



# City of Homer

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

Office of the City Clerk

491 East Pioneer Avenue  
Homer, Alaska 99603

[clerk@cityofhomer-ak.gov](mailto:clerk@cityofhomer-ak.gov)

(p) 907-235-3130

(f) 907-235-3143

## Memorandum Agenda Changes/Supplemental Packet

TO: MAYOR ZAK AND HOMER CITY COUNCIL  
FROM: MELISSA JACOBSEN, MMC, CITY CLERK  
DATE: JANUARY 22, 2018  
SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

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### **MAYORAL PROCLAMATIONS AND RECOGNITIONS**

Chamber of Commerce Winter Carnival Parade Proclamation Page 3

School Choice Week Proclamation Page 5

### **CONSENT AGENDA**

**Memorandum 18-012** from Deputy City Clerk Re: Liquor License Renewals for Homer Brewing Company, Cosmic Kitchen, Harbor Grill, Grace Ridge Brewing, and Kharacters

Non objection letters from Kenai Peninsula Borough Page 7

**Resolution 18-008**, A Resolution of the City Council of Homer, Alaska, Requesting the Department of Transportation and Public Facilities Work to Fix Sterling Highway Drainage that is Adversely Effecting Baycrest Subdivision.

Public Comments, photos, and area maps Page 11

### **CITY MANAGER'S REPORT**

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### **NEW BUSINESS**

**Memorandum 18-013** from City Clerk Re: New Marijuana Cultivation License for Alaska Loven It, LLC.

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**RESOLUTIONS**

**Resolution 18-009(S)**, A Resolution of the City Council of Homer, Alaska, Authorizing the Modification of an ADEC Municipal Matching Grant (MMG #40909) for the Water Storage and Distribution Improvement Project (Phase I), and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director. Page 33

Memorandum 18-015(S) from Public Works Director as backup Page 35

**Resolution 18-010(S)**, A Resolution of the City Council of Homer, Alaska, Awarding a Contract for the Homer Harbor Cathodic Protection Project 2018 to the firm to be Announced in an amount to be Disclosed and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. Page 37

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**CITY OF HOMER  
HOMER, ALASKA**

**MAYOR'S PROCLAMATION**

**WINTER CARNIVAL FESTIVAL AND PARADE  
February 8-11, 2018**

WHEREAS, The Homer Chamber of Commerce and Visitor Center hosts an Annual Winter Carnival Parade along Pioneer Avenue in Downtown Homer and the theme this year is "Hibernation Vacation." The Winter Carnival Parade will be held on Saturday, February 10<sup>th</sup> starting at 12 Noon; and

WHEREAS, The Grand Marshals are Kate and Ben Mitchell, of NOMAR, one of Homer's local manufacturers of outdoor clothing and gear and are celebrating the 40<sup>th</sup> Anniversary of business in Homer; and

WHEREAS, The key sponsor of the Parade is Muslow & Muslow, Certified Public Accountants along with other supporters: Land's End Resort, Homer Bed & Breakfast Association and Seldovia Village Tribe Health & Wellness Community Health Center; and

WHEREAS, Bay Realty will host Master of Ceremony, Darrell Oliver and Parade Judges; and

WHEREAS, The Homer Chamber of Commerce encourages local businesses, associations, churches, schools and other organizations to schedule special events or activities to celebrate the Winter Carnival Festival to be held Thursday through Sunday February 8-11.

NOW, THEREFORE, I, Bryan Zak, Mayor of the City of Homer, do hereby proclaim Thursday through Sunday, February 8-11, 2018 as:

**2018 WINTER CARNIVAL FESTIVAL WEEKEND AND PARADE**

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska to be affixed this 22<sup>nd</sup> day of January, 2018.

CITY OF HOMER

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BRYAN ZAK, MAYOR

ATTEST:

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MELISSA JACOBSEN, MMC, CITY CLERK



**CITY OF HOMER  
HOMER, ALASKA**

**MAYOR'S PROCLAMATION**

**SCHOOL CHOICE WEEK  
January 21-27 2018**

WHEREAS, All children in the City of Homer should have access to the highest-quality education possible; and

WHEREAS, The City of Homer recognizes the important role that effective education plays in preparing all students in the City of Homer to be successful adults; and

WHEREAS, Quality education is critically important to the economic vitality of the City of Homer; and

WHEREAS, The City of Homer is home to high quality public schools and families who educate their children in the home; and

WHEREAS, Educational variety not only helps to diversify our economy, but also enhances the vibrancy of our community; and

WHEREAS, The City of Homer has many high-quality teaching professionals who are committed to educating our children; and

WHEREAS, School Choice Week is celebrated across the country by millions of students, parents, educators, schools and organizations to raise awareness of the need for effective educational options.

NOW, THEREFORE, I, Bryan Zak, Mayor of the City of Homer, do hereby recognize January 21-27, 2018 as School Choice Week and call the observance to the attention of our citizens.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska to be affixed this 22<sup>nd</sup> day of January, 2018.

CITY OF HOMER

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BRYAN ZAK, MAYOR

ATTEST:

---

MELISSA JACOBSEN, MMC, CITY CLERK





# Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johani Blankenship, MMC  
Borough Clerk

1/19/2018

Sarah Daulton-Oates  
Records & Licensing Supervisor  
Alcohol & Marijuana Control Office  
550 W 7<sup>th</sup> Ave, Ste. 1600  
Anchorage, Alaska 99501-3567

RE: Non-Objection of License Renewal Application

Business Name	:	Grace Ridge Brewing
License Type	:	Beverage Dispensary/Tourism-Duplicate
License Location	:	3388 B Street, City of Homer
License No.	:	5433

Dear Ms. Oates,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection to this License Renewal application.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johani Blankenship, MMC  
Borough Clerk

JB/klr

Encl.

cc: Applicant  
City of Homer  
KPB Finance Department  
File



## Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

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Sarah Daulton-Oates  
Records & Licensing Supervisor  
Alcohol & Marijuana Control Office  
550 W 7<sup>th</sup> Ave, Ste. 1600  
Anchorage, Alaska 99501-3567

RE: Non-Objection of License Renewal Application

Business Name	:	Harbor Grill
License Type	:	Beverage Dispensary/Tourism
License Location	:	4262 Homer Spit Road, City of Homer
License No.	:	3174

Dear Ms. Oates,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection to this License Renewal application.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC  
Borough Clerk

JB/klr

Encl.

cc: Applicant  
City of Homer  
KPB Finance Department  
File





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Johni Blankenship, MMC  
Borough Clerk

1/19/2018

Sarah Daulton-Oates  
Records & Licensing Supervisor  
Alcohol & Marijuana Control Office  
550 W 7<sup>th</sup> Ave, Ste. 1600  
Anchorage, Alaska 99501-3567

