

# City Council

Monday, March 11, 2019

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



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



# March 2019

- Monday, 11<sup>th</sup>:**            **City Council**  
Special Meeting 4:00 p.m. Committee of the Whole 5:00 p.m. Regular Meeting 6:00 p.m.
- Tuesday, 12<sup>th</sup>:**            **Open Meetings Act Training for Mayor, Council, and Advisory Bodies with City Attorney Wells**  
Noon - 1:00 p.m.
- Economic Development Advisory Commission**  
Regular Meeting 6:00 p.m.
- Thursday, 14<sup>th</sup>:**            **ADA Compliance Committee**  
Regular Meeting 4:00 p.m. Conference Room
- Wednesday, 20<sup>th</sup>:**        **Planning Commission**  
Worksession 5:30 p.m. Regular Meeting 6:30 p.m.
- Thursday, 21<sup>st</sup>:**            **Parks Art Recreation and Culture Advisory Commission**  
Regular Meeting 5:30 p.m.
- Monday 25<sup>th</sup>:**              **Seward's Day**  
City Offices are closed
- Tuesday 26<sup>th</sup>:**              **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 2<sup>nd</sup> and 4<sup>th</sup> Mondays 6:00 p.m.  
Library Advisory Board 1<sup>st</sup> Tuesday 5:30 p.m. except January, April, August, November  
Economic Development Advisory Commission 2<sup>nd</sup> Tuesday 6:00 p.m.  
Parks Art Recreation and Culture Advisory Commission 3<sup>rd</sup> Thursday 5:30 p.m. except July, December, January  
Planning Commission 1<sup>st</sup> and 3<sup>rd</sup> Wednesday 6:30 p.m.  
Port and Harbor Advisory Commission 4<sup>th</sup> Wednesday 5:00 p.m. (May-August 6:00 p.m.)

## MAYOR AND CITY COUNCILMEMBERS AND TERMS

KEN CASTNER, MAYOR – 20  
SHELLY ERICKSON, COUNCILMEMBER – 19  
TOM STROOZAS, COUNCILMEMBER – 19  
RACHEL LORD, COUNCILMEMBER – 20  
CAROLINE VENUTI, COUNCILMEMBER – 20  
DONNA ADERHOLD, COUNCILMEMBER – 21  
HEATH SMITH, COUNCILMEMBER – 21

<http://cityofhomer-ak.gov/cityclerk> for home page access, Clerk's email address is: [clerk@ci.homer.ak.us](mailto: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](http://www.cityofhomer-ak.gov)



**SPECIAL MEETING**  
**4:00 P.M. MONDAY**  
**MARCH 11, 2019**  
**COWLES COUNCIL CHAMBERS**

MAYOR KEN CASTNER  
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, 4:00 P.M.**

Councilmember Stroozas 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. PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA**

**4. NEW BUSINESS**

- A.** Griswold v. City of Homer, 3HO-14-00243CI; Griswold v. City of Homer, 3HO-15-00009CI; Griswold v. City of Homer, 3HO-15-00021; and Griswold v. Homer Planning Commission, 3HO-18-00240CI

**5. COMMENTS OF THE AUDIENCE**

**6. ADJOURNMENT NO LATER THAN 4:50 P.M.**

Next Regular Meeting is Tuesday, March 26, 2019 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.



HOMER CITY COUNCIL  
491 E. PIONEER AVENUE  
HOMER, ALASKA  
[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)



**COMMITTEE OF THE WHOLE**  
**5:00 P.M. MONDAY**  
**MARCH 11, 2019**  
**COWLES COUNCIL CHAMBERS**

MAYOR KEN CASTNER  
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.**

Councilmember Stroozas 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. CONSENT AGENDA**

**4. REGULAR MEETING AGENDA**

**5. CITY MANAGER'S REPORT RE: RIGHT-OF-WAY CLEARING**

**6. COMMENTS OF THE AUDIENCE**

**7. ADJOURNMENT NO LATER THAN 5:50 P.M.**

Next Regular Meeting is Tuesday, March 26, 2019 at 6:00 p.m., Worksession at 4:00 p.m. and 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](http://www.cityofhomer-ak.gov)



**REGULAR MEETING**  
**6:00 P.M. MONDAY**  
**MARCH 11, 2019**  
**COWLES COUNCIL CHAMBERS**

MAYOR KEN CASTNER  
COUNCIL MEMBER DONNA ADERHOLD  
COUNCIL MEMBER HEATH SMITH  
COUNCIL MEMBER TOM STROOZAS  
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COUNCIL MEMBER RACHEL LORD  
CITY ATTORNEY HOLLY WELLS  
CITY MANAGER KATIE KOESTER  
CITY CLERK MELISSA JACOBSEN

## **REGULAR MEETING AGENDA**

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

### **1. CALL TO ORDER, PLEDGE OF ALLEGIANCE**

Councilmember Stroozas 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**

### **4. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

### **5. RECONSIDERATION**

### **6. CONSENT AGENDA**

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

- A. Homer City Council unapproved Special Meeting Minutes of February 21, 2019 and Regular Meeting Minutes of February 25, 2019. City Clerk. Recommend adoption.

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- B. **Memorandum 19-028** from City Clerk Re: Liquor Licenses Renewals for Beluga Lake Lodge, American Legion Post 16, Mermaid Café, and Boardwalk Fish & Chips. Recommend Approval. Page 45
- C. **Memorandum 19-034** from City Clerk Re: City of Homer Municipal Impact Statement. Recommend Approval. Page 89
- D. **Ordinance 19-11**, An Ordinance of the City Council of Homer, Alaska, Amending the 2019 Operating Budget to Appropriate Matching Funds in the Amount of \$40,097 from the HART Fund for Low-Impact Development Planning through the use of Green Infrastructure. City Manager/Public Works Director. Recommended Dates Introduction March 11, 2019, Public Hearing and Second Reading March 26, 2019. Page 95
- E. **Ordinance 19-12**, An Ordinance of the City Council of Homer, Alaska, Amending the 2019 Operating Budget to Appropriate Funds in the Amount of \$25,000 from the Harbor Reserve Account for the Final Design of the Harbor Barge Mooring Facility. City Manager/Port Director. Recommended Dates Introduction March 11, 2019, Public Hearing and Second Reading March 26, 2019. Page 99
- Memorandum 19-029 from Public Works Director as back up Page 101
- F. **Resolution 19-014**, A Resolution of the City Council of Homer, Alaska, Issuing a Lease for Proposal (RFP) to Manage, Lease, and Renovate the Homer Education and Recreation Complex (HERC 1). Erickson/Aderhold. Recommend Adoption. Page 105
- G. **Resolution 19-015**, A Resolution of the City Council of Homer, Alaska, Amending the Port and Harbor Advisory Commission Bylaws by Renaming Articles in a Manner that more Efficiently Outlines the Commission's Internal Operations that Govern the Orderly Discharge of its Responsibilities; and Amending Articles Titled Purpose, Members, Meetings, Committees, Bylaw Amendments, and Teleconferencing. City Clerk/Port & Harbor Advisory Commission. Recommend Adoption. Page 109
- Memorandum 19-030 from Port & Harbor Advisory Commission as backup Page 111
- H. **Resolution 19-016**, A Resolution of the City Council of Homer, Alaska, Amending the Library Advisory Board Bylaws by Renaming Articles in a Manner that more Efficiently Outlines the Board's Internal Operations that Govern the Orderly Discharge of its Responsibilities; and Amending Articles Titled Members, Meetings, Committees, Bylaw Amendments, and Teleconferencing. City Clerk/Library Advisory Board. Recommend Adoption. Page 121

Memorandum 19-031 from Library Advisory Board as backup

Page 123

- I. **Resolution 19-017**, A Resolution of the City Council of Homer, Alaska, Approving a Lease Assignment from Snug Harbor Seafoods Inc. to Copper River Seafoods Inc. and Authorizing the City Manager to Execute the Appropriate Documents for a New Twenty Year Lease with Options for Two Consecutive Five Year Lease Renewals for a Portion of Lot 13B, City of Homer Port Industrial Subdivision No. 2, According to Plat No. 80-92, at an Initial Annual Rate of \$12,996.12. City Manager. Recommend Adoption. Page 131

Memorandum 19-032 from Port & Harbor Advisory Commission as backup Page 133

- J. **Resolution 19-018**, A Resolution of the City Council of Homer, Alaska, Authorizing the Acceptance of an Alaska Clean Water Actions (AWCA) Grant for Low-Impact Development Planning in the Amount of \$59,784.50 and Authorizing the City Manager to Execute the Grant Agreement. City Manager/Public Works Director. Recommend Adoption. Page 197

## 7. VISITORS

- A. Alaska Command Northern Edge 2019 Training Update (10 minutes)
- B. Prince William Sound Regional Advisory Council – Robert Archibald (10 minutes)

## 8. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION/COMMITTEE REPORTS

- A. Mayor Pro Tem Report on Committee of the Whole Discussion
- B. Councilmember Report on Special Meeting
- C. Councilmember Travel Reports – AML Winter Conference February 19-21 in Juneau  
Page 203
- D. Borough Report
- E. Commissions/Board/Committee Reports (5 minute limit per report)
  1. Library Advisory Board
  2. Homer Advisory Planning Commission

3. Economic Development Advisory Commission
4. Parks Art Recreation and Culture Advisory Commission
5. Port and Harbor Advisory Commission
6. Americans with Disabilities Act Compliance Committee

**9. PUBLIC HEARING(S)**

- A. **Ordinance 19-07(S-3)(A)**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund **and \$7,827.95 from the General Fund** to **Homer Foundation for City of Homer Grants Related to Addiction Prevention, Treatment, Harm Reduction, and Recovery; and** Set Free Alaska for the Purpose of **to aid the Construction of a Residential and Out-Patient** Addiction Treatment Center in the **City of Homer. Aderhold/Venuti-Smith/Erickson** Introduction January 28, 2019, Public Hearing February 11, February 25, and March 11, 2019, Second Reading March 11, 2019. Page 217
- B. **Ordinance 19-10**, An Ordinance of the City Council of Homer, Alaska, Amending the Operating Budget in the Amount of \$19,700.00 from the Port and Harbor Reserves for the Purpose of Purchasing and Installing Fencing to Divide Lot 12, Homer Spit Subdivision No. 5 Secured Storage into Regulated and Unregulated Cargo Areas. City Manager/Port Director. Introduction February 25, 2019, Public Hearing and Second Reading March 11, 2019. Page 291

**10. ORDINANCE(S)**

**11. CITY MANAGER’S REPORT**

- A. City Manager’s Report Page 297
- B. Bid Report – Informational Only Page 325

**12. PENDING BUSINESS**

- A. **Ordinance 19-09**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a \$100,000 Service Extension Fees and Authorizing the Extension of City of Homer Water Services to Lot 2B, Puffin Acres Milepost 3, East End Road in Kachemak City. Mayor. Introduction February 11, 2019, Public Hearing and Second Reading February 25, 2019. Page 333

- B. **Resolution 19-012**, A Resolution of the City Council of Homer, Alaska, Amending the Council's Operating Manual Regarding Telephonic Participation, Re-Organizing Sections, Clarifying Language, and Adding Appendices for Homer City Code Excerpts. City Clerk. Page 353

Memorandum 19-033 from City Clerk as backup Page 411

- C. **Resolution 19-013**, A Resolution of the City Council of Homer, Alaska, Supporting the University of Alaska Underscoring the Key Role the Kachemak Bay Brand of the Kenai Peninsula College has in Homer and Encouraging Full Funding of the University at Existing Levels. Venuti. Page 415

**Resolution 19-013(S)**, A Resolution of the City Council of Homer, Alaska, Supporting the University of Alaska Underscoring the Key Role the Kachemak Bay Brand of the Kenai Peninsula College has in Homer and Encouraging Full Funding of the University at Existing Levels. Venuti. Page 417

**13. NEW BUSINESS**

**14. RESOLUTIONS**

- A. **Resolution 19-019**, A Resolution of the City Council of Homer, Alaska, Authorizing the Issuance of General Obligation Bonds in the Principal Amount of not to Exceed \$5,000,000 to Finance Part of the Cost of Planning, Design, and Construction of Police Station and Related Capital Improvements in the City; Fixing Certain Details of Such Bonds, Authorizing Their Sale, and Providing for Related Matters. City Manager. Page 423

**15. COMMENTS OF THE AUDIENCE**

**16. COMMENTS OF THE CITY ATTORNEY**

**17. COMMENTS OF THE CITY CLERK**

**18. COMMENTS OF THE CITY MANAGER**

**19. COMMENTS OF THE MAYOR**

**20. COMMENTS OF THE CITY COUNCIL**

**21. ADJOURNMENT**

Next Regular Meeting is Tuesday, March 26, 2019 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.





