to welcome the USS Hopper. The ship is named after Grace Hopper who led the Navy into the age of computers.

COMMENTS OF THE CITY COUNCIL

Councilmember Lewis said, "It's late, goodnight."

Councilmember Smith expressed gratitude for Mayor Navarre coming here. He loves him and hopes to see him playing softball this summer.

Councilmember Aderhold said it was a great clean-up and there is still more to do. She encouraged people to carry plastic bags and continue to pick up trash.

Councilmember Erickson said it was a long day. Life is good! It will be a fun weekend with the Navy ship here. She encouraged people to support them.

Councilmember Reynolds thanked Mayor Navarre for coming down. She thanked all the volunteers. Last weekend was a whirlwind of events, including Circus Auditions, Earth Day and science based events. Upcoming events include the Safe and Healthy Kids Fair and the Shorebird Festival. We thrive because of all the efforts and volunteers. She is happy with the street sweeping. She thanked the 911 dispatcher and police officers for their professionalism and follow-up when she needed them.

Councilmember Stroozas noted we have been in meetings for seven hours. He expressed gratitude to Mayor Navarre for coming down and listening and sharing. The Homer Elks will be working with the USS Hopper crew at a project at the lodge and will be treating the sailors to a good time when they are done.

ADJOURNMENT

There being no further business to come before the Council, Mayor Zak adjourned the meeting at 8:58 p.m. The next Regular Meeting is Monday, May 8, 2017 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.

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 17-069

TO: HOMER CITY COUNCIL
FROM: BRYAN ZAK, MAYOR
DATE: MAY 1, 2017
SUBJECT: APPOINTMENT OF AVRAM SALZMANN TO THE PARKS ART RECREATION & CULTURE ADVISORY COMMISSION AS STUDENT REPRESENTATIVE

Avram Salzman is appointed to the Parks Art Recreation & Culture Advisory Commission as their student representative.

RECOMMENDATION:

Confirm the appointment of Avram Salzman as student representative to the Parks Art Recreation & Culture Advisory Commission.

Fiscal Note: N/A



City of Homer

www.cityofhomer-ak.gov

Administration
491 East Pioneer Avenue
Homer, Alaska 99603
(p) 907-235-8121 x2222
(f) 907-235-3148

Memorandum 17-070

TO: Mayor Zak and Homer City Council
THROUGH: Katie Koester, City Manager
FROM: Jenny Carroll, Special Projects & Communications Coordinator
DATE: May 2, 2017
SUBJECT: 2018-2023 CIP; FY 2019 Legislative Request Schedule Update

It is time to start the process of identifying and prioritizing projects for inclusion in the 2018-2023 Capital Improvement Plan. This process involves the public, the Council, Advisory Commissions and local non-profit organizations and agencies. City Council approval of the CIP development schedule is the first step in the process.

Recommendation: Approve 2018-2023 CIP Schedule and FY2019 Legislative Request Development Schedule.



CITY OF HOMER
APPLICATION TO SERVE ON ADVISORY BODY
COMMISSION, BOARD, COMMITTEE, TASK FORCE

CITY CLERK'S OFFICE
CITY OF HOMER
491 E. PIONEER AVE
HOMER, AK 99603
PH. 907-235-3130
FAX 907-235-3143
clerk@cityofhomer-ak.gov

APR 21 2017 07:52 RK

The information below provides some basic background for the Mayor and Council
This information is public and will be included in the Council Information packet

Name: Avram Salzman Date: 4/20/17

Physical Address: 617 Sandview Avenue Homer, AK

Mailing Address: _____

Phone #: _____ Cell #: 907-435-7890 Work #: _____

Email Address: avramnds@gmail.com

The above information will be published in the City Directory and within the city web pages if you are appointed by the Mayor and your appointment is confirmed by the City Council

Please indicate the advisory body that you are interested in serving on by marking with an X.
You may select more than one.

<input type="checkbox"/> ADVISORY PLANNING COMMISSION 1ST & 3RD WEDNESDAY OF THE MONTH AT 6:30 PM WORKSESSION PRIOR TO EACH MEETING AT 5:30 PM	<input type="checkbox"/> ECONOMIC DEVELOPMENT ADVISORY COMMISSION 2ND TUESDAY OF THE MONTH AT 6:00 PM
<input checked="" type="checkbox"/> PARKS ART RECREATION & CULTURE ADVISORY COMMISSION <i>Student Representative</i> 3RD THURSDAY OF THE MONTH AT 5:30 PM	<input type="checkbox"/> CANNABIS ADVISORY COMMISSION 4TH THURSDAY OF THE MONTH AT 5:30 PM
<input type="checkbox"/> PORT & HARBOR ADVISORY COMMISSION 3RD WEDNESDAY OF THE MONTH OCT-APRIL AT 5:00 PM MAY - SEPT AT 6:00 PM	<input type="checkbox"/> LIBRARY ADVISORY BOARD 1ST TUESDAY OF THE MONTH AT 5:30 PM
<input type="checkbox"/> PUBLIC ARTS COMMITTEE 2ND THURSDAY OF THE MONTH AT 5:00 P.M. FEB, MAY, AUGUST & NOVEMBER WORKSESSIONS PRIOR AT 4:00 PM	<input type="checkbox"/> OTHER - PLEASE INDICATE _____
<input type="checkbox"/> CITY COUNCIL 2ND & 4TH MONDAY OF THE MONTH SPECIAL MEETINGS & WORKSESSIONS AT 4:00 PM COMMITTEE OF THE WHOLE AT 5:00 PM REGULAR MEETING AT 6:00 PM	

I have been a resident of the city for 16 years. I have been a resident of the area for 16 years.

I am presently employed at _____

Please list any special training, education or background you may have which is related to your choice of advisory body.

I have participated in Homer's recreation programs for many years, and I have participated in outdoor activities and trainings such as HoWL (Homer Wilderness Leaders).

Have you ever served on a similar advisory body? If so please list when, where and how long:

I have not.

Why are you interested in serving on the selected advisory body?

I am hoping to get experience working on a commission and working in a political setting.

Please list any current memberships or organizations you belong to related to your selection(s):

Homer Youth String Orchestra Club.

Please answer the following only if you are applying for the Advisory Planning Commission:
Have you ever developed real property other than a personal residence, if so briefly explain:

High School

Please answer if your are applying for the Port & Harbor Advisory Commission:
Do you use the Homer Port and/or Harbor on a regular basis?

Yes No What is your primary use? Commercial Recreational

Please include any additional information that may assist the Mayor in his/her decision making:

When you have completed the application please review and return to the City Clerk's Office. You may also email this to clerk@cityofhomer-ak.gov or fax to 907-235-3143. Thank you for applying!

CITY OF HOMER
 2018-2023 CAPITAL IMPROVEMENT PLANNING PROCESS
 FY 2019 LEGISLATIVE REQUEST DEVELOPMENT SCHEDULE

ACTION	TIMEFRAME
City Council Approval of CIP Schedule	May 8, 2017
Solicit New/Revised Project Information from City Departments, Local Agencies and Non-profits	May 10
Input for New Draft Requested By	June 9
Prepare and Distribute Draft CIP to City Advisory Groups for Review and Input:	Meeting Dates:
Parks & Recreation Advisory Commission	June 15, August 17
Planning Commission	June 21, July 19
Port & Harbor Advisory Commission	June 28, July 26
Economic Development Advisory Commission	July 11, August 8
ADA Compliance Committee	July 13
Library Advisory Board	August 1
Administrative Review and Compilation	August 9 - August 22
City Council Worksession to Review Proposed Projects	August 28
Introduction of Resolution on CIP-Legislative Request Public Hearing on CIP-Legislative Request	September 11
Public Hearing on CIP-Legislative Request Adoption of Resolution by City Council	September 25
Administration Forwards Requests for Governor's Budget	September 29
Distribution of CIP & State Legislative Request	October 2017 & January 2018
Compilation/Distribution of Federal Request	February 2018

ORDINANCE REFERENCE SHEET
2017 ORDINANCE
ORDINANCE 17-19

An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Vessel Passenger Tax Program Pass Through Grant from the Kenai Peninsula Borough for Calendar Year 2016 in the Amount of \$27,630.00 and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. Council Regular Meeting May 3, 2017 Introduction
 - a. Letter from City Manager Koester to Mayor Navarre dated March 21, 2017
 - b. KPB Financial/Progress Report
 - c. KPB Grant Agreement
 - d. KPB Financial/Progress Report Signature Authorization Form

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 17-19

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, ACCEPTING AND APPROPRIATING A COMMERCIAL VESSEL PASSENGER TAX PROGRAM PASS THROUGH GRANT FROM THE KENAI PENINSULA BOROUGH FOR CALENDAR YEAR 2016 IN THE AMOUNT OF \$27,630.00 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

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

WHEREAS, The Kenai Peninsula Borough has received such funds for calendar year 2016 and decided to pass those revenues through to Homer and Seward; the communities where cruise ships land and utilize local infrastructure and services; and

WHEREAS, The Borough Assembly adopted KPB Ordinance 2016-19-32 which appropriated funds and authorized a pass through grant to the City of Homer in the amount of \$27,630.00; and

WHEREAS, The grant funds must be used for port and harbor projects that benefit cruise ship passengers and the City has proposed the use of the proceeds of this grant to replace the bathroom at the top of Ramp 2.

NOW THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby accepts and appropriates a Commercial Vessel Passenger Tax Program pass through grant from the Kenai Peninsula Borough for the calendar year 2016 in the amount of \$27,630.00 as follows:

Account	Description:	Amount:
	KPB CVPT Pass Through Grant for 2016	\$27,630.00

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

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

CITY OF HOMER

BRYAN ZAK, MAYOR

47 ATTEST:

48

49

50 _____

51 JO JOHNSON, MMC, CITY CLERK

52

53

54 AYES:

55 NOES:

56 ABSTAIN:

57 ABSENT:

58

59

60 First Reading:

61 Public Hearing:

62 Second Reading:

63 Effective Date:

64

65

66 Reviewed and approved as to form:

67

68

69 _____

70 Mary K. Koester, City Manager

71

72 Date:_____

Holly Wells, City Attorney

Date:_____



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 21, 2017

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

SUBJECT: 2016 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 2016 is \$27,630.

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. It is the City's intention to consolidate 2016 funds with future pass through appropriations from the Borough, funds from the state, and City funds to replace the bathroom at the top of Ramp 2. At the center of the retail area on the Homer Spit and a launching point for many day trips, Ramp 2 is the most heavily used restroom on the spit and heavily used by cruise ship passengers when they are in port.

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

Sincerely,

Katie Koester
City Manager

Cc: Brenda Ahlberg, KPB Community and Fiscal Projects Manager



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: 271.94910.17CPV.43011

Contract Amount: \$27,630
Ending: 06/30/2022

Financial / Progress Report

Submit Report To: Brenda Ahlberg
 Community & Fiscal Projects Manager
 Kenai Peninsula Borough
 144 N. Binkley St., Soldotna, AK 99669

Project Name: CY16 CPVTX
Date:
Report No.:
Quarter From:
To:

FINANCIAL REPORT:

Cost Category	Authorized Budget	Expenditures from Last Report	Expenditures This Period	Total Expenditures to Date	Balance of Funds
	\$ -				
Personnel		-	-		\$ -
Travel		-	-	-	\$ -
Contractual	27,630.00	-	-	-	\$ 27,630.00
Supplies		-	-	-	\$ -
Other		-	-	-	\$ -
		-	-	-	\$ -
TOTALS	\$ 27,630.00	-	\$ -	\$ -	\$ 27,630.00

Advance funding	\$ 27,630.00
Expenditures applied to advance	\$ -
Remaining Advance Balance	\$ 27,630.00

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 March 21, 2017 and approved by Kenai Peninsula Borough Ordinance 2016-19-32.

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: _____



KENAI PENINSULA BOROUGH

GRANT AGREEMENT

Total Grant Funds
\$27,630

Authorizing Ordinance
O2016-19-32

KPB Account Number
271.94910.17CPV.43011

Total Grant Award
\$27,630

Project Title
Commercial Passenger Vessel Tax Program

Funding Source
State

Grantee

Borough Contact Person

Name
City of Homer
DUNS# **040171563**
EIN# **92-0030963**
Mailing Address
491 E. Pioneer Avenue
City/State/Zip
Homer AK 99603
Contact Person
Katie Koester, City Manager
Phone **235-8121** Fax **235-3148**

Name
Brenda Ahlberg, Community & Fiscal Projects Manager
Mailing Address
144 N. Binkley Street
City/State/Zip
Soldotna, AK 99669
Email
bahlberg@kpb.us
Phone **714-2153** Fax **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 \$27,630.

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 04/18/2017 and shall be completed no later than 06/30/2022.

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

KPB Grant Agreement

City of Homer - Commercial Passenger Vessel Tax Program CY2016 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 2016 in the amount of \$27,630 to the Grantee through KPB Ordinance 2016-19-32. Grantee shall cite KPB account number **271.94910.17CPV.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 18, 2017 and ending on June 30, 2022. The Grantee must liquidate all obligations not later than June 30, 2022. 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 \$27,630 as determined by the State of Alaska for projects identified in the City of Homer's request letter dated March 21, 2017 and approved by Kenai Peninsula Borough Ordinance 2016-19-32.
 - 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. The Grantee shall provide a report summarizing actions to date, no later than June 30th each year for project performance period greater than one year.
 - c. 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.

- d. 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.
- e. This agreement is not to be construed as entitlement to city receiving the future allocation of the Borough's CPVT.
- f. 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 \$500,000 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 \$500,000 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 \$500,000 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: 271.94910.17CPV.43011

Contract Amount: \$27,630
Ending: 06/30/2018

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	27,630.00	-	-	-	\$ 27,630.00
Supplies		-	-	-	\$ -
Other		-	-	-	\$ -
		-	-	-	\$ -
TOTALS	\$ 27,630.00	-	\$ -	\$ -	\$ 27,630.00

Advance funding	\$ 27,630.00
Expenditures applied to advance	\$ -
Remaining Advance Balance	\$ 27,630.00

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 March 21, 2017 and approved by Kenai Peninsula Borough Ordinance 2016-19-32.

