

City Council

Monday, September 24, 2018

Special Meeting 3:00 p.m.
Worksession 4:00 p.m.
Committee of the Whole 5:00 p.m.
Regular Meeting 6:00 p.m.



VOTE LOCAL
City of Homer Regular Election
October 2nd



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

September-October 2018

- Monday 24th:** **CITY COUNCIL**
Special Meeting 3:00 p.m. Worksession 4:00 p.m. Committee of the Whole 5:00 p.m.
Regular Meeting 6:00 p.m.
- Tuesday 25th:** **HERC TASK FORCE**
Regular Meeting 3:00 p.m.
- Wednesday 26th:** **PORT & HARBOR ADVISORY COMMISSION**
Regular Meeting 5:00 p.m.
- Monday 1st:** **LIBRARY ADVISORY BOARD**
Special Meeting 5:30 p.m.
- Tuesday 2nd:** **CITY OF HOMER REGULAR ELECTION**
Polls are open 7:00 a.m. to 8:00 p.m.
- Wednesday 3rd:** **PLANNING COMMISSION**
Worksession 5:30 p.m. Regular Meeting 6:30 p.m.
- Friday 5th:** **ELECTION CANVASS BOARD**
Regular Meeting 2:00 p.m.
- Monday 8th:** **CITY COUNCIL**
Worksession 4:00 p.m. Committee of the Whole 5:00 p.m. 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. except 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. except 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.)

MAYOR AND CITY COUNCILMEMBERS AND TERMS

- BRYAN ZAK, MAYOR – 18
DONNA ADERHOLD, COUNCILMEMBER – 18
HEATH SMITH, COUNCILMEMBER – 18
SHELLY ERICKSON, COUNCILMEMBER – 19
TOM STROOZAS, COUNCILMEMBER – 19
RACHEL LORD, COUNCILMEMBER – 20
CAROLINE VENUTI, COUNCILMEMBER – 20

<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
3:00 P.M. MONDAY
SEPTEMBER 24, 2018
COWLES COUNCIL CHAMBERS

MAYOR BRYAN ZAK
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
COUNCIL MEMBER CAROLINE VENUTI
COUNCIL MEMBER RACHEL LORD
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK MELISSA JACOBSEN

SPECIAL MEETING AGENDA

1. CALL TO ORDER, 3:00 P.M.

Mayor Zak requests excusal.

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

3. PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

4. NEW BUSINESS

- A. **Memorandum 18-103** from City Clerk, Request for Executive Session Pursuant to AS 44.42.310(A-C)(1&5), Matters, the Immediate Knowledge of Which Would Clearly have an Adverse Effect Upon the Finances of the Public Entity and Attorney-Client Privilege (City Attorney Billings and City Attorney Update on Pending Court Cases Griswold vs. City of Homer) Page 7

5. COMMENTS OF THE AUDIENCE

6. ADJOURNMENT NO LATER THAN 3:50 P.M.

Next Regular Meeting is Monday, October 8, 2018 at 6:00 p.m., Committee of the Whole at 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 18-103

TO: MAYOR PRO TEMPORE ADERHOLD AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: SEPTEMBER 19, 2018

SUBJECT: REQUEST FOR EXECUTIVE SESSION PURSUANT TO AS 44.62.310(C)(1&5) MATTERS, THE IMMEDIATE KNOWLEDGE OF WHICH WOULD CLEARLY HAVE AN ADVERSE EFFECT UPON THE FINANCES OF THE PUBLIC ENTITY AND ATTORNEY-CLIENT PRIVILEGE (CITY ATTORNEY BILLINGS AND CITY ATTORNEY UPDATE ON PENDING COURT CASES GRISWOLD VS. CITY OF HOMER)

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 "City Attorney Billings and City Attorney Update on Pending Court Cases Griswold vs. City of Homer" for the Special Meeting of September 24, 2018. This has been publicly and internally noticed since that time.

Attorney Wells will be present and City Manager Koester 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



WORKSESSION
4:00 P.M. MONDAY
SEPTEMBER 24, 2018
COWLES COUNCIL CHAMBERS

MAYOR BRYAN ZAK
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
COUNCIL MEMBER CAROLINE VENUTI
COUNCIL MEMBER RACHEL LORD
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK MELISSA JACOBSEN

WORKSESSION AGENDA

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

Mayor Zak requests telephonic participation.

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

3. HERC TASK FORCE JOINT WORKSESSION

Page 11

4. COMMENTS OF THE AUDIENCE

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

Next Regular Meeting is Monday, October 8, 2018 at 6:00 p.m., Committee of the Whole at 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

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Planning
491 East Pioneer Avenue
Homer, Alaska 99603

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(f) 907-235-3118

Memorandum

TO: Homer City Council
THROUGH: HERC Task Force
FROM: Julie Engebretsen, Deputy City Planner
DATE: September 19, 2018
SUBJECT: Work Session with the HERC Task Force Work Session, results work to date

The goal of the work session is to provide the Council with an update on what the Task Force has learned, and which issues remain harder to solve. The Task Force has been meeting once every two weeks, with additional work sessions and building visits as needed. Several Brown Bag Lunches at library have been held, as well as some conversations with community members. These efforts will continue to the end of the project, at the end of November. Unless otherwise stated, all discussion relates to HERC 1, the larger building with the gymnasium.

Resolution 18-036(A) tasked the Task Force (TF) with several items:

1. Can the upstairs of the HERC be used without capital expense?
2. What are the minimum improvements needed to fully use the upstairs?
3. What would be nice to have for full use of the upstairs?
4. How much would demolition cost?
5. How much would a new building cost?
6. How can these items be paid for?

#1 Can we use the upstairs as is?

This question has taken a lot of time and effort to answer. The short version is, maybe! The TF is still working out the details. If the city wishes to use the upstairs again, it will need to be reviewed by the Fire Marshal. There may be some use that will be allowed without a major building renovation. The final report of the TF will address this item more clearly.

#2 & 3 What is the minimum needed to use the upstairs, and what would be nice to have?

These questions really morph into one; renovations to the HERC are do it all or do nothing proposition. Once the City begins major renovations to the building, or changes to occupancy classification (such as for a school) then the whole building would need to be brought up to IBC current codes. This includes sprinklers, new roof, improvements to electrical, mechanical including heating, plumbing and ventilation, possibly structural upgrades, likely hazardous material abatement, potentially seismic upgrades, and ADA access. Rough cost estimate is \$2.5 - \$3 Million for sprinklers and basic upgrades to the building. Further upgrades to the building envelope such as insulating the roof and walls, structural modifications as a result of additional insulation, and exterior improvements would bring the costs up to \$4.5-\$5 million. This estimate does not include an approximate 10% to 15% escalation/contingency and architecture & engineering fees.

#4 Demolition

Demolition costs for HERC 1 are estimated at \$750,000, and HERC 2 at \$250,000. These estimates are subject to change due to: potential increase in trucking costs to the Central Peninsula Landfill, demo and disposal of HERC 1 boiler, and unforeseen expenses such as an underground fuel spills, differing site condition (DSC), etc. Both buildings may have items that would be salvageable, such as the fuel tanks and interior wood doors. The value of these and other salvage items could decrease the cash cost to the City for the demolition.

#5 New Building – How much would it cost? ~\$4,800,000 for 12,000 square feet

A good number for the cost of new government construction is \$400 per square foot. Sterling has a community center with a gym, kitchen, an office space and a community meeting room/library, weight room, and restrooms. This building is approximately 12,000 square feet, and is a good starting point for a new Homer recreation center discussion. Should the community decide to build a new facility, the layout and exact use of the building would be addressed during project planning and budgeting.

#6 How do we pay for it?

There are two aspects of “how do we pay for it”:

- A. Operations and Maintenance
- B. Renovation or New Construction

Staff and the Task Force borrowed heavily from the work Administration completed for the new police station. That work included a city budget analysis, which led to the conclusion that new revenue was needed to cover construction AND the ongoing costs of the new building. Council decided to put a bond measure for construction, and a permanent increase to sales tax for operations and maintenance, to the voters.

A. Operations and Maintenance

The TF is working on operations and maintenance cost estimates for several scenarios. These include a better understanding of the current HERC costs, what expanded use costs would be, costs after renovation, and costs to operate in a new building. These findings will help inform how much new revenue the City would need to pay for expected costs.

B. Renovation or New Construction Costs (Major Capital Expenses)

There are several models on how to build and operate a building. The one the City is most familiar with is what we are calling ‘the government model.’ This means the city uses taxes and fees to pay for the building. The Task Force believes the community will not support additional taxes at this time for any renovations or new buildings. This sentiment has been echoed in community conversations.

Another model is the ‘non-profit model’. Staff and some TF members are meeting the day this memo was written with non-profit community members. These members have offered their expertise in explaining how they operate, what funding mechanisms there are, and what that could look like for the HERC property.

A third option is often called “3P” or a Public Private Partnership. These are somewhat complicated, but we do have two examples in our community: the courthouse and the hockey rink. The Courthouse is owned by a private business, with a long-term lease to the state. The state avoided building a new building, and the business gained a long-term tenant. The English Bay Corporation built the Kevin Bell Arena, and has a mortgage agreement with the Homer Hockey Association. For the HERC, a partnership might include the city owning the land, and another entity, private or nonprofit, renovating the building, or building new. This arrangement could extend to operating and maintaining the building as well.

These models will be described in greater detail in the TF’s final report.

Recurring themes

There are a few themes that keep coming up in conversations with community members.

1. The value of the land to the public is high for a public use. The location at the gateway to Pioneer Ave and the size of the property lends itself to many options for community use (park, new rec facility, etc) now and in the future.
2. The sentiment that the land was donated for a school remains important to community members.
3. The value of the HERC building in its current state may not be high. Task Force is continuing to gather input on whether the HERC building is valued, viable asset.
4. With some roof maintenance, HERC 1 could be viable for the short term – 3-5 years. Beyond that timeframe, this aging building will have systems in a degrading state, and repairs are likely to be extensive and expensive. See questions #2/3 above.
5. It is desirable to continue to use HERC 1 as it is now for the next 3-5 years. If a large funding source materializes, it may be worth fixing the building. If money does not appear, the city should plan to demolish the building. In either scenario, the city should be saving some funds because the building will not remain without significant cost beyond 5 years in the future.
6. If HERC 1 and HERC 2 are going to be demolished, the community could choose to keep mowing the lawn and enjoy the open space. When there is community drive and funding to build a new recreation center, this is an ideal location. Removing the buildings does not change the fact this location is very viable for a community recreation center.
7. The need for childcare comes up in almost every conversation. The community is working to address this issue, but it is not resolved for many families. It is possible that to gain broad community support, a new facility may need to include a Boys and Girls Club, or other large scale afterschool programing.

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



COMMITTEE OF THE WHOLE
5:00 P.M. MONDAY
SEPTEMBER 24, 2018
COWLES COUNCIL CHAMBERS

MAYOR BRYAN ZAK
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
COUNCIL MEMBER CAROLINE VENUTI
COUNCIL MEMBER RACHEL LORD
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK MELISSA JACOBSEN

COMMITTEE OF THE WHOLE AGENDA

- 1. CALL TO ORDER, 5:00 P.M.**
- 2. AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)
- 3. BDO 2017 AUDIT REPORT**
- 4. CONSENT AGENDA**
- 5. REGULAR MEETING AGENDA**
- 6. COMMENTS OF THE AUDIENCE**
- 7. ADJOURNMENT NO LATER THAN 5:50 P.M.**
Next Regular Meeting is Monday, October 8, 2018 at 6:00 p.m., Committee of the Whole at 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 24, 2018
COWLES COUNCIL CHAMBERS

MAYOR BRYAN ZAK
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
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CITY MANAGER KATIE KOESTER
CITY CLERK MELISSA JACOBSEN

REGULAR MEETING AGENDA

Worksession 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

Mayor Zak requests telephonic participation.

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

2. AGENDA APPROVAL

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

3. MAYORAL PROCLAMATIONS AND RECOGNITIONS

- A. Mayoral Recognition of Mavis Mueller and the Burning Basket Project Page 25
- B. Mayoral Recognition of Keegan Partridge Eagle Scout Project Page 27
- C. Mayoral Proclamation of October as Domestic Violence Awareness Month Page 29
- D. Mayoral Proclamation of October as Breast Cancer Awareness Month Page 31

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 10, 2018. City Clerk. Recommend adoption. Page 39
- B. **Memorandum 18-104** from Mayor Pro Tem Re: Appointment of William Richardson to the Economic Development Advisory Commission. Recommend approval. Page 51
- C. **Memorandum 18-105** from City Clerk Re: Liquor License Amendment for Fat Olives Restaurant. Recommend approval. Page 55
- D. **Memorandum 18-106** from Deputy City Clerk Re: Confirming Election Judges for the City of Homer Regular Election October 2, 2018. Recommend approval. Page 77
- E. **Resolution 18-074**, A Resolution of the Homer City Council Accepting the 2017 Comprehensive Annual Financial Report with Audit and Financial Statements and Acknowledging the Management Letter Submitted by the City's Independent Auditor, BDO, USA, LLP and Authorizing the City Manager to Execute the Financial Report. City Manager/Finance Director. Recommend adoption. Page 79
- F. **Resolution 18-075**, A Resolution of the City Council of Homer, Alaska, Approving a Lease Re-Assignment for the Transfer of the Salty Dawg/John Warren Lease from name of John Warren to Warren, LLC., and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommend adoption. Page 81

7. VISITORS

- A. BDO 2017 Audit Report (10 minutes)

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

9. PUBLIC HEARING(S)

- A. **Resolution 18-070(A)**, A Resolution of the City Council of Homer, Alaska, Adopting the 2019-2024 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2020. Mayor/City Council. Page 147

10. ORDINANCE(S)

- A. **Ordinance 18-42**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2018 Operating and Capital Budgets to Provide for Necessary Mid-Year Adjustment by Appropriating and Transferring Funds from the General and Water Sewer Funds. City Manager/Finance Director. Recommended dates Introduction September 24, 2018, Public Hearing and Second Reading October 8, 2018. Page 153
- B. **Ordinance 18-43**, An Ordinance of the City Council of Homer, Alaska Prohibiting Sellers from Providing Buyers with Single-Use Plastic Disposable Shopping Bags. Venuti. Recommended dates Introduction September 24, 2018, Public Hearing and Second Reading October 8, 2018. Page 167

11. CITY MANAGER'S REPORT

- A. City Manager's Report Page 173

12. CITY ATTORNEY REPORT

13. COMMITTEE REPORT

- A. Americans with Disabilities Act Compliance Committee
- B. HERC Task Force

14. PENDING BUSINESS

- A. **Ordinance 18-39**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 21.18.040 to Reduce the Setback Requiring a Conditional Use Permit from Twenty Feet to Ten Feet in the Central Business District. Aderhold. Introduction and Refer to Planning Commission August 27, 2018, Public Hearing and Second Reading September 24, 2018. *(Recommend postpone to a date certain for continued Planning Commission consideration)* Page 207

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 8, 2018 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MAYORAL PROCLAMATIONS
AND RECOGNITIONS

**CITY OF HOMER
HOMER, ALASKA**

Mayoral Recognition

MAVIS MUELLER AND THE BURNING BASKET PROJECT

WHEREAS, Sunday, September 9, 2018 marked the 15th year of “*The Burning Basket Project*” at Mariner Park on the Homer Spit; and

WHEREAS, Over these 15 years, Burning Basket has become an autumnal tradition attended by hundreds from Homer and beyond; and

WHEREAS, Burning Basket demonstrates the richness of Homer’s natural environment and plant community; and

WHEREAS, Burning Basket has been recognized as an installation on the cutting edge of grassroots, interactive, and impermanent art; and

WHEREAS, This recognition reaches beyond Homer with enactments having occurred in other communities in and outside of Alaska and abroad, making Burning Basket an emissary for Homer’s unique artistic character; and

WHEREAS, Burning Basket engages people of all ages, artistic backgrounds, and experiences to nurture their creative instincts; and

WHEREAS, Burning Basket is valued as a memorial to honor departed members of our community; and

WHEREAS, These multiplicitous and collaborative ways that people engage with Burning Basket are indicative of how community-based, interactive art can act as a civic function; and

WHEREAS, Burning Basket is a demonstration of the strength, creativity, and interconnectedness of the community that exists in Homer.

NOW, THEREFORE, I Donna Aderhold, Mayor Pro Tempore of the City of Homer, do hereby recognize Mavis Muller and the Burning Basket, and the significance of her efforts and this event to our community members near and far.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the City of Homer, Alaska, on this 24th day of September, 2018.

CITY OF HOMER

DONNA ADERHOLD, MAYOR PRO TEMPORE

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

**CITY OF HOMER
HOMER, ALASKA**

Mayoral Recognition

KEEGAN PARTRIDGE EAGLE SCOUT PROJECT

WHEREAS, Part of Homer Public Library's mission is to foster literacy, education, personal well-being, and community engagement; and

WHEREAS, A story trail offers an opportunity to extend that mission beyond the walls of the Library by combining reading with physical activity while outdoors enjoying nature; and

WHEREAS, Since 2012 Homer Library staff and Friends of the Homer Library have erected a temporary story trail each summer, which has been enjoyed by families and individuals of all ages; and

WHEREAS, Every year the temporary story trail signage has had to be replaced; and

WHEREAS, The cost of manufactured story trail signage was found to be prohibitive; and

WHEREAS, Keegan Partridge of Boy Scout Troop 555 offered to design, build and erect permanent story trail signage as his Eagle Scout project; and

WHEREAS, Friends of the Homer Library agreed to pay for the materials and coordinate the project; and

WHEREAS, In 2018 Keegan Partridge, with the assistance of advisors Bill Morse, Greg Martin, and Brian Partridge, completed construction and installation of permanent story trail signage; and

WHEREAS, The story trail will benefit the Homer community for many years to come.

NOW, THEREFORE, I Donna Aderhold, Mayor Pro Tempore of Homer, recognize Keegan Partridge of Troop 555 for his contribution to the Library, to literacy, and to the community.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Homer, Alaska to be affixed this 24thth day of September, 2018.

CITY OF HOMER

DONNA ADERHOLD, MAYOR PRO TEMPORE

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

**CITY OF HOMER
HOMER, ALASKA**

Mayoral Proclamation

OCTOBER IS DOMESTIC VIOLENCE AWARENESS MONTH

WHEREAS, October is Domestic Violence Awareness Month and for over 30 years South Peninsula Haven House has worked to support individuals impacted by domestic violence, sexual assault, and child abuse; and

WHEREAS, Domestic Violence impacts individuals as well as our community and South Peninsula Haven House believes that everyone deserves a safe place to live; and

WHEREAS, South Peninsula Haven House thanks the City of Homer for its support of Green Dot. Because of support from the City of Homer Green Dot training has been provided to over 1200 community members; and

WHEREAS, During FY'18, South Peninsula Haven House staff answered; 1,283 crisis calls, provided 3,270 bed nights, provided child advocacy services for 223 child victims, and through our Transitional Housing program supported 12 families in obtaining a home of their own; and

WHEREAS, South Peninsula Haven House invites you to join us in mourning those who have died because of domestic violence, celebrating those who have survived, and connecting with those who work to end violence; and

WHEREAS, This month our organization will be out in the community providing education around the barriers victims face when trying to flee unsafe situations. Staff will be available to answer questions and provide support to community members and individuals that know someone being impacted by DV or are themselves being impacted by DV.

NOW, THEREFORE, I Donna Aderhold, Mayor Pro Tempore of Homer, proclaim the month of October as Domestic Violence Awareness Month in Homer and commend South Peninsula Haven House on their important work in and around our community to reduce the presence of domestic violence anywhere.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the City of Homer, Alaska, on this 24th day of September, 2018.

CITY OF HOMER

DONNA ADERHOLD, MAYOR PRO TEMPORE

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

**CITY OF HOMER
HOMER, ALASKA**

Mayor ' s Proclamation

2018 BREAST CANCER AWARENESS MONTH

WHEREAS, October is National Breast Cancer Awareness Month and October 19, 2018 is National Mammography Day; and

WHEREAS, In the United States breast cancer is the most common cancer among women, is the second leading cause of cancer death in women in the United States. The chance of developing invasive breast cancer at some time in a woman's life is about 1 in 8; and

WHEREAS, In 2018, an estimated 266,120 new cases of invasive breast cancer are expected to be diagnosed in women in the U.S., along with 63,960 cases of non-invasive breast cancer, with 500 of these cases in Alaska; and

WHEREAS In 2018, about 40,920 women in the U.S. will die from the disease, with 75 of those in Alaska and an estimated 2,550 cases of male breast cancer will be diagnosed and about 460 men will die of the disease; and

WHEREAS, Death rates from breast cancer have been declining, and this change is believed to be the result of earlier detection and improved treatment; and

WHEREAS, Mammography--an "x-ray" of the breast--is recognized as the single most effective method of detecting breast changes that may be cancer long before physical symptoms can be seen or felt; and

WHEREAS, About 85% of breast cancers occur in women who have no family history of breast cancer. These occur due to genetic mutations that happen because of the aging process and life in general, rather than inherited mutations; and

WHEREAS, Healthy diet, regular physical activity and control of alcohol intake, has an impact in reducing the risk of breast cancer on an individual level. Preventative screening services such as annual visits and screening mammograms are covered 100% by most insurance companies since 2012; and

WHEREAS, Businesses and homes throughout the Homer community are displaying pink flags to remind women over 21 years old to make regular appointments for age appropriate breast cancer screenings; and

WHEREAS, Most uninsured and under-insured individuals in the Homer area qualify for screening and diagnostic mammograms through the Alaska Breast and Cervical Health Check program, which can be obtained at Kachemak Bay Family Planning Clinic and other local providers.

NOW, THEREFORE, I Donna Aderhold, Mayor Pro Tem of the City of Homer, do hereby proclaim the month of October 2018 as Breast Cancer Awareness Month and October 19 as Mammography Day in the City of Homer, Alaska.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the City of Homer, Alaska, on this 24th day of September, 2018.

CITY OF HOMER

DONNA ADERHOLD, MAYOR PRO TEMPORE

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

PUBLIC COMMENTS
UPON MATTERS
ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

Session 18-22 a Regular Meeting of the Homer City Council was called to order on September 10, 2018 at 6:00 p.m. by Mayor Pro Tempore Donna Aderhold 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, LORD, SMITH, STROOZAS, VENUTI

ABSENT: MAYOR ZAK (excused)

STAFF: CITY MANAGER KOESTER
CITY CLERK JACOBSEN

Council met for a Worksession at 4:00 p.m. to discuss Old Police Station Building Options and as Committee of the Whole 5:00 p.m. to discuss Revenue Sources for the General Fund, Consent Agenda and Regular Agenda items in Homer City Hall Cowles Council Chambers.

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: **VISITORS** Cook Inlet Regional Citizens Advisory Council Report- Memorandum from Hilcorp Alaska, LLC; **PUBLIC HEARING Ordinance 18-38(S)**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 2 to Repeal Homer City Code 2.32.020, and Enact Chapter 2.58 Entitled "Commissions and Boards" to Consolidate all General Provisions Regarding Boards and Commissions and to Provide for General Policies and Procedures for Boards and Commissions. City Clerk. Copy showing strike outs and bold underlined additions; **CITY MANAGER'S REPORT** PERS Timeline from AML

Mayor Pro Tem Aderhold asked for a motion to approve the agenda as amended.

ERICKSON/VENUTI SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were no public comments.

RECONSIDERATION

CONSENT AGENDA

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

- A. Homer City Council unapproved Regular Meeting Minutes of August 27, 2018. City Clerk. Recommend adoption.
- B. **Memorandum 18-099** from Mayor Pro Tem Re: Appointment of Jeffery Johnson to the Economic Development Advisory Commission. Recommend approval.
- C. **Ordinance 18-40**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating the FY19 State of Alaska Community Assistance Program Payment the Amount of \$177,172.05 to the Police Station Fund. City Manager. Recommended Dates: Introduction September 10, 2018, Public Hearing and Second Reading September 24, 2018.
- D. **Ordinance 18-41**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 21.61.040(b) to Codify the City Council's Role as the Local Regulatory Authority under AS 17.38 and Authorizing Council to Decide Whether to Protest Marijuana Establishment Applications filed with the State of Alaska for Sites Within the City of Homer. City Clerk. Recommended dates Introduction and Refer to Planning Commission September 10, 2018, Public Hearing and Second Reading, October 8, 2018.
- E. **Resolution 18-071**, A Resolution of the City Council of Homer, Alaska, Amending the Homer Public Library Policies for Circulation, Displays-Exhibits Policy, and Library User Conduct. City Clerk/Library Director. Recommend adoption.
- F. **Resolution 18-072**, A Resolution of the City Council of Homer, Alaska, Approving a Five Year Contract with Alaska Mindful Paws with a 9% Increase over the first Three Years for Homer Animal Shelter Operation and Management, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommend adoption.

Memorandum 18-100 from City Manager as backup

City Clerk Jacobsen read the consent agenda.

Mayor Pro Tem Aderhold asked for a motion for the approval of the recommendations of the consent agenda as read.

ERICKSON/VENUTI SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS (10 minutes each)

A. Carla Stanley, Cook Inlet Regional Citizens Advisory Council Report

Carla Stanley, Homer's representative on the Cook Inlet Regional Citizens Advisory Council (CIRCAC) gave a brief overview of CIRCAC and its makeup. CIRCAC has an environmental monitoring group that is currently studying currents, shoreline, and sediments and scientist Sue Saupe has been working on the ShoreZone mapping program in Cook Inlet and around most of Alaska, with the exception of the Aleutians. She reviewed the memo from Hilcorp Alaska, LLC regarding the Petition for Incidental Take Regulations and Associated Field Activity, noting the federal leases near Homer purchased by Hilcorp. They have purchased some very old infrastructure and have been doing a very good and complete job at cleaning it up. Since 2012 CIRCAC has been requesting the owners of the Drift River Terminal eliminate the old oil tanks and create a pipeline across the inlet so tankers would not have to come into the terminal at the foot of Mt. Redoubt to collect the oil being stored there. After the last eruption of Mt. Redoubt there has been great concern about the potential of a major spill with a more significant eruption. On Friday they learned the pipeline is complete and will be inspected by Nuka Research, with plans to be done by the end of the year. Jill Schaefer from Hilcorp prepared the memo, is willing to give a presentation at an upcoming council meeting, and her contact information is included.

Ms. Stanley explained the Cross Inlet Pipeline that runs from Drift River north, crossing the inlet then south along Nikiski to the oil terminal. This will significantly reduce the number of tankers going to the terminal until it's shut down and the pipeline is turned on. She reviewed some of the inspection information and reported on the Shuyak oil spill that happened earlier in the year where an old cannery building with a bladder containing 3000 gallons of oil and the dock collapsed. It was the most expensive hazardous material clean up in the state. We need to be aware there are buildings like that all over, and if they'd been emptied years ago, this spill would have been avoided. CIRCAC is pushing for an inventory of those things.

CIRCAC received a meritorious award for its work on Cook Inlet risk assessment, waterway safety, and harbor safety, and their certification for another year.

Lastly, she reported Blue Crest Energy off Anchor point has received very positive results in Cosmopolitan Field off Anchor Point, and Nuka Research is doing a pipeline assessment on existing old infrastructure.

B. Derotha Ferraro, South Peninsula Hospital, KPB Ballot Propositions #2 & #3: Proposed changes to the hospital service area boundary

Derotha Ferraro, SPH Director of Public Relations and Marketing, reviewed Kenai Peninsula Ballot Proposition #2 which moves the hospital boundary line FROM Clam Gulch Towers SOUTH to Barbara Drive (midway point) voted on by Central Peninsula Hospital service area and the voters in the proposed area; and Kenai Peninsula Ballot Proposition #3 that expands the South Kenai Peninsula Hospital (SKPH) service area southern boundary from Neptune Bay to all properties south except the City of Seldovia and voted on SKPH service area and the voters in proposed area (Seldovia is First Class City and requires separate agreement). If approved the impact to the SKPH service area will be a \$2,195 to the service area fund. Impact to property owners are:

- Departing property owners continue with a mill rate of 1.18 for obligated debt
- Property owners added in southern zone begin 1.13 mills in FY 2020
- Mill rate reduces for current property owners in SKPHSA, from 2.3 to 2.29 mills

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

A. Borough Report

B. Commissions/Board Reports:

1. Library Advisory Board

Library Advisory Boardmember Mark Massion reported on the Board's work on the library policy updates included in Resolution 18-071. He thanked Council for adopting Resolution 18-068 supporting the Museum and Library Services Act of 2017. He also reported on the Homer Public Library project, funded by a grant from the Alaska State Library, to enhance and expand Library services to local businesses, entrepreneurs, and nonprofits, and encouraged people to participate in the survey on the library website.

2. Homer Advisory Planning Commission

Roberta Highland, Planning Commissioner, reported the Commission continued a public hearing on a Conditional Use Permit (CUP) for a medical clinic and passed a CUP for Bayweld to build an additional fabrication building on their site. The Commission reviewed Ordinance 18-39 to reduce the setback requiring a CUP from twenty feet to ten feet in the central business district. In looking at the streets and different setbacks they found it to be a little more complicated and will be discussing it further at their next meeting.

3. Economic Development Advisory Commission
4. Parks Art Recreation and Culture Advisory Commission
 - A. Memorandum from PARCAC Re: Sidewalk Prioritization
5. Port and Harbor Advisory Commission

PUBLIC HEARING(S)

- A. **Resolution 18-070**, A Resolution of the City Council of Homer, Alaska, Adopting the 2019-2024 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2019. Mayor/City Council.