RE: Non-Objection of License Renewal Application

Business Name	:	HOMER BREWING COMPANY
License Type	:	Brewery
License Location	:	1411 Lake Shore Drive, City of Homer
License No.	:	4136

Dear Ms. Oates,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection to this License Renewal application.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC  
Borough Clerk

JB/klr

Encl.

cc: Applicant  
City of Homer  
KPB Finance Department  
File



**From:** Scott Adams  
**To:** [Department Clerk](#)  
**Cc:** [showmethefish@yahoo.com](mailto:showmethefish@yahoo.com)  
**Subject:** Storm Drain off Mt. Augustine  
**Date:** Wednesday, January 17, 2018 3:16:21 PM  
**Attachments:** [ATT00001.txt](#)  
[ATT00002.txt](#)  
[ATT00003.txt](#)  
[ATT00004.txt](#)

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I am contacting the City of Homer, the City Council, Mayor Zak and City Manager with concerns of the storm drainage run off, towards Mount Augustine and Judy Rebecca, off Bay Crest Hill. This is not a natural run off, but man made and in doing so, it has created wet lands down below the storm drain.

It has effected homes and property, with no one taking any responsibility, on this disaster of a design. This storm drainage is introducing water to this hillside subdivision, where it once had not been.

It has been effecting this subdivision for years, and now is starting to claim folks homes and lives.

We purchased the property at the address of 2242 Mount Augustine lot 20 in the Spring of 2016. Built a small home, but now are not sure of the future. The neighbors to each side have also been effected, as there is upwards to 75,000 gals a day introduced to this subdivision.

I hope there can be a redesign of this storm drainage, so folks can live in peace, not having to worry about losing their homes or life.