MAYORAL PROCLAMATIONS  
AND RECOGNITIONS



PUBLIC COMMENTS  
UPON MATTERS  
ALREADY ON THE AGENDA



# RECONSIDERATION



# CONSENT AGENDA





Session 19-05 a Special Meeting of the Homer City Council was called to order on February 21, 2019 at 10:30 a.m. p.m. by Mayor Pro Tem Smith at the City Hall Conference Room located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

**PRESENT:** COUNCILMEMBERS: ADERHOLD, ERICKSON, LORD, SMITH, VENUTI

**ABSENT:** MAYOR CASTNER, COUNCILMEMBER STROOZAS (Excused)

**STAFF:** CITY MANAGER KOESTER  
CITY CLERK JACOBSEN

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

#### **PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA**

#### **NEW BUSINESS**

- A. **Memorandum 19-026**, from City Clerk Re: Request for Executive Session Pursuant to AS §44.62.310(a-c)(1 & 5) Matters, the Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Government Unit and Attorney Client Privilege. (Attorney Advice and Direction Regarding Appropriate City Response to Enstar Tariff Filing TA310-4)

ERICKSON/ADERHOLD MOVED THAT THE COUNCIL ADJOURNS INTO EXECUTIVE SESSION PURSUANT TO AS §44.62.310(A-C)(1 & 5) MATTERS, THE IMMEDIATE KNOWLEDGE OF WHICH WOULD CLEARLY HAVE AN ADVERSE EFFECT UPON THE FINANCES OF THE GOVERNMENT UNIT AND ATTORNEY CLIENT PRIVILEGE. (ATTORNEY ADVICE AND DIRECTION REGARDING APPROPRIATE CITY RESPONSE TO ENSTAR TARIFF FILING TA310-4).

There was no discussion.

VOTE: YES: VENUTI, SMITH, ADERHOLD, LORD, ERICKSON

Motion carried.

Council went into executive session at 10:33p.m.

Mayor Pro Tem Smith called the meeting back to order at 10:58.

Councilmember Aderhold reported the Homer City Council met in executive session on Thursday, February 21, 2019 at 10:33 a.m. with City Attorneys Elizabeth Ross and Holly Wells,

Consultant James Keen and City Manager Koester to discuss strategy on how to respond to Tariff Filing TA310-4 Enstar Natural Gas Company filed the the Regulatory Commission of Alaska (RCA). The City Council gave the City Attorney direction to prepare a document to file with the RCA objecting to the filing. Further direction was given to retain the utility consultant as needed to submit the filing and to meet with Enstar in advance of the filing date.

**COMMENTS OF THE AUDIENCE**

**ADJOURN**

There being no further business to come before the Council Mayor Pro Tem Smith adjourned the meeting at 11:00 a.m. The next Regular Meeting is Monday, February 25, 2019 at 6:00 p.m., Worksession at 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.

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Melissa Jacobsen, MMC, City Clerk

Approved: \_\_\_\_\_

Session 19-06 a Regular Meeting of the Homer City Council was called to order on February 25, 2019 by Mayor Pro Tem Heath Smith at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

Mayor Pro Tem Smith announced Mayor Castner is excused, timely notice was given, and there was no objection expressed.

Mayor Pro Tem Smith asked for a motion to allow Councilmember Stroozas to participate telephonically.

LORD/VENUTI MOVED TO ALLOW COUNCILMEMBER STROOZAS TO PARTICIPATE TELEPHONICALLY

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**PRESENT:** COUNCILMEMBERS: ADERHOLD, ERICKSON, LORD, SMITH, STROOZAS  
(Telephonic), VENUTI

**ABSENT:** MAYOR CASTNER (Excused)

**STAFF:** CITY MANAGER KOESTER  
CITY CLERK JACOBSEN

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.)

Mayor Pro Tem Smith asked for a motion for the approval of the agenda as amended.

ERICKSON/VENUTI SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

## **MAYORAL PROCLAMATIONS AND RECOGNITIONS**

### **A. Recognition of former Councilmember John Fenske**

Mayor Pro Tem Smith read and presented the recognition to Lou Marion. Mr. Marion thanked Council for the recognition and thanked the community for their support.

## **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

Taz Tally, area resident, commented in support of developing a Wayfinding and Streetscape Plan for the City of Homer. These types of attractive and consistent visual guides feature some important component of our marketing infrastructure, which benefits everyone. He explained that the Homer Spit and Harbor walking routes have been improved making the area more welcoming and interesting to tourists and locals, and emphasized that these types of improvements will be beneficial to Pioneer Avenue and downtown Homer.

Larry Slone, city resident, commented regarding the recognition of John Fenske and his understanding that John didn't want a memorial because he was comfortable with what he'd accomplished in this world and his life. He was a renaissance man, a Jack of all Trades, and he will miss John.

Chris Holderied, city resident, shared her appreciation for the recognition of John Fenske. He was an amazing public servant, he gave hugely, and was dedicated to helping others and helping our community. She hopes to emulate those parts of what she saw him bring in what she carries forward. For as much as they disagreed frequently about many things, they were still able to work together, and he lived that model as well.

Alan Parks shared that he was on the Council with John Fenske and he and John were also friends. He shared about working with John on the Council and what John's friendship meant to him. He was a good friend who always put a lot of energy and effort into people. He won't forget what John contributed to his life.

## **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 February 11, 2019. City Clerk. Recommend adoption.
- B. **Memorandum 19-027** from Planning Re: Providing Further Direction Homer Area Transportation Plan Update. Recommend Approval.
- C. **Ordinance 19-10**, An Ordinance of the City Council of Homer, Alaska, Amending the Operating Budget in the Amount of \$19,700.00 from the Port and Harbor Reserves for the Purpose of Purchasing and Installing Fencing to Divide Lot 12, Homer Spit Subdivision No. 5 Secured Storage into Regulated and Unregulated Cargo Areas. City Manager/Port Director. Recommended dates Introduction February 25, 2019, Public Hearing and Second Reading March 11, 2019.
- D. **Resolution 19-012**, A Resolution of the City Council of Homer, Alaska, Amending the Council's Operating Manual Regarding Telephonic Participation, Re-Organizing Sections, Clarifying Language, and Adding Appendices for Homer City Code Excerpts. City Clerk. Recommend adoption.

Moved to Resolutions A. Aderhold

- E. **Resolution 19-013**, A Resolution of the City Council of Homer, Alaska, Supporting the University of Alaska Underscoring the Key Role the Kachemak Bay Brand of the Kenai Peninsula College has in Homer and Encouraging Full Funding of the University at Existing Levels. Venuti. Recommend Adoption.

Moved to Resolutions B. Aderhold

Item D and E moved to Resolutions A and B. Aderhold

City Clerk Jacobsen read the consent agenda with the recommendations.

Mayor Pro Tem Smith asked for a motion for the adoption of the consent agenda as read.

ERICKSON/VENUTI SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

## VISITORS

A. Presentation on Wayfinding and Streetscapes – Economic Development Advisory Commission (10 minutes)

Karin Marks, Economic Development Advisory Commission Chair and Jeffery Johnson, Economic Development Advisory Commissioner, presented to Council. They explained the Commission has been working on a Wayfinding and Streetscape Plan for Homer in response to the Business Retention and Expansion survey the Commission completed last year. Respondents to the survey indicated that beautification improvements, particularly on Pioneer Avenue and the Central Business Districts (CBD), and greenspace and walkability are ways to improve both the business environment and quality of life in Homer.

Wayfinding is using landmarks, signage, and pathways to help navigate and experiences a place, and Streetscapes are amenities that promote safety, comfort and an interest in exploring an area on foot. A Wayfinding and Streetscape Plan would identify a system to help orient visitors and assist them in moving around Pioneer Avenue and the CBD using effective signage and land marks, and also increase safety by clearly identifying tsunami evacuation routes and safe zones. The plan will assist in guiding future purchasing and placement of streetscape and public space enhancements along routes and points of interest, and provide a vision to encourage State and private business in areas like placement of wayfinding signs and hosting parks or bench locations.

Mrs. Marks and Mr. Johnson addressed how Homer can benefit and compete for business patronage from tourists and locals through cohesive and thoughtful design, vibrant street environments, and wayfinding improvements to help pedestrians connect our landmarks and amenities. They identified economic benefits that include attracting new and repeat visitors by responding to changing demographic and economic trends, support for local businesses, and local tax revenues. They showed pictures of what we have in the area now, including varying signage and sign clutter, and pictures of creative signage from other communities. The EDC recommendation to City Council is to support their work on a new multi-modal Transportation Plan in which wayfinding-streetscape is included an integral component. If it is not included as part of an update to the Transportation Plan, the EDC recommends City Council consider ways to develop a stand-alone Streetscape-Wayfinding Plan.

**ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION/COMMITTEE REPORTS**

A. Mayor Pro Tem Report on Committee of the Whole Discussion

Councilmember Aderhold reported the Council reviewed consent and regular agenda items. They spent some time discussing the City Manager's Report and the March 5<sup>th</sup> worksession where that will include a legislative update and then discussion with Kachemak City Council

regarding city water service. They also touched on the meeting with the bond bank regarding the regarding the bond for the new police station.

B. Councilmember Report on Worksession Discussion

Councilmember Lord reported the Council reviewed and discussed the letters of interest that were submitted for the HERC and discussed next steps. A resolution will be coming forward at the next meeting by Councilmembers Aderhold and Erickson authorizing an RFP for third part property management to manage leases at the HERC.

C. Borough Report

D. Commissions/Board/Committee Reports (5 minute limit per report)

1. Library Advisory Board

Mark Massion, Library Advisory Boardmember gave a brief report about the Big Read.