Memorandum 18-101 from Special Projects & Communication Coordinator as backup

Mayor Pro Tem Aderhold opened the public hearing. There were no comments and the hearing was closed.

Mayor Pro Tem Aderhold opened the floor for Councilmember discussion and amendments.

LORD/VENUTI MOVED TO ADD UNDER CITY OF HOMER PROJECTS THE PORT AND HARBOR LARGE VESSEL SLING LIFT PROPOSED BY THE PORT AND HARBOR COMMISSION IN THE 2019-2024 CIP.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ERICKSON/STROOZAS MOVED TO ADD UNDER STATE PROJECTS STERLING HIGHWAY MILE POST 172 DRAINAGE IMPROVEMENTS.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

LORD/ERICKSON MOVED TO INCLUDE UNDER CITY OF HOMER PROJECTS PORT AND HARBOR OLD MAIN DOCK REMOVAL.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

LORD/ERICKSON MOVED TO ADD UNDER PROJECTS SUBMITTED BY OTHER ORGANIZATIONS THE POOPDECK PLATT TRAIL PROPOSED BY KACHEMAK HERITAGE LAND TRUST.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

LORD/VENUTI MOVED TO ADD UNDER STATE PROJECTS BAYCREST GATEWAY OVERLOOK IMPROVEMENTS PHASE 3.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was discussion regarding the order of the FY2020 State Legislative Requests and changing Homer Barge Mooring & Large Vessel Haul Out Repair Facility to number 2 and Storm Water Master Plan to number 3. Council also addressed changing FY2020 Federal Legislative Requests to change number two from Storm Water Master Plan to Homer Barge Mooring & Large Vessel Haul Out Repair Facility.

ERICKSON/SMITH MOVED TO AMEND WE MOVE NUMBER THREE HOMER BARGE MOORING AND LARGE VESSEL HAUL OUT TO NUMBER TWO AND STORM WATER MASTER PLAN TO NUMBER THREE.

There were brief comments in support of the motion.

Councilmember Lord commented in going through the process next year perhaps they can look at how they score them internally. She shared her thoughts that pulling out projects with a federal nexus is a different question than the top five state priorities. She thinks getting the storm water planning done is critical to development in the city.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Pro Tem Aderhold asked if there was a motion to amend the federal legislative requests. There was discussion attempting to clarify if a motion needed to be made regarding changing number two under the federal legislative requests to Homer Barge Mooring and Large Vessel Haul Out Repair Facility. There was confusion whether that was part of the prior motion. City Clerk Jacobsen commented she thought it was part of the motion and Councilmember Erickson said it was her intent when she made the motion.

Mayor Pro Tem Aderhold read the amended list as follows and announced there is another public hearing for the amended resolution on September 24th.

Amended FY2020 State Legislative Requests

1. Large Vessel Port Expansion
2. Homer Barge Mooring & Large Vessel Haul Out Repair Facility
3. Storm Water Master Plan
4. Main Street Sidewalk North
5. Fire Department Fleet Management

Amended FY2020 Federal Legislative Requests

1. Large Vessel Port Expansion
2. Homer Barge Mooring & Large Vessel Haul Out Repair Facility

B. **Ordinance 18-38**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 2 to Repeal Homer City Code 2.32.020, and Enact Chapter 2.58 Entitled “Commissions and Boards” to Consolidate all General Provisions Regarding Boards and Commissions and to Provide for General Policies and Procedures for Boards and Commissions. City Clerk. Introduction August 13, 2018, Public Hearing August 27, 2018, Postponed Public Hearing and Second Reading September 10, 2018.

Ordinance 18-38(S), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 2 to Repeal Homer City Code 2.32.020, and Enact Chapter 2.58 Entitled “Commissions and Boards” to Consolidate all General Provisions Regarding Boards and Commissions and to Provide for General Policies and Procedures for Boards and Commissions. City Clerk.

Memorandum 18-102 from City Clerk as backup
Memorandum 18-091 from City Clerk as backup

Mayor Pro Tem Aderhold opened the public hearing. There were no comments and the hearing was closed.

Mayor Pro Tem Aderhold asked for a motion for the adoption of Ordinance 18-38 by reading of title only.

VENUTI/LORD SO MOVED

LORD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 18-38(S) FOR 18-38

In response to questions, City Manager Koester and City Clerk Jacobsen explained that this change moves the Boards and Commissions section to its own chapter and chapter 2.32 becomes Departments and Directors.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Comments were made in support and appreciation of the work done to help clarify policy.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

A. City Manager's Report

City Manager Koester noted the discussion of a Council retreat during Committee of the Whole and explained she will be following up with a worksession to delve into some more planning details after the election, and will look at scheduling something for the first of the year.

B. Councilmember Stroozas AML Report

CITY ATTORNEY REPORT

COMMITTEE REPORT

- A. Americans with Disabilities Act Compliance Committee
- B. HERC Task Force

HERC Task Force Chair Crisi Matthews provided a brief yet comprehensive review of the Task Force work to date. She including information about the small work groups that are gathering information from different areas to bring back for the task force to review and consider. These areas include:

- Meeting with various businesses and non-profits to discuss needs for community needs
- Outreach to other communities for comparisons
- Outreach to area representatives for possible uses and facility needs
- Extensive research of the building
- Exploring costs of rehabilitation versus demolition of the building
- Creating a new community center, what that might look like and what is the need

She applauded the Mayor's appointments to the Task Force, there are a number of different disciplines and the members have contributed a lot of extra hours into synthesizing the reports that are already in place. They've done four visits to the HERC building to really understand the structure, which has been important in considering options for rehab versus demoing the building. Local architect, Larry Peek, has volunteered to give them some architectural hours to help them make some determinations whether they could meet the 2018 fire code that will be adopted in the next few months.

The group has touched on some financing options but needs understand cost to propose a five year versus ten and twenty year plans, and how much they'd need to ask for and revenue options.

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE

There were no audience comments.

COMMENTS OF THE CITY ATTORNEY

The City Attorney did not attend.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen commented that absentee in person voting for the October City and Borough Elections will be available starting September 17th at the City Clerk's office.

COMMENTS OF THE CITY MANAGER

City Manager Koester had no comments.

COMMENTS OF THE MAYOR

Mayor Zak was absent.

COMMENTS OF THE CITY COUNCIL

Councilmember Smith commented regarding his recent caribou hunting trip to Adak. He said he talked to the Mayor earlier today, he's doing well and in good spirits. It was good to talk to him and he's anxious to be back with us.

Councilmember Venuti shared that she's had an opportunity to go into some of the local businesses now that some of the tourist are gone, and it was nice to have time to talk to the business owners. She reminded everyone to shop locally with the holidays coming up.

Councilmember Stroozas commented about the upcoming City Council candidate debate at Alice's tomorrow from 5:30 to 7:00 p.m. hosted by the Chamber of Commerce.

Councilmember Erickson commented it's been a hard couple of weeks for a lot of people in our town and that our thoughts and prayers are with people. It's been a hard hit for our police department with the loss of Officer Stading. It's a good time to give an encouraging word or hug for those who are hurting.

Councilmember Lord shared condolences to the Stading and Lowney families. She recognized the amount of support our community has to offer to others and to families going through hard times. With the election coming up, it's a great opportunity for us to come together and share different ideas, civilly talk and learn, and come up with solutions. She shared a quote that says "Politics is not the opposite of common ground, politics is the very process of finding common ground and making it inhabitable." She encouraged that we all keep that in mind as we go through this election process.

Mayor Pro Tem Aderhold commented she's been thinking about community a lot these past few days. The two people we've talked about this evening were very much a part of our community in different ways. They each brought their gifts and talents to the community to

make it a better place. Each one of us has a gift and talent we can bring forward to help make our community the place it can be. She hopes everyone will think about that and about their roll, because everyone's is different.

ADJOURN

There being no further business to come before the Council, Mayor Pro Tem Aderhold adjourned the meeting at 7:20 p.m. The next Regular Meeting is Monday, September 24, 2018 at 6:00 p.m., Worksession 4:00 p.m. Committee of the Whole at 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

Approved: _____



City of Homer

www.cityofhomer-ak.gov

Office of the Mayor

491 East Pioneer Avenue
Homer, Alaska 99603

mayor@ci.homer.ak.us

(p) 907-235-3130

(f) 907-235-3143

Memorandum 18-104

TO: HOMER CITY COUNCIL
FROM: DONNA ADERHOLD, MAYOR PRO TEMPORE
DATE: SEPTEMBER 19, 2018
SUBJECT: APPOINTMENT OF WILLIAM RICHARDSON TO THE ECONOMIC DEVELOPMENT ADVISORY COMMISSION

William Richardson is appointed to the Economic Development Advisory Commission to fill the seat vacated by Anna Rodriguez-Sansom. The term will expire in 2021.

RECOMMENDATION:

Confirm the appointment of William Richardson to the Economic Development Advisory Commission.

Fiscal Note: N/A

Published on *City of Homer Alaska Official Website* (<https://www.cityofhomer-ak.gov>)

[Home](#) > [Application for Appointment to an Advisory Body](#) > [Webform results](#) > Application for Appointment to an Advisory Body

Submission information

Form: [Application for Appointment to an Advisory Body](#)

Submitted by Visitor (not verified)

Wednesday, September 5, 2018 - 3:10pm

172.16.64.18

Applicant Information

Name

William E Richardson

Physical Address

412 E Pioneer Ave Ste #2 Homer AK 99603 work; Residence 1125 Kalalock Ct Homer AK 99603

Mailing Address

412 E Pioneer Ave Ste #2 Homer AK 99603

Email

akawer@horizonsatellite.com

Phone

9072995778

Please select the bodies you are interested in serving on

Advisory Bodies

Economic Development Advisory Commission 2nd Tuesday of the month at 6:00 p.m.

I have been a resident of the city for

Homer Oct 2008 to Nov 2014; Reside NZ 2015; Homer Jan 2016 to Present.

I have been a resident of the area for

See Above.

Special Training & Education

Dentist

Prior Service

None



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 18-105

TO: MAYOR ZAK AND HOMER CITY COUNCIL
FROM: MELISSA JACOBSEN, MMC, CITY CLERK
DATE: SEPTEMBER 19, 2018
SUBJECT: LIQUOR LICENSE RESTAURANT DESIGNATION AMENDMENT FOR FAT OLIVES

The City Clerk's Office has been notified by the ABC Board of a Restaurant Designation Permit Application and Licensed Premises Diagram Change within the City of Homer, amending the liquor license currently held by the following business:

License Type: Restaurant/Eating Place Public Convenience
License #: 4315
DBA Name: Fat Olives
Service Location: 276 Ohlson Lane, Homer, AK 99603
Licensee: Kelt, LLC
Contact Person: Steve Nolan, Owner

RECOMMENDATION: Voice non objection and approval for the liquor license restaurant designation amendment.

Fiscal Note: Revenues.



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: MARK ROBL, POLICE CHIEF
FROM: RACHEL TUSSEY, DEPUTY CITY CLERK
DATE: SEPTEMBER 5, 2018
SUBJECT: LIQUOR LICENSE AMENDMENT APPLICATION FOR FAT OLIVES

The City Clerk's Office has been notified by the ABC Board of a Restaurant Designation Permit Application and Licensed Premises Diagram Change within the City of Homer, amending the liquor license currently held by the following business:

License Type: Restaurant/Eating Place Public Convenience
License #: 4315
DBA Name: Fat Olives
Service Location: 276 Ohlson Lane, Homer, AK 99603
Licensee: Kelt, LLC
Contact Person: Steve Nolan, Owner (509) 420-6539

This matter is scheduled for the September 24, 2018 City Council Regular Meeting. Please respond in a memorandum to the City Clerk's Office with objections/non-objections to this liquor license amendment no later than **Tuesday, September 18, 2018**.

Thank you for your assistance.



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

What is this form?

A restaurant designation permit application is required for a licensee desiring designation under 3 AAC 304.715 – 3 AAC 304.795 as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049. Designation will be granted only to a holder of a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license, and only if the requirements of 3 AAC 304.305, 3 AAC 304.725, and 3 AAC 304.745, as applicable, are met. A **detailed floor plan** of the proposed designated and undesignated areas of the licensed business and a **menu** or expected menu listing the meals to be offered to patrons must accompany this form. Applicants should review AS 04.16.049 – AS 04.16.052 and 3 AAC 304.715 – 3 AAC 304.795. All fields of this form must be completed. The required \$50 permit fee may be made by credit card, check, or money order.

Section 1 – Establishment Information

Enter information for licensed establishment.

Licensee:	KELT, LLC		
License Type:	Restaurant/Eating Place	License Number:	4315
Doing Business As:	Fat Olives		
Premises Address:	276 Ohlson Lane		
City:	Horner	State:	AK ZIP: 99603
Contact Name:	Steve Nolan	Contact Phone:	509.420.6539

Section 2 – Type of Designation Requested

This application is for the request of designation as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049, and for the request of the following designation(s) (check all that apply):

- Dining after standard closing hours: AS 04.16.010(c)
- Dining by persons 16 – 20 years of age: AS 04.16.049(a)(2)
- Dining by persons under the age of 16 years, accompanied by a person over the age of 21: AS 04.16.049(a)(3)
- Employment for persons 16 or 17 years of age: AS 04.16.049(c)
 NOTE: Under AS 04.16.049(d), this permit is not required to employ a person 18 - 20 years of age.

OFFICE USE ONLY			
Issue Date:		Transaction #:	BRE:





Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 3 – Additional Information

Enter all hours that your establishment intends to be open. Include variances in weekend/weekday hours, and indicate am/pm:

Daily 11am - 9:30 pm May 1 - Oct 1
Daily 11am - 9:00 pm Oct 2 - April 31

Are any forms of entertainment offered or available within the licensed business or on the proposed designated portions of the premises?

Yes No

If "Yes", describe the entertainment offered or available:

N/A

Food and beverage service offered or anticipated is:

table service buffet service counter service other

If "other", describe the manner of food and beverage service offered or anticipated:

Is an owner, manager, or assistant manager 21 years of age or older always present on the premises during business hours?

Yes No

Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the third page of this form.

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the third page of this form that meet the requirements of this form.

Yes No





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

Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 4 – Detailed Floor Plan

Provide a detailed floor plan that meets the requirements listed in Form AB-02 and clearly indicates the proposed designated and undesignated areas of the licensed business for purposes of this permit application.

*please
see
attached
drawing*



Fat Olives Security Plan

8.16.18

Fat Olives adheres to the Rules and Regulations set forth in the ABC Rules and Regulations Book. We follow those Statutes and the Rules of Engagement set By our TAM training. All alcohol Storage areas are not easily accessible to the Public. In the Restaurant we have one main entrance with 2 Doorways, which are monitored By a Counter Person and a host.

Our Dining Room Consumption area is one way in and one way out except in an emergency - this is monitored By a host, Counter People and Servers.

The Barriers for our new outside area will be 4ft high with one way in and out. This area will have an emergency exit. All of our Serving staff and managers have current TAM CARD. This training is a Requirement Before you can work at Fat Olives.

License # 4315



Steve Nolan



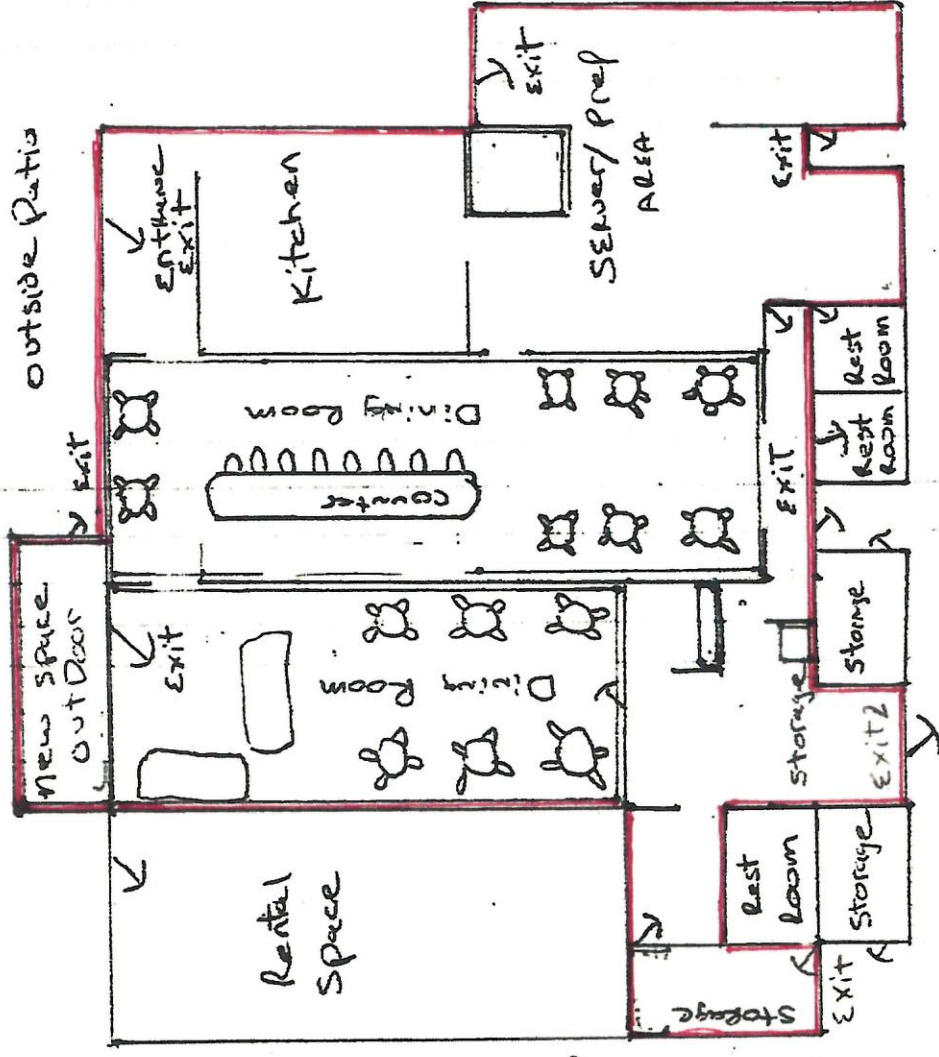
RECEIVED
 AUG 29 2018
 ALCOHOL BEVERAGE CONTROL OFFICE
 STATE OF ALASKA

Homer Bypass

Ohlson Lane

Parking lot

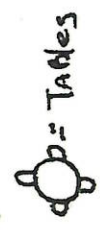
License # 4315



Parking lot

Fort Olives
 Restau Rant
 276 Ohlson Lane
 Homer, AK 99603

1/4 inch = 4 ft.



Steve Nolan - Owner
 509-420-6539



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 5 - Certifications and Approvals

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I have included with this form a detailed floor plan of the proposed designated and undesignated areas of the licensed business for purposes of this application. I understand that this diagram is different than my licensed premises diagram.



I have included with this form a menu, or an expected menu, listing the meals to be offered to patrons.



I certify that the license for which I am requesting designation is either a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license.



I declare under penalty of perjury that this form, including all attachments and accompanying schedules and statements, is true, correct, and complete.

Lisa S. Nolan

Signature of licensee

LISA S. Nolan

Printed name of licensee

Jesse D. Hurlless

Signature of Notary Public

Notary Public in and for the State of Alaska

My commission expires: July 19, 2019



Subscribed and sworn to before me this 28th day of August, 2018.

Local Government Review (to be completed by an appropriate local government official):

Approved

Disapproved

Signature of local government official

Date

Printed name of local government official

Title





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

Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

AMCO Enforcement Review:

Signature of AMCO Enforcement Supervisor

Printed name of AMCO Enforcement Supervisor

Enforcement Recommendations:

AMCO Director Review:

Approved Disapproved

Signature of AMCO Director

Printed name of AMCO Director

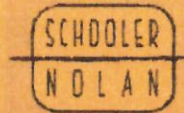
Date

Limitations:



FEATURED WASHINGTON WINE

Chardonnay | Columbia Valley
 S Blanc | Columbia Valley
 P Gris | Columbia Valley



Merlot | Horse Heaven Hills
 Cabernet | Red Mountain
 Red Blend | Horse Heaven Hills

By the Glass... 6-oz. pour 7.50

APPETIZERS

SALMON CAKES 14. Baked house-made patty with pickled red onions and creamy dill sauce.	SHRIMP & SCALLOP GRILL 15. Wood oven grilled. Served with ribbon of peach habanero sauce.
KACHEMAK BAY OYSTERS 16. Served six on the half shell. • Baked with spinach, bacon, parmesan... add 2.50	FLATBREAD PLATE 13.50 House-made flatbread, salami, ham, banana peppers, artichoke hearts, Kalamata olives, Olive's tapenade, roasted garlic ricotta, sundried tomatoes.
CHEESE BREAD 11.75 Baked with roasted garlic infused olive oil, parmesan and mozzarella. With marinara and creamy garlic-herb sauces for dipping. Add a side of basil pesto... 50¢	MEATBALLS & MARINARA WITH FLATBREAD 13.25 House-made flatbread for dipping. Meatballs baked in red sauce, topped with parmesan.
HOUSE SMOKED SALMON DIP 13.50 Blended with cheddar cheese and pimiento peppers. Served warm with house-made flatbread.	WOOD OVEN-BAKED WINGS 12. Tossed in NxSW BBQ Sauce. Side of blue cheese dressing for dipping.

FRESH SALADS

Blue Cheese, Garlic Herb, Sweet Dijon, Champagne or Balsamic Walnut Vinaigrette
 Add Roasted Chicken... 5., Shrimp Skewer... 7., or Baked Salmon Patty... 5.

COBB SALAD 13. Romaine, roasted chicken, bacon, red onion, blue cheese crumbles, hardboiled egg and tomato.	THE BLACK HOLE CAESAR 10. / half 7. Same as standard Caesar with more garlic added.
NONNA'S 11. / half 7. Salad greens, spicy pecans, sliced apples and blue cheese crumbles.	MEDITERRANEAN 11. / half 7. Romaine, feta cheese, Kalamata olives, tomatoes, red onion.
SPINACH 11. / half 7. Fresh spinach with chevre, red onions, tomatoes, hardboiled eggs and bacon crumbles.	HOUSE-SMOKED BEEF 13. Beef with salad greens, blue cheese crumbles, roasted red peppers, tomato, red onion.
CAESAR 10. / half 7. The classic dressing blended smooth. Tossed with parmesan and romaine. Add anchovy filets... 2.50	HOUSE SALAD 5.50 Salad greens, tomatoes, carrots.

SOUP OF THE DAY
 cup... 4. bowl... 6. soup, salad and bread... 10.25

CHILDREN'S MENU

Grilled Cheese Sandwich, Mac 'n Cheese or Pasta Meatball... 7.

DINNER @ 4:30

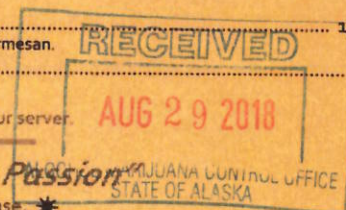
Add Shrimp Skewer to any entrée... 7.

ALASKAN SALMON Market Price Wood oven grilled. Plated with Forbidden Black Rice and evening vegetable. Finished with sauce Bernaise.	FROM THE SEA Market Price Fresh seafood in tomato herb fish stock. Server will share details.
SEAFOOD SKEWERS 24.50 Shrimp & Alaskan scallops wood oven grilled with browned butter. Plated with evening vegetables and starch of the day.	PASTA SEAFOOD 25. Shrimp & Alaskan scallops simmered in white wine cream sauce. Tossed with fettuccinni. Dusted with parmesan.
C.A.B. RIBEYE STEAK, 14-OZ. 28. Wood oven grilled. Plated with starch of the day and evening vegetables. Finished with a Honey Bourbon Butter sauce.	BEEF TIP PENNE 17.95 Beef tips sautéed with pasta. Finished with parmesan and herbs.
CHICKEN CANNELONI 17.95 Roasted garlic ricotta, mozzarella, smoked provolone, chicken, spinach and bacon. Side of evening vegetable. Choice of sauce: traditional alfredo or basil pesto.	PORTABELLA MANICOTTI 17.95 Caramelized onions, roasted garlic, ricotta and provolone. Wrapped in pasta, baked with choice of sauce, traditional alfredo or basil pesto. Served with vegetable of the day.
PASTA MEATBALL 17. House-made marinara sauce with fettuccini and meatballs, dusted with parmesan.	BOLOGNESE 17.95 House-made meat sauce with mushrooms, spinach, and a touch of cream. Tossed with penne pasta, dusted with parmesan.
CHICKEN ALFREDO 21. Roasted chicken, simmered in white cream sauce with garlic and parmesan. Tossed with fettuccini.	

Not all ingredients are listed. If you have an allergy, please tell your server.

"Food Served with Pride, Prepared with a Passion"

* We accept credit or debit cards and cash. No checks, please. *



WRAPS AND SANDWICHES

Plated with a house green salad or cup of soup.
 Prefer a Caesar salad? Add... 2. Gluten Free Bread, Franz 7 Grain. Add... 2.

- CALIFORNIA WRAP** 12.79
Turkey, spinach, avocado, bacon, tomato, garlic-herb dressing and provolone.
- PULLED PORK WRAP** 12.79
House smoked pork, coleslaw, pickled red onions and jalapeños with BBQ sauce.
- BLT WRAP** 11.79
Bacon, lettuce and tomato with mixed salad greens.
Dressed with garlic-herb dressing.
- GRILLED CAULIFLOWER, CHEDDAR & GRUYERE WRAP** 11.79
With artichokes, sundried tomatoes, house-made pickled jalapeños and a drizzle of peach habanero sauce.
- CHICKEN CAESAR WRAP** 11.79
Oven roasted chicken sliced and rolled with classic Caesar dressing, parmesan cheese, romaine lettuce.
- SALMON BURGER** 12.25
Baked house-made patty, with tomato, coleslaw, house pickled red onions on a Telera roll.
- ABC** 11.79
Apples, bacon & cheese, provolone, cheddar, parmesan, gruyere, sliced apples with a drizzle of olive oil on a Telera roll.

- PORTABELLA MUSHROOM** 11.49
Oven roasted with fresh mozzarella, spinach, roasted red peppers, pickles, drizzle of balsamic walnut vinaigrette on a Telera roll.
- ROASTED CHICKEN CLUB** 12.49
Oven roasted chicken with provolone cheese, ham, tomatoes, lettuce, pickles, garlic-herb dressing on a Telera roll.
- THE REUBEN** 13.79
House-made corned beef and sauerkraut with gruyere and 1000 Island dressing on dark rye bread.
- THE CATTLEMAN** 13.25
Sliced house smoked beef with bacon, cheddar, tomatoes, red onions and pickles. Dressed with drizzled BBQ sauce on a Telera roll.
- MEATBALL** 11.79
Italian meatballs, provolone, marinara sauce, parmesan on a hoagie roll.
- PESTO TURKEY** 12.49
Bacon strips, basil pesto, house roasted turkey, roasted red peppers and provolone on a Telera roll.

Not all ingredients are listed. If you have an allergy, please tell your server.

PIZZAS PIZZAS PIZZAS

ALL PIZZAS MADE WITH SHREDDED MOZZARELLA

12" ... 14.50 18" ... 23.75 Take out only 28" ... 36.

PIZZA BY THE SLICE

only available to children 10 yrs and under after 5 pm. Cheese or Pepperoni based on availability.

- | | |
|--|---|
| <ul style="list-style-type: none"> UNCLE SAM
Red sauce, sausage, pepperoni, mushrooms, red & green peppers, black olives, red onions. THE SWINE
Pesto, sausage, bacon, mushroom, fresh basil, spinach. CARNIVORE
Red sauce, Canadian bacon, pepperoni, Italian sausage, bacon. TROPICAL
Red sauce, Canadian bacon, pineapple, bacon. WHITE DEVIL
White sauce, spicy Italian sausage, jalapeño, red pepper, banana pepper, feta, sriracha swirl. BACON BLUE
White sauce, bacon, banana peppers, red onions, blue cheese. BARNYARD
White sauce, chicken, bacon, tomatoes, roasted garlic, red onion, fresh spinach, blue cheese. THE HITMAN
Garlic oil, salami, capers, red onion, sundried tomatoes, mushrooms, pesto. RING OF FIRE
Red sauce, pepperoni, mushrooms, sriracha swirl, Olive's tapenade, fresh jalapeño, banana peppers. BBQ CHICKEN
Olive oil & BBQ sauces swirled, roasted chicken, bacon, green onions, red onion, tomatoes, cheddar. SOB
Red & BBQ sauce swirled, sausage, bacon, green onions, red onion, cheddar. | <ul style="list-style-type: none"> MAUI ZOWIE
White sauce, pulled pork, Canadian bacon, pineapple, jalapeño, bacon crumbles, cheddar. JALISCO
Red sauce, sausage, jalapeño, olive tapenade, cream cheese. STRAIGHT UP CHEESE
Red sauce, mozzarella, cheddar, feta, provolone, fresh herbs, chopped garlic. GREEN GARDEN
Pesto, roasted garlic ricotta, artichoke hearts, tomatoes, spinach, mushrooms. STANDARD VEG
Red sauce, mushrooms, red & green peppers, black olives, red onions, spinach. OLIVE'S SPECIAL
Olive oil drizzle, garlic, tomatoes, pineapple, cream cheese, fresh jalapeño, Olive's tapenade. SRP
Red sauce, pesto, spinach, red pepper, feta. WHITE GARDEN
White sauce, artichoke hearts, mushrooms, garlic, spinach, black olives, roasted garlic ricotta. AEGEAN
Olive oil, garlic, feta, spinach, sundried tomatoes. VEG HEAD
Garlic oil, chopped spinach, mushrooms, red pepper, tomatoes, red onion, feta. ROMAN STYLE
Olive oil, garlic, feta, Kalamata olives, tomatoes, fresh herbs, sundried tomatoes, red onion. MEDITERRANEAN
Red and pesto swirled, Kalamata olives, feta, garlic, tomatoes, capers, artichoke hearts. |
|--|---|

THE KITCHEN SINK

Your choice of 5 toppings one price

12" ... 14.50 18" ... 23.75 28" ... 36. (TO GO ONLY)

- SAUCES**
Red, olive oil, basil pesto, BBQ, white
- CHEESES**
Mozzarella, parmesan, feta, blue cheese, cream cheese, cheddar, fresh mozzarella

- MEATS**
Italian sausage, pepperoni, bacon, salami, ham, anchovies, pulled pork, Canadian Bacon, meatballs, roasted chicken

- VEGGIES**
Pineapple, black olives, green olives, Kalamata olives, mushrooms, spinach, capers, artichoke hearts, fresh or sundried tomatoes, red onions, red, green or banana peppers, roasted garlic, fresh jalapeños

Want more than 5 toppings?
 ADD: 12" ... 1.50 18" ... 2.50 28" ... 5.00

HOUSE SPECIALTIES

Allow 20 minutes for baking. Please NO substitutions.