Sincerely

Scott Adams

Box 2292

Homer, Alaska 99603



Scott Adams

01-18-18

Baycrest Comments



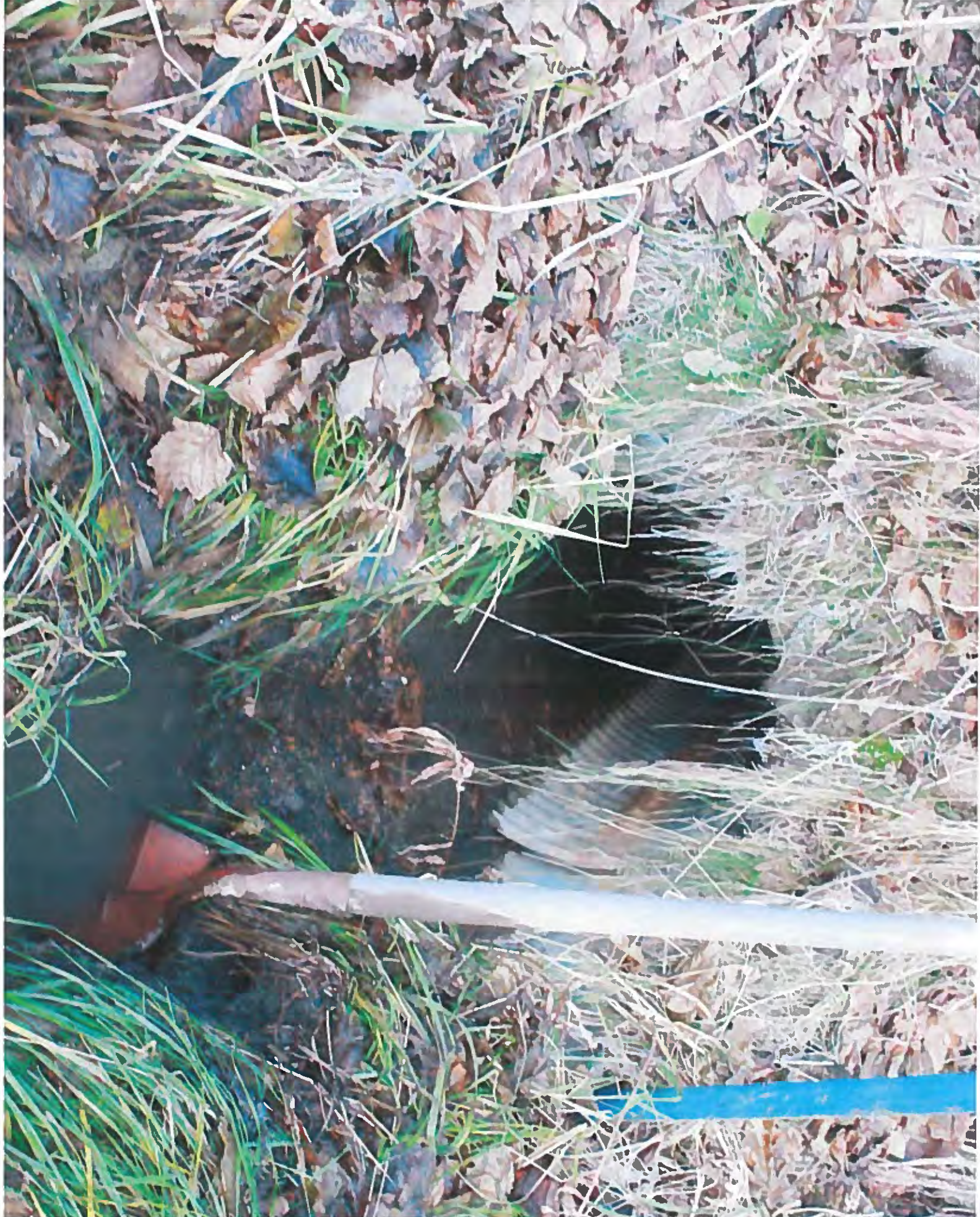














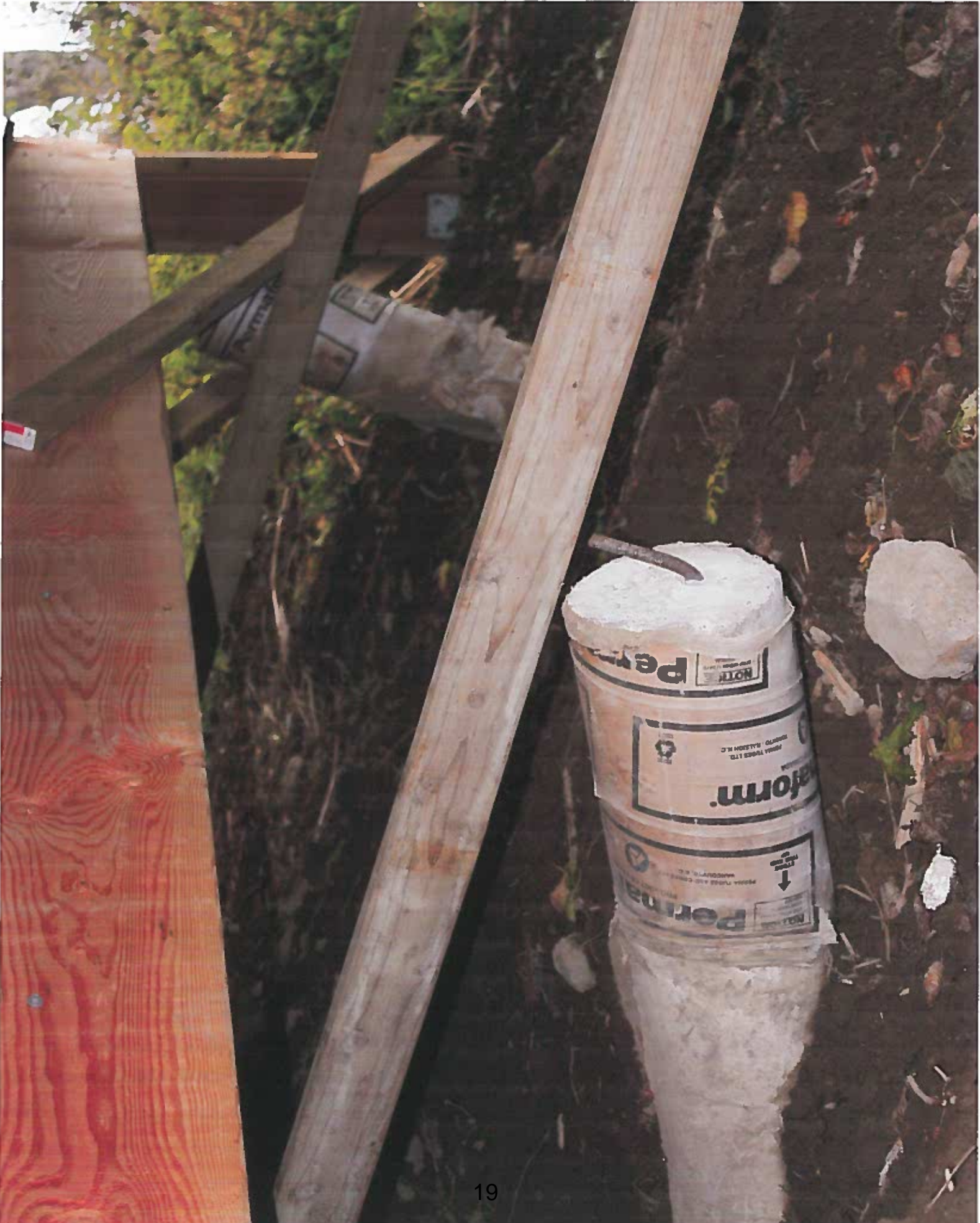


HOMER NEWS photo of Sterling Highway Baycrest Hill week of January 17, 2013.

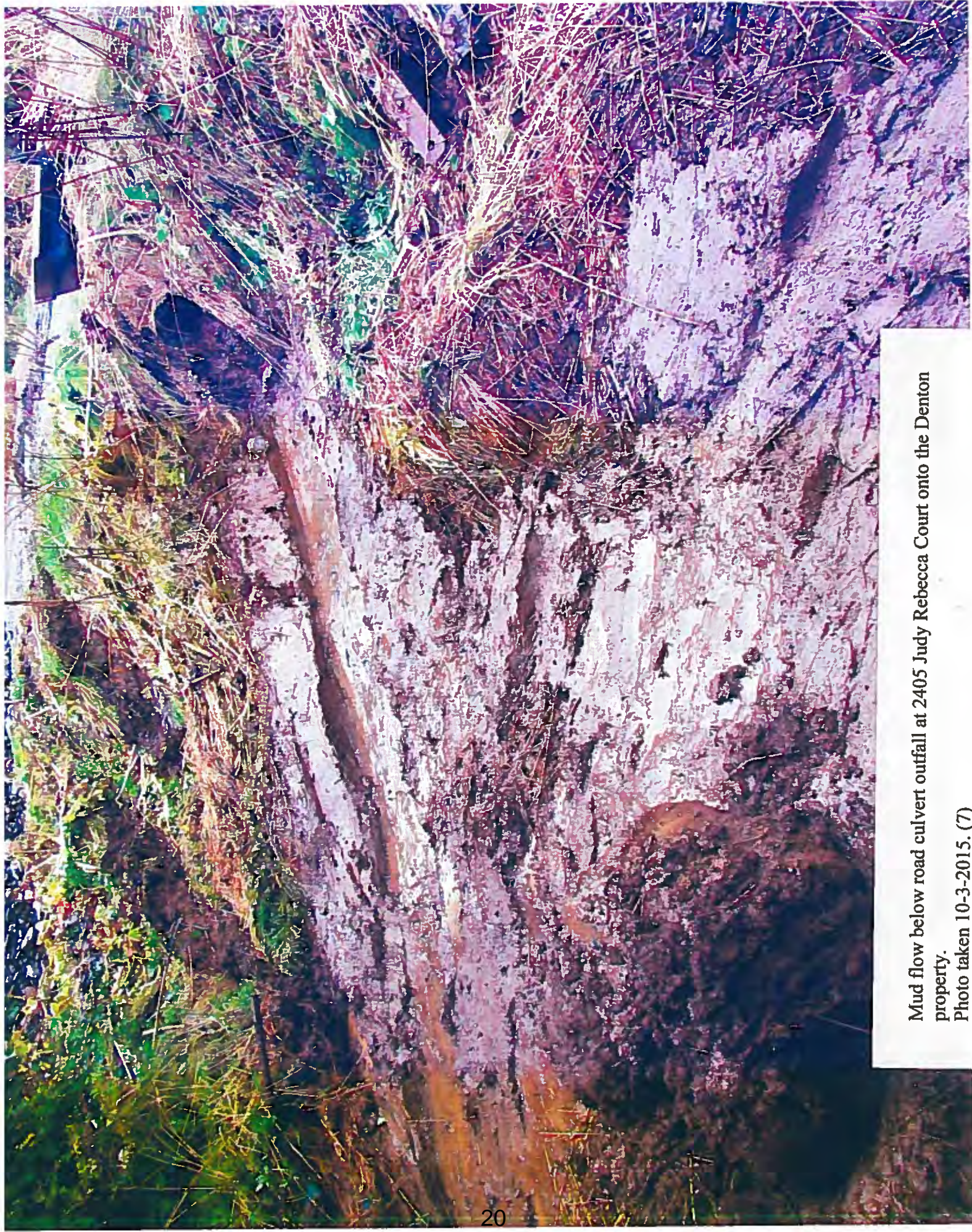












Mud flow below road culvert outfall at 2405 Judy Rebecca Court onto the Denton property.  
Photo taken 10-3-2015. (7)