2. Homer Advisory Planning Commission

3. Economic Development Advisory Commission

Karin Marks, Economic Development Advisory Commission Chair, reported members of the Homer Hockey Association have been attending their meeting and and have presented information looking at Homer Hockey as an economic engine in the off season. She also encourage people to look at the Chamber of Commerce Visitor Guide. They've made some changes and its moving in a positive direction.

4. Parks Art Recreation and Culture Advisory Commission

5. Port and Harbor Advisory Commission

6. Americans with Disabilities Act Compliance Committee

**PUBLIC HEARING(S)**

- A. **Ordinance 19-08**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2019 Operating Budget by Appropriating \$39,500 from Fire Reserves to Purchase Replacement Personal Protective Equipment for the Homer Volunteer Fire Department. City Manager/Fire Chief. Introduction February 11, 2019, Public Hearing and Second Reading February 25, 2019.

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

Mayor Pro Tem Smith asked for a motion for the adoption of Ordinance 19-08 by reading of title only for second and final reading.

ERICKSON/VENUTI SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- B. **Ordinance 19-09**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a \$100,000 Service Extension Fees and Authorizing the Extension of City of Homer Water Services to Lot 2B, Puffin Acres Milepost 3, East End Road in Kachemak City. Mayor. Introduction February 11, 2019, Public Hearing and Second Reading February 25, 2019.

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

Mayor Pro Tem Smith asked for a motion for the adoption of Ordinance 19-09 by reading of title only for second and final reading.

ERICKSON/LORD MOVED TO POSTPONE TO MARCH 11

Councilmember Lord noted that this is being postponed because a worksession has been scheduled on March 5<sup>th</sup> with Kachemak City Mayor and Council to discuss water service.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- C. **Ordinance 19-07(S)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund to Set Free Alaska for the Purpose of Securing Matching Funds to Establish an Addiction Treatment Center in Homer. Smith/Erickson. Introduction January 28, 2019, Second Reading and Public Hearing February 11, 2019.



**Ordinance 19-07(S-2)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund to **Mobilizing for Action Through Planning and Partnerships (MAPP) for the Opioid Task Force Coordination; Homer Foundation for City Of Homer Grants Related to Addiction Prevention, Treatment, Harm Reduction, and Recovery; and** Set Free Alaska For The Purpose Of Establishing an **a Residential** Addiction Treatment Center in Homer. **Smith/Erickson Aderhold/Venuti.**

**Ordinance 19-07(S-3)**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund **and \$7,827.95 from the General Fund** to **Homer Foundation for City of Homer Grants Related to Addiction Prevention, Treatment, Harm Reduction, and Recovery; and** Set Free Alaska for the Purpose of **to aid the Construction of a Residential and Out-Patient** Addiction Treatment Center in Homer. **Aderhold/Venuti/Smith/Erickson**

Mayor Pro Tem Smith opened the public hearing.

Sherry Hill, Operations Director of Set Free Alaska, commented they are a substance abuse treatment center in the MatSu Valley, providing outpatient and residential treatment, and also children's behavioral health services. They are looking at opening a 16 bed residential treatment center for men only in Homer, and at some point follow up with outpatient treatment for men and women. They have applied for a grant from the State for their \$2.7 million project and this will help them complete the project. They appreciate the opportunity to come to Homer and serve the clients in the community who are needing services, and look forward to collaborating with other efforts in the community.

Jull Lush, Executive Director of Sprout Family Services, member of the MAPP Steering Committee and Leadership Team for the Resilience Coalition, expressed her support for Ordinance 19-07(S-2). She appreciates Set Free's leadership in finding Homer as an open community to help support families in need, and also the attention given to local efforts surrounding opioid and substance use and misuse.

Brett Glidden commented she supports a local treatment center and questioned if there will be a seat at the table of the Board of Directors. She's concerned with the track record of services in Homer that aren't governed locally, or supported locally. She suggests addressing that before giving money.

Kate Finn, city resident, commented she has mixed reactions to the Set Free being the right organization to provide the service of a residential treatment center in Homer. People are on board with the City taking action for the mitigation, prevention, and treatment of addiction. Faith and spirituality are components of healing, but calling this a faith based organization

may be taking the focus way from some of the other aspects of our whole selves. She appreciates the intent of having local medical clinic back-up on this, but questions if it's enough. The idea that some treatment center is better than none is false because harm can be done in the least likely circumstances. City money going toward a faith based organization is probably not appropriate, but maybe it's time for the City to decide how much money it's willing to commit to outreach funding for local existing and to be created programs for prevention, education, and treatment.

Sandra Garrity, commenting on her behalf and Progressive Women in Homer who believe in separation of church and state and believe supporting a comprehensive medical model is a better use of public money. She shared information she learned about the Serenity House in Soldotna that took 10 years of planning and has been in effect for 20 years. They have a year-long comprehensive program that starts with detox, followed by intensive residential treatment, intensive outpatient program, then a less demanding outpatient program, and following that, group therapy is available to clients. They help with housing, transportation, and job placement. Research shows people who have long term results have at least one year of solid therapeutic support. There is a clinic associated with Serenity House, a provider who visits clients once a week, and a provider on call 24-7. They couldn't give her a success rate because it's different with every person because they have different goals. This seems like something that could be a community initiated and nurtured organization. So many people have seen the crisis and are willing to support something.

Paul Hueper, city resident, commented in support of Set Free coming to Homer. He learned about them a few years ago and they have a very successful program in place. It's run by professionals and their success rate is 80-90%. He addressed the economic advantage with the grant money set up in front of them and they'll have 15 employees coming in who are very well paid that would bring an economic boon to our community.

Justin Wade, resident of Atlanta but of Homer soon, briefly shared his experience of recovery as an opioid addict for 11 years. He's been 14 months free from chemicals working through a faith based program and currently teaches at one in Georgia. Addiction is a disease that's killing people daily. It's like cancer and it doesn't discriminate. He hasn't heard anyone fighting cancer discriminating whether their Doctor is faith based or of a certain belief system, if you need help, you need help. People are dying. This is a recovery program that would help this city and better the lives of men to pour back into the community. People are dying while this is being debated.

Adam Hykes, city resident, shared his understanding that the money being allocated is the same as what voters voted on for the police station. He questioned if the money for other organizations is being vetted the same as Set Free Alaska is now. Regarding separation of church and state, it is not actually in the Constitution, but paraphrased from Thomas Jefferson and describe the first amendment which reads "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof". He doesn't believe there is

a legal issue. Others more qualified have identified reasons that fully funding Set Free is the best move. On a personal note for him in the process of drug recovery it wasn't just getting off the substance, it was also acknowledging other spiritual beings, angels, demons, and the like. He was personally set free on two occasions from the influence of evil spirits and that is something Christians are equipped to do and medical professionals aren't.

Ginny Espenshade, city resident, she's saddened that we're at a place where almost everyone who doesn't have to be here, is here because they care about other humans and their struggles. We have so much in common but this process has created unnecessary division. She supports and understands the need for residential treatment services accessible to our community. We need to be strategic with what that looks like, and she wants our community to deal with this as a public health issue, not as a moral failure but as a disease, and to the extent Councilmembers feel it's their function to help fund it, she hopes they do it strategically.

Alan Parks appreciates what was just said. People suffering from addiction are not clients they are patients suffering from a health issue. It shouldn't be seen as an economic value, it's an economic crisis. In his family he's dealt with cancer and with an opioid crisis. He has been to treatment centers across the country, and one in Washington that's a hub of a variety of different treatment facilities. It's a very complex issue and there's not data on recovery that's been peer reviewed and proven correct. Recovery is different for everyone. It's awesome to hear what's worked for some who have shared, but there are others who have found recovery on a different platform. It's kind of like cancer, there are a lot of different treatment programs out there. If you're going to support this treatment center, what about the next one that has a good track record too? You need to be strategic, you need to be thoughtful, and move forward in a non-emotional way.

Marilyn Hueper, city resident, commented in support of all that's been said. If Serenity House were here now she'd say let's look for funds for them. It shouldn't be an either/or question, but the opportunity that there is one right now and people willing to step in and help. This is a small portion of matching funds and the State views Set Free as an organization that completely protects freedom from or to faith. If the State is going to issue a \$1.5 million grant, they've asked these questions and been vetted. She's a board member of Refuge Chapel, the location for the program and shared briefly how that came about with a transition in leadership and the availability of space in their building.

Ardith Mumma, city resident, State Chair of Addiction Policy Forum, member of the South Peninsula Opioid Task Force and the Kenai Re-entry Coalition, shared that she volunteers at the local prison on a weekly basis where she sees people who need treatment. Set Free ministries is a well-established business model that has been getting Medicaid and other insurances for 10 years now. They are expanding their business model into our community where we have no treatment. We haven't been able to sustain treatment here until Dr. Sara Spencer started the MAT which is just getting off the ground. Set Free's residential treatment center is vitally needed in our community. She questions that if this were some other entity

that wasn't faith based if they'd get the same push-back that Set Free is getting. It's a well-run business that's making a difference in peoples lives. There isn't any reason we can't support it because people are dying in our community.

Steve Zimmerman, city resident, said he supports something because there is a problem here. He questions how much money we have. The State's out of money and we're dredging for money elsewhere. This money came from the State Revenue Sharing and was put in Police Station fund. Now you want to take it back out. The fund hasn't had the bond let yet, there's more than you need so taking some out. You're taking this money we're going to pay for with a .3% sales tax, and he questions if the voters realize the police station fund might be paying for projects like this. To say it's not part of the fund isn't right, it could lower the amount of the bond. He questioned the best approach, maybe its prevention, maybe treatment, he's not sure. He agrees something needs to be done. He hopes someone's looked at their grant application as was suggested last meeting. His biggest concern is where the money is coming from and they denial that it's not coming from the police station fund, because it is.

There were no further comments.

Mayor Pro Tem Smith recapped that at the February 11<sup>th</sup> meeting a motion was made by Erickson/Smith to adopt Ordinance 19-07(S) by reading of title only. Following that a motion was made by Aderhold/Venuti to Substitute Ordinance 19-07(S-2) for 19-07(S), and then a motion to postpone was made and passed. The motion on the floor is:

ADERHOLD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 19-07(S-2) FOR 19-07(S)

He asked if there's any further discussion on the motion to substitute ORDINANCE 19-07(S-2) FOR 19-07(S)?

Councilmember Aderhold said she appreciates everyone who has testified and comments from people outside the meeting. She noted two issues she sees with this, one is do we use city funds for this project and the other, is it legal to use city funds for it. She noted the information she provided in the supplemental packet regarding the Community Assistance Program, State Statutes, and regulations, and referenced 3AAC180.010 (3). She'd like a legal opinion from the City Attorney on whether we can use Community Assistant Grant funds for this purpose. She also noted the comments from former Councilmember Reynolds at an earlier meeting about the quarterly worksessions Council held with the group that preceded the Opioid Task Force and Council told that group that they'd support them with resolutions, letters, or code changes, but we don't have funds to put toward anything, and our finances haven't changed. She said these are things she's struggling with.

Councilmember Venuti also expressed concern about the legality of this process, and noted the recent invocation issue that the Borough was sued over and lost. She also shared that there isn't enough data on their success rates and noted Mr. Parks' comments about measuring

statistics. Lastly she commented about the budget and these state funds probably won't be available again this year.

Councilmember Erickson asked City Manager Koester to explain where this funding is coming from.