Because all Calzone & Stromboli look the same we kindly ask for NO substitutions to avoid serving yours to someone else and then to you.

- HOUSE CALZONE** 13.50
Stuffed & baked. Spinach, mushrooms, artichoke hearts, roasted garlic ricotta, and shredded mozzarella with basil pesto. Soup or salad.
- STROMBOLI** 13.50
Shaped & baked for the meat eater. Pepperoni, salami, Italian sausage, mozzarella with red sauce. Soup or salad.

- CHICKEN TORTA** 13.50
Stuffed and baked. Chicken, bacon crumbles, parmesan, spinach, tomatoes, red onion, mozzarella and white sauce. Soup or salad
- MAC 'N CHEESE** 13.50
Wood oven baked blend of cheddar cheeses with penne pasta. Plated with a side salad.
with bacon... 14.50

AUG 29 2018

ALCOHOL MARIJUANA CONTROL OFFICE
STATE OF ALASKA

WRAPS AND SANDWICHES

*Plated with a house green salad or cup of soup.
Prefer a Caesar salad? Add... 2. Gluten Free Bread, Franz 7 Grain. Add... 2.*

CALIFORNIA WRAP 12.79 Turkey, spinach, avocado, bacon, tomato, garlic-herb dressing and provolone.	PORTABELLA MUSHROOM 11.49 Oven roasted with fresh mozzarella, spinach, roasted red peppers, pickles, drizzle of balsamic walnut vinaigrette on a Telera roll.
PULLED PORK WRAP 12.79 House smoked pork, coleslaw, pickled red onions and jalapeños with BBQ sauce.	ROASTED CHICKEN CLUB 12.49 Oven roasted chicken with provolone cheese, ham, tomatoes, lettuce, pickles, garlic-herb dressing on a Telera roll.
BLT WRAP 11.79 Bacon, lettuce and tomato with mixed salad greens. Dressed with garlic-herb dressing.	THE REUBEN 13.79 House-made corned beef and sauerkraut with gruyere and 2000 Island dressing on dark rye bread.
GRILLED CAULIFLOWER, CHEDDAR & GRUYERE WRAP 11.79 With artichokes, sundried tomatoes, house-made pickled jalapeños and a drizzle of peach habanero sauce.	THE CATTLEMAN 13.25 Sliced house smoked beef with bacon, cheddar, tomatoes, red onions and pickles. Dressed with drizzled BBQ sauce on a Telera roll.
CHICKEN CAESAR WRAP 11.79 Oven roasted chicken sliced and rolled with classic Caesar dressing, parmesan cheese, romaine lettuce.	MEATBALL 11.79 Italian meatballs, provolone, marinara sauce, parmesan on a hoagie roll.
SALMON BURGER 12.25 Baked house-made patty, with tomato, coleslaw, house pickled red onions on a Telera roll.	PESTO TURKEY 12.49 Bacon strips, basil pesto, house roasted turkey, roasted red peppers and provolone on a Telera roll.
ABC 11.79 Apples, bacon & cheese, provolone, cheddar, parmesan, gruyere, sliced apples with a drizzle of olive oil on a Telera roll.	

Not all ingredients are listed. If you have an allergy, please tell your server.

* * * PIZZAS PIZZAS PIZZAS * * *

ALL PIZZAS MADE WITH SHREDDED MOZZARELLA

12" ... 14.50 18" ... 23.75 Take out only 28" ... 36.

PIZZA BY THE SLICE

only available to children 10 yrs and under after 5 pm. Cheese or Pepperoni based on availability.

UNCLE SAM Red sauce, sausage, pepperoni, mushrooms, red & green peppers, black olives, red onions.	MAUI ZOWIE White sauce, pulled pork, Canadian bacon, pineapple, jalapeño, bacon crumbles, cheddar.
THE SWINE Pesto, sausage, bacon, mushroom, fresh basil, spinach.	JALISCO Red sauce, sausage, jalapeño, olive tapenade, cream cheese.
CARNIVORE Red sauce, Canadian bacon, pepperoni, Italian sausage, bacon.	STRAIGHT UP CHEESE Red sauce, mozzarella, cheddar, feta, provolone, fresh herbs, chopped garlic.
TROPICAL Red sauce, Canadian bacon, pineapple, bacon.	GREEN GARDEN Pesto, roasted garlic ricotta, artichoke hearts, tomatoes, spinach, mushrooms.
WHITE DEVIL White sauce, spicy Italian sausage, jalapeño, red pepper, banana pepper, feta, sriracha swirl.	STANDARD VEG Red sauce, mushrooms, red & green peppers, black olives, red onions, spinach.
BACON BLUE White sauce, bacon, banana peppers, red onions, blue cheese.	OLIVE'S SPECIAL Olive oil drizzle, garlic, tomatoes, pineapple, cream cheese, fresh jalapeño, Olive's tapenade.
BARNYARD White sauce, chicken, bacon, tomatoes, roasted garlic, red onion, fresh spinach, blue cheese.	SRP Red sauce, pesto, spinach, red pepper, feta.
THE HITMAN Garlic oil, salami, capers, red onion, sundried tomatoes, mushrooms, pesto.	WHITE GARDEN White sauce, artichoke hearts, mushrooms, garlic, spinach, black olives, roasted garlic ricotta.
RING OF FIRE Red sauce, pepperoni, mushrooms, sriracha swirl, Olive's tapenade, fresh jalapeño, banana peppers.	AEGEAN Olive oil, garlic, feta, spinach, sundried tomatoes.
BBQ CHICKEN Olive oil & BBQ sauces swirled, roasted chicken, bacon, green onions, red onion, tomatoes, cheddar.	VEG HEAD Garlic oil, chopped spinach, mushrooms, red pepper, tomatoes, red onion, feta.
SOB Red & BBQ sauce swirled, sausage, bacon, green onions, red onion, cheddar.	ROMAN STYLE Olive oil, garlic, feta, Kalamata olives, tomatoes, fresh herbs, sundried tomatoes, red onion.
MEDITERRANEAN Red and pesto swirled, Kalamata olives, feta, garlic, tomatoes, capers, artichoke hearts.	

* * * THE KITCHEN SINK * * *

Your choice of 5 toppings one price

12" ... 14.50 18" ... 23.75 28" ... 36. (TO GO ONLY)

SAUCES
Red, olive oil, basil pesto, BBQ, white
CHEESES
Mozzarella, parmesan, feta,
blue cheese, cream cheese, cheddar,
fresh mozzarella

MEATS
Italian sausage, pepperoni, bacon, salami, ham, anchovies,
pulled pork, Canadian Bacon, meatballs, roasted chicken

Want more than 5 toppings?
ADD: 12" ... 2.50 18" ... 2.50 28" ... 5.00

VEGGIES
Pineapple, black olives, green olives,
Kalamata olives, mushrooms, spinach, capers,
artichoke hearts, fresh or sundried tomatoes,
red onions, red, green or banana peppers,
roasted garlic, fresh jalapeños

HOUSE SPECIALTIES

Allow 20 minutes for baking. Please NO substitutions.

Because all Calzone & Stromboli look the same we kindly ask for NO substitutions to avoid serving yours to someone else and theirs to you.

HOUSE CALZONE 13.50 Stuffed & baked. Spinach, mushrooms, artichoke hearts, roasted garlic ricotta, and shredded mozzarella with basil pesto. Soup or salad.	CHICKEN TORTA 13.50 Stuffed and baked. Chicken, bacon crumbles, parmesan, spinach, tomatoes, red onion, mozzarella and white sauce. Soup or salad.
STROMBOLI 13.50 Shaped & baked for the meat eater. Pepperoni, salami, Italian sausage, mozzarella with red sauce. Soup or salad.	MAC 'N CHEESE 13.50 Wood oven baked blend of cheddar cheeses with penne pasta. Plated with a side salad. with bacon... 14.50

AUG 29 2018
ALCOHOL MARIJUANA CONTROL OFFICE
STATE OF ALASKA

FEATURED WASHINGTON WINE

Chardonnay | Columbia Valley
 S Blanc | Columbia Valley
 P Gris | Columbia Valley



Merlot | Horse Heaven Hills
 Cabernet | Red Mountain
 Red Blend | Horse Heaven Hills

By the Glass... 6-oz. pour 7.50

APPETIZERS

SALMON CAKES 14. Baked house-made patty with pickled red onions and creamy dill sauce.	SHRIMP & SCALLOP GRILL 15. Wood oven grilled. Served with ribbon of peach habanero sauce.
KACHEMAK BAY OYSTERS 16. Served six on the half shell. • Baked with spinach, bacon, parmesan... add 2.50	FLATBREAD PLATE 13-50 House-made flatbread, salami, ham, banana peppers, artichoke hearts, Kalamata olives, Olive's tapenade, roasted garlic ricotta, sundried tomatoes.
CHEESE BREAD 11.75 Baked with roasted garlic infused olive oil, parmesan and mozzarella. With marinara and creamy garlic-herb sauces for dipping. Add a side of basil pesto... 50¢	MEATBALLS & MARINARA WITH FLATBREAD 13.25 House-made flatbread for dipping. Meatballs baked in red sauce, topped with parmesan.
HOUSE SMOKED SALMON DIP 13.50 Blended with cheddar cheese and pimiento peppers. Served warm with house-made flatbread.	WOOD OVEN-BAKED WINGS 12. Tossed in NxSW BBQ Sauce. Side of blue cheese dressing for dipping.

FRESH SALADS

Blue Cheese, Garlic Herb, Sweet Dijon, Champagne or Balsamic Walnut Vinaigrette
 Add Roasted Chicken... 5., Shrimp Skewer... 7., or Baked Salmon Patty... 5.

COBB SALAD 13. Romaine, roasted chicken, bacon, red onion, blue cheese crumbles, hardboiled egg and tomato.	THE BLACK HOLE CAESAR 10. / half 7. Same as standard Caesar with more garlic added.
NONNA'S 11. / half 7. Salad greens, spicy pecans, sliced apples and blue cheese crumbles.	MEDITERRANEAN 11. / half 7. Romaine, feta cheese, Kalamata olives, tomatoes, red onion.
SPINACH 11. / half 7. Fresh spinach with chevre, red onions, tomatoes, hardboiled eggs and bacon crumbles.	HOUSE-SMOKED BEEF 13. Beef with salad greens, blue cheese crumbles, roasted red peppers, tomato, red onion.
CAESAR 10. / half 7. The classic dressing blended smooth. Tossed with parmesan and romaine. Add anchovy filets... 2.50	HOUSE SALAD 5-50 Salad greens, tomatoes, carrots.

SOUP OF THE DAY
 cup... 4. bowl... 6. soup, salad and bread... 10.25

CHILDREN'S MENU

Grilled Cheese Sandwich, Mac 'n Cheese or Pasta Meatball... 7.

DINNER @ 4:30

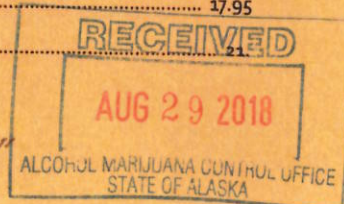
Add Shrimp Skewer to any entrée... 7.

ALASKAN SALMON Market Price Wood oven grilled. Plated with Forbidden Black Rice and evening vegetable. Finished with sauce Bernaise.	
FROM THE SEA Market Price Fresh seafood in tomato herb fish stock. Server will share details.	
SEAFOOD SKEWERS 24.50 Shrimp & Alaskan scallops wood oven grilled with browned butter. Plated with evening vegetables and starch of the day.	
PASTA SEAFOOD 25. Shrimp & Alaskan scallops simmered in white wine cream sauce. Tossed with fettuccinni. Dusted with parmesan.	
C.A.B. RIBEYE STEAK, 14-oz. 28. Wood oven grilled. Plated with starch of the day and evening vegetables. Finished with a Honey Bourbon Butter sauce.	
BEEF TIP PENNE 17.95 Beef tips sautéed with pasta. Finished with parmesan and herbs.	
CHICKEN CANNELONI 17.95 Roasted garlic ricotta, mozzarella, smoked provolone, chicken, spinach and bacon. Side of evening vegetable. Choice of sauce: traditional alfredo or basil pesto.	
PORTABELLA MANICOTTI 17.95 Caramelized onions, roasted garlic, ricotta and provolone. Wrapped in pasta, baked with choice of sauce, traditional alfredo or basil pesto. Served with vegetable of the day.	
PASTA MEATBALL 17. House-made marinara sauce with fettuccinni and meatballs, dusted with parmesan.	
BOLOGNESE 17.95 House-made meat sauce with mushrooms, spinach, and a touch of cream. Tossed with penne pasta, dusted with parmesan.	
CHICKEN ALFREDO Roasted chicken, simmered in white cream sauce with garlic and parmesan. Tossed with fettuccinni.	

Not all ingredients are listed. If you have an allergy, please tell your server.

"Food Served with Pride, Prepared with a Passion"

* We accept credit or debit cards and cash. No checks, please. *



Department of Commerce, Community, and Economic Development
**CORPORATIONS, BUSINESS & PROFESSIONAL
 LICENSING**

State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database
 Download / Corporations / Entity Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	THE ODOM CORPORATION

Entity Type: Business Corporation

Entity #: 4652F

Status: Good Standing

AK Formed Date: 4/18/1974

Duration/Expiration: Perpetual

Home State: DELAWARE

Next Biennial Report Due: 1/2/2020

Entity Mailing Address: 11400 SE 8TH STREET, SUITE 300, BELLEVUE, WA 98004

Entity Physical Address: 9360 GLACIER HWY STE 202, JUNEAU, AK 99801

Registered Agent

Agent Name: DOLORES OWEN

Registered Mailing Address: 9360 GLACIER HWY STE 202, JUNEAU, AK 99801

Registered Physical Address: 9360 GLACIER HWY STE 202, JUNEAU, AK 99801

Officials

AK Entity #	Name	Titles
	Adam Hilpert	President

Show Former



AK Entity #	Name	Titles	Owned
	James Odom	Director, Shareholder, Vice President	32.10
	Jerry Dexter	Vice President	
	John P Odom	Director, Shareholder	31.20
	Randy Halter	Treasurer, Vice President	
	WILLIAM ODOM	Director, Vice President, Shareholder	31

Filed Documents

Date Filed	Type	Filing	Certificate
4/18/1974	Creation Filing		
12/20/1985	Biennial Report		
12/17/1987	Biennial Report		
2/12/1990	Biennial Report		
12/24/1991	Biennial Report	Click to View	
3/31/1994	Biennial Report	Click to View	
1/02/1996	Biennial Report	Click to View	
12/24/1997	Biennial Report	Click to View	
1/03/2000	Biennial Report	Click to View	
2/19/2002	Biennial Report	Click to View	
1/20/2004	Biennial Report	Click to View	
12/12/2006	Biennial Report	Click to View	
3/06/2008	Biennial Report	Click to View	
3/01/2010	Biennial Report	Click to View	
5/29/2012	Biennial Report	Click to View	
4/25/2014	Biennial Report	Click to View	
9/08/2014	Certificate of Compliance		Click to View
12/23/2015	Biennial Report	Click to View	
12/18/2017	Biennial Report	Click to View	
3/19/2018	Change of Officials	Click to View	
8/24/2018	Agent Change	Click to View	

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EMAIL THE WEBMASTER



AK Entity #: 4652F
Date Filed: 08/24/2018
State of Alaska, DCCED



THE STATE
of **ALASKA**

Department of Commerce, Community and Economic Development
Division of Corporations, Business and Professional Licensing

Corporations Section
State Office Building, 333 Willoughby Avenue, 9th Floor
PO.Box 110806, Juneau, AK 99811-0806
Phone: (907) 465-2550 - Fax: (907) 465-2974
Email: corporations@alaska.gov
Website: Corporations.Alaska.Gov

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FOR DIVISION USE ONLY

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Juneau
AUG 24 2018

CBPL

CC 25 rp

Statement of Change

Foreign Business Corporation (AS 10.06)

- This Statement of Change form for Registered Agents or Registered Agent Address Changes is only for Foreign Business Corporations.
- This Statement of Change will not be filed if the official signing this form does not match an official on record for this entity and/or if your entity's biennial report is not current. To verify your entity information on record, go online to Corporations.Alaska.Gov, Search Corporations Database
- Standard processing time for complete and correct filings submitted to this office is approximately 10-15 business days. All filings are reviewed in the date order they are received.
- The information you submit is a public record and will be posted on the State's website.

1. Important: AS 10.06.753-.763

Per AS 10.06.753, each Foreign Business Corporation shall (must) continuously (without interruption) maintain in this state (Alaska) a registered agent AND a substantial office (with an Alaska mailing address) for the purpose of a registered agent's statutory requirements to receive service of processes, notices, or demands required or permitted by law to be served upon the business corporation. Failure to meet registered agent requirements could result in revocation of the entity's authority to transact business in the State of Alaska. — AS 10.06.633(a)(2),(3)

For more registered agent information go to Corporations.Alaska.Gov, Registered Agents FAQs.


2. Fee: \$25 Nonrefundable Filing Fee (CORF) 3 AAC 16.030(b)

Mail this form and the non refundable CORF filing fee in U.C. dollars to the letterhead address. Make the check or money order payable to the State of Alaska, or use the attached credit card payment form.

3. Entity Information on Record with the State: AS 10.06.758(1)

Entity Name: The Odom Corporation

Alaska Entity Number: 4652F



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STATE OF ALASKA

4. PREVIOUS Registered Agent Information on Record with the State: AS 10.06.758(2), (4)

PREVIOUS Registered Agent Name: C T Corporation System

PREVIOUS Registered Agent Addresses:

→ PHYSICAL Address: 9360 Glacier Hwy Ste 202

City: Juneau State: AK (mandatory) ZIP Code: 99801 CBPL

→ MAILING Address: 9360 Glacier Hwy Ste 202

City: Juneau State: AK (mandatory) ZIP Code: 99801

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Juneau
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5. NEW Registered Agent Information to be Updated with the State: AS 10.06.758(3), (5)

NEW Registered Agent Name: Dolores Owen
(Registered agent cannot be the entity listed in Item 3 on Page 1 and cannot be an LLC.)

If the new Registered Agent is an entity, provide its entity number: _____

NEW Registered Agent Addresses:

→ PHYSICAL Address: 9360 Glacier Hwy Ste 202

City: Juneau State: AK (mandatory) ZIP Code: 99801

→ MAILING Address: 9360 Glacier Hwy Ste 202

City: Juneau State: AK (mandatory) ZIP Code: 99801

6. Authorization per Alaska Statute: AS 10.06.758(7)

The registered agent change was authorized by a resolution duly adopted by the board of directors of this corporation. Per AS 10.06.430, the foreign business corporation is to keep and make available the record of the resolution.

7. Required Signature: AS 10.06.760

The Statement of Change must be signed by the corporate president or vice president currently on record. Persons who sign documents filed with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor.

Signature: [Handwritten Signature] Date: 8/21/18

Printed Name: Randy Halter

Title of Authorized Signer: President — or — Vice-President





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

Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

This subsection must be completed by any applicant that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC) and have a registered agent who is an individual resident of the state of Alaska.

DOC Entity #:	4652F	AK Formed Date:	4/18/1974	Home State:	Delaware
Registered Agent:	Dolores Owen		Agent's Phone:	206-403-4984	
Agent's Mailing Address:	9360 Glacier Hwy Ste 202				
City:	Juneau	State:	AK	ZIP:	99801

Residency of Agent: Yes No

Is your corporation or LLC's registered agent an individual resident of the state of Alaska?

Section 5 – Other Licenses

Ownership and financial interest in other alcoholic beverage businesses: Yes No

Does any representative or owner named in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?

If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

The Odom Corporation operating as a wholesale beverage distributor and categorized as a foreign corporation with the CBPL (4652F) holds financial interest in 5 other liquor licenses. License copies are attached. These are (1) #3166 Wholesale - General, (2) #3170 Wholesale - General, (3) #3496 Wholesale - General, (4) #3996 Wholesale - General and (5) #4715 Wholesale - Malt Beverage & Wine.

Section 6 – Authorization

Communication with AMCO staff: Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:





Alaska Alcoholic Beverage Control Board

Form AB-14: Licensed Premises Diagram Change

What is this form?

This licensed premises diagram change form is required for all liquor licensees seeking to alter the functional floor plan or reduce or expand the area of the establishment's existing licensed premises, under 3 AAC 304.185.

Your diagram must include dimensions and must show all entrances and boundaries of the premises, walls, bars, fixtures, and areas of storage, service, and consumption. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex.

The second page of this form is not required. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form, as long as it meets the requirements listed on this form. The first and third pages must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

This form must be completed and submitted to AMCO's main office prior to altering the existing floor plan. The licensed premises may not be altered unless and until the AMCO Director has given written approval on this form. Please note that licensees seeking to change licensed premises diagrams for multiple licenses must submit a separate completed copy of this form for each license.

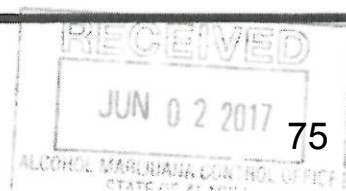
Yes No

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form.

Section 1 - Establishment Information

Enter information for the licensed establishment.

Licensee:	Kelt, LLC	License Number:	4315
License Type:	Restaurant / Eating Place - Public		
Doing Business As:	Fat Olives		
Premises Address:	276 OLSON LANE		
City:	Homer	State:	AK ZIP: 99603





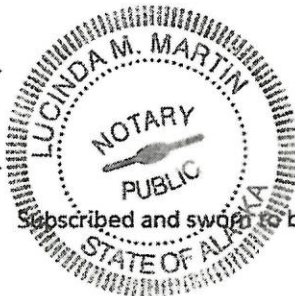
Alaska Alcoholic Beverage Control Board

Form AB-14: Licensed Premises Diagram Change

Section 3 - Declarations and Approvals

As a liquor licensee, I declare under penalty of unsworn falsification that I have examined this form, including all attachments, and to the best of my knowledge and belief find the provided information to be true, correct, and complete.

[Signature]
 Signature of licensee
Steve Nolan
 Printed name of licensee



[Signature]
 Notary Public in and for the State of Alaska.

My commission expires: 3-27-18

Subscribed and sworn to before me this 30th day of May, 2017.

Local Government Review (to be completed by an appropriate local government official): Yes No

The proposed changes shown on this form conform to all local restrictions and laws.

Signature of local government official _____ Date _____

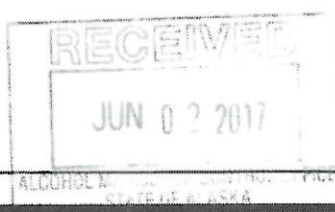
Printed name of local government official _____ Title _____

AMCO Review: Approved Disapproved

Signature of AMCO Enforcement Supervisor _____ Signature of Director _____

Printed name of AMCO Enforcement Supervisor _____ Printed name of Director _____ Date _____

AMCO Comments:





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 18-106

TO: MAYOR PRO TEM ADERHOLD AND HOMER CITY COUNCIL

FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK

DATE: SEPTEMBER 14, 2018

SUBJECT: CONFIRMATION OF ELECTION JUDGES FOR THE CITY OF HOMER REGULAR
ELECTION OCTOBER 2, 2018

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
Maryann Lyda, Chair	Theresa Dubber, Chair	Maryann Lyda
Louise Hall	Pauline Benson	Alice Krivitsky
Becky Lundquist	Alice Krivitsky	
Margaret Lau	Kate Finn	

Youth Vote Ambassador Student Alexis Dawson

Recommendation

Confirm the appointment of the Canvass Board and approve the appointment of the Election Judges for the October 2, 2018 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

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

3 City Manager/
4 Finance Director

5 **RESOLUTION 18-074**

6
7 A RESOLUTION OF THE HOMER CITY COUNCIL ACCEPTING THE
8 2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT WITH AUDIT
9 AND FINANCIAL STATEMENTS AND ACKNOWLEDGING THE
10 MANAGEMENT LETTER SUBMITTED BY THE CITY'S INDEPENDENT
11 AUDITOR, BDO USA, LLP AND AUTHORIZING THE CITY MANAGER
12 TO EXECUTE THE FINANCIAL REPORT.
13

14 WHEREAS, BDO USA, LLP conducted the annual audit, submitted the 2017
15 Comprehensive Annual Financial Report with the audit and financial statements, and the
16 management letter was delivered for review and distributed to the Mayor and City Council
17 September 2018; and
18

19 WHEREAS, BDO USA, LLP made a public presentation during the Regular Meeting of
20 September 24, 2018.
21

22 NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, that the 2017
23 Comprehensive Annual Financial Report with audit and financial statements is accepted and
24 that the management letter is acknowledged as submitted by BDO USA, LLP, the City's
25 independent auditor.
26

27 PASSED AND ADOPTED by the Homer City Council this 24th day of September, 2018.
28

29 CITY OF HOMER
30

31
32
33 _____
34 DONNA ADERHOLD, MAYOR PRO TEMPORE

35 ATTEST:
36
37

38 _____
39 MELISSA JACOBSEN, MMC, CITY CLERK
40

41 Fiscal Note: N/A

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

3 City Manager

4 **RESOLUTION 18-075**

5
6 A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING A
7 LEASE ASSIGNMENT FROM JOHN WARREN TO WARREN, LLC, THE
8 OWNER OF THE SALTY DAWG SALOON, AND AUTHORIZING THE
9 CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS
10 FOR A NEW 20-YEAR LEASE WITH OPTIONS FOR 2 CONSECUTIVE 5
11 YEAR RENEWALS ON LOT 30 HOMER SPIT SUBDIVISION AMENDED
12 AT AN ANNUAL RATE OF \$8,900.00.

13
14 WHEREAS, John Warren, owner of the Salty Dawg Saloon, applied to transfer the Salty
15 Dawg lease to his limited liability corporation, Warren LLC; and

16
17 WHEREAS, Warren LLC submitted a complete application pursuant Homer City Code
18 (HCC) 18.08.045; and

19
20 WHEREAS, The sole member, with 100% ownership, of Warren LLC is the John and
21 Donna Warren Living Trust; and

22
23 WHEREAS, Per HCC 18.08.110 the lease is in compliance and the past lease history has
24 shown contractual obligations are satisfactorily met; and

25
26 WHEREAS, The lease assignment will be based on the City's updated lease template
27 which reflects current code requirements; and

28
29 WHEREAS, The Port and Harbor Advisory Commission reviewed the application on
30 August 22 2018 pursuant HCC 18.08.060 and recommend a new lease on Lot 30 Homer Spit
31 Subdivision amended; and

32
33 WHEREAS, HCC 18.08.160 (4) states the Council shall approve or deny the request for
34 lease assignment by resolution.

35
36 NOW THEREFORE BE IT RESOLVED that the Homer City Council hereby approves the
37 lease assignment of the Salty Dawg Saloon Lease from John Warren to Warren LLC, and
38 authorizes the City Manager to execute a new 20-year lease with options for 2 consecutive 5
39 year renewals on Lot 30 Homer Spit Subdivision Amended at an annual base rent of \$ 8,900.00
40 for the purpose of operating the Salty Dawg Saloon.

41
42 PASSED AND ADOPTED by the Homer City Council this 24th day of September, 2018.
43
44

45
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52
53
54

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: \$8,900 annually

CITY OF HOMER

DONNA ADERHOLD, MAYOR PRO TEMPORE



City of Homer

www.cityofhomer-ak.gov

Port and Harbor

4311 Freight Dock Road
Homer, AK 99603

port@cityofhomer-ak.gov

(p) 907-235-3160

(f) 907-235-3152

Memorandum

TO: MAYOR ZAK AND HOMER CITY COUNCIL
FROM: PORT AND HARBOR ADVISORY COMMISSION
THRU: KATIE KOESTER, CITY MANAGER
DATE: SEPTEMBER 5, 2018
SUBJECT: SALTY DAWG/JOHN WARREN LEASE APPLICATION

The Port and Harbor Advisory Commission considered the submitted re-assignment lease application for the Salty Dawg/John Warren and the following information:

John Warren, Owner of the Salty Dawg, has indicated that it would be beneficial for him to transfer his lease contract with the City from his individual name to the name of his limited liability corporation, Warren LLC. , of which the John and Donna Warren Living Trust is the sole member with 100% ownership. There are no current compliance issues with this lease, the lessee's request for reassignment of their lease has followed proper procedure required by the City of Homer, and the lease application is complete including payment. Re-assignment would offer the City the opportunity to update a lease that is 20 years old to the new and current language and code requirements.

