

City Council

Monday, September 25, 2017

Special Meeting 4:00 p.m.

Committee of the Whole 5:00 p.m.

Regular Meeting 6:00 p.m.



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



September-October 2017

- Monday 25th: CITY COUNCIL**
Special Meeting 4:00 p.m., Committee of the Whole 5:00 p.m., Regular Meeting 6:00 p.m.
- Wednesday 27th: PORT AND HARBOR COMMISSION**
Regular Meeting 5:00 p.m.
- Tuesday 3rd: CITY/BOROUGH ELECTION DAY**
Polls open 7:00 a.m. Polls Close 8:00 p.m.
- Tuesday 3rd: LIBRARY ADVISORY BOARD**
Regular Meeting 5:30 p.m.
- Wednesday 4th: PLANNING COMMISSION**
Work Session 5:30 p.m., Regular Meeting 6:30 p.m.
- Friday 6th: ELECTION CANVASS BOARD**
Meets 10:00 a.m.
- Monday 9th: CITY COUNCIL**
Worksession 4:00 p.m. Committee of the Whole 5:00 p.m. and Regular Meeting 6:00 p.m.

Regular Meeting Schedule

City Council 2nd and 4th Mondays 6:00 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 4th 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



SPECIAL MEETING
4:00 P.M. WEDNESDAY
SEPTEMBER 25, 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 MELISSA JACOBSEN

SPECIAL MEETING AGENDA

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

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. Memorandum 17-126, from City Clerk, Request For Executive Session Pursuant to AS 44.62.310(A-C)(1&5) Matters, The Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Public Entity and Matters that are Attorney Client Privilege. Page 5

4. COMMENTS OF THE AUDIENCE

5. ADJOURNMENT

Next Regular Meeting is Monday, October 9, 2017 at 6:00 p.m. Worksession at 4:00 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.



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 17-126

TO: MAYOR ZAK AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: SEPTEMBER 20, 2017

SUBJECT: REQUEST FOR EXECUTIVE SESSION PURSUANT TO AS 44.62.310(A-C)(1&5) MATTERS, THE IMMEDIATE KNOWLEDGE OF WHICH WOULD CLEARLY HAVE AN ADVERSE EFFECT UPON THE FINANCES OF THE PUBLIC ENTITY AND MATTERS THAT ARE ATTORNEY CLIENT PRIVILEGE.

Pursuant to Council's Operating Manual – "Any Councilmember, the Mayor or City Manager may place consideration of an executive session on the agenda..."

City Manager Koester requested an Executive Session regarding "Water and Sewer Billing Issues" for the Special Meeting of September 25, 2017. This has been publicly and internally noticed since that time.

Attorney Wells will be present and staff will participate.

RECOMMENDATION:

Approve the request for Executive Session and conduct immediately in the Conference Room.

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



COMMITTEE OF THE WHOLE
5:00 P.M. MONDAY
SEPTEMBER 25, 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 MELISSA JACOBSEN

PRELIMINARY TENTATIVE
COMMITTEE OF THE WHOLE AGENDA

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

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 Monday, October 9, 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
SEPTEMBER 25, 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 MELISSA JACOBSEN

REGULAR MEETING AGENDA

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

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

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

Councilmember Lewis has requested excusal.

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. Mayoral Recognition of Barb Brodowski for her Clean-Up Efforts Around the Harbor

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 Regular Meeting Minutes of September 11, 2017 City Clerk. Recommend adoption. Page 27
- B. **Memorandum 17-120** from Deputy City Clerk Re: Confirmation of Election Judges for the October 3, 2017 Regular Election. Recommend approval. Page 39
- C. **Memorandum 17-121** from City Clerk Re: New Retail Marijuana Store License for Uncle Herb's. Recommend approval. Page 121
- D. **Memorandum 17-122** from Councilmember Aderhold Re: Approval of Submitting a Letter to the Marijuana Control Board to Oppose Smoking of Marijuana Onsite but Allowing Consumption of Marijuana to Include the Method of Vaping. Recommend approval. Page 69
- E. **Memorandum 17-123** from City Manager Re: Rescheduling the Monday, October 23, 2017 Regular Meeting to Monday, October 30, 2017. Recommend approval. Page 75
- F. **Ordinance 17-34**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2017 Operation Budget to Provide for Necessary Mid-Year Adjustments by Increasing Revenue Projections and Appropriating and Transferring Funds from the General and Port and Harbor Funds. City Manager/Finance Director. Recommended dates: Introduction September 11, 2017 Public Hearing and Second Reading September 25, 2017. Page 79

Memorandum 17-125 from City Manager as backup. Page 83
- G. **Ordinance 17-35**, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of Lot 47 Homer Spit Subdivision Amended, KPB Parcel No. 18103408 to Land's End Acquisition Corporation for \$30,000 Cash and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction September 11, 2017 Public Hearing and Second Reading September 25, 2017. Page 89
- H. **Ordinance 17-36**, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of Govt. Lot 36, Section 14, Township 6 South, Range 13 West, Seward Meridian, KPB Parcel No. 17910001 to Betty Gambone for \$25,000.000 Cash, Plus Associated Water and Sewer Assessments, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction September 11, 2017 Public Hearing and Second Reading September 25, 2017. Page 97
- I. **Ordinance 17-37**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an FY 2017 State Homeland Security Grant for Upgrading the City's Radio Communication System and Authorizing the City Manager to Execute the Appropriate

Documents. City Manager. Recommended dates: Introduction September 11, 2017
Public Hearing and Second Reading September 25, 2017. Page 107

Memorandum 17-124 from Special Projects & Communications Coordinator as backup
Page 109

J. **Resolution 17-080**, A Resolution of the City Council of Homer, Alaska, Disbanding the
Police Station Building Task Force. City Clerk. Recommend adoption. Page 111

K. **Resolution 17-081**, A Resolution of the City Council of Homer, Alaska, Authorizing the
City to Accept Alaska Tidelands Survey No. 1373 and 1609 from the State of Alaska and
Authorizing the City Manager to Execute All Appropriate Documents. City Manager.
Recommend adoption. Page 113

L. **Resolution 17-082**, A Resolution of the City Council of Homer, Alaska, Directing the
Homer Advisory Planning Commission to Consider a Natural Hazards Overlay District
or Other Appropriate Zoning Regulations In and Around the Baycrest Subdivision.
Erickson. Recommend adoption. Page 123

7. VISITORS

A. Kenai Peninsula Borough Sales Tax Information - Mayor Navarre Page 127

B. Center for Alaskan Coastal Studies - Beth Trowbridge, Executive Director

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

A. 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)

A. **Ordinance 17-33**, An Ordinance of the City Council of Homer, Alaska, Exempting Disabled Veterans from Real Property Taxes. Stroozas. Introduction September 11, 2017, Public Hearing and Second Reading September 25, 2017. Page 141

B. **Resolution 17-079**, A Resolution of the Homer City Council Adopting the 2018-2023 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2019. Mayor/City Council. Page 147

10. ORDINANCE(S)

11. CITY MANAGER'S REPORT

A. City Manager's Report Page 153

12. CITY ATTORNEY REPORT

A. Memorandum Re: Ethics Complaint Process Page 165

13. COMMITTEE REPORT

A. Employee Committee Report

B. Americans with Disabilities Act Compliance Committee

C. Police Station Building Task Force

14. PENDING BUSINESS

15. NEW BUSINESS

16. RESOLUTIONS

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 Monday, October 9, 2017 at 6:00 p.m., Worksession at 4:00 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

PUBLIC COMMENTS
UPON MATTERS
ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

Session 17-21 a Regular Meeting of the Homer City Council was called to order on September 11, 2017 at 6:00 p.m. by Mayor Zak at the 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, SMITH, STROOZAS

ABSENT: REYNOLDS (excused)

STAFF: CITY MANAGER KOESTER
CITY CLERK JACOBSEN
LIBRARY DIRECTOR DIXON

City Council met for a Worksession from 4:00 p.m. to 4:55 p.m. to discuss the Emergency Operations Plan and from 5:00 p.m. to 5:30 p.m. to discuss Revenue Sources for General Fund, Consent Agenda and Regular Meeting Agenda items.

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

AGENDA APPROVAL

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

The following changes were made: **CONSENT AGENDA Ordinance 17-33**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 9, Taxation, by Adding a New Section 9.04.049 to Exempt Disabled Veterans and Surviving Spouses from Real Property Taxes. Kenai Peninsula Borough Code 5.12.105 as backup **CITY MANAGER'S REPORT** Councilmember Smith's AML Summer Conference Report

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

LEWIS/ADERHOLD SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

A. Mayoral Proclamation Elk's Patriotism Week, September 11-17, 2017

Councilmember Smith read and presented the Proclamation to Tom Stroozas, Exalted Ruler of the Homer Elks.

B. Mayoral Proclamation National Estuaries Week September 16-23, 2017

Councilmember Aderhold read and presented the Proclamation to Coowe Walker, Kachemak Bay National Estuarine Research Reserve Program Watershed Ecologist, and her daughter Daisy Walker.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Scott Adams, city resident, commented in support of Memorandum 17-117. He explained that his son purchased property in that area not knowing the impacts of the drainage issues there, and that it needs to be addressed.

Sarah Vance, city resident, commented in support of reconsidering Memorandum 17-114 and Resolution 17-078. She cited the decision by Superior Court Judge Marsten in the case of the ACLU versus the City of Homer. Having recall language liberally construed is so that it can be determined by the will of the voters.

Hal Smith, city resident, commented in opposition to reconsidering Memorandum 17-114 and Resolution 17-078. He said close to forty states have defined the issue of misconduct more definitively to minimize chances of the vagueness that can occur. This resolution and memorandum asks the state to do what the Supreme Court asked the state to do decades ago, and he supports that.

Ron Keffer, city resident, commented in opposition to reconsideration of Memorandum 17-114 and Resolution 17-078. He echoed Dr. Smith's comments that throughout the country recall statutes have been defined. Alaska's statute is the poorest because almost any kind of complaint can end up resulting in a recall. It's disruptive and expensive. The resolution doesn't say what it should say, only that it's time to review this again.

Kimberly Ketter, city resident, commented in opposition to reconsideration of Memorandum 17-114 and Resolution 17-078. The recall effort was based on feelings, not facts. Also, it puts our City Clerk in a position as if she's a lawyer, and she's not. She agrees the statue needs to be revised, especially since two of the seats were available.

Ken Langfield, city resident, commented in support of the memorandum to allow the sale of cannabis on the spit. It is legal now, like other psychoactive substances, alcohol, tobacco, caffeine, and chocolate that are for sale on the spit. It's hypocritical not to allow cannabis products on the spit.

Kate Finn, city resident, commented in opposition to reconsideration of Memorandum 17-114. She doesn't see any reason not to bring up a discussion and review statutes that have been in the State of Alaska for a while, and doesn't understand what people are worried about. Bringing it to the Alaska Municipal League is more than appropriate.

Aaron Falkler, city resident, commented in support of the legal sale of marijuana on the spit. A big issue in the city and entire nation is the illegal sale of marijuana. Legalizing it could potentially reduce the black market sales, and help reduce the crime rate in the city. He appreciated the Mayors comment related to Patriots Day that hopefully we are thinking about somebody else, and explained how he lost his best friend in North Tower on 9/11.

RECONSIDERATION

- A. **Memorandum 17-114** from Councilmembers Aderhold and Smith Re: Approval to Submit a Resolution Regarding Standards for Recalling Municipal Officers to the Alaska Municipal League (AML) Winter Conference.

Mayor Zak asked for a motion for the reconsideration of Memorandum 17-114.

STROOZAS/ERICKSON SO MOVED

Councilmember Stroozas commented he asked to reconsider because the system works fine and we need to talk about it in more detail so the public gets a good handle on what this is about. When asked why he didn't bring it up at the last meeting, Councilmember Stroozas explained he thought someone else would bring it up, and they went through the consent agenda quickly and he didn't get a chance to before it was adopted.

Councilmember Smith commented in opposition to reconsidering, he supports asking the legislature to revisit any statute, and specifically this one at this time. It is a political process that's open to the people, and any amendment that might be suggested would go through the public process. The public would have the opportunity to speak for or against any amendments. He doesn't think we should fear the political process.

VOTE: YES: STROOZAS

NO: LEWIS, SMITH, ADERHOLD, ERICKSON

Motion to reconsider failed.

- B. **Resolution 17-078**, A Resolution of the City of Homer Requesting that the Legislature Revisit the Standards for Recalling Municipal Officials to Determent the Sufficiency of the Definitions There-In. Aderhold/Smith.

Mayor Zak asked for a motion for the reconsideration of Resolution 17-078.

STROOZAS SO MOVED

Motion failed for lack of a second.

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 August 28, 2017 City Clerk. Recommend adoption.
- B. **Memorandum 17-116** from Mayor Re: Appointments of Mandy Bernard to the Homer Advisory Planning Commission and Ethen Groves to the Economic Development Advisory Commission as Student Representative. Recommend approval.
- C. **Ordinance 17-33**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 9, Taxation, by Adding a New Section 9.04.049 to Exempt Disabled Veterans and Surviving Spouses from Real Property Taxes. Stroozas. Recommended dates: Introduction September 11, 2017, Public Hearing and Second Reading September 25, 2017.

Mayor Zak asked for a motion to approve the consent agenda.

LEWIS/ADERHOLD SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

- A. Keren Kelly, Homer Senior Citizens (10 minutes)

Keren Kelley, Executive Director of Homer Senior Citizens, Inc., commented that Homer Senior Citizens was incorporated in 1973 and is the third largest non-profit in Homer. She explained their mission is to offer seniors essential services (assisted and unassisted housing, nutrition, education and transportation) and reviewed the current programs offered including the Senior Meal Program, Meals on Wheels, Transportation, Friendship Center – Adult Day Services,

Assisted Living, Housing, Exercise Programs, Support Groups – Parkinson's, Family Caregiver, Grandparents Raising Grandchildren, Daily Social and Educational Activities, Evening Activities, and Intergenerational Program. She was happy to report they were one of the winners of Fifty Cars for Fifty States from Meals on Wheels of America and Subaru. Two vehicles were awarded in Alaska, the other to Kenai, because they did such a good job explaining the difficult road conditions and the distances within the community. Last year 76 people received home delivered meals and the new vehicle will make the program available to more people in our community who need it. She challenged the Council to sign up to go with a driver and meet the people in the community who take advantage of this very important program. She also reviewed and emphasized the Intergenerational Programs geared at integrating seniors with youth and middle age again. It's an evidence based program, they are tracking data, showing the process, and will be presenting it in the next American Society on Aging meeting.

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

- A. Borough Report
- B. Commissions/Board Reports:
 - 1. Library Advisory Board
 - 2. Homer Advisory Planning Commission
 - 3. Economic Development Advisory Commission

Rachel Lord, Economic Development Advisory Commissioner, reminded and encouraged people to participate in the Business Retention and Expansion (BRE) survey. They have had about 90 people respond so far and commissioners have been working to follow up with folks who have requested it. She thanked Council for appointing the student representative.

- 4. Parks Art Recreation and Culture Advisory Commission

Ingrid Harrald, Parks Art Recreation and Culture Advisory Commissioner, invited the Mayor, Council, and community to attend the Karen Hornaday Park Trail Grand Opening on Sunday September 24th at the new pavilion. There will be a tour of the area along Fairview Avenue, and hot dogs, chips and cake will be provided at the pavilion by the City of Homer Parks Art Recreation and Culture Advisory Commission to celebrate the hard work, time and efforts of the volunteers who worked to complete the project. Ms. Harrald also commented about the Burning Basket, an event that mixes art and culture.

- 5. Port and Harbor Advisory Commission

6. Cannabis Advisory Commission
 - a. Memorandum from Cannabis Advisory Commission Re: Recommendation to Oppose Onsite Consumption of Marijuana by Smoking.
 - b. Memorandum from Cannabis Advisory Commission Re: Recommendation to Amend Zoning on the Homer Spit to Allow Cannabis.

Councilmember Lewis commented regarding the Commissions discussion opposing onsite consumption by smoking, but approving consumption by other means.

PUBLIC HEARING(S)

ORDINANCE(S)

CITY MANAGER'S REPORT

- A. City Manager's Report

City Manager Koester announced the 2019 AML Summer Conference will be held in Homer.

There was brief discussion about the community jail contract information. City Manager Koester commented there has been communication regarding the contract, but we aren't in a place to decide which way to go on the jail. Commissioner Williams was brainstorming an expanded role for a jail in Homer and that's something Council would need to spend a lot of time thinking about. She encouraged councilmembers to give her any direction for adding that potential variable in October.

CITY ATTORNEY REPORT

COMMITTEE REPORT

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

PENDING BUSINESS

NEW BUSINESS

- A. **Memorandum 17-117** from Councilmember Erickson Re: Approving an Invitation to AKDOT, Enstar, and Kenai Peninsula Borough to have a Conversation Regarding Drainage Issues On and Around Judy Rebecca Court and Potential Solutions.

ERICKSON/ADERHOLD MOVED TO POSTPONE THIS TO THE NEXT MEETING AND BRING BACK A RESOLUTION OR MEMORANDUM REGARDING JUDY REBECCA COURT DRAINAGE.

There was brief discussion that more information should be available for the next meeting.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

RESOLUTIONS

- A. **Resolution 17-079**, A Resolution of the Homer City Council Adopting the 2018-2023 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2019. Mayor/City Council. Recommend Public Hearing and Adoption September 25, 2017.

Memorandum 17-118 from Special Projects & Communication Coordinator as backup.

Mayor Zak asked for a motion to adopt Resolution 17-079 by reading of title only.

LEWIS/ADERHOLD SO MOVED

ADERHOLD/LEWIS MOVED TO ADD THE PORT AND HARBOR WOOD GRID REPLACEMENT PROJECT TO THE CIP.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ERICKSON/ADERHOLD MOVED TO REMOVE THE EAST WEST TRANSPORTATION CORRIDOR FROM THE CIP.

There discussion this is outdated and there are other road coming into play now.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

LEWIS/STROOZAS MOVED TO ADD ICE PLANT UPGRADE PHASE 1.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ADERHOLD/LEWIS MOVED TO ADD THE SOUTH PENINSULA HOSPITAL HILLSIDE STABILITY STUDY.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

LEWIS/ADERHOLD MOVED TO COMBINE THE BARGE MOORING FACILITY AND LARGE VESSEL HAUL OUT REPAIR FACILITY

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ADERHOLD/LEWIS MOVED TO ADD THE SOUTH PENINSULA BEHAVIORAL HEALTH SERVICES ANNEX UPGRADE PROJECT.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

LEWIS/ADERHOLD MOVED TO MOVE RAMP 2 PUBLIC RESTROOM FROM THE LONG RANGE TO MID RANGE SECTION.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ADERHOLD/LEWIS MOVED TO AMEND PUBLIC SAFETY BUILDING PHASE 1 PROJECT TO THE NEW HOMER POLICE STATION PROJECT

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

LEWIS/ADERHOLD MOVED TO TAKE THE PUBLIC SAFETY BUILDING PHASE ONE PROJECT DESCRIPTION AND AMEND IT TO REFLECT THE CURRENT PROJECTS FOCUS ON A NEW STAND ALONE POLICE STATION.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ADERHOLD/LEWIS MOVED TO REMOVE LAND ACQUISITION FOR NEW ROADS FROM THE CIP.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ADERHOLD/ERICKSON MOVED TO REMOVE HEATH STREET PIONEER TO ANDERSON PROJECT.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Zak asked for a motion to postpone to the next meeting for a public hearing.

LEWIS/ADERHOLD SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

COMMENTS OF THE AUDIENCE

Brian Nahmis, city resident on Ben Walters Lane, commented regarding people speeding down Ben Walters in an effort to avoid Lake Street. Jeffrey Park is there and he shared an instance of a vehicle speeding down the road and veering toward the ditch, then over correcting and coming toward his yard, but fortunately not having a major accident. He's contacted the Police Department and asked about putting a car on one of the streets, but was told it's considered entrapment. He suggested that if a stop sign could be put in at some mid-range point it could be enforced if someone runs the stop sign. It's worse at night. It's a real safety hazard and surprising to him that nothing can be done to address this.

COMMENTS OF THE CITY ATTORNEY

City Attorney Wells was not present.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen commented that Absentee in Person voting opens September 18th at the City Clerk's Office.

COMMENTS OF THE CITY MANAGER

City Manager Koester had no comment.

COMMENTS OF THE MAYOR

Mayor Zak commented he was just in Nashville and wore his Homer, Alaska t-shirt. At the Grand Ole Opry they recognized that the Mayor of Homer, Alaska was there in front of about 4,000 people, and the crowd went wild.