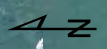




# Baycrest Area Map

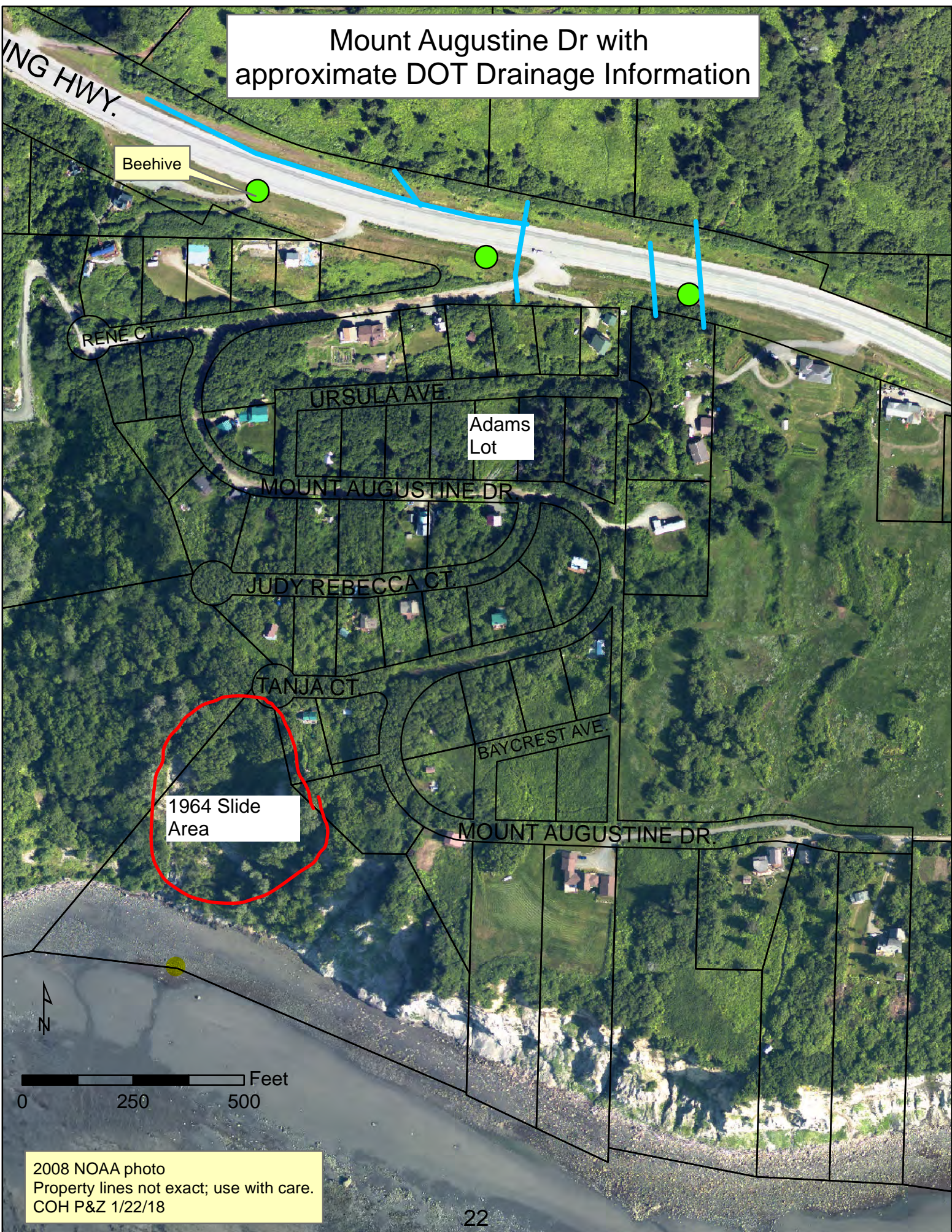


2008 NOAA photo, with 10 foot topo  
Property lines not exact; use with care.  
COH P&Z 1/22/18





Mount Augustine Dr with approximate DOT Drainage Information



Beehive

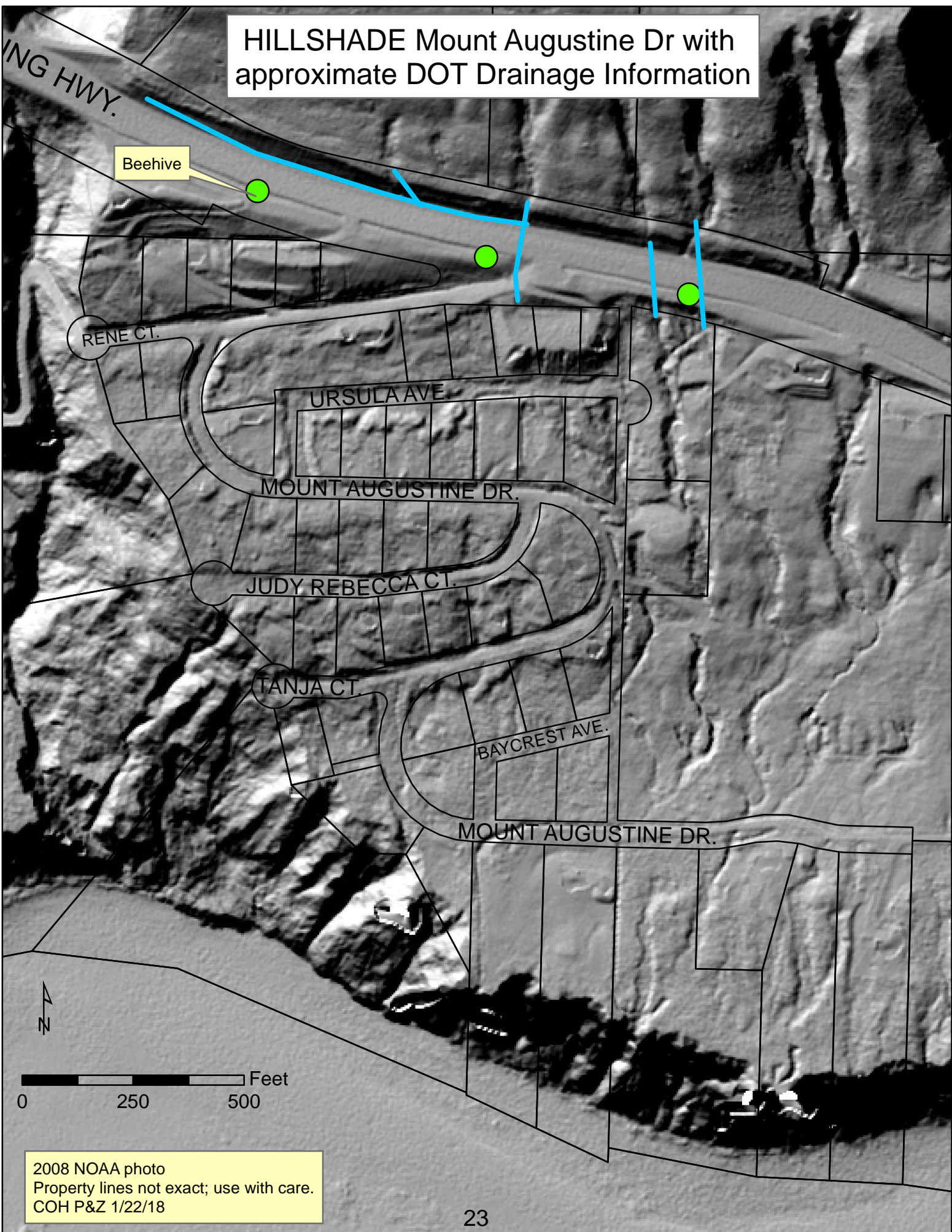
Adams Lot

1964 Slide Area

2008 NOAA photo  
Property lines not exact; use with care.  
COH P&Z 1/22/18



# HILLSHADE Mount Augustine Dr with approximate DOT Drainage Information



Beehive

RENE CT.

URSULA AVE.

MOUNT AUGUSTINE DR.

JUDY REBECCA CT.

TANJA CT.

BAYCREST AVE.

MOUNT AUGUSTINE DR.



0 250 500 Feet

2008 NOAA photo  
Property lines not exact; use with care.  
COH P&Z 1/22/18







## City of Homer

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## Office of the City Manager

491 East Pioneer Avenue  
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[citymanager@cityofhomer-ak.gov](mailto: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: January 22, 2018  
SUBJECT: Supplement to City Manager's report

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### Improvements at Mariner Park

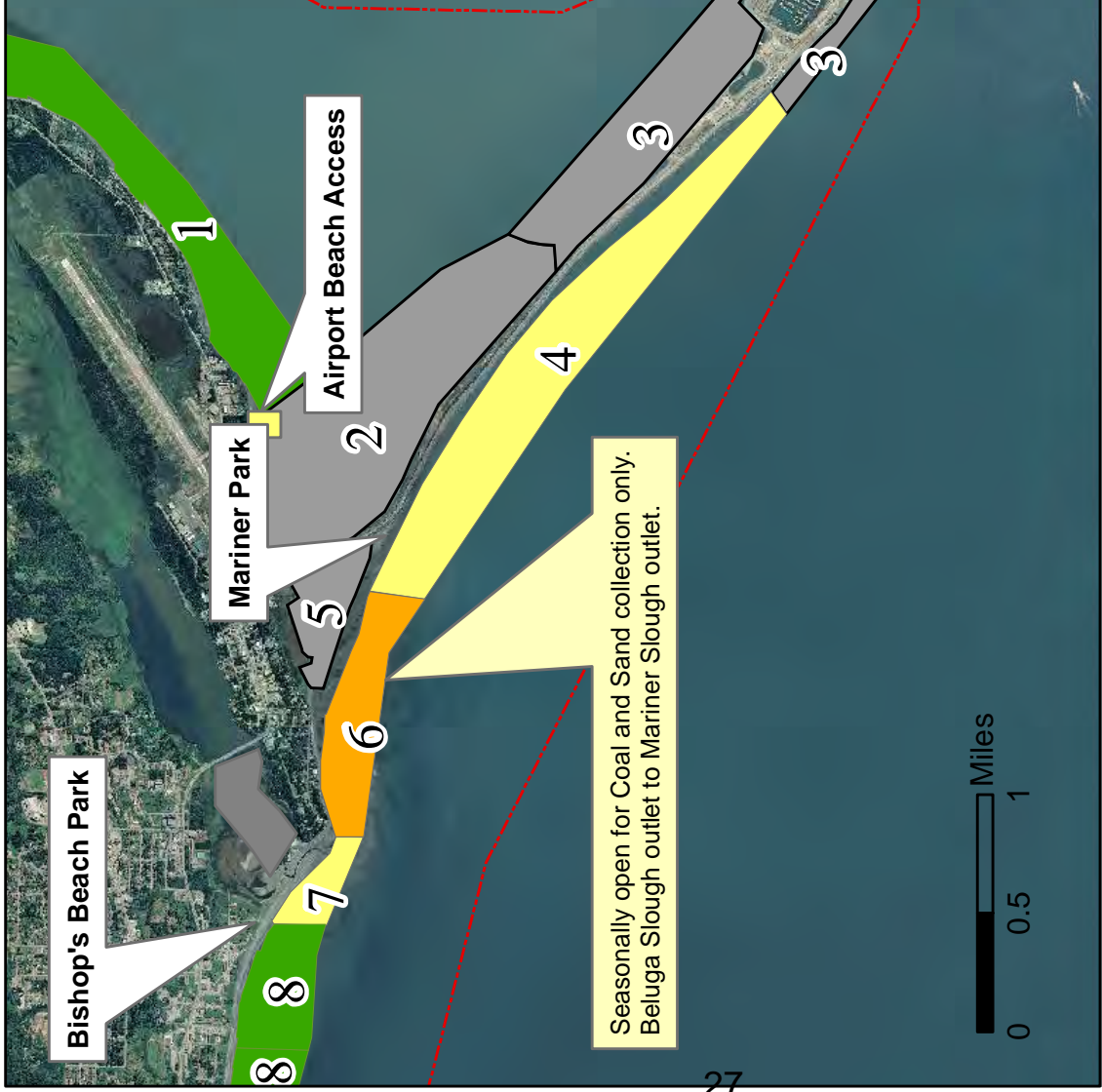
In February of 2016 after many months of public debate at the Parks and Recreation Commission and City Council, Council approved changes to the Beach Policy that closed areas of Homer beaches to motor vehicle access. Shortly following the passage of Ordinance 16-05, a gate was installed at Bishops Beach to enforce the closure of the beach west of the parking lot to vehicle traffic as a collaborative project between the City and the Islands and Ocean Visitor Center. Ordinance 16-05 also allows vehicular beach access to the beach at Mariner Park from October 31 through March 1 solely for the purposes of gathering sand and coal, effectively closing the beach to vehicle traffic during the summer months. In the 2017 budget Council approved a \$10,000 capital project for "signage to reinforce newly implemented regulations at City parks and beaches." When work began on the project, staff, after consulting a member of PARCAC where the capital project request was generated, determined that in order to inform the public where driving was permissible, delineating the parking lot was necessary. Funds were spent on small boulders to delineate the parking lot and a gate from Karen Hornaday Park was repurposed at the site. No signs we installed as part of the project. I regret that there was not more official guidance and public process as a part of this project. It points to a flaw in our capital budget process that I will be working on for the next budget cycle. Project requests need to be more descriptive, clear and well developed so that staff has sufficient direction to successfully carry out the project and Council knows exactly what they are approving. I will be rolling out a new capital request process and forms for the 2019 budget cycle to help with this. In this instance the implementation was in support of the project intent and City Code, however the details of implementation matter.