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: 271.94910.17CPV.43011

Effective Date 04/18/17

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 Brian Hawkins
Individual managing the project

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 John Li
Authorized to certify financial expenditures and records

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 Katie Koester
City Manager

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

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

3
4 Mayor

5 **RESOLUTION 17-045**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8 AMENDING THE KACHEMAK DRIVE PHASE III WATER AND SEWER
9 SPECIAL ASSESSMENT ROLL BY EXEMPTING GOVERNMENT LOT 9,
10 TOWNSHIP 6 SOUTH, RANGE 13 WEST, SECTION 23, SEWARD
11 MERIDIAN, KENAI PENINSULA BOROUGH PARCEL NUMBER
12 17915012 OWNED BY KACHEMAK BAY MOOSE HABITAT, INC.
13

14 WHEREAS, Resolution 16-042 was adopted by Council on April 25, 2016 authorizing the
15 formation of the Kachemak Drive Phase III Water and Sewer Special Assessment District; and
16

17 WHEREAS, Pursuant to Resolution 05-50(A) the Council can exempt certain lands that
18 will not be developed due to conservation easements or land that is owned by organizations
19 that conserve land for public purposes or habitat protection from the Homer Accelerated
20 Water and Sewer Program Special Assessment Districts on a case by case basis; and
21

22 WHEREAS, Government Lot 9, Township 6 South, Range 13 West, Section 23, Seward
23 Meridian, Kenai Peninsula Borough parcel number 17915012 is owned by Kachemak Moose
24 Habitat, Inc., a small nonprofit that has preserved more than 630 acres of moose habitat on
25 the Southern Kenai Peninsula since 1996; and
26

27 WHEREAS, Kachemak Moose Habitat, Inc. has an emphasis on conserving land around
28 Beluga Lake next to the Homer Airport Critical Habitat Area; and
29

30 WHEREAS, During tough winters and deep snow the moose congregate in the Beluga
31 Lake wetlands near the airport to feed and rest.
32

33 NOW, THEREFORE, BE IT RESOLVED that Government Lot 9, Township 6 South, Range
34 13 West, Section 23, Seward Meridian, Kenai Peninsula Borough parcel number 17915012 is
35 exempt from an assessment from the Kachemak Drive Phase III Water and Sewer Special
36 Assessment District until such time as the lots are developed or a permanent structure is
37 constructed on the lots.
38

39 PASSED AND ADOPTED by the Homer City Council on this 8th day of May, 2017.
40

41 CITY OF HOMER
42

43
44
45
46
47
48
49
50
51
52
53
54
55

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: \$12,992 water assessment and \$23,260 sewer assessment for Kenai Peninsula
Borough Parcel number 17915012.

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

3 City Clerk/
4 Public Works Director

5 **RESOLUTION 17-046**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8 AWARDED THE TRI-ANNUAL CONTRACT FOR PUBLIC WORKS
9 GRAVEL SUPPLY FOR 2017, 2018, AND 2019 TO THE FIRMS OF R/C
10 LAND IMPROVEMENT AND PAUL'S SERVICES, BOTH OF ANCHOR
11 POINT, ALASKA AND AUTHORIZING THE CITY MANAGER TO
12 EXECUTE THE APPROPRIATE DOCUMENTS.

13
14 WHEREAS, The Invitation to Bid was advertised in the Homer News on April 13 and 20,
15 2017 and posted on the City's website as required by the City's Procurement Manual; and

16
17 WHEREAS, Three bids were received; and

18
19 WHEREAS, R/C Land Improvement was determined the lowest responsive bidder for
20 Winter Sand at \$13.00 per cubic yard and Type II Gravel at \$12.00 per cubic yard for a total of
21 \$41,400.00 per year; and

22
23 WHEREAS, Paul's Services was determined the lowest responsive bidder for Type III
24 Gravel at \$15.44 per cubic yard for a total of \$7,720 per year; and

25
26 WHEREAS, This award is not final until written notification is received by R/C Land
27 Improvement and from Paul's Services, both of Anchor Point, Alaska from the City of Homer.

28
29 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, approves
30 the tri-annual contract for the Public Works Gravel Supply 2017, 2018, and 2019 to the firm of
31 R/C Land Improvement of Anchor Point in the amount of \$41,400.00 per year and Paul's
32 Services of Anchor Point in the amount of \$7,720 per year and authorizes the City Manager to
33 execute the appropriate documents.

34
35 PASSED AND ADOPTED by the Homer City Council on this 8th day of May, 2017.

36
37 CITY OF HOMER

38
39
40
41 _____
42 CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

43
44 ATTEST:
45
46
47 _____
48 JO JOHNSON, MMC, CITY CLERK
49
50 Fiscal Note: Account No. 100.0174.5202 \$34,000; Account No.100.0172.5202 \$5,000; Account No.
51 100.0172.5202 \$7,720; Account No.100.0172.5202 \$2,400.
52



Memorandum 17-073

To: Katie Koester, City Manager

From: Dan Gardner, Superintendent

Date: May 1, 2017

Subject: **Public Works Tri-Annual Gravel Supply Contract Bidding Results – Years 2017, 2018, and 2019**

On April 27, 2017, bids were opened for the tri-annual Public Works Gravel Supply Contract.

The bids are for three one-year renewable contracts. The bid results are as follow:

Bidder Name	Winter Sand Per Cubic Yard	Type III Gravel Per Cubic Yard	Type II Gravel Per Cubic Yard	D-1 Gravel Per Cubic Yard
R/C Land Imp.	\$13.00	\$15.50	\$12.00	No Bid
Paul’s Services	\$17.44	\$15.44	\$13.44	\$27.00
East Road Svcs.	\$16.00	\$17.00	\$14.00	\$22.00

Recommendation

Award the following three-year renewable contracts (These are the 2017 bid quantities)

- Winter Sand – R/C Land Improvement, Anchor Point (3000 cy x \$13.00 = \$39,000)
- Type III Gravel – Paul’s Services, Anchor Point (500 cy x \$15.44 = \$7,720)
- Type II Gravel – R/C Land Improvement, Anchor Point (200 cy x \$12.00 = \$2400)
- D-1 Gravel – Recommend no award

No award recommendation is made for D-1 gravel as we are not currently purchasing any of this material. Should we require D-1 in the future, standard procurement procedures will be followed.

Fiscal Note

- Sand 100.0174.5202 \$34,000
- Sand 100.0172.5202 \$5,000
- Type III Gravel 100.0172.5202 \$7,720
- Type II Gravel 100.0172-5202 \$2,400

CC: Jo Johnson, City Clerk
Carey Meyer, Director

**CITY OF HOMER
HOMER, ALASKA**

Mayor/Council

RESOLUTION 17-047

A RESOLUTION OF THE HOMER CITY COUNCIL SUPPORTING SB
54, AMENDMENTS TO CRIMINAL JUSTICE REFORM.

WHEREAS, SB 54 makes important and necessary improvements to SB 91, the Omnibus
Criminal Law and Procedure bill passed in 2016; and

WHEREAS, SB 54 amends the presumptive range for class C felonies to 0-1 year; and

WHEREAS, SB 54 allows some jail time for a repeat theft offender; and

WHEREAS, SB 54 amends sex trafficking provision to protect sex workers while still
allowing the State to prosecute those who are running sex trafficking enterprises and places of
prostitution; and

WHEREAS, SB 54 makes violations of conditions of release punishable by up to 5 days
in jail; and

WHEREAS, The changes in SB 54 provide necessary tools for the Homer Police
Department to be able to deter repeat theft offenders, class C felons and apprehend
individuals violating their conditions of release; and

WHEREAS, The Alaska Police Chiefs Association has come out in support of SB 54.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council Homer supports SB 54,
amendments to criminal justice reform.

PASSED AND ADOPTED by the Homer City Council on this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: N/A

CS FOR SENATE BILL NO. 54(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/3/17

Referred: Rules

Sponsor(s): SENATOR COGHILL, Micciche

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to crime and criminal law; relating to violation of condition of release;
2 relating to sex trafficking; relating to sentencing; relating to imprisonment; relating to
3 parole; relating to probation; relating to driving without a license; relating to the
4 pretrial services program; and providing for an effective date."

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

6 * **Section 1.** AS 11.56.757(a) is amended to read:

7 (a) A person commits the **crime** [OFFENSE] of violation of condition of
8 release if the person

9 (1) has been charged with a crime or convicted of a crime;

10 (2) has been released under AS 12.30; and

11 (3) violates a condition of release imposed by a judicial officer under
12 AS 12.30, other than the requirement to appear as ordered by a judicial officer.

13 * **Sec. 2.** AS 11.56.757(b) is amended to read:

14 (b) Violation of condition of release is a **class B misdemeanor** [VIOLATION

1 PUNISHABLE BY A FINE OF UP TO \$1,000].

2 * **Sec. 3.** AS 11.66.130(a) is amended to read:

3 (a) A person commits the crime of sex trafficking in the third degree if [,
4 WITH INTENT TO PROMOTE PROSTITUTION,] the person

5 (1) **receives compensation for prostitution services rendered by**
6 **another; and**

7 (2) **with the intent to promote prostitution,**

8 (A) manages, supervises, controls, or owns, either alone or in
9 association with others, a place of prostitution;

10 (B) [(2)] as other than a patron of a prostitute, induces or
11 causes another person who is 20 years of age or older to engage in prostitution;

12 (C) [(3) AS OTHER THAN A PROSTITUTE RECEIVING
13 COMPENSATION FOR PERSONALLY RENDERED PROSTITUTION
14 SERVICES,] receives or agrees to receive money or other property under an
15 agreement or understanding that the money or other property is derived from
16 prostitution; or

17 (D) [(4)] engages in conduct that institutes, aids, or facilitates a
18 prostitution enterprise.

19 * **Sec. 4.** AS 11.66.135(a) is amended to read:

20 (a) A person commits the crime of sex trafficking in the fourth degree if the
21 person

22 (1) **receives compensation for prostitution services rendered by**
23 **another; and**

24 (2) engages in conduct that institutes, aids, or facilitates prostitution
25 under circumstances not proscribed under **AS 11.66.130(a)(2)(D)**
26 [AS 11.66.130(a)(4)].

27 * **Sec. 5.** AS 11.66.150 is amended by adding a new paragraph to read:

28 (4) "compensation" does not include any payment for reasonably
29 apportioned shared expenses.

30 * **Sec. 6.** AS 12.55.125(e) is amended to read:

31 (e) Except as provided in (i) of this section, a defendant convicted of a class C

1 felony may be sentenced to a definite term of imprisonment of not more than five
 2 years, and shall be sentenced to a definite term within the following presumptive
 3 ranges, subject to adjustment as provided in AS 12.55.155 - 12.55.175:

4 (1) if the offense is a first felony conviction and does not involve
 5 circumstances described in (4) of this subsection, [PROBATION, WITH A
 6 SUSPENDED TERM OF IMPRISONMENT OF] zero to **one year** [18 MONTHS]; a
 7 defendant sentenced under this paragraph may, if the court finds it appropriate, be
 8 granted a suspended imposition of sentence under AS 12.55.085;

9 (2) if the offense is a second felony conviction, one to three years;

10 (3) if the offense is a third felony conviction, two to five years;

11 (4) if the offense is a first felony conviction, and the defendant violated

12 (A) AS 08.54.720(a)(15), one to two years;

13 (B) AS 28.35.030(n)(1)(A) or 28.35.032(p)(1)(A), 120 days to
 14 239 days;

15 (C) AS 28.35.030(n)(1)(B) or 28.35.032(p)(1)(B), 240 days to
 16 359 days;

17 (D) AS 28.35.030(n)(1)(C) or 23.35.032(p)(1)(C), 360 days to
 18 two years.

19 * **Sec. 7.** AS 12.55.125 is amended by adding a new subsection to read:

20 (q) Other than for convictions subject to a mandatory 99-year sentence, the
 21 court shall impose, in addition to an active term of imprisonment imposed under (i) of
 22 this section, a minimum period of (1) suspended imprisonment of five years and a
 23 minimum period of probation supervision of 15 years for conviction of an unclassified
 24 felony, (2) suspended imprisonment of three years and a minimum period of probation
 25 supervision of 10 years for conviction of a class A or class B felony, or (3) suspended
 26 imprisonment of two years and a minimum period of probation supervision of five
 27 years for conviction of a class C felony. The period of probation is in addition to any
 28 sentence received under (i) of this section.

29 * **Sec. 8.** AS 12.55.135(a) is amended to read:

30 (a) A defendant convicted of a class A misdemeanor may be sentenced to a
 31 definite term of imprisonment of not more than

1 (1) one year, if the

2 (A) conviction is for a crime with a mandatory minimum term
3 of 30 days or more of active imprisonment;

4 (B) trier of fact finds the aggravating factor that the conduct
5 constituting the offense was among the most serious conduct included in the
6 definition of the offense;

7 (C) defendant has **previously been convicted two or more**
8 **times** [PAST CRIMINAL CONVICTIONS] for conduct violative of criminal
9 laws, punishable as felonies or misdemeanors, similar in nature to the offense
10 for which the defendant is being sentenced;

11 (D) conviction is for an assault in the fourth degree under
12 AS 11.41.230; or

13 (E) conviction is for a violation of

14 (i) AS 11.41.427;

15 (ii) AS 11.41.440;

16 (iii) AS 11.41.460, if the indecent exposure is before a
17 person under 16 years of age; [OR]

18 (iv) **AS 11.61.116(c)(2); or**

19 **(v) AS 11.61.118(a)(2);**

20 (2) **60 days, if the defendant has one previous conviction for**
21 **conduct violative of criminal laws, punishable as felonies or misdemeanors,**
22 **similar in nature to the offense for which the defendant is being sentenced;**

23 **(3)** 30 days.