COMMENTS OF THE CITY COUNCIL

Councilmember Lewis commented he was listing to Fresh Air on KBBI today and the discussion was about the first responders of 9/11 and how there was a time limit of 96 hours for first responders when they receive benefits for any injuries incurred, short or long term. It took an individual who had an 8,000 lb. piece of steel fall on his foot just after the 96 hour timeline, 9 years before the house and senate voted to extend the time limit of first responders who could receive benefits, and more people to get it lengthened more. Those things might be coming up after the hurricanes and dealing especially with effects of chemical waste. We should work with State and Federal Legislators to support those things no matter the cost.

Councilmember Smith commented that in remembering 9/11, he doesn't think anyone that was paying attention to those events was left unchanged. He hopes we don't ever lose sight of

what it means to come together as a community and a nation. He thinks we're seeing that in what's happening in Florida, Houston, Texas, and the earthquake in Mexico with amount of goodwill and compassion seen in the relief efforts. It's good to see the heart of the people and their willingness to do good in light of very horrific circumstances. He appreciates people who step up and serve within our community in whatever capacity they can. He spent Saturday afternoon in Seward, it was a beautiful day and he watched our Mariner Football team beat the Seahawks. He congratulated them on a fourth consecutive win.

Councilmember Aderhold attended the Cook Inlet RCAC board meeting in Homer. She thanked them for being here, it was good to see several members of the public taking part. She was able to present about the program she works on and appreciated the dedication of the board with their questions and good discussion. She spent a couple hours working on the last part of the Karen Hornaday Park Trail, she appreciates all the people's efforts who worked on the trail and looks forward to the grand opening, September 24th at 2 pm. We were lucky to have Louise Erdrich here for a reading at the college last week, it was a wonderful experience. She hopes everyone knows past writer laureate Nancy Lord is having a book launch at the library for her new novel pH. Today was the first Lunch with a Councilmember for the season. She had good discussion with folks and many thanks to those who came out. It's once a month through the winter, Councilmember Erickson is next month, and Councilmember Stroozas in November. Lastly she commented about a hit and run accident this morning at Heath Street and the bypass involving a vehicle and bicyclist. She doesn't know any details about the accident but as a bicyclist, pedestrian and driver in our community she encouraged everyone to remember we all need to share the road, obey the rules that apply to us, and please pay attention to others on the road.

Councilmember Erickson commented regarding the worksession discussion on the Emergency Operations Plan. Her takeaway is that if we have a natural disaster, we will all be doing something to help respond to the people around us. She challenged everyone to take advantage of classes that come up in person or on line that would be helpful in looking at a bigger incident so we are prepared, even in our own homes, like finding exits, identifying who we need to call and who's living alone.

Councilmember Stroozas commented there is always a lot going on in Homer. Saturday from 5 to 9 pm the Homer Elks Lodge is hosting the AK Kids to DC annual fundraiser for Homer students who will be going to Washington DC next spring. It will include music, dinner, and a silent auction. Also, the Chamber of Commerce is hosting a Borough Mayoral Candidate Forum at the Elks Lodge on the 14th at 5:30 p.m.

ADJOURNMENT

There being no further business to come before the Council, Mayor Zak adjourned the meeting at 7:30 p.m. The next Regular Meeting is Monday, September 25, 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.

MELISSA JACOBSEN, MMC, CITY CLERK

Date: _____



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 17-120

TO: MAYOR ZAK AND HOMER CITY COUNCIL

FROM: HAYLEY R. SMITH, DEPUTY CITY CLERK

DATE: SEPTEMBER 12, 2017

SUBJECT: CONFIRMATION OF ELECTION JUDGES FOR THE CITY OF HOMER OCTOBER 3, 2017
REGULAR ELECTION

Pursuant to Homer City Code Sections 4.20.010 and 4.35.010 the Election Judges are approved by City Council and the Canvass Board is confirmed by the City Council. Election Central Judges and Absentee Voting Officials are appointed by the City Clerk and require no approval or confirmation of the City Council.

Homer No. 1	Homer No. 2	Canvass Board
Jane Swain, Chair	Margaret Lau, Chair	Jane Swain
Maryann Lyda	Pauline Benson	Alice Krivitsky
Carol Renfrew	Kate Finn	
Becky Lundvist	Alice Krivitsky	

Recommendation: Confirm the appointment of the Canvass Board and approve the appointment of the Election Judges for the October 3, 2017 City of Homer Regular Election.

Fiscal Note: Polling Place - \$10.50/hr. Chairs, \$10.00/hr. Judges, 12-18 hrs.
\$12.50/hr. Canvass board 2-4 hours or until done.

Account: 100.0102.5101-5107



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(f) 907-235-3143

Memorandum 17-121

TO: MAYOR ZAK AND HOMER CITY COUNCIL
FROM: MELISSA JACOBSEN, MMC, CITY CLERK
DATE: SEPTEMBER 20, 2017
SUBJECT: NEW RETAIL MARIJUANA LICENSE FOR UNCLE HERB'S

We have been notified by the Alcohol Marijuana Control Office of an application for a new retail marijuana license in the City of Homer for the following:

Type: Retail Marijuana Store
Lic #: 12866
DBA Name: Uncle Herb's
Service Location: 1213 Ocean Drive, Suite 2, Homer, Alaska
Licensee: Eden Management Group, LLC
Designated Licensee: Lloyd Stiasny
Mailing Address: PO Box 90171, Anchorage, AK 99509

RECOMMENDATION: Voice non objection and approval for the new retail marijuana license.

Fiscal Note: Revenues.



City of Homer

www.cityofhomer-ak.gov

Planning

491 East Pioneer Avenue
Homer, Alaska 99603

Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

August 30, 2017

State of Alaska
Alcohol and Marijuana Control Board
500 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov

RE: New License 12866, Uncle Herb's Retail Marijuana Store

Ericka McConnell,

As part of the City of Homer's application review process, I am designated per Homer City Code (HCC) 21.62.040 to make recommendations on all proposed marijuana establishments within city limits. The proposed establishment is found in the General Commercial District 1 (GC1) and, as such, is a permitted use. According to adopted buffer zones (HCC 21.62.070), I find that the proposed location is not known to be encroaching into any area of exclusion.

After review of the site and application, I recommend approval with the following conditions.

1. Lighting. Outdoor lighting must comply with level one lighting standards per HCC 21.59.030. "No outside lighting shall be installed so as to cause light trespass or glare", HCC 21.59.030 (c).
2. Signage. Signage must comply with HCC 21.60. As the proposed location supports multiple businesses, signs must be coordinated to fit within the total allowance for the site.

The Planning Office welcomes the opportunity to assist the applicant in meeting these requirements and is available to answer any questions.

Sincerely,

Rick Abboud, AICP
Homer City Planner



CITY OF HOMER

POLICE DEPARTMENT

4060 HEATH STREET HOMER, AK 99603-7609

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

MEMORANDUM

DATE: September 5, 2017
TO: Melissa Jacobsen, City Clerk
FROM: Mark Robl, Chief of Police
SUBJECT: Retail Marijuana License

The Homer Police Department has no objection to the retail marijuana license for the following businesses:

Type:	Retail Marijuana Store
License #	12866
DBA Name:	Uncle Herb's
Service Location:	1213 Ocean Drive, Suite #2 Homer, AK 99603
Licensee:	Eden Management Group, LLC
Designated Licensee:	Lloyd Stiassny
Mailing Address:	PO Box 90171, Anchorage, AK 99509



City of Homer

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Office of the City Clerk

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Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum

TO: Mark Robl, Police Chief
FROM: Melissa Jacobsen, City Clerk
DATE: September 5, 2017
SUBJECT: New Retail Marijuana License for Uncle Herb's

We have been notified by the Alcohol Marijuana Control Office of an application for a new retail marijuana license in the City of Homer for the following:

Type: Retail Marijuana Store
Lic #: 12866
DBA Name: Uncle Herb's
Service Location: 1213 Ocean Drive, Suite 2, Homer, Alaska
Licensee: Eden Management Group, LLC
Designated Licensee: Lloyd Stiasny
Mailing Address: PO Box 90171, Anchorage, AK 99509

This matter is scheduled for the September 25, 2017 City Council meeting. Please respond with objections/non-objections to this new retail marijuana license by **Wednesday, September 20, 2017**.

Thank you for your assistance.



August 25, 2017

City of Homer
Attn: Renee Krause, City Clerk
VIA Email: rkrause@ci.homer.ak.us; clerk@cityofhomer-ak.gov
CC: jblankenship@kpb.us
micheleturner@kpb.us

New Application **Transfer of Ownership Application** **Onsite Consumption Endorsement**

License Number:	12866
License Type:	Retail Marijuana Store
Licensee:	Eden Management Group, LLC
Doing Business As:	UNCLE HERB'S
Physical Address:	1213 Ocean Drive Unit 2 Homer, AK 99603
Designated Licensee:	Lloyd Stiassny
Phone Number:	907-230-6436
Email Address:	stazz@msn.com

AMCO has received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.025(d)(2).

To protest the approval of this application(s) pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a new license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200, or when a local government protests an application on the grounds that the proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

This application will be in front of the Marijuana Control Board at our September 14-15, 2017 meeting.

Sincerely,

Erika McConnell

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38 of Alaska Statutes** and **Chapter 306 of the Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Security
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Waste disposal
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising
- Control plan for persons under the age of 21

Applicants must also complete the corresponding operating plan supplemental forms (**Form MJ-03, Form MJ-04, Form MJ-05, or Form MJ-06**) to meet the additional operating plan requirements for each license type.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Eden Management Group, LLC	License Number:	12866		
License Type:	Retail Marijuana Store				
Doing Business As:	UNCLE HERB'S				
Premises Address:	1213 Ocean Drive Suite 2				
City:	Homer	State:	ALASKA	ZIP:	99603

Mailing Address:	PO Box 90171				
City:	Anchorage	State:	ALASKA	ZIP:	99509

Primary Contact:	Lloyd Stiasny				
Main Phone:	907-230-6436	Cell Phone:			
Email:	stazz@msn.com				



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Section 2 – Security

Review the requirements under 3 AAC 306.710 – 3 AAC 306.720 and 3 AAC 306.755, and identify how the proposed premises will meet the listed requirements.

Describe how the proposed premises will comply with each of the following:

Restricted Access Areas (3 AAC 306.710):

Describe how you will prevent unescorted members of the public from entering restricted access areas:

The facility will be equipped with 24 hour monitoring alarm system, exterior lighting, and video surveillance. All entrances, exits, security doors, restricted access areas, windows, every portion of the secured storage area, point of sale areas and the exterior of the building will have security cameras installed to monitor and identify all activity. All members of the public who are allowed access to the restricted access areas of the facility must check in at the front entrance door and obtain a visitor badge, and are to be worn and clearly displayed at all times while on the premises. To maintain the security of the facility and all marijuana, restricted access areas of the facility will be monitored and restricted at all times. Access will only be granted to employees and the licensee, with the limited exception of scheduled pre-approved visitors. Each entry point to a restricted access area will have signs prominently posted stating that the area is restricted, for employees only. Distinct and apparent cameras will be placed throughout and around the facility to encourage people to not attempt access.

Describe your processes for admitting visitors into and escorting them through restricted access areas:

The owner, manager on duty, specially-defined agents, and any emergency personnel during the time of an emergency will have unrestricted access to the entire facility. All other individuals who are permitted access to restricted areas must be accompanied by an escort at all times. All visitors will enter through the front entrance door and check in with an employee at entrance. All visitors must provide valid government-issued identification and must be pre approved and scheduled by the Licensee prior to entrance to a restricted access area. The visitor will sign into a log with the date, time in and out of the restricted space, and purpose of their visit. The log will be kept and stored as a business record and will be made available to AMCO upon request. All visitors will be given a visitor badge to be displayed on their person at all times and returned upon exit. Visitors will be escorted by an employee while in the restricted access areas, and once the visit has concluded, the visitor must leave the premises immediately. No more than 5 visitors per employee will be escorted through a restricted access area at a time.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Describe your recordkeeping of visitors who are escorted into restricted access areas:

All visitors who are approved to access the the Restricted Access Area must sign into a log book noting their name, date of visit, the purpose of the visit, and the time in and out of the facility. All visitors will be required to sign in, and to provide valid government issued identification. Uncle Herbs will retain the visitor log that will be available to AMCO upon request. Any additional information pertinent to the visit will also be retained as a business record (ie such as scale inspection report if its an agent from the Weights Measurement dept., etc). The records will be stored on the company's computer server, hard original copy will be stored in the secured locked cabinet for a minimum of 7 years.

Provide a copy of a sample identification badge to be displayed by each licensee, employee, or agent while on the premises:





Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Security Alarm Systems and Lock Standards (3 AAC 306.715):

Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

The exterior of the building will be well lit. Exterior lighting will be specially designed and positioned to help visually secure the premises and allow the surveillance system to depict individuals up to twenty (20) feet from all entry points. Lights will be mounted in inaccessible places and have sturdy housings and lenses to help make them vandal proof. The company will use extremely bright lights to deter crime and ensure maximum visibility. All lights will be commercial grade white LED Flood lights and will be checked daily by management to ensure that each light in the system is operational and well-placed for visibility in security footage and to deter loitering or otherwise unauthorized presence on the premises.

An alarm system is required for all license types. Describe the security alarm system for the proposed premises:

The alarm system that will be installed will have an approved monitoring center monitoring the premises activity 24 hours a day, 7 days a week, to ensure the safety of agents and assets, detect any unauthorized intrusion or activity, and notify local law enforcement, if needed. The facility will contract with a third party alarm system and monitoring company to install and maintain all alarm system equipment. The security monitoring company will be in direct contact with Uncle Herbs on-site manager and the local law enforcement. Alarm testing will be done every six (6) months. The alarm system will monitor all exterior doors and windows. Any unauthorized intrusion or attempted intrusion will send an automatic, electronic alert to ownership and local law enforcement. Ownership and management will be educated on the security and alarm systems by the security and alarm system installers. Education on the security and alarm systems will include: proper use, troubleshooting, police response, measures, and controls. The daily manager will be the first to arrive to the facility each morning to disable the alarm system. All security cameras and tapes will be checked each morning at opening to ensure they are functioning. The last agent to leave the facility each night will activate all overnight security devices, and lock all doors and windows. All doors that are not self-locking will be locked using a key, and sensors on windows will be activated at that time.

The alarm system must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe how the security alarm system meets this requirement:

Through the third party security monitoring center, sensors will be installed on all doors and windows so they register all activity when the alarm system is activated and any intrusion will initiate a response. The alarm system will always be activated when the facility is closed for business. Each morning, the daily manager will disable the alarm system, and the opening agents will check all security cameras and tapes to ensure they are functioning. The last employee to leave at close will activate all security devices and lock all doors and windows. All doors that are not self-locking will be locked using a key, and sensors on windows will be activated at close to monitor intrusions.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Describe your policies and procedures for preventing diversion of marijuana or marijuana product:

Marijuana will be stored in a secured locked area during closed business hours. Restricted access is granted only to specific personnel to these locked areas. These secured locked areas will have 24 hour video surveillance and video back up for all video footage and will be stored for a minimum of forty (40) days. When the business is open, all marijuana will be on display in specific areas, unreachable to customers. Cameras will be visible and provide a full view of the room, including the entryway, safes, money counting area, and product accounting area. Security monitors and video recording equipment will be located in the safe room. Weekly inventory counts will be taken and stored as official business records. Uncle Herbs understands that diversion can happen in two ways - inversion and diversion - and is equally profitable diverting product out of the legal system as it is diverting product from the illegal system into the legal market. In the event that theft or diversion is suspected, all employees will alert management immediately. In the event that an employee is caught stealing marijuana, OR infusing the facility with non-regulated black market product Uncle Herbs will notify local law enforcement immediately, comply with all directives, and provide all necessary information and records for the investigation. Ownership will take the necessary steps to ensure that illegal conduct by an employee does not compromise the facility's license and legitimate business operations. All employees will be trained to recognize potential theft, and are required to notify ownership or management if they suspect such activity is occurring. All reports and documentation concerning a suspected or actual theft will be maintained by the company for five (5) years and made available to AMCO upon request. If any suspected or actual theft occurs, ownership will contact local law enforcement immediately. Once a theft is reported to law enforcement, ownership will update the product records in the marijuana inventory control tracking system to maintain an accurate and comprehensive accounting for all marijuana inventory activity. Ownership will also comply with any and all directives, inquiries, and investigations lodged by AMCO.

Describe your policies and procedures for preventing loitering:

Uncle Herbs will have a "No Loitering" sign clearly posted on the exterior of their facility. Loitering outside the establishment will be met with a request from company agents to leave the premises. The loitering individual will be given a verbal warning that law enforcement will be notified if they do not comply. The last resort will be to reach out to law enforcement personnel for assistance. In the retail and display area, agents will be constantly interacting with customers. If customers no longer have a purpose inside the retail and display area, agents will politely state that we have a "No Loitering" policy and customers are then asked to leave. The facility will have a single and secure entrance for all public entrance and one single exit door. The entrance and perimeter of the building will be monitored by security cameras at all times. Agents will maintain a regular and noticeable presence around the property to deter unauthorized entrance. Managers will work with the security company and local law enforcement, if necessary, to secure the premises, prevent business practices which could entice or allow loitering, and escort all loitering individuals off the premises as soon as possible. Any police reports or incidents involving enforcement will be reported to AMCO.

Describe your policies and procedures regarding the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of the proposed premises:

Motion detectors will be rigged to the exterior lighting system, in addition to the stationary lights, to allow for additional security measures during closed hours and provide extra lighting for all surveillance recordings. The alarm system will monitor for intrusions with motion detectors on all access points, including doors, and windows during closed hours. Any unauthorized or attempted intrusion will prompt an automatic, electronic alert to the security company who will then contact local law enforcement and ownership. All alarm systems and devices will be tested every six (6) months. Employees will be trained on activating the security alarm system and will wear panic buttons on lanyards during open hours and during closing.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Describe your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security:

During emergencies, management will evacuate the building and agents of the company will await the arrival of local emergency officials in a safe and accessible location. All visitors present on the premises will be escorted immediately to the nearest exit in a safe and organized manner. When any dangerous, threatening, or unauthorized activity is reported to local law enforcement, employees will comply with directives and remain in a safe location while the incident is addressed. After the emergency is resolved, employees will look for property damage, verify cash and inventory, and submit all necessary documentation to law enforcement officials for a police report. Surveillance footage will be downloaded and submitted to police officials to aid in their investigation, and authorized officials will be given direct phone numbers to ownership and agents to ensure a good working relationship.

Video Surveillance (3 AAC 306.720):

All licensed marijuana establishments must meet minimum standards for surveillance equipment. Applicants should be able to answer "Yes" to all items below.

Video surveillance and camera recording system covers the following areas of the premises: Yes No

Each restricted access area and each entrance to a restricted access area

Both the interior and exterior of each entrance to the facility

Each point of sale area

Each video surveillance recording: Yes No

Is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing

Clearly and accurately displays the time and date

Is archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

Surveillance cameras will be positioned along the building with ample lighting, and checked regularly to prevent obstructions and to get the best facial image of anyone within twenty (20) feet of all access points. Video surveillance cameras will be placed strategically to record all areas of the facility inside and outside, at a variety of angles. All doors, safes, and the check-in and check-out counters will have video coverage to clearly identify the faces of those present. Cameras at the external corners of the facility will record activity on each side of the building. The parking lot will have video coverage to identify vehicles. A failure notification system will be installed to provide audible and visual notification of any failure in the surveillance system so that it can be immediately resolved. During a power outage all video cameras and recording equipment will be run on emergency power with a battery backup system to ensure that they can continue to operate for at least one (1) hour.

Describe the locked and secure area where video surveillance recording equipment and records will be housed and stored and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the board:

All surveillance recording equipment and footage will be stored in the office, with backups off site. The office will be accessible only by authorized agents, and will have an advanced, reinforced security door, locked at all times that only the Licensee has keys for. The keys used for the office and safe room will be marked "Do Not Replicate". The licensee will have key access to surveillance recordings to monitor operations virtually. The security system will be password protected to prevent any data tampering, and recorded data will be stored for a minimum of forty (40) days as an official business record. All surveillance footage will be accessible for upload to a separate hard drive in the event that it must be stored longer for criminal, civil, or administrative investigations. All recordings will be time and date stamped, and archived in a format that prevents alteration of the recorded image. Recordings and surveillance data will be available to AMCO and local law enforcement upon request

Location of Surveillance Equipment and Video Surveillance Records:

Yes No

Surveillance room or area is clearly defined on the premises diagram

Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area

Surveillance recording equipment access is limited to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including an agent of the board

Video surveillance records are stored off-site



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Business Records (3 AAC 306.755):

All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records. Applicants should be able to answer "Yes" to all items below.