City Manager Koester explained the \$177,000, the State FY2019 Community Assistance, was put into the police station fund by ordinance. At budget time Council identified a \$250,000 surplus in general fund revenue and dedicated that to the police station fund by amendment. We committed to funding \$2.5 million of the project through City revenue and bonding for \$5 million. Through those actions of putting away community assistance and the surplus the City exceeded the \$2.5 million target that Council set for the project. In the past community assistance had been used for community wide projects so the sponsors identified re-appropriating those funds to this project. Spending them on something else still leaves more than the \$2.5 million of City funds Council has committed to matching for the police station project.

Councilmember Erickson commented in the original ordinance, if they do not get the grant, those monies would stay in the police station fund. Her issue with the second substitute is that we are taking away \$50,000 from what we've endorsed as our commitment in the grant, and it messes with what she believes they've turned into the State. She appreciates what the Opioid Task Force has been working on in the City. She feels like S-3 is a more comfortable way of moving forward for all.

Councilmember Lord thanked everyone who has testified and shared comments with her. She fully supports the efforts and the project, but shared her frustration is the question of do we support paying City government dollars into this project and what it looks like. She understands the tight timeline, but the entity put forward a grant application with City of Homer dollars as a match, contingent on the Council passing that. This is public money and we are bound to be mindful and take time with these public funds. There are a lot of questions about this project, questions about faith, social services, what are the core services of the City, what is the budget process, what is the accountability for the city dollars going into this, and how are we strategic looking at how we spend our funds and look forward. We have a habit of throwing money at projects and she's uncomfortable with that system because it doesn't bode well with responsibly using City dollars. Government is not a place for tight timelines and we are limited in what we can do. She doesn't think they should be in this position of being on the hook for this money in this way and on this timeline, but the idea there are other community efforts going on and we have an opportunity to potentially support them through the substitute on the table.

Mayor Pro Tem Smith commented we're in a different place with our operational budget then we were two years ago when we were borrowing HART funds to balance the budget. We're

now running on a balanced budget. We've followed the same process here as with anything else and we either determine this is a safety and health issue for our community or it is not. We just passed \$39,000 for equipment for our fire hall with no discussion, it's a given they need it to succeed at their job. Set Free brought this to them through a collaborative effort with other organizations in the community that identified the need for a treatment center here. There hasn't been objection from any other organized effort to fight this problem. The percentages are clarified in the letter included in the packet, it's not the success rate as much as their feeling respected through the process. He can understand concerns but the reality is there will be different methods of treatment, but there is one before them, not multiple requests for a treatment center in Homer. There isn't an answer that is going to appease everyone, but he has faith in the community that we can come together and be divided. If there was a legal issue he doesn't think the State will approve it. Regarding the substitute, he recognizes the hard work of the task force and other components with MAPP clawing their way through the process the way they did creates resiliency within that group to really succeed over time, and had money been given in the beginning in hope it went in the right directions may not have been effective. Those efforts have led us to this point and going to allow us the opportunity to have Set Free here. He reiterated that the City is in a different place financially now than two years ago and this is a way to leverage the money in to form the police station fund which is for public safety and health, and leverage it in another way to help our officers. He won't support S-2 because it doesn't provide the same threshold of accountability and would be more in favor of putting it into a grant situation and apply through project specific needs.

Councilmember Lord commented she'd like to have more conversation about the grant process with the State as his comfort level with the vetting. That's what her question and concern is, and when you compare this ordinance to the appropriation of money to replace fire helmets at the fire hall is unfair to our Fire Department. That's our department and our employees and funding their equipment is not the same as spending \$177,000 on an outside entity of the city. She reiterated her concerns of accountably and process, the need for more information regarding the grant, and the allocation of City funds.

Councilmember Stroozas shared his agreement that the grant money they would receive from the State has been properly vetted and the State is doing their proper due diligence and the Title 2 issue raised earlier doesn't hold water with him.

Councilmember Aderhold suggested it might be helpful to see the request for proposals Set Free responded to. That would include the standards and stipulations placed on that grant by the State. They may not be the same standards placed on a municipality.

VOTE: NO: VENUTI, SMITH, ADERHOLD, LORD, STROOZAS, ERICKSON

Motion failed.

ERICKSON/VENUTI MOVED TO SUBSTITUTE ORDINANCE 19-07(S-3) FOR 19-07(S)

Councilmember Aderhold commented there are things she likes about S-3 over S-2 and asked why the sponsors dropped the funding for the Opioid Task Force.

Councilmember Smith explained the intent is to make some money available to other organizations working toward these ends but that it be based on a project specific merit based process that comes forward with a deliverable that has a budget and what their expectation of the City would be in helping bring it to fruition.

Councilmember Erickson added that setting it up with the Homer Foundation is it's a place for people to give and be able the funds.

There was discussion to confirm if the motion to substitute passes it will require another public hearing.

ADERHOLD/LORD MOVED TO AMEND LINES 18 AND 136 TO SAY TREATMENT FACILITY IN THE CITY OF HOMER.

Councilmember Aderhold said this clarifies the intent that the facility will be inside the city limits.

VOTE (Amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion on the motion to substitute.

VOTE: YES: ADERHOLD, LORD, VENUTI, STROOZAS, SMITH, ERICKSON

Motion carried.

LORD/VENUTI MOVED TO SCHEDULE ORDINANCE 19-07(S-3) FOR PUBLIC HEARING AT THEIR NEXT MEETING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Pro Tem Smith called for a recess at 8:04 p.m. and reconvened the meeting at 8:10 p.m.

**ORDINANCE(S)**

## **CITY MANAGER'S REPORT**

- A. City Manager's Report
- B. Bid Report
- C. Records Destruction Report

## **PENDING BUSINESS**

- A. **Resolution 19-007**, A Resolution of the City Council of Homer, Alaska, Establishing a Transportation Advisory Task Force with the Expressed Purpose of Advising the Advisory Planning Commission on the Homer Area Transportation Plan. Erickson.

Mayor Pro Tem Smith asked for a motion for the adoption of Resolution 19-007 by reading of title only.

No motion was made.

## **NEW BUSINESS**

### **RESOLUTIONS**

- A. **Resolution 19-012**, A Resolution of the City Council of Homer, Alaska, Amending the Council's Operating Manual Regarding Telephonic Participation, Re-Organizing Sections, Clarifying Language, and Adding Appendices for Homer City Code Excerpts. City Clerk.

LORD/ADERHOLD MOVED TO POSTPONE RESOLUTION 19-012 TO MARCH 11<sup>TH</sup>.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- B. **Resolution 19-013**, A Resolution of the City Council of Homer, Alaska, Supporting the University of Alaska Underscoring the Key Role the Kachemak Bay Brand of the Kenai



Peninsula College has in Homer and Encouraging Full Funding of the University at Existing Levels. Venuti.

ADERHOLD/VENUTI MOVED TO POSTPONE RESOLUTION 19-013 TO MARCH 11<sup>TH</sup>.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

### **COMMENTS OF THE AUDIENCE**

Steve Zimmerman, city resident, said it's been an interesting meeting and he appreciates the heartfelt discussion they've had, it's been interesting to watch. Regarding the police station fund, every penny that's left in the fund is a penny they don't have to bond and pay interest on. It's good to put more in there and keep it up as they can. He noted an earlier comment about the trail to Homer, and it says on our City Seal where the Land Ends and the Sea Begins, he has a 1976 Homer Commemorative Coin that reads Where the Trail Ends and the Sea Begins.

Lynn Spence, city resident, shared regarding Kachemak City that it seems fundamentally wrong to only one property outside city limits. She understands the line is out there already, but it doesn't seem fair. She thinks they need a process for it rather than selecting one site because you like the project. That doesn't seem like a good reason to change the policy.

Ginny Espenshade, city resident, said she appreciates what they are working through and especially how they are working through it. She thinks as an entity whose matching funding is cited in a grant, you should at least be able to see the budget and the budget narrative of the grant. Regarding wayfinding, she thinks it should be written into the HERC RFP, because that's a major corner and it could be where you showcase this is how we're going to start doing wayfinding in Homer.

### **COMMENTS OF THE CITY ATTORNEY**

City Attorney Wells was not in attendance.

### **COMMENTS OF THE CITY CLERK**

City Clerk Jacobsen had no comment.

## **COMMENTS OF THE CITY MANAGER**

City Manager Koester had no comment.

## **COMMENTS OF THE MAYOR**

Mayor Castner was absent.

## **COMMENTS OF THE CITY COUNCIL**

Councilmember Aderhold thanked Mayor Pro Tem Smith for the recognition of John Fenske, it was very important and appropriate. She thanked the City and community for allowing her to represent them in Juneau at the Alaska Municipal League. The Kachemak Bay National Estuarine Research Reserve will have a Lunch and Learn at Kachemak Bay Campus at noon, Friday, March 1<sup>st</sup> on climate adaptation and mitigation and includes the City's Climate Action Plan. Representative Vance will be in town this weekend and there are opportunities to meet with her Friday March 1<sup>st</sup> at 5:00 p.m. at Ninilchik Traditional Council and Saturday March 2<sup>nd</sup> at 10:00 a.m. at Kachemak Bay Campus, and she encouraged people to attend. She asked the City Manager if she could work on a refresher training on for Council on the Open Meetings Act, and advised she will be absent for the March 5<sup>th</sup> worksession.

Councilmember Erickson commented regarding the Senior Official All Hazards Training with City Employees, and people from the Borough and different local agencies. One thing she came away with is Interim Fire Chief Purcell is really prepared and it's nice to realize the depth and level of people in our community to lead us through something that could be catastrophic. It was also good to know how far along we are in our plans, she feels like we're doing well. It's important for us to have plans for our families and our neighbors should we have another major earthquake, and it's important as a business owner to have a plan also. On a lighter note, she encouraged everyone to get out and enjoy the ski trails, fat tire bike trails, and snow machine trails. It's a great time of year to get out and enjoy life.

Councilmember Lord commented her tulips and seed starts are starting to pop up. She thanked everyone who testified and Councilmembers for their discussion tonight. She appreciates the ability to have hard conversations. She hopes people are communicating with their legislators not only on the budget but also legislation that might be of interest to them. She encouraged asking legislators what their vision looks like for schools, Medicade, DHHS, and other areas of interest. Paul Banks PTA is holding an education funding forum for parents and community members next Tuesday at 6:00 p.m. She also noted the college is doing free, non-partisan sessions about how to be an advocate over the next few Mondays. This is a small state and it's our state so she hopes people find their voices and use them.

Councilmember Venuti commented the wayfinding plan fits in well with our evacuation plan, which was something they talked about at the All Hazards training last week. She thought what

the EDC proposed is important and she's going to make sure it doesn't get shelved. She cares about Pioneer Avenue and has a vision of it being just as busy as the Spit. She appreciated the recognition of John Fenske, he was a wonderful, giving man. She reiterated that for the next few Mondays from 5:00 to 6:00 p.m. there will be a non-partisan group discussing how to be an advocate for anything you care about in our government. The heat is on and our legislators need to hear from us. Lastly she thanked the people who testified tonight, it means a lot.

Councilmember Stroozas thanked the EDC for the information about a Wayfinding Plan for Homer, it coincides with a great book he borrowed from Planning and Zoning on the topic, and he encouraged others to read it when he's done. He said the tulips and daffodils are blooming in the Deep South, and he commented about the Chamber of Commerce State of the City Luncheon and encourage folk to attend.