24 * **Sec. 9.** AS 12.55.135(b) is amended to read:

25 (b) A defendant convicted of a class B misdemeanor may be sentenced to a
26 definite term of imprisonment of not more than

27 (1) 10 days unless otherwise specified in the provision of law defining
28 the offense or in this section;

29 (2) 90 days if the conviction is for a violation of

30 (A) AS 11.61.116(c)(1) and the person is 21 years of age or
31 older; or

1 (B) AS 11.61.120(a)(6) and the person is 21 years of age or
2 older; **or**

3 **(3) five days if the conviction is for a violation of AS 11.56.757.**

4 * **Sec. 10.** AS 12.55.135(l) is amended to read:

5 (l) A court sentencing a person convicted of theft in the fourth degree under
6 AS 11.46.150, concealment of merchandise under AS 11.46.220(c)(3), removal of
7 identification marks under AS 11.46.260(b)(3), unlawful possession under
8 AS 11.46.270(b)(3), issuing a bad check under AS 11.46.280(d)(4), or criminal
9 simulation under AS 11.46.530(b)(3) may not impose

10 (1) a sentence of more than **10** [FIVE] days of **active** [SUSPENDED]
11 imprisonment and a term of probation of more than six months if the person has
12 previously been convicted two or more times of an offense under AS 11.46.110 -
13 11.46.220, 11.46.260 - 11.46.290, 11.46.360 or 11.46.365, or a law or ordinance of
14 this or another jurisdiction with substantially similar elements; [OR]

15 (2) a sentence of **more than five days of** active [OR SUSPENDED]
16 imprisonment **and a term of probation of more than six months** if the person has
17 [NOT BEEN PREVIOUSLY CONVICTED, OR HAS] previously been convicted
18 once [,] of an offense under AS 11.46.110 - 11.46.220, 11.46.260 - 11.46.290,
19 11.46.360 or 11.46.365, or a law or ordinance of this or another jurisdiction with
20 substantially similar elements; **or**

21 **(3) a sentence of more than five days of suspended imprisonment**
22 **and a term of probation of more than six months if the person has not been**
23 **previously convicted of an offense under AS 11.46.110 - 11.46.220, 11.46.260 -**
24 **11.46.290, 11.46.360 or 11.46.365, or a law or ordinance of this or another**
25 **jurisdiction with substantially similar elements.**

26 * **Sec. 11.** AS 12.55.135(p) is amended to read:

27 (p) If the state seeks to establish an aggravating factor at sentencing

28 (1) under (a)(1)(C) **or (a)(2)** of this section, written notice must be
29 served on the opposing party and filed with the court not later than 10 days before the
30 date set for imposition of sentence; the aggravating factor in (a)(1)(C) **or (a)(2)** of this
31 section must be established by clear and convincing evidence before the court sitting

1 without a jury; all findings must be set out with specificity;

2 (2) an aggravating factor under (a)(1)(B) of this section shall be
3 presented to a trial jury under procedures set by the court, unless the defendant waives
4 trial by jury, stipulates to the existence of the factor, or consents to have the factor
5 proven under procedures set out in (1) of this subsection; an aggravating factor
6 presented to a jury is established if proved beyond a reasonable doubt; written notice
7 of the intent to establish an aggravating factor must be served on the defendant and
8 filed with the court

9 (A) not later than 10 days before trial or at a time specified by
10 the court;

11 (B) not later than 48 hours, or at a time specified by the court,
12 if the court instructs the jury about the option to return a verdict for a lesser
13 included offense; or

14 (C) not later than five days before entering a plea that results in
15 a finding of guilt or at a time specified by the court unless the defendant
16 waives the notice requirement.

17 * **Sec. 12.** AS 12.55.145(a) is amended to read:

18 (a) For purposes of considering prior convictions in imposing sentence under

19 (1) AS 12.55.125(c), (d), or (e),

20 (A) a prior conviction may not be considered if a period of 10
21 or more years has elapsed between the date of the defendant's unconditional
22 discharge on the immediately preceding offense and commission of the present
23 offense unless the prior conviction was for an unclassified or class A felony;

24 (B) a conviction in this or another jurisdiction of an offense
25 having elements similar to those of a felony defined as such under Alaska law
26 at the time the offense was committed is considered a prior felony conviction;

27 (C) two or more convictions arising out of a single, continuous
28 criminal episode during which there was no substantial change in the nature of
29 the criminal objective are considered a single conviction unless the defendant
30 was sentenced to consecutive sentences for the crimes; offenses committed
31 while attempting to escape or avoid detection or apprehension after the

1 commission of another offense are not part of the same criminal episode or
2 objective;

3 (2) AS 12.55.125(l),

4 (A) a conviction in this or another jurisdiction of an offense
5 having elements similar to those of a most serious felony is considered a prior
6 most serious felony conviction;

7 (B) commission of and conviction for offenses relied on as
8 prior most serious felony offenses must occur in the following order:
9 conviction for the first offense must occur before commission of the second
10 offense, and conviction for the second offense must occur before commission
11 of the offense for which the defendant is being sentenced;

12 (3) AS 12.55.135(g),

13 (A) a prior conviction may not be considered if a period of five
14 or more years has elapsed between the date of the defendant's unconditional
15 discharge on the immediately preceding offense and commission of the present
16 offense unless the prior conviction was for an unclassified or class A felony;

17 (B) a conviction in this or another jurisdiction of an offense
18 having elements similar to those of a crime against a person or a crime
19 involving domestic violence is considered a prior conviction;

20 (C) two or more convictions arising out of a single, continuous
21 criminal episode during which there was no substantial change in the nature of
22 the criminal objective are considered a single conviction unless the defendant
23 was sentenced to consecutive sentences for the crimes; offenses committed
24 while attempting to escape or avoid detection or apprehension after the
25 commission of another offense are not part of the same criminal episode or
26 objective;

27 (4) AS 12.55.125(i),

28 (A) a conviction in this or another jurisdiction of an offense
29 having elements similar to those of a sexual felony is a prior conviction for a
30 sexual felony;

31 (B) a felony conviction in another jurisdiction making it a

1 crime to commit any lewd and lascivious act upon a child under the age of 16
 2 years, with the intent of arousing, appealing to, or gratifying the sexual desires
 3 of the defendant or the victim is a prior conviction for a sexual felony;

4 (C) two or more convictions arising out of a single, continuous
 5 criminal episode during which there was no substantial change in the nature of
 6 the criminal objective are considered a single conviction unless the defendant
 7 was sentenced to consecutive sentences for the crimes; offenses committed
 8 while attempting to escape or avoid detection or apprehension after the
 9 commission of another offense are not part of the same criminal episode or
 10 objective;

11 **(5) AS 12.55.135(a),**

12 **(A) a prior conviction may not be considered if a period of**
 13 **five or more years has elapsed between the date of the defendant's**
 14 **unconditional discharge on the immediately preceding offense and**
 15 **commission of the present offense unless the prior conviction was for an**
 16 **unclassified or class A felony;**

17 **(B) a conviction in this or another jurisdiction of an offense**
 18 **having elements similar to those of a felony or misdemeanor defined as**
 19 **such under Alaska law at the time the offense was committed is considered**
 20 **a prior conviction;**

21 **(C) two or more convictions arising out of a single,**
 22 **continuous criminal episode during which there was no substantial change**
 23 **in the nature of the criminal objective are considered a single conviction**
 24 **unless the defendant was sentenced to consecutive sentences for the**
 25 **crimes; offenses committed while attempting to escape or avoid detection**
 26 **or apprehension after the commission of another offense are not part of**
 27 **the same criminal episode or objective.**

28 * Sec. 13. AS 12.63.100(6) is amended to read:

29 (6) "sex offense" means

30 (A) a crime under AS 11.41.100(a)(3), or a similar law of
 31 another jurisdiction, in which the person committed or attempted to commit a

1 sexual offense, or a similar offense under the laws of the other jurisdiction; in
 2 this subparagraph, "sexual offense" has the meaning given in
 3 AS 11.41.100(a)(3);

4 (B) a crime under AS 11.41.110(a)(3), or a similar law of
 5 another jurisdiction, in which the person committed or attempted to commit
 6 one of the following crimes, or a similar law of another jurisdiction:

7 (i) sexual assault in the first degree;

8 (ii) sexual assault in the second degree;

9 (iii) sexual abuse of a minor in the first degree; or

10 (iv) sexual abuse of a minor in the second degree; or

11 (C) a crime, or an attempt, solicitation, or conspiracy to commit
 12 a crime, under the following statutes or a similar law of another jurisdiction:

13 (i) AS 11.41.410 - 11.41.438;

14 (ii) AS 11.41.440(a)(2);

15 (iii) AS 11.41.450 - 11.41.458;

16 (iv) AS 11.41.460 if the indecent exposure is before a
 17 person under 16 years of age and the offender has a previous conviction
 18 for that offense;

19 (v) AS 11.61.125 - 11.61.128;

20 (vi) AS 11.66.110 or 11.66.130(a)(2)(B)
 21 [11.66.130(a)(2)] if the person who was induced or caused to engage in
 22 prostitution was under 20 years of age at the time of the offense;

23 (vii) former AS 11.15.120, former 11.15.134, or assault
 24 with the intent to commit rape under former AS 11.15.160, former
 25 AS 11.40.110, or former 11.40.200;

26 (viii) AS 11.61.118(a)(2) if the offender has a previous
 27 conviction for that offense; or

28 (ix) AS 11.66.100(a)(2) if the offender is subject to
 29 punishment under AS 11.66.100(e);

30 * **Sec. 14.** AS 18.67.101 is amended to read:

31 **Sec. 18.67.101. Incidents and offenses to which this chapter applies.** The

1 board may order the payment of compensation in accordance with the provisions of
2 this chapter for personal injury or death that resulted from

3 (1) an attempt on the part of the applicant to prevent the commission of
4 crime, or to apprehend a suspected criminal, or aiding or attempting to aid a police
5 officer to do so, or aiding a victim of crime; or

6 (2) the commission or attempt on the part of one other than the
7 applicant to commit any of the following offenses:

8 (A) murder in any degree;

9 (B) manslaughter;

10 (C) criminally negligent homicide;

11 (D) assault in any degree;

12 (E) kidnapping;

13 (F) sexual assault in any degree;

14 (G) sexual abuse of a minor;

15 (H) robbery in any degree;

16 (I) threats to do bodily harm;

17 (J) driving while under the influence of an alcoholic beverage,
18 inhalant, or controlled substance or another crime resulting from the operation
19 of a motor vehicle, boat, or airplane when the offender is under the influence
20 of an alcoholic beverage, inhalant, or controlled substance;

21 (K) arson in the first degree;

22 (L) sex trafficking in violation of AS 11.66.110 or
23 **11.66.130(a)(2)(B)** [11.66.130(a)(2)];

24 (M) human trafficking in any degree; or

25 (N) unlawful exploitation of a minor.

26 * **Sec. 15.** AS 28.15.011 is amended by adding a new subsection to read:

27 (d) Violation of (b) of this section is an infraction.

28 * **Sec. 16.** AS 29.25.070(g) is amended to read:

29 (g) If a municipality prescribes a penalty for a violation of a municipal
30 ordinance, including a violation under (a) of this section, and there is a comparable
31 state **crime** [OFFENSE] under AS 11 or AS 28 with elements that are similar to the

1 municipal ordinance, the municipality may not impose a greater punishment than that
 2 imposed for a violation of the state **crime** [LAW]. This subsection applies to home
 3 rule and general law municipalities.

4 * **Sec. 17.** AS 33.07.010, enacted by sec. 117, ch. 36, SLA 2016, is amended to read:

5 **Sec. 33.07.010. Pretrial services program; establishment.** The commissioner
 6 shall establish and administer a pretrial services program that provides a pretrial risk
 7 assessment for all defendants **detained in custody in a correctional facility**
 8 **following arrest and for any defendant for whom the prosecution requests to**
 9 **have a pretrial risk assessment at the next hearing or arraignment. The pretrial**
 10 **services program shall make** [,] recommendations to the court concerning pretrial
 11 release decisions, and **provide** supervision of defendants released while awaiting trial
 12 as ordered by the court.

13 * **Sec. 18.** AS 33.16.130(c) is amended to read:

14 (c) If the board denies parole, the board shall state the reasons for the denial,
 15 identify all of the factors considered relevant to the denial, and provide a written plan
 16 for addressing all of the factors relevant to the denial. The board may schedule a
 17 subsequent parole hearing at the time of the denial or at a later date [AS FOLLOWS:

18 (1) FOR THE FIRST PAROLE DENIAL, WITHIN TWO YEARS
 19 AFTER THE FIRST PAROLE ELIGIBILITY DATE;

20 (2) FOR THE SECOND AND SUBSEQUENT DENIALS, WITHIN
 21 TWO YEARS AFTER THE MOST RECENT PAROLE HEARING].

22 * **Sec. 19.** AS 33.30.061 is amended by adding a new subsection to read:

23 (d) A prisoner serving a term of imprisonment at a private residence as
 24 required by statute when electronic monitoring is not available does not have a liberty
 25 interest in that status. The commissioner may return the prisoner to a correctional
 26 facility if the commissioner finds that the prisoner has violated the terms and
 27 conditions of the imprisonment at the private residence.

28 * **Sec. 20.** AS 34.03.360(10) is amended to read:

29 (10) "illegal activity involving a place of prostitution" means a
 30 violation of AS 11.66.120(a)(1) or **11.66.130(a)(2)(A) or (D)** [11.66.130(a)(1) OR
 31 (4)];

1 * **Sec. 21.** AS 47.37.040 is amended to read:

2 **Sec. 47.37.040. Duties of department.** The department shall

3 (1) develop, encourage, and foster statewide, regional, and local plans
4 and programs for the prevention of alcoholism and drug abuse and treatment of
5 alcoholics, intoxicated persons, drug abusers, and inhalant abusers in cooperation with
6 public and private agencies, organizations, and individuals, and provide technical
7 assistance and consultation services for these purposes;

8 (2) coordinate the efforts and enlist the assistance of all public and
9 private agencies, organizations, and individuals interested in prevention of alcoholism,
10 drug abuse, and inhalant abuse, and treatment of alcoholics, intoxicated persons, drug
11 abusers, and inhalant abusers;

12 (3) cooperate with the Department of Corrections in establishing and
13 conducting programs to provide treatment for alcoholics, intoxicated persons, drug
14 abusers, and inhalant abusers in or on parole from penal institutions;

15 (4) cooperate with the Department of Education and Early
16 Development, school boards, schools, police departments, courts, and other public and
17 private agencies, organizations, and individuals in establishing programs for the
18 prevention of alcoholism, drug abuse, and inhalant abuse, and treatment of alcoholics,
19 intoxicated persons, drug abusers, and inhalant abusers, and preparing curriculum
20 materials for use at all levels of school education;

21 (5) prepare, publish, evaluate, and disseminate educational material
22 dealing with the nature and effects of alcohol and drugs, and the misuse of hazardous
23 volatile substances;

24 (6) develop and implement, as an integral part of treatment programs,
25 an educational program for use in the treatment of alcoholics, intoxicated persons,
26 drug abusers, and inhalant abusers that includes the dissemination of information
27 concerning the nature and effects of alcohol, drugs, and hazardous volatile substances;

28 (7) organize and foster training programs for all persons engaged in
29 treatment of alcoholics, intoxicated persons, drug abusers, and inhalant abusers, and
30 establish standards for training paraprofessional alcoholism, drug abuse, and inhalant
31 abuse workers;