Recommendation: By unanimous consent the Homer Port and Harbor Advisory Commission recommend to City Council that they approve the lease re-assignment application submitted for the transfer of the Salty Dawg/John Warren lease from the individual name of John Warren to Mr. Warren's company, Warren LLC.

GROUND LEASE AND SECURITY AGREEMENT

BETWEEN

CITY OF HOMER, ALASKA

AND

Warren LLC

Dated September 24, 2018

GROUND LEASE AND SECURITY AGREEMENT

GROUND LEASE AND SECURITY AGREEMENT (“Lease”) dated as of September 24, 2018, between the CITY OF HOMER, an Alaska municipal corporation (“Landlord”), whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, Warren LLC, a State of Alaska Limited Liability Corporation (“Tenant”), whose address is PO Box 2581, Homer Alaska 99603.

[Attached as **Exhibit A** is a schedule naming each owner of Tenant and describing the percentage of ownership of each. Also attached to **Exhibit A** are a certificate of good standing issued by the state under whose laws Tenant is organized, and, if Tenant is a foreign entity, a certificate of authority issued by the State of Alaska. Attached as **Exhibit B** is a true and correct copy of a resolution of Tenant authorizing Tenant to enter into this Lease and authorizing the undersigned individual(s) or officer(s) to execute the Lease on behalf of Tenant.]

RECITALS

WHEREAS, Landlord owns certain properties having a strategic location near the waterfront and marine-related public infrastructure; and

WHEREAS, it is the policy of Landlord to retain ownership of these properties, and to make them available for leasing, in order to encourage growth in targeted economic sectors, to insure that Landlord receives the maximum benefit from a large investment in public infrastructure, and to provide land for businesses that require close proximity to the waterfront or infrastructure to operate efficiently and profitably; and

WHEREAS, Landlord has accepted Tenant’s proposal to lease and develop the property leased herein, because Tenant’s proposed use of the property should further Landlord’s goals for the development of Landlord’s properties, and Tenant’s proposal to lease and develop the property is a material inducement to Landlord leasing the property to Tenant; and

NOW, THEREFORE, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:

ARTICLE 1. DEFINITIONS AND ATTACHMENTS

1.01 Definitions. As used herein, the term:

(a) “Additional Rent” includes all amounts defined or referred to in this lease as additional rent, as well as all charges in the nature of rent such as taxes, utilities and insurance, regardless of whether such amounts are due directly to or collectible by Landlord or to a third party under the terms of this Lease or under applicable law and including any of the preceding amounts that Landlord pays to a third party on behalf of Tenant, before or after any event of default.

(b) “Annual Rent Adjustment” and “Annual Rent Adjustment Date” are defined in Section 4.01(b).

(c) “Base Rent” is defined in Section 4.01.

(d) “Complete” and “Completion” mean, with regard to an improvement, that construction of the improvement is finished and the improvement is fully operational and ready for occupancy or use for its intended purpose, including without limitation the issuance of any applicable certificate of occupancy and other applicable permits, licenses, certificates or inspection reports necessary to the improvement’s legally authorized use.

(e) “Council” means the City Council of the City of Homer, Alaska.

(f) “Default Rate” means an annual rate of interest equal to the lesser of (i) the maximum rate of interest for which Tenant may lawfully contract in Alaska, or (ii) ten and one-half percent (10.5%).

(g) “Environmental Laws” means all local, state, and federal laws, ordinances, regulations, and orders related to environmental protection; or the use, storage, generation, production, treatment, emission, discharge, remediation, removal, disposal, or transport of any Hazardous Substance.

(h) “Excusable Delay” means delay due to strikes, acts of God, inability to obtain labor or materials, orders of any governmental authority having jurisdiction, removal of Hazardous Materials discovered at any time after the commencement of the Term, enemy action, civil commotion, fire, unusual inclement weather, unavoidable casualty or similar causes beyond the reasonable control of Tenant.

(i) “Extended Term” is defined in Section 3.05 if this Lease provides for extension at the option of the Tenant.

(j) “Five Year Rent Adjustment” and “Five Year Rent Adjustment Date” are defined in Section 4.01(a).

(k) “Hazardous Substance” means any substance or material defined or designated as hazardous or toxic waste; hazardous or toxic material; hazardous, toxic, or radioactive substance; or other similar term by any federal, state, or local statute, regulation, or ordinance or common law presently in effect or that may be promulgated in the future as such statutes, regulations, and ordinances may be amended from time to time.

(l) “Initial Term” is defined in Section 3.01.

(m) “Lease Ordinance” means such ordinances or other portions and provisions of the Homer City Code as may be enacted from time to time to dictate Landlord’s policies and requirements in leasing real property, currently enacted as Chapter 18.08 of the Homer City Code, as such may be amended, reenacted, supplemented or recodified from time to time, and as used herein the term shall refer to the Lease Ordinance as currently in effect at the time its terms would have operative effect on this Lease.

(n) “Leasehold Mortgage” is defined in Section 13.01.

(o) “Property” is defined in Section 2.01.

(p) “Rent” means Base Rent plus any Additional Rent.

(q) “Qualified Mortgagee” is defined in Section 13.03.

(r) “Required Improvements” is defined in Section 6.02.

(s) "Term" means the Initial Term plus any Extended Term.

1.02 Attachments. The following documents are attached hereto, and such documents, as well as all drawings and documents prepared pursuant thereto and all documents, policies and endorsements delivered hereunder, including without limitation all copies of required insurance policies and/or endorsements, shall be deemed to be a part hereof:

Exhibit "A" Schedule of Organization, Owners, Percentage of Ownership

Exhibit "B" Conformed Copy of Resolution Authorizing Lease and Authorizing Signers to Sign Lease Agreement on Behalf of Tenant

Exhibit "C" Legal Description of Property

Exhibit "D" Tenant's Lease Proposal

Exhibit "E" Site Plan

Exhibit "F" Required Improvements Floor Plan

Exhibit "G" Permission to Obtain Insurance Policies

ARTICLE 2. THE PROPERTY

2.01 Lease of Property. Subject to the terms and conditions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the following described property (the "Property"):

Lot 30, Homer Spit Subdivision Amended, Homer Recording District, Third Judicial District, State of Alaska, as depicted on **Exhibit C**, containing approximately 10,019 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 181-033-09;

subject, however, to reservations, restrictions, easements and encumbrances of record, and to encroachments that may be revealed by an inspection of the Property.

2.02 Quiet Enjoyment. Landlord covenants that Tenant, upon paying the Rent and other charges and performing its other obligations under this Lease shall have quiet enjoyment of the Property during the Term without hindrance or interference by Landlord or by any person claiming an interest in the Property through Landlord.

2.03 Property Accepted "As Is." Tenant has inspected the Property, has made its own determination as to the suitability of the Property for Tenant's intended use, and accepts the Property "AS IS." None of landlord, its agents, or its employees make any warranties, expressed or implied, concerning the condition of the Property, including without limitation the habitability or fitness of the Property for any particular purpose, including those uses authorized by this Lease, or subsurface and soil conditions, including the presence of any Hazardous Substance.

2.04 No Subsurface or Mineral Rights. This Lease does not confer mineral rights, any rights to extract natural resources, or any rights with regard to the subsurface of the Property below the level necessary for the uses of the Property permitted in this Lease, all of which rights are, as between Landlord and Tenant, reserved to Landlord.

ARTICLE 3. TERM

3.01 Lease Term. The term of this Lease is 20 years, commencing on November 1, 2018, and ending on October 31, 2039 (the “Term”).

3.02 Lease Renewal.

(a) Tenant represents and warrants that it has determined that the duration of the Term, including any available Extended Terms, will be sufficient for Tenant to amortize any investment that it makes in connection with this Lease, including without limitation any investment in leasehold improvements, including any Required Improvements as Tenant may be required to develop. Tenant acknowledges that it has no right of any kind to continue using or occupying the Property after the expiration or earlier termination of the Term, including without limitation any option to renew this Lease, or any option to extend the Term other than as may be provided in Section 3.05.

(b) Notwithstanding the preceding subsection (a), not less than 12 months and not more than 18 months before the expiration of the Term, Tenant may apply to Landlord to enter into a new lease for the Property that is exempted from competitive bidding under and pursuant to the Lease Ordinance.

3.03 Surrender of Possession. Upon the expiration or earlier termination of the Term, unless Tenant and Landlord have entered into a new lease for the Property commencing upon the termination of the Term, Tenant shall promptly and peaceably surrender the Property, clean, free of debris, and in as good order and condition as at the commencement of the Term, ordinary wear and tear excepted. If Tenant fails to surrender the Property in the required condition, Landlord may restore the Property to such condition and Tenant shall pay the cost thereof, plus interest at the Default Rate, on demand. Section 6.08 governs the disposition of improvements on the Property at the expiration or earlier termination of the Term.

3.04 Holding Over. Tenant’s continuing in possession of the Property after the expiration or earlier termination of the Term will not renew or extend this Lease. In the absence of any agreement renewing or extending this Lease, Tenant’s continued possession of the Property after the end of the Term will be a tenancy from month to month, terminable upon 30 days written notice by either party at any time, at a monthly rental equal to 150% of the monthly Base Rent in effect at the end of the Term, subject to all other terms of this Lease. For good cause, Landlord may waive all or part of the increase in Base Rent during the holdover period.

[3.05. Options to Extend Lease Term.

(a) At its option and in its sole discretion, Tenant may seek to extend the Term for two 5 year extensions (an “Extended Term”), provided that:

- (1) Tenant gives Landlord written notice of its exercise of the option not more than one year and not less than 120 days before day the Term would otherwise expire; and
- (2) the City Manager determines that the lessee is in full compliance with the terms of the lease at the time of renewal.

(b) Tenant’s failure to exercise an option to extend the Term in strict compliance with all the requirements in subsection (a) renders that option and all options as to subsequent Extended Terms null and void.]

ARTICLE 4. RENT, TAXES, ASSESSMENTS AND UTILITIES

4.01 Base Rent. Tenant shall pay to Landlord an initial annual rent of \$ 8,900.00 (as such may later be adjusted per the terms of this Lease, the “Base Rent”). Base Rent is payable monthly in advance in installments of \$741.67, plus sales and all other taxes Landlord is authorized or obligated to collect on such transactions, on November 1, 2018, and on the 1st day of each month thereafter, at the office of the City of Homer, 491 East Pioneer Avenue, Homer, Alaska 99603-7645, or at such other place as Landlord may designate in writing. All Base Rent shall be paid without prior demand or notice and without deduction or offset. Base Rent that is not paid on or before the due date will bear interest at the Default Rate. Base Rent is subject to adjustment as provided in Section 4.02.

4.02 Rent Adjustments.

(a) **Five-Year Appraised Rent Adjustments.** Starting in 2019, and in every fifth year thereafter, Landlord will obtain an appraisal by a qualified real estate appraiser of the fair rental value of the Property as if privately owned in fee simple, excluding the value of alterations, additions or improvements (other than utilities) made by Tenant (or by Tenant’s predecessors under the Lease, if Tenant is party to this Lease by assignment). Following receipt of each such appraisal, the Base Rent will be adjusted (the “Five Year Rent Adjustment”), effective on the anniversary of the commencement of the term (each such date is a “Five Year Rent Adjustment Date”), to an amount equal to the greater of (1) the area of the Property in square feet, multiplied by the fair rental value per square foot determined by the appraisal, and (2) the Base Rent in effect immediately before the Five Year Rent Adjustment Date. The Base Rent as adjusted on a Five Year Rent Adjustment Date thereafter shall be the Base Rent.

(b) **Annual Rent Adjustments.** In addition to the rent adjustments under Section 4.02(a), the Base Rent also shall be adjusted annually (the “Annual Rent Adjustment”), effective on the anniversary of the commencement of the term in every year without a Five Year Rate Adjustment (each such date is an “Annual Rent Adjustment Date”), by the increase, if any, for the previous year in the cost of living as stated in the Consumer Price Index, All Urban Consumers, Anchorage, Alaska Area, All Items 2000 – present = 100 (“CPI-U”), as published by the United States Department of Labor, Bureau of Labor Statistics most recently before the Annual Rent Adjustment Date. If the CPI-U is revised or ceases to be published, Landlord instead shall use such revised or other index, with whatever adjustment in its application is necessary, to most nearly approximate in Landlord’s judgment the CPI-U for the relevant period.

4.03 Taxes, Assessments and Other Governmental Charges. Tenant shall pay prior to delinquency all taxes, installments of assessments that are payable in installments and other governmental charges lawfully levied or assessed upon or with respect to the Property, improvements on the Property and personal property that is situated on the Property; provided that Tenant may contest in good faith any such tax, assessment or other governmental charge without subjecting the Property to lien or forfeiture. If an assessment on the Property that is not payable in installments becomes due during the Term, Tenant shall be obligated to pay the fraction of the assessment that is determined by dividing the number of years remaining in the Term by 10. If the Term of this Lease is subsequently extended renewed (i.e. if Tenant and Landlord later enter into a new lease without putting the Property out for competitive bidding as referenced in Section 2.02), then the part of the assessment that Tenant shall be liable for shall be determined by adding the extended or renewal term to the number of years remaining in the Term when the assessment became due. If the Term commences or expires during a tax year, the taxes or assessments payable for that year will be prorated between Landlord and Tenant. Tenant shall exhibit to Landlord, on demand, receipts evidencing payment of all such taxes, assessments and other governmental charges. Any taxes, installments of assessments on the Property that are due to or collectible by Landlord, or for which Landlord becomes liable that are attributable to any portion of the Term, shall be Additional Rent.

4.04 Utility Charges. Tenant shall pay all charges for utility and other services provided to or used on the Property, including without limitation gas, heating oil, electric, water, sewer, heat, snow removal, telephone, internet service and refuse removal. Tenant shall be solely responsible for the cost of utility connections. Any of the preceding due to or collectible by Landlord shall be Additional Rent.

4.05 Tenant to Pay for City Services. Tenant shall pay for all services provided by the City of Homer that are related to the use or operation of the Property, improvements thereon and Tenant's activities thereon, at the rates established by the City of Homer from time to time for such services, including without limitation wharfage, crane use, ice, and other Port and Harbor services. Tenant shall provide the City of Homer with the information necessary to determine the amount of service charges owed, keep written records of such information for not less than two years after such charges are due, and, upon request, make such records available to the City of Homer for inspection and audit.

4.06 Additional Rent and Landlord's Right to Cure Tenant's Default. All costs or expenses that Tenant is required to pay under this Lease at Landlord's election will be treated as Additional Rent, and Landlord may exercise all rights and remedies provided in this Lease in the event of nonpayment. If Tenant defaults in making any payment required of Tenant or defaults in performing any term, covenant or condition of this Lease that involves the expenditure of money by Tenant, Landlord may, but is not obligated to, make such payment or expenditure on behalf of Tenant, and any and all sums so expended by Landlord, with interest thereon at the Default Rate from the date of expenditure until repaid, will be Additional Rent and shall be repaid by Tenant to Landlord on demand, provided, however, that such payment or expenditure by Landlord will not waive Tenant's default, or affect any of Landlord's remedies for such default.

4.07 Security Deposit. Based upon the track record and past lease history of the Lessee, the security deposit is waived.

ARTICLE 5. SECURITY INTEREST

To secure the performance of Tenant's obligations under this Lease, including without limitation the obligations to pay rent and other sums to be paid by Tenant, Tenant grants to Landlord a lien and security interest in the following collateral: ("Collateral"): (1) all security deposits or other monies owing from Landlord to Tenant (as collateral in the possession of the secured party); (2) all insurance proceeds from any policy insuring the Property or improvements thereon; (3) all compensation payable to Tenant as a result of eminent domain proceedings or a transfer in lieu thereof; (4) all rents from Tenant's subletting of all or a part of the Property; and (5) all improvements on the Property, including any Required Improvements. Said lien and security interest will be in addition to Landlord's liens provided by law.

This Lease shall constitute a mortgage by Tenant as mortgagor of all right, title and interest of Tenant in and to any and all improvements on the Property, including any Required Improvements, in favor of Landlord as mortgagee, and the recorded memorandum of this Lease shall reference Landlord as mortgagee of such improvements. In addition, Tenant shall execute, such financing statements and other instruments as Landlord may now or hereafter reasonably request to evidence the liens, mortgages and security interests granted by Tenant hereunder, including any deed of trust pertaining to additions, alterations and improvements on the Property. This Lease also constitutes a security agreement under the Uniform Commercial Code as enacted in Alaska ("UCC"), and Landlord will have all rights and remedies of a secured party under the UCC regarding the Collateral.

ARTICLE 6. USE AND IMPROVEMENT OF PROPERTY

6.01 Use of Property. Tenant shall use and, if applicable, improve the Property only in the manner described in Tenant's proposal or application for the Property as more fully set forth on **Exhibit D**. Tenant's undertaking to use and, if applicable, improve the Property as described on Exhibit D is a material inducement to Landlord leasing the Property to Tenant, and Tenant shall not use or improve the Property for any purpose other than as described on Exhibit D without Landlord's written consent, which consent Landlord may withhold in its sole discretion.

6.02 Required Improvements. Tenant shall, at Tenant's sole expense, construct, and at all times during the Term keep and maintain as the minimum development on the Property the Required Improvements as described on Exhibit D and as depicted more specifically in the site plan and floor plans in **Exhibit E** and **Exhibit F**, respectively. If the Required Improvements are not in place at the commencement of the Term, Tenant shall commence construction of the Required Improvements within one year after the date of commencement of the Term, prosecute the construction of the Required Improvements with diligence, and Complete construction of the Required Improvements within one additional year.

6.03 Construction Prerequisites. Tenant may not commence any construction on the Property, including without limitation construction of the Required Improvements, without first satisfying the following conditions:

(a) Not less than thirty (30) days before commencing construction, Tenant shall submit to Landlord preliminary plans and specifications, and an application for a City of Homer zoning permit, for the construction, showing the layout of proposed buildings and other improvements, ingress and egress, dimensions and locations of utilities, drainage plans, and any other information required for the zoning permit or other required permits. The preliminary plans and specifications are subject to Landlord's approval, which will not be unreasonably withheld, as well as all specific requirements for the issuance of any permits or zoning variances. Landlord shall communicate approval or disapproval in the manner provided for notices hereunder, accompanying any disapproval with a statement of the grounds therefor. Tenant shall be responsible for complying with all laws governing the construction, including any specific requirements for the issuance of any permits or zoning variances, notwithstanding Landlord's approval of preliminary plans and specifications under this paragraph.

(b) Not less than fifteen (15) days before commencing construction, Tenant shall deliver to Landlord one complete set of final working plans and specifications as approved by the governmental agencies whose approval is required for Tenant to commence construction. The final working plans and specifications shall conform substantially to the preliminary plans and specifications previously approved by Landlord, subject to changes made to comply with suggestions, requests or requirements of a governmental agency or official in connection with the application for permit or approval.

(c) Not less than five (5) days before commencing construction, Tenant shall give Landlord written notice of its intent to commence construction, and furnish to Landlord the following:

- (1) Proof that all applicable federal, state and local permits required for the construction have been obtained.
- (2) For construction, alteration or restoration of Required Improvements, a current certificate of insurance with the coverages specified in Section 9.04(c).

6.04 Extensions of Time for Completion of Required Improvements. Landlord shall grant an extension of the time to Complete the Required Improvements for a period of time equal to the duration of an Excusable Delay, upon Tenant's written request describing the nature of the

Excusable Delay, provided Tenant has commenced construction in a timely manner and is proceeding diligently to Complete construction.

6.05 Additional and Replacement Improvements.

(a) Construction of alterations, additions improvements that are not consistent with terms of this Lease or the proposed uses for the Property set forth on Exhibit D is prohibited unless the improvements are authorized by an amendment to this Lease approved by the Council via resolution.

(b) Subject to Section 6.05(a), upon satisfying the conditions in section 6.03, Tenant at any time may, but is not obligated to, construct new improvements on the Property and demolish, remove, replace, alter, relocate, reconstruct or add to existing improvements; provided that Tenant is not then in default under this Lease and provided further that Tenant continuously maintains on the Property the Required Improvements, or their equivalent of equal or greater value. Once any work is begun, Tenant shall with reasonable diligence prosecute to Completion all construction of improvements, additions, alterations, or other work. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.

6.06 As-Built Survey. Within 30 days after Completion of construction of any improvements on the Property involving construction, alteration, addition, removal or demolition of the foundation, structure, utility services, ingress and egress, or any major changes of all or any part of any structure or improvement on the Property, Tenant shall provide Landlord with three copies of an as-built survey of the Property prepared by a registered professional surveyor, showing the location of all improvements on the Property, including underground utilities, pipelines and pre-existing improvements. Tenant shall accompany the as-built survey with a description of all changes from the approved plans or specifications made during the course of the work.

6.07 Ownership of Improvements. Other than the Required Improvements, any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property by Tenant will be and remain the property of Tenant at all times during the Term and may be removed or replaced by Tenant during the Term, subject to the provisions Section 6.08.

6.08 Disposition of Improvements at End of Term.

(a) Unless excepted by operation of the following subsection (b), any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property become the property of Landlord upon expiration or earlier termination of the Term.

(b) One year before the expiration of the Term, the Landlord and Tenant shall determine if the buildings, fixtures and improvements constructed or maintained on the Property, including the Required Improvements, are structurally sound and in good condition. If such buildings, fixtures and improvements constructed or maintained on the Property are structurally sound and in good condition, Tenant shall leave such improvements intact with all components, including without limitation doors, windows, and plumbing, electrical and mechanical fixtures and systems, in good condition and ready for use or occupancy, upon expiration of the Term, and Tenant shall execute, acknowledge, and deliver to Landlord a proper instrument in writing releasing and quitclaiming to Landlord all of Tenant's interest in such buildings, fixtures and improvements. Tenant shall be obligated to and shall remove, prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property that are not structurally sound and in good condition, and Landlord shall not have or obtain any ownership interest in such buildings, fixtures and improvements by reason of this Lease.

(c) If Landlord terminates this Lease because of a default by Tenant prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property shall, at Landlord's option, become the property of Landlord, which may use or dispose of them in its sole discretion. If Landlord elects not to obtain ownership of such buildings, fixtures and improvements under the preceding sentence or elects to remove any of such buildings, fixtures or improvements for any reason, Tenant shall be obligated to and shall remove such buildings, fixtures or improvements.

(d) Tenant shall notify Landlord before commencing the removal of an improvement as required under the preceding subsections (b) and/or (c) and coordinate the removal work with Landlord. Once Tenant commences the removal work, Tenant shall prosecute the removal with reasonable diligence to Completion and shall repair all damages to the Property caused by such removal no later than the expiration of the Term. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.

(e) If Tenant fails to remove any improvements from the Property that Tenant is required to remove under and per the terms of the preceding subsections (b), (c) and/or (d), Tenant shall pay Landlord the costs that Landlord incurs in removing and disposing of the improvements and repairing damages to the Property caused by such removal.

ARTICLE 7. CARE AND USE OF THE PROPERTY

7.01 Maintenance of the Property. Tenant at its own cost and expense shall keep the Property and all buildings and improvements that at any time may be situated thereon in a clean, safe and orderly condition, and in good repair at all times during the Term.

7.02 Repair of Improvements.

(a) Except as provided in Section 7.02(b), in the event any buildings or improvements situated on the Property by Tenant are damaged or destroyed by fire, earthquake, tsunami, or other casualty, Tenant shall at Tenant's expense restore the same to good and tenantable condition or shall remove the same as soon as is reasonably possible, but in no event may the period of restoration exceed 18 months nor may the period of removal exceed 45 days.

(b) Unless Tenant is excused from the obligation under this paragraph, if the Required Improvements or any part thereof are damaged or destroyed by fire, earthquake, tsunami, or other casualty, rendering the Required Improvements totally or partially inaccessible or unusable, Tenant shall at Tenant's expense restore the Required Improvements to substantially the same condition as they were in immediately before such damage, provided that:

- (1) if the cost of repairing or restoring the Required Improvements, less any available insurance proceeds not reduced by applicable deductibles and coinsurance, exceeds 10% of the replacement cost of the Required Improvements, then Tenant may terminate this Lease by giving notice to Landlord of Tenant's election to terminate within 15 days after determining the restoration cost and replacement cost, and this Lease shall terminate as of the date of such notice;
- (2) if the repair or restoration of the Required Improvements would be contrary to law, either party may terminate this Lease immediately by giving notice to the other party; or
- (3) if such damage or casualty to the Required Improvements occurs within three years before the end of the Term, Tenant may, in lieu of restoring or replacing the

Required Improvements, terminate this Lease by giving written notice of termination to Landlord within 120 days after such damage or casualty.

Nothing in this paragraph relieves Tenant of the obligation to surrender the Property upon the expiration or earlier termination of the Term in the condition required by Section 3.03.

7.03 Nuisances Prohibited. Tenant at all times shall keep the Property in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests; junk, abandoned or discarded property, including without limitation vehicles, equipment, machinery or fixtures; and litter, rubbish or trash. Tenant shall not use the Property in any manner that will constitute waste or a nuisance. Landlord, at Tenant's expense and without any liability to Tenant, may remove or abate any such junk, abandoned or discarded property, litter, rubbish or trash, or nuisance on the Property after 15 days written notice to Tenant, or after (4) four hour notice to Tenant in writing, by telephone, facsimile or in person if Landlord makes a written finding that such removal or abatement is required to prevent imminent harm to public health, safety or welfare. Tenant shall pay Landlord all the costs of such removal, plus interest at the Default Rate, as Additional Rent under this Lease. This section does not limit or waive any other remedy available to the City of Homer to abate any nuisance or for the violation of the Homer City Code.

7.04 Compliance with Laws. Tenant's improvement and use of the Property shall comply with all governmental statutes, ordinances, rules and regulations, including without limitation the City of Homer Zoning Code and all applicable building codes, now or hereafter in effect.

7.05 Liens. Except as provided in Article 13, Tenant may not permit any lien, including without limitation a mechanic's or materialman's lien, to be recorded against the Property. If any such lien is recorded against the Property, Tenant shall cause the same to be removed; provided that Tenant may in good faith and at Tenant's own expense contest the validity of any such lien without subjecting the Property to foreclosure, and in the case of a mechanic's or materialman's lien, if Tenant has furnished the bond required in A.S. 34.35.072 (or any comparable statute hereafter enacted providing for a bond freeing the Property from the effect of such a lien claim). Tenant shall indemnify and save Landlord harmless from all liability for damages occasioned by any such lien, together with all costs and expenses (including attorneys' fees) incurred by Landlord in negotiating, settling, defending, or otherwise protecting against such lien and shall, in the event of a judgment of foreclosure of the lien, cause the same to be discharged and removed prior to any attempt at execution of such judgment.

7.06 Radio Interference. Upon Landlord's request, Tenant shall discontinue the use on the Property of any source of electromagnetic radiation that interferes with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

7.07 Signs. Tenant may only erect signs on the Property that comply with state and local sign laws and ordinances. City Planning Department approval is required prior to the erection of any sign on the Property.

7.08 Garbage Disposal. Tenant shall keep any garbage, trash, rubbish or other refuse in industry standard containers until removed, and cause all garbage, trash, rubbish or other refuse on the Property to be collected and transported to a Kenai Peninsula Borough solid waste facility or transfer station at least once a week. Tenant may not place garbage, trash, rubbish or other refuse from the Property in Landlord's garbage disposal facilities on the Homer Spit or any other public facility.

7.09 Access Rights of Landlord. Landlord's agents and employees shall have the right, but not the obligation, to enter the Property at all reasonable times to inspect the use and condition of the Property; to serve, post or keep posted any notices required or allowed under the provisions of this

Lease, including notices of non-responsibility for liens; and to do any act or thing necessary for the safety or preservation of the Property.

ARTICLE 8. ASSIGNMENT AND SUBLEASE

8.01 Assignment or Sublease Absent Consent is Void.

(a) Tenant shall not assign or sublease its interest in this Lease or in the Property without compliance with applicable provisions of the Lease Ordinance, including applying for and receiving consent of Council, and any attempted assignment or sublease absent such compliance is and shall be null and void and of no effect and, at Landlord's election, will constitute an event of default hereunder.

(b) If Tenant seeks to assign or sublease its interest in this Lease or in the Property, in addition to compliance with applicable provisions of the Lease Ordinance, Tenant shall request consent of Council to such assignment or sublease in writing at least 30 days prior to the effective date of the proposed assignment or sublease, accompanied by a copy of the proposed assignment or sublease. If Tenant subleases any portion of the Property, Tenant shall be assessed Additional Rent equal to 10% of the current Base Rent for the subleased area.

(c) No consent to any assignment or sublease waives Tenant's obligation to obtain Landlord's consent to any subsequent assignment or sublease. An assignment of this Lease shall require the assignee to assume the Tenant's obligations hereunder, and shall not release Tenant from liability hereunder unless Landlord specifically so provides in writing.