Mayor Pro Tem Smith also commented about the All Hazards training and emphasized the importance of having a plan for the city and also as individuals. Trish Davis from the Red Cross attended and shared that people struggle to find shelter in times of need because there aren't trained people in Homer. If we want the Red Cross to participate during those times, then we need to have qualified people to run the shelters. He encouraged people to think about whether that's something they'd be willing to do, and said he suggested the representative contact the churches as those are ideal locations for some of these shelters. The high school won't be enough when there is a large need. He attended AML in Juneau, it was educational, he's grateful they're organized and they're going to work. He remains hopeful.

## **ADJOURN**

There being no further business to come before the Council Mayor Pro Tem Smith adjourned the meeting at 8:37 p.m. The next Regular Meeting is Monday, March 11, 2019 at 6:00 p.m., Special Meeting 4:00 p.m. and 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.

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Melissa Jacobsen, MMC, City Clerk

Approved: \_\_\_\_\_





# 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 19-028

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: FEBRUARY 6, 2019

SUBJECT: LIQUOR LICENSE RENEWALS FOR BELUGA LAKE LODGE, AMERICAN LEGION POST 16, MERMAID CAFÉ, AND BOARDWALK FISH & CHIPS

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We have been notified by the Alcohol Marijuana Control Office of liquor license renewals in the City of Homer for the following:

Lic. #	Doing Business As	License Type	Licensee	Premises Address
4795	Beluga Lake Lodge	Dispensary/Tourism	Johnson Inn Homer, LLC	204 Ocean Drive Loop
2466	American Legion Post 16	Club	American Legion Post 16 General Buckner Post	2410 East End Road
4728	Mermaid Café	Restaurant/Eating Place Public Convenience	Andrew & Sally Wills	3487 Main Street
4713	Boardwalk Fish & Chips	Restaurant/Eating Place Public Convenience	H&D, Inc.	4287 Homer Spit Rd. #4

RECOMMENDATION: Voice non objection and approval for the liquor license renewals.

Fiscal Note: Revenues.





February 4, 2019

City of Homer

Attn: City Clerk

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

Cc: [joanne@borough.kenai.ak.us](mailto:joanne@borough.kenai.ak.us)

[jblankenship@borough.kenai.ak.us](mailto:jblankenship@borough.kenai.ak.us)

[tshassetz@kpb.us](mailto:tshassetz@kpb.us)

**Re: Notice of 2019/2020 Liquor License Renewal Application**

<b>License Type:</b>	Club	<b>License Number:</b>	2466
<b>Licensee:</b>	American Legion Post #16, General Buckner		
<b>Doing Business As:</b>	American Legion Post #16		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alaska Alcoholic Beverage Control Board

**Master Checklist: Renewal Liquor License Application**

Doing Business As:	American Legion Post #16	License Number:	2466
License Type:	Club		
Examiner:	John	Transaction #:	979275

Document	Received	Completed	Notes
AB-17: Renewal Application	11/27/18	1/28/19	Licensee used a 2017 AB-17 to apply if there are any other changes other than Fees
App and License Fees	11/27/18	12/14/18	Renewal Fee short \$100 (Licensee used a 2017 AB-17)

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit			
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee	1/30/19	1/30/19	

Names on FP Cards:	
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	Yes	No
Selling alcohol in response to written order (package stores)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**LGB 1 Response:**

Waive     Protest     Lapsed

**LGB 2 Response:**

Waive     Protest     Lapsed





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

**Alaska Alcoholic Beverage Control Board**  
**Form AB-17: 2019/2020 Renewal License Application**

**What is this form?**

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing liquor license that will expire on December 31, 2018. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

**This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.**

**Section 1 – Establishment and Contact Information**

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	American Legion Post #16, General Buckner Post	License #:	2466
License Type:	Club	Legal Ref.:	AS 04.11.110
Doing Business As:	American Legion Post #16		
Premises Address:	2410 East Road		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		
Community Council:	None		
Mailing Address:	P.O. BOX 858		
City:	HOMER	State:	ALASKA
		ZIP:	99603

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

Contact Licensee:	William Sheldon	Contact Phone:	907 235 8864
Contact Email:	Post sixteen @ yahoo.com		

**Optional:** If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

Name of Contact:		Contact Phone:	
Contact Email:			



# Alaska Alcoholic Beverage Control Board Form AB-17: 2019/2020 Renewal License Application

## Section 2 – Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a **corporation** or **LLC**. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. **You may view your entity's status or find your CBPL entity number by visiting the following site: <https://www.commerce.alaska.gov/cbp/main/search/entities>**

General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

Alaska CBPL Entity #:	4570D
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You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.

WS

This subsection must be completed by any **community** or **entity**, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a **corporation**, the following information must be completed for each **stockholder who owns 10% or more** of the stock in the corporation, and for each **president, vice-president, secretary, and managing officer**.
- If the applicant is a **limited liability organization**, the following information must be completed for each **member with an ownership interest of 10% or more**, and for each **manager**.
- If the applicant is a **partnership**, including a limited partnership, the following information must be completed for each **partner with an interest of 10% or more**, and for each **general partner**.

**Important Note:** The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

Name of Official:	William Sheldon				
Title(s):	Secretary	Phone:	9072358864	% Owned:	0
Mailing Address:	P.O. Box 858				
City:	Homer	State:	Alaska	ZIP:	99603

Name of Official:	Michael Morawitz				
Title(s):	President	Phone:	9072358864	% Owned:	0
Mailing Address:	P.O. Box 858				
City:	Homer	State:	Alaska	ZIP:	99603

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:	50	ZIP:	



# Form AB-17: 2019/2020 Renewal License Application

## Section 3 – Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an **individual or multiple individuals** and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  applicant  affiliate (spouse)

Name:				Contact Phone:		
Mailing Address:						
City:			State:			ZIP:
Email:						

This individual is an:  applicant  affiliate (spouse)

Name:				Contact Phone:		
Mailing Address:						
City:			State:			ZIP:
Email:						

## Section 4 – Alcohol Server Education

This section must be completed only by the holder of a **beverage dispensary, club, or pub** license or **conditional contractor's permit**. The holders of all other license types should skip to Section 5.

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

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

## Section 5 – License Operation

Check a **single box** for each calendar year that best describes how this liquor license was operated: 2017    2018

The license was regularly operated continuously throughout each year.    

The license was regularly operated during a specific season each year.    

The license was only operated to meet the minimum requirement of 240 total hours each calendar year.       
*If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.*

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years.       
*If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.*



Alaska Alcoholic Beverage Control Board  
**Form AB-17: 2019/2020 Renewal License Application**

**Section 6 – Violations and Convictions**

Applicant violations and convictions in calendar years 2017 and 2018:

Yes No

Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

**Section 7 – Certifications**

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

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

[Signature]  
 Signature of licensee

[Signature]  
 Signature of Notary Public

William Sheldon  
 Printed name of licensee

Notary Public in and for the State of ALASKA

My commission expires: JAN 7, 2020



Subscribed and sworn to before me this 15<sup>TH</sup> day of DECEMBER, 2018.

Seasonal License?  Yes  No

If "Yes", write your six-month operating period: \_\_\_\_\_

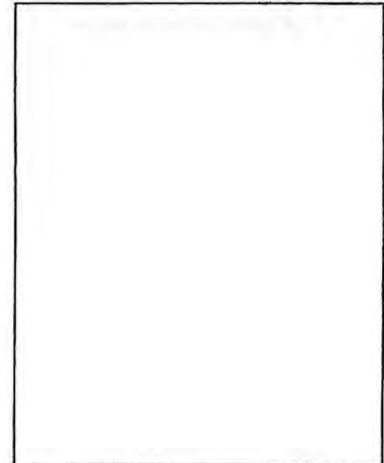
License Fee:	\$ 1200.00	Application Fee:	\$ 300.00	TOTAL:	\$ 1500.00
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					



THE STATE  
of **ALASKA**

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

**COR**



**Corporations Section**

State Office Building, 333 Willoughby Avenue, 9<sup>th</sup> Floor  
PO Box 110806, Juneau, AK 99811-0806  
Phone: (907) 465-2550 • Fax: (907) 465-2974  
Email: [corporations@alaska.gov](mailto:corporations@alaska.gov)  
Website: [Corporations.Alaska.Gov](http://Corporations.Alaska.Gov)

**Notice of Change of Officials**

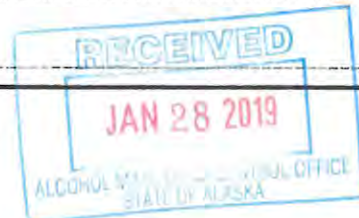
**Domestic Cooperative (AS 10.15)**

- This Notice of Change of Officials form is only for Domestic Cooperatives and is used to report changes in officers, directors, and shareholder information between biennial reporting periods.
- This Notice of Change of Officials will not be filed if the entity's biennial report is not current. To verify the entity's biennial report due date, go online to [www.Corporations.Alaska.Gov](http://www.Corporations.Alaska.Gov) and select *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.

<b>1. Important:</b>	AS 10.15.331
<p>Each Domestic Cooperative is required to notify this office when there is a change of officials. — AS 10.15.331</p> <p>Failure to meet this requirement may result in involuntary dissolution of the entity's authority to transact business in the State of Alaska. — AS 10.15.505 and AS 10.06.633(5)(7)</p> <p>The Domestic Cooperative is to keep and make available the records of the official(s) changes. — AS 10.15.315</p>	

<b>2. Fee:</b>	<input checked="" type="checkbox"/> \$25 Nonrefundable Filing Fee (CORF)	3 AAC 16.040(c)
<p>Mail this form and the non-refundable \$25 filing fee in U.S. 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.</p>		

<b>3. Entity Information:</b>	AS 10.15.331
<p>Entity Name: <u>General Buckner Post 16, American Legion, Department of Alaska</u></p> <p>Alaska Entity Number: <u>4570D</u></p>	



**4. REMOVE from Record:**

AS 10.15.331(b)

The following officials (officers, directors, shareholders, and general manager) will be completely removed from the record as a result of this filing:

Name: Eileen Faulkner Name: \_\_\_\_\_  
 Name: \_\_\_\_\_ Name: \_\_\_\_\_

If an official is not being removed from record, then list them in Item #5 below (with their current information).

**5. ALL Current Officials:**

AS 10.15.331(b) and  
AS 10.15.580

The following is a complete list of ALL remaining and new officials who will be on record as a result of this filing. Domestic Cooperatives must have a President, Vice-President, Secretary, Treasurer, and at least three (3) Directors. Each principal officer must be a Director of the Cooperative, except for Secretary, Treasurer and one Vice-President (if the by-laws provide for more than one). — AS 10.15.175 and 10.15.140(b)

List ALL officials and their current information to be on record.  
**BOLD fields are required.**

FULL LEGAL NAME	COMPLETE MAILING ADDRESS	% Owned	Shareholder	PRESIDENT	VICE-PRESIDENT	SECRETARY	TREASURER	DIRECTOR (3)	General Manager	Assistant Secretary	Assistant Treasurer
Michael Morawitz	Po Box 858, Homer, Alaska 99603	0		*							
William Sheldon	Po Box 858, Homer, Alaska 99603	0				*					
John Chappel	Po Box 858, Homer, Alaska 99603	0					*				

→ If necessary, use the following supplement page and include all information required above in Item #5.