Business Records Maintained and Kept on the Licensed Premises:

Yes No

All books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months are maintained on the marijuana establishment's licensed premises; older records may be archived on or off-premises

A current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment

The business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises

Records related to advertising and marketing

A current diagram of the licensed premises including each restricted access area

A log recording the name, and date and time of entry of each visitor permitted into a restricted access area

All records normally retained for tax purposes

Accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed

Transportation records for marijuana and marijuana product as required under 3 AAC 306.750(f)



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records.

Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All business records, including operational and regulatory documents, recordings, surveillance, financial books, inventory and employment records, logs, manifests, and communications, will be stored on-site in the office, and backed up on an off-site server to protect from loss and destruction and to allow ownership and designated authorities access at any time. Hard copies (if original hard copied needed to be kept in addition to electronic versions such as Visitors Logs) will be kept in the designated secured storage area, in a separate locked cabinet that is accessible only to Lloyd (and AMCO if requested). Facility records will be managed by authorized agents in accordance with standard retention policies to ensure that business records are stored in a consistent and searchable manner. Every 6 months the company will do a manual backup to an external hard drive. The hard drive will be locked in the record cabinet. Hard copies of documents will be kept for at least 7 (seven) years and the company has no intention of destroying any electronic copies of the business records.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Section 3 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730, and identify how the proposed establishment will meet the listed requirements.

All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with the system the board implements to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

Applicants should be able to answer “Yes” to all items below.

Marijuana Tracking and Weighing:	Yes	No
A marijuana inventory tracking system, capable of sharing information with the system the board implements to ensure tracking for the reasons listed above, will be used	<input checked="" type="checkbox"/>	<input type="checkbox"/>
All marijuana delivered to a marijuana establishment will be weighed on a scale certified in compliance with 3 AAC 306.745	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Describe the marijuana tracking system that you plan to use and how you will ensure that it is capable of sharing information with the system the board implements:

Uncle Herbs will use the Metrc marijuana inventory tracking system to increase product security, track the movement of all marijuana, and minimize diversion and illegal practices. Metrc will record and store all completed sales, receipt of manufactured products, and disposal of unusable inventory. All employees will be trained in using the system to ensure that: (1) all marijuana received on the premises is identified and tracked from the time of arrival through its sale, transfer, or destruction; (2) all establishments transacting to purchase or otherwise receive marijuana products from the facility are licensed; and (3) any loss or theft of marijuana products is promptly reported. Employees will record data at several stages, including: (1) during sale, sample, and transport; and (2) during disposal, destruction, and theft. The facility will enter all inventory tracking information into Metrc. Employees will record all sales in the system as they are processed. Employees will use the system to verify and record each sale and shipment, and the identity of all individuals who arrive at the facility to conduct business. In the event that marijuana is flagged for disposal, the facility will record the disposal in Metrc, and give Enforcement notice via email, at least three (3) days prior to taking any disposal action. In addition to notifying the appropriate local and/or state authorities, any destruction, loss, or theft of marijuana will be promptly recorded in Metrc to give notice to AMCO



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Section 4 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700, and identify how the proposed establishment will meet the listed requirements.

A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

Applicants should be able to answer “Yes” to all items below.

Marijuana Handler Permit:

Yes No

Each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment

Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person’s marijuana handler permit card in that person’s immediate possession (or a valid copy on file on the premises of a retail marijuana store, marijuana cultivation facility, or marijuana product manufacturing facility) when on the licensed premises

Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person’s marijuana handler permit card is valid and has not expired

Describe how your establishment will meet the requirements for employee qualifications and training:

Qualified agents will be given all necessary education and training upon hiring to be proficient in their jobs, as well as a three (3) month probationary period during which time they will receive training and evaluation. All qualified employees and agents must obtain their marijuana handler permit prior to employment per 3 AAC 306.700. References will be contacted and confirmed prior to employment.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Section 5 – Waste Disposal

Review the requirements under 3 AAC 306.740, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer “Yes” to the statement below.

Marijuana Waste Disposal:

Yes No

The marijuana establishment shall give the board at least 3 days notice in the marijuana inventory tracking system required under 3 AAC 306.730 before making the waste unusable and disposing of it

Describe how you will store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation, production, process, testing, or retail sales, in compliance with applicable federal, state, and local laws and regulations:

Marijuana waste will be stored away from all other products in a locked container inside the facility, and will be rendered unusable prior to leaving the facility for disposal. Management will maintain a log on the status of all marijuana waste, tracking the type of waste, the date of the disposal, the date it was rendered unusable, and the date that it was picked up by the disposal company. All marijuana labeled for disposal will be stored in a secured container, separated from all other products and materials, until it can be rendered usable. The waste will be collected and disposed of once a week. To ensure tracking and that no diversion is to occur, a manager will meet with the waste truck driver to collect and log a signature and the name of the waste truck driver, the date, time, and the type of marijuana waste that is being collected. This logged information will be available to AMCO at any time upon request, and securely stored.

Describe what material or materials you will mix with the ground marijuana waste to make it unusable:

After giving AMCO at least a three (3) day notice in the Metrc tracking system, the marijuana waste will be ground up with other compostable materials such as food waste, yard waste, vegetable oils, or non-food waste such as paper waste or cardboard.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves the marijuana establishment. Describe the process or processes that you will use to make the marijuana plant waste unusable:

To render marijuana unusable, Uncle Herbs will grind and incorporate the marijuana waste with either non-compostable or compostable solid wastes so that the resulting mixture is at least fifty percent (50%) non-marijuana waste. The facility will use paper waste, plastic waste, cardboard waste, soil, food waste, yard waste, and/or vegetable-based grease or oils. Management will ensure that the resulting mixture is composed of no more than fifty percent (50%) marijuana by volume, and will log the composition of the mixture, available to AMCO upon request. All marijuana waste will be secured in waste storage within the facility, separate from all other marijuana products, storage, and waste, until such time it is taken by an Uncle Herb's employee to the waste disposal site.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Section 6 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer “Yes” to all items below.

Marijuana Transportation:

Yes No

The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700

The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle

The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport

During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport

Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment

When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received

The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment:

For all transports of products the establishment will create a Metrc generated Trip Manifest. All Trip Manifests will be sent with the products, and an additional copy will be stored and filed on the premises as official business records. The Manifest documents will clearly have the strain name, type of product, batch number, weight, name of the transporter and handlers ID, time of departure and expected delivery, and the make, model, and license plate of the transporting vehicle. All marijuana product will be in a sealed package or container not exceeding more than five (5) pounds and then stored in a locked storage compartment within the transport vehicle. The transport vehicle will travel directly between destinations without making any unnecessary stops and at no time during transit will marijuana products be directly visible. All marijuana packaging will have a label stating that a licensed testing facility has tested each batch in the shipment. All packaging materials that will be sold to marijuana establishments for sale to consumers will be child-proof and unappealing to children. Plastic packaging will be four (4) millimeters or more in thickness and will be heat-sealed without an easy-open tab, dimple, corner, or flap so that it is difficult for a child to open as a tamper proof measure. All packaging done at the facility will be performed in a specific 24 hour surveillance monitored area and will then be packaged in a uniform matter with labels secure and clearly displayed. Packaged marijuana will be stored in a secured area until ready for display or transport, and will be inspected, accepted or rejected, and recorded in an official log. The company will check all packages to make sure that they will keep all marijuana from contamination and will check to make sure that the packages will not impart any toxic or deleterious substance to marijuana. Uncle Herbs will use certified scales in compliance with the Alaska Weights and Measures Act, and will maintain registration and inspection reports at the facility. Reports will be available upon request for AMCO.

The licensee understands that current regulations only allow retailers to transport to other retailers

Describe the type of locked, safe, and secure storage compartments that will be used in any vehicles transporting marijuana or marijuana product:

Any vehicle transporting marijuana will be unmarked and inconspicuous. Vehicles that will be used for transportation of marijuana products will contain a secure and sanitary area affixed to the inside of the transportation vehicle that will lock and will ensure the products cannot be seen by anyone from outside of the transportation vehicle. The secure storage area within the transportation vehicle will be sanitized before and after each use. Prior to departure, a manager will ensure all marijuana is in sealed packages, and locked in the safe and secure storage compartment in the transport vehicle. All employees will be trained and will understand that under no circumstances (absent instruction from a duly authorized law enforcement officer) shall a sealed package containing marijuana be opened during transportation. The vehicle storage box will be a large rectangular industrial container mounted and secured within the vehicle, accessible by a combination lock. The structure will be formed of steel, hard plastic or like materials. From time to time ownership may utilize a third party for transport and shall ensure the third party transport company has their Marijuana Handlers' card.

The licensee understands that current regulations only allow retailers to transport to other retailers



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Section 7 – Signage and Advertising

Describe any signs that you intend to post on your establishment with your business name, including quantity and dimensions:

There will be two (2) with the business name "Uncle Herb's" on it visible to the general public on both the front and side of the building. Each sign will not exceed 4,800 square inches. The facility will affix and display all required postings on, around, and within the facility, and maintain the visibility and quality of such postings, with up to date information, including: (1) operating hours, (2) certificate of occupancy from the city, (3) the State of Alaska marijuana establishment license certificate (to be displayed prominently), (4) approval to operate the facility, (5) "No Loitering" sign on the front door, (6) "Surveillance Cameras In Use" signs, (7) "Restricted Access" signs, and (8) any required postings by the local jurisdiction such as Exit and Fire Extinguisher signs. The operating hours are from 9:00 AM until 9:00 PM every day, except on nationally recognized holidays when the facility and property will be closed. The operating hours will be posted on the front door of the facility. All planned signage, required postings, logos, and advertisements are to be developed by ownership.

If you are not applying for a retail marijuana store license, you do not need to complete the rest of Section 7, including Page 17.

Restriction on advertising of marijuana and marijuana products (3 AAC 306.360):

All licensed retail marijuana stores must meet minimum standards for signage and advertising.

Applicants should be able to answer "Agree" to all items below.

No advertisement for marijuana or marijuana product will contain any statement or illustration that: Agree Disagree

Is false or misleading	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Promotes excessive consumption	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Represents that the use of marijuana has curative or therapeutic effects	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Depicts a person under the age of 21 consuming marijuana	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana	<input checked="" type="checkbox"/>	<input type="checkbox"/>



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

No advertisement for marijuana or marijuana product will be placed:

Agree Disagree

Within one thousand feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21

On or in a public transit vehicle or public transit shelter

On or in a publicly owned or operated property

Within 1000 feet of a substance abuse or treatment facility

On a campus for post-secondary education

Signage and Promotional Materials:

Agree Disagree

I understand and agree to follow the limitations for signs under 3 AAC 306.360(a)

The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products

All advertising for marijuana or any marijuana product will contain the warnings required under 3 AAC 306.360(e)



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

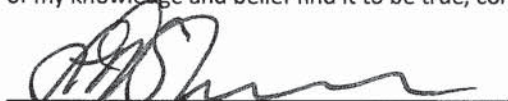
Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Section 8 – Control Plan for Persons Under the Age of 21

Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

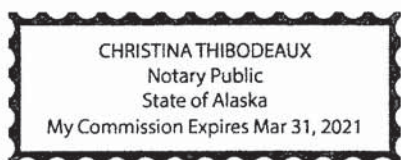
The facility will refuse entrance to any person who does not produce a form of valid photo identification showing that person is twenty one (21) years of age or older. A valid form of identification includes: (1) an unexpired, unaltered passport; (2) an unexpired, unaltered driver's license; instruction permit, or identification card of any state or territory of the United States, the District of Columbia, or a province of Canada; and (3) an identification card issued by a federal or state agency authorized to issue a driver's license or identification card. At no time will a person under the age of twenty one (21) be permitted to remain on the premises. If at any time an employee suspects that a person is a minor, the employee will refuse access and have the individual escorted off the premises. A designated employee will request from all customers for government-issued identification and will thoroughly examine ID for all members of the party. In addition to passing the Marijuana Handler's Card course, employees in this position will be trained to spot the inconsistencies of forged identifications, and they will be given an ID guide to help them recognize IDs from other states and countries. Signage will be posted at the main entry door and the shopping area entry door stating "No one under 21 years of age allowed". The sign will be twelve (12) inches long and twelve (12) inches wide, and the letters will be one half inch in height in high contrast to the background of the sign.

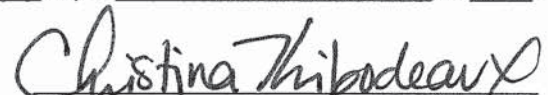
I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.


Signature of licensee

Lloyd Stiassny
Printed name

Subscribed and sworn to before me this 17 day of May, 2017.




Notary Public in and for the State of Alaska.

My commission expires: March 31, 2021



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

(Additional Space as Needed):



City of Homer

www.cityofhomer-ak.gov

Homer City Council

491 East Pioneer Avenue
Homer, Alaska 99603

(p) 907-235-3130

(f) 907-235-3143

Memorandum 17-122

TO: MAYOR ZAK AND CITY COUNCIL

FROM: DONNA ADERHOLD, COUNCIL MEMBER

DATE: SEPTEMBER 20, 2017

SUBJECT: APPROVAL OF SUBMITTING A LETTER TO THE MARIJUANA CONTROL BOARD TO OPPOSE SMOKING OF MARIJUANA ONSITE BUT ALLOW CONSUMPTION OF MARIJUANA TO INCLUDE THE METHOD OF VAPING.

At the September 11, 2017 Regular Meeting, the Cannabis Advisory Commission forwarded a memorandum requesting City Council approve their recommendation to oppose smoking of marijuana onsite but allow consumption of marijuana to include the method of vaping and forward it to the Marijuana Control Board before the stated deadline of October 27, 2017.

Attached for Council approval is a letter forwarding this recommendation to the Marijuana Control Board.

Recommendation: Approve the letter from the City Council to the Marijuana Control Board providing the recommendation from the Cannabis Advisory Commission.



City of Homer

www.cityofhomer-ak.gov

Homer City Council

491 East Pioneer Avenue
Homer, Alaska 99603

(p) 907-235-3130

(f) 907-235-3143

September 25, 2017

Marijuana Control Board
Alcohol Marijuana Control Office
550 W. 7th Avenue, Suite 1600
Anchorage, AK 99501
Email: amco.regs@alaska.gov

Chair Mlynarik and Board Members,

The City of Homer Cannabis Advisory Commission reviewed the current proposed changes to the regulations of the Marijuana Control Board and submitted their recommendation regarding onsite consumption to the Homer City Council for consideration.

After reviewing the information provided by the Commission, the Homer City Council supports their recommendation to oppose smoking of marijuana onsite but allow onsite consumption of marijuana to include the method of vaping, and submits it to the Board for consideration.

Regards,

Bryan Zak, Mayor
On behalf of the Homer City Council

Encl.
Memorandum from City of Homer Cannabis Advisory Commission



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: CITY COUNCIL AND MAYOR ZAK

FROM: CANNABIS ADVISORY COMMISSION

THRU: RENEE KRAUSE, CMC, DEPUTY CITY CLERK

DATE: AUGUST 28, 2017

SUBJECT: RECOMMENDATION TO OPPOSE ONSITE CONSUMPTION OF MARIJUANA BY SMOKING

The State of Alaska Marijuana Control Board issued proposed regulations for Public Comment. Most of the proposed regulations or amendments were not commented on by the Commission. However, the Commission did comment on the proposed changes to the regulations regarding onsite consumption which generally include the following for retail establishments:

1. 3 AAC 306.370 proposes to allow retail marijuana licensees to apply for an onsite consumption endorsement if certain conditions are met.
2. 3 AAC 306.99 proposes to define “marijuana consumption area” and “retail marijuana store premises”

At the regular meeting of August 24, 2017 the Cannabis Advisory Commission reviewed the proposed regulations, discussed and made a recommendation to oppose allowing consumption by smoking of marijuana for the proposed onsite consumption regulations. Following is the excerpt from the minutes of that meeting reflecting the discussion on proposed regulations:

NEW BUSINESS

C. Proposed Regulations Open for Comment as provided in the Supplemental Packet

a. Notice of Proposed Changes in the regulations of the Marijuana Control Board to Marijuana Plant Count, Testing of Marijuana and Reporting of testing Equipment Failure

There was no comment or recommendation from the Commission on these proposed regulations.

b. Notice of Proposed Changes on Financial Interest in Marijuana Businesses and Restrictions on Advertising of Marijuana, Marijuana Products and Marijuana Businesses in the Regulations of the Marijuana Control Board

There was no comment or recommendation from the Commission on these proposed regulations.

c. Notice of Proposed Changes to the Regulations of the Marijuana Control Board regarding the addition of an Onsite Marijuana Consumption Endorsement to the Retail Marijuana License

ROBL/HARRIS – MOVED TO FORWARD A RECOMMENDATION TO COUNCIL OPPOSING ONSITE CONSUMPTION OF MARIJUANA BY SMOKING.

Commissioner Robl explained that he conducted extensive research speaking with industry professionals and currently there are no known filtration systems that prohibit or reduce the exposure risks of second hand smoke that would impact first responders. He further noted that in confined spaces and if smoking of a product is allowed it would create a situation that would more than likely impair officers to the degree that they would have to be relieved of duty making it necessary to bring back off duty staff creating more impacts to the budget. This is beside the fact that the impaired officer would not be allowed back on duty until he was totally cleared. He also cited the safety issues to first responders in impeding the ability to perform their jobs whether police or emergency personnel.

Further discussion ensued on the time requirement for an officer to be removed from active duty ensued, use of smokeless ashtrays, the density of the smoke and if vaping has the same effect.

HARRIS/LEWIS – MOVED TO INCLUDE IN THE MOTION THAT VAPING OF CANNABIS PRODUCTS WOULD BE ALLOWED ONSITE.

There was no discussion.

VOTE. (Amendment) NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Chair Stead inquired if there was any additional discussion on the motion as amended. Hearing none call for the vote.

VOTE. (Main) NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Recommendation

Approve the recommendation to oppose smoking of marijuana onsite but allowing consumption of marijuana to include the method of vaping and forward the recommendation to the Marijuana Control Board before the stated deadline of October 27, 2017.



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 17-123

TO: Mayor Zak and Homer City Council
FROM: Katie Koester, City Manager
DATE: September 19, 2017
SUBJECT: Rescheduling the October 23rd City Council Meeting to October 30th

The City Council regular meeting schedule for the remainder of the year is:

Monday, October 9
Monday, October 23
Monday, November 27
Monday, December 18

October 9th I will present the City Manager's Proposed Budget to Council and discussion on the budget is scheduled for the October 23rd Committee of the Whole.

I will be absent at the October 23rd meeting because I am attending the International City Manager Association Conference and request the Council consider rescheduling the October 23rd regular meeting to October 30th. This will allow me the opportunity to be available to answer questions and provide feedback on the Draft Budget during the first meeting for the newly elected councilmembers and provide an important check in with Council before November meeting. If this request conflicts with the schedule of any member, rest assured Acting City Manager Abboud is prepared to fill in during my absence.

RECOMMENDATION: If no existing scheduling conflict for councilmembers, approve rescheduling the October 23rd City Council meetings to October 30th

ORDINANCE REFERENCE SHEET
2017 ORDINANCE
ORDINANCE 17-34

Ordinance 17-34, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2017 Operation Budget to Provide for Necessary Mid-Year Adjustments by Increasing Revenue Projections and Appropriating and Transferring Funds from the General and Port and Harbor Funds.