1 (8) sponsor and encourage research into the causes and nature of
 2 alcoholism, drug abuse, and inhalant abuse, and the treatment of alcoholics,
 3 intoxicated persons, drug abusers, and inhalant abusers, and serve as a clearinghouse
 4 for information relating to alcoholism, drug abuse, and inhalant abuse;

5 (9) specify uniform methods for keeping statistical information by
 6 public and private agencies, organizations, and individuals, and collect and make
 7 available relevant statistical information, including number of persons treated,
 8 frequency of admission and readmission, and frequency and duration of treatment;

9 (10) conduct program planning activities approved by the Advisory
 10 Board on Alcoholism and Drug Abuse;

11 (11) review all state health, welfare, and treatment plans to be
 12 submitted for federal funding, and advise the commissioner on provisions to be
 13 included relating to alcoholics, intoxicated persons, drug abusers, and inhalant
 14 abusers;

15 (12) assist in the development of, and cooperate with, alcohol, drug
 16 abuse, and inhalant abuse education and treatment programs for employees of state
 17 and local governments and businesses and industries in the state;

18 (13) use the support and assistance of interested persons in the
 19 community, particularly recovered alcoholics, drug abusers, and inhalant abusers, to
 20 encourage alcoholics, drug abusers, and inhalant abusers to voluntarily undergo
 21 treatment;

22 (14) cooperate with the Department of Public Safety and the
 23 Department of Transportation and Public Facilities in establishing and conducting
 24 programs designed to deal with the problem of persons operating motor vehicles while
 25 under the influence of an alcoholic beverage, inhalant, or controlled substance, and
 26 develop and approve alcohol information courses required to be taken by drivers under
 27 AS 28.15 or made available to drivers to reduce points assessed for violation of traffic
 28 laws;

29 (15) encourage hospitals and other appropriate health facilities to
 30 admit without discrimination alcoholics, intoxicated persons, drug abusers, and
 31 inhalant abusers and to provide them with adequate and appropriate treatment;

1 (16) encourage all health insurance programs to include alcoholism
2 and drug abuse as a covered illness;

3 (17) prepare an annual report covering the activities of the department
4 and notify the legislature that the report is available;

5 (18) develop and implement a training program on alcoholism and
6 drug abuse for employees of state and municipal governments, and private institutions;

7 (19) develop curriculum materials on drug and alcohol abuse and the
8 misuse of hazardous volatile substances for use in grades kindergarten through 12, as
9 well as a course of instruction for teachers to be charged with presenting the
10 curriculum;

11 (20) develop and implement or designate, in cooperation with other
12 state or local agencies, a juvenile alcohol safety action program that provides alcohol
13 and substance abuse screening, referral, and monitoring of persons under 18 years of
14 age who have been referred to it by

15 (A) a court in connection with a charge or conviction of a
16 violation or misdemeanor related to the use of alcohol or a controlled
17 substance;

18 (B) the agency responsible for the administration of motor
19 vehicle laws in connection with a license action related to the use of alcohol or
20 a controlled substance; or

21 (C) department staff after a delinquency adjudication that is
22 related to the use of alcohol or a controlled substance;

23 (21) develop and implement, or designate, in cooperation with other
24 state or local agencies, an alcohol safety action program that provides services to
25 persons who have been referred by a court under AS 11.71.050(a)(4), AS 28.35.028,
26 28.35.030, or 28.35.032, or referred by an agency of the state with the responsibility
27 for administering motor vehicle laws in connection with a driver's license action
28 involving the use of alcohol or a controlled substance;

29 (22) whenever possible, apply evidence-based, research-based, and
30 consensus-based substance abuse and co-occurring substance abuse and mental health
31 disorders treatment practices and remove barriers that prevent the use of those

1 practices;

2 (23) collaborate with first responders, hospitals, schools, primary care
3 providers, developmental disability treatment providers, law enforcement, corrections,
4 attorneys, the Alaska Court System, community behavioral treatment providers,
5 Alaska Native organizations, and federally funded programs in implementing
6 programs for co-occurring substance abuse and mental health disorders treatment.

7 * **Sec. 22.** AS 11.66.130(b), 11.66.135(b); AS 12.55.125(e)(4)(B), 12.55.125(e)(4)(C), and
8 12.55.125(e)(4)(D) are repealed.

9 * **Sec. 23.** The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 **APPLICABILITY.** (a) The following sections apply to offenses committed on or after
12 the effective date of those sections:

- 13 (1) AS 11.56.757(a), as amended by sec. 1 of this Act;
- 14 (2) AS 11.56.757(b), as amended by sec. 2 of this Act;
- 15 (3) AS 11.66.130(a), as amended by sec. 3 of this Act;
- 16 (4) AS 11.66.135(a), as amended by sec. 4 of this Act;
- 17 (5) AS 11.66.150(4), enacted by sec. 5 of this Act; and
- 18 (6) AS 28.15.011(d), enacted by sec. 15 of this Act.

19 (b) The following sections apply to sentences imposed on or after the effective date of
20 those sections for conduct occurring on or after the effective date of those sections:

- 21 (1) AS 12.55.125(e), as amended by sec. 6 of this Act;
- 22 (2) AS 12.55.125(q), enacted by sec. 7 of this Act;
- 23 (3) AS 12.55.135(a), as amended by sec. 8 of this Act;
- 24 (4) AS 12.55.135(b), as amended by sec. 9 of this Act;
- 25 (5) AS 12.55.135(l), as amended by sec. 10 of this Act;
- 26 (6) AS 12.55.135(p), as amended by sec. 11 of this Act; and
- 27 (7) AS 12.55.145(a), as amended by sec. 12 of this Act.

28 (c) AS 33.16.130(c), as amended by sec. 18 of this Act, applies to sentences imposed
29 on or after the effective date of sec. 18 of this Act.

30 * **Sec. 24.** Section 17 of this Act takes effect January 1, 2018.

31 * **Sec. 25.** Except as provided in sec. 24 of this Act, this Act takes effect immediately under

1 AS 01.10.070(c).

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

3
4 City Manager/Finance Director

5 **RESOLUTION 17-048**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
8 MAINTAINING THE WATER AND SEWER FEES AT THE 2017 RATE AND
9 UPDATING THE HOMER FEE SCHEDULE ACCORDINGLY.

10
11 WHEREAS, Water and sewer utility services shall be reviewed annually and amended, as
12 necessary, to take effect as of July 1, 2017 with the first billing cycle to take effect following July 1; and
13

14 WHEREAS, The Homer City Council reviewed the current rate model and recommended no rate
15 changes for the period of July 1, 2017 through June 30, 2018.

16
17 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, that the water and
18 sewer fees be maintained at the 2017 rate and the Homer Fee Schedule be updated as follows:

19
20 WATER AND SEWER FEES:
21 Public Works - 235-3170
22 City Hall - 235-8121
23 Billing - 235-8121 x2240
24

25 (The following fees have been set by the following legislative enactment HCC Title 14, new fees set forth
26 in Resolution 16-063(S-2), Resolution 14-060, Ordinance 13-30(A), Resolution 15-074A-2), 13-048 (S-2)(A-
27 3), Ordinance 11-43, Resolution 11-094(S), Resolution 11-062(A), Resolution 09-47(S)(A), Resolution 09-
28 48(S)(A), Resolution 07-119 (A), Resolution 07-120(A), Ordinance 06-62(A), Resolution 06-04, Resolution
29 05-125, Resolution 05-122, Resolution 05-121(A), Resolution 05-09, Resolution 04-95, Resolution 04-
30 94(S)(A), Resolution 03-159, Resolution 02-80, Resolution 01-80(A), Resolution 00-123, Resolution 00-
31 34, Ordinance 00-02, Ordinance 97-17(A), amending the rates set forth in Ordinance 97-5(S)(A), with
32 amendments by Ordinance 97-7, Ordinance 97-13 and Ordinance 97-14).
33

34 A 15% admin. fee for replacement parts for water/sewer services, functions, pressure reducing valves,
35 sewer saddles, any Public Works Department stock item for resale to public.
36

37 Establishing service includes a one-time disconnect - \$75
38 Service calls, inspections, repairs not to exceed one hour - \$25 per employee plus equipment and
39 materials.
40

41 Service calls, inspections and repairs during normal operating hours in excess of one hour labor: actual
42 labor costs by City plus equipment and materials.
43

44 Service calls, inspections and repairs after normal operating hours or on weekends/holidays: \$50
45 minimum plus equipment and materials or actual cost incurred by City, whichever is greater.
46

47 SEWER FEES:
 48 Sewer Connection and Extension Permit Fee

49
 50 Single Family \$255
 51 Multi-Family/Commercial \$330

52
 53 Customer classification definitions for determining sewer connection and extension permit fees:

54
 55 Single Family Residential – A unit providing housing for one household; with less than 25% of the
 56 building area used for business or commercial purposes.

57
 58 Multi-Family Residential- A building or lot occupied by more than one household: contained within one
 59 building or several building within one complex. Examples of multi-family units includes duplexes,
 60 four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one
 61 lot (where units are normally rented or occupied for longer than one month at a time). Examples of
 62 units not considered as multi-family include hotels, motels, B&B’s seasonal rooms/cabins (where units
 63 are routinely rented or occupied for less than one month at a time.)

64
 65 Commercial - Any user not defined as Residential.

66
 67 Sewer Rate Schedule.

68
 69 All sewer utility services shall be billed according to the following schedule (Table I, II). This schedule
 70 is for monthly sewer services and is in addition to any charges for connecting or disconnecting the
 71 service, installation of the service or any assessment of the improvements.

Rates **Table I**

Customer Classification	Sewer	
	Monthly Service	Usage Charge/Gallon
Lift-Station Customer	\$ -	\$0.0232
Non-Lift-Station Customer		\$0.0157
Multi-units (additional per unit)	\$ 5.00	N/A

72

Rates **Table II**

Sewer ONLY Customers	Sewer
----------------------	-------

	Fees/Rate/Usage	Per Customer Per Month
Lift-Station Customer	\$0.0232/Gal	\$69.60
Non-Lift-Station Customer	\$0.0157/Gal	\$47.10
Monthly Service	\$5.00/customer/mo.	\$5.00 (Kachemak City customers will be exempt from \$5 monthly service fee. Kachemak City will be billed a \$5 monthly service fee to cover all Kachemak City sewer customers.)
Pumping Fee (<i>If Applicable</i>)	\$7.75/customer/mo.	\$7.75
Assumption: Avg. Sewer Usage	3000 Gal/Mo.	

73 Customer classification definitions for determining sewer rates:

74

75 Lift Station Zone Customer: There are eleven sewage lift/pump stations that are used for pumping
 76 wastewater or sewage from areas with lower elevation than the treatment plant. Customers who are
 77 located in these areas shall be charged additional fees for the cost added to the services (see Table I &
 78 II).

79

80 Non-Lift Station Zone Customer: Customers who are located in the zone that do not need lift/pump
 81 station services.

82

83 Sewer System Dischargers (Sewer ONLY customers): Customers who use sewer service only shall be
 84 charged a monthly fee of \$5 plus sewer usage fee based on assessed volume of 3,000 gallons per month
 85 multiplied by the applicable sewage rate (see Table II). Kachemak City Local Improvement District (LID)
 86 members have contributed to the initial cost of the sewer treatment plant and the collection system.
 87 For Kachemak City LID dischargers connected within the LID, the City of Homer shall bill Kachemak City
 88 in one single bill at the Lift-Station Zone Rate of \$77.35 (\$69.60 +\$7.75) per month per customer.
 89 Kachemak City shall be billed a \$5 monthly service charge to cover all Kachemak City sewer customers
 90 and shall be responsible for payment to the City of Homer.

91

92 Domestic sewer service customers who use large quantities of City water in addition to their domestic
 93 use shall be allowed, with the Public Works Director's approval, to install an additional water meter on
 94 the domestic water use line for the purpose of metering and charging for domestic sewer system use.
 95 Sewer system use will be billed monthly.

96
 97 The City will allow, upon approval by Public Works and a permit from the Public Works Department, a
 98 second water usage meter – called a seasonal sewer meter – for each customer that desires to measure
 99 the flow of City water that is not discharged to the sewer system during the summer growing season,
 100 June 15 through September 15. Rates noted above do not apply.

101
 102 Seasonal Sewer Meter Fee is \$251.75.

103
 104 WATER FEES:

105 Water Connection Fee

106
 107 Single Family \$300
 108 Multi-Family/Commercial \$375

109
 110 Customer classification definitions for determining water connection and extension permit fees:

111
 112 Single Family Residential – A unit providing housing for one household; with less than 25% of the
 113 building area used for business or commercial purposes.

114
 115 Multi-Family Residential- A building or lot occupied by more than one household: contained within one
 116 building or several building within one complex. Examples of multi-family units includes duplexes,
 117 four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one
 118 lot (where units are normally rented or occupied for longer than one month at a time). Examples of
 119 units not considered as multi-family include hotels, motels, B&B's seasonal rooms/cabins (where units
 120 are routinely rented or occupied for less than one month at a time.)

121
 122 Commercial - Any user not defined as Residential.

123
 124 Water Rate Schedule.

125
 126 All water utility services shall be billed according to the following schedule. This schedule is for monthly
 127 water service and is in addition to any charges for connecting or disconnecting the service, installation
 128 of the service or any assessment of the improvements.

129

Rates	Water Table III	
	Monthly Service	Usage Charge/Gallon
Customer Classification		
Lift-Station Customer	\$ 19.00	\$0.0109

Non-Lift-Station Customer	\$ 19.00	\$0.0109
Multi-units (additional per unit)	\$ 5.00	
Bulk Water	\$ 19.00	\$0.0149

130
 131
 132
 133
 134
 135
 136
 137
 138
 139
 140
 141
 142
 143
 144
 145
 146
 147
 148
 149
 150
 151
 152

Customer classification definitions for determining water rates:

Bulk Water Customers: The bulk water customers are the resellers of water or water users who purchase water from the water plant directly and are not in the metered water distribution system.

Non-Bulk Customers: All customers who receive water from the metered water distribution system.

Multi-Units: An additional \$5 monthly charge shall apply to each of the units of a building or lot occupied by more than one household or commercial entity contained within one building or several buildings within one complex. Examples of multi-family units include duplexes, four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one lot (where units are normally rented or occupied for longer than one month at a time). Examples of units not considered as multi-family include hotels, motels, and B&B's seasonal rooms/cabins (where units are routinely rented or occupied for less than one month at a time.)