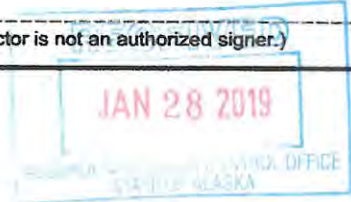
**6. Required Signature:**

AS 10.15.331(b) and  
AS 10.06.825

The Notice of Change of Officials must be signed by a principal officer (i.e., the president or vice-president) of the cooperative. 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: *Michael Morawitz* Date: Jan. 29, 2019  
 Printed Name: Michael Morawitz  
 Title of Authorized Signer: President

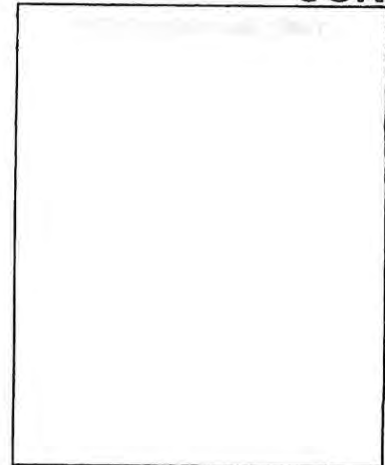
(Must be signed by a principal officer. A director is not an authorized signer.)





THE STATE  
of **ALASKA**  
Department of Commerce, Community and Economic Development  
Division of Corporations, Business and Professional Licensing

**COR**



**Corporations Section**  
State Office Building, 333 Willoughby Avenue, 9<sup>th</sup> Floor  
PO Box 110806, Juneau, AK 99811-0806  
Phone: (907) 465-2550 • Fax: (907) 465-2974  
Email: [corporations@alaska.gov](mailto:corporations@alaska.gov)  
Website: [Corporations.Alaska.Gov](http://Corporations.Alaska.Gov)

## Contact Information

- Return this form with your filing
- This information may be used by the Division to assist with processing your attached filings
- This form will not be filed for record, or appear online

<b>Entity Information</b>		Enter your entity information as it appears on this filing.
Entity Name:	General Buckner Post 16, American Legion, Department of Alaska	
AK Entity #:	4570D	

<b>Contact Person</b>		Whom may we contact with any questions or problems with this filing?
Company:	General Buckner Post 16, American Legion, Department of Alaska	
Contact:	William Sheldon	
Mailing Address:	Address: Po Box 858	
	City: Homer	State: AK ZIP: 99603
Phone:	907-235-8864	
Email:	PostSixteen@yahoo.com	

<b>Document Return Address</b>		Provide an address for the return of your filed documents.
<input checked="" type="checkbox"/> Return my filings to the address provided <b>ABOVE</b> <input type="checkbox"/> Return my filings to this address provided <b>BELOW</b>		
Company:	General Buckner Post 16, American Legion, Department of Alaska	
Contact:	William Sheldon	
Mailing Address:	Address: Po Box 858	
	City: Homer	State: AK ZIP: 99603



Details

# ENTITY DETAILS

## Name(s)

<b>Type</b>	<b>Name</b>
Legal Name	GENERAL BUCKNER POST #16, THE AMERICAN LEGION, DEPARTMENT OF ALASKA, INCORPORATED.

**Entity Type:** Nonprofit Corporation

**Entity #:** 4570D

**Status:** Good Standing

**AK Formed Date:** 8/3/1959

**Duration/Expiration:** Perpetual

**Home State:** ALASKA

**Next Biennial Report Due:** 7/2/2019

**Entity Mailing Address:** PO BOX 858, HOMER, AK 99603

**Entity Physical Address:** 41984 SLAVIN DR., HOMER, AK 99603

## Registered Agent

**Agent Name:** Paul Dauphinais

**Registered Mailing Address:** BOX 2344, HOMER, AK 99603

**Registered Physical Address:** 41984 SLAVIN DR., HOMER, AK 99603

## Officials

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former Owned
	Christina Nichols	Director	
	CRAIG FORREST	Director	
	DON RIDL	Director	
	JAMES COULTAS	Director	
	KEVIN ANDERSON	Director	
	Michael Morawitz	President	
	Paul Dauphinais	Vice President	
	WILLIAM SHELDON	Secretary, Treasurer	





# City of Homer

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

## Police Department

4060 Heath Street  
Homer, Alaska 99603

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

(p) 907-235-3150

(f) 907-235-3151

## Memorandum

TO: RENEK KRAUSE, MMC, DEPUTY CITY CLERK  
FROM: MARK ROBL, CHIEF OF POLICE  
DATE: FEBRUARY 19, 2019  
SUBJECT: LIQUOR LICENSE RENEWAL APPLICATION FOR AMERICAN LEGION POST #16

---

There is no objection to this Liquor License Renewal.

LICENSE TYPE: Club  
LICENSE # 2466  
DBA NAME American Legion Post #16  
SERVICE LOCATION: 2410 East End Road, Homer AK 99603  
LICENSEE: American Legion Post #16 General Buckner Post  
CONTACT PERSON: William Sheldon, 907-235-8864



## Office of the Borough Clerk

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

Johni Blankenship, MMC  
Borough Clerk

2/6/2019

Ms. Melissa Jacobsen  
City of Homer Clerk  
Homer City Hall  
491 E Pioneer Ave.  
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	AMERICAN LEGION #16, GENERAL BUCKNER
Business Name	:	AMERICAN LEGION POST #16
License Type	:	Club
License Location	:	2410 East Rd, City of Homer
License No.	:	2466
Application Type	:	License Renewal

Dear Ms. Jacobsen,

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

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

Sincerely,

Johni Blankenship, MMC  
Borough Clerk

JB/TS

Encl.

cc: postsixteen@yahoo.com; clerk@ci.homer.ak.us; DHenry@kpb.us;  
JRodgers@kpb.us



February 28, 2019

City of Homer  
Attn: City Clerk

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

Cc: [joanne@borough.kenai.ak.us](mailto:joanne@borough.kenai.ak.us)  
[jblankenship@borough.kenai.ak.us](mailto:jblankenship@borough.kenai.ak.us)  
[tshassetz@kpb.us](mailto:tshassetz@kpb.us)

**Re: Notice of 2019/2020 Liquor License Renewal Application**

<b>License Type:</b>	Beverage Dispensary – Tourism	<b>License Number:</b>	4795
<b>Licensee:</b>	Johnson Inn Homer, LLC		
<b>Doing Business As:</b>	Beluga Lake Lodge		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director  
[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alaska Alcoholic Beverage Control Board

## Master Checklist: Renewal Liquor License Application

Doing Business As:	Beluga Lake Lodge	License Number:	4795
License Type:	Beverage Dispensary - Tourism		
Examiner:	<i>Jordan</i>	Transaction #:	989158

Document	Received	Completed	Notes
AB-17: Renewal Application	12/7/18	12/7/18	
App and License Fees	12/7/18	12/7/18	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement	12/7/18	12/7/18	
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit			
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LGB 1 Response:

Waive     Protest     Lapsed

LGB 2 Response:

Waive     Protest     Lapsed



**Alaska Alcoholic Beverage Control Board**  
**Beverage Dispensary – Tourism License**  
**Form AB-17d: 2019/2020 Renewal License Application**

**What is this form?**

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing beverage dispensary – tourism liquor license that will expire on December 31, 2018. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

**This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.**

**Section 1 – Establishment and Contact Information**

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

<b>Licensee:</b>	Johnson Inn Homer, LLC	<b>License #:</b>	4795
<b>License Type:</b>	Beverage Dispensary - Tourism	<b>Statute:</b>	AS 04.11.400(d)
<b>Doing Business As:</b>	Beluga Lake Lodge		
<b>Premises Address:</b>	204 Ocean Dr Loop		
<b>Local Governing Body:</b>	City of Homer (Kenai Peninsula Borough)		
<b>Community Council:</b>	None		

<b>Mailing Address:</b>	575 Sterling Hwy		
<b>City:</b>	Homer	<b>State:</b>	AK
		<b>ZIP:</b>	99603

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

<b>Contact Licensee:</b>	Doug Johnson	<b>Contact Phone:</b>	907-299-1413
<b>Contact Email:</b>	DS_Bidarkainn@hotmail.com		

**Optional:** If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

<b>Name of Contact:</b>		<b>Contact Phone:</b>	
<b>Contact Email:</b>			



# Form AB-17d: 2019/2020 Tourism Renewal License Application

## Section 2 – Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a **corporation** or **LLC**. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. **You may view your entity's status or find your CBPL entity number by using the following site: <https://www.commerce.alaska.gov/cbp/main/search/entities>**

General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

Alaska CBPL Entity #:	10024779
-----------------------	----------

**You must ensure that you are able to certify the following statement before signing your initials in the box to the right:** Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.

This subsection must be completed by any **community** or **entity**, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a **corporation**, the following information must be completed for each **stockholder who owns 10% or more** of the stock in the corporation, and for each **president, vice-president, secretary, and managing officer**.
- If the applicant is a **limited liability organization**, the following information must be completed for each **member with an ownership interest of 10% or more**, and for each **manager**.
- If the applicant is a **partnership**, including a limited partnership, the following information must be completed for each **partner with an interest of 10% or more**, and for each **general partner**.

**Important Note:** The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

Name of Official:	Douglas Johnson				
Title(s):	Member	Phone:	907-299-1413	% Owned:	50
Mailing Address:	575 Sterling Hwy				
City:	Homer	State:	AK	ZIP:	99603

Name of Official:	Jacky Johnson				
Title(s):	Member	Phone:	907-299-3685	% Owned:	50
Mailing Address:	575 Sterling Hwy				
City:	Homer	State:	AK	ZIP:	99603

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	



Form AB-17d: 2019/2020 Tourism Renewal License Application

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an individual or multiple individuals and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: [ ] applicant [ ] affiliate (spouse)

Form with fields: Name, Contact Phone, Mailing Address, City, State, ZIP, Email

This individual is an: [ ] applicant [ ] affiliate (spouse)

Form with fields: Name, Contact Phone, Mailing Address, City, State, ZIP, Email

Section 4 – Alcohol Server Education

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

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.



Section 5 – License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

2017 2018

The license was regularly operated continuously throughout each year.

[X] [X]

The license was regularly operated during a specific season each year.

[ ] [ ]

The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

[ ] [ ]

If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years.

[ ] [ ]

If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.



DEC 07 2018



# Form AB-17d: 2019/2020 Tourism Renewal License Application

## Section 6 – Violations and Convictions

**Applicant violations and convictions in calendar years 2017 and 2018:**

Yes No

Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

## Section 7 – Certifications

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

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control (ABC) Board.

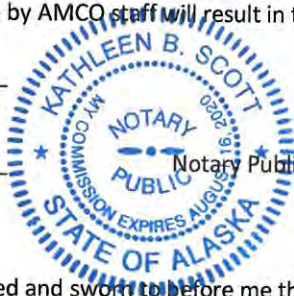
I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I am submitting as part of this application a written statement that meets the attached Tourism Statement Guidelines, for review by the Alcoholic Beverage Control Board.