Sponsor: City Manager/Finance Director

1. Council Regular Meeting September 25, 2017 Introduction
 - a. Memorandum 17-125 from City Manager

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

3 City Manager/
4 Finance Director

5 **ORDINANCE 17-34**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY 2017 OPERATING BUDGET TO PROVIDE FOR
9 NECESSARY MID-YEAR ADJUSTMENTS BY INCREASING REVENUE
10 PROJECTIONS, AND APPROPRIATING AND TRANSFERRING
11 FUNDS FROM THE GENERAL AND PORT AND HARBOR FUNDS.
12

13 WHEREAS, The City experienced a number of unanticipated expenses in 2017 ranging
14 from a special election to emergency repairs; and
15

16 WHEREAS, Due to changes in the assessment methodology by the Kenai Peninsula
17 Borough real property taxes for 2017 will come in \$278,675 over 2017 budget; and
18

19 WHEREAS, It is necessary to accept the FY2017 and FY2018 Community Assistance
20 payments from the State of Alaska it is no longer included in the operating budget; and
21

22 WHEREAS, It is necessary and appropriate to adopt a mid-year budget amendment in
23 order to fully fund City operations, fund necessary expenditures from reserves and reflect the
24 change in property tax revenue.
25

26 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
27

28 Section 1. The City Council hereby appropriates and authorizes the expenditure of
29 \$7,380 from the Library Reserves for emergency repairs to the fire alarm system at the Homer
30 Public Library:
31

32 **Expenditure:**

33 <u>Account</u>	<u>Description</u>	<u>Amount</u>
34 156-0390	Repair Library Fire Alarm System	\$7,380

35
36

37 Section 2. The City Council hereby appropriates and authorizes the expenditure of
 38 \$6,235 from City Hall depreciation reserves for emergency repairs to the elevator at City Hall:

39

40 **Expenditure:**

<u>Account</u>	<u>Description</u>	<u>Amount</u>
42 156-0384	Repair City Hall Elevator	\$6,325

43

44 Section 3. The City Council hereby appropriates and authorizes the expenditure of
 45 \$2,000 from Old Middle School depreciation reserves for the purchase and install an automatic
 46 external defibrillator (AED) in the gym at Homer Education and Recreation Complex (HERC):

47

48 **Expenditure:**

<u>Account</u>	<u>Description</u>	<u>Amount</u>
49 156-0396	Purchase and install AED	\$2,000

51

52 Section 4. The City Council hereby increases Real Property Tax Revenue in the 2017 General
 53 Fund budget by \$278,675 and authorizes \$112,100 in increased expenditures in the following
 54 2017 operating budget line items and \$176,575 transfer to City Hall reserves:

55

56 **Revenue**

<u>Account</u>	<u>Description</u>	<u>Original</u>	<u>Amended</u>
58 100-410123	Real Property Tax	\$2,914,354	\$3,193,029

59

60 **Expenditure:**

<u>Account</u>	<u>Description</u>	<u>Original</u>	<u>Amended</u>
62 100-0100-5210	Professional Services (Mayor/ Council)	\$250,000	\$312,000
65 100-0140-5244	Snow Removal (City Hall)	\$7,500	\$17,000
66 100-0145-5244	Snow Removal (Library)	\$10,000	\$15,000
67 100-0150-5244	Snow Removal (Fire)	\$0	\$10,500
68 100-0160-5244	Snow Removal (Police)	\$4,000	\$12,000
69			
70 100-0100-5233	Computer Related Items (Mayor/Council)	\$500	\$8,500
71			
72			
73 100-0102-5103	PT Wages (Elections)	\$1,707	\$2,407

74	100-0102-5107	PT Overtime (Elections)	\$1,700	\$2,600
75	100-0102-5206	Food and Staples (Elections)	\$400	\$550
76	100-0102-5227	Advertising (Elections)	\$1,500	\$2,150
77	100-0102-5238	Printing and Binding	\$4,700	\$11,400
78		(Elections)		

79 **Transfer to:**

80	<u>Account</u>	<u>Description</u>	<u>Amount</u>
81	156-0384	City Hall Reserves	\$166,575

82

83 Section 4. The City Council hereby transfers \$99,824 from General Fund Library debt
 84 service to the Police Station Fund.

85

86 **Transfer from:**

87	<u>Account</u>	<u>Description</u>	<u>Amount</u>
88	100-0145-5607	Library debt service principal	\$50,970
89	100-0145-5608	Library debt service interest	\$48,854

90

91 **Transfer to:**

92	<u>Account</u>	<u>Description</u>	<u>Amount</u>
93	156-0378	Police Station Fund	\$99,824

94

95 Section 5. The City Council hereby accepts \$421,023 from the State of Alaska FY17 and
 96 FY 18 Community Assistance program.

97

98 **Revenue:**

99	<u>Account</u>	<u>Description</u>	<u>Amount</u>
100	100-0030-4501	FY17 SOA Community Assistance	\$215,905
101	100-0030-4501	FY18 SOA Community Assistance	\$205,118

102

103

104 Section 6. The City Council hereby appropriates \$80,000 from the Port and Harbor
 105 Depreciation Reserves for completing funding for replacing the water line under the Fish Dock,
 106 upgrades to the parking lot at Ramp 2, and refurbishing a harbor fire cart:

107

108 **Expenditure:**

109	<u>Account</u>	<u>Description</u>	<u>Amount</u>
110	456-380	Waterline at Fish Dock	\$30,000

111	456-380	Parking Lot at Ramp 2	\$25,000
112	456-380	Fire Cart Refurbish	\$25,000

113

114 Section 7. This is a budget amendment ordinance only, is not permanent in nature,
115 and shall not be codified.

116

117 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
118 _____, 2017.

119

120

CITY OF HOMER

121

122

123

BRYAN ZAK, MAYOR

124

125 ATTEST:

126

127

MELISSA JACOBSEN, MMC, CITY CLERK

129

130 YES:

131 NO:

132 ABSTAIN:

133 ABSENT:

134

135 First Reading:

136 Public Reading:

137 Second Reading:

138 Effective Date:

139

140

141 Reviewed and approved as to form:

142

143

144

Katie Koester, City Manager

146

147

Date: _____

Holly C. 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

Memorandum 17-125

TO: Mayor Zak and Homer City Council
FROM: Katie Koester, City Manager
DATE: September 20, 2017
SUBJECT: Midyear budget amendments

Ordinance 17-34 makes necessary adjustments to the 2017 operating budget. The purpose of this memo is to explain to Council the changes in the order they are presented in the Ordinance.

Expenditures from General Fund Reserves:

Repair Library Fire Alarm System \$7,380

This authorizes an emergency expenditure from the Library Reserves that was made at the end of August when building maintenance discovered a malfunction with the Library's fire alarm system control panel. The repairs, required by code, are complete and came out of Library Reserves.

Repairs to City Hall Elevator \$6,325

This authorizes an emergency expenditure that was made in July to repair the elevator at City Hall. The State inspector looked at elevator certifications and identified the need to complete a Category 5 inspection (a load test is required every 5 years). He also identified two other minor issues (ADA phone compliance and a faulty key switch). The State inspector gave the City until July 23rd to resolve the load test deficiency, which we met. The expenditure came out of the City Hall Depreciation Reserves.

Purchase and Install Automatic External Defibrillator (AED) at HERC \$2,000

An AED has been requested as a safety measure at the HERC where people of all ages and abilities engage in vigorous exercise. A wall mounted AED will ensure that if a cardiac event happens at the HERC volunteers and Good Samaritans can respond quickly. The expenditure will come out of the Old Middle School Depreciation fund.

General Fund Revenue:

Property Tax \$278,675

The 2017 General Fund Revenue projected \$2,914,354 in revenue from Real Property Taxes. However, with the assessed value for 2017 finalized, the City anticipates receiving approximately \$278,675 more than the 2017 budget projected. As you are aware, the Borough changed the methodology for calculating assessed value in 2017. However, revenue gains are likely mitigated by a general decline in the assessed value of commercial property. Due to the controversy surrounding the 2017 assessed values, it would be prudent to anticipate some changes for 2018. Until the updated methodology settles out, I would recommend using 2016 real property values as the base for estimating revenue for 2018. The following expenditures make prudent use of the extra revenue without depending on it long term.

General Fund Expenditure (from increased property tax revenue)

Mayor/Council Professional Services \$62,000

The City had unexpected legal fees in 2017 due to both the extraordinary amount of legal research that was involved with the certification of the recall petition and the ensuing legal defense from American Civil Liberties Union. This adjustment increases the 2017 legal budget (professional services) to cover those costs.

Snow Removal at City Facilities \$33,000

The City contracts with a third party to remove snow and sand at public facilities (City Hall, Library, Fire Hall and Police Station). The parking lots and sidewalks have to be cleared or sanded by 8am for the workday, and again throughout the day as needed. Due to a particularly icy winter, we are already nearing budget for snow removal with half the winter season still in front of us. Additionally, the Fire Hall used to pay for snow removal out of professional services. I would like to take this opportunity to correct that and more accurately reflect the expense. The contractor and staff will be taking measures to closely monitor snow removal and sanding efforts. However, at a public facility it is essential that potential hazards and slippery areas are properly sanded and cleared, which can be an expensive endeavor during icy and wet winters.

Mayor/Council Computer Related Items \$8,000

On September 19th Apple released iOS 11. The Homer City Council iPads will not support iOS 11. Apple does not release security patches for the older iOS versions. This means that all City Council iPads must be replaced to maintain the security of the City email system and network. This replacement budget will allow for each council member the choice of an Apple iPad or Windows Surface tablet. Future budgets will have a few thousand dollars in this line item to replace Councilmember tablets with their term.

Office of the City Clerk \$9,100

This adjustment includes an amendment to cover a potential special election in October. The City budgets for one special election a year, which has already occurred. A special election will only be necessary in the event of a run off. The printing and binding budget also increased to purchase a bulk supply of envelopes that were necessary to cover absentee voting. This purchase should last the City a few years and the budget can come back down in printing/binding for 2018.

City Hall Reserves \$166,575

I recommend the remainder of the anticipated revenue from property taxes be budgeted to City Hall reserves. This will allow sufficient funds for Council to authorize replacing the roof on City Hall during the 2018 budget cycle.

Reduction in General Fund Budget

Delete Library Loan Payment from Operating budget \$99,824

Ordinance 17-23 liquidated the Permanent Fund to pay off the Library Loan and partially fund the new police station. This means we no longer need to include the \$99,824 payment on the USDA loan for the Library scheduled for September in the 2017 budget. This amendment transfers the \$99,824 to the Police Station Fund to remain consistent with Councils intent in Ordinance 17-23.

Non-operating Revenue

Community Assistance Payments \$421,023

This amendment accepts the FY2017 and FY2018 community assistance payments from the State of Alaska. As you recall, Ordinance 16-21(S) designated the FY2017 payment to reimburse the General Fund for the City's contribution to SPARC. The City is scheduled to receive the FY2018 payment soon. City code prohibits community assistance from being used for operating expenses.

Port and Harbor Projects

Waterline at Fish Dock \$30,000

The Fish Dock potable water line that serves the fishing boats and fish buyers using the dock needs to be replaced this year. The waterline is constructed of galvanized pipe, heat traced and enclosed in an insulated covering. Researching this issue the Port and Harbor has found that 30 years is about the life span of a galvanized waterline in Homer. Fish dock employees have worked for the past few years patching the system together but are running out of options. The plan for this important upgrade is to replace the system with an all new heat traced HDPE pipe that will be professionally installed late this fall so that we will have it in place for the spring start up. If funded, Staff will produce an invitation for bids and solicited bid proposals from Alaskan companies capable of installing a HDPE replacement heat traced waterline system on the fish dock.

Parking Lot at Ramp 2 \$25,000

This project will authorize engineering, build up, drainage, delineation, and signage to turn the parking lot between ramps 1 and 2 into a revenue generating fee lot for the 2018 season. A solution to address the drainage issue is to bring in quality crushed rock and seal it all with a hardening product reputed to be Asphalt like. With the construction of the boat house pavilion and proposed restroom replacement, this project will round out a complete refurbishment of one of the busiest spots for visitors on the Spit.

Harbor Fire Cart Refurbish \$25,000

The Harbor Maintenance department has successfully completed two of seven fire cart refurbishments. These carts are an essential line of first response during boat fires that occur all too frequently during the cold winter months. Funding this project now will allow the maintenance team to order parts and complete a third cart in the fall of 2017.

ORDINANCE REFERENCE SHEET
2017 ORDINANCE
ORDINANCE 17-35

Ordinance 17-35, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of Lot 47 Homer Spit Subdivision Amended, KPB Parcel No. 18103408 to Land's End Acquisition Corporation for \$30,000 Cash and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. Council Regular Meeting September 25, 2017 Introduction
 - a. Resolution 17-041
 - b. Sewer Locations

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 17-35

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING THE SALE OF LOT 47 HOMER SPIT SUBDIVISION AMENDED, KPB PARCEL NO. 18103408 TO LAND'S END ACQUISITION CORPORATION FOR \$30,000.00 CASH AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, HCC 18.12.020 provides that real property that is no longer required for public purpose may be sold; and

WHEREAS, Lot 47 Homer Spit Subdivision is a 3,485 square feet, irregular shaped lot, with the City's sewer main running through the middle of the lot, minimizing the ability to develop the lot; and

WHEREAS, In 2013 the City of Homer granted Land's End Acquisition Corporation the right to fill, landscape and construct a lawful freestanding sign on Lot 47; and

WHEREAS, On April 24, 2017 the Homer City Council passed Resolution 17-041 authorizing the City Manager to enter into negotiations with Land's End Acquisition Corporation for the sale of Lot 47 Homer Spit Subdivision Amended; and

WHEREAS, The City contracted with Homer Real Estate who successfully negotiated a cash sale of \$30,000 with Land's End Acquisition Corporation, the contiguous property owner; and

WHEREAS, Resolution 17-041 stated that the final terms and conditions of the sale be approved by Ordinance.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. That the City Council of Homer, Alaska, approves the sale of Lot 47 Homer Spit Subdivision Amended, Section 1, Township 7 South, Range 13 West, Seward Meridian, KPB Parcel No. 18103408 to Land's End Acquisition Corporation, the contiguous property owner for \$30,000.00 cash and authorizes the City Manager to execute the final documents by Nov. 30, 2017.

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
Land Reserves	Land Reserves – Surplus Properties	\$26,500 net proceeds

44 150-0392-4901

45

46 Section 2. This Ordinance is not permanent in nature, and shall not be codified.

47

48 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____ day of _____, 2017.

49

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CITY OF HOMER

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BRYAN ZAK, MAYOR

55 ATTEST:

56

57

58 _____
MELISSA JACOBSEN, MMC, CITY CLERK

59

60 YES:

61 NO:

62 ABSTAIN:

63 ABSENT:

64

65 First Reading:

66 Public Hearing:

67 Second Reading:

68 Effective Date:

69

70 Reviewed and Approved as to form and content:

71

72

73

74 _____
Katie Koester, City Manager

Holly Wells, City Attorney

75

76 Date: _____

Date: _____

77

78

79

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 17-041

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, DETERMINING THAT A PUBLIC PURPOSE DOES NOT EXIST FOR LOT 47 HOMER SPIT SUBDIVISION AMENDED, SECTION 1, TOWNSHIP 7 SOUTH, RANGE 13 WEST, SEWARD MERIDIAN, KPB PARCEL NO. 18103408, AND AUTHORIZING THE CITY MANAGER TO ENTER INTO NEGOTIATIONS WITH LAND'S END ACQUISITION CORPORATION FOR THE SALE OF LOT 47.

WHEREAS, HCC 18.12.020 provides that real property that is no longer required for public purpose may be sold; and

WHEREAS, Lot 47 Homer Spit Subdivision Amended is a 3,485 square feet irregular shaped lot that does not meet the minimum development standards; and

WHEREAS, On April 10 the Homer City Council reviewed the 2017 Land Allocation Plan and indicated an interest in selling Lot 47; and

WHEREAS, Due to the location, odd shape, and small size of Lot 47 the City has determined that no public purpose exists for this parcel and that it is in the best interest of the City to sell the lot; and

WHEREAS, Land's End Acquisition Corporation is the contiguous property owner and has indicated an interest in purchasing the property; and

WHEREAS, Land's End Acquisition Corporation was granted a right of entry permit by the City of Homer in 2013 to fill, landscape and construct a lawful freestanding sign on Lot 47; and

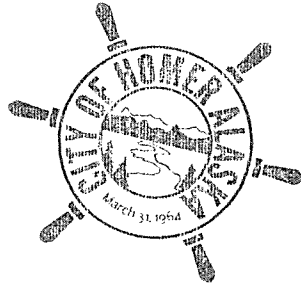
WHEREAS, HCC 18.12.050(d) authorizes the disposal of property to an owner of contiguous property of a parcel that contains an area less than the minimum required for improvements without violating setbacks; and

WHEREAS, Homer Real Estate is currently under contract as the Real Estate Agent for the City of Homer per Resolution 16-053 and has successfully negotiated the sale of several City owned parcels; and

WHEREAS, Approval of the disposal of Lot 47, including final terms and conditions of sale, shall be by Ordinance.

45 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, determines
46 that a public purpose does not exist for Lot 47 Homer Spit Subdivision Amended and hereby
47 authorizes the City Manager to contract with Homer Real Estate to represent the City in
48 negotiations with Land's End Acquisition Corporation for the sale of Lot 47 at fair market value.
49

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



CITY OF HOMER

Bryan Zak
BRYAN ZAK, MAYOR

57 ATTEST:

58 *Jo Johnson*
59
60
61 JO JOHNSON, MMC, CITY CLERK

62
63 Fiscal Note: 2016 Assessed value \$34,700



4735

HOMER SPIT

4730

ORDINANCE REFERENCE SHEET
2017 ORDINANCE
ORDINANCE 17-36

Ordinance 17-36, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of Govt. Lot 36, Section 14, Township 6 South, Range 13 West, Seward Meridian, KPB Parcel No. 17910001 to Betty Gambone for \$25,000.000 Cash, Plus Associated Water and Sewer Assessments, and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. Council Regular Meeting September 25, 2017 Introduction
 - a. Land Allocation Plan Map

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 17-36

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING THE SALE OF GOVT. LOT 36, SECTION 14, TOWNSHIP 6 SOUTH, RANGE 13 WEST, SEWARD MERIDIAN, KPB PARCEL NO. 17910001 TO BETTY GAMBONE FOR \$25,000.000 CASH, PLUS ASSOCIATED WATER AND SEWER ASSESSMENTS, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The Council determined that a public purpose did not exist for Govt. Lot 36 and designated the property for sale in the City's adopted 2015, 2016, and 2017 Land Allocation Plans; and

WHEREAS, Ordinance 16-17(S) reconfirmed that a public purpose did not exist for Govt. Lot 36 and authorized the City Manager to solicit bids to purchase the property; and

WHEREAS, The property was advertised for bid in accordance with HCC 18.12.020(d) and though offers were received, multiple prospective buyers declined to close; and

WHEREAS, When combined, the water and sewer assessments on Govt. Lot 36 total approximately \$34,140.80; and

WHEREAS, After a reasonable time had passed with no successful sale of Govt. Lot 36, the Council adopted Resolution 16-053 authorizing Homer Real Estate to assist the City in selling Govt. Lot 36; and

WHEREAS, The City Administration contracted with Homer Real Estate who successfully negotiated a cash sale of \$25,000 to Betty Gambone who will assume the water and sewer assessments with an approximate balance of \$34,140.80.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. That the City Council of Homer, Alaska, approves the sale of Govt. Lot 36 Section 16, Township 7 South, Range 13 West, Seward Meridian, KPB Parcel No. 17910001 to Betty Gambone for \$25,000.00 cash plus Ms. Gambone to assume the water and sewer assessments with approximate balance \$34,140.80 and authorizes the City Manager to execute the final documents by Nov. 30, 2017.

Revenue:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
--------------------	--------------------	---------------

44 Transfer to Land Reserves Surplus Properties \$22,075. Approximate net proceeds
45 150-0392-4901

46
47 Section 2. This Ordinance is not permanent in nature, and shall not be codified.

48
49 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____ day of _____, 2017.