### Fish Pump

The bid report in your packet reflects that the Request for Proposal (RFP) for the operation of a fish pump was advertised an open for proposals from December 7, 2017 through January 12, 2018 with no bids submitted. However, after packet deadline the Port and Harbor was contacted by a representative of Pacific Star Seafoods who was unable to respond to the RFP in a timely manner due to a family emergency. Under City of Homer Procurement Policy 3.16.060(A), the City can enter into a negotiated procurement following unsuccessful efforts to obtain competitive bidding. The Port and Harbor is pleased there is still interest in the fish pump and has asked Pacific Star to submit a proposal following the guidelines of the RFP.

Enc:  
2017 Capital Project form for Regulator Signage

## Beach Map Depicting Closures



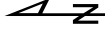
**Legend**

- City Limits

**Beach Areas**

- New Vehicle Closure
- Closed to Vehicles since 2002
- Vehicles Allowed
- Seasonally open for coal and sand gathering

**Vehicles on the Beach - Ordinance 16-05(S)(A)(S) as introduced in the Council packet published 2/18/2016**



February 19, 2016

**CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2017**

Requesting Department PARC Advisory Commission Date 9/19/2016

Level of Need: Urgent  Essential  Necessary  Desirable

Request for Additional Personnel:  
 Position Title \_\_\_\_\_  
 Salary Range & Step \_\_\_\_\_  
 Full-time   
 Part-time  Hours Per Year \_\_\_\_\_

Request Other Than Personnel:  
 Description Regulatory Signage  
 \_\_\_\_\_  
 Fund Name: \_\_\_\_\_

<b>(FINANCE DEPT WILL COMPLETE)</b>	
5101 Permanent Employees	_____
5102 Fringe Benefits	_____
5103 P/T Employees	_____
5104 Fringe Benefits P/T	_____
5105 Overtime	_____
<b>Total Personnel Cost</b>	_____

Account Name: Park Reserves  
 Account # 156-385  
 Estimated Cost: ~~\$20,000~~ \$10,000

**Justification:**

The City Council has implemented a number of new regulations for city parks and beaches and appropriate signage should be installed to inform visitors and residents of the new regulations and requirements especially the city beaches/accesses and city parks i.e. Jack Gist Park

Requestor's Name: PARC Advisory Commission

Department Head Approval: \_\_\_\_\_

City Manager Recommendation: \_\_\_\_\_

Date 10.10.16

Approved *km.* Kate Kuester

Denied \_\_\_\_\_

Comments Potential partners to help w/ costs. Maybe sign in phrases w

*more work is being done on Park Policy.*



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(f) 907-235-3143

## Memorandum 18-017

TO: Mayor Zak and Homer City Council  
THROUGH: Melissa Jacobsen, MMC, City Clerk  
FROM: Renee Krause, CMC, Deputy City Clerk  
DATE: January 19, 2018  
SUBJECT: Local Government Participation in Marijuana License Process

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In response to questions regarding the licensing process for a marijuana cultivation facility the following information is provided. On the second page of this memo you'll find the excerpt pertaining to protest by a local government.

### **3 AAC 306.005. License required**

(a) A marijuana establishment may not operate in the state unless it has obtained the applicable marijuana establishment license from the board. The board will issue the following marijuana establishment licenses under this chapter:

- (1) a marijuana cultivation facility license, as described in 3 AAC 306.405 and 3 AAC 306.410, granting authority for activities allowed under AS 17.38.070(b), and subject to the provisions of 3 AAC 306.400 - 3 AAC 306.480 and 3 AAC 306.700 - 3 AAC 306.755;

### **3 AAC 306.405. Standard marijuana cultivation facility: privileges and prohibited acts**

(a) A licensed standard marijuana cultivation facility is authorized to

- (1) propagate, cultivate, harvest, prepare, cure, package, store, and label marijuana;
- (2) sell marijuana only to a licensed retail marijuana store, to another licensed marijuana cultivation facility, or to a licensed marijuana product manufacturing facility;
- (3) provide samples to a licensed marijuana testing facility for testing;
- (4) store inventory on the licensed premises; any stored inventory must be secured in a restricted access area and accounted for in the marijuana cultivation facility's marijuana inventory tracking system as required under 3 AAC 306.730;
- (5) transport marijuana in compliance with 3 AAC 306.750;
- (6) conduct in-house testing for the marijuana cultivation facility's own use;
- (7) provide marijuana samples to a licensed retail marijuana store or marijuana product manufacturing facility for the purpose of negotiating a sale.

(b) A licensed standard marijuana cultivation facility may also apply for a marijuana product manufacturing facility license and a retail marijuana store license. A standard marijuana cultivation facility that obtains any other marijuana establishment license shall

- (1) conduct any product manufacturing or retail marijuana store operation in a room completely separated from the marijuana cultivation facility by a secure door when co-located; and
- (2) comply with each provision of this chapter that applies to any other type of marijuana establishment license that the standard marijuana cultivation facility licensee obtains.

(c) A licensed standard marijuana cultivation facility may not

- (1) sell, distribute, or transfer marijuana or a marijuana product to a consumer, with or without compensation;
- (2) allow any person, including a licensee, employee, or agent, to consume marijuana or a marijuana product on the licensed premises or within 20 feet of the exterior of any building or outdoor cultivation facility on the licensed premises;
- (3) treat or otherwise adulterate marijuana with any organic or nonorganic chemical or other compound to alter the color, appearance, weight, or odor of the marijuana;
- (4) except as permitted under a marijuana product manufacturing facility license, extract marijuana concentrate, using any process described in 3 AAC 306.555, at the licensed premises;
- (5) sell marijuana that is not packaged and labeled in compliance with 3 AAC 306.470 and 3 AAC 306.475.

### **3 AAC 306.410. Limited marijuana cultivation facility: privileges and prohibited acts**

A licensed limited marijuana cultivation facility

- (1) has the privileges set out in 3 AAC 305.405(a) and (b), except that it must have fewer than 500 square feet under cultivation; and
- (2) is subject to each prohibition set out in 3 AAC 306.405(c).