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Signature of licensee

Douglas Johnson  
Printed name of licensee



Kathleen B. Scott  
Signature of Notary Public

Notary Public in and for the State of Alaska

My commission expires: 08/16/2020

Subscribed and sworn to before me this 5 day of December, 2018.

Seasonal License?  Yes  No

If "Yes", write your six-month operating period: \_\_\_\_\_

License Fee:	\$ 2500.00	Application Fee:	\$ 300.00	TOTAL:	\$ 2800.00
Miscellaneous Fees:					-
GRAND TOTAL (if different than TOTAL):					\$ 2800.00

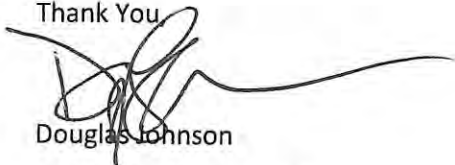


To Whom It May Concern:

10/10/2018

Our business encourages tourism by giving tourists a place to stay, dine and drink all in one establishment. We have close ties with several of the local businesses that cater to tourists visiting our area. Examples are several fishing charters, eco-tourism companies, air charters that cater to sight seeing and bear viewing, the Alaska marine highway terminal, hunting, water taxis, local art shops and the many businesses of the Homer Spit. Johnson Inn Homer LLC DBA Beluga Lake Lodge operates this facility for which a license is being applied. We offer 35 rooms, 9 of which have kitchen facilities, for overnight and longer accommodations all year round. Our rooms are Not stocked with any alcoholic drinks or products. We are also not located in an airport terminal. We have a Dinner facility that occupies the same space where the beverages are served. Lunch is also offered by special request. We have made many improvements in the last couple years to our existing kitchen, rooms, exterior and public areas. We continue to make improvements to our business that will make our guests visit to Alaska more comfortable and enjoyable.

Thank You



Douglas Johnson

Johnson Inn Homer LLC

DBA Beluga Lake Lodge

AMCO

DEC 07 2018

# Notice of Violation

(3AAC 304.625)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 12-27-2017

License #/Type: Beverage Dispensary / Tourism

Licensee: Johnson Inn Homer, LLC

Address: 204 Ocean Drive Loop, Homer, AK

DBA: Beluga Lake Lodge

AMCO Case #: AB17-0757

This is a notice to you as licensee that an alleged violation has occurred. If the Alcoholic Beverage Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 12-13-2017 an inspection was conducted at your establishment. On-duty bartender Ann Wimmerstadt was asked to provide proof of alcohol server education. Wimmerstadt's server education card had expired.

Your attention is directed to AS04.21.025: Server education, AS04.21.030: Responsibility of licensees, agents, and employees, and AS04.16.150: Licensee responsible for violations.

As part of your response, please send a copy of Wimmerstadt's server education card.

You are directed to respond in writing to this Notice of Violation within 10 days of receipt to explain what action you have taken to prevent a re-occurrence of this violation. FAILURE TO RESPOND TO THIS NOTICE OF VIOLATION WITHIN 10 DAYS WILL RESULT IN YOUR APPEARANCE, EITHER IN PERSON OR TELEPHONICALLY, BEFORE THE ABC BOARD AT THEIR NEXT REGULARLY SCHEDULED BOARD MEETING.

\*Please send your response to the address below and include your alcohol license number in your response.

3 AAC 304.625 (B) provides that upon receipt of a Notice of Violation, a licensee may request to appear before the Director and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice and the Director must grant an appearance within ten days after receipt of a request. A Licensee shall respond, either orally or in writing, to the Notice.

Alcohol & Marijuana Control Office  
ATTN: Enforcement  
550 W. 7<sup>th</sup> Ave, Suite 1600  
Anchorage, Alaska 99501  
[amco.enforcement@alaska.gov](mailto:amco.enforcement@alaska.gov)

Issuing Investigator: J. Hamilton

SIGNATURE: 

Delivered VIA: Mail

Received by: *Doug Johnson*

SIGNATURE:  #4795

Date: 01/03/2018

AMCO

DEC 07 2018

Details

# ENTITY DETAILS

## Name(s)

Type	Name
Legal Name	Johnson Inn Homer, LLC

**Entity Type:** Limited Liability Company

**Entity #:** 10024779

**Status:** Good Standing

**AK Formed Date:** 11/10/2014

**Duration/Expiration:** Perpetual

**Home State:** ALASKA

**Next Biennial Report Due:** 1/2/2020

**Entity Mailing Address:** 575 STERLING HWY, HOMER, AK 99603-7447

**Entity Physical Address:** 575 STERLING HWY, HOMER, AK 99603-7447

## Registered Agent

**Agent Name:** Douglas Johnson

**Registered Mailing Address:** 575 STERLING HWY, HOMER, AK 99603-7447

**Registered Physical Address:** 55156 HILL AVE., HOMER, AK 99603

## Officials

AK Entity #	Name	Titles	Owned	<input type="checkbox"/> Show Former
	Douglas Johnson	Member	50	
	Jacky Johnson	Member	50	

## Filed Documents

Date Filed	Type	Filing	Certificate
11/10/2014	Creation Filing	<a href="#">Click to View</a>	<a href="#">Click to View</a>
11/10/2014	Initial Report	<a href="#">Click to View</a>	
1/06/2016	Biennial Report	<a href="#">Click to View</a>	
11/06/2017	Biennial Report	<a href="#">Click to View</a>	



# CITY OF HOMER

## POLICE DEPARTMENT

4060 HEATH STREET HOMER, AK 99603-7609

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

### MEMORANDUM

DATE: March 4, 2019  
TO: Renee Krause, MMC, Deputy City Clerk  
FROM: Mark Robl, Chief of Police  
SUBJECT: Liquor License Renewals

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The Homer Police Department has no objection to the retail liquor license renewals for the following businesses.

License Type: Beverage Dispensary – Tourism  
License #: 4795  
DBA Name: Beluga Lake Lodge  
Service Location: 204 Ocean Drive Loop, Homer, AK 99603  
Licensee: Johnson Inn Homer, LLC.  
Contact Person: Doug Johnson, 907-299-1413



## Office of the Borough Clerk

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

Johni Blankenship, MMC  
Borough Clerk

3/1/2019

Ms. Melissa Jacobsen  
City of Homer Clerk  
Homer City Hall  
491 E Pioneer Ave.  
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	Johnson Inn Homer
Business Name	:	Beluga Lake Lodge
License Type	:	Beverage Dispensary/Tourism
License Location	:	204 Ocean Dr. Loop, City of Homer
License No.	:	4795
Application Type	:	License Renewal

Dear Ms. Jacobsen,

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

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

Sincerely,

Johni Blankenship, MMC  
Borough Clerk

JB/TS

Encl.

cc: dj\_bidarkainn@hotmail.com; clerk@ci.homer.ak.us; DHenry@kpb.us;  
JRodgers@kpb.us





February 21, 2019

City of Homer

Attn: City Clerk

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

Cc: [joanne@borough.kenai.ak.us](mailto:joanne@borough.kenai.ak.us)

[jblankenship@borough.kenai.ak.us](mailto:jblankenship@borough.kenai.ak.us)

[tshassetz@kpb.us](mailto:tshassetz@kpb.us)

**Re: Notice of 2019/2020 Liquor License Renewal Application**

<b>License Type:</b>	Restaurant/Eating Place – Public Convenience Seasonal	<b>License Number:</b>	4713
<b>Licensee:</b>	H & D, Inc.		
<b>Doing Business As:</b>	Boardwalk Fish & Chips		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alaska Alcoholic Beverage Control Board

**Master Checklist: Renewal Liquor License Application**

Doing Business As:	Boardwalk Fish & Chips	License Number:	4713
License Type:	Restaurant or Eating Place- Public Convenience Seasonal		
Examiner:	<i>Caine</i>	Transaction #:	1029410 ; 1029412

Document	Received	Completed	Notes
AB-17: Renewal Application	1/17/2019	2/21/19	
App and License Fees	1/17/2019	1/17/19	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit	1/17/2019	2/11/19	
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee	1/17/19	1/17/19	

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LGB 1 Response:

Waive     Protest     Lapsed

LGB 2 Response:

Waive     Protest     Lapsed





**Alaska Alcoholic Beverage Control Board**  
**Restaurant or Eating Place License**  
**Form AB-17a: 2019/2020 Renewal License Application**

**What is this form?**

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing restaurant or eating place liquor license that will expire on December 31, 2018. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

**This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.**

**Section 1 – Establishment and Contact Information**

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	H & D, Inc.	License #:	4713
License Type:	Restaurant or Eating Place - Public Convenience Seasonal	Statute:	AS 04.11.400(d)
Doing Business As:	Boardwalk Fish & Chips		
Premises Address:	4287 Homer Spit Rd, Unit 4		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		
Community Council:	None		

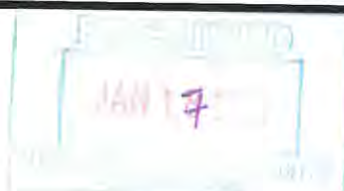
Mailing Address:	P.O. Box 1720		
City:	Homer	State:	AK
		ZIP:	99603

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

Contact Licensee:	Holly Cusack McVeigh	Contact Phone:	907-299-7770
Contact Email:	HMCUSACK@IUPUI.EDU		

**Optional:** If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

Name of Contact:	DARREN McVEIGH	Contact Phone:	907-399-2327
Contact Email:	DARRENBAC@GMAIL.COM		





# Form AB-17a: 2019/2020 Restaurant Renewal License Application

## Section 2 - Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. You may view your entity's status or find your CBPL entity number by visiting the following site: <https://www.commerce.alaska.gov/cbp/main/search/entities>

General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

Alaska CBPL Entity #:	# 106606
-----------------------	----------

You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.

*JKM*

This subsection must be completed by any community or entity, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

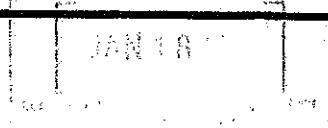
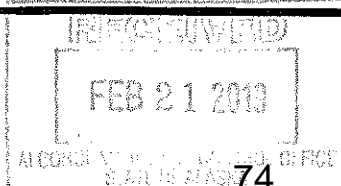
- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

**Important Note:** The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

Name of Official:	Holly M. Cusack McVeigh			
Title(s):	Pres./owner	Phone:	907-299-7770	% Owned: 100%
Mailing Address:	P.O. Box 1720			
City:	Homer	State:	AK	ZIP: 99603

Name of Official:				
Title(s):		Phone:		% Owned:
Mailing Address:				
City:		State:		ZIP:

Name of Official:				
Title(s):		Phone:		% Owned:
Mailing Address:				
City:		State:		ZIP:





# Form AB-17a: 2019/2020 Restaurant Renewal License Application

## Section 3 - Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an individual or multiple individuals and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  applicant  affiliate (spouse)

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

HEM

This individual is an:  applicant  affiliate (spouse)

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

## Section 4 - Alcohol Server Education

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

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

HEM

## Section 5 - License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

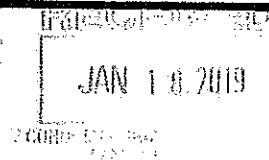
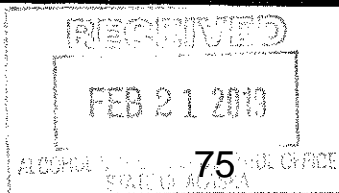
2017 2018

The license was regularly operated continuously throughout each year.