50
51
52 CITY OF HOMER

53
54
55 _____
56 BRYAN ZAK, MAYOR

57 ATTEST:
58
59
60 _____
61 MELISSA JACOBSEN, MMC, CITY CLERK

62
63 YES:
64 NO:
65 ABSTAIN:
66 ABSENT:
67
68 First Reading:
69 Public Hearing:
70 Second Reading:
71 Effective Date:

72
73 Reviewed and Approved as to form and content:

74
75
76 _____
77 Katie Koester, City Manager

_____ Holly Wells, City Attorney

78
79 Date: _____ Date: _____



Designated Use: Resolution 15-030(A): Sell	
Acquisition History: No history for Gov't Lot 36. Lot 1: Ordinance 97-06(S) KPB	
Area: Gov't Lot 36: 5 acres Harry Feyer Subdivision Lot 1: 0.39 acres	Parcel Number: 17910001, 17911005
2015 Assessed Value: \$38,100 (lot 36) \$30,900 (lot 1)	
Legal Description: Government Lot 36 HM T06S R13W S14, Harry Feyer Subdivision Lot 1	
Zoning: Rural Residential	Wetlands: Lot 36 is wetland. Lot 1 is not.
Infrastructure: Paved Road access, power.	
<p>Notes: Access to Gov't lot 36 is by public access easement rather than dedicated Right of Way. Future development of this lot would need to address any access concerns.</p> <p>Both lots have water and sewer assessments.</p> <p>Resolution 15-030(A): For sale. During 2016 land sale, there were no bids on Lot 1. Lot 36 had 4 bids, but no sale has been closed. Lot 36 currently listed through the City's real estate agent.</p>	
Finance Dept. Code:	



Kenai Peninsula Borough

Assessing Department
144 N. Binkley Street
Soldotna AK 99669

Sep 19 2017 2:54PM

General Information

HOMER CITY OF 491 E PIONEER AVE HOMER, AK 99603-7624	Property ID	17910001
	Address	
	Document / Book Page	20110025280
	Acreage	5.0000

Owners

Property ID	Display Name	Address
17910001	HOMER CITY OF	491 E PIONEER AVE

Legal Description

Description
T 6S R 13W SEC 14 Seward Meridian HM GOVT LOT 36

Value History

Year	Reason	Assessed		
		Land	Structures	Total
2017	Main Roll Certification	\$76,200	\$0	\$76,200
2016	Main Roll Certification	\$38,100	\$0	\$38,100
2015	Main Roll Certification	\$38,100	\$0	\$38,100
2014	Main Roll Certification	\$38,100	\$0	\$38,100
2013	Main Roll Certification	\$38,100	\$0	\$38,100
2012	Main Roll Certification	\$38,100	\$0	\$38,100
2011	Main Roll Certification	\$72,300	\$0	\$72,300
2010	Main Roll Certification	\$72,300	\$0	\$72,300
2009	Main Roll Certification	\$72,300	\$0	\$72,300
2008	Main Roll Certification	\$68,600	\$0	\$68,600
2007	Main Roll Certification	\$52,800	\$0	\$52,800
2006	Main Roll Certification	\$52,800	\$0	\$52,800
2005	Main Roll Certification	\$48,000	\$0	\$48,000
2004	Main Roll Certification	\$14,000	\$0	\$14,000
2003	Main Roll Certification	\$14,000	\$0	\$14,000
2002	Main Roll Certification	\$14,000	\$0	\$14,000
2001	Main Roll Certification	\$14,000	\$0	\$14,000

Land Details

Primary Use	Land Type	Acres	Eff Frontage	Eff Depth	Asd Value
	Residential B/Residential City	5.0000	0.00	0.00	\$76,200

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 16-17(S)

AN ORDINANCE OF THE HOMER CITY COUNCIL DETERMINING THAT A PUBLIC PURPOSE DOES NOT EXIST FOR CITY PROPERTIES DESCRIBED AS LOT 1, HARRY FEYER SUBDIVISION, AND THE FOLLOWING LOCATED IN SECTION 14, TOWNSHIP 6, RANGE 13, SEWARD MERIDIAN: GOVT. LOT 3 LYING EAST OF KACHEMAK DRIVE, S. ½ OF GOVT. LOT 30 LYING WEST OF KACHEMAK DRIVE, AND GOVT. LOTS 10, 21, 24, 25 AND 36; AND AUTHORIZING THEIR SALE.

WHEREAS, The following properties were conveyed to the City of Homer ("City") by Clerk's Deed:

Lot 1, according to the Plat of Harry Feyer Subdivision, filed under Plat 4712, Homer Recording District, Third Judicial District, State of Alaska (KPB Parcel No. 179-110-05); and

Govt. Lot 3 lying east of Kachemak Drive, Section 14, Township 6 South, Range 13 West, Seward Meridian (KPB Parcel No. 179-150-03); and

WHEREAS, The following property was conveyed to the City by the Kenai Peninsula Borough:

S. ½ of Govt. Lot 30 lying west of Kachemak Drive, Section 14, Township 6 South, Range 13 West, Seward Meridian (KPB Parcel No. 179-80-50); and

WHEREAS, The following properties were conveyed to the City by Patent from the State of Alaska:

Govt. Lots 10, 21, 24, 25 and 36, Section 14, Township 6 South, Range 13 West, Seward Meridian (KPB Parcel Nos. 179-080-09, 179-080-15, 179-080-25, 179-080-26 and 179-100-01); and

WHEREAS, The Council has determined that a public purpose does not now exist for the properties described above and designated the properties for sale in the City's 2015 Land Allocation Plan adopted by Resolution 15-030(A) on April 27, 2015.

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

45 Section 1. Pursuant to AS 29.45.460(b) and Homer City Code 18.06.042, the City hereby
46 determines that a public purpose does not exist for the following tax-foreclosed property:
47

48 Lot 1, according to the Plat of Harry Feyer Subdivision, filed under Plat 4712,
49 Homer Recording District, Third Judicial District, State of Alaska (KPB Parcel
50 No. 179-110-05)
51

52 Section 2. Pursuant to AS 29.45.460(b) and Homer City Code 18.06.042, the City hereby
53 determines that a public purpose does not exist for the following tax-foreclosed property:
54

55 Govt. Lot 3 lying east of Kachemak Drive, Section 14, Township 6 South, Range
56 13 West, Seward Meridian (KPB Parcel No. 179-150-03)
57

58 Section 3. Notwithstanding Homer City Code 18.12.020(b), because the close of the
59 redemption period for each of the properties described in Sections 1 and 2 occurred more
60 than 10 years ago, this ordinance shall not be subject to the requirements of Homer City Code
61 18.06.042(d) and (e).
62

63 Section 4. The Council confirms its determination in Resolution 15-030(A) that a
64 public purpose does not exist for the following properties:
65

66 S. ½ of Govt. Lot 30 lying west of Kachemak Drive, Section 14, Township 6
67 South, Range 13 West, Seward Meridian (KPB Parcel No. 179-80-50)
68

69 Govt. Lots 10, 21, 24, 25 and 36, Section 14, Township 6 South, Range 13 West,
70 Seward Meridian (KPB Parcel Nos. 179-080-09, 179-080-15, 179-080-25, 179-
71 080-26 and 179-100-01)
72

73 Section 5. The City Manager is authorized to offer the property described in Section 1
74 for sale, and that property may be sold, for less than fair market value, in consideration of its
75 development constraints and large water and sewer assessment. Pursuant to Homer City
76 Code 18.12.020(d) and 18.12.040, the Council finds that if a time not exceeding one year that
77 the City Manager determines to be reasonable has passed without the City receiving any
78 acceptable bid for this property, it is in the best interest of the City for the City Manager to
79 offer to convey the property for nominal consideration to any owner of adjacent property that
80 will bear the expense of replatting the property into a combined lot with the owner's adjacent
81 property.
82

83 Section 6. The City Manager is authorized to offer the properties described in Sections
84 2 and 4 for sale in accordance with Chapter 18.12 of the Homer City Code. The City Manager

85 initially shall solicit bids to purchase each property. Pursuant to Homer City Code
86 18.12.020(d), the Council finds that if a time that the City Manager determines to be
87 reasonable has passed without the City receiving any acceptable bid for one or more of these
88 properties it is advantageous to the City for the City Manager to dispose of those properties
89 through sole source negotiations.

90

91 Section 7. This Ordinance is not permanent in nature, and shall not be codified.

92

93 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 11th day of April,
94 2016.

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CITY OF HOMER

Mary E. Wythe
MARY E. WYTHE, MAYOR

100 ATTEST:

101

102

103 Jo Johnson
JO JOHNSON, MMC, CITY CLERK

104

105 YES: 6

106 NO: 0

107 ABSTAIN: 0

108 ABSENT: 0

109

110

111 First Reading: 3/29/16

112 Public Hearing: 4/11/16

113 Second Reading: 4/11/16

114 Effective Date: 4/12/16

115

116 Reviewed and approved as to form:

117

118 Mary K. Roester

119 Mary K. Roester, City Manager

120

121 Date: 4.14.16

122

Thomas F. Klinkner

Thomas F. Klinkner, City Attorney

Date: 4-15-16

ORDINANCE REFERENCE SHEET
2017 ORDINANCE
ORDINANCE 17-37

Ordinance 17-37, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an FY 2017 State Homeland Security Grant for Upgrading the City's Radio Communication System and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. Council Regular Meeting September 25, 2017 Introduction
 - a. Memorandum 17-37 from Special Projects & Communications Director

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 17-37

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, ACCEPTING AND APPROPRIATING AN FY 2017 STATE HOMELAND SECURITY PROGRAM GRANT FOR UPGRADING THE CITY'S RADIO COMMUNICATION SYSTEM AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The City's entire radio communication system is aging and must be replaced soon to keep up with technological advances in order to support the City of Homer's ability to prevent, protect against, respond to and recover from all hazard events ; and

WHEREAS, Radio communication system upgrades is a in the City of Homer Capital Improvement Plan 2017-2022; and

WHEREAS, the City is pleased to have been awarded \$92,552.00 from the Division of Homeland Security and Emergency Management (DSH&EM); \$15,282.00 to purchase two backup emergency dispatch radios; \$44,770.00 to replace two City of Homer repeaters with upgraded models; and \$32,500.00 to replace some of the Homer Police Department Mobile Radio units;

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby accepts and appropriates a 2017 State Homeland Security Program Grant to the City of Homer from the DHS&EM in the amount of \$92,552.00 for the purpose of upgrading the City's radio communication system as follows:

Revenue:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	State Homeland Security Grant Program	\$92,552.00

Expenditure:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	Backup Emergency Dispatch Radios	\$15,282.00
	Replace/Upgrade Two City of Homer Repeater	\$44,770.00
	Homer Police Dept. Mobile Radio Replacements	\$32,500.00

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

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

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this __ day of _____, 2017.

CITY OF HOMER

BRYAN ZAK, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

Introduction:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Mary K. Koester, City Manager

Holly Wells, Attorney

Date: _____

Date: _____



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 17-124

TO: Mayor and the City Council
FROM: Jenny Carroll, Special Projects & Communications Coordinator
THROUGH: Katie Koester, City Manager
DATE: September 20, 2017
SUBJECT: 2017 Homeland Security Program Grant Award

Alaska Division of Homeland Security and Emergency Management recently announced recipients of FY2017 State Homeland Security Program grant funds. The City of Homer was awarded \$92,552.00, which fully funds one project and partially funds two projects related to upgrading the City's radio communication system.

\$15,282.00 was awarded to purchase and install two emergency backup dispatch radios. Backup communication capability makes our communications system resilient, and our emergency responders more readily able to respond when other elements in the primary communication system fail due to an emergency event.

\$44,770.00 was awarded to replace two City of Homer repeaters. This Homeland Security award is timely. The current repeaters need to be upgraded to maintain compliance and interoperability with other Alaska-based agencies.

\$32,500.00 was awarded to begin replacing the Homer Police Department Mobile Radio units. These units are in heavy use on a daily basis by the police officers to sustain field communications in support of operations. The units currently in use are fourteen years old, are aging out of their expected function life span and aging out of their manufacturer support.

State Homeland Security Program funding greatly assists in maintaining the integrity of City of Homer's operational communication for local incident response and broader emergency response in the event of a natural or manmade disaster. Funding is dependent the City Council formally accepting the grant award.

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 17-080

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
DISBANDING THE POLICE STATION BUILDING TASK FORCE.

WHEREAS, The Police Station Building Task Force was formed on February 13, 2017 with the adoption of Resolution 16-128(S)(A); and

WHEREAS, The purpose of the task force was to build on the extensive work done by the Public Safety Building Review Committee and assist the City in moving forward with a new police station project; and

WHEREAS, The task force presented its recommendations for the new Police Station project to Council on May 30, 2017 in Memorandum 17-082; and

WHEREAS, City Council has reviewed their recommendations and has ad Stantec to prepare a 10% conceptual design for a \$6 million facility at the corner of Heath Street and Grubstake Avenue and approved contracting with a local skilled facilitator to conduct an extended worksession with the intent of gaining City Council agreement in Resolution 17-074(S)(A).

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, disbands the Police Station Building Task Force.

PASSED AND ADOPTED by the Homer City Council this 25th day of September, 2017.

CITY OF HOMER

BRYAN ZAK, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A

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

3 City Manager

4 **RESOLUTION 17-081**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AUTHORIZING THE CITY TO ACCEPT ALASKA TIDELAND SURVEY
8 NO.1373 AND 1603 FROM THE STATE OF ALASKA AND
9 AUTHORIZING THE CITY MANAGER TO EXECUTE ALL
10 APPROPRIATE DOCUMENTS.

11
12 WHEREAS, The City Homer constructed the Pioneer Dock in 2001, and a portion of the
13 facility lies within the tidelands owned by the State of Alaska (ATS 1603); and

14
15 WHEREAS, The City had a long term lease agreement with the State of Alaska for the
16 tidelands known as ATS 1373, over which the trestle to the Deep Water Dock is Constructed;
17 and

18
19 WHEREAS, AS 38.05.825 allows for municipalities to apply for acquisition of eligible
20 tidelands; and

21
22 WHEREAS, The City applied for conveyance of the tidelands in February of 2013; and

23
24 WHEREAS, The State approved the conveyance in November of 2013 in the Final Finding
25 and Decision City of Homer Homer Spit-Kachemak Bay ADL 231763; and

26
27 WHEREAS, The state has prepared the Patent documents for signature by the City of
28 Homer, officially conveying title to the properties to the City; and

29
30 WHEREAS, The City may acquire land by any lawful means pursuant to HCC 18.06.010(a)
31 and 18.06.030.

32
33 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, accepts the
34 conveyance from the State of Alaska of ATS 1603 and 1373 designated for use by the Homer
35 Port and Harbor and authorizes the City Manager to execute the appropriate documents.

36
37 PASSED AND ADOPTED by the Homer City Council this 25th day of September, 2017.

38
39 CITY OF HOMER

40
41
42 _____
43 BRYAN ZAK, MAYOR

44
45
46
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51
52

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: \$850 annual savings to Port and Harbor by eliminating long term lease for
tidelands

State of Alaska



Tideland Patent No. Draft

ADL No. 2 3 1 7 6 3

Know Ye By These Presents that the Grantor, the STATE OF ALASKA, DEPARTMENT OF NATURAL RESOURCES, 550 West 7th Avenue, Suite 1050A, Anchorage, Alaska 99501-3579, pursuant to AS 38.05.825, the regulations promulgated thereunder, and the Final Finding and Decision dated November 27, 2013, for good and valuable consideration, grants and conveys to the Grantee, CITY OF HOMER, whose mailing address of record is 491 East Pioneer Drive, Homer, Alaska 99603, Grantee's successors and assigns, those tidelands situated in the Homer Recording District, State of Alaska, and described as follows:

ALASKA TIDELAND SURVEY NO. 1603, CONTAINING 1.365 ACRES, MORE OR LESS, ACCORDING TO THE SURVEY PLAT RECORDED IN THE HOMER RECORDING DISTRICT ON MARCH 7, 2001, AS PLAT NO. 2001-6.

Subject to:

1. The terms and conditions of AS 38.05.825, and the public trust doctrine that may be enforced by the state in a court of competent jurisdiction. The municipality shall be required to ensure that reasonable access to public waters and tidelands is provided. The municipality may not lease land conveyed under this section for shore fisheries, but after conveyance, the land may be leased by the state for shore fisheries under AS 38.05.082 if the commissioner determines that the lease is compatible with the municipality's use of the land. Title to land conveyed under this section that is retained by the municipality reverts to the state upon the dissolution of the municipality.
2. Valid existing rights, including reservations, easements, and exceptions in the U.S. Patent, or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.

State business no charge

Page 1 of 3

The Grantor hereby expressly saves, excepts and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times for the purpose of opening, developing, drilling, and working mines or wells on these or other lands and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

To Have And To Hold the said land, together with the tenements, hereditaments, and appurtenances thereunto appertaining, unto the said Grantee and Grantee's heirs and assigns forever.

[Signature Page to Follow]

In Testimony Whereof the State of Alaska has caused these presents to be executed by the Chief of the Realty Services Section, Division of Mining, Land and Water, Department of Natural Resources, State of Alaska, pursuant to delegated authority, this XXxx day of Xxxxxxx, 20XX.

By: _____
Boyd Jorgensen
Chief, Realty Services Section
Division of Mining, Land and Water
Department of Natural Resources

State of Alaska)
) ss.
Third Judicial District)

This is to certify that on the XXxx day of Xxxxxxx, 20XX, personally appeared before me BOYD JORGENSEN, who is known to me to be the person who has been lawfully delegated the authority of the Director of the Division of Mining, Land & Water, Department of Natural Resources, State of Alaska, to execute the foregoing document under such legal authority and with knowledge of its contents, and who acknowledged said document before me on behalf of Grantor.

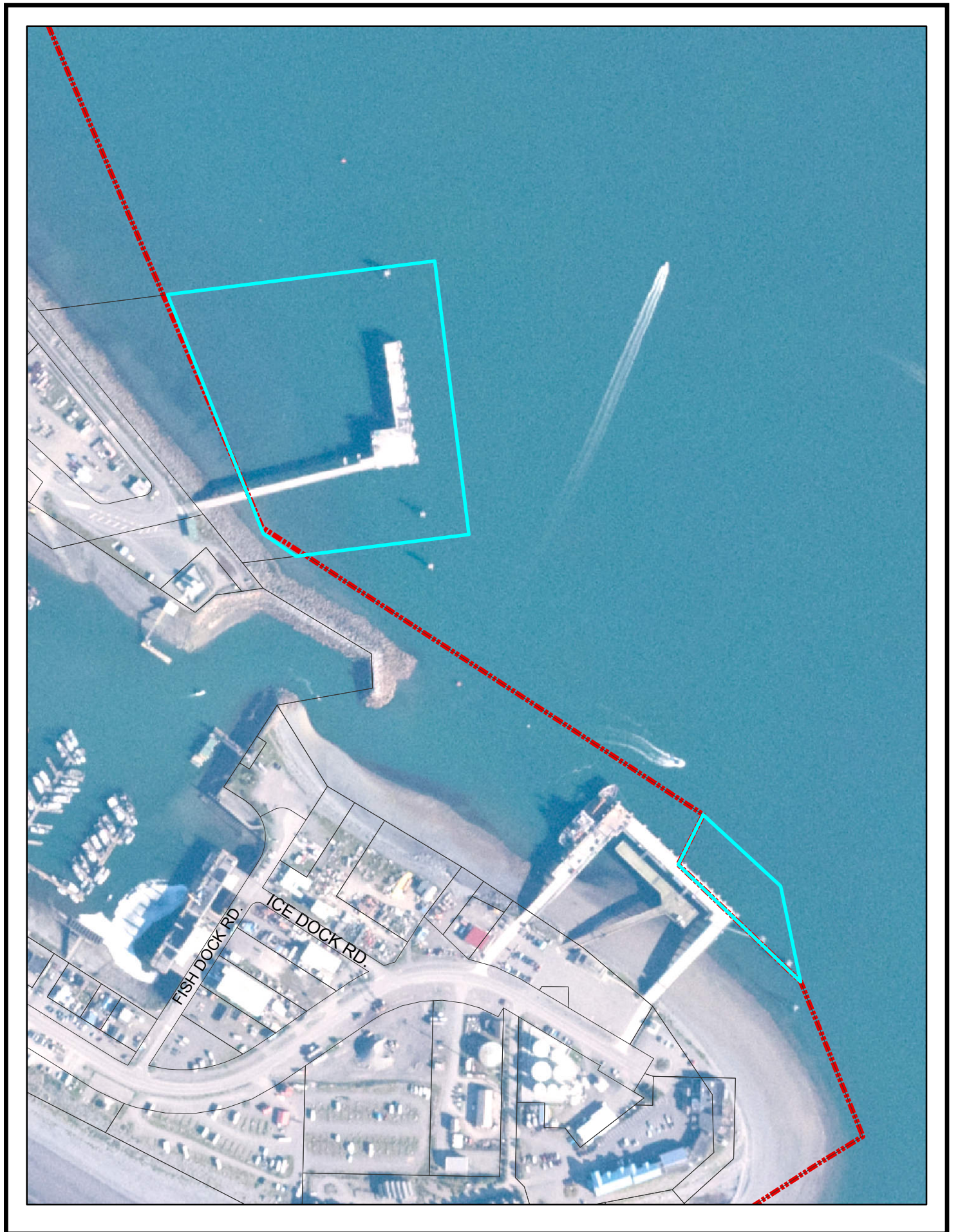
Witness my hand and official seal the day and year in this certificate first above written.