### **3 AAC 306.060. Protest by local government**

(a) Not later than 60 days after the director sends notice of an application for a new marijuana establishment license, renewal of a marijuana establishment license, or transfer of a marijuana establishment license to another person, a local government may protest the application by sending the director and the applicant a written protest and the reasons for the protest. The director may not accept a protest received after the 60-day period. If a local government protests an application for a new or renewal license or for a transfer of a license to another person, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

(b) A local government may recommend that the board approve an application for a new license, renewal of a license, or transfer of a license to another person subject to a condition. The board will impose a condition a local government recommends unless the board finds the recommended condition is arbitrary, capricious, and unreasonable. If the board imposes a condition a local government recommends, the local government shall assume responsibility for monitoring compliance with the condition unless the board provides otherwise.

(c) If a local government determines that a marijuana establishment has violated a provision of AS 17.38, this chapter, or a condition the board has imposed on the licensee, the local government may notify the board. Unless the director finds that the local government's notice is arbitrary, capricious, and unreasonable, the director shall prepare the determination as an accusation against the licensee under AS 44.62.360 and conduct proceedings to resolve the matter as provided under 3 AAC 306.820.

**3 AAC 306.065. Public participation**

(a) A person may object to an application for a new license, renewal of a license, or transfer of a license to another person by submitting a written statement of reasons for the objection to the board and the applicant not later than 30 days after notice of the application, but not later than the deadline for objections stated in a posted or published notice of the application. The objection must be sent to the applicant at the mailing address or electronic mail address provided in the notice of application. If the board determines to conduct a public hearing under this section, an interested person may give oral testimony at the public hearing.

**3 AAC 306.070. Hearing on public protest**

The board may, on its own initiative or in response to an objection or protest, hold a hearing to ascertain the reaction of the public or a local government to an application. The director shall send notice of a hearing under this section as provided in AS 44.62.330 - 44.62.630 (Administrative Procedure Act).

**Sec. 17.38.070. Lawful operation of marijuana-related facilities.**

(b) Notwithstanding any other provision of law, the following acts, when performed by a marijuana cultivation facility with a current, valid registration, or a person 21 years of age or older who is acting in the person's capacity as an owner, employee, or agent of a marijuana cultivation facility, are lawful and shall not be an offense under Alaska law or be a basis for seizure or forfeiture of assets under Alaska law:

- (1) cultivating, manufacturing, harvesting, processing, packaging, transporting, displaying, storing, or possessing marijuana;
- (2) delivering or transferring marijuana to a marijuana testing facility;
- (3) receiving marijuana from a marijuana testing facility; (4) delivering, distributing, or selling marijuana to a marijuana cultivation facility, a marijuana product manufacturing facility, or a retail marijuana store;





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

3 City Manager/  
4 Public Works Director

5 **RESOLUTION 18-009(S)**

6  
7 A RESOLUTION OF THE HOMER CITY COUNCIL AUTHORIZING THE  
8 MODIFICATION OF AN ADEC MUNICIPAL MATCHING GRANT (MMG  
9 #40909) FOR THE WATER STORAGE AND DISTRIBUTION  
10 IMPROVEMENT PROJECT (PHASE I), AND AUTHORIZING THE CITY  
11 MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.  
12

13 WHEREAS, The City applied for and secured a Municipal Matching Grant (MMG #40909)  
14 through the Alaska Department of Environmental Conservation (ADEC) for Phase 1 of the  
15 Homer Water Storage and Distribution Improvements; and  
16

17 WHEREAS, Ordinance 15-20 accepted the ADEC grant and appropriated the required  
18 \$576,773 in local match from the Homer Accelerated Water and Sewer Project (HAWSP) fund;  
19 and  
20

21 WHEREAS, The actual cost of this work was less than the grant amount; and  
22

23 WHEREAS, There is an opportunity to expand the scope of work to include other Homer  
24 Water Storage and Distribution Project improvements; and  
25

26 WHEREAS, Public Works has developed three options on how the remaining funds could  
27 be utilized (see Memorandum 18-015); and  
28

29 WHEREAS, The Council supports expanding the scope of the work under MMG #40909  
30 as described in Option 2; and  
31

32 NOW, THEREFORE, BE IT RESOLVED, that the Homer City Council approves modifying  
33 the scope of Municipal Matching Grant #40909 to include work as described as Option 2,  
34 construction of properly sized water main through the proposed Quiet Creek Subdivision and  
35 the replacement/renovation of the existing A-Frame tank and PRV Station requiring a local  
36 match of ~~\$211,913~~ **\$309,262** in HAWSP funds.  
37

38 PASSED AND ADOPTED by the Homer City Council this 22 day of January, 2018.  
39  
40

41 CITY OF HOMER  
42

43 \_\_\_\_\_  
44 BRYAN ZAK, MAYOR

45

46

47 ATTEST:

48

49 \_\_\_\_\_

50 MELISSA JACOBSEN, MMC, CITY CLERK

51

52 Fiscal Note: \$309,262 HAWSP Account



# City of Homer

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

## Public Works

3575 Heath Street  
Homer, AK 99603

[publicworks@cityofhomer-ak.gov](mailto:publicworks@cityofhomer-ak.gov)

(p) 907-235-3170

(f) 907-235-3145

## MEMORANDUM 18-015(S)

TO: Mary K. Koester, City Manager  
FROM: Carey Meyer, Public Works Director  
DATE: January 18, 2017  
SUBJECT: **ADEC Municipal Match Grant Opportunity  
\$1.6M Remaining – Water System Project Options**

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In 2013-14, the City completed the design of various water distribution/storage system improvements using an EPA SAAP grant in which 55% of the design cost was covered by the grant. In 2015, the City applied for and received an ADEC Municipal Matching grant to construct the first phase of an overall water distribution/storage improvement project. The first phase was consisted of distribution system improvements (Kachemak Drive and Shellfish Avenue water main extensions) and was completed in 2017 under budget. There remains \$1,600,000 in the grant award. The scope of work associated with the ADEC grant can be modified to include portions of the second and third phases of the overall project, which consists mainly of storage and PRV station improvements.

The centerpiece of the overall water distribution/storage project was the construction of a new storage tank. Other new improvements that could be covered by the grant included piping needed to connect the tank to the distribution system and micro-hydro turbine installations. Existing infrastructure that would be replaced/renovated under the grant include the A-Frame tank, A-Frame PRV station, and Spit water main rehabilitation. Public Works has reviewed the projects that can be funded with the remaining grant funds and developed three options.

Option 1 constructs a new water storage tank and connects it to the water distribution system (through the Quiet Creek Subdivision). It provides storage redundancy, more dependable fire protection, prepares for micro hydro turbines. It utilizes all of the available grant monies, but requires \$1,204,565 in HAWSP funds.