This fee applies to all multi-unit structures defined in the sewer section of this for apartments, rental units or multi-unit buildings where each unit would have one or more restrooms and are intended to be rented on a monthly basis where there is only one meter installed, excluding a rental building restroom used for shared or public use.

Meter Size Deposits.

<u>Size (inches)</u>	<u>Residential Users</u>	<u>Nonresidential Users</u>
5/8	\$75.00	\$220.00
3/4	\$80.00	\$230.00
1	\$90.00	\$250.00
1-1/2	\$115.00	\$310.00
2	\$150.00	\$370.00
3	\$220.00	\$525.00

4	\$310.00	\$730.00
6	\$520.00	\$1,225.00

153

154 \$750 meter deposit shall apply to metered fire hydrant connections. The deposit will be returned when
155 the meter is returned undamaged. This deposit may be waived upon the recommendation of the Public
156 Works Superintendent.

157

158 If a bulk water customer purchases a meter from the City for measuring the quantity of water
159 purchased, it shall be exempt from the monthly meter service charge. It is the responsibility of the bulk
160 water customer to maintain that meter so the City can accurately determine the amount of water being
161 purchased. In the event the meter fails, it is the bulk water customer's responsibility, at its expense, to
162 repair it or purchase a replacement meter from the City. The City may at any time test the meter for
163 accuracy.

164

PASSED AND ADOPTED by the Homer City Council on this 8th day of May, 2017.

165

166

CITY OF HOMER

167

168

169

170

171

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

172

173

174

ATTEST:

175

176

177

178

JO JOHNSON, MMC, CITY CLERK

179

180

Fiscal Note: Revenue amounts defined in CY2017 budget.

181



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 17-072

TO: Mayor Zak and Homer City Council
FROM: Katie Koester, City Manager
DATE: May 3, 2017
SUBJECT: Water Sewer Follow up

The purpose of this memo is to address specific questions raised by Council during the Water and Sewer worksession held April 24.

How much do we have in reserves?

	12/31/2016 Balance	2017 Budgeted Transfer to Reserves	2017 Approved Projects	Total
Water	\$2,540,313	\$264,126	(\$35,000)	\$2,769,439
Sewer	\$1,933,912	\$335,840	(\$327,790)	\$1,942,962

To provide a point of comparison, currently for insurance purposes we value the Sewer Treatment plant, associated infrastructure and contents at \$14.2m. The new water treatment plant, contents, and associated water storage tanks are valued at \$18.9m.

Are there any water/sewer projects on the Capital Improvement Plan (CIP)?

Yes, phase 2 of Water Storage/Distribution Improvements is currently on the CIP, however it is not listed as a top 5 project. This project includes installation of an underground water storage tank and 2,000 linear feet of water main between the tank and the new water system for \$3.9m. The project is on hold until further development in the area, including a large subdivision.

Definition of Operational Adjustment

When looking at water volume, you will see an “operational adjustment” is applied. This number represents the volume of water the sewer treatment plant uses to process sewer. Because it is a necessary intra-operational expense, it is excluded from water volume so as not to skew the data when analyzing for rate setting purposes.

What portion of sales are bulk versus metered?

Since 2013 bulk sales averaged 14.5% of total volume. See attached chart for details.

What is the volume of water produced at the water treatment plant in comparison to metered sales?

Total water produced at treatment plant in 2016 was 188.8 million gallons. Total metered sales for 2016 was 124.5 million gallons. This equates to 64.3 million gallons, or 34% of production, used to treat waste, flush lines, fire hydrant testing and maintenance, and any leaks in the system. The majority of the flow is from flushing the lines to keep water going into people’s homes and businesses fresh with low levels of potential contaminants. Looping dead ends in the system, like the water storage/ distribution system project above, will reduce the need for flushing the lines.

Enc:

CIP page for Water Storage/Distribution Improvements, Phase 2

Chart: Bulk vs. Metered Water Sales



Water Storage/Distribution Improvements, Phase 2

Project Description & Benefit: This project will design and construct improvements that will increase water storage capabilities, improve water system distribution, drinking water quality/public health, and treatment plant and water transmission effectiveness. Improvements are designed to be completed in multiple phases as community need dictates.

- **Phase 1:** Installation of 4,500 linear feet of water main extension on Kachemak Drive and 2,600 linear feet of distribution main across Shellfish Avenue, connecting isolated sections of town with a new pressure reducing vault (PRV) was funded and will be completed in 2016.
- **Phase 2:** Installation of an underground water storage tank and 2,000 linear feet of water main between the new tank and the water system.
- **Phase 3:** Replacement of 3 PRVs on the East Trunk and installation of micro turbines generating power to the grid, abandonment of an existing functionally obsolete steel water tank and replacement of adjacent PRV station, and slip-lining of old cast iron water main on the Homer Spit.

Plans & Progress: The need for this project has been documented in the Homer Water & Sewer Master Plan (2006). The design has been completed through a \$884,000 Special Appropriation Project grant the City received from the Environmental Protection Agency. The Department of Environmental Conservation recommended funding phase 1 through the Municipal Matching Grant program which is reflected in The States FY16 capital budget approved by the Governor.

Total Project Cost: \$9,828,934

2014 (Design, Completed): \$900,000

2016 Phase 1 Construction (Funded, Completed): \$2,828,934

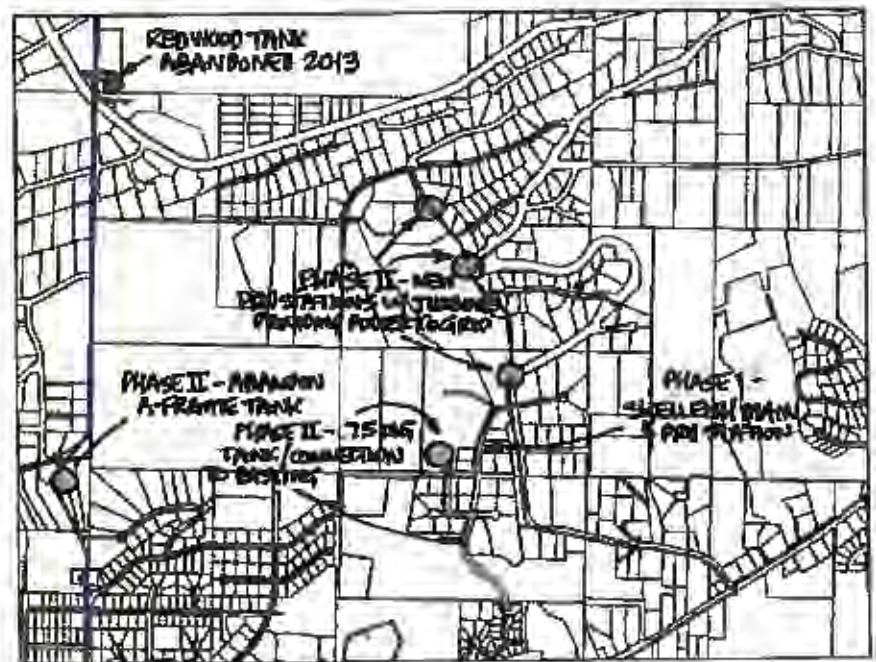
2019 Phase 2 Construction: \$3,900,000

2020 Phase 3 Construction: \$2,200,000

FY2016 State Capital Allocation: \$1,980,254

(City of Homer 30% Match: \$584,580)

Priority Level: 1

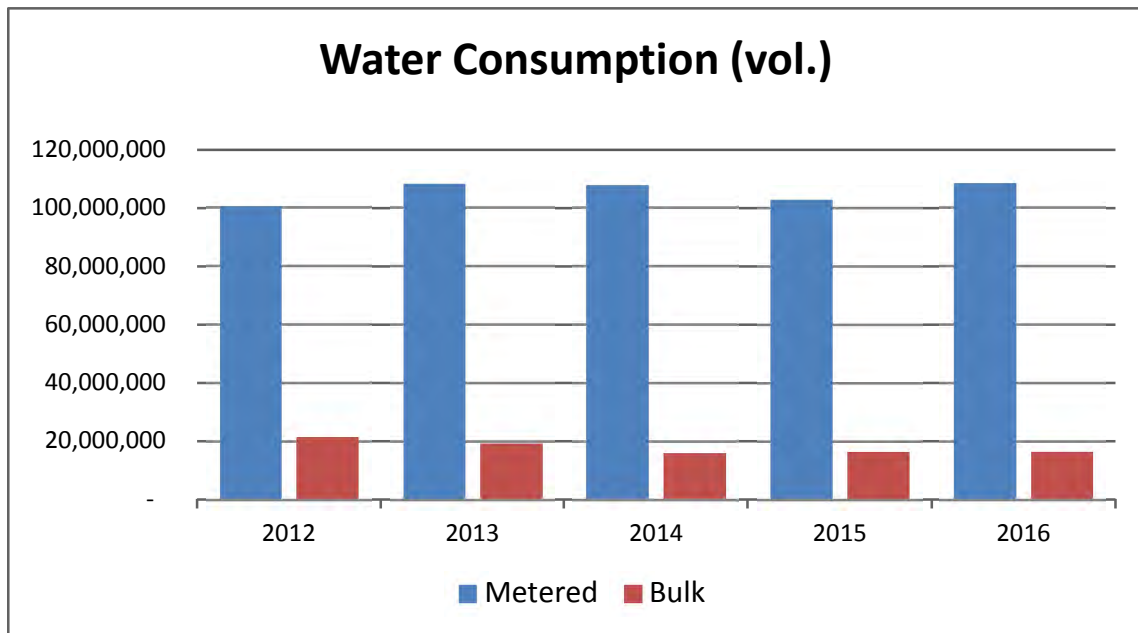


Phase 1, Shellfish Subdivision Main and PRV Station (indicated by red line) was completed in 2016. Phase 2 (green line) consists of installing an underground water storage tank and 2,000 linear feet of water main to increase water storage and distribution capabilities.

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Metered	100,301,900	107,875,885	107,403,206	102,688,524	108,248,600
Bulk	21,371,500	19,129,600	15,815,000	16,392,200	16,252,500
Total Consumption*	121,673,400	127,005,485	123,218,206	119,080,724	124,501,100

Bulk as % of Total Volume 17.56% 15.06% 12.83% 13.77% 13.05%

*Includes Operational Adjustment



VISITORS

Survey Results for Boys' and Girls' Club

4/25/17

Prepared by Eric Pederson

TOTALS	RESPONSES	STUDENTS
NO	19	
NOT SURE	31	about 54
YES	99	about 161

Total School Population about
700

School	School	School	School	Use	# Kids	Days/Week	What are your thoughts, questions, concerns, or comments? - Open-Ended Response
	MCE			No			
	MCE			No			
	MCE			No			
	MCE			No			While I won't have a need for it, I know a large part of the community will! I hope it is put in place.
	MCE			No			
	MCE			No			
FA				No			
				No			As an instructor at the Adult Education Program at Kachemak Bay Campus, we have a number of parents with young children who are working on their GED, college preparation, job and life skills. Many have to leave class or do not attend because they have to get their children. With that time pushed even earlier, that will be challenging for these folks, who are trying to get ahead, get better jobs, improve themselves and create better lives for their families. This support is invaluable. On another note, just a few days ago my son was talking about when he attended the Boys & Girls Club in Homer a few years back, he learned to tell time because at snack time students had to read the clock and if they couldn't they had to do worksheets to practice telling time before they got their snack. He has also mentioned other stories over the years of the positive influence going to the B&G had on him. I think this is a vital resource for our community's well-being, especially with budget challenges and parents needing to work ever longer hours, or for those seeking to improve their education.
				No			I would like to see more options for parents of school age children for childcare.
	MCE			No			
	MCE			No	2		
		PBE		No		2	
				No			I have a 1yr old and a 3yrd old that will eventually be entering the school system in Homer. Having attended Paul Banks, West Homer, Fireweed, and Homer High myself I have a personal experience with our school systems. I also have an idea of the after hours activities, or lack thereof that are available in Homer. It is my opinion that the previous Boys and Girls club was a fantastic idea with a non optimal location. Having a solid support staff and a kid friendly location such as Paul Banks would provide a much needed area for extracurricular activities aimed towards children.
		PBE	WHE	No			
	MCE	PBE		No			
				No			
		PBE		No	3		

		PBE		No			I do believe Homer does need a Boys & Girls Club but I don't believe it belongs at PBE. The school is too small there is not enough room to separate age levels and activities and would have a big impact on After School Activities. PBE also has a very dedicated staff and it would impact their extra time working at school. Cleanliness of the school... It makes more sense at a school like HMS where they have an extra multi-purpose room. Once you say yes...it doesn't work out...how do you get out of it...not easily. There are many different issues to think about. Good luck!
		PBE		No			Since I stay home, we would not need to use a Boys and Girls Club, but it is a nice option for parents who need after school care!
	MCE			Not sure	3	1	
	MCE			Not sure	1	2	Although I may not need to use Boys & Girls Club for my child as we have extended family to help with after school care, I know there is a huge need for it in our community. I support and commend KPBSD in efforts to make this happen.
	MCE			Not sure	1	3	
	MCE			Not sure	1	2	
	MCE			Not sure			
			WHE	Not sure			Not a parent myself, but I used to drive a taxi and would pick up a lot of kids from the old club, and it's jus sad that they don't have anything liek that anymore, the kids loved it and it was a real help for parents with lower incomes.
FA		PBE		Not sure	2	2	Working families struggle to find quality after school care for children, especially those that are beyond pre-school but too young to stay home alone. A healthy, solvent Boys&Girls club would be a great boon to our community.
		PBE	WHE	Not sure	1	3	I have talked to several fellow parents who are worried about being able to find after school childcare next year, because their children will be getting out of school 2-3 hours before the parents get off work. I know they'd welcome this option, and I know they're not the only ones!
	MCE			Not sure	3	1	
		PBE	WHE	Not sure	2	2	I would need to know more about the types of activities offered by the club, the supervision that is supplied, the background check of the individuals working with children.
			WHE	Not sure			
	MCE			Not sure	1	1	
			WHE	Not sure			

				Not sure			When my children were in elementary school the Boys and Girls Club was a life saver. They were cared for and supported, and did not have to wonder the street or lurk at the library- or go into a childcare place that mainly services younger children. There is a huge need for this Boys and Girls Club and, even though I do not have children that will attend, this service will benefit our community for years to come!
			WHE	Not sure	1	2	While my child may not potential attend Boys & Girls Club, I truly believe there are many kids and family that would benefit from this much needed program and service.
FA				Not sure	2	3	Whether my family would use B & G Club I'm not sure it would depend on so much-the supervision and activities. I am not familiar with how B&G structures their after school programs. Are children of all ages invited? What I do know is there is a HUGE need for supervised after school activities and safe places for kids to go. Go to the library any given day between 3-6pm and you'll see what I am saying. So many kids there as warm safe place to be after school. We need a B & G Club or it's equivalent (whatever that could be) THANK YOU Eric Peterson for helping to get this conversation going and for the possibility of Paul Banks providing the space!!
	MCE			Not sure	1	3	
		PBE		Not sure	1	3	Bringing the Boys and Girls club to Paul Banks would be a great service to this community, particularly for part or full time single parents who will need to augment care so they can work.
			WHE	Not sure	1	5	
	MCE			Not sure	1	2	
		PBE		Not sure	2	2	I know many parents that would benefit through a program like this.
				Not sure			My oldest daughter will be starting school *next year* (likely at Paul Banks) (2018-19). I am very supportive of the KPBSD working in this direction, and believe that having after-school choices for working parents is vital to a healthy community. Thank you for considering this.
			WHE	Not sure	3	2	Thank you for putting this together and researching it. It is an absolute need in our community
		PBE		Not sure	4 or more	3	
		PBE		Not sure	1	5	My concerns are that supervision is positive and consistent and that age grouping is appropriate. Thank you.
		PBE	WHE	Not sure	3	5	
FA				Not sure	2	2	cost?
FA			WHE	Not sure	3	3	Is this am after school program only?
FA			WHE	Not sure	4 or more	2	
FA				Not sure	2	1	I think a boys and girls club is a great idea, but I'm concerned about how it would be staffed, what kind of supervision there would be and what the kids would be doing / eating, etc...