Notary Public in and for the State of Alaska
My commission expires with office

Return To:
City of Homer
Attn: Julie Engebretsen
491 East Pioneer Avenue
Homer, Alaska 99603

Tidelands Patent No. Draft
ADL No. 231763
Location Index:
T. 7 S., R. 13 W., S.M.
Section 1

Page 3 of 3



State of Alaska



Tideland Patent No. Draft

ADL No. 2 3 1 7 6 3

Know Ye By These Presents that the Grantor, the STATE OF ALASKA, DEPARTMENT OF NATURAL RESOURCES, 550 West 7th Avenue, Suite 1050A, Anchorage, Alaska 99501-3579, pursuant to AS 38.05.825, the regulations promulgated thereunder, and the Final Finding and Decision dated November 27, 2013, for good and valuable consideration, grants and conveys to the Grantee, CITY OF HOMER, whose mailing address of record is 491 East Pioneer Drive, Homer, Alaska 99603, Grantee's successors and assigns, those tidelands situated in the Homer Recording District, State of Alaska, and described as follows:

ALASKA TIDELAND SURVEY NO. 1373, CONTAINING 11.908 ACRES, MORE OR LESS, ACCORDING TO THE SURVEY PLAT RECORDED IN THE HOMER RECORDING DISTRICT ON JUNE 12, 1989, AS PLAT NO. 89-19.

Subject to:

1. The terms and conditions of AS 38.05.825, and the public trust doctrine that may be enforced by the state in a court of competent jurisdiction. The municipality shall be required to ensure that reasonable access to public waters and tidelands is provided. The municipality may not lease land conveyed under this section for shore fisheries, but after conveyance, the land may be leased by the state for shore fisheries under AS 38.05.082 if the commissioner determines that the lease is compatible with the municipality's use of the land. Title to land conveyed under this section that is retained by the municipality reverts to the state upon the dissolution of the municipality.
2. Valid existing rights, including reservations, easements, and exceptions in the U.S. Patent, or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.

State business no charge

Page 1 of 3

The Grantor hereby expressly saves, excepts and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times for the purpose of opening, developing, drilling, and working mines or wells on these or other lands and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

To Have And To Hold the said land, together with the tenements, hereditaments, and appurtenances thereunto appertaining, unto the said Grantee and Grantee's heirs and assigns forever.

[Signature Page to Follow]

In Testimony Whereof the State of Alaska has caused these presents to be executed by the Chief of the Realty Services Section, Division of Mining, Land and Water, Department of Natural Resources, State of Alaska, pursuant to delegated authority, this XXxx day of Xxxxxxx, 20XX.

By: _____
Boyd Jorgensen
Chief, Realty Services Section
Division of Mining, Land and Water
Department of Natural Resources

State of Alaska)
) ss.
Third Judicial District)

This is to certify that on the XXxx day of Xxxxxxx, 20XX, personally appeared before me BOYD JORGENSEN, who is known to me to be the person who has been lawfully delegated the authority of the Director of the Division of Mining, Land & Water, Department of Natural Resources, State of Alaska, to execute the foregoing document under such legal authority and with knowledge of its contents, and who acknowledged said document before me on behalf of Grantor.

Witness my hand and official seal the day and year in this certificate first above written.

Notary Public in and for the State of Alaska
My commission expires with office

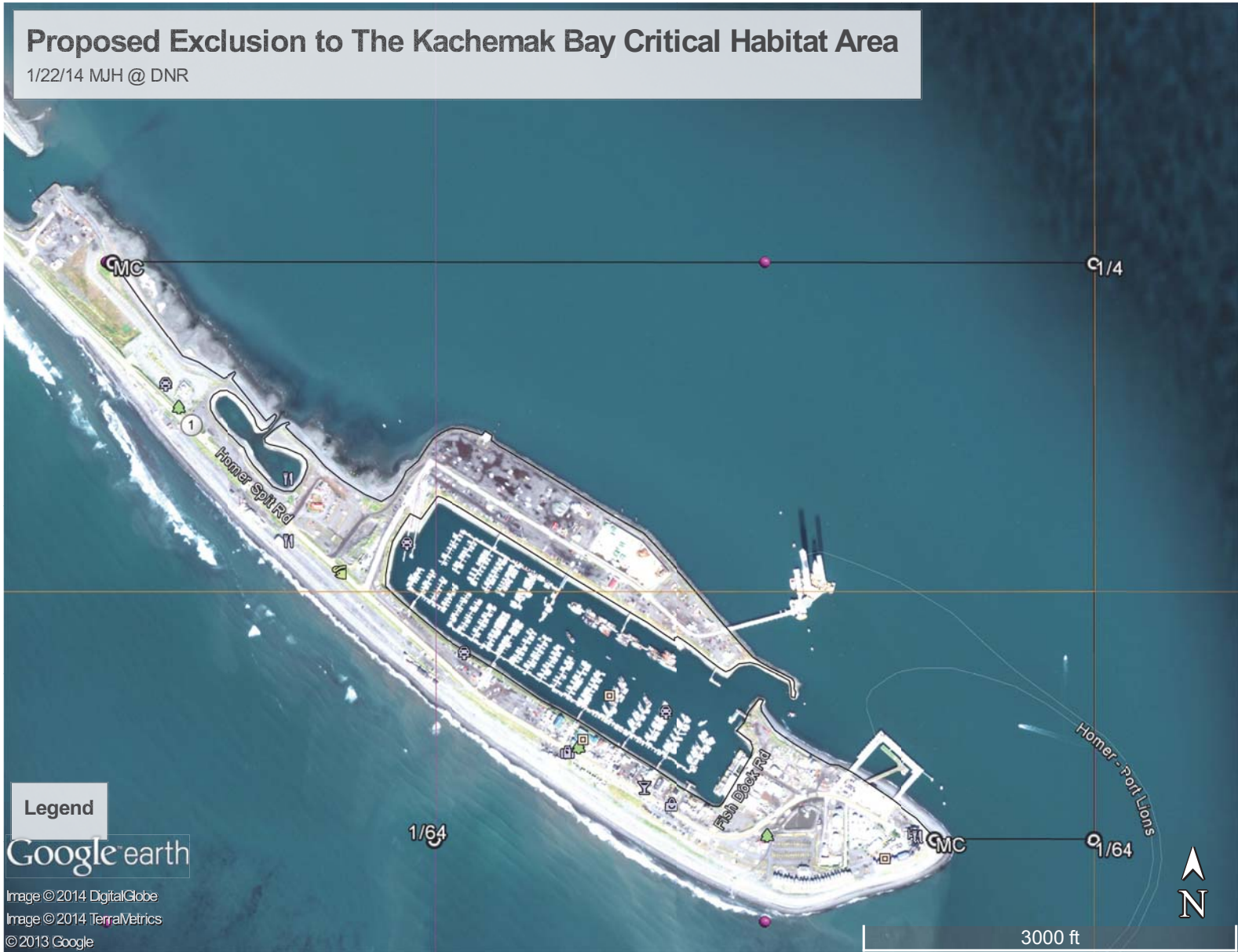
Return To:
City of Homer
Attn: Julie Engebretsen
491 East Pioneer Avenue
Homer, Alaska 99603

Tidelands Patent No. Draft
ADL No. 231763
Location Index:
T. 6 S., R. 13 W., S.M. Section 36
T. 7 S., R. 13 W., S.M. Section 1

Page 3 of 3

Proposed Exclusion to The Kachemak Bay Critical Habitat Area

1/22/14 MJH @ DNR



Legend
Google earth

Image © 2014 DigitalGlobe
Image © 2014 TerraMetrics
© 2013 Google

**CITY OF HOMER
HOMER, ALASKA**

Erickson

RESOLUTION 17-082

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
DIRECTING THE HOMER ADVISORY PLANNING COMMISSION TO
CONSIDER A NATURAL HAZARDS OVERLAY DISTRICT OR OTHER
APPROPRIATE ZONING REGULATIONS IN AND AROUND THE
BAYCREST SUBDIVISION.

WHEREAS, The Homer City Council recognizes the threat that natural and human generated hazards pose to its residents, their property, public infrastructure, and the health and safety of the community at large; and

WHEREAS, Planning for and implementing actions that avoid or mitigate the impacts of hazards before disasters occur reduces the potential for harm to people and property and saves taxpayer dollars; and

WHEREAS, Locations in and near the Baycrest Subdivision have been identified to be affected by active unstable slopes; and

WHEREAS, The Homer Advisory Planning Commission shall evaluate and make recommendations to the City Council regarding amendments to Title 21; and

WHEREAS, The Homer Advisory Planning Commission may need to retain the services of a Geotechnical Professional for specific recommendations.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby directs the Homer Advisory Planning Commission to consider zoning regulations that may reduce the risks associated with unstable slopes in and around the Baycrest Subdivision.

PASSED AND ADOPTED by the Homer City Council this 25th day of September, 2017.

CITY OF HOMER

BRYAN ZAK, MAYOR

43 ATTEST:

44

45

46 _____

47 MELISSA JACOBSEN, MMC, CITY CLERK

48

49 Fiscal Note: Geotechnical Professional Services cost TBD

50

VISITORS



Ballot proposition to increase the cut-off on borough sales tax from \$500 to \$1,000

Homer City Council – Sept. 25, 2017
Kenai Peninsula Borough Mayor Mike Navarre

1

Sales tax proposal on Oct. 3 ballot

- Increase the cut-off at which borough sales taxes stop
- The \$500 limit has been in effect since 1965
- Borough assembly is asking voters Oct. 3 to increase the taxable limit to \$1,000 — effective Jan. 1, 2018
- Higher cut-off would only affect purchases over \$500
- The increase would not apply to residential rent
- New cut-off would earn \$3.6 million a year for borough
- Funds are needed to help cover \$4 million budget gap

2

FY 2018 APPROVED EXPENDITURES	\$81,849,051
FY 2018 PROJECTED REVENUES	\$76,789,362
FY18 FUND BALANCE WITHDRAWAL	\$4,152,291

*Fund balance withdrawal number projects 5907,398 lapse

3

Why the budget gap



Seasonal sales tax exemption on non-prepared food
\$3.3 million in lost revenue annually since Fiscal Year 2009



Residential property tax exemption increase
Exemption increased from \$20,000 to \$50,000 per home
= \$1.3 million in lost revenue annually since Fiscal 2015

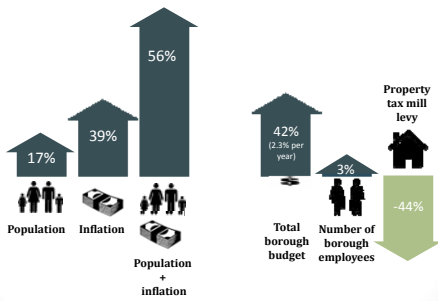


Sales tax receipts have been flat since Fiscal 2014
Borough-wide taxable sales down almost 2% last year

Borough assembly this year rejected a property tax increase



Borough finances 2000-2018



Education is the biggest borough expense



Education funding takes up almost 2/3 of borough budget
The **\$54.6 million** total borough funding for education in FY2018 includes three components: **school operations**, **debt service** and **capital projects**.

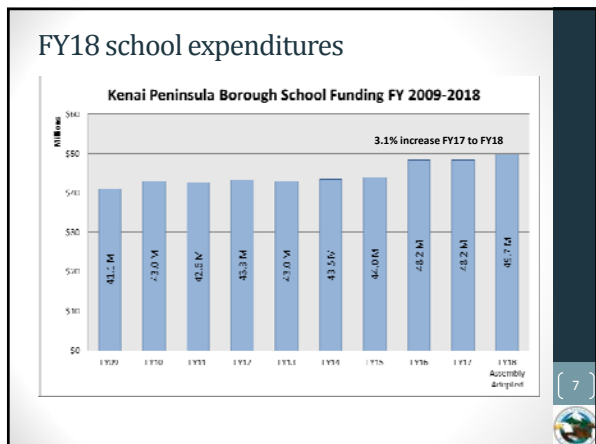


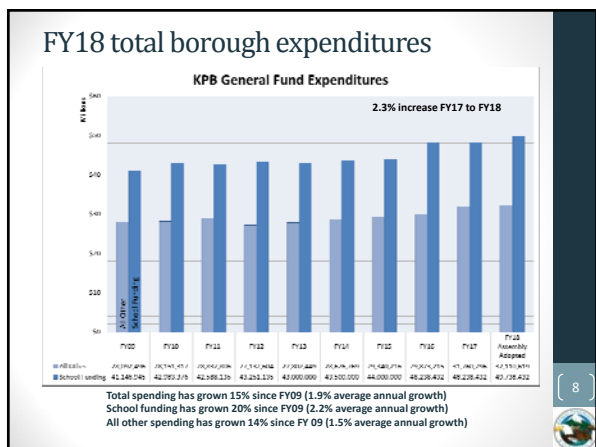
Operations funding has increased
Kenai Borough funding for school district **operations** increased from 2000 to 2018, continuing as the largest piece of the borough budget. **BUT...**

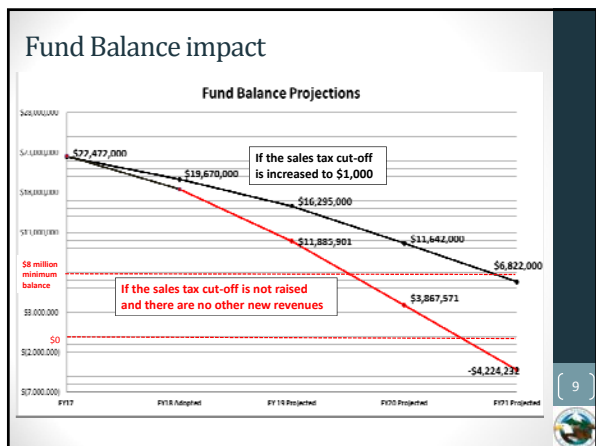


Capital and debt service spending has decreased \$10 million
Fewer new schools — along with lower spending on capital projects and less owed for previous construction borrowing — reduced borough spending in those education categories by \$10 million from 2000 to 2018.









The Fund Balance – Why it’s important



Protect against reduction of services due to unplanned events
 Revenue shortfalls (sales tax), unexpected expenditures (boiler failure), unexpected state/federal changes (state school debt service reimbursement cut 25% in FY17), voter referendums (seasonal food exemption from sales tax), emergencies and natural disasters (Funny River Fire, Card Street Fire), arbitrations, litigation, weather-related damages, etc.



Ensure adequate cash flows
 Fund balance serves as a cash-flow margin for the months of July through October. These are very low cash-flow months due to reliance on property tax revenues, which are received in September, October and November. And federal receipts often are uncertain — or late.



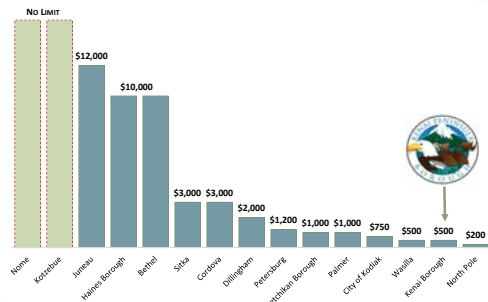
Maintain favorable credit rating and low interest rates
 Each time the borough borrows money or issues bonds, its financial health and credit worthiness are evaluated. Because fund balance is so critical to financial health, it is a major factor in the borough’s credit rating. A lower rating means higher interest rates.



Avoid annual audit “Adverse Opinion”
 An adverse opinion in the borough’s annual audit creates a “high-risk” designation, which makes the borough less likely to receive grants and also subjects the borough to more oversight and reporting requirements.



Kenai Borough sales tax cap at low end statewide



Some municipalities have different limits for specific items. Kotzebue has a \$1,000 tax cap on boats, cars, trucks, ATVs and snowmobiles; Nome has a \$1,500 limit on cars, trucks, ATVs and snowmobiles; Bethel has a \$3,500 cap on ATVs, boats and motors, snowmobiles; Haines has a \$5,000 limit on several types of sales.



What is the revenue gain?

- ✓ Under their city codes, the sales tax cut-off in Soldotna, Kenai and Homer would increase to \$1,000 along with the borough’s tax limit, unless the city council votes otherwise.
- ✓ Under its municipal code, Seward’s tax limit would remain at \$500 unless the city council votes the change to \$1,000.
- ✓ Estimated annual revenues from the \$1,000 taxable limit:
 - ✓ Kenai Peninsula Borough: \$3.6 million
 - ✓ Soldotna: \$235,000
 - ✓ Kenai: \$433,000
 - ✓ Homer: \$358,000
 - ✓ Seward: \$203,000
 - ✓ Seldovia: \$5,600



How does the sales tax cap work?



Does not affect sales tax on purchases under \$500

This proposition does not change the 3% borough sales tax rate. For example, for a \$300 shopping trip, the sales tax would stay at \$9.

- ✓ Current sales tax: $\$300 \times 3 \text{ percent} = \9
- ✓ If approved: $\$300 \times 3 \text{ percent} = \9



Only purchases over \$500 would pay more

This proposition would make the first \$1,000 of a sale taxable, rather than stopping at \$500. For example, for a \$25,000 vehicle, there would be an additional \$15 in borough sales tax due.

- ✓ Current sales tax: $\$500 \times 3 \text{ percent} = \15
- ✓ If approved: $\$1,000 \times 3 \text{ percent} = \30
(No change in tax on the purchase price above \$1,000)

13

Also on ballot: New heating system



Boilers, heat and ventilation systems in the borough building in Soldotna are in need of cost-effective replacement

- Boilers are original from 1971 building opening
- Upgrade to more energy-efficient equipment
- Borough would take on \$5 million in debt
- Energy savings would help pay for upgrade
- Repayment of full \$5 million estimated at \$14 a year in property taxes on a \$200,00 residence

14

ANNOUNCEMENTS
PRESENTATIONS
BOROUGH REPORT
COMMISSION REPORTS

PUBLIC HEARING(S)

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

Ordinance 17-33 & Resolution 17-079

A **public hearing** is scheduled for **Monday, September 25, 2017** during a Regular City Council Meeting. The meeting begins at 6:00 p.m. in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Ordinance 17-33 internet address: <https://www.cityofhomer-ak.gov/ordinances>

Ordinance 17-33, An Ordinance of the City Council of Homer, Alaska, Exempting Disabled Veterans from Real Property Taxes. Stroozas. Introduction September 11, 2017, Public Hearing and Second Reading September 25, 2017.

Resolution 17-079 internet address: <https://www.cityofhomer-ak.gov/resolutions>

Resolution 17-079, A Resolution of the Homer City Council Adopting the 2018-2023 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2019. Mayor/City Council.



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


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

Melissa Jacobsen, MMC, City Clerk
Publish: Homer News September 21, 2017

CLERK'S AFFIDAVIT OF POSTING

I, Hayley Smith, Deputy City Clerk for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for **Ordinance 17-33**, An Ordinance of the City Council of Homer, Alaska, Exempting Disabled Veterans from Real Property Taxes. Stroozas. Introduction September 11, 2017, Public Hearing and Second Reading September 25, 2017, and **Resolution 17-079**, A Resolution of the Homer City Council Adopting the 2018-2023 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2019. Mayor/City Council, was distributed to the City of Homer kiosks located at City Clerk's Office, and the Homer Public Library on Wednesday, September 21st, 2017 and posted the same on City of Homer Website on Wednesday, September 21st, 2017.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 21st day of September, 2017.


Hayley Smith, Deputy City Clerk

ORDINANCE REFERENCE SHEET
2017 ORDINANCE
ORDINANCE 17-33

Ordinance 17-33, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 9, Taxation, by Adding a New Section 9.04.049 to Exempt Disabled Veterans and Surviving Spouses from Real Property Taxes.

Sponsor: Stroozas.

1. Council Regular Meeting September 11, 2017 Introduction
 - a. KBP Code 5.12.105
2. Council Regular Meeting September 25, 2017 Public Hearing and Second Reading
 - a. KBP Code 5.12.105

1 CITY OF HOMER
2 HOMER, ALASKA

3 Stroozas

4 ORDINANCE 17-33

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING HOMER CITY CODE TITLE 9, TAXATION, BY ADDING A NEW
8 SECTION 9.04.049 TO EXEMPT DISABLED VETERANS AND SURVIVING
9 SPOUSES FROM REAL PROPERTY TAXES.