Option 2 focuses on construction of properly sized piping through the proposed Quiet Creek Subdivision (that ultimately will connect the tank to the distribution system), and renovates the existing A-Frame tank and PRV Station. It focuses on taking care of existing infrastructure, assures that water main infrastructure through the Quiet Creek Subdivision is completed in the most cost effective manner, and minimizes HAWSP fund expenditures to \$309,262.

Option 3 provides funding only for the oversizing of pipe through the Quiet Creek Subdivision and upsizes the existing East End Road stub out and requires \$33,630 in HAWSP funding.

**Option 1 – .75MG Water Storage Tank Construction/Piping to Distribution System (\$2,373,576)**

(1,169,011 Grant, \$501,004 City Match, \$703,561 Additional City Contribution)

	<u>Design</u>	<u>Construction</u>
a) construct .75 MG water storage tank	\$ 12,000	\$1,720,140
b) installation of 1,700 LF of 12” water transmission main ( <i>between the tank and the water system</i> )	\$ 28,611	\$ 408,725
c) installation of PRV Vault ( <i>between the tank and the water system</i> )	\$ 7,000	\$ 85,000
d) oversizing 2300 LF (from 8” to 12”) of new main being installed ( <i>between the tank and the water system</i> ), and	\$ 3,500	\$ 58,100
e) abandoning a 6” undersized water main and installing 80 LF of 12” water main across East End Road ( <i>between the tank and the water system</i> ), and	<u>\$ 7,900</u>	<u>\$ 42,600</u>
	\$ 59,011	\$2,314,565

**Option 2 – Piping to Distribution System/”A” Frame PRV Station Replacement (\$1,030,875)**

(\$721,613 Grant, \$309,262 City Match, \$0 Additional City Contribution)

	<u>Design</u>	<u>Construction</u>
a) installation of 650 LF of 12” water transmission main ( <i>between the tank and the water system</i> )	\$ 11,800	\$ 117,975
b) installation of PRV Vault ( <i>between the tank and the water system</i> )	\$ 7,000	\$ 85,000
c) oversizing 2300 LF (from 8” to 12”) of new main being installed ( <i>between the tank and the water system</i> ), and	\$ 0	\$ 61,000
d) abandoning a 6” undersized water main and installing 80 LF of 12” water main across East End Road ( <i>between the tank and the water system</i> ), and	\$ 7,900	\$ 42,600
<b>e) Rehabilitate A-Frame Water Storage Tank</b>	<b>\$ 29,500</b>	<b>\$ 295,000</b>
f) replacement of “A” Frame PRV station.	<u>\$ 9,100</u>	<u>\$ 364,000</u>
	\$65,300	\$ 965,575

**Option 3 – Oversizing Water Main/Stub-Out Upgrade – Quiet Creek Subdivision (\$112,100)**

(\$78,470 Grant, \$33,630 City Match, \$0 Additional City Contribution)

a) oversizing 2300 LF (from 8” to 12”) of new main being installed ( <i>between the tank and the water system</i> ), and	\$ 3,500	\$ 58,100
b) abandoning a 6” undersized water main and installing 80 LF of 12” water main across East End Road ( <i>between the tank and the water system</i> ), and	<u>\$ 7,900</u>	<u>\$ 42,600</u>
	\$ 11,400	\$ 100,700

**Recommendations:**

The Homer City Council pass a resolution approving modifying the scope of work of Municipal Matching Grant #40909 to include work as described as Option 2 (construction of properly sized water main through the proposed Quiet Creek Subdivision and the replacement/renovation of the existing A-Frame tank and PRV Station).

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

3 City Clerk/  
4 Public Works Director

5 **RESOLUTION 18-010(S)**  
6

7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
8 AWARDING THE CONTRACT FOR THE HARBOR CATHODIC  
9 PROTECTION PROJECT TO THE FIRM OF GLOBAL DIVING AND  
10 SALVAGE OF ANCHORAGE, ALASKA, IN THE AMOUNT OF \$139,345  
11 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE  
12 APPROPRIATE DOCUMENTS.  
13

14 WHEREAS, In accordance with the Procurement Policy the Invitation to Bid was  
15 advertised in the Homer News on December 7 and 14, 2017, sent to two in-state and one  
16 Washington state plans rooms, and posted on the City of Homer website; and  
17

18 WHEREAS, Bids were due January 18, 2018 and four bids were received; and  
19

20 WHEREAS, Global Diving and Salvage of Anchorage, Alaska, was found to be the lowest  
21 responsive bidder; and  
22

23 WHEREAS, This award is not final until written notification is received by the firm from  
24 the City of Homer.  
25

26 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the  
27 contract for Harbor Cathodic Protection Project to the firm of Global Diving and Salvage of  
28 Anchorage, Alaska, in the amount of \$139,345 and authorizes the City Manager to execute the  
29 appropriate documents.  
30

31 PASSED AND ADOPTED by the Homer City Council this 22 day of January, 2018.  
32  
33

34 CITY OF HOMER  
35

36 \_\_\_\_\_  
37 BRYAN ZAK, MAYOR  
38  
39

40 ATTEST:  
41

42 \_\_\_\_\_  
43 MELISSA JACOBSEN, MMC, CITY CLERK  
44

45 Fiscal note: \$139,345; Homer Harbor Cathodic Protection Project Account No. 456-0380





## MEMORANDUM 18-016

To: Katie Koester, City Manager  
 From: Carey Meyer, PW Director  
 Date: January 18, 2018  
 Subject: **Award of Construction Contract  
 Homer Harbor Cathodic Protection Project**

On January 18, 2018, bids were received for the Homer Harbor Cathodic Protection Project. This work was advertised in the Homer News on December 7 and 14. Procurement was completed in accordance with the City’s Procurement Policy.

Four responsive bids were received from qualified firms. The bid results were evaluated and the results are as follows.

Responsive Bidder’s Names	Amount
<b>Global Diving and Salvage</b>	<b>\$ 139,345.00</b>
Puffin Electric, Inc	\$ 222,194.00
American Marine International	\$ 177,550.00
Ballard Marine Construction	\$ 371,900.00
Engineer’s Estimate	\$ 218,000.00

The City’s 5% local bidder’s preference does apply to this award. The low bidder is not local. Local bidder was more than 5% higher than low bid.

The low bid is within the project budget approved by the City Council. Public Works expects the work to be completed early in the spring or later in the fall of 2018.

**Recommendation:**

City Council pass a resolution awarding the construction contract for the Homer Harbor Cathodic Protection Project in the amount of \$139,345 to Global Diving and Salvage of Anchorage, Alaska and authorizing the the City Manager to execute all appropriate documents necessary to complete this project.

Fiscal Note – Homer Harbor Cathodic Protection Project, #456-0380