				Not sure	1	3	It would be nice to have a preschool run out of Boys and Girls club also. There is a lack of preschools in this town and if you live out of the service area of PBE, you can't go there. The rest are very expensive and have long waiting lists. My child will be able to attend preschool next year but I don't live within the service area of PBE. Having more opportunities for little kids to participate would be fantastic.
				Yes			
	MCE			Yes	2	3	Any more options that we have as a community are worthwhile.
			WHE	Yes	1	5	I appreciate the assessment of needs in the community for after school care for elementary age children and creative options.
			WHE	Yes	1	3	
	MCE			Yes	1	2	
	MCE			Yes	3	2	The boys and girls club is a safe and affordable place for children to go after school while parents finish work. Although my family has not used the club very much in the past, I support the club and we will likely use it more in the future.
	MCE			Yes	3	3	
	MCE			Yes	2	5	
				Yes	1	5	We desperately need a safe place for kids. I have a 13 year old son that has witnessed someone shooting up heroin at our libra. I reported this to the library and the police. Very sad our kids do not have a safe place to go to after school. Thank-you for your consideration.
FA				Yes	2	2	Thank you for considering this as a solution for our community!
		PBE	WHE	Yes	1	5	My child would only be in preschool @ Paul banks next year so doubt she would qualify to attend boys and girls club, but I support this program 100%. I marked the options that I would have chosen if my child were old enough to attend. Thank you for even attempting to put something in place.
		PBE		Yes	1	3	
			WHE	Yes	2	3	
				Yes	1	5	Why did you not include Chapman and other South Peninsula schools in your survey???
	MCE			Yes	1	5	Absolutely Amazing. This would be so wonderful for those parents who work to have something constructive for our kids to do after school. A dream scenario would be snacks and tutors so when they come home we do something with the whole family besides just homework during dinner!!
		PBE	WHE	Yes	1	3	
		PBE		Yes	2	3	Would this be a free service or would there be a charge?
			WHE	Yes	2	2	

		PBE	WHE	Yes	2	3	My grandkids go to PB & WE. While I like the idea of B&G, it's unfortunate that this only a school year solution, still having parents find a place for their young ones during summer months. There are many areas in the US & Ak, where HS starts at 7:30, not sure the thinking behind the decision, of starting them later. Would like to see a survey, on how many HS students ride the buses.
		PBE	WHE	Yes	2	3	
			WHE	Yes	2	5	It would be nice to have a trusted place where I know my children would be safe so I can continue to work. With many Homer families having one parent who travels it is hard for the other working parent to find available options in Homer. A boys and girls club is very much needed and I would definitely use it for when my husband or I are unavailable due to our work schedule to pick our girls up due to the new time change next year. Thanks!
	MCE			Yes	1	3	My child is now in high school. But if I had a child elementary age I would very much like a place they could attend after school that was safe and fun.
	MCE			Yes	1	2	
				Yes	3	5	Homer NEEDS this in a bad way!! Please keep working towards making it a reality!
		PBE	WHE	Yes	2	5	Providing a safe place for our students after school would be a way to nurture and grow our community. Utilizing high schoolers to help with this project would help them gain the service learning requirement that they need for graduation along with opportunities to teach elementary students homework/study skills, interactive games/social skills. This would be great for all!
		PBE	WHE	Yes	3	3	Our community has a large number of elementary aged children walking to the public library after school and remaining their unattended until parents are done working. We need a boys and girls club to provide a safe place and appropriate activities for these kids.
			WHE	Yes	1	3	We really need to provide activities for school age children for working parents.
		PBE	WHE	Yes	3	5	
			WHE	Yes	2	5	I am so glad you are exploring this as an option. Being a person who works in the school system at a school with different end times, I would SO appreciate a Boys and Girls club where my kids could go and participate in activities with other kids and positive adults.
		PBE	WHE	Yes	2	5	
			WHE	Yes	1	3	It's all dependent on sports and activity schedules but I appreciate you working on this.
			WHE	Yes	2	3	
		PBE	WHE	Yes	2	5	Really needed. No computers or screens, physical activities only.
			WHE	Yes	1	5	
			WHE	Yes	2	3	
				Yes	1	5	This would be great! Thank you.

							I teach school but I am concerned about the amount of time he spends alone in my classroom after school. I would much prefer that he was supervised and engaged in movement and social activities.
			WHE	Yes	1	2	Afterschool daycare centers in our community are full. We need options.
	MCE			Yes	3	4	What would the Boys/Girls Club provide and for what ages?
			WHE	Yes	1	5	I see many fund raisers and an empty building and no programs!
	MCE			Yes	2	5	The only concern I have is whether my 1st grader & Kindergartener would be placed in an age appropriate group or if the children are all together.
			WHE	Yes	1	5	
							I picked 5 days a week and any day of the week. I don't know my schedule as of yet for next year but i do know my daughter will get out of school before I get off work! I will have a middle schooler by then and not sure if this program would be open to kids that age but if so, I would support it for him also. This town so desperately needs a safe place for kids after school and there really is zip (except the library but that shouldn't really count if though there are quite a few kids that use it for that). I am okay with a flat fee or a sliding scale fee based on parent income. Please count me in as someone to potentially help more with this!! To the best of my ability and time.
		PBE	WHE	Yes	3	5	Making sure all volunteers/employees are safe to work with vulnerable children (foster, state ward, etc...)
			WHE	Yes	1	3	This would be awesome!
	MCE			Yes	2	5	
		PBE		Yes	1	3	
		PBE	WHE	Yes	2	3	
		PBE		Yes	2	5	Could it have a co-op option in which a parent can work/volunteer for a reduced rate?
	MCE			Yes	2	3	Cost?

							Thank you for doing a survey like this. I will have 2 children at WHE for the 2017-2018 school year. I work at Homer High School, so I will be working until 4:15 each day M-F. There are occasions when my children have done after school activities (swim club, piano, violin), in which case, if they did not use a B&G club, they would need to be dropped off at their after school activity. I am so grateful for this discussion. I am very open to being involved in the discussion. I don't know where the money would come from. Who would run the program (need an AWESOME program)? How many staff? Would it have a curriculum? Would we be able to use the gym? A kitchen for snack? A computer lab for a "homework club" like we had before, with an adult to help kids with homework? An organized program...with a group circle, a plan, activities.... Can the kids use the playground? Who would clean up? Who pays for that? Where does the money come from? Do we have a grant writer? Is there federal money (oh right, we just got a new Secretary of Education that is not likely to be sending money to organizations like this). Can you tell I'm losing my mind?! Call me. Let me know of any meetings. Thank you again. I DO need childcare. For every day of the school year. 907-299-XXXX
	MCE		WHE	Yes	2	5	
				Yes	2	3	
FA				Yes	2	1	How much would it cost? Would kids have outside time? Would there be transportation from other schools to Paul Banks? Would younger kids have rest time? What level of supervision would there be?
FA				Yes	1	2	
FA				Yes	1	2	I think this is an important option to have in our community.
	MCE			Yes	2	3	
	MCE			Yes	1	3	
			WHE	Yes	1	3	We would consider on student using this after school function paired with swim club. Not sure how the club will schedule practices with the school schedule change.
		PBE	WHE	Yes	3	5	
		PBE	WHE	Yes	2	3	
FA				Yes	3	2	
FA		PBE		Yes	2	5	Homer NEEDS an after school program, we are two working parents and have to depend on friends to watch our kids after school.
		PBE		Yes	1	4	
			WHE	Yes	1	3	Thank you for any opportunity to bring Boys & Girls Club back to Homer. There is a need and niche to be filled for so many students.
			WHE	Yes	1	3	Do we have the money for it? What kind of activities would there be? Who would supervise and how many supervisors would there be? How much would this cost?

				Yes		4	I don't have children attending the school but I work there and I believe a boys and girls club is an opportunity for our community to continue learning educational and social skills in an adaptive and supportive environment.
		PBE		Yes	1	2	I think this would be a wonderful potential option for families!
	MCE			Yes	1	2	
FA				Yes	2	2	We loved having boys and girls club when our first daughter was in elementary school! Would love to have that option again!
		PBE		Yes	1	5	Concerns about youngest school children getting up earlier, waiting for the bus earlier (colder weather) and getting out of school earlier than older siblings that may watch them after school currently. Why isn't the schedule the other way around?
		PBE		Yes	1	2	
		PBE	WHE	Yes	2	4	
FA				Yes	1	2	
			WHE	Yes	2	2	
FA				Yes	1	2	do it
FA				Yes	2	2	Kids need a safe and supervised place to be after school. A Boys and Girls Club in Homer would really help many families fill the gap between earlier school release times and the end of a typical work day with positive, nurturing activities for school aged kids.
FA				Yes	2	2	Our community needs an affordable and credible option for after school care for the working parents. The Boys and Girls Club is an excellent organization!
			WHE	Yes	1	3	
FA			WHE	Yes	2	3	If there were either sports or high quality programs I would send my kids every day. I work 8-5 and childcare after school is extremely stressful.
		PBE	WHE	Yes	2	4	I rely on high school babysitters to watch my children after school. With high school getting out later, I need an after school program.
FA				Yes	1	5	What kind of access will the public have? From what I have been told the previous boys and girls club had an open campus.
FA				Yes	1	2	thank you!!!
FA	MCE	PBE	WHE	Yes	2	5	Cost
FA				Yes	2	5	Thank you for considering this option!!
		PBE		Yes	2	5	It would great to have an after-school program available for working parents that ran the entire school year. I believe it will be a necessity with the new start times
				Yes	1	5	The high daycare shortage Homer is already experiencing and the earlier release time for the K to 6 population. This can create a significant financial crunch for additional daycare time and no where safe and structured for children to go.
FA				Yes	1	5	

			WHE	Yes	1	3	This would be a huge benefit to so many parents, particularly with the change in school schedule. I think it would also be wonderful for the kids to be able to get together and interact. I estimate my daughter would be there on average three times a week, but it could be more depending on how schedules play out this next school year. Did not mark which days in the survey because I'm not sure which ones those would be yet. That will also depend on fall schedule for me.
	MCE			Yes	2	1	Aggregating after school opportunities for local elementary school students could relieve some of the pressure and challenges faced by educators at smaller schools. Without busing beyond home stops I am not sure how this could work. Boys and Girls Club is a desperately needed service for Homer.
			WHE	Yes	1	5	This is a great idea!!
		PBE		Yes	2	3	
		PBE		Yes	1	4	This is a service that is missing in homer. I am really happy to hear that you are considering this. A safe place for kids to play while their parents work would be extremely helpful. Thank you!
		PBE		Yes	2	5	This would be a really great service to have in our community!
		PBE		Yes	3	2	
FA				Yes	1	3	How would the kids get to the club from other schools. Cost is also always a concern. Thanks for looking into this!
FA				Yes	2	4	
FA		PBE	WHE	Yes	4 or more	4	
		PBE		Yes	2	4	Keep them safe & let them have fun but you don't need to feed them.
FA				Yes	2	2	much needed service in our community and willing to pay for it.
			WHE	Yes	2	5	

ANNOUNCEMENTS
PRESENTATIONS
BOROUGH REPORT
COMMISSION REPORTS

4/29/17




To the Patriotic Men and Women of Homer, Alaska.

Thank you for the warm welcome earlier this afternoon. In my 24 years of Naval service, I've never seen as much patriotism as we enjoyed today. Your City is beautiful!

Your positive energy was felt and cheers heard a nautical mile away (I'm being serious, it was a mile!). Your anticipation of our arrival was very much appreciated and regret we were not able to moor earlier in the day.

Like most of you, we are professional mariners and we all have seen the dangers while on the seas. I appreciate this understanding as we found the most appropriate time to moor safely later this afternoon.

The ship will be open for tours and I personally welcome any and all to walk the steel decks of USS HOPPER where we will have the opportunity to shake your hand and show our appreciation for opening your arms and receiving this fine warship and her crew.



CDR JD GAINEY
COMMANDING OFFICER
USS HOPPER (DDG 70)

PUBLIC HEARING(S)

ORDINANCE(S)

ORDINANCE REFERENCE SHEET
2017 ORDINANCE
ORDINANCE 17-20

An Ordinance of the City Council of Homer, Alaska, Supporting a Business Retention and Expansion Program Proposed by the Economic Development Advisory Commission and Appropriating Funds in an Amount not to Exceed \$1,400 from the General Fund Balance for Public Outreach to Promote Business Participation in the Program.