10
11 WHEREAS, Veterans with disabilities sustained or exacerbated in the line of duty have
12 made a great sacrifice on behalf of our country; and

13
14 WHEREAS, The first \$150,000 of assessed value is mandatorily exempt for disabled
15 veterans according to Alaska State Statute; and

16
17 WHEREAS, Many municipalities, including the Kenai Peninsula Borough, exempt
18 additional value of the property of disabled veterans; and

19
20 WHEREAS, In 2017 10 disabled veterans had primary residences with an assessed value
21 over the mandatory \$150,000 representing approximately \$7,200 in revenue to the City; and

22
23 WHEREAS, As a small gesture of appreciation for the service and sacrifice of veterans,
24 the City of Homer should exempt disabled veterans and their surviving spouses from property
25 taxes; and

26
27 NOW THEREFORE, The City of Homer Ordains:

28
29 Section 1: New Section 9.04.049, Real property tax – Exemption for disabled veterans
30 and surviving spouses added:

31 **a. A single parcel of real property owned and occupied as the primary residence**
32 **and permanent place of abode by a disabled veteran, or a resident at least sixty**
33 **years old who is the widow or widower of such person; is exempt from real**
34 **property taxation. The limitation to a single parcel shall apply unless the applicant**
35 **has applied for and received a determination that any additional parcel proposed**
36 **for exemption qualifies as a subsidiary parcel eligible for inclusion as part of the**
37 **primary residence and permanent place of abode under state law.**

38 **b. Only one exemption may be granted for the same property and, if two or more**
39 **persons are eligible for an exemption for the same property, the parties shall**
40 **decide among themselves who is to receive the benefit of the exemption.**

41 **c. Except as otherwise provided in this section, qualifications for eligibility for this**
42 **exemption and application for it shall be the same as required for the disabled**
43 **veteran's exemption provided by the Kenai Peninsula Borough under Section**
44 **5.12.105 of the Kenai Peninsula Borough Code of Ordinance as it now exists or as**
45 **it may be amended or renumbered in the future.**

46 Section 2: The exemption provided for in this ordinance shall be effective for the tax
47 year beginning January 1, 2018.

48
49 Section 3: This ordinance is of a permanent and general character and shall be included
50 in the City Code.

51
52 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER THIS ___ DAY OF _____,
53 2017.

54
55 CITY OF HOMER

56
57 _____
58 BRYAN ZAK, MAYOR

59
60 ATTEST:

61
62 _____
63 MELISSA JACOBSEN, MMC, CITY CLERK

64
65 YES:
66 NO:
67 ABSTAIN:
68 ABSENT:

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

74
75 Reviewed and approved as to form:

76
77
78 _____
79 Mary K. Koester, City Manager

80
81 Date: _____

Date: _____

5.12.105. - Real property tax—Exemptions—Senior citizens, disabled veterans and surviving spouses thereof.

- A. A single parcel of real property owned and occupied as the primary residence and permanent place of abode is exempt from taxation as set forth in subsections 1 and 2 of this section. The limitation to a single parcel shall apply unless the applicant has applied for and received a determination that any additional parcel proposed for exemption qualifies as a subsidiary parcel eligible for inclusion as part of the primary residence and permanent place of abode under state law. In no event shall an exemption be allowed for a total value in excess of \$300,000.00 for all parcels included under the exemption, unless a hardship is granted as described in KPB 5.12.105(l).
1. Qualifying property of a resident 65 years of age or older, or a resident at least 60 years old who is the widow or widower of such person, is exempt from taxation in the maximum amount of \$300,000.00;
 2. A disabled veteran, or a resident at least 60 years old who is the widow or widower of such person, is exempt from taxation in an unlimited amount.
- B. For residents 65 years of age or older or residents at least 60 years old who are the widow or widower of a resident 65 years of age or older to be eligible for an exemption under paragraph A of this section the individual applying for the exemption must also meet requirements under one of the following two paragraphs:
1. The individual shall be eligible for a permanent fund dividend under AS 43.23.005 for that same year or for the immediately preceding year; or
 2. If the individual has not applied or does not apply for one or both of the permanent fund dividends, the individual would have been eligible for one of the permanent fund dividends identified in (1) of this subsection had the individual applied.
- C. Only one exemption may be granted for the same property and, if two or more persons are eligible for an exemption for the same property, the parties shall decide among themselves who is to receive the benefit of the exemption.
- D. Real property may not be exempted under this subsection if the assessor determines, after notice and hearing to the parties, that the property was conveyed to the applicant primarily for the purpose of obtaining the exemption.
- E. No exemption under this section may be granted except upon written application on a form prescribed by the assessor. The application must be postmarked by or hand-delivered to the assessing department no later than March 31 of the tax year for which the exemption is sought. If March 31 does not fall on a borough business day, then the application is timely filed if postmarked or hand-delivered during the next borough business day after March 31. A qualified senior citizen, disabled veteran, or surviving widow or widower of either, need not file such an application for successive tax years if there is no change in ownership, no change in permanent place of abode by

the owner of record, or no change in status of disability if the owner is a disabled veteran. Additionally, a qualified senior citizen or qualifying surviving widow or widower must meet the requirements for permanent fund eligibility as described above in KPB 5.12.105(B) in order to continue to be qualified without filing an application for successive tax years. Exemption applications filed after March 31 of the tax year must be accompanied by a signed affidavit stating good cause for failure to comply with the March 31 filing deadline. If a qualified claimant files an untimely application, the assembly may, for good cause shown, waive the claimant's failure to make timely application and authorize the Assessor to accept the application as if timely filed. An application, whether timely filed or filed after a grant of extension of time to file, may be held open for consideration through the following three years if eligibility for the exemption is contingent upon a determination by another entity. If a failure to timely file has been waived and the application for exemption is approved, the amount of tax that the claimant has already paid, if any, for the year the property would have been eligible for exemption shall be refunded to the claimant.

1. If property is occupied by a person other than the eligible applicant and his or her spouse and minor children, this exemption applies only to the portion of the property occupied by the eligible applicant and his or her spouse and minor children as a permanent place of abode.
2. It shall be the responsibility of every person who obtains an exemption under this section to notify the borough assessor of any change in ownership, residency, permanent place of abode or status of disability. A disabled veteran who has less than a permanent disability must submit an official disability percentage letter each year prior to March 31 showing a 50 percent or greater disability. Property owners shall notify the borough when the requirements for exemption are no longer met.
3. It shall be the responsibility of every person who obtains a property tax exemption under this chapter to notify the borough assessor of any change in ownership, property use, residency, permanent place of abode, status of disability, or other factor affecting qualification for the exemption. If the assessor determines that the property is not eligible for this exemption, all taxes, penalty, and interest due on the property for all tax years beginning with the year the property should have been subject to taxation shall be immediately due and owing.
4. Good cause shown. If an otherwise qualified claimant is unable to comply with the March 31 deadline for filing an application, the assembly may, by resolution, waive the claimant's failure to file the application by such date for good cause shown, and authorize the Assessor to accept the application as if timely filed. For purposes of this subsection, "good cause" means an inability to comply with the March 31 deadline that was caused by a serious condition or extraordinary event beyond the taxpayer's control. A serious condition or extraordinary event may include a serious medical condition or other similar serious condition or extraordinary event. Absent extraordinary circumstances, a failure to pick up or read mail or to make arrangements for an

appropriate and responsible person to pick up or read mail or a failure to timely provide a current address to the Department of Assessing will not be deemed to result in an inability to comply. This section does not create any private rights whatsoever, nor does it in any manner require the mayor or any assembly member to introduce or approve any such resolution.

- F. The assessor may presume that property has not been occupied as a primary residence and permanent place of abode if the applicant occupied it for less than 185 days during the previous year unless the applicant provides satisfactory evidence that he or she meets the statutory criteria for an allowable absence under AS 43.23.008 as now enacted or may be hereinafter amended.
- G. An applicant under this section is ineligible to receive the exemption if the applicant has applied for or received a similar residency-based exemption for the same year for property located in another jurisdiction outside the borough.
- H. Definitions.
1. For purposes of this section "real property" includes mobile homes whether classified as real or personal property for municipal tax purposes.
 2. For purposes of this section, to be eligible for inclusion, a "subsidiary parcel" means the smallest portion of land which is adjacent to the primary parcel, and is necessary for the residential use of the primary parcel. Examples of a subsidiary parcel use which would qualify as necessary and beneficial for the residential use of the primary parcel include, but are not limited to, subsidiary parcels containing a well, septic system, reasonable driveway, or storage building/garage.
 3. For purposes of this section a "disabled veteran" means a disabled person (a) separated from the military service of the United States under a condition that is not dishonorable who is a resident of the state, whose disability was incurred or aggravated in the line of duty in the military service of the United States, and whose disability has been rated as 50 percent or more by the branch of service in which that person served or by the Veteran's Administration; or (b) who served in the Alaska Territorial Guard, who is a resident of the state, whose disability was incurred or aggravated in the line of duty while serving in the Alaska Territorial Guard, and whose disability has been rated as 50 percent or more.
 4. For purposes of this section, "own and occupy" means possession of an interest in real property, which interest is recorded in the office of the district recorder, or, if unrecorded, is attested by a contract, bill of sale, deed, or other proof in a form satisfactory to the assessor, and living on that real property as one's primary residence.
 5. For purposes of this section, "permanent place of abode" means a dwelling in which the person resides in the year prior to the exemption year and when absent, the dwelling is not leased or rented to another. This includes but is not limited to a mobile home or condominium and includes lots or outbuildings, or an appropriate portion thereof, which are necessary for the use of the dwelling unit.

6. For purposes of this section, "resident" means an applicant who has a fixed habitation in the State of Alaska for at least 185 days per calendar year, and, when absent, intends to return to the State of Alaska.
 7. For purposes of this section, "senior citizen" means a person who is 65 or older before January 1 of the exemption year.
- I. Penalties and Enforcement: In addition to any criminal penalties imposed by law, if the borough assessor finds that an individual, in claiming a senior citizen exemption for the value of property greater than \$150,000.00 willfully misrepresents, exercises gross negligence with respect to, or recklessly disregards a material fact pertaining to, eligibility, the assessor may issue an order against the individual for the (1) forfeiture of the exemption for that year; and (2) imposition of a civil fine of up to \$1,000.00 for each violation; and (3) loss of eligibility to receive the next five years' exemptions following the forfeited exemption to the maximum extent such forfeiture is allowed by state statute.
- An individual receiving an order described above may appeal the order to the Board of Equalization within thirty days of the date such order was mailed, and in accordance with the procedures contained in [KPB Chapter 5.12](#) for appeals to the Board of Equalization
- J. Hardship Exemption.
1. To qualify for a hardship exemption beyond the first \$300,000.00 of assessed value of real property under AS 29.45.030(e), the applicant must apply by completing State Form 21-400c and submitting the form, including necessary attachments, to the borough assessor before July 1 of the exemption year.
 2. An eligible applicant may qualify for a hardship exemption beyond the first \$300,000.00 of assessed value of real property if the amount of the applicant's tax bill is greater than 2 percent of the applicant's gross household income. An exemption will be granted only for that portion of the applicant's taxes in excess of 2 percent of the gross household income. "Gross household income" means total annual compensation, earned and unearned, from all sources, of all members of the household.

(Ord. No. [2016-28](#), § 8, 8-23-16; Ord. No. [2014-29](#), § 1, 9-2-14; Ord. No. [2014-13](#), § 1, 5-6-14; Ord. No. [2014-05](#), §§ 1, 2, 2-25-14; Ord. No. 2011-39, § 1, 12-6-11; Ord. No. 2009-12, § 1, 3-24-09; Ord. No. 2008-23, § 1, 9-2-08, eff. 5-14-08; Ord. No. 2007-39, § 1, 1-8-08; Ord. No. 2006-21, § 1, 9-19-06, eff. 1-1-08; Ord. No. 2007-12, §§ 1, 2, 5-15-07; Ord. No. 2006-26, § 1, 10-10-06; Ord. No. 2005-45, § 1, 12-6-05; Ord. No. 2003-02, § 1, 2-18-03; Ord. No. 2002-03, §§ 2, 3, 2-5-02; Ord. No. 95-29, § 1, 1995; Ord. No. 95-04, § 1, 1995; Ord. No. 86-78, § 1, 1986)

**CITY OF HOMER
HOMER, ALASKA**

Mayor/City Council

RESOLUTION 17-079

A RESOLUTION OF THE HOMER CITY COUNCIL ADOPTING THE
2018-2023 CAPITAL IMPROVEMENT PLAN AND ESTABLISHING
CAPITAL PROJECT LEGISLATIVE PRIORITIES FOR FISCAL YEAR
2019.

WHEREAS, Duly published hearings were held on September 11 and September 25, 2017 in order to obtain public comments on capital improvement projects and legislative priorities; and

WHEREAS, The Council received comments from all of the City of Homer Advisory Commissions and held a Worksession on August 28, 2017; and

WHEREAS, It is the intent of the City Council to provide the Governor, the State Legislature, State agencies, the Alaska Congressional Delegation, and other potential funding sources with adequate information regarding the City's capital project funding needs.

NOW, THEREFORE BE IT RESOLVED by the City Council of Homer, Alaska, that the "City of Homer Capital Improvement Plan 2018-2023" is hereby adopted as the official 6-year capital improvement plan for the City of Homer.

BE IT FURTHER RESOLVED that the following capital improvement projects are identified as priorities for the FY 2018 State Legislative Request:

1. New Homer Police Station
2. Homer Large Vessel Harbor
3. Homer Barge Mooring & Large Vessel Haul Out Repair Facility
4. Storm Water Master Plan
5. Fire Department Fleet Management

BE IT FURTHER RESOLVED that projects for the FY 2019 Federal Legislative Request will be:

1. New Homer Police Station
2. Homer Large Vessel Harbor

BE IT FURTHER RESOLVED that the City Manager is hereby instructed to advise appropriate State and Federal representatives and personnel of the City's FY 2019 capital project priorities and take appropriate steps to provide necessary background information.

44 PASSED AND ADOPTED by the Homer City Council on this 25th day of September 2017.

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CITY OF HOMER

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BRYAN ZAK, MAYOR

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52 ATTEST:

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MELISSA JACOBSEN, MMC, CITY CLERK

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58 Fiscal Note: N/A

ORDINANCE(S)

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: September 20, 2017
SUBJECT: September 25 City Manager's Report

Public Comment on Statewide Health Care Authority

Many of you received an email notice from Alaska Municipal League regarding the potential to pool all government (state, local and school district) health insurance. SB 74 authorized a report on the feasibility of a Health Care Authority, which was just released and is open for public comment until the end of October. The recommendation that the State establish a Health Care Authority with three separate pools: one for retirees, one for school district employees, and one for governmental employees may very well be a step in the right direction. The HR director reviewed the report and recommends support of continuing the conversation and exploring all cost saving possibilities, but has specific concerns regarding the recommendation that all entities be required to participate in the HCA when first feasible. There is another scenario addressed in which the State develops legislation establishing an HCA but does not require mandatory participation. This would be preferred. While the information provided by the PRM Consulting group shows three other states (Washington, Oregon, and Oklahoma) have had some success after the establishment of an HCA, it is necessary to recognize that health care in Alaska presents its own set of unique challenges that are not applicable in these other states. PRM Consulting group states that, "rates for entities that decide to participate will be lower than they would be on their own, as the HCA will obtain the most favorable cost." However, there is no guarantee of this. If the Council would like to weigh in on this issue, I am happy to bring forward a resolution to submit for public comment. Unless directed otherwise, the resolution would emphasize allowing municipalities to choose to participate rather than making participation mandatory. A full copy of the report can be found at <http://doa.alaska.gov>.

Public Safety Communication Grant Awards

Homer Police Department recently received grant acceptance documents from the Alaska State Homeland Security Program for FY2017 funding for three projects related to upgrading the City's radio communication system. The projects are part of the on-going process of completing communication system upgrades required because the system is aging out of manufacturer's support and will soon be out of compliance with new FCC regulations. A staff memo and Ordinance to accept the funds are included in your packet.

Customer Feedback Quarterly Report – 3rd Quarter

Please take a moment to review the customer feedback quarterly report attached. Two-thirds of the comments were compliments (yeah for positive feedback, it really helps!); five cards contained suggestions or questions. Staff responded in a timely manner to each of these, provided the commenter left their

contact information. Public comment prompted the Communications Coordinator and Finance staff to create and publish an online utility pay “how to” article and an Intellipay FAQ article on the City’s website to assist customers and improve customer experience.

Alaska Municipal League Summer Conference

The City was notified right before the last council meeting that the City of Homer was awarded the Alaska Municipal League summer conference, which I reported in my verbal report. Unfortunately we applied for 2019 and were awarded 2022. This is a long way out and it is difficult to know what the capacity or ability will be to host in 2022. AML assured me that the City could decline the conference if circumstances change before 2022. My recommendation is that we plan on hosting in 2022 but check in 2019 to make sure we have the time and ability. The primary obligation aside from attending the conference is to host a welcome reception and offer staff support for conference planning.

Assistant Fire Chief Hired

The City is happy to welcome Terry Kadel as Assistant Fire Chief at the Homer Volunteer Fire Department. Terry has worked at the Girdwood Fire Department for the past 20 years, most recently as Deputy Chief. The Girdwood Fire Department is a combination department with paid staff and volunteers – much like our beloved HVFD. He will be a great fit as he understands and values volunteers, our largest asset. Terry is a graduate of the National Fire Academy, the Aurora North Paramedic Academy through UAA- which means he is a certified Paramedic, and holds a BA in Primary Education through UAA. He moves to Homer with his partner Tim, and their 2 chihuahuas, George & Nina. Please take a moment to welcome Terry to the community and City of Homer when you see him.

Value of City Assets

At the last Council meeting we had a great conversation regarding the value of City of Homer assets. A question also came up regarding earthquake insurance. The City has earthquake coverage with a \$50,000,000 Each Occurrence/Annual Program Aggregate Limit and a deductible of 2% per occurrence per unit of insurance subject to a \$100,000 minimum. The attached chart lists the value of buildings and contents owned by the City of Homer. It does not include vehicles such as sanders, plows, dump trucks, ambulances, etc, which have a total value of \$2,693,564. Keep in mind the value listed is not replacement value, which can be significantly more. In summary:

General Fund Property: \$25,380,043
Port Property: \$67,612,674
Water/Sewer Property: \$33,664,807
Vehicles (not itemized): \$2,693,564
Total: \$129,351,089

Enc:

Customer feedback quarterly report
Value of City Assets (table)
Letters of Support AK State Trail Program and Maps

Customer Feedback Quarterly Report
3rd Quarter, 2017

3rd Q 2017	TYPE	CUST COMMENT	Response
May-24	Compliment	Thank Public Works for painting done on street @ Ben Walters	Communications Coordinator forwarded comments on to Public Works Director
Jun-22	question	When will stop light be installed at Main Street and Sterling Highway?	Communications Coordinator returned call informing customer that the State of Alaska currently plans to work on that intersection in 2018.
Jun-22	Suggestion	Would be nice to get new gas assessment bill by end of year for the upcoming year.	Admin Asst followed up reminding customer a mid-year reminder is sent by Jan 31st. Customer satisfied with that.
Jun-22	Suggestion	Get rid of intellipay	Finance Dept worked with customer to help understand how to use & limits of Intellipay; Communications Coord worked with Finance Dept to better present bill pay options and added a Tips/FAQ article on the City's website for using online bill pay.
Jun-28	Compliment	Thank Public Works so much of fixing the letters and gate @ Hickerson Memorial Cemetery. Its so nice and appreciated.	Communications Coordinator forwarded comments on to Public Works Director
Jul-3	Question	Why can't the City have a Fireworks display like they used to. Give something back to the people. With loads of people paying for numerous services the City can afford it. Other cities (Seward, Valdez & Anch) have them.	Admin Asst followed up to inform that this year the Elks sponsored one; other years other organizations have like the Chamber of Commerce. That is how it works in other towns (Seward and Valdez's are sponsored by their Chambers, Anchorage by AT&T. Customer satisfied with that.
Jul-17	Compliment	To Port & Harbor: very helpful and pleasant. Thank you!	No contact information provided for follow-up
Jul-17	Suggestion	Need a weekly moorage rate; would help instead of paying for a whole month when only using harbor a week or two	Card delivered to Harbormaster Office. No contact information provided for follow-up.
Jul-25	Concern	Road west of Post Office seems to have two names: one end is Snowbird the other Waddell. This could eventually be problematic.	Communications Coord. confirmed street signs on Snowbird both said Snowbird and contacted customer.
Jul-27	Compliment	To Port & Harbor: Wonderful visit; pleasant and very helpful people. Thank you.	No contact information provided for follow-up
Aug-2	Compliment	To City Manager and Mayor: Great Coffee Table today. Very clear and concise.	Communications coordinator forwarded message to City Manager and Mayor
Aug-3	Compliments	Kudos to the folks who tend the grass and grow the wonderful flower beds. Our City is neat, tidy and beautiful to gaze upon. They are truly a pleasure to see. Thank you all for your efforts, they are much appreciated.	Communicated via a printed Facebook post delivered to the City with a comment by another person agreeing.
Aug-15	Suggestion	NO BED TAX	Communications Coord forwarded comment card to City Clerk for distribution to Mayor & Council

Date	TYPE	CUST COMMENT	Response
Aug-16	Compliments	Kudos to your EMS team that rescued me and my dangling ankle last week! I think it was Jessica who lead the team to the boat and on to the ER after i took a bad fall in the rocks on Yukon island. Great IV start! And many thanks for the pain medication. I have nothing but praise and thanks for all your kindness, caring, and professionalism. You gals/guys did a great job! thank you!!!!	Communicated via Facebook post on HVFD page
Sep-6	Compliment	To Public Works: Thank you for road maintenance/grading on Cottonwood Lane	Comment card delivered to public works.
Sep-9	Compliment	To Public Works employees: Thank you so much for all of your assistance. Your advice and quick response to our questions and needs is so greatly appreciated.	Comment from Woodward Creek Trail crew, delivered in a card to Public Works.
Sep-11	Compliment	To Public Works: I pulled out onto Fireweed this morning to see that road maintenance had just taken place. We continue to be grateful for your efficient operations at the City of Homer	Customer comment delivered to public works via email.
Sep-12	Compliment	To Mike Ilig from summer visitors for being "gracious and welcoming...He was personal, professional and accommodating." Loved having access to exercise facilities through community recreation	Communications Coord. Shared compliment with Mike Ilig.