8.02. Events that Constitute an Assignment. If Tenant is a partnership or limited liability company, a withdrawal or change, voluntary, involuntary or by operation of law, of one or more partners or members owning 25% or more of the entity, or the dissolution of the entity, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance. If Tenant is a corporation, any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or other transfer of a controlling percentage of the capital stock of Tenant, or the sale of 25% of the value of the assets of Tenant, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance; provided that if Tenant is a corporation the stock of which is traded through an exchange or over the counter, a sale or other transfer of a controlling percentage of the capital stock of Tenant will not constitute such an assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing at least 25% of the total combined voting power of all classes of Tenant's capital stock issued, outstanding and entitled to vote for the election of directors.

8.03. Costs of Landlord's Consent to be Borne by Tenant. As a condition to Landlord's consent to any assignment or sublease under section 8.01 and the Lease Ordinance, Tenant shall pay Landlord's reasonable costs, including without limitation attorney's fees and the expenses of due diligence inquiries, incurred in connection with any request by Tenant for Landlord's consent to the assignment or sublease.

ARTICLE 9. LIABILITY, INDEMNITY AND INSURANCE

9.01 Limitation of Landlord Liability. Landlord, its officers and employees shall not be liable to Tenant for any damage to the Property or the buildings and improvements thereon, or for death or injury of any person or damage to any property, from any cause; however, this provision shall not affect the liability of Landlord, its officers and employees on any claim to the extent the claim arises from their negligence or willful misconduct.

9.02 Indemnity Generally. Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from all claims arising from death or injury of any person or damage to any property occurring in or about the Property; however, this provision shall not apply to any claim to the extent the claim arises from the sole negligence or willful misconduct of Landlord, its officers and employees.

9.03 Indemnity for Emergency Service Costs. Without limiting the generality of Section 9.02, in the event of a major fire or other emergency, Tenant shall reimburse Landlord for the cost of providing fire-fighting and other emergency service to Tenant, the Property or at any other location where the fire or emergency requiring response arises from or is related to the use of the Property or Tenant's operations. For purposes of this section, a major fire or other emergency is one that requires more than five man-hours of effort by the City of Homer Fire Department.

9.04 Insurance Requirements.

(a) Without limiting Tenant's obligations to indemnify under this Lease, Tenant at its own expense shall maintain in force such policies of insurance with a carrier or carriers reasonably satisfactory to Landlord and authorized to conduct business in the state of Alaska, as Landlord may reasonably determine are required to protect Landlord from liability arising from Tenant's activities under this Lease, including the minimum insurance requirements set forth for tenants under the Lease Ordinance. Landlord's insurance requirements in the Lease Ordinance (or any superseding policy permitted under the Lease Ordinance) specify only the minimum acceptable coverage and limits, and if Tenant's policy contains broader coverage or higher limits, Landlord shall be entitled to such coverage to the extent of such higher limits.

(b) Without limiting the generality of the foregoing, Tenant shall maintain in force at all times during the Term the following minimum policies of insurance:

- (1) Comprehensive general liability insurance with limits of liability not less than a combined single limit for bodily injury and property damage of \$1,000,000 each occurrence and \$2,000,000 aggregate. This insurance shall also be endorsed to provide contractual liability insuring Tenant's obligations to indemnify under this Lease.
- (2) Comprehensive automobile liability covering all owned, hired and non-owned vehicles with coverage limits not less than \$1,000,000 occurrence combined single limit for bodily injury and property damage.
- (3) Workers' compensation insurance as required by AS 23.30.045. This coverage shall include employer's liability protection not less than \$1,000,000 per person, \$1,000,000 per occurrence. Where applicable, coverage for all federal acts (i.e. U.S. Longshoremen and Harbor Worker's Compensation and Jones Acts) shall also be included. The workers' compensation insurance shall contain a waiver of subrogation clause in favor of Landlord.
- (4) Based on the authorized uses of the Property stated in Section 6.01, environmental insurance is not required. However, if Tenant uses the Property, with or without authorization from the Landlord, for purposes other than those stated in paragraph Section 6.01, if Landlord so elects, and within 10 days after Landlord gives notice of such election, Tenant shall procure and at all times thereafter maintain, at its expense, environmental remediation and environmental impairment liability, including sudden and accidental coverage, gradual pollution coverage, and clean-up cost coverage associated with any activity by Tenant or others on, from, or related to the Property, with coverage limits not less than \$1,000,000 for any one

accident or occurrence. Coverage shall extend to loss arising as a result of the work or services or products furnished, used or handled in connection with Tenant's operations contemplated under this Lease.]

(5) Property insurance covering the Required Improvements described in Section 6.02 in an amount not less than full replacement cost of the Required Improvements. This policy shall include boiler and machinery coverage.

(c) During any construction of the Required Improvements and during any subsequent alteration or restoration of the Required Improvements at a cost in excess of \$250,000 per job, Tenant shall maintain builder's risk insurance in an amount equal to the completed value of the project.

(d) Tenant shall furnish Landlord with certificates evidencing the required insurance not later than the date as of which this Lease requires the insurance to be in effect, and the provision of any such certificates due at or prior to the commencement of the Term shall be a condition precedent to the commencement of the Term. The certificates and the insurance policies required by this Section shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire, and limits of liability will not be reduced, without at least 30 days' prior written notice to Landlord. Landlord shall be named as an additional insured under all policies of liability insurance required of Tenant. Landlord's acceptance of a deficient certificate of insurance does not waive any insurance requirement in this Lease. Tenant also shall grant Landlord permission to obtain copies of insurance policies from all insurers providing required coverage to Tenant by executing and delivering to Landlord such authorizations substantially in the form of **Exhibit G** as Landlord may request.

ARTICLE 10. ENVIRONMENTAL MATTERS

10.01 Use of Hazardous Substances. Tenant shall not cause or permit the Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce or process any Hazardous Substance, except as is necessary or useful to Tenant's authorized uses of the Property stated in Section 6.01, and only in compliance with all applicable Environmental Laws. Any Hazardous Substance permitted on the Property as provided in this section, and all containers therefor, shall be handled, used, kept, stored and disposed of in a manner that complies with all applicable Environmental Laws, and handled only by properly trained personnel.

10.02 Prevention of Releases. Tenant shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of Tenant or any of its agents, employees, contractors, tenants, subtenants, invitees or other users or occupants of the Property, a release of any Hazardous Substance onto the Property or onto any other property.

10.03 Compliance with Environmental Laws. Tenant at all times and in all respects shall comply, and will use its best efforts to cause all tenants, subtenants and other users and occupants of the Property to comply, with all Environmental Laws, including without limitation the duty to undertake the following specific actions: (i) Tenant shall, at its own expense, procure, maintain in effect and comply with all conditions of, any and all permits, licenses and other governmental and regulatory approvals required by all Environmental Laws, including without limitation permits required for discharge of (appropriately treated) Hazardous Substances into the ambient air or any sanitary sewers serving the Property; and (ii) except as discharged into the ambient air or a sanitary sewer in strict compliance with all applicable Environmental Laws, all Hazardous Substances from or on the Property to be treated and/or disposed of by Tenant will be removed and transported solely by duly licensed transporters to a duly licensed treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

10.04 Notice. Tenant shall promptly give Landlord (i) written notice and a copy of any notice or correspondence it receives from any federal, state or other government agency regarding Hazardous Substances on the Property or Hazardous Substances which affect or will affect the Property; (ii) written notice of any knowledge or information Tenant obtains regarding Hazardous Substances or losses incurred or expected to be incurred by Tenant or any government agency to study, assess, contain or remove any Hazardous Substances on or near the Property, and (iii) written notice of any knowledge or information Tenant obtains regarding the release or discovery of Hazardous Substances on the Property.

10.05 Remedial Action. If the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment or disposal at the Property of any Hazardous Substance (i) gives rise to liability (including but not limited to a response action, remedial action or removal action) under any Environmental Law, (ii) causes a significant public health effect, or (iii) pollutes or threatens to pollute the environment, Tenant shall, at its sole expense, promptly take any and all remedial and removal action necessary to clean up the Property and mitigate exposure to liability arising from the Hazardous Substance, whether or not required by law.

10.06 Indemnification. Subject to Section 10.09, Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from and against any and all claims, disbursements, demands, damages (including but not limited to consequential, indirect or punitive damages), losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including experts', consultants' and attorneys' fees and expenses, and including without limitation remedial, removal, response, abatement, cleanup, legal, investigative and monitoring costs), imposed against Landlord, arising directly or indirectly from or out of, or in any way connected with (i) the failure of Tenant to comply with its obligations under this Article; (ii) any activities on the Property during Tenant's past, present or future possession or control of the Property which directly or indirectly resulted in the Property being contaminated with Hazardous Substances; (iii) the discovery of Hazardous Substances on the Property whose presence was caused during the possession or control of the Property by Tenant; (iv) the clean-up of Hazardous Substances on the Property; and (v) any injury or harm of any type to any person or damage to any property arising out of or relating to Hazardous Substances on the Property or from the Property on any other property. The liabilities, losses, claims, damages, and expenses for which Landlord is indemnified under this section shall be reimbursable to Landlord as and when the obligation of Landlord to make payments with respect thereto are incurred, without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and Tenant shall pay such liability, losses, claims, damages and expenses to Landlord as so incurred within 10 days after notice from Landlord itemizing in reasonable detail the amounts incurred (provided that no itemization of costs and expenses of counsel to Landlord is required where, in the determination of Landlord, such itemization could be deemed a waiver of attorney-client privilege).

10.07 Survival of Obligations. The obligations of Tenant in this Article, including without limitation the indemnity provided for in Section 10.06, are separate and distinct obligations from Tenant's obligations otherwise provided for herein and shall continue in effect after the expiration of the Term.

10.08 Claims against Third Parties. Nothing in this Article shall prejudice or impair the rights or claims of Tenant against any person other than Landlord with respect to the presence of Hazardous Substances as set forth above.

10.09 Extent of Tenant's Obligations. Tenant's obligations under this Article apply only to acts, omissions or conditions that (i) occur in whole or in part during the Term or during any time of Tenant's possession or occupancy of the Property prior to or after the Term of this Lease; or (ii) are proximately caused in whole or in part by the occupancy of, use of, operations on, or actions

on or arising out of the Property by Tenant or its employees, agents, customers, invitees or contractors.

10.10 Inspection at Expiration of Term. Within 90 days before the expiration of the Term, Tenant shall at its own expense obtain a Phase I environmental inspection of the Property, and conduct any further inspection, including without limitation test holes, that is indicated by the results of the Phase I inspection. Tenant, at its own expense, shall remediate any contamination of the Property that is revealed by the inspections and that is Tenant's responsibility under this Article.

ARTICLE 11. CONDEMNATION

11.01 Article Determines Parties' Rights and Obligations. If any entity having the power of eminent domain exercises that power to condemn the Property, or any part thereof or interest therein, or acquires the Property, or any part thereof or interest therein by a sale or transfer in lieu of condemnation, the interests of Landlord and Tenant in the award or consideration for such transfer and the effect of the taking or transfer upon this Lease will be as provided in this Article.

11.02 Total Taking. If all of the Property is taken or so transferred, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority.

11.03. Partial Taking. If the taking or transfer of part of the Property causes the remainder of the Property to be not effectively and practicably usable in the opinion of the Tenant for the purpose of operation thereon of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority. If the taking or transfer of part of the Property leaves the remainder of the Property effectively and practicably usable in the opinion of Tenant for the operation of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate as to the portion of the Property so taken or transferred on the date title to the Property vests in the condemning authority, but will continue in full force and effect as to the portion of the Property not so taken or transferred, and the Base Rent will abate in the proportion that the portion of the Property taken bears to all of the Property.

11.04 Compensation. Landlord and Tenant each may make a claim against the condemning or taking authority for the amount of just compensation due to it. Tenant shall make no claim against Landlord for damages for termination of the leasehold or interference with Tenant's business, even if Landlord is the condemning or taking authority. Neither Tenant nor Landlord will have any rights in or to any award made to the other by the condemning authority; provided, that if a single award to Landlord includes specific damages for loss of Tenant's leasehold interest separately awarded in the eminent domain proceeding and not as a part of the damages recoverable by Landlord, Landlord will transmit such separately awarded damages to Tenant.

ARTICLE 12. DEFAULT

12.01. Events of Default. Each of the following shall constitute an event of default under this Lease:

(a) The failure of Tenant to pay Rent or any other sum of money due under this Lease within ten (10) days after the date such payment is due.

(b) The failure of Tenant to perform or observe any covenant or condition of this Lease, other than a default in the payment of money described in the preceding subsection (a), which is not cured within thirty (30) days after notice thereof from Landlord to Tenant, unless the default is of a kind that cannot be cured within such 30-day period, in which case no event of default shall

be declared so long as Tenant shall commence the curing of the default within such 30 day period and thereafter shall diligently and continuously prosecute the curing of same.

(c) The use of the Property or buildings and improvements thereon for purposes other than those permitted herein, to which Landlord has not given its written consent.

(d) The commencement of a case under any chapter of the federal Bankruptcy Code by or against Tenant, or the filing of a voluntary or involuntary petition proposing the adjudication of Tenant as bankrupt or insolvent, or the reorganization of Tenant, or an arrangement by Tenant with its creditors, unless the petition is filed or case commenced by a party other than Tenant and is withdrawn or dismissed within ninety (90) days after the date of its filing.

(e) The admission in writing by Tenant of its inability to pay its debts when due; the appointment of a receiver or trustee for the business or property of Tenant, unless such appointment shall be vacated within ten (10) days after its entry; Tenant making an assignment for the benefit of creditors; or the voluntary or involuntary dissolution of Tenant.

12.02 Landlord's Remedies. Upon the occurrence of an event default, Landlord has all of the following remedies, all in addition to any other remedies that Landlord may have at law or in equity:

(a) Landlord may terminate this Lease by written notice to Tenant, upon which termination Tenant shall immediately surrender possession of the Property, vacate the Property, and deliver possession of the Property to Landlord. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates this Lease in accordance with this subsection (a), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

(b) Landlord may by written notice declare Tenant's right to possession of the Property terminated without terminating this Lease. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates Tenant's right of possession in accordance with this subsection (b), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

(c) Subject to Section 12.01(e), Landlord may relet the Property in whole or in part for any period equal to or greater or less than the remainder of the Term, as applicable, for any sum that Landlord may deem reasonable.

(d) Landlord may collect any and all rents due or to become due from subtenants or other occupants of the Property.

(e) Landlord may recover from Tenant, with or without terminating this Lease, actual attorney's fees and other expenses incurred by Landlord by reason of Tenant's default and elect to recover damages described under either (1) or (2):

- (1) from time to time, an amount equal to the sum of all Base Rent and other sums that have become due and remain unpaid, less the rent, if any, collected by Landlord on reletting the Property reduced by the amount of all expenses incurred by Landlord in connection with reletting the Property; or
- (2) immediately upon Tenant's default, an amount equal to the difference between the Base Rent and the fair rental value of the Property for the remainder of the Term, discounted to the date of such default at a rate per annum equal to the rate at which Landlord could borrow funds for the same period as of the date of such default.

(f) Reentry or reletting of the Property, or any part thereof, shall not terminate this Lease, unless accompanied by Landlord's written notice of termination to Tenant.

12.03 Assignment of Rents. Tenant immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any subletting of all or a part of the Property, and Landlord, as assignee and attorney-in-fact for Tenant, or a receiver for Tenant appointed on Landlord's application, may collect such rent and apply it toward Tenant's obligations under this Lease, except that Tenant has the right to collect such rent until the occurrence of an event of default by Tenant.

ARTICLE 13. LEASEHOLD MORTGAGES

13.01. Mortgage of Leasehold Interest. Tenant shall have the right at any time, and from time to time, to subject the leasehold estate and any or all of Tenant's improvements situated on the Property to one or more deeds of trust, mortgages, and other collateral security instruments as security for a loan or loans or other obligation of Tenant (each a "Leasehold Mortgage"), subject to the remainder of this Article 13.

13.02 Subordinate to Lease. The Leasehold Mortgage and all rights acquired under it shall be subject and subordinate to all the terms of this Lease, and to all rights and interests of Landlord except as otherwise provided in this Lease.

13.03 Notice to Landlord. Tenant shall give Landlord notice before executing each Leasehold Mortgage, and shall accompany the notice with a true copy of the note and the Leasehold Mortgage as proposed for execution. Upon Landlord's written consent to the Leasehold Mortgage and upon execution of the Leasehold Mortgage by all parties, the mortgagee shall become a Qualified Mortgagee as that term is used in this Lease. Tenant also shall deliver to Landlord a true and correct copy of any notice from a Qualified Mortgagee of default or acceleration of the maturity of the note secured by a Leasehold Mortgage promptly following Tenant's receipt thereof.

13.04 Modification or Termination. No action by Tenant or Landlord to cancel, surrender, or materially modify the economic terms of this Lease or the provisions of Article 11 will be binding upon a Qualified Mortgagee without its prior written consent.

13.05 Notice to Qualified Mortgagee.

(a) If Landlord gives any notice hereunder to Tenant, including without limitation a notice of an event of default, Landlord shall give a copy of the notice to each Qualified Mortgagee at the address previously designated by it.

(b) If a Qualified Mortgagee changes its address or assigns the Leasehold Mortgage, the Qualified Mortgagee or assignee may change the address to which such copies of notices hereunder shall be sent by written notice to Landlord. Landlord will not be bound to recognize any assignment of a Qualified Mortgage unless and until Landlord has been given written notice

thereof, a copy of the executed assignment, and the name and address of the assignee. Thereafter, the assignee will be deemed to be the Qualified Mortgagee hereunder with respect to the assigned Leasehold Mortgage.

(c) If a Leasehold Mortgage is held by more than one person, Landlord shall not be required to give notices to the Qualified Mortgagee of the Leasehold Mortgage unless and until all of the holders of the Leasehold Mortgage give Landlord an original executed counterpart of a written designation of one of their number to receive notices hereunder. Notice given to the one so designated is effective as notice to all them.

13.06 Performance of Tenant Obligations.

(a) A Qualified Mortgagee may perform any obligation of Tenant and remedy any default by Tenant under this Lease within the time periods specified in the Lease, and Landlord shall accept such performance with the same force and effect as if furnished by Tenant; provided, however, that the Qualified Mortgagee will not thereby be subrogated to the rights of Landlord.

(b) Tenant may delegate irrevocably to a Qualified Mortgagee the non-exclusive authority to exercise any or all of Tenant's rights hereunder, but no such delegation will be binding upon Landlord unless and until either Tenant or the Qualified Mortgagee gives Landlord a true copy of a written instrument effecting such delegation.

(c) If Tenant defaults in the payment of any monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 10 days after the expiration of any grace or cure periods granted Tenant herein. If Tenant defaults in the performance of any non-monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 30 days after the expiration of any grace or cure periods granted Tenant herein.

13.07 Possession by Qualified Mortgagee. A Qualified Mortgagee may take possession of the Property and vest in the interest of Tenant in this Lease upon the performance of the following conditions:

(a) The payment to Landlord of any and all sums due to Landlord under this Lease, including without limitation accrued unpaid rent.

(b) The sending of a written notice to Landlord and Tenant of the Qualified Mortgagee's intent to take possession of the Property and assume the Lease.

(c) The curing of all defaults not remediable by the payment of money within an additional 30 days after the date upon which such default was required to be cured by Tenant under the terms of this Lease.

13.08 No Liability of Mortgagee Without Possession. A Qualified Mortgagee shall have no liability or obligation under this Lease unless and until it sends to Landlord the written notice described in paragraph 13.07(b). Nothing in this Lease or in the taking of possession of the Property and assumption of the Lease by a Qualified Mortgagee or a subsequent assignee shall relieve Tenant of any duty or liability to Landlord under this Lease.

13.09 New Lease. If a Qualified Mortgagee acquires Tenant's leasehold as a result of a judicial or non-judicial foreclosure under a Leasehold Mortgage, or by means of a deed in lieu of foreclosure, the Qualified Mortgagee thereafter may assign or transfer Tenant's leasehold to an

assignee upon obtaining Landlord's written consent thereto, which consent will not be unreasonably withheld or delayed but which assignment will be subject to all of the other provisions of Article 8 and any provisions of the Lease Ordinance concerning acceptable assignees. Upon such acquisition by a Qualified Mortgagee or its assignee of Tenant's leasehold, Landlord will execute and deliver a new ground lease of the Property to the Qualified Mortgagee or its assignee not later than 120 days after such party's acquisition of Tenant's leasehold. The new ground lease will be identical in form and content to this Lease, except with respect to the parties thereto, the term thereof (which will be co-extensive with the remaining Term hereof), and the elimination of any requirements that Tenant fulfilled prior thereto, and the new ground lease will have priority equal to the priority of this Lease. Upon execution and delivery of the new ground lease, Landlord will cooperate with the new tenant, at the sole expense of said new tenant, in taking such action as may be necessary to cancel and discharge this Lease and to remove Tenant from the Property.

ARTICLE 14. GENERAL PROVISIONS

14.01 Authority. Tenant represents and warrants that it has complete and unconditional authority to enter into this Lease; this Lease has been duly authorized by Tenant's governing body; this Lease is a binding and enforceable agreement of and against Tenant; and the person executing the Lease on Tenant's behalf is duly and properly authorized to do so.

14.02 Estoppel Certificates. Either party shall at any time and from time to time upon not less than 30 days prior written request by the other party, execute, acknowledge and deliver to such party, or to its designee, a statement in writing certifying that this Lease is in full force and effect and has not been amended (or, if there has been any amendment thereof, that the same is in full force and effect as amended and stating the amendment or amendments); that there are no defaults existing, (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the Base Rent and other charges have been paid in advance. The requesting party shall pay the cost of preparing an estoppel certificate, including the cost of conducting due diligence investigation and attorney's fees.

14.03 Delivery of Notices -Method and Time. All notices, demands or requests from one party to another shall be delivered in person or be sent by (i) mail, certified or registered, postage prepaid, (ii) reputable overnight air courier service, or (iii) electronic mail or facsimile transmission (accompanied by reasonable evidence of receipt of the transmission and with a confirmation copy mailed by first class mail no later than the day after transmission) to the address for the recipient in Section 14.04 and will be deemed to have been given at the time of delivery or, if mailed, three (3) days after the date of mailing.

14.04 Addresses for Notices. All notices, demands and requests from Tenant to Landlord shall be given to Landlord at the following address:

City Manager
City of Homer
491 East Pioneer Avenue
Homer, Alaska 99603
Facsimile: (907) 235-3148

All notices, demands or requests from Landlord to Tenant shall be given to Tenant at the following address:

Warren LLC
P.O. Box 2581

Homer AK 99603
Email: AKJOHN64@GMAIL.COM'

Each party may, from time to time, designate a different address or different agent for service of process by notice given in conformity with Section 14.03.

14.05 Time of Essence. Time is of the essence of each provision of this Lease.

14.06 Computation of Time. The time in which any act provided by this Lease is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday or a holiday, and then it is also excluded. The term "holiday" will mean all holidays as defined by the statutes of Alaska.

14.07 Interpretation. Each party hereto has been afforded the opportunity to consult with counsel of its choice before entering into this Lease. The language in this Lease shall in all cases be simply construed according to its fair meaning and not for or against either party as the drafter thereof.

14.08 Captions. The captions or headings in this lease are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Lease.

14.09 Independent Contractor Status. Landlord and Tenant are independent contractors under this Lease, and nothing herein shall be construed to create a partnership, joint venture, or agency relationship between Landlord and Tenant. Neither party shall have any authority to enter into agreements of any kind on behalf of the other and shall have no power or authority to bind or obligate the other in any manner to any third party.

14.10 Parties Interested Herein. Nothing in this Lease, express or implied, is intended or shall be construed to give to any person other than Landlord, Tenant and any Qualified Mortgagee any right, remedy or claim, legal or equitable, under or by reason of this Lease. The covenants, stipulations and agreements contained in this Lease are and shall be for the sole and exclusive benefit of Landlord, Tenant and any Qualified Mortgagee, and their permitted successors and assigns.

14.11 Multi-Party Tenant. If Tenant is comprised of more than one natural person or legal entity, the obligations under this Lease imposed upon Tenant are joint and several obligations of all such persons and entities. All notices, payments, and agreements given or made by, with, or to any one of such persons or entities will be deemed to have been given or made by, with, or to all of them, unless expressly agreed otherwise by Landlord in writing.

14.12 Broker's Commissions. Each of the parties represents and warrants that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.

14.13 Successors and Assigns. This Lease shall be binding upon the successors and assigns of Landlord and Tenant, and shall inure to the benefit of the permitted successors and assigns of Landlord and Tenant.

14.14 Waiver. No waiver by a party of any right hereunder may be implied from the party's conduct or failure to act, and neither party may waive any right hereunder except by a writing signed by the party's authorized representative. The lapse of time without giving notice or taking other action does not waive any breach of a provision of this Lease. No waiver of a right on one

occasion applies to any different facts or circumstances or to any future events, even if involving similar facts and circumstances. No waiver of any right hereunder constitutes a waiver of any other right hereunder.

14.15 Attorney's Fees.

(a) If Landlord is involuntarily made a party to any litigation concerning this Lease or the Property by reason of any act or omission of Tenant, or if Landlord is made a party to any litigation brought by or against Tenant without any fault on the part of Landlord, then Tenant shall pay the amounts reasonably incurred and expended by Landlord, including the reasonable fees of Landlord's agents and attorneys and all expenses incurred in defense of such litigation.

(b) In the event of litigation between Landlord and Tenant concerning enforcement of any right or obligation under this Lease, the non-prevailing party shall reimburse the prevailing party for the attorney's fees reasonably incurred and expended by the prevailing party in the litigation.

14.16 Severability. If any provision of this Lease shall for any reason be held to be invalid, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Lease, such provision shall be construed so as to make it enforceable to the greatest extent permitted, such provision shall remain in effect to the greatest extent permitted and the remaining provisions of this Lease shall remain in full force and effect.

14.17 Entire Agreement, Amendment. This Lease constitutes the entire and integrated agreement between Landlord and Tenant concerning the subject matter hereof, and supersedes all prior negotiations, representations or agreements, either written or oral. No affirmation, representation or warranty relating to the subject matter hereof by any employee, agent or other representative of Landlord shall bind Landlord or be enforceable by Tenant unless specifically set forth in this Lease. This Lease may be amended only by written instrument executed and acknowledged by both Landlord and Tenant.

14.18 Governing Law and Venue. This Lease will be governed by, construed and enforced in accordance with, the laws of the State of Alaska. Any action or suit arising between the parties in relation to or in connection with this Lease, or for the breach thereof, shall be brought in the trial courts of the State of Alaska for the Third Judicial District at Homer.

14.19 Execution in Counterparts. This Lease may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

14.20 Prior Lease Amended And Superseded. Landlord and Tenant are parties to a prior lease affecting the Property dated October 8, 1997 and extended on January 31 2006, a memorandum of which has been recorded in the records of the Homer Recording District under Book 289, page 568 Document No. 97-3800 (the "Prior Lease"). This Lease replaces and supersedes the Prior Lease effective as of November 1, 2018, and on and after that date the Prior Lease shall have no force or effect, except that it shall remain in effect as to events, rights, obligations, or remedies arising or accruing under the Prior Lease prior to that date.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first set forth above.

Landlord:

Tenant:

CITY OF HOMER

TENANT NAME

By: _____
Katie Koester, City Manager (Name, Title)

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on _____, 20__, by _____, City Manager of the City of Homer, an Alaska municipal corporation, on behalf of the City of Homer.

Notary Public in and for Alaska
My Commission Expires:

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on _____, 20__, by _____, as _____ (title) of _____ (name of entity) on behalf of _____ (name of entity).

Notary Public in and for Alaska
My Commission Expires: _____

EXHIBIT A

**SCHEDULE OF ORGANIZATION, OWNERS,
PERCENTAGE OF OWNERSHIP**

Tenant, Warren LLC, is a Domestic Limited Liability Company organized under the laws of the state of Alaska. Attached to this exhibit is a certificate issued by that state certifying that Tenant is in good standing and describing its legal organization. If Tenant is a foreign entity authorized to conduct business in Alaska, its certificate of authority is also attached

The members and their percentage of ownership are as follows:

Name _____ %

Address: _____

Name _____ %

Address: _____

Name _____ %

Address: _____

TOTAL 100 %

EXHIBIT B

**CONFORMED COPY OF RESOLUTION AUTHORIZING LEASE AND
AUTHORIZING SIGNERS TO SIGN LEASE AGREEMENT ON BEHALF
OF TENANT**

EXHIBIT C

LOCATION OF PROPERTY

(Section 2.01)

Lot 30, Homer Spit Subdivision Amended, Homer Recording District, Third Judicial District, State of Alaska, as depicted on **Exhibit C**, containing approximately 10,019 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 181-033-09, or 4380 Homer Spit Rd, Homer AK 99603

EXHIBIT D
TENANT'S PROPOSED USE OF THE PROPERTY
(Section 6.01)

EXHIBIT E
SITE PLANS
(Section 6.02)

EXHIBIT F
FLOOR PLANS
(Section 6.02)

EXHIBIT G

PERMISSION TO OBTAIN INSURANCE POLICIES

(Section 9.04(d))

The City of Homer is hereby granted permission to request and obtain copies of Warren LLC's ("Tenant") insurance policies from Tenant's broker and/or insurer. Tenant requests the broker/insurer to provide the City of Homer with information about and copies of all of Tenant's insurance policies providing the type of coverage required by the Lease between Tenant and the City of Homer.