Sponsor: Smith

1. Council Regular Meeting January 23, 2017 Introduction
 - a. Memorandum 17-074 from Special Projects and Communications Coordinator

CITY OF HOMER
HOMER, ALASKA

Smith

ORDINANCE 17-20

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, SUPPORTING A BUSINESS RETENTION AND EXPANSION PROGRAM PROPOSED BY THE ECONOMIC DEVELOPMENT ADVISORY COMMISSION AND APPROPRIATING FUNDS IN AN AMOUNT NOT TO EXCEED \$1,400 FROM THE GENERAL FUND BALANCE FOR PUBLIC OUTREACH TO PROMOTE BUSINESS PARTICIPATION IN THE PROGRAM.

WHEREAS, The Economic Development Advisory Commission (EDC) is tasked with collecting and analyzing data relevant to economic development and to act in an advisory capacity to the City on overall economic development planning; and

WHEREAS, Research shows that existing businesses generate up to 76% of new job growth and capital investment in any economy, but especially in small, rural areas where entrepreneurial and recruitment opportunities are limited; and

WHEREAS, Business Expansion & Retention (BR&E) programs have been widely and successfully implemented by governments to help promote mutual awareness between government and local businesses, and to identify possible solutions for local business retention and expansion; and

WHEREAS, BR&E is an economic development strategy initiated and promoted by the State of Alaska; and

WHEREAS, The EDC has researched and developed a plan and instruments for implementing a BR&E program for the City of Homer; and

WHEREAS, the EDC will work with the Kenai Peninsula Economic Development District to coordinate BR&E efforts and share aggregate data for greater regional economic understanding.

NOW THEREFORE, The City of Homer Supports the BR&E Program and Ordains:

Section 1. The FY 2017 Operating budget is hereby amended by appropriating no more than \$1,400 from General Fund Balance to provide a public information postcard mailing encouraging local business participation in the BR&E program, as follows:

Account No.	Description:	Amount:
100-0112-5238	BR&E Postcard Printing & Mailing	\$1,400

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

47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78

CITY OF HOMER

BRYAN ZAK, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

AYES:

NOES:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Mary K. Koester, City Manager

Holly Wells, City Attorney

Date:_____

Date:_____



Memorandum **17-074**

TO: Mayor Zak and City Council
FROM: Jenny Carroll, Special Projects & Communications Coordinator
DATE: May 1, 2017
SUBJECT: Business Retention and Expansion Program Recommendation

The Economic Development Commission (EDC) at their regular meeting on April 11, 2017 unanimously passed a motion to submit a recommendation to Council to approve a Business Retention and Expansion (BR&E) program and approve general fund expenditure of \$1,400 or less for printing and mailing a postcard to local businesses promoting participation.

Background:

The EDC, to help carry out its assignment to collect and analyze data relevant to economic development and act in an advisory capacity to the City on overall economic development planning, is proposing a BR&E program.

BR&E is a systematic approach to building relationships with the business community, identifying problems that could cause businesses to close or leave a community, and addressing opportunities to help companies expand in the community. BR&E is an economic development strategy promoted by the State and by the Kenai Peninsula Economic Development District (KPEDD).

~~The EDC recognizes the importance of local business to Homer's economy.~~ Research shows that existing businesses generate up to 76% of new job growth and capital investment in any economy, but especially in small, rural areas like Homer where entrepreneurial and recruitment opportunities are limited. The EDC wants successful local businesses in and around the City of Homer; thriving local businesses create jobs and circulate revenue within the community, contributing to a stronger community with a high quality of life.

Benefits of a BR&E program include:

- building valuable relationships and dialog with business owners to foster open communication between businesses and local government;
- provide better information and understanding for all local leaders as to the strengths and weaknesses of the business climate, and to identify areas where the EDC can immediately work on

red-flag issues or recommend long-term policies, strategies or programs that improve local business climate;

- better understand trends, challenges and opportunities in the Kenai Peninsula economy as a whole through shared aggregate data with KPEDD's BR&E efforts.

The EDC's research and discussions resulted in the following proposal to conduct a BR&E program consisting of:

Information and data collection (May-October 2017):

- An online survey (which, upon Council approval of the BR&E program will be made available via a link on the City of Homer website) designed to gather information and answer several key questions from Homer business owners, including basic business demographics, trends in employment and sales, marketing and technology, and key barriers to long-term sustainability. See hard copy attached.
- Outreach to advertise and encourage broad community participation through a direct mail postcard (sample attached), through cooperation with industry associations and the Chamber of Commerce, fliers and presentations at a variety of community meetings: Rotary, Chamber, Farm Bureau/Farmers Market, industry associations, etc. (See outreach plan attached.)
- One-on-one business outreach by EDC members to either conduct the survey in-person, or follow up on survey if requested by business owner.

Data analysis (October-December 2017):

- Conducted by EDC member(s) and the Special Projects & Communications Coordinator, utilizing Google analytics and consultation with KPEDD.
- Through a series of worksessions, produce a summary of key findings and develop a three-year BRE Strategic Plan. This plan would identify:
 - **Immediate concerns of the business community/"Red Flags"**
 - A brief **narrative description of Homer's business** landscape
 - A year-by-year draft strategic plan to address themes/issues that emerge as opportunities for or barriers to business retention and expansion in Homer.

Action (2018/2019)

- Work on immediate red-flag issues;
- Recommend long-term policies, strategies or programs to Council that improve local business climate;
- Prepare an updated BRE survey and outreach plan for the next three-year cycle.

The following is the excerpt of the minutes from the EDC 3/11/2017 meeting.

PENDING BUSINESS

A. Business Retention and Expansion Program Planning

The commission continued their discussion from their worksession where they reviewed the survey and made some changes, and began discussing the marketing and outreach plan.

They reviewed the timeline outlined in the staff report for presenting their plan to City Council and for adopting an ordinance or resolution for approximately \$1,400 for printing and mailing post cards inviting business owners to participate in the survey the Commission is working to finalize.

Regarding outreach, the commission discussed benefits of direct mailing post cards and hand delivering post cards to local businesses. They addressed using email, social media, and the city and chamber websites as additional ways to get the word out about the survey.

The group also addressed the process for presenting to Council and getting approval to proceed. Commissioner Lord agreed to present to Council on May 8th. She will also contact Special Projects & Communication Coordinator Carroll to confirm whether funds are available in the economic development budget for this mailing or if some sort of a budget amendment is needed.

EVANS/RICHARDSON MOVED THAT THE COMMISSION SUPPORTS TAKING THE BUSINESS RETENTION AND EXPANSION QUESTIONNAIRE TO CITY COUNCIL AND TO REQUEST FUNDING TO MAIL OUT TO BUSINESS OWNERS.

MARKS/RICHARDSON MOVED TO HAVE IT INCLUDE THE MARKETING IN ADDITION TO THE SURVEY AND THE RATIONAL FOR DOING THIS IN THE PRESENTATION. There was brief discussion.

VOTE (Amendment): NON OBJECTION: UNANIMOUS CONSENT

City of Homer

Economic Development Commission - BR&E Outreach Plan and Sample Postcard Mailer

May

- May 8: Presentation to City Council
- Finalize a user-friendly HTML link for the survey, and post on City department webpages, Chamber website, others?
- Social Media posts on Facebook announcing the start of the BRE
 - Chamber
 - Homer Communications
 - Others?
- Contact Homer News/Homer Tribune about possible story series
 - Write & send press release
- Schedule speaking times with:
 - Rotary Clubs
 - Working Groups/Associations: Marine Trades, Health & Wellness, MAPP
 - Industry Associations, Realtors, B&B Association, Farm Bureau/other agricultural associations
 - Others?
- EDC members personally reach out to at least 10 business owners to hand deliver postcards (keep updated the list of personal connections)
- EDC develop a plan for quick response if needed throughout the period that the survey is open (i.e. someone has a direct question and provides their contact information. Regardless of whether or not it can be easily answered, we should at least contact them to acknowledge)
- Connect with KPEDD and State of AK BRE folks to share survey and outreach materials (Press Release, 10 minute presentation slides) for their input & assistance with outreach (if available)

June

- Early June send out postcard to all businesses
 - Quick WHAT and WHY
 - Link to website access to survey
 - Contact info for questions
- Continue social media posts
- Get on the Chamber's newsletter for regular reminders
- Keep an ear out for any meetings/conferences where a quick presentation would be useful for outreaching to different sectors of the business community

July

- Go fishing.
- Answer questions as they arise, but mostly take the month off.

August

- Do another round of facebook posts mid-month
- Have a few radio spots towards the latter-half of the month.
 - Sarah R.
 - KBBI - check on any replacement for Coffee Table, etc?

- Draft an email announcement/reminder for:
 - Chamber
 - Marine Trades Assoc.
 - City Website
 - Others?
- EDC members: look at responses and consider under-represented sectors. Make a list of businesses and reach out to another 10 businesses each.

September

- Give an update to Council during early-September
- Connect with KPEDD and State of AK BRE folks to update and request their input & assistance with data analysis (if available)
- Re-connect with personal businesses to see if they've completed the survey, if they have questions, etc.
- Mid-month send out a last call email for all surveys to be completed by October 6.
- Continue with follow-ups to any questions, etc.

October

- Survey closes Oct. 6
- BIG thank you facebook posts, radio, emails, etc. via all the channels that were utilized during the course of the survey
- Worksession to begin assessing the survey results.
 - Basic analytics
 - Begin looking at open-ended questions

November

- Have a worksession dedicated to open-ended questions & themes
- Plan the draft take home message(s) and action items to further explore
- Select action items for the EDC to work on in 2018



Is anything holding you back?

THE CITY OF HOMER WANTS TO KNOW WHAT YOU NEED FOR BUSINESS SUCCESS. MAKE YOUR VOICE HEARD.

The City of Homer's Economic Development Commission wants your feedback on ways to improve Homer's business climate.

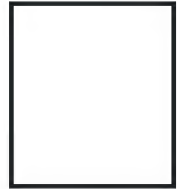
Our online survey is your chance to help lead the City's economic development actions. Go to:

<https://goo.gl/zCyxGv>

It's easy and will only take 10-15 minutes. Make your voice heard.

Be part of the conversation!
Survey is open until Oct. 6, 2017
Responses are confidential.

Questions? Call Jenny Carroll
at the City of Homer: 435-3101



City of Homer Business Retention & Expansion Survey 2017

This survey will take you between 10-15 minutes to complete. Homer's Economic Development Commission hopes this survey is a start to a lasting dialog between the City and the business community. We hope that your answers will help provide a clearer understanding of the benefits and disadvantages to doing business in Homer. Through your engagement, we will work to find ways the City can promote and encourage business retention and long-term success in Homer. Thank you for your participation! The survey is open until October 6 - please share widely.

1. Where is your business located? *

- City of Homer
- Outside of the City, within the Kenai Peninsula Borough
- Other:

2. Which of the following best describes your business?

- Locally owned and operated
- Regional chain
- National chain
- Franchise
- Other:

3. What are your primary reasons for locating or keeping your business in Homer?

- | | |
|--|--|
| <input type="checkbox"/> Access to suppliers | <input type="checkbox"/> Quality of life |
| <input type="checkbox"/> Proximity to home | <input type="checkbox"/> Recreation facilities/entertainment |
| <input type="checkbox"/> Cost of doing business | <input type="checkbox"/> Quality of housing |
| <input type="checkbox"/> Workforce availability | <input type="checkbox"/> Safety services (police, fire) |
| <input type="checkbox"/> Financial incentives | <input type="checkbox"/> Schools |
| <input type="checkbox"/> Access to business support services | <input type="checkbox"/> Other: |

4. Did your business begin its operations in Homer?

- Yes (*skip ahead to #8*)
- No (*please go to #5*)

Moving To Homer

This section is for businesses who chose to move from another location to Homer

5. Where did you move from (City, State)?

6. When did you move your business to Homer?

7. Why did you choose to move your business to Homer?

Business Description

For all businesses, please generally describe your operations

8. Which of the following industries describe your business? (Check all that apply)

- Agriculture
- Mining, Oil/Gas
- Construction
- Manufacturing
- Transportation and public utilities
- Wholesale Trade
- Retail Trade
- Finance, insurance, real estate
- Accommodation/Food Services
- Education
- Health Care Services/Social Assistance
- Professional/Scientific/Technical Services
- Other:

9. What kind of facility do you operate this business from? (check all that apply)

- Home-based
- Retail sales facility
- Office facility
- Manufacturing
- Branch
- Headquarters
- Other:

10. Do you own or lease your facility?

- Lease
- Own
- Other:

11. What are the major products or services offered by your business?

12. Over the past 3 years, sales of your major products are:

- Increasing
- Decreasing
- Stable

13. Over the last three years, have the following increased, stayed the same, or declined:

	Increased	Decreased	Stayed the same	N/A
Number of customers				
Sales - Total Revenue				
Profits				
Employees - Full Time				
Employees - Part Time				
Employees - Year Round				
Employees - Seasonal				

14. When do you do most of your business?

- Summer
- Winter
- Year-round
- Other:

15. How many of your purchases for your business are made:

	Most	Some	None
Locally			
Within Alaska			
Over the internet			
Outside/Lower 48			

16. What are the major factors influencing where you make business purchases?

Marketing

17. Does your business have a website?

- Yes
- No

If no, why not?

- No internet access
- Slow internet connection
- No IT support
- Cost
- Time commitment
- Need more information
- Other:

18. What are the types of advertising you use most?

- Newspaper
- Radio
- TV
- Direct Mail
- Visitor's Guides
- Brochures/flyers/rack cards
- Word of mouth
- Social media (Facebook, etc)
- Other:

19. Do you share advertising expenses with other businesses for the promotion of your business area?

- Yes
- No

20. If you don't share advertising expenses, under what circumstances would you consider advertising with other businesses?