Value of City Assets in 2017

<u>"General" Property Descriptions</u>	<u>Address</u>	<u>Year Built</u>	<u>Total Value</u>
Airport Terminal	3720 FAA Rd	1993/94	\$3,352,338
Animal Shelter	3577 Heath St.	2005	\$979,478
City Hall	491 East Pioneer	1980/85	\$3,927,269
Fire Department	604 East Pioneer	1980	\$2,582,339
Former Homer Middle School	Sterling & PioneerAv	1957	\$2,570,000
Library	500 Hazel Street	2006	\$7,177,792
Police Station	4060 Heath St	1979/82	\$2,063,271
Public Works Building	3575 Heath St	1970/83	\$2,383,852
Public Works Pole Shed	Main St	0	\$343,705
Total "General" Value			\$25,380,043

<u>"Port" Property Descriptions</u>			
Deep Water Dock	Harbor	0	\$10,000,000
DWD Restroom	Harbor	0	\$215,000
Dwd Shed	Harbor	0	\$50,000
End of the Road Restroom	Harbor	0	\$215,000
Fish Grinder Building	Fish Dock Rd	0	\$64,682
Fishing Lagoon Restroom	Harbor	0	\$200,000
Harbor Ramp 5 Restroom	Harbor Ramp 5	2015	\$279,000
Harbormaster's Building and Boardwalk	4311 Freight Dock Road	2015	\$2,530,000
Ice Plant/Fish dock	812 Fish Dock Rd	1983	\$20,832,000
Load & Launch Restrooms	Homer Spit Rd	0	\$151,992
Pioneer Dock	Harbor	0	\$10,000,000
Port Maintenance	4667 Homer Spit Rd	1993	\$2,300,000
Ramp 2 Restrooms	Homer Spit Rd	0	\$225,000
Ramp 4 restroom	Harbor	0	\$200,000
Ramp 6 restroom	Harbor	0	\$200,000
Small Boat Harbor	Harbor	0	\$20,000,000
Waste oil shop	Harbor	0	\$150,000
Total "Port" Value			\$67,612,674

<u>"Water-Sewer" Property description</u>			
Drying Bed Structure	3575 Heath St	1989	\$461,920
Pump Station	4667 Homer Spit Rd	1983	\$679,765
New Water Treatment Plant	Diamond Ridge	2009	\$11,522,269
Raw Water Pump Station	Diamond Ridge	1974	\$757,309
Sewer Treatment Plant	3573 Heath St	1989	\$12,310,773
Sewer Treatment Plan - Operations Plant	3575 Heath St	1989	\$634,973
Water Tank	4667 Homer Spit Rd	1983	\$2,488,927
Water Tank	Diamond Ridge	1973	\$1,490,303
Water Tank .25mg	Bayview	1964	\$265,486
Water Tank 1mg	Skyline Drive	2003	\$1,858,399
Water Tank/Ct	Skyline Drive	1999	\$1,194,685
Total "Water-Sewer" Value			\$33,664,807



City of Homer

www.cityofhomer-ak.gov

491 East Pioneer Avenue
Homer, Alaska 99603

(p) 907-235-8121

(f) 907-235-3140

Darcy Harris
Alaska State Trail Program
550 W. 7th Ave. Suite 380
Anchorage AK 99501

September 25, 2017

Re: Lagoon Trail Repairs

Ms. Harris,

I am writing to express the City of Homer's support for the Alaska State Trail Program proposal/application submitted by The Homer Office, Kenai Area of Alaska State Parks for Kachemak Bay State Park.

The trails in Kachemak Bay State Park are highly valued by the people of Homer. This specific project, repairs the Lagoon Trail between the Saddle Trail and Halibut Creek Flats. This project will reopen a portion of the Lagoon Trail and improve this section between the Grewingk Valley Trails and the China Poot Lake area trails. The City of Homer is glad to support these improvements.

I encourage the approval of this application which will increase access to Kachemak Bay State Park. Thank you for taking the time to consider this important project.

Sincerely,

Katie Koester

City Manager



City of Homer

www.cityofhomer-ak.gov

491 East Pioneer Avenue
Homer, Alaska 99603

(p) 907-235-8121

(f) 907-235-3140

Darcy Harris
Alaska State Trail Program
550 W. 7th Ave. Suite 380
Anchorage AK 99501

September 25, 2017

Re: Competition of Saddle Trail reroute

Ms. Harris,

I am writing to express the City of Homer's support for the Alaska State Trail Program proposal/application submitted by The Homer Office, Kenai Area of Alaska State Parks for Kachemak Bay State Park.

The trails in Kachemak Bay State Park are highly valued by the people of Homer. This specific project, completes the Lagoon Trail between the Saddle Trail and Halibut Creek Flats. This two-year project will reopen a portion of the Lagoon Trail and improve this section between the Grewingk Valley Trails and the China Poot Lake area trails. The City of Homer is glad to support these improvements.

I encourage the approval of this application which will increase access to Kachemak Bay State Park. Thank you for taking the time to consider this important project.

Sincerely,

Katie Koester

City Manager

Lat/Lon hddd°mm.mmm' WGS 84 W151° 09.600' W151° 09.400' W151° 09.200' W151° 09.000'

Saddle Trail

Alpine Ridge Trail

SADTH



900

N59° 36.000'

N59° 36.000'

N59° 35.800'

N59° 35.800'

300

600

Lagoon Trail

Gulf of Alaska

Kachemak Bay State Park & Wild

N59° 35.600'

N59° 35.600'

N59° 35.400'

N59° 35.400'

N59° 35.200'

State Park & Wild

W151° 10.000'

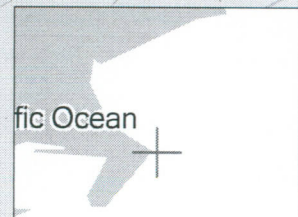
W151° 09.800'

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Pacific Ocean



TOPO U.S. 100K

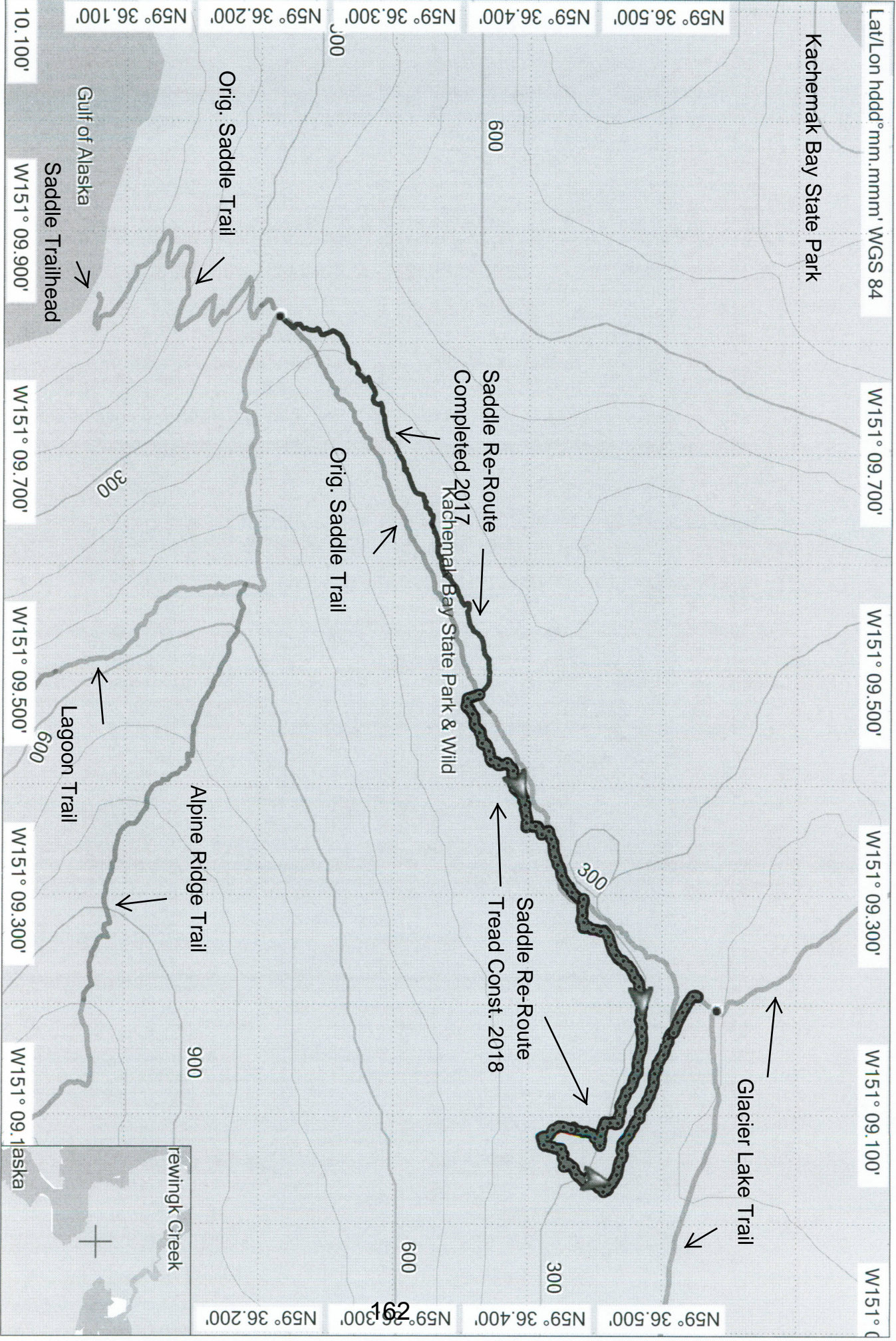
© Garmin Ltd. or its Subsidiaries 1995-2009

Bold Line with Arrows = Lagoon Trail Repair

Seward Meridian, Township 7S; Range 11W; Sections 4&9

New List (4)





Kachemak Bay State Park

Glacier Lake Trail

Saddle Re-Route
Tread Const. 2018

Saddle Re-Route
Completed 2017
Kachemak Bay State Park & Wild

Orig. Saddle Trail

Alpine Ridge Trail

Lagoon Trail

Saddle Trailhead

Gulf of Alaska

TOPO U.S. 100K
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Seward Meridian; Township 6S; Range 11W Sec. 33 and Township 7S; Range 11W Sec. 4

Bold Line with Arrows: Proposed Tread Const. Saddle Re-Route 2018

Pub. Notice 2018

GARMIN

CITY ATTORNEY REPORT

MEMORANDUM

TO: CITY CLERK MELISSA JACOBSEN
CITY MANAGER KATIE KOESTER

FROM: KATIE DAVIES
HOLLY C. WELLS

RE: ETHICS COMPLAINT PROCESS

CLIENT: CITY OF HOMER

FILE NO.: 506742.223

DATE: JULY 24, 2017

Introduction

Recently, the City administration has received numerous inquiries regarding the process for initiating an ethics complaint under the Homer City Code. In an effort to educate the public and address many of the questions received by the administration and the City Clerk, the City Manager requested a written overview of the process that is initiated when a complaint is filed against a City Council Member or the Mayor for allegedly violating Homer City Code (“HCC”) 1.18 otherwise known as the “Homer Ethics Code.”

I. Overview of Investigation Process

A. Initial Screening Process of Potential Violation

When the City Clerk receives a complaint against a Council member or the Mayor, the clerk assigns an identification number that will be used in lieu of a name to ensure confidentiality.¹ The City Clerk then appoints a hearing officer to investigate and determine the merits of the complaint. Both the City Clerk and the hearing officer are required to keep all written complaints confidential during the investigation and the hearing officer’s deliberative process.² Once a notification of a potential violation is

¹ HCC 2.80.030(a).

² *Id.* (Complaints of potential violation may be disclosed only to the staff member of the City Clerk’s office providing administrative support to the Board or hearing officer,

received, the hearing officer will then review the notification in a confidential manner and make a determination as to whether any further action is warranted.

If the hearing officer determines that the facts alleged in the potential violation do not constitute a violation, or the hearing officer lacks jurisdiction to address the potential violation, the hearing officer will return the complaint to the complainant or recommend that the complaint be amended and re-filed.³ Complaints returned without any future action must remain confidential.

If the hearing officer determines that the allegations in the complaint, if proven, may constitute a violation within the hearing officer's jurisdiction, the hearing officer must take the following actions:

1. Give the respondent a copy of the complaint of potential violation, along with a copy of the outline of the hearing officer's process under this chapter, including notice that the respondent may choose to hold the proceeding in public and may be represented by legal counsel of respondent's choosing and at respondent's own expense; and

2. Notify both the person submitting the complaint of potential violation and respondent of the date(s) on which each may be requested to meet with the hearing officer, present documentary or testimonial evidence, and assist the hearing officer in resolving the potential violation.⁴

B. Conduct of Hearing Officer's Investigation and Standard of Proof

The hearing officer's investigation must be conducted in a manner that maintains confidentiality, unless the respondent requests to hold the investigation in public.⁵ When the hearing officer's investigation is conducted confidentially, the public must be excluded from that process.⁶

If requested by the complainant, respondent, or at the hearing officer's own discretion, the hearing officer can compel by subpoena sworn testimony of a person the hearing officer reasonably believes may be able to provide information relating to the matter being investigated. The hearing officer can also subpoena the production of documents, records, or other items they reasonably believe may relate to the matter under investigation.⁷ Additionally, the hearing officer can request that City agencies

members of the Board except when a hearing officer has been appointed, and legal counsel.)

³ HCC 2.80.030.

⁴ *Id.*

⁵ HCC 2.80.050.

⁶ HCC 2.80.055.

⁷ HCC 2.28.020.

cooperate in the investigation, and request the advising city attorney to seek assistance of the Superior Court to enforce the hearing officer's subpoena power.⁸

The respondent and the complainant may also identify other individuals or documents that each would like the hearing officer to interview and/or review.⁹ Any person appearing before the hearing officer may be represented by legal counsel or a person serving in a representative capacity. Additionally, the hearing officer may question the respondent, complainant, or any other person appearing before the hearing officer.¹⁰ The rules of evidence do not apply during the hearing; however, the hearing officer's findings shall be based upon reliable and relevant information that is presented to the hearing officer.¹¹

The standard of proof to be applied to the hearing officer's determination is proof by a preponderance of the evidence.¹² This means, the hearing officer must believe that it is more likely true than not true that the alleged violation occurred. In making this determination, a 51% probability that a violation occurred is enough for the hearing officer to find a violation. The hearing officer's finding that a violation occurred must be supported by substantial evidence.¹³ While there is no definition of "substantial evidence" in the City Code, the courts generally define substantial evidence to mean evidence that a "reasonable mind might accept as adequate to support a conclusion."¹⁴ For purposes of determining sanctions, the hearing officer's findings are not binding.

II. Decision on the Record

⁸ HCC 2.80.020.

⁹ HCC 2.80.050. If an individual with information bearing on the notification of potential violation is unwilling to come forward with information, the respondent and the person who filed the notification of potential violation may each request the hearing officer to subpoena the person and any documentary evidence.

¹⁰ The hearing officer may solicit questions and testimony from the person filing the complaint, the respondent and other persons appearing for the purpose of providing information to the hearing officer. The hearing officer may solicit questions from counsel present to represent persons appearing before the hearing officer. Consistent with due process, the hearing officer may limit or prohibit questions suggested to the hearing officer by or on behalf of persons appearing before the hearing officer.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ See *Griswold v. City of Homer*, 55 P.3d 64, 67 (Alaska 2002).

The hearing officer must complete action on a complaint and the investigation within 90 days of the complaint being filed.¹⁵ The hearing officer may extend the completion date for up to an additional 90 days if good cause is shown.¹⁶

Once a decision is rendered, using the identification number of the complaint, the hearing officer shall determine in open session the following questions: 1) whether the hearing officer finds by a preponderance of the evidence one or more violations within their jurisdiction; 2) whether the hearing officer recommends further administrative or remedial actions; and 3) what specific sanctions, corrective actions, or referrals, if any, are recommended pursuant to HCC 2.80.070.¹⁷

If the hearing officer does not find a violation under HCC 1.18, the hearing officer will then prepare a confidential "statement of closure" listing the complainant and respondent, the assigned identification number, the allegations, the hearing date, and the finding that no violation was substantiated, in whole or in part, and the date of the hearing officer's closure of the complaint.¹⁸ At the sole discretion of the respondent, the hearing officer may release the statement of closure as a public document.¹⁹

III. Sanctions, Civil Penalties and Remedies.

Under HCC 2.80.070, if the hearing officer finds that the Council Member or Mayor has violated HCC 1.18, the hearing officer may impose as a sanction, penalty, or remedy any or all of the following, as appropriate to the seriousness of the violation:

1. A recommendation to the City Council that the office of a City Council member or the position of City Manager be declared vacant for a serious violation that is (a) flagrant, or (b) willful and knowing. A recommendation that the office of the Mayor be declared vacant may be made only if the violation justifies a declaration of vacancy under AS 29.20.280.²⁰ Only the City Council may actually declare any of these positions vacant.

¹⁵ HCC 2.80.067.

¹⁶ *Id.*

¹⁷ HCC 2.80.065.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ (a) The governing body shall, by two-thirds concurring vote, declare the office of mayor vacant only when the person elected

- (1) fails to qualify or take office within 30 days after election or appointment;
- (2) unless excused by the governing body, is physically absent for 90 consecutive days;
- (3) resigns and the resignation is accepted;
- (4) is physically or mentally unable to perform the duties of office;

2. A public or private reprimand may be given to the official.
3. The official may be ordered to refrain from voting, deliberating, or participating in any matter in violation of Chapter 1.18 HCC.
4. The committee assignments of an official may be revoked.
5. An official's privilege to travel at City expense on City business may be revoked or restricted.
6. A contract, transaction or appointment, which was the subject of an official act or action of the City that involved the violation of a provision of Chapter 1.18 HCC, may be voided.
7. The official must forfeit or make restitution of any financial benefit received as a consequence of a violation of Chapter 1.18 HCC.
8. A civil fine of not more than \$1,000 per violation may be imposed.

Finally, HCC 2.80.090 permits the respondent to the complaint to propose a resolution and settlement of the complaint, but it must include the following: admission to the violation of HCC 1.18, the remedial actions agreed to by the respondent; any proposed preventive actions to be undertaken to avoid similar violation by the respondent or others in the future, and other matters required by the hearing officer. The proposed resolution and settlement is subject to the hearing officer's approval, but only after the complainant has had an opportunity to review and comment on it. The proposed settlement and resolution must be kept confidential until it is approved by the hearing officer, at which point it becomes a public record.

IV. Disclosure of Complaint Prohibited

There is a strict requirement under HCC 2.80.040 to keep the existence and contents of an ethics complaint confidential until the hearing officer completes a written report for distribution as a public record. This means that no person, including the complainant, may knowingly disclose to another person, or otherwise make public, the contents of the complaint unless: 1) the respondent elects to proceed in public, or 2) the written report of the hearing officer is electronically published by the City Clerk.

If the hearing officer has probable cause to believe the complainant violated the confidentiality requirement under this chapter, the complaint shall be immediately

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- (5) is convicted of a felony or of an offense involving a violation of the oath of office;
 - (6) is convicted of a felony or misdemeanor described in AS 15.56;
 - (7) is convicted of a violation of AS 15.13;
 - (8) no longer physically resides in the municipality; or
 - (9) if a member of the governing body in a second class city, misses three consecutive regular meetings and is not excused.

dismissed. However, a dismissal of the complaint does not prevent the right of the hearing officer, or another person, from initiating a proceeding based on the same factual allegations by filing a complaint. Additionally, if the complainant breaches the confidentiality required by any provision of Chapter 2.80, they may be subject to punishment. The City Code does not specify the punishment.

HCW/KSD

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NEW BUSINESS

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ADJOURNMENT