It is understood that the Tenant may revoke this permission at any time by written notice to City of Homer and to Tenant's broker and/or insurer; however, such revocation will constitute a default of Tenant's lease from the City of Homer.

Date: _____

Warren LLC

By:

(printed name)
(title)

By: _____

(printed name)
(title)

EXHIBIT A
SCHEDULE OF ORGANIZATION, OWNERS,
PERCENTAGE OF OWNERSHIP

Tenant, Warren LLC, is a Domestic Limited Liability Company organized under the laws of the state of Alaska. Attached to this exhibit is a certificate issued by that state certifying that Tenant is in good standing and describing its legal organization. If Tenant is a foreign entity authorized to conduct business in Alaska, its certificate of authority is also attached

The members and their percentage of ownership are as follows:

Name _____	_____ %
Address: _____	
Name _____	_____ %
Address: _____	
Name _____	_____ %
Address: _____	
TOTAL	100 %

State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Warren, LLC



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective **September 12, 2017**.

A handwritten signature in black ink, appearing to read "Chris Hladick".

Chris Hladick
Commissioner



THE STATE
of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

AK Entity #: 10067878
Date Filed: 09/12/2017
State of Alaska, DCCED

FOR DIVISION USE ONLY

Articles of Organization
Domestic Limited Liability Company

Web-9/12/2017 1:54:17 PM

1 - Entity Name

Legal Name: Warren, LLC

2 - Purpose

Any Lawful Purpose

3 - NAICS Code

531390 - OTHER ACTIVITIES RELATED TO REAL ESTATE

4 - Registered Agent

Name: John Warren
Mailing Address: P.O. Box 2581, Homer, AK 99603
Physical Address: 4390 Homer Spit Rd., Homer, AK 99603

5 - Entity Addresses

Mailing Address: P.O. Box 2581, Homer, AK 99603
Physical Address: 4390 Homer Spit Rd., Homer, AK 99603

6 - Management

The limited liability company is managed by its members.

7 - Officials

Name	Address	% Owned	Titles
Foley, Foley & Pearson, P.C.			Organizer

Name of person completing this online application

I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Official(s) listed above to act on behalf of this entity.

Name: Foley, Foley & Pearson, P.C.

Department of Commerce, Community, and Economic
Development

CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

[SOA](#) / [DCCED](#) / [CBPL](#) / [Search](#) / [Corporations](#) / [Entity Details](#)

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Warren, LLC

Entity Type:

Limited Liability Company

Entity #:

10067878

Status:

Good Standing

AK Formed Date:

9/12/2017

Duration/Expiration:

Perpetual

Home State:

ALASKA

Next Biennial Report Due:

1/2/2019

Entity Mailing Address:

P.O. BOX 2581, HOMER, AK 99603

Entity Physical Address:

4390 HOMER SPIT RD., HOMER, AK 99603

Registered Agent

Agent Name:

John Warren

Registered Mailing Address:

P.O. BOX 2581, HOMER, AK 99603

Registered Physical Address:

4390 HOMER SPIT RD., HOMER, AK 99603

Officials

 Show Former

AK Entity #	Name	Titles	Owned
	John and Donna Warren Living Trust, dated 09/14/2017	Member	100

Filed Documents

Date Filed	Type	Filing	Certificate
9/12/2017	Creation Filing	Click to View	Click to View
9/12/2017	Initial Report	Click to View	

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 · EMAIL THE WEBMASTER

EXHIBIT B

**CONFORMED COPY OF RESOLUTION AUTHORIZING LEASE AND
AUTHORIZING SIGNERS TO SIGN LEASE AGREEMENT ON BEHALF
OF TENANT**

EXHIBIT C
LOCATION OF PROPERTY

(Section 2.01)

Lot 30, Homer Spit Subdivision Amended, Homer Recording District, Third Judicial District, State of Alaska, as depicted on **Exhibit C**, containing approximately 10,019 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 181-033-09, or 4380 Homer Spit Rd, Homer AK 99603

EXHIBIT D
TENANT'S PROPOSED USE OF THE PROPERTY
(Section 6.01)



CITY OF HOMER LEASE APPLICATION CHECKLIST

Applicant Name: Warren LLC

Date Application Received: Monday, August 13, 2018

A. A responsive lease application / proposal shall include:

1. A completed application form provided by the City

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
---	-----------------------------	------------------------------	-------------------------------------

NOTES:

2. Any applicable fees

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
---	-----------------------------	------------------------------	-------------------------------------

NOTES:

\$30 Application fee. Paid 8/13/18 \$300. Lease fee Paid 8/13/18

3. A clear and precise narrative description of the proposed use of the property

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
---	-----------------------------	------------------------------	-------------------------------------

NOTES:

The cover letter dated August 11, 2018 notes that the request is to transfer the lease from John Warren to Warren LLC.

4. A specific time schedule and benchmarks for development

<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
------------------------------	-----------------------------	---	-------------------------------------

NOTES:

5. A proposed site plan drawn to scale that shows at a minimum property lines, easements, existing structures and other improvements, utilities, and the proposed development including all structures and their elevations, parking facilities, utilities, and other proposed improvements.

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
---	-----------------------------	------------------------------	-------------------------------------

NOTES: Submitted 1989 Plat

6. Any other information that is directly pertinent to the proposal scoring criteria contained herein

<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> INCOMPLETE
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NOTES:

7. All other **required attachments** requested on the application form including, but not limited to, the following documentation: applicant information, plot plan, development plan, insurance, proposed subleases, environmental information, agency approvals and permits, fees, financial information, partnership and corporation statement, certificate of good standing issued by an entity's state of domicile, and references.

- Applicant information
- Plot Plan *1989*
- Development Plan *Existing*
- Insurance
- Proposed Subleases
- Environmental Information
- Agency approvals and permits
- Financial Information (Financial Statement **REQUIRED**, Surety, bankruptcy, pending litigation are situational.
- Partnership information and a copy of the partnership agreement OR
- Corporation information and a copy of the Articles of Incorporation and Bylaws
- Certificate of good standing issued by the entity's state if domicile
- Appropriate References (Total of 4 persons or firms with whom the applicant or its owners have conducted business transactions with during the past three years. Two references must have knowledge of your financial management history (One of which **MUST** be your principal financial institution) and two must have knowledge of your business expertise).

YES	NO	N/A	INCOMPLETE
------------	-----------	------------	-------------------

NOTES:

8. Any other information required by the solicitation or request for proposals.

YES	NO	N/A	INCOMPLETE
------------	-----------	------------	-------------------

NOTES:

Per HCC 18.08.160 Assignment. Katie Koester, City Manager recommends:

- Lease denial. Explain _____
- Lease approval.
- Lease approval with conditions. Explain _____

Katie Koester *Katie Koester* *8.15.18*
 Katie Koester, City Manager Date

John Warren

po box 2581
Homer Ak 99603
9072995564
akjohn64@gmail.com

August 11, 2018

To whom it may concern

I John Warren current leaseholder of lot four Homer spit , also known as Salty Dawg Saloon would like to transfer the lease from John Warren to Warren LLC. This is not a change in ownership it is purely for tax and legal reasons. All other aspects of the business would remain the same.

Sincerely yours,

John Warren



Lease Application/Assignment Form

Directions:

1. Please submit this application form to the City Manager's Office, 491 Pioneer Avenue, Homer, AK, 99603.
2. Please answer all questions on this form, or put "N/A" in the space if it is non-applicable.
3. Please include all applicable fees in the form of a check, made payable to the City of Homer.

Applicant Name:	WARREN LLC.
Business Name:	SALTY DAWG SALOON
Social Security Number:	[REDACTED]
Mailing Address:	P.O. Box 2581
City, State, ZIP code:	HOMER, ALASKA 99603
Business Telephone No.	907-235-6718
Representative's Name:	JOHN L. WARREN
Mailing Address:	P.O. Box 2581
City, State, ZIP code:	HOMER, ALASKA 99603
Business Telephone No.	907-299-5564
Property Location:	Lot 4 HOMER Spit
Legal Description:	KPB TAX PARCEL # 181-033-09 Lot 30 HOMER Spit Subdivision
Type of Business to be placed on property:	EXISTING SALTY DAWG SALOON
Duration of Lease requested:	EXISTING LEASE and 25 year Extension
Options to re-new:	YES 25 YEARS

**The following materials must be submitted when applying for a lease of
City of Homer real property**

<p>1.</p>	<p>Plot Plan <i>Existing Lease</i> <i>Copy Attached</i></p>	<p><u>A drawing of the proposed leased property showing:</u></p> <p><input type="checkbox"/> Size of lot - dimensions and total square footage (to scale)</p> <p><input type="checkbox"/> Placement and size of buildings, storage units, miscellaneous structures planned (to scale).</p> <p><input type="checkbox"/> Water and sewer lines – location of septic tanks, if needed.</p> <p><input type="checkbox"/> Parking spaces – numbered on the drawing with a total number indicated</p>																				
<p>2.</p>	<p>Development Plan <i>Existing Buildings</i></p>	<p><input type="checkbox"/> <u>List the time schedule from project initiation to project completion, including major project milestones.</u></p> <table border="0"> <thead> <tr> <th style="text-align: left;">Dates</th> <th style="text-align: left;">Tasks</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table> <p>For each building, indicate:</p> <table border="0"> <thead> <tr> <th style="text-align: left;">Building Use</th> <th style="text-align: left;">Dimensions and square footage</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table>	Dates	Tasks	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	Building Use	Dimensions and square footage	_____	_____	_____	_____	_____	_____
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Building Use	Dimensions and square footage																					
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_____	_____																					
<p>3.</p>	<p>Insurance <i>Existing</i></p>	<p><input type="checkbox"/> Attach a statement of proof of insurability of lessee for a minimum liability insurance for combined single limits of \$1,000,000 showing the City of Homer as co-insured. Additional insurance limits may be required due to the nature of the business, lease or exposure. Environmental insurance may be required. If subleases are involved, include appropriate certificates of insurance.</p>																				
<p>4.</p>	<p>Subleases <i>Existing</i></p>	<p><input type="checkbox"/> Please indicate and provide a detailed explanation of any plans that you may have for subleasing the property. The City of Homer will generally require payment of 25% of proceeds paid Lessee by subtenants. Refer to chapter 13 of the Property Management Policy and Procedures manual.</p>																				
<p>5.</p>	<p>Health Requirements <i>Existing</i></p>	<p><input type="checkbox"/> Attach a statement documenting that the plans for the proposed waste disposal system, and for any other necessary health requirements, have been submitted to the State Department of Environmental Conservation for approval. Granting of this lease shall be contingent upon the lessee obtaining all necessary approvals from the State DEC.</p>																				

6.	Agency Approval <i>Existing</i>	<input type="checkbox"/> Attach statement(s) of proof that your plans have been inspected and approved by any agency which may have jurisdiction of the project; i.e. Fire Marshall, Army Corps of Engineers, EPA, etc. The granting of this lease shall be contingent upon lessee obtaining approval, necessary permits, and/or inspection statements from all appropriate State and/or Federal agencies.
7.	Fees	<u>All applicable fees must be submitted prior to the preparation and/or execution of a lease.</u> <input type="checkbox"/> Application fee - \$30.00. Covers costs associated with processing the application. <i>Please make check payable to the City of Homer.</i> <input type="checkbox"/> Lease fee - \$300.00. Covers the costs of preparing and processing the actual lease. <input type="checkbox"/> Assignment fee - \$250.00. Covers the costs of preparing and processing the lease transfer. <i>Please make check payable to the City of Homer.</i>
8.	Financial Data	<u>Please indicate lessee's type of business entity:</u> <input type="checkbox"/> Sole or individual proprietorship. <input type="checkbox"/> Partnership. <input checked="" type="checkbox"/> Corporation. <input type="checkbox"/> Other – Please explain: _____ <hr/> <input checked="" type="checkbox"/> Financial Statement – <u>Please attach a financial statement showing the ability of the lessee to meet the required financial obligations.</u> <input type="checkbox"/> Surety Information – Has any surety or bonding company ever been required to perform upon your default or the default of any of the principals in you organization holding more than a 10% interest <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach a statement naming the surety or bonding company, date and amount of bond, and the circumstances surrounding the default or performance. <input type="checkbox"/> Bankruptcy information - Have you or any of the principals of your organization holding more than a 10% interest ever been declared bankrupt or are presently a debtor in a bankruptcy action? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach a statement indicating state, date, Court having jurisdiction, case number and to amount of assets and debt. <input type="checkbox"/> Pending Litigation – Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.

9.	Partnership Statement <p style="font-size: 2em; text-align: center;">N/A</p>	<input type="checkbox"/> <u>If the applicant is a partnership, please provide the following:</u> Date of organization: _____ Type: <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership Statement of Partnership Recorded? <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ Has partnership done business in Alaska? <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ Name, address, and partnership share. If partner is a corporation, please complete corporation statement. <i>Please attach a copy of your partnership agreement.</i>																								
10.	Corporation Statement	<input checked="" type="checkbox"/> <u>If the applicant is a corporation, please provide the following:</u> Date of Incorporation: <u>9/12/2017</u> State of Incorporation: <u>ALASKA</u> Is the Corporation authorized to do business in Alaska? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Is so, as of what Date? <u>9/12/2017</u> Corporation is held? <input type="checkbox"/> Publicly <input checked="" type="checkbox"/> Privately If publicly held, how and where is the stock traded? Officers & Principal Stockholders [10%+]: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Title</th> <th style="text-align: left;">Address</th> <th style="text-align: left;">Share</th> </tr> </thead> <tbody> <tr> <td><u>John</u></td> <td><u>WARREN</u></td> <td></td> <td><u>100%</u></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <input type="checkbox"/> Please furnish a copy of Articles of Incorporation and By-laws. Please furnish name and title of officer authorized by Articles and/or By-laws to execute contracts and other corporate commitments. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Title</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Name	Title	Address	Share	<u>John</u>	<u>WARREN</u>		<u>100%</u>									Name	Title						
Name	Title	Address	Share																							
<u>John</u>	<u>WARREN</u>		<u>100%</u>																							
Name	Title																									

11. Applicant References

Please list four persons or firms with whom the Applicant or its owners have conducted business transactions with during the past three years. Two references named shall have knowledge of your financial management history, of which at least one must be your principal financial institution. Two of the references must have knowledge of your business expertise.

Name: MARILYN CONRAD
Firm: MARILYN K. CONRAD, CPA
Title: OWNER
Address: 3955 NELSON CIRCLE, SUITE B, HOMER AK 99603
Telephone: 907-235-8520
Nature of business association with Applicant: ACCOUNTANT

Name: CHARLES DUNCAN
Firm: WELLS FARGO
Title: MANAGER
Address: 88 STEERING HWY HOMER AK 99603
Telephone: 907-235-8135
Nature of business association with Applicant: MANAGER
BANKER

Name: Cissy Rockett
Firm: SALTY DAWG
Title: MANAGER
Address: PO. BOX 2581 HOMER, AK 99603
Telephone: 907-299-7770
Nature of business association with Applicant: MANAGER

Name: LINDA JOHNSON
Firm: MARILYN CONRAD
Title: ACCOUNTANT
Address: PO. BOX 2432 HOMER, AK 99603
Telephone: 907-299-0334
Nature of business association with Applicant: ACCOUNTANT

I hereby certify that the above information is true and correct to the best of my knowledge.

Signature: 

Date: 8/10/2018

EXHIBIT E
SITE PLANS
(Section 6.02)



PARCEL REPORT

PARCEL ID: 18103309

Total Acreage:

0.23



LEGAL DESCRIPTION:

T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 30

LAND VALUE:	\$144,500	ASSESSED VALUE:	\$326,100
IMPROVEMENT VALUE:	\$181,600	TAXABLE VALUE:	\$326,100

BUILDINGS ON THIS PARCEL:

<i>Building Type</i>	<i>Square Footage</i>	<i>Year Built</i>
MEZZFO	237	1970
CONCP	771	2009
GENRET	1,664	1977
POLEBLDG	272	2015
TAVERN	1,501	1965

OWNERS:

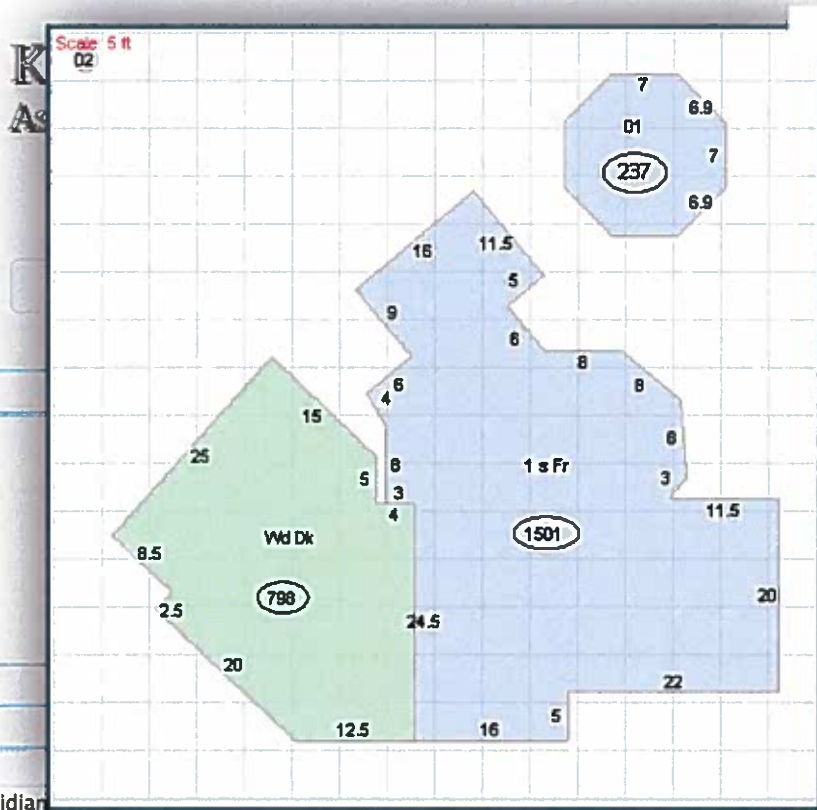
Name:
HOMER CITY OF

Address:
491 E PIONEER AVE
HOMER, AK 99603

Name:
SALTY DAWG

The data displayed herein is neither a legally recorded map nor survey and should only be used for general reference purposes. Kenai Peninsula Borough assumes no liability as to the accuracy of any data displayed herein. Original source documents should be consulted for accuracy verification.

EXHIBIT F
FLOOR PLANS
(Section 6.02)



General Info

Property Owner:
 HOMER CITY OF
 491 E PIONEER AVE
 HOMER AK 99603-7624

[Change of Address](#)

[Owner\(s\)](#)

18103309
4380 HOMER SPIT RD
10/15/1997
269 /568
0.2300
20 - HOMER CITY

Legal Description

T 7S R 13W SEC 1 Seward Meridian

Value History

Year	2018	2017	2016	2015	2014	2013	2012	2011	2010
Reason	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification
Land Assd	\$144,500	\$137,600	\$80,700	\$80,700	\$80,700	\$80,700	\$80,700	\$95,900	\$95,
Imp Assd	\$181,600	\$185,000	\$155,400	\$160,900	\$166,800	\$168,700	\$157,500	\$139,500	\$139,
Total Assd	\$326,100	\$322,600	\$236,100	\$241,600	\$247,500	\$249,400	\$238,200	\$235,400	\$235,

Extension Details

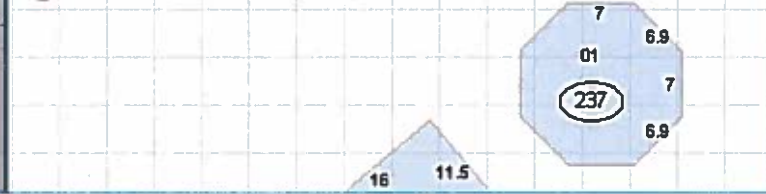
C01 C02

Attributes		Floor Areas		Exterior Features	
Story	Use	Attribute	Code	Detail	
		Roofing Cover Stories	3 1	Slate/Tile	
1	TAVERN	Exterior Wall	58	Stud -Shingles	
1	TAVERN	Exterior Wall	137	Single Wall -Rustic Log	
1	TAVERN	Wall Height	7	Feet	

Address	4380 HOMER SPIT RD
Grade	Low
Year Built	
Value	

Scale: 5 ft
02

Sketch Legend



Improvements								
Code	Description	Year	Building	Length	Width	Units	Unit Type	Value
POLEBLDG	General Purpose Bldg Wood Pole Frame	2015	C02	17	16	272	SF	\$3,400
SHEDGP	Shed - Gen Purpose Frame, up to 10'eave	2012	C01	8	4	32	SF	\$300
CONCP		2009	C01	32	20	771	SF	\$2,000
SHEDGP	Shed - Gen Purpose Frame, up to 10'eave	1998	C01	8	8	64	SF	\$200
SHEDGP	Shed - Gen Purpose Frame, up to 10'eave	1998	C01	8	8	64	SF	\$200
LEANTO	Lean-to	1977	C01	24	6	144	SF	\$200
LEANTO	Lean-to	1977	C01	10	6	60	SF	\$0
MEZZFO	Mezzanine-Finished Open	1970	C02	7	7	237	SF	\$5,200



EXHIBIT G

PERMISSION TO OBTAIN INSURANCE POLICIES

(Section 9.04(d))

The City of Homer is hereby granted permission to request and obtain copies of Warren LLC’s (“Tenant”) insurance policies from Tenant’s broker and/or insurer. Tenant requests the broker/insurer to provide the City of Homer with information about and copies of all of Tenant’s insurance policies providing the type of coverage required by the Lease between Tenant and the City of Homer.

It is understood that the Tenant may revoke this permission at any time by written notice to City of Homer and to Tenant’s broker and/or insurer; however, such revocation will constitute a default of Tenant’s lease from the City of Homer.

Date: _____

Warren LLC

By:

_____ (printed name)
_____ (title)

By: _____

_____ (printed name)
_____ (title)

VISITORS

ANNOUNCEMENTS
PRESENTATIONS
BOROUGH REPORT
COMMISSION REPORTS

PUBLIC HEARING(S)

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

Resolution 18-070(A)

A **public hearing** is scheduled for **Monday, September 24, 2018** 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.

Resolution 18-070(A), A Resolution of the City Council of Homer, Alaska, Adopting the 2019-2024 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 Ordinances in entirety, are available for review online at <https://www.cityofhomer-ak.gov/ordinances>, at the Homer City Clerk's Office, and the Homer Public Library. Contact the Clerk's Office at City Hall if you have any questions. 235-3130, Email: clerk@ci.homer.ak.us

Melissa Jacobsen, MMC, City Clerk
Publish: Homer News September 20, 2018

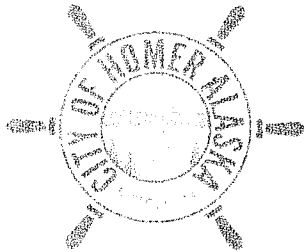
CLERK'S AFFIDAVIT OF POSTING

I, Rachel Tussey, Deputy City Clerk for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for:

Resolution 18-070(A), A Resolution of the City Council of Homer, Alaska, Adopting the 2019-2024 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 Thursday, September 19, 2018 and posted on the City website on Thursday, September 19, 2018.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 19th day of September 2018.



Rachel Tussey
Rachel Tussey, Deputy City Clerk I

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**CITY OF HOMER
HOMER, ALASKA**

Mayor/City Council

RESOLUTION 18-070(A)

A RESOLUTION OF THE HOMER CITY COUNCIL ADOPTING THE 2019-2024 CAPITAL IMPROVEMENT PLAN AND ESTABLISHING CAPITAL PROJECT LEGISLATIVE PRIORITIES FOR FISCAL YEAR 2020.

WHEREAS, Duly published hearings were held on September 10 and September 24, 2018 to introduce the final draft of the 2019-2024 CIP and 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 CIP worksession on August 27, 2018; 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 2019-2024" 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 2020 State Legislative Request:

1. Homer Port & Harbor: New Large Vessel Moorage Facility
2. Homer Barge Mooring & Large Vessel Haul Out Repair Facility
3. Storm Water Master Plan
4. Main Street Sidewalk North
5. Fire Department Fleet Management

BE IT FURTHER RESOLVED that projects for the FY 2020 Federal Legislative Request will be:

1. Homer Port & Harbor: New Large Vessel Moorage Facility
2. Homer Barge Mooring & Large Vessel Haul Out Repair Facility

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 2020 capital

43 project priorities and take appropriate steps to provide necessary background
44 information.

45

46 PASSED AND ADOPTED by the City Council for the City of Homer on this 24nd day of
47 September 2018.

48

49

CITY OF HOMER

50

51

52

DONNA ADERHOLD, MAYOR PRO TEMPORE

53

54 ATTEST:

55

56

57

MELISSA JACOBSEN, CITY CLERK

59

60 Fiscal Note: N/A

ORDINANCE(S)

ORDINANCE REFERENCE SHEET
2018 ORDINANCE
ORDINANCE 18-42

An Ordinance of the City Council of Homer, Alaska Amending the FY 2018 Operating and Capital Budgets to Provide for Necessary Mid-Year Adjustment by Appropriating and Transferring Funds from the General and Water Sewer Funds.

Sponsor: City Manager/Finance Director.

1. Council Regular Meeting September 24, 2018 Introduction.

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

3 City Manager/
4 Finance Director

5 **ORDINANCE 18-42**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY 2018 OPERATING AND CAPITAL BUDGETS TO
9 PROVIDE FOR NECESSARY MID-YEAR ADJUSTMENTS BY
10 APPROPRIATING AND TRANSFERRING FUNDS FROM THE
11 GENERAL AND WATER SEWER FUNDS.
12

13 WHEREAS, Mid-year budget amendments are an appropriate time to adjust the budget
14 for unanticipated expenditures or capital projects that cannot wait until the regular budget
15 cycle for funding; and
16

17 WHEREAS, Proposed changes to the FY 2018 General Fund capital budget are minimal
18 and consist of replacing a hydraulic vehicle lift in motor pool and the recording system for
19 council chambers; and
20

21 WHEREAS, Proposed changes to the FY 2018 General Fund operating budget consist of
22 funding agenda and meeting management software for the Office of the City Clerk; and
23

24 WHEREAS, Proposed changes to the FY 2018 Water and Sewer capital budget consist of
25 additional funding to replace electrical components at the sewer lift station; and
26

27 WHEREAS, Proposed changes to the FY 2018 Water and Sewer operating budget consist
28 of funding the contract for septic pumping in Kachemak City, and covering emergency repairs
29 to water lines that were necessary after the January 2018 earthquake.
30

31 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
32

33 Section 1. The City Council hereby appropriates \$22,900 from the Public Works
34 Depreciation Reserve to fund the replacement of the motor pool hydraulic vehicle lift:
35

36 Expenditure:

37 <u>Account</u>	<u>Description</u>	<u>Amount</u>
38 256-0379	Replace Hydraulic Vehicle Lift	\$22,900

39
40

41 Section 2. The City Council hereby appropriates \$4,194 from the City Hall Depreciation
42 Reserve to fund the upgrade of the recording system in the council chambers:

43

44 Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
45 156-0384	Upgrade Recording System	\$4,194

47

48 Section 3. The City Council hereby appropriates \$3,800 from the transfer to City Hall
49 Depreciation Reserve to the City Clerk budget for the purchase of agenda management
50 software:

51

52 Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
53 100-0101-5210	Professional & Special Services	\$3,800

55

56 Section 4. The City Council hereby appropriates \$12,000 from the Sewer Fund Reserve
57 to fund the replacement of electrical components at the sewer lift station:

58

59 Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
60 256-0379	Lift Station Electrical Components	\$12,000

62

63 Section 5. The City Council hereby appropriates \$32,000 from the transfer to Sewer
64 Fund Reserve to the Sewer Collection System budget for the Kachemak City septic pumping
65 contract:

66

67 Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
68 200-0504-5210	Professional & Special Services	\$32,000

70

71 Section 6. The City Council hereby appropriates \$17,500 from the Water Fund Reserve
72 to the Water Distribution System budget for unexpected water line repairs:

73

74 Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
75 200-0404-5210	Professional & Special Services	\$17,500

77

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

80

81 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
82 _____, 2018.

83

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CITY OF HOMER

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BRYAN ZAK, MAYOR

91

92 ATTEST:

93

94

95

96 _____
MELISSA JACOBSEN, MMC, CITY CLERK

97

98 YES:

99 NO:

100 ABSTAIN:

101 ABSENT:

102

103 First Reading:

104 Public Reading:

105 Second Reading:

106 Effective Date:

107

108

109 Reviewed and approved as to form:

110

111

112

113 _____
Katie Koester, City Manager

114

115 Date: _____

Holly C. Wells, City Attorney

Date: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
Mid-Year 2018**

Requesting Department Public Works

Date 8/13/2018

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Motor Pool Hydraulic Vehicle Lift</u> Fund Name: <u>General Fund</u> Account Name: <u>Public Works Depreciation Reserve</u> Account # <u>156-0395</u> Estimated Cost: <u>\$22,900</u>
--	---

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

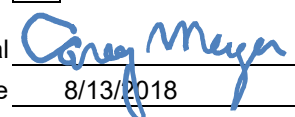
The 9000 pound hydraulic vehicle lift that is currently in use is 23 years old, undersized, and has recently failed an independent inspection by a certified inspector. The inspector stated that 15 to 20 years is the maximum typical life of this type of lift. Ours is 23 years old. Within his report, some comments are, "arms visibly bent, left arm restraint not holding, left lock on column not working, cables frayed, carriage slides are broken/damaged, both hydraulic cylinders leaking". He states, "I am recommending not to use this lift due to the carriage slides that are broken, arms that are bent, and locks that aren't working properly". Repair parts for our existing unit exceed the price of a new, in-kind, unit. We have researched various brands, lifting capacities, and lift configurations. Based on clearance issues with the shop's overhead crane, the need for an increase in lifting capacity, and the need to have a unit that does not have an overhead cross-member, we have selected a Mohawk lift with free-standing posts and a 16k pound lifting capacity. This will enable safe lifting of vehicles and the shop will now be able to lift vehicles that cannot currently be lifted, such as, sander trucks, service trucks (PW and Port), ambulance, water/sewer boom truck, P/H oil truck, P/H step van, building maintenance vans, Tool Cat, WTP forklift. Mohawk provided a government discount that was not available elsewhere. Costs include unit purchase \$16,700, Freight \$1700, Installation \$1500, Concrete slab work \$3000 for a **Total of \$22,900.**

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

This equipment is necessary in order for the mechanics to properly and safely lift vehicles for maintenance. Replacement is necessary due to the age of the current model, the disrepair, and it's limited lifting capacity in relation to our existing fleet.