Employment and Training

21. Identify the number of FULL TIME employees working in your business, including you and family members.

	1-3	4-10	11+	N/A
Currently				
Three years ago				
Over the internet				
Outside/Lower 48				

22. Identify the number of PART TIME employees working in your business, including you and family members.

	1-3	4-10	11+	N/A
Currently				
Three years ago				
Over the internet				
Outside/Lower 48				

23. Identify the number of SEASONAL employees working in your business, including you and family members.

	1-3	4-10	11+	N/A
Currently				
Three years ago				
Over the internet				
Outside/Lower 48				

24. If the number of employees changed from three years ago, why? (check all that apply)

- Business did not exist three year ago
- Changes in profits
- Changes in demand
- Government regulation
- Change in contracting
- Expansion
- Technology changes
- New products/services
- Changes in worker efficiency
- Other:

25. How would you rate the quality of the local labor pool as it relates to your business?

	Very good	Good	Fair	Poor	I don't know/NA
General labor					
Skilled labor					
Clerical					
Sales					
Professional/management					
Temporary/contractual					
Youth employees					

26. Describe any recruitment/hiring challenges for your business.

Labor supply shortage

Competition for employees					
Poor work attitudes					
Inadequate labor skills					
Available housing					
Affordable housing					
Lack of childcare					
Wage rates					
Workers cannot pass screening (drug, criminal, etc)					
Lack of training					

27. Do your employees require training when they are hired?

- Yes
- No
- On a case-by-case basis

28. How do you currently train your employees?

- | | |
|---|---|
| <input type="checkbox"/> Do not provide employee training | <input type="checkbox"/> Contract with public vendors (colleges, etc) |
| <input type="checkbox"/> Self-taught (manuals, videos, training materials) | <input type="checkbox"/> On-the-job training (government supported) |
| <input type="checkbox"/> In-house training (one-on-one by supervisor or co-worker, etc) | <input type="checkbox"/> Apprenticeships |
| <input type="checkbox"/> Send employees to workshops | <input type="checkbox"/> Distance learning |
| <input type="checkbox"/> Contract with private vendors | <input type="checkbox"/> Other: |

29. Would your business benefit from training and outreach opportunities within your industry?

- Yes
- No
- Maybe

30. Do you have any other comments or suggestions on employment and training for your business?

Technology & External Forces

31. What kind of internet service does your business use?

- None
- Dial-up
- Cable
- DSL-Telephone
- Fiber
- Satellite
- Don't Know

32. Are you satisfied with your current internet service? If NO, why not?

33. What are the most important factors likely to have a major impact on your business during the next three years?

- New products
- Changing consumer trends
- Demographics
- Government regulations
- Raw material shortages
- Energy costs
- Transportation costs
- Wage rates
- New technology
- Financing availability
- Taxes/government policies
- Travel costs
- Other:

Homer Area

**34. What are the greatest advantages of operating your businesses here, as opposed to elsewhere?
(For example: community features, population, etc)**

35. What are the greatest disadvantages?

36. What is your overall opinion of Homer as a place to do business?

- Excellent
- Good
- Fair
- Poor
- No Response

37. What is your overall opinion of Homer as a place to live?

- Excellent
- Good
- Fair
- Poor
- No Response

38. What recommendations do you have for improving the business climate or quality of life in Homer?

39. Are there new local businesses or specific companies/services that would improve your business operations and/or profitability?

40. Do you have any other questions, comments or concerns that haven't been covered?

Contact Information (OPTIONAL)

Please provide your contact information if you would like follow-up information or if you have further questions or concerns you'd like us to contact you about!

Name:

Business Name:

Email address:

Phone:

Business website (if applicable):

CITY MANAGER'S REPORT



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

TO: Mayor Zak and Homer City Council
FROM: Katie Koester, City Manager
DATE: May 3, 2017
SUBJECT: May 8 City Manager's Report

HEA Capital Credits

The City of Homer received \$13,425 from Homer Electric Association, Inc. (HEA), as part of its distribution of capital credits to members. The capital credit checks are being distributed to people who were members of HEA during 1986 and 1987. The amount of each check is determined by the quantity of electricity purchased during each of those years. The equity retirement plan calls for \$1.5 million in 1986 and 1987 margins, or earnings, to be distributed to HEA members who purchased electricity during those years. Capital credits are based on margins, which are the difference between total expenses and total revenues of the cooperative. Each year, HEA allocates margins to its members in proportion to the amount they paid for electric service. While the allocation is done annually, the return of margins in the form of a capital credit check occurs at the discretion of the Board of Directors, based on the financial health of the cooperative. As the \$13,425 in unanticipated revenue, it will be added to General Fund fund balance unless other direction is given by Council.

City Employee Anniversaries

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

Mark Whaley,	Port	12	Years
Pike Ainsworth,	Port	9	Years
Don Huffnagle,	Port	9	Years
Ann Dixon,	Library	6	Years
Mike Gilbert,	Public Works	3	Years
Jackie McDonough,	Library	3	Years
Sean McGrorty,	Port	1	Year

Trooper Coverage on the way to Anchorage

Many of you have expressed concerns about the reduction in Alaska State Trooper (AST) coverage on one of the busiest and most dangerous stretches of Highway between Anchorage and Girdwood. Beginning May 1st

AST will not be the primary responder for law enforcement related calls along Turnagain Arm. This area is within the City of Anchorage. The Anchorage Police Department will be responsible for responding to calls within their city. The Municipality of Anchorage has contracted with Whittier Police Department to provide this service. AST has three remaining Bureau of Highway Patrol units that will continue to patrol the Seward Highway while also covering other highways in the state.

USS Hopper

I would like to take the opportunity to reflect on the success of the visit by the USS Hopper April 29- May2. The Homer Chamber of Commerce took the lead and did an excellent job coordinating a warm welcome. The community of Homer came out to welcome the sailors, tour the ship and even put on a fish fry for hundreds (rumor has it the fish fry involved 5 gallons of tartar sauce!). The Port and Harbor worked on the landing for weeks leading up to Saturday and pulled off a difficult docking. Thank you to everyone involved. It was a heartwarming experience to be part of.

Bulk Water to Private Customers

Council has received inquiries as to why the City of Homer does not provide bulk water to private customers when we do provide potable water for RVs at the RV dump station. The RV dump station was built many years ago (it has been here over 18 years, the tenure of the Public Works Director) to provide a service to RVs and encourage the sanitary disposal of RV waste. The RV dump station only operates around 4 months out of the year. The honor system \$5 is likely just enough to cover the minimal operating expense. Currently, Safeway provides water to the public, which is metered and paid for by Safeway. The City gets the revenue without having to maintain the infrastructure. However, I can see how they may frown upon large volumes of water being drawn from their system. If Council would like to provide bulk water service to the public, there are associated costs and risks that need to be analyzed. Providing year round access would require some sort of heated structure and way to meter and charge for sales. Ideally, it would be at an alternate site to mitigate traffic flow, security, and safety issues.

The primary reason the City of Homer does not provide bulk water sales to the public is so as not to compete with private businesses. There are at least 3 private business in town that provide bulk water. The City has left the cost of providing the infrastructure and management of bulk water to the public up to these local businesses. If Council would like to look into providing public access bulk water, Public Works can draw up a couple of different options and the associated costs and impacts for consideration at the second meeting in May.



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 ZAK AND CITY COUNCIL
FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK
DATE: MAY 2, 2017
SUBJECT: BID REPORT

INVITATION TO BID HICKERSON MEMORIAL CEMETERY EXPANSION – 2017

Sealed bids for the construction of the Hickerson Memorial Cemetery Expansion project will be received at the Office of the City Clerk, City Hall, City of Homer, 491 East Pioneer Avenue, Homer, Alaska, until **2:00 p.m. on Thursday, May 4, 2017**, at which time they will be publicly opened and read. The time of receipt will be determined by the City Clerk's time stamp. Bids received after the time fixed for the receipt of the bids 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 online at <http://www.cityofhomer-ak.gov/rfps>

CITY ATTORNEY REPORT

COMMITTEE REPORTS



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

TO: MAYOR ZAK AND CITY COUNCIL
THRU: KATIE KOESTER, CITY MANAGER
FROM: CITY EMPLOYEE COMMITTEE
DATE: APRIL 21, 2017
SUBJECT: BUDGETARY CHALLENGES

The Employee Committee recognizes the challenges of City Council with respect to the budget regarding expense allocation and employee wages and benefits. We appreciate the City Council's efforts to begin dialog/analysis in the months preceding the budget process.

The Employee Committee would like to be part of any future effort on items of impact and interest to the City employees with the direction of the City Manager.

The members of the Employee Committee informed their Department's employees of the scheduled City Council worksession on Employee Wages and Benefits, encouraging their attendance so that they could become "better informed" and "form their own opinions" of potential changes to our wages and benefits.

All employees present at that worksession made the necessary arrangements in shift scheduling and/or leave requests for their attendance.

Recommendation

Informational In Nature. No Action Required.

PENDING BUSINESS

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Finance Director

RESOLUTION 17-044

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, RE-ADOPTING THE ESTABLISHED INVESTMENT POLICIES OF THE PERMANENT FUND.

WHEREAS, Pursuant to Homer City Code 3.10.130(b)(2) the City Council shall review the investment policies of the Permanent Fund at least once a year during the first quarter and shall by formal resolution, re-adopt or modify said policies; and

WHEREAS, The Finance Director and City Manager recommend maintaining the investment policies adopted under HCC 3.10.130 which states:

-The portfolio of the growth sub-fund will be invested primarily in equities

-The portfolio of the income sub-fund will be invested primarily in bonds and other fixed rate securities as authorized by HCC 3.10.040

WHEREAS, In 2016 earnings in the growth sub-fund outpaced the income sub-fund and the administration is directed to reallocate the distribution between grown and income sub-funds to the 40/60 split required under HCC 3.12.030(a); and

WHEREAS, It is the policy of the City to reinvest earnings at midyear into the respective funds; and

WHEREAS, In 2016 overall earnings of the Permanent fund did not outpace inflation and earnings should be reinvested in the corpus of the fund to help inflation proof it.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, re-adopts the established investment policies of the Permanent Fund.

PASSED AND ADOPTED by the Homer City Council this 24th day of April 2017.

CITY OF HOMER

BRYAN ZAK, MAYOR

43 ATTEST:

44

45

46

47 _____
JO JOHNSON, MMC, CITY CLERK

48

49 Fiscal Note: N/A



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 17-066

TO: Mayor Zak and Homer City Council
 THROUGH: Katie Koester, City Manager
 FROM: Elizabeth Walton, Finance Director
 DATE: April 19, 2017
 SUBJECT: Permanent Fund Investment Policy Review

The purpose of this memo is to review the performance of the Permanent Fund and discuss the investment policy.

Brief Account Overview:

	FY 2016 Earnings	Account Balance (as of 2/28/17)	Allocation (as of 2/28/17)
Income Sub-Fund	6,772.00	723,822.45	32%
Growth Sub-Fund	18,315.97	1,556,176.01	68%
Total Across Permanent Fund	\$ 25,087.97	\$ 2,279,998.46	100%

Other Relevant Statistics:

Anchorage CPI: 2.4%

Amount needed to reinvest to inflation proof: \$54,719.96

Recommendations:

1. Reinvest earnings for Permanent Fund to help adjust for inflation (\$25,087).
2. Look to remove HCC 3.10.130 (5), due to fact it is not applicable to current account structure. This was a holdover from the old structure.
3. Perform redistribution of funds to bring Permanent Fund account in line with HCC 3.12.030, which states that 40% of account balance be invested in the income sub-fund and 60% in the growth sub-fund. Subsequent adjustments will be made at the beginning of the 4th quarter, consistent with City Code.
4. Evaluate the fund performance on a semi-annual basis and reinvest account earnings as necessary.

Enclosed:

Illustration showing sub-fund holdings and performance for 2016



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 17-071

TO: Mayor Zak and Homer City Council
FROM: Katie Koester, City Manager
DATE: May 3, 2017
SUBJECT: Follow up on Resolution 17-044 Re-establishing Permanent Fund Investment Policy

A number of questions were generated at the April 24th Council meeting and afterwards regarding the Permanent Fund and alternative options for allocation of those funds. The purpose of this memo is to answer those questions.

What is the fiscal impact of dissolving the Permanent Fund and allocating the funds between pending projects and paying off debt?

\$500,000 to pay back the General Fund for remodel to the Fire Hall

The most recent version of the Fire Hall renovation project came it at \$850,000 after eliminating the building expansion and adding a few items to preserve the life and functionality of the existing facility. This is \$350,000 less than the original appropriation. If council allocated \$500,000 of this project from the permanent fund instead of general fund, the project would draw down our 'savings' (General Fund Balance) by only \$350,000.

\$1 million to the Police Station building construction

Allocating \$1 million to the construction of the police station will reduce the amount the City will have to borrow to fund the project. The last conversation with the Alaska Bond Bank estimated a 30 year bond at between 3.35% and 3.85% interest. Rates have undoubtedly gone up since then, but under those circumstances, borrowing \$1 million less results in approximately \$700,000- \$800,000 in avoided interest over 30 years.

Remainder (\$730,000) to pay off the USDA library loan

The City is currently carrying a \$1.2 million note at 4% interest with USDA for construction of the library 10 years ago. This payment represents almost \$100,000 in the Library's operating budget. Paying a little over half of this off early results in \$556,427 in avoided interest payments over the next 20 years.

City Council options for Permanent Fund

Satus Quo: Approve Resolution 17-044 readopting the investment policies of the Permanent Fund.

Revise Investment Policies: The Permanent Fund is unique as it consists of ‘windfall’ monies such as the EVOS settlement funds and property tax revenue from the Jack up rig Endeavour. As such, it can be more aggressively invested than any other City fund. Nevertheless, the code governing investments in the Permanent Fund is still relatively cautious allowing only 40% to be invested in equities. Council could revise the City Code regulating investment of the fund by ordinance. While this could provide greater returns, it also has more risk and could result in the loss of funds.

Dissolve the Permanent Fund: Council could, by ordinance, dissolve the Permanent Fund and allocate the assets between different City accounts as they see fit.

NEW BUSINESS

RESOLUTIONS

**CITY OF HOMER
HOMER, ALASKA**

City Clerk/
Public Works Director

RESOLUTION 17-049

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
AWARDING THE CONTRACT FOR THE HICKERSON MEMORIAL
CEMETERY EXPANSION 2017 PROJECT TO THE FIRM OF _____
OF _____, _____ IN THE AMOUNT OF _____
AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE
APPROPRIATE DOCUMENTS.

WHEREAS, The Invitation to Bid was advertised in the Homer News on April 13 and 20,
the Peninsula Clarion on April 16, 2017 and posted on the City's website as required by the
City's Procurement Manual; and

WHEREAS, Bids were due on May 4, 2017 and _____ bids were received;
and

WHEREAS, _____ was determined the lowest responsive bidder; and

WHEREAS, The bid is within the project budget approved by the City Council; 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, awards the
contract for the Hickerson Memorial Cemetery Expansion 2017 Project to the firm of _____
of _____, _____ in the amount of _____ and authorizes the City Manager to
execute the appropriate document.

PASSED AND ADOPTED by the Homer City Council on this 8th day of May, 2017.

CITY OF HOMER

CATRIONA REYNOLDS,
MAYOR PRO-TEMPORE

ATTEST:

43
44
45
46
47
48
49

JO JOHNSON, MMC, CITY CLERK

Fiscal Note:

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