Priority of Need: This budget request item ranks # of the department's budget requests.

Requestor's Name: Dan Gardner

Dept Head Approval 
 Date 8/13/2018

City Manager Recommendation: Approved Denied Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
Mid-Year 2018**

Requesting Department City Clerk

Date 8/13/2018

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ <hr/> (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>FTR Recording System for Council Chambers</u> <hr/> Fund Name: <u>General</u> <hr/> Account Name: <u>City Hall Depreciation Reserves</u> <hr/> Account # <u>156-0384</u> <hr/> Estimated Cost: <u>\$4,194</u>
--	---

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

This is a request to upgrade the recording system in the Council Chambers. The current FTR Reporter Deck system we use was purchased in 2006. An annual service contract was required for the system and in looking at past records the cost was \$419 per year in 2007 and increased to 599.50 in 2012. We have had to send it in for service from time to time over the years to keep it running properly. We've had minor issues lately with the machine freezing up, not archiving the recording, or failing to record. Service contracts are no longer available for the reporter deck system, so when it finally stops working it will have to be replaced. It would be best to have this new system in place before the current system fails. The cost for the new system is \$3495 plus \$699 for support, \$4194 total. There is no additional annual service contract fee.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

This is necessary as all city meetings are recorded and copies of the recordings are retained for 5 years in accordance with the City's adopted Retention Schedule. This is an upgraded version of a system the Clerk's office has been using for many years, so it should be an easy transition to a more efficient system. The Clerk's office is also requesting funding for an agenda management program that allows for meeting audio to be posted on the website, and confirmed this system is compatible with the audio capabilities of the agenda management program.

Priority of Need: This budget request item ranks # of the department's budget requests.

Requestor's Name: Melissa Jacobsen

Dept Head Approval 

Date 8/13/2018

City Manager Recommendation: Approved Denied Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
Mid-Year 2018**

Requesting Department City Clerk

Date 8/13/2018

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ <hr/> (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input checked="" type="checkbox"/> Operating Line Item Increase Request Title <u>Municode Meeting & Agenda Management</u> <hr/> Fund Name: <u>General</u> <hr/> Account Name: <u>Professional Services</u> <hr/> Account # <u>100-0101-5210</u> <hr/> Estimated Cost: <u>\$3,800</u>
--	---

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

This is a request to purchase an agenda management program that will be used by the City Clerk's office and other staff who provide materials for meeting packets. It is a product that will aide in streamlining the process for preparing agendas and packets, it has merging features that will help eliminate discrepancies, and time savings once users are trained in the new system. This program also includes a feature that will allow us to post meeting audio on the website with time stamps so members of the public can easily access all or sections of meeting audio without having to file a records request and pay a fee an audio CD. Another plus is the program is provide by MuniCode Web, the same company who hosts our website. They are currently working to integrate this program with the MuniCode websites which will result in another time saving opportunity in the meeting preparation and posting process.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Public notice of meeting agendas and packet production are primary responsibilities of the Clerk's Office. Currently we work through a cumbersome process using word, excel, and pdf documents, saving as, and pulling information from other files and documents. This program has features that will take all of the information, create a history of changes, save the documents in the appropriate format, and compile them into a final agenda and meeting packet. This will improve the efficiencies in the clerk's office, and assist in providing information timely to the public.

Priority of Need: This budget request item ranks # of the department's budget requests.

Requestor's Name: Melissa Jacobsen

Dept Head Approval 

Date 8/13/2018

City Manager Recommendation: Approved Denied Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
Mid-Year 2018**

Requesting Department Public Works Date 8/13/2018

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) Request Title <u>Lift Station Electrical Components</u> Fund Name: <u>Sewer Reserve</u> Account Name: <u>Sewer Depreciation Reserve</u> Account # <u>256-0379</u> Estimated Cost: <u>\$12,000</u>	<input type="checkbox"/> Operating Line Item Increase
(FINANCE DEPT WILL COMPLETE)		
5101 Permanent Employees _____		
5102 Fringe Benefits _____		
5103 P/T Employees _____		
5104 Fringe Benefits P/T _____		
5105 Overtime _____		
Total Personnel Cost _____		

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

All electric components in the Influent Lift Station are severely corroded due to the aggressive environment in the lift station. This Lift Station is located in a vault underground and pumps all sewage received to the treatment facility. If this station fails to transfer the sewage to the plant, the collection system will back up and flood residences' homes. The original plan was to relocate the electrical equipment above ground. This will cause future maintenance issues. These funds will be used to demo existing electric components in the lift station and replace with explosion proof components and an outlet to connect a back up generator in emergency situations.

This project was funded in the 2018 Capital Budget (\$16,500), but when quotes were solicited they all came in high and water/sewer needs the additional \$12,000 to complete the project.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Has stated above, if this lift station can not transfer wastewater to the treatment facility, raw sewage will back up in the residences.

Priority of Need: This budget request item ranks # 1 of the department's 3 budget requests.

Requestor's Name: Todd Cook Dept Head Approval *Cory Meyer*
Date 8/13/2018

City Manager Recommendation: Approved Denied Amended

Comments:

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
Mid-Year 2018**

Requesting Department Public Works Date 8/13/2018

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____	<input type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input checked="" type="checkbox"/> Operating Line Item Increase Request Title <u>Kachemak City Tri Annual Septic Pumping Contract</u> Fund Name: <u>Sewer Fund</u> Account Name: <u>Sewer Collection System</u> Account # <u>200-0504-5210</u> Estimated Cost: <u>\$32,000</u>
(FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

Requested funds will cover the Tri Annual Kachemak City Sepic Pumping Contract. 136 septic tanks are scheduled to pump and delivered to the Wastewater Facility the year.

Funds are recuperated for this through direct billing to Kachemak City. This should have been included in the 2018 budget, but because it is every three years it can be easy to miss.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Tri annual sepic pumping is for Kachemak City is part of an agreement the City of Homer has with Kachemak City. Regular pumping of septic tanks is necessary for the proper oeration of the system.

Priority of Need: This budget request item ranks # 2 of the department's 3 budget requests.

Requestor's Name: Todd Cook Dept Head Approval *Carey Mayz*
 Date 8/13/2018

City Manager Recommendation: Approved Denied Amended

Comments: _____

**CITY OF HOMER
DEPARTMENT BUDGET REQUEST
Mid-Year 2018**

Requesting Department Public Works Date 8/13/2018

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____ (FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	<input type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input checked="" type="checkbox"/> Operating Line Item Increase Request Title <u>Emergency Repairs</u> Fund Name: <u>Water Fund</u> Account Name: <u>Distribution Systems</u> Account # <u>200-0404-5210</u> Estimated Cost: <u>\$17,500</u>
--	---

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

These funds are requested to cover overages due unforeseen water main breaks at the WTP, East Road and Aspen Way, after the earthquake in January. Also, funds are being requested to install a water service to a lot on Main Street (Lot 47, Bunnell Subdivision) that was never provided a service when the main was installed. The lot owner paid an assessment, but was not provided a water service. The City is responsible for providing the service. Funds are also requested for additional work necessary before the end of the year. Unforeseen Water Main Break Surface Improvement Repairs - \$7,500; Main Street water service \$5,000; End of Year Work - \$5,000.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

It is necessary for Water/Sewer to utilize private contractors, on occasion. These funds will make up the current overage and potential work needed before the end of the year.

Priority of Need: This budget request item ranks # 3 of the department's 3 budget requests.

Requestor's Name: Todd Cook Dept Head Approval: Carey Meyer
 Date: 8/13/2018

City Manager Recommendation: Approved Denied Amended

Comments:

**CITY OF HOMER
CITY COUNCIL BUDGET REQUEST
Mid-Year 2018**

Requestor's Name: Tom Stroozas

Date 9/18/2018

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____	<input checked="" type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title <u>Development of LED Light Conversion</u> Specifications & Work Plan Fund Name: <u>General Fund</u> Account Name: <u>Individual Building Reserve Funds</u> Account # <u>Varied...see below</u> Estimated Cost: <u>\$4,350</u>
(FINANCE DEPT WILL COMPLETE) 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

This request would fund hiring a lighting consultant to perform lighting audits and develop specifications and a work plan for converting six City of Homer facilities to LED lighting. The LED conversion can reduce energy use by up to 1/3rd. The longer range intent is the City would then hire a temporary employee to complete the conversion according to the work plan. Completing the conversion in this manner maximizes energy and operational cost savings. A more piecemeal approach to the conversion (as Dept budget and existing staff time allows, or as existing fixtures break) increases the likelihood of several different lamp types installed over time which will increase maintenance down the road. It also results in lots of micro decisions being made for the different buildings about which lamp is best suited for the lighting needs. The six buildings and amounts requested from their Depreciation Reserve Accounts are: City Hall \$750 from 156-0384; Homer Public Library \$900 from 156-0390; Airport Terminal \$750 from 156-0388; Harbormaster Office \$600 from 456-0380; Animal Shelter \$600 from 156-0370 and Public Works Offices/Garages \$750 from 156-0395.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

Working with a contractor to develop the workplan and eventually hiring a temporary employee to complete the conversion maximizes cost savings and does not overwhelm maintenance staff, which is already spread thin) with an extra project.

The justification for a mid-year budget request is to complete the workplan this year so the temporary hire and replacement lamps can be included in the 2019 budget process.

**CITY OF HOMER
CITY COUNCIL BUDGET REQUEST
Mid-Year 2018**

Requestor's Name: _____

Date _____

<input type="checkbox"/> Request for Additional Personnel: Position Title _____ Salary Range & Step _____ Full-time <input type="checkbox"/> Part-time <input type="checkbox"/> Hours Per Year _____	<input type="checkbox"/> Capital Request (for acquiring/constructing a major, long-term asset valued at \$5,000 or more) <input type="checkbox"/> Operating Line Item Increase Request Title _____ _____ Fund Name: _____ Account Name: _____ Account # _____ Estimated Cost: _____
<p>(FINANCE DEPT WILL COMPLETE)</p> 5101 Permanent Employees _____ 5102 Fringe Benefits _____ 5103 P/T Employees _____ 5104 Fringe Benefits P/T _____ 5105 Overtime _____ Total Personnel Cost _____	

Fully describe the specifics of your budget request i.e. item(s) to be purchased, their function and justification.

How is this request necessary for the Department to carry out its mission, or to meet Department goals?

ORDINANCE REFERENCE SHEET
2018 ORDINANCE
ORDINANCE 18-43

An Ordinance of the City Council of Homer, Alaska Prohibiting Sellers from Providing Buyers with Single-Use Plastic Disposable Shopping Bags

Sponsor: Venuti

1. Council Regular Meeting September 24, 2018 Introduction.

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

Venuti

3
4 **ORDINANCE 18-43**

5
6 AN ORDINANCE OF THE HOMER CITY COUNCIL PROHIBITING
7 SELLERS FROM PROVIDING BUYERS SINGLE-USE PLASTIC CARRY
8 OUT BAGS.

9
10 WHEREAS, The use of single-use plastic carryout bags by retail establishments
11 has been recognized by many communities nation-wide as detrimental to the environment;
12 and

13 WHEREAS, The use of single-use plastic carryout bags by consumers at retail
14 establishments is detrimental to the environment; and

15 WHEREAS, The manufacture and distribution of single-use plastic carry out bags
16 requires utilization of natural resources and results in the generation of greenhouse gas
17 emissions; and

18 WHEREAS, Single-use plastic carryout bags contribute to environmental
19 problems, litter in drainage ditches, rivers and the ocean; and

20 WHEREAS, Single-use plastic carryout bags impose unseen costs on consumers,
21 local governments, the state and taxpayers and constitute a public nuisance; and

22 WHEREAS, It is in the best interest of the City of Homer to restrict the use of
23 single-use plastic carryout bags.

24 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

25 Section 1. Homer City Code Section 1.16.040 is amended to add the following line to
26 the fine schedule:

<u>CODE SECTION</u>	<u>DESCRIPTION OF OFFENSE</u>	<u>FINE</u>
<u>HCC 5.42.030</u>	<u>Single-use plastic carryout bags prohibited</u>	<u>\$50.00</u>

27 Section 2. Homer City Code Chapter 5.42 Single-Use Plastic Carryout Bags, is hereby
28 enacted to read as follows:

29 **Chapter 5.42**
30 **SINGLE-USE PLASTIC CARRYOUT BAGS**

31 **5.42.010 Purpose.**

32 **5.42.020 Definitions.**

33 **5.42.030 Prohibition on use of single-use plastic carryout bags.**

34 **5.42.040 Exceptions.**

35 **5.42.050 Penalty.**

36 **5.42.010 Purpose. The purpose of this chapter is to reduce the generation of waste**
37 **from single-use plastic carryout bags.**

38 **5.42.020 Definitions. In this chapter:**

39 **a. "Buyer" means a person who is a buyer under Kenai Peninsula Borough Code**
40 **5.18.900.**

41 **b. "Single-use plastic carryout bag" means a bag made from plastic that is neither**
42 **intended nor suitable for continuous reuse and that is less than 2.25 mils thick, designed**
43 **to carry customer purchases from the seller's premises, except for: bags used by**
44 **customers inside stores to package bulk items such as fruit, vegetables, nuts, grains,**
45 **candy, or small hardware items, such as nails and bolts; bags used to contain dampness**
46 **or leaks from items such as frozen foods, meat or fish, flowers or potted plants; bags used**
47 **to protect prepared foods or bakery goods; bags provided by pharmacists to contain**
48 **prescription drugs; newspaper bags, laundry or dry cleaning bags; or bags sold for**
49 **consumer use off the seller's premises for such purposes as the collection and disposal of**
50 **garbage, pet waste, or yard waste; bags made of any material labeled as "biodegradable"**
51 **or "compostable".**

52 **c. "Seller" means a person who is a seller under Kenai Peninsula Borough Code**
53 **5.18.900.**

54 **5.42.030 Prohibition on use of single-use carry out bags. No seller may provide to**
55 **a buyer, any single-use plastic carryout bag for the purpose of carrying a buyer's**
56 **purchased goods from the seller's premises.**

57 **5.42.040 Exceptions. Inventories of single-use plastic carryout bags purchased**
58 **before the date of enactment of this ordinance may continue to be used by sellers and**
59 **provided to customers after January 1, 2019 until all such inventories of single-use plastic**
60 **carryout bags are completely used in the course of regular business operations. Sellers**
61 **providing single-use plastic carryout bags under this exception after January 1, 2019**
62 **must be willing and able to provide documentation that such bags were purchased on or**
63 **before the date of enactment of this ordinance.**

64 **5.42.050 Violation - Penalty. The penalty for an offense in this chapter is the fine**
65 **listed in the fine schedule in HCC 1.16.040. If no fine is listed for the offense in**

66 **HCC 1.16.040, then the defendant must appear in court and, if convicted, is subject to the**
67 **general penalty as provided in HCC 1.16.010 unless another penalty is specifically**
68 **provided.**

69 Section 3. Section 1 and Section 2 of this Ordinance are of permanent and general
70 character and shall be included in the City Code.

71 Section 4. This Ordinance shall take effect on January 1, 2019.

72 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this _____ day of
73 _____ 2018

74
75 CITY OF HOMER
76
77 _____
78 BRYAN ZAK, MAYOR

79 ATTEST:
80
81 _____
82 MELISSA JACOBSEN, MMC, CITY CLERK

85 YES:
86 NO:
87 ABSTAIN:
88 ABSENT:

90 First Reading:
91 Public Hearing:
92 Second Reading:
93 Effective Date:

95 Reviewed and Approved as to form and content:
96
97 _____
98 Katie Koester, City Manager Holly Wells, City Attorney
99
100 Date: _____ Date: _____
101

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, 2018
SUBJECT: September 24 City Manager Report

Project Manager Hired

I am pleased to announce that the City has hired local Project Manager, Pat McNary for the Homer Police Station project. As a Project Manager for Jay-Brandt, Pat has 30 years of experience on construction projects in the City of Homer, including many community landmarks such as: Kachemak Bay Branch of the Kenai Peninsula College, the Homer Public Library and South Peninsula Hospital, to name a few. Pat was selected from a broad list of qualified candidates; the committee (consisting of myself, Chief Robl, Public Works Director Meyer and Human Resources Director Browning) interviewed 5 candidates over the course of many days. We were impressed not only with Pat's technical skills and experience, but his personality and the value he places on effective communication and believe he will fit well with the City's team. He has a strong background in cost estimating, which will serve the City well. Perhaps most important, Pat wants to be involved in this project that is such an important part of the City he calls home. I am confident Pat will represent the City of Homer well and make sure we get high quality and an honest price out of this project. Pat will begin October 1 and work part time through the design phase, increasing hours once construction begins on an as needed basis.

Visit with the Army Corps Headquarters

On Thursday the 13th Port and Harbor Director Hawkins and I and Councilmember Erickson joined Army Corps of Engineer headquarters staff out of Honolulu and staff from the Anchorage meeting for a meeting on the Homer Port and Harbor Expansion project and tour of the Homer Port and Harbor. It was a productive meeting; Deputy Chief, of the Northwestern and Pacific Ocean Divisions-Regional Integration Team Steve Kopecky, was able to provide valuable insight on how the funding process works in Washington DC. We were given concrete advice to submit a letter of intent to put reinstating a feasibility study in the queue – a draft of which is attached. Headquarters commended the Planning Assistance to States grant as a great first step to form a foundation for the feasibility study. We will hold our first in person meeting on this study next week with an all-day meeting at the Port and Harbor with the local Anchorage Corps team. We received repeated comments from Headquarters staff about how robust and well-functioning our Port and Harbor is – especially for a small town. Not only does it point to our exceptional staff that runs a well-oiled machine, but also the importance of the Port and Harbor to the City of Homer as an economic engine.

Green Infrastructure Training

Along with City Planner Abboud, Councilmember Aderhold and 2 members of the Planning Commission (Roberta Highland and Syverine Bentz), I attend a Green Infrastructure Training on September 11th hosted

by NOAA and Islands and Ocean Visitors Center. The training was well attended by a breadth of Peninsula residents who worked in or were interested in how to use green infrastructure to protect from damage from large storm events, erosion and slope instability. We heard from Alaska State Parks and work they have been doing to stabilize the bank at the Anchor Point using root balls. MatSu Borough presented on a culvert replacement project to remove barriers to salmon and the presenters from NOAA showed examples of living shorelines and other green infrastructure projects across the country. The City of Homer speaks to green infrastructure in the Comprehensive Plan and there are examples of green infrastructure in City projects from the rain garden at City Hall to the development rules places in the Bridge Creek Watershed district. The Planning Commission has discussed looking at ways City code can better promote/ remove barriers to green infrastructure project and I look forward to following their conversation.

Third Quarter Citizen Comment Card Summary

Of the 11 cards we received, 7 were compliments to the City (64%!) and of those most were written by folks visiting Homer:

- 4 cards from visitors thanked Homer for hosting a great Pickleball Tournament, mentioned enjoying Homer's hospitality and commended Mike Illg.
- 2 cards from visitors complimented Homer on its wonderful library.
- 1 City of Homer resident thanked Public Works for cutting brush in the ROW on their road.

The City responded to two resident concerns: Public Works replaced a missing street sign and Finance answered a credit card billing inquiry.

We also received to two suggestions:

- One was from a visitor suggesting the City develop parking and access to beaches out East End Road. Communications Coordinator contacted the individual and explained extent of City limits and invited them to enjoy any of a number of access points to the beach in Homer.
- The other, advocating that City Council to protect the library's ability to share knowledge by not cutting its budget, was forwarded to City Council.
- Another patron suggested the Library to open Sundays from noon-5 pm and suggested reducing evening hours to compensate

Cyber Security in the City

I have asked IT Manager Poolos to provide Council with an analysis of the recent Alaskan municipal cyber-attacks and what the City is doing to protect itself from such vulnerabilities.

There has been little actionable information made public about what happened in the Mat-Su and Valdez cybersecurity incidents this summer. The best public information has been Eric Wyatt's report to the Matanuska-Susitna Borough Assembly dated July 30,2018 (attached). From that report, the Mat-Su was infected by that a strain of malware known as Emotet. Emotet is a Trojan that primarily functions as downloader or dropper of other malware. In the Mat-Su incident the Emotet delivered credential stealing malware and the ransomware (Bitpaymer). The initial Emotet infection most likely occurred through an email containing malicious attachments or links that used branding and content to trick the user into opening the attachment or following the hyperlink. This is commonly called a Phishing Attack. The credential stealing malware would have then harvested other network credentials that would be used to gain deeper access into the network and servers.

The City of Homer protects itself against Phishing attacks by:

- 1) Using an external email security service to validate the sender, scan the email contents for intent and malware, and finally sandbox (isolate) the links in external emails before they are delivered to the City's email system.
- 2) Additionally the City rejects emails that contain URL Shortener links (ie tinyurl.com and bit.ly) and certain attachment filenames that are known to be unsafe and have little to business need to be sent via email.
- 3) The City systems run an antivirus program that automatically updates malware signatures and software on City client and server computers. This antivirus system has additional protections against Ransomware outbreaks. These protections have been tuned for the City network and file access patterns, if activity outside of the norms is detected the antivirus software will sever the network connections and isolate the deviant system.
- 4) All City Employees have completed a basic Email Phishing course. This training will be refreshed annually, IT is evaluating options for a robust Phishing test and report. Council will be asked to take the same short online course, as your email is also a potential entry point into the City system.
- 5) The City runs a robust structure of multiple backup strategies both online and offline. This will prevent a total loss of City data, in the event the steps 1 through 4 fail.

Ribbon Cutting on Greatland

Paving on the Greatland Extension was completed late Tuesday night and striping will occur between the writing of this report and meeting time. Let's celebrate with a ribbon cutting! Tuesday the 25th at 4pm gather at Greatland and Pioneer for a short ribbon cutting and ceremony.

Enc:
Letter of Intent to Army Corps of Engineers
Citizen Comment Card for 3rd Quarter
IT Status Update July 30 by MatSu Borough IT Director Eric Wyatt
CERT Training Class Flyer
Thank you Letter from KHLT
Letters dated September 4 and August 20 from Army Corps: National Historic Preservation Act compliance for the Pebble Project
Email re: Public Review Draft of Kachemak Bay State Park and Kachemak Bay State Wilderness Park Management Plan



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
REGULATORY DIVISION
P.O. BOX 6898
JBER, AK 99506-0898

September 4, 2018

Bryan Zak
City of Homer
2525 Sterling Hwy
Homer, Alaska 99603

Subject: National Historic Preservation Act Compliance for the Pebble Project

Dear Mayor Bryan Zak,

In a letter dated August 20, 2018, U.S. Army Corps of Engineers (USACE), Alaska District, invited your government, City of Homer, to be a Consulting Party under Section 106 of the National Historic Preservation Act (NHPA). The intent of this letter is to provide you with further information on the Section 106 process, as well as a list of the other agencies, local governments, Tribes, or other parties that have been invited to be Consulting Parties.

Section 106 of the NHPA requires Federal agencies, including the USACE, to identify historic properties and resolve adverse effects to historic properties that may be affected by an undertaking. Historic properties are those properties of historic importance to any person or group, which are listed on, or eligible for listing on, the National Register of Historic Places. The undertaking is the activity which requires Federal authorization. In this case, the undertaking includes the activities that require authorization from the USACE, from the Department of the Interior's Bureau of Safety and Environmental Enforcement, and from the United States Coast Guard.

One of the first steps in the Section 106 process is to identify Consulting Parties. Consulting Parties are those agencies, Tribes, representatives of local governments, or other parties, who have a consultative role to play in the Section 106 process. Consulting Parties assist in the identification of potential historic properties; in assessing potential effects to historic properties; and in developing measures to avoid, minimize or resolve adverse effects to historic properties. Representatives of local governments which have jurisdiction over the area in which the effects of the undertaking may occur are entitled to participate as a Consulting Party.

In our August 20, 2018 letter, we inadvertently omitted the list of other potential Consulting Parties. Please find the referenced list enclosed. If you know of any other

organizations that may have knowledge of cultural resources potentially affected by the proposed Pebble Project, please let us know.

If your government has jurisdiction over the area in which the effects of the undertaking may occur and is interested in participating in the Section 106 process for the proposed Pebble Project, please reply on your organization's letterhead to the address at the top of this letter, or via email to poaspecialprojects@usace.army.mil. We request your response by September 20, 2018.

If you have any questions, you can contact Shane McCoy, Program Manager, via telephone at (907) 753-2715, or by email at poaspecialprojects@usace.army.mil. You may also contact Katie McCafferty, Project Manager at (907) 753-2692, or by email at poaspecialprojects@usace.army.mil.

Thank you for providing a response to this invitation.

Sincerely,



Shane McCoy
Program Manager

Enclosure

Attachment: List of Organizations Recieving this Letter

Type	Organization	Contact	Title
Borough	Kenai Penninsula Borough	Charlie Pierce	Mayor
Borough	Lake and Penninsula Borough	Glen Alsworth Sr.	Mayor
City	City of Aleknagik	Kay Andrews	Mayor
City	City of Chignik	Richard J. Sharpe	Mayor
City	City of Clarks Point	Joseph Wassily	Mayor
City	City of Egegik	Scoui Deigh	Mayor
City	City of Ekwok		
City	City of Manokotak	Melvin Andrew	Mayor
City	City of New Stuyahok	Justin Askoak	Mayor
City	City of Newhalen	Susanna Wassillie	Mayor
City	City of Nondalton	Joanna Trefon	Mayor
City	City of Pilot Point	Janice Ball	Mayor
City	City of Port Heiden	Jeffrey Orloff	Mayor
City	City of Togiak	Anna May Kasak	Mayor
City	City of Dillingham	Alice Ruby	Mayor
City	City of Homer	Bryan Zak	Mayor
City	City of Kenai	Brian Gabriel	Mayor
City	City of Soldotna	Nels Anderson	Mayor
Federal	Advisory Council on Historic Preservation	John Eddins	
Federal	Bureau of Indian Affairs, Alaska Regional Office		
Federal	Bureau of Ocean Energy Management Office	John Callahan	
Federal	Bureau of Safety & Environmental Enforcement	Kevin Pendergast	
Federal	National Park Service Alaska Regional Office	Joan Kluwe	
Federal	Pipeline & Hazardous Materials Safety Admin	Chris Hoidal	Director
Federal	United States Coast Guard	David Seris	
NGO	Alaska Association of Historic Preservation	Anne E. Pollnow	President
Organization	Alaska Historical Society	Averil Lerman	President
Organization	Alutiiq Museum		
Organization	Bristol Bay Native Association	Fred T. Angasan	Chairman
Organization	Center for Alaskan Coastal Studies		
Organization	Cooper Landing Historical Society		
Organization	Kasilof Regional Historical Assoc.		
Organization	Kenai Historical Society		
Organization	Pebble Liimited Partnership	James Fueg	Vice President
Organization	Pratt Museum	Laurie Stuart	Executive Director
Organization	Soldotna Historical Society		
Organization	United Tribes of Bristol Bay	Robert Heyano	President
Regional Corporation	Bristol Bay Native Corporation	Jason Metrokin	President and CEO
Regional Corporation	Chugach Alaska Corporation	Gabriel Kompkoff	CEO
Regional Corporation	Cook Inlet Region, Inc.	CEO Sophie Minich	CEO
State	Alaska Department of Fish and Game	Sherry Wright	Southcentral Regional Coordinator
State	Alaska Department of Natural Resources	Kyle Moselle	
State	Alaska Office of History and Archaeology	Judith Bittner	State Historic Preservation Officer
Tribe	Aleknagik Traditional Council	Margie Aloysius	President
Tribe	Chignik Bay Tribal Council	Roderick Carlson	President
Tribe	Chignik Lagoon Village Council	Clemnes Grunert	President
Tribe	Chignik Lake Traditional Council	John Lind	President
Tribe	Clarks Point Village Council	Betty Gardiner	President
Tribe	Curyung Tribal Council	Thomas Tilden	First Chief
Tribe	Egegik Village Council	Ben Shernikoff	First Chief
Tribe	Ekuk Village Council	Robert Heyano	President
Tribe	Ekwok Village Council	Luki Akelkok, Sr.	President
Tribe	Igiugig Village Council	AlexAnna Salmon	President

Attachment: List of Organizations Recieving this Letter

Type	Organization	Contact	Title
Tribe	Iliamna Village Council	Thomas Hedlund	President
Tribe	Ivanof Bay Tribal Council	Edgar Shangin	President
Tribe	King Salmon Tribal Council	Ralph Angasan, Sr.	President
Tribe	Kokhanok Village Council	Peducia Andrew	President
Tribe	Levelock Village Council	Alexander Tallekpale	President
Tribe	Manokotak Village Council	Melissa Paul	President
Tribe	Naknek Native Village Council	Patricia DeSoto	President
Tribe	Nanwalek IRA Council	John Kvasnikoff	First Chief
Tribe	Native Tribe of Kanatak	Henry Forshey	President
Tribe	Native Village of Perryville	Gerald Kosbruk	President
Tribe	New Koliganek Village Council	Herman Nelson, Sr.	President
Tribe	New Stuyahok Traditional Council	Wassillie Gust Sr.	President
Tribe	Newhalen Tribal Council	Henry Olympic	President
Tribe	Ninilchik Traditional Council	R. Greg Encelewski	President
Tribe	Nondalton Tribal Council	George Alexie	Vice President
Tribe	Pedro Bay Village Council	Keith Jensen	President
Tribe	Pilot Point Tribal Council	Sohphie Abyo	President
Tribe	Port Graham Tribal Council	Patrick Norman	First Chief
Tribe	Port Heiden Village Council	John Christensen	President
Tribe	Portage Creek Village Council	Sophie Snow	Vice President
Tribe	Seldovia Village Tribal Council	Crystal Collier	President
Tribe	South Naknek Village Council	Donald F. Nielsen	President
Tribe	Traditional Council of Togiak	Jimmy Coopchiak	President
Tribe	Twin Hills Village Council	John W. Sharp	President
Tribe	Ugashik Traditional Council	Fred Matsuno	President
Village Corporation	Akhiok-Kaguyak, Incorporated	Becky Peratrovich	President
Village Corporation	Alaska Peninsula Corporation	Trefon Angasan Jr.	Chairman
Village Corporation	Aleknagik Natives Limited		
Village Corporation	Bay View Incorporated		
Village Corporation	Becharof Corporation		
Village Corporation	Chignik Lagoon Native Corporation		
Village Corporation	Chignik River, Limited		
Village Corporation	Choggiung Limited	Jack Savo Jr.	President
Village Corporation	Ekwok Natives Limited		
Village Corporation	Far West, Incorporated	Terry Don	Manager
Village Corporation	Igiugig Native Corporation		
Village Corporation	Iliamna Natives Limited	Lorene Anelon	President
Village Corporation	Kijik Corporation	Ventura Samaniego	President/CEO
Village Corporation	Koliganek Natives Limited		
Village Corporation	Levelock Natives Limited		
Village Corporation	Manokotak Natives Limited		
Village Corporation	Oceanside Native Corporation	Patrick Kosbruk	President
Village Corporation	Paug-Vik Incorporated	William Hill	President
Village Corporation	Pedro Bay Corporation	Rayn Aaberg	President/CEO
Village Corporation	Pilot Point Native Corporation		
Village Corporation	Saguyak, Incorporated		
Village Corporation	Stuyahok Limited		
Village Corporation	Tanalian Incorporated	Leon Alsworth	President
Village Corporation	Togiak Natives Limited		
Village Corporation	Twin Hills Native Corporation		

INFORMATION SHEET ON SECTION 106 PROCESS

Section 106 of the National Historic Preservation Act (NHPA) requires Federal agencies, including the U.S. Army Corps of Engineers (Corps), to identify historic properties and resolve adverse effects to historic properties which may be affected by a proposed project. The Corps Regulatory Program implements Section 106 of the NHPA in accordance with [Appendix C of Chapter 33 of the Code of Federal Regulations, Part 325](#).

There are four stages of the 106 process:

1. Initiate the Section 106 Process
 - a. Establish the undertaking – the activity that requires Federal authorization
 - b. Identify the Consulting Parties – State Historic Preservation Officer (SHPO), Indian Tribes, Representatives of Local Governments, the Applicant, the Advisory Council on Historic Preservation (ACHP), and Organizations with a demonstrated interest in the project due to their legal relation to the undertaking or their concern with the project's impact on historic properties.
2. Identify Historic Properties
 - a. Determine the scope of the identification efforts
 - b. Identify historic properties through investigation
 - c. Determine eligibility for listing in the National Register of Historic Places
3. Assess Effects
 - a. Seek ways to avoid or reduce impacts to historic properties
4. Resolve Adverse Effects
 - a. Consult with SHPO and other consulting parties to seek resolution of effects
 - b. Development of a Programmatic Agreement and a Cultural Resources Management Plan

Role of Tribes:

- Advise the Corps on the identification and evaluation of historic properties, particularly those historic properties to which a Tribe attaches religious or cultural significance;
- Provide views on the undertaking's effects on the historic properties; and
- Participate in the process to resolve any adverse effects to historic properties that may result from the undertaking.

Next Steps for your Tribe:

- Respond in writing to poaspecialprojects@usace.army.mil or by mail to indicate that your Tribe wishes to participate as a Consulting Party
- Plan on participating in the first meeting, which is planned for October

For more information on:

- Eligibility Criteria for Historic Properties, you can see National Register Bulletin 15, How to Apply the National Register Criteria for Evaluation, at <https://www.nps.gov/nr/publications/bulletins/nrb15/>
- Advisory Council for Historic Preservation, please see their website at <https://www.achp.gov/>



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

September 24, 2018

Alaska District Corps of Engineers
ATTN: CEPOA-PM-C, Mr. Bruce Sexauer
2204 3rd Street (Bldg 2204)
JBER, AK 99506-1518

Re: Homer Port and Harbor: New Large Vessel Moorage Facility

Dear Mr. Sexauer,

Please accept this letter as a formal request from the City of Homer to resume work with the Corps of Engineers on a Navigational Improvement Feasibility Study to dredge and build a new large vessel moorage facility at Homer's Port & Harbor.

Homer's Port & Harbor is a regional port, serving the needs of commercial vessels operating across southcentral and western Alaska in the maritime industrial, marine transportation and commercial fishing industries. Over time, demand has outgrown Homer harbor's ability to safely and efficiently serve this fleet. Certain sizes of commercial vessels can't access the port and harbor due to depth limits and configuration of the harbor entrance. Those that can find harbor moorage at capacity. Homer annually turns large vessels away that are seeking moorage in our small boat harbor due to their overall size, draft, or that fact that our systems are working beyond capacity and we simply lack the space.

The City has identified a new large vessel harbor as its highest priority capital project to (1) meet the current and future need of our large vessel fleet, (2) address overcrowding and associated navigational safety concerns and high maintenance costs in Homer's small boat harbor, and (3) support emerging regional and national economic opportunities such as Cook Inlet the Cook Inlet Oil & Gas industry, a possible LNG export plant in Nikiski, and the opening of the Arctic for transportation and resource development.

High demand combined with favorable changes in cost drivers (new local sources of more competitively priced building materials and an in-water option for disposal of dredge material) prompted the City and Corps to continue the general investigation from 2009 utilizing a Section 22 Planning Assistance to States Program grant.

We understand that after a positive Section 905(b) Analysis and the development of a Project Management Plan, the City will be asked to enter into a Feasibility Cost Sharing Agreement (FCSA) with the Corps to share the costs of a feasibility-level study. The City is aware that the FCSA is cost-shared (50 percent Federal and 50 percent local funds), and that all of the local share can be in-kind services. This letter is a statement of intent, not a binding contract.

We further understand that preconstruction, engineering design and construction of any recommended plan carries a potential 80/20 cost share based on water depth.

I look forward to working with the Corps of Engineers on this important project. Thank you for your consideration of this request.

Sincerely,

CITY OF HOMER

Katie Koester, City Manager

Customer Feedback Quarterly Report
3rd Quarter, 2018

Customer Feedback Quarterly Report

3rd Q 2018

DATE	TYPE	CUST COMMENT	Response
Jun-30	Compliment	Played in Pickleball Tournament. It was GREAT. Hope it happens again next year.	Communications Coordinator shared compliment with Mike Ilg and called customer to thank her and tell her how to check for future information about a possible tournament next year.
Jun-30	Compliment	Two participants in the End of the Road Pickle Ball Tournament wrote to say they enjoyed their stay in Homer. Thanks to Parks & Rec for a fun tournament and they also enjoyed the local restaurants and stores.	Communications Coordinator forwarded to Mike Ilg for follow-up.
Jul-2	Compliment	Loved the pickleball tournament	Communications Coordinator forwarded to Mike Ilg for follow-up.
Jul-6	Concern	Street name sign at Soundview & Tajen blew off and is missing. Can it be replaced?	Concern reported to Public Works. Dan Gardener took care of it.
Jul-6	Compliment	What a beautiful, friendly little Library	
Jul-9	Compliment	Two participants in the End of the Road Pickle Ball Tournament wrote to say they loved our beautiful city and to personally commend Mike Ilg for his hard work and positive, forward vision.	Communications Coordinator forwarded to Mike Ilg for follow-up.
Jul-26	Suggestion	To City Council: Too many cities/boroughs are cutting library budgets. This is the worst possibility as the most sharing of knowledge is from libraries. Protect your library	Communications Coordinator forwarded message to City Clerk to distribute to Council
Aug-6	Concern	Payment amount on my Visa statement is more than the \$\$ on my bill.	Communications Coordinator forwarded concern to Finance who verified that the amount billed matched the amount paid.
Aug-8	Compliment	<u>Thank you</u> for cutting back weeds/brush in ditch on Mission Road	Card forwarded to Public Works
Aug-8	Suggestion	Visitor suggested the City create public parking and beach access to the beaches and Fox River Flats out East End Road.	Communications Coordinator contacted visitor and described City limits and beach access areas within the City limits.
Sep-8	Compliment	What a terrific library - from visitor from N.Y. State	
Sep-17	Suggestion	Open Library on Sundays from 12-5 pm. Reduce evening hours to compensate.	

The MSB 2018 Virus Situation

As of July 30

By Eric Wyatt, IT Director, Matanuska-Susitna Borough

The Attack

Information about the attack has been widely shared with other agencies to help them prepare and hopefully avoid a similar attack. These efforts have been greatly appreciated by these agencies.

This was a multi-pronged, multi-vector attack. Not a single virus but more generally, **Malware**. Aspects include: Trojan Horse (Emotet), Worm, Crypto Locker (Ransomware (BitPaymer)), Time Bomb, Dead Man's Switch, External hacker logged in to our network, maybe more. This is an **Advanced Persistent Threat**.

This is also a '**Zero-day**' attack. Meaning, the anti-virus software does not yet have the virus definitions in their software to catch and remove this threat.

Most probable method of initial delivery is email with a hyperlink to an infected website and prompt to install an add-on or with an attachment with a macro. Users with local admin permissions are most at risk.

The FBI reports: Once the Trojan component is inside, it opens the door for the hacker and brings in the other viruses. Then it uses the user's Outlook contact list to send itself to other government looking addresses. The *From* address is most likely from someone you know and trust.

Once inside the virus/hackers work to gain Active Directory administrator access. They then 'own' the Domain controller, drop all internal security settings, logging, and auditing, which is then spread to all servers and workstations through normal Active Directory mechanisms. They then can easily crack all passwords and spread to all machines.

These viruses appear to be written in Microsoft Visual Studio (common developer's tool) and attack only Windows based machines.

This attacks appears to have been lying dormant and/or undiscovered within our network since as early as May 3rd.

During this time, data from any of our systems may have been compromised and sent outside of our network. We do not have evidence of this, but **we must work from the assumption that this was done**.

Everything we have seen matches the patterns the FBI has seen at multiple sites throughout the country. It also matches the situation in Valdez.

The FBI reports that the Trojan and Worm will lay dormant for 4 to 6 weeks and then the Crypto Locker component is frequently launched on a Friday. This happened in Valdez and there are reports that on Friday multiple other locations in Alaska and around the US were hit.

We started to pick up Trojan component of the attack on July 17th after an update of our anti-virus software (McAfee). This was only seen on Windows 7 machines. McAfee was then doing its job of detecting and deleting the Trojan, but continued to miss all other components. By the time the number of workstations affected rose to alarming levels, we had discovered the same issues on multiple servers. We developed a script to remove the discovered components that McAfee was leaving behind from all machines and planned to launch this on Monday evening, July 23rd. We also expired all user passwords to force password changes and changed passwords for all admin and service accounts.

This action, of attacking back, seemed to trigger the virus to launch the Crypto Locker component. This trigger may have been automated, a *Dead Man's Switch*, or there may have been a person manually monitoring activity and executed their Command and Control (C2) to launch the attack.

The Crypto Locker then began encrypting files on workstation and servers. Nearly all of the 500 workstations (both Windows 7 and Windows 10) and 120 of the 150 servers have been infected.

This encryption is portrayed as a *Ransomware* attack, however, its real purpose may be to cover the tracks of the other components. Files, logs, scheduled tasks, executables, and other evidence, if found, can point investigators to the people responsible for writing the viruses. Even the language the virus is written in can point to the country of origin. This scenario is supported by the fact that even when the ransom is paid, the decryption codes are never given. This would indicate that the attack's purpose is not based primarily on money from a particular victim, but to disrupt operations and potentially steal information that may lead to greater financial reward and more disruption from down stream victims.

At this point we notified the FBI and began to communicate with other affected and interested agencies. We also formed teams to deal with the containment, analysis, and recovery.

To date, many agencies, companies, and organizations have participated in or offered help for this effort at the Mat-Su Borough: MSBSD, FBI, GCSIT, MOA, Resource Data, Inc, Wostmann and Associates, 5 Star Team, ACS Communications, Structured, Threat Informants, City of Valdez, State of Alaska, Alaska USA, Denali FCU, Mat Valley Credit Union, State Farm Insurance, ATS, Cisco, FBNSB, Dell, Commvault, Deeptree.

The external connection to the Internet was completely disconnected. Servers were first disconnected from one another and then completely shutdown. All work stations have been disconnected, shutdown and collected.

Current Condition

The External web site was not affected and remains active.

Almost all Windows based production servers have been encrypted, this includes our domain, email (Exchange), Govern, Logos, TRIM, SharePoint (intranet and eCommerce), GIS, SQL databases, S:\ drive files shares (L:\, M:\, P:\) and even our backup and Disaster Recovery (DR) servers.

The backup and DR servers had been engineered in a way that no known threats would affect. This new threat has always been considered a **Theoretical Exploit**. To date, neither our local

network engineering consultant nor the international vendors: Cisco, Dell, Commvault, that they represent have seen this exploit developed and used. Further, our backup and DR model uses a multi-tiered approach to data protection, which appears to have saved some portion of our data, even under this sophisticated attack.

The phone system (Mitel) was encrypted, we lost some functionality but most direct lines continued to work as long as the phone was powered on.

The door lock card swipe system (Lenel) has also been encrypted but will continue to function in the last known good condition.

Though it initially appeared that our data was a complete loss, we have recently recovered data from the shared drives, Logos, Govern, TRIM, GIS and more.

eMail (Exchange) does appear to be completely unrecoverable.

Email as of last Tuesday has been spooling on our external email filter device. We have stood up an external web based mail spooler with all of our matsugov.us mail addresses. We can send and receive emails with this. It is a bit of a clunky interface. See attached instructions for use. This mail will flow to the new Exchange server when ready.

The Mitel phone system server has been rebuilt, we have recovered the data (configuration) and should have working phones on desktops Monday in DSJ and some remote sites. We have teams to continue to work phones at the remote sites.

We have about 110 workstations that have been cleaned and reimaged and are ready for placement. They are being processed according to the priority list. A copy of the infected data on the hard drive is being kept for potential data recovery and FBI investigation. These machines will be placed on a 'Green' network, meaning it is clean with no infected computers. They will be part of a workgroup, not a domain. This will come later this week or next. They have MS Office application and internet access. Clean data requests will be filled on these machines as soon as possible. They are being placed in DSJ and remote sites along with the phones as described above.

My Property on the external website has been restored with static data.

Logos has been restored on an external web service with 1 year old data. Current Logos data looks to be recoverable on the DR server.

Govern data has been restored to an external web service that is 1 month old. Current Govern data looks to be recoverable on the DR server.

The MSB domain was rebuilt Sunday.

Portions of the network have been redesigned and augmented to deal with this new and emerging threat by adding technique and software that is newly available.

Virus files have been set to McAfee so they can add functionality to our AV software to prevent further attack. We are awaiting the reply.

Computers and images have been given to the FBI for analysis. Also, all encrypted and other server and workstation files and images are being saved for the FBI.

Critical GIS data has been saved offline and can be restored to rebuilt systems. Maps, MXDs, parcel fabric, etc.

Going Forward

Additional desktop workstations will be reimaged and placed on desks at a rate of 38 per day or more (10 more days)

Workstations will be added to the MSB domain starting this week.

The Exchange email server will be built early this week. Workstations added to the domain can then use Outlook for e-mail and calendaring. Old email will probably not be available but functionality will be restored.

Work on damaged DR servers continues, functionality is coming back, and there is optimism for the recovery of additional data.

New, more secure servers will be created and enterprise systems will be rebuilt and hopefully will have data restored. Govern, Logos, GIS, SharePoint, TRIM, MPulse, iSupport, etc. This can easily take 2 or 3 more weeks.

Policies and procedures will be implemented in the Borough to reduce the risk of further infection and reduce the spread of infection should any other systems be hit.

User education training will be conducted on a periodic basis to help users avoid threats.

Encrypted data will be stored for months or years in hopes that the FBI will recover the decryption keys.

We will continue to participate in information sharing meetings to help educate the community against further attack.

-end-

CERT Training Class

Learn how to take care of yourself and others in a disaster!



CERT training is coming to Homer in October 2018! Join your neighbors and gain valuable skills to take care of yourselves and assist your community when disaster strikes.

The **Community Emergency Response Team (CERT)** program educates volunteers about disaster preparedness for the hazards that may impact their area and trains them in basic disaster response skills, such as fire safety, light search and rescue, team organization, and disaster medical operations. CERT offers a consistent approach to volunteer training and organization that professional responders can rely on during disaster situations, which allows them to focus on more complex tasks. Through CERT, the capabilities of the Kenai Peninsula Borough to prepare for, respond to and recover from disasters are enhanced. This program is even more important in the Kenai Peninsula Borough with our remote location and logistical challenges.



For more information:
Contact Jade Gamble,
262-2097 or JGamble@kpb.us

Homer October Training Class:

Mon 1;	6p-9p	Disaster Preparedness
Tues 2;	6p-9p	Fire/Utility Control
Thur 4;	6p-9p	Disaster Medical Part 1
Sat 6	9a-5p	Disaster Medical Part 2
Mon 8;	6p-9p	Disaster Psychology
Tues 9;	6p-9p	Terrorism and CERT
Thur 11;	6p-9p	Practice and Review
Sat 13:	9a-2p	Disaster Simulation

Sign up online at www.kpb.us/emergency

Course Overview

The CERT Basic Course is delivered in the community by a team of qualified emergency management professionals and volunteers.

- **Disaster Preparedness:** Addresses hazards specific to the community. Materials cover actions that participants and their families take before, during and after a disaster as well as an overview of CERT and local laws governing volunteers.
- **Fire Suppression:** Covers fire chemistry, hazardous materials, fire hazards and fire suppression strategies. However, the thrust of this session is the safe use of fire extinguishers, controlling utilities and extinguishing a small fire.
- **Medical Operations Part I:** Participants practice diagnosing and treating airway obstruction, bleeding and shock by using simple triage and rapid treatment techniques.
- **Medical Operations Part II:** Covers evaluating patients by doing a head to toe assessment, establishing a medical treatment area and performing basic first aid.
- **Light Search and Rescue Operations:** Participants learn about search and rescue planning, size-up, search techniques, rescue techniques and rescuer safety.
- **Psychology and Team Organization:** Covers signs and symptoms that might be experienced by the disaster victim and workers, and addresses CERT organization and management.
- **Course Review and Disaster Simulation:** Participants review and practice the skills that they have learned during the previous sessions in a disaster activity.

Safety equipment (gloves, goggles, mask) and disaster supplies (bandages, flashlight, dressings) which will be provided during the training.



KACHEMAK HERITAGE LAND TRUST



September 14, 2018

Mayor Bryan Zak
Homer City Council
491 E Pioneer Ave
Homer, AK 99603-7624

Dear Bryan Zak & City Council Members,

Thank you for your recent contribution toward the Poopdeck Trail Design Project. Your check in the amount of \$4,000.00 (ck.# 092425) was received on August 27, 2018. This is such a wonderful project - we are pleased to be working together to increase accessibility in Homer.

Your support of our important conservation efforts is very much appreciated! Together, we make a difference.

Sincerely,

Marie McCarty
Executive Director

*Thank you
so much!*

Kachemak Heritage Land Trust is a 501(C)3 non-profit organization. Your contribution is tax-deductible to the extent allowed by law. No goods or services were provided in exchange for your generous gift.



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
REGULATORY DIVISION
P.O. BOX 6898
JBER, AK 99506-0898

August 20, 2018

Mayor Brian Zak
City of Homer
2525 Sterling Hwy
Homer, Alaska 99603

Subject: National Historic Preservation Act Compliance for the Pebble Project

Dear Mayor Zak,

The U.S. Army Corps of Engineers (USACE), Alaska District, has initiated the environmental permitting process for the proposed Pebble copper-gold-molybdenum mining project (Pebble Project). As the lead Federal Agency for the Pebble Project under the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA), and other federal laws, the USACE is also evaluating Pebble Limited Partnership's (PLP) permit application under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act of 1899. The proposed project includes in part an open-pit mine located in southwest Alaska near Iliamna Lake, an 85-mile transportation corridor from the mine site to a year-round port site located on Cook Inlet near the mouth of Amakdedori Creek, and a 178-mile gas pipeline from the Kenai Peninsula across Cook Inlet to the Project site.

The intent of this letter is to initiate the USACE's role as the lead Federal Agency pursuant to Section 106 of the NHPA, §36 CFR Part 800.3(f)(2), §33 CFR Part 325 (Appendix C), and subsequent revised interim guidance for implementing Appendix C (2005, 2007, and 2009). Under these laws, the USACE invites your participation as a consulting party to the Section 106 process. As a component of compliance with these regulations, the USACE is responsible for consulting with the State Historic Preservation Officer (SHPO), the Advisory Council on Historic Preservation, and local governments, the public, the applicant, federally recognized tribes, Alaska Native Corporations (ANCs) as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602) that may attach religious and cultural significance to historic properties, and additional parties or organizations that have a demonstrated interest in the undertaking (36 CFR Part 800.2(c)(5)). Historic properties include historic sites, pre-contact archaeological sites, and traditional cultural properties which are listed or eligible for listing in the National Register of Historic Places. The USACE is also

planning to develop a Programmatic Agreement in accordance with §36 CFR Part 800.14(b) for the proposed project.


A list of organizations receiving this letter is attached for your reference. If you know of any other organizations that may have knowledge of cultural resources potentially affected by the proposed Pebble Project, please let us know.

The USACE is planning to host informational meetings or teleconferences to begin the dialogue with the SHPO and consulting parties regarding the Section 106 process and the development of a Programmatic Agreement as it relates to the proposed Pebble Project. These meetings and teleconferences have not yet been scheduled, but we anticipate that they will be held in Fall 2018. Additional information will be sent as soon as dates and times have been established.

If your organization is interested in participating in the Section 106 process for the proposed Pebble Project, please reply within 30 days of the date of this letter to the address at the top of this letter, or via email to poaspecialprojects@usace.army.mil. If you have any questions, you can contact Shane McCoy, Program Manager, via telephone at (907) 753-2715, or by email at poaspecialprojects@usace.army.mil. You may also contact Katie McCafferty, Assistant Project Manager at (907) 753-2692, or by email at poaspecialprojects@usace.army.mil.

Thank you for providing a response to this invitation, and we look forward to your participation in the Section 106 process.

Sincerely,

A handwritten signature in black ink that reads "Shane McCoy". The signature is written in a cursive, flowing style.

Shane McCoy
Program Manager

CC:

Judith E. Bittner
State Historic Preservation Officer
State of Alaska, Office of History and Archaeology
550 W. 7th Avenue, Suite 1310
Anchorage, Alaska 99501-3565
judy.bittner@alaska.gov

From: Booth, Ruth A (DNR)
To: [Alvarez, Monica M. \(DNR\)](#)
Cc: [Earl, Rob E \(DNR\)](#); [Keough, Ray J \(DNR\)](#)
Subject: Public Review Draft of Kachemak Bay State Park and Kachemak Bay State Wilderness Park Management Plan
Date: Wednesday, September 19, 2018 2:43:44 PM

The Department of Natural Resources has released the Public Review Draft (PRD) of the Kachemak Bay State Park and Kachemak Bay State Wilderness Park Management Plan for public review and comment. The PRD provides management guidance and facility recommendations for the park areas and includes guidance for Diamond Creek State Recreation Site, Eveline State Recreation Site and Overlook Park State Recreation Site as well. Much has happened since the last management plan was adopted in 1995. Changes in community infrastructure, economic trends, and ecotourism have resulted in increased use of the park and raised land use concerns. The goal of this plan revision is to address changing patterns in recreational use, address management issues and update recommendations for facility development. Additionally, a trail management plan that provides trail sustainability recommendations, trail design and management criteria for the park areas is also included for review.

Your written comments are encouraged during the public comment period. To facilitate your review of the PRD, reference copies in print format are available at the Homer public library and the Islands and Oceans Visitor Center. The PRD is also available on DVD by request and online at: <http://dnr.alaska.gov/parks/plans/kbay/kbayplan.htm> **To receive full consideration, comments must be received no later than October 19, 2018.** Comments can be submitted by mail, fax or email to:

Kachemak Bay State Planning
550 West 7th Ave., Suite 1050
Anchorage, AK 99501
Fax: (907)269-8915
Email: monica.alvarez@alaska.gov

CITY ATTORNEY REPORT

COMMITTEE REPORTS

PENDING BUSINESS

CITY OF HOMER
HOMER, ALASKA

Aderhold

ORDINANCE 18-39

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING HCC 21.18.040 TO REDUCE THE SETBACK PERMITTED
FROM 20 FEET TO 10 FEET IN THE CENTRAL BUSINESS DISTRICT.

WHEREAS, It is in the City's best interest to permit uses outright that promote the goals of the Homer Comprehensive Plan, including permitting setback reductions in the Central Business District that would promote walkable business district locations located on local, non-arterial roads.

THE CITY OF HOMER HEREBY ORDAINS:

Section 1. Chapter 21.18.040 is amended to read as follows:

21.18.040 Dimensional requirements.

The following dimensional requirements shall apply to all structures and uses in the Central Business District:

a. Lot Size.

1. The minimum lot area shall be 6,000 square feet. Lawful nonconforming lots of smaller size may be newly developed and used if off-site parking is provided in accordance with the City parking code, Chapter 21.55 HCC;

2. Multiple-family dwelling containing three or more units shall meet the standards in HCC 21.14.040(a)(2);

3. Townhouses shall meet the standards in HCC 21.53.010.

b. Building Setbacks.

1. Buildings shall be set back ~~10~~ 20 feet from all dedicated rights-of-way, except as **required or** allowed by subsection (b)(4) of this section.

2. Nonresidential buildings shall be set back five feet from all other lot boundary lines except the minimum setback shall be two feet from all other boundary lines when firewalls are provided and access to the rear of

43 the building is otherwise provided (e.g., alleyways) as defined by the State Fire
44 Code and enforced by the State Fire Marshal.

45
46 3. Residential buildings shall be set back five feet from all other lot boundary
47 lines.

48
49 4. **Setbacks from a dedicated right-of-way from** ~~If approved by a~~
50 ~~conditional use permit, the setback from a dedicated right of way, except from~~
51 ~~the Sterling Highway or Lake Street~~ **arterial roads, shall be at least 20 feet. may**
52 ~~be reduced.~~ **For purposes of this subsection, “arterial” roads means a**
53 **street, road, boulevard or highway that emphasizes mobility and is**
54 **designed to carry higher volumes at higher speeds, attributes that usually**
55 **conflict with safe access. Sterling Highway is an example arterial street.**
56

57 5. Alleys are not subject to a **10** ~~20~~-foot setback requirement. The setback
58 requirements from any lot line abutting an alley will be determined by the
59 dimensional requirements of subsections (e)(1) and (2) of this section.

60
61 6. Any attached or detached accessory building shall maintain the
62 same yards and setbacks as the main building.

63
64 c. Building Height. The maximum building height shall be 35 feet.

65
66 d. No lot shall contain more than 8,000 square feet of building
67 area (all buildings combined), nor shall any lot contain building area in excess of 30
68 percent of the lot area, without an approved conditional use permit.

69
70 e. Building Area and Dimensions – Retail and Wholesale.

71
72 1. The total floor area of retail and wholesale business uses within a
73 single building shall not exceed 75,000 square feet.

74
75 2. No conditional use permit, planned unit development, or variance may be
76 granted that would allow a building to exceed the limits of subsection (e)(1) of
77 this section and no nonconforming use or structure may be expanded in any
78 manner that would increase its nonconformance with the limits of subsection
79 (e)(1) of this section.

80
81 Section 2. This ordinance shall take effect upon its adoption by the Homer City
82 Council.
83

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE
COMMENTS OF THE CITY ATTORNEY
COMMENTS OF THE CITY CLERK
COMMENTS OF THE CITY MANAGER
COMMENTS OF THE MAYOR
COMMENTS OF THE CITY COUNCIL
ADJOURNMENT