The license was regularly operated during a specific season each year.

The license was only operated to meet the minimum requirement of 240 total hours each calendar year. If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years. If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.





Alaska Alcoholic Beverage Control Board

Form AB-17a: 2019/2020 Restaurant Renewal License Application

Section 6 - Violations and Convictions

Applicant violations and convictions in calendar years 2017 and 2018:

Yes No

Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?

Yes: [ ] No: [X]

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?

Yes: [ ] No: [X]

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

Section 7 - Certifications

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

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

[Hem]

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control (ABC) Board.

[Hem]

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

[Hem]

I am submitting as part of this application a completed copy of Form AB-33: Restaurant Receipts Affidavit, to provide evidence to the ABC Board that this establishment met the food sales requirement set forth in AS 04.11.100(e).

[Hem]

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

[Signature of licensee]

Signature of licensee

[Signature of Notary Public]

Signature of Notary Public

[Printed name of licensee]

Printed name of licensee

Notary Public in and for the State of Indiana

My commission expires: 12/6/2024

Subscribed and sworn to before me this 11 day of February, 2019.

Seasonal License? Yes [X] No [ ]

If "Yes", write your six-month operating period: MAY-OCT

Table with 5 columns: License Fee, Application Fee, TOTAL, Miscellaneous Fees, GRAND TOTAL. Values: \$300.00, \$300.00, \$600.00, 500.00, 1100.00.



KATHERINE ANN ALVEY Notary Public State of Indiana Commission No. 694025 My Commission Expires December 6, 2024



Details

## ENTITY DETAILS

### Name(s)

Type	Name
Legal Name	H & D INC.
Previous Legal Name	D & H, Inc.

**Entity Type:** Business Corporation

**Entity #:** 106606

**Status:** Good Standing

**AK Formed Date:** 2/21/2007

**Duration/Expiration:** Perpetual

**Home State:** ALASKA

**Next Biennial Report Due:** 1/2/2019 [File Biennial Report](#)

**Entity Mailing Address:** PO BOX 1720, HOMER, AK 99603

**Entity Physical Address:** 4287 HOMER SPIT RD #12, HOMER, AK 99603

### Registered Agent

**Agent Name:** Holly Cusack-Mcveigh

**Registered Mailing Address:** 369 E PIONEER AVE, HOMER, AK 99603

**Registered Physical Address:** 4287 HOMER SPIT RD #12, HOMER, AK 99603

### Officials

AK Entity #	Name	Titles	Owned
	DARREN MCVEIGH	Treasurer	
	Holly Cusack-Mcveigh	Director, President, Shareholder, Secretary	100

Show Former

### Filed Documents

Date Filed	Type	Filing	Certificate
2/21/2007	Creation Filing	<a href="#">Click to View</a>	
4/16/2007	Initial Report	<a href="#">Click to View</a>	
4/16/2007	Agent Change	<a href="#">Click to View</a>	





February 22, 2019

City of Homer

Attn: City Clerk

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

Cc: [joanne@borough.kenai.ak.us](mailto:joanne@borough.kenai.ak.us)

[jblankenship@borough.kenai.ak.us](mailto:jblankenship@borough.kenai.ak.us)

[tshassetz@kpb.us](mailto:tshassetz@kpb.us)

**Re: Notice of 2019/2020 Liquor License Renewal Application**

<b>License Type:</b>	Restaurant/Eating Place – Public Convenience	<b>License Number:</b>	4728
<b>Licensee:</b>	Andrew & Sally Wills		
<b>Doing Business As:</b>	Mermaid Café		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alaska Alcoholic Beverage Control Board

**Master Checklist: Renewal Liquor License Application**

Doing Business As:	Mermaid Cafe'	License Number:	4728
License Type:	Restaurant/Eating Place - Public Convenience		
Examiner:	JOHN	Transaction #:	1012058 ✓

Document	Received	Completed	Notes
AB-17: Renewal Application	1/4/19	2/22/19	
App and License Fees	1/4/19	1/4/19	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation	2/14/19	2/22/19	
AB-33: Restaurant Affidavit	1/4/19	1/4/19	
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LGB 1 Response:

LGB 2 Response:

- Waive   
  Protest   
  Lapsed   
  Waive   
  Protest   
  Lapsed





**Alaska Alcoholic Beverage Control Board**  
**Restaurant or Eating Place License**  
**Form AB-17a: 2019/2020 Renewal License Application**

**What is this form?**

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing restaurant or eating place liquor license that will expire on December 31, 2018. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

**This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.**

**Section 1 – Establishment and Contact Information**

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

<b>Licensee:</b>	Andrew & Sally Wills	<b>License #:</b>	4728
<b>License Type:</b>	Restaurant or Eating Place - Public Convenience	<b>Statute:</b>	AS 04.11.400(d)
<b>Doing Business As:</b>	Mermaid Café		
<b>Premises Address:</b>	3487 Main St		
<b>Local Governing Body:</b>	City of Homer (Kenai Peninsula Borough)		
<b>Community Council:</b>	None		

<b>Mailing Address:</b>	20. bar 382				
<b>City:</b>	Homer	<b>State:</b>	Alaska	<b>ZIP:</b>	99603

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

<b>Contact Licensee:</b>	Andrew Wills	<b>Contact Phone:</b>	907-399-4338
<b>Contact Email:</b>	books@ak.net		

**Optional:** If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

<b>Name of Contact:</b>		<b>Contact Phone:</b>	
<b>Contact Email:</b>			



# Form AB-17a: 2019/2020 Restaurant Renewal License Application

## Section 2 – Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a **corporation** or **LLC**. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. **You may view your entity's status or find your CBPL entity number by visiting the following site:** <https://www.commerce.alaska.gov/cbp/main/search/entities>

General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

<b>Alaska CBPL Entity #:</b>	
------------------------------	--

**You must ensure that you are able to certify the following statement before signing your initials in the box to the right:** Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.

--

This subsection must be completed by any **community** or **entity**, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a **corporation**, the following information must be completed for each **stockholder who owns 10% or more** of the stock in the corporation, and for each **president, vice-president, secretary, and managing officer**.
- If the applicant is a **limited liability organization**, the following information must be completed for each **member with an ownership interest of 10% or more**, and for each **manager**.
- If the applicant is a **partnership**, including a limited partnership, the following information must be completed for each **partner with an interest of 10% or more**, and for each **general partner**.

**Important Note:** The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

<b>Name of Official:</b>				
<b>Title(s):</b>		<b>Phone:</b>		<b>% Owned:</b>
<b>Mailing Address:</b>				
<b>City:</b>		<b>State:</b>		<b>ZIP:</b>

<b>Name of Official:</b>				
<b>Title(s):</b>		<b>Phone:</b>		<b>% Owned:</b>
<b>Mailing Address:</b>				
<b>City:</b>		<b>State:</b>		<b>ZIP:</b>

<b>Name of Official:</b>				
<b>Title(s):</b>		<b>Phone:</b>		<b>% Owned:</b>
<b>Mailing Address:</b>				
<b>City:</b>		<b>State:</b>		<b>ZIP:</b>

AMCO

JAN 04 2019



Alaska Alcoholic Beverage Control Board

Form AB-17a: 2019/2020 Restaurant Renewal License Application

Section 3 - Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an individual or multiple individuals and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: [X] applicant [ ] affiliate (spouse)

Form for Andrew Wills: Name: Andrew Wills, Contact Phone: 907-399-8238, Mailing Address: P.O. Box 382, City: Homer, State: Alaska, ZIP: 99603, Email: becks@ak.net

This individual is an: [X] applicant [X] affiliate (spouse)

Form for Kelly Wills: Name: Kelly Wills, Contact Phone: 907-399-4337, Mailing Address: P.O. Box 382, City: Homer, State: Alaska, ZIP: 99603, Email: becks@ak.net

Section 4 - Alcohol Server Education

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

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

[Signature Box]

Section 5 - License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

2017 2018

The license was regularly operated continuously throughout each year.

[X] [ ]

The license was regularly operated during a specific season each year.

[ ] [X]

The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.

[X] [X] (with handwritten 'aw' next to the 2018 box)

2018 only

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years.

[ ] [ ]

If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.

JAN 04 2019



# Form AB-17a: 2019/2020 Restaurant Renewal License Application

## Section 6 – Violations and Convictions

Applicant violations and convictions in calendar years 2017 and 2018:

Yes No

Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?

Yes  No

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?

Yes  No

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

## Section 7 – Certifications

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

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

AW

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control (ABC) Board.

AW

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

AW

I am submitting as part of this application a completed copy of Form AB-33: Restaurant Receipts Affidavit, to provide evidence to the ABC Board that this establishment met the food sales requirement set forth in AS 04.11.100(e).

AW

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

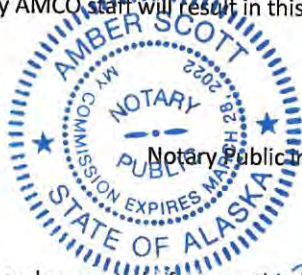
*Andrew Mc Wells*

*[Signature]*

Signature of licensee

Signature of Notary Public

*Andrew Mc Wells*  
Printed name of licensee



Notary Public in and for the State of

*Alaska*

My commission expires:

*March 28<sup>th</sup>, 2022*

Subscribed and sworn to before me this

*31<sup>st</sup>*

day of

*December*

, 20 *18*

Seasonal License? Yes  No

If "Yes", write your six-month operating period: \_\_\_\_\_

License Fee:	\$ 600.00	Application Fee:	\$ 300.00	TOTAL:	\$ 900.00
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					



# City of Homer

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

Police Department

4060 Heath Street  
Homer, Alaska 99603

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

(p) 907-235-3150

(f) 907-235-3151

## Memorandum

TO: RENEK KRAUSE, MMC, DEPUTY CITY CLERK  
FROM: MARK ROBL, CHIEF OF POLICE  
DATE: FEBRUARY 27th, 2019  
SUBJECT: LIQUOR LICENSE RENEWALS, BOARDWALK FISH & CHIPS, MERMAID CAFE.

---

There is no objection to these Liquor License Renewals.

LICENSE TYPE: Restaurant or Eating Place – Public Convenience  
LICENSE # 4713  
DBA NAME: Boardwalk Fish & Chips  
SERVICE LOCATION: 4287 Homer Spit Rd., Unit #4, Homer, AK 99603  
LICENSEE: H & D, Inc.  
CONTACT PERSON: Holly Cusack McVeigh, 907-299-7770  
Darren McVeigh, 907-399-2327

LICENSE TYPE: Restaurant or Eating Place – Public Convenience  
LICENSE # 4728  
DBA NAME: Mermaid Cafe  
LICENSEE: Andrew and Sally Wills, Sole Proprietors  
Contact Person: Andrew Wills, 907-399-4338



## Office of the Borough Clerk

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

Johni Blankenship, MMC  
Borough Clerk

2/27/2019

Ms. Melissa Jacobsen  
City of Homer Clerk  
Homer City Hall  
491 E Pioneer Ave.  
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	Wills, Andrew & Sally
Business Name	:	Mermaid Café
License Type	:	Restaurant/Eating Places - Public Convenience
License Location	:	3487 Main St., City of Homer
License No.	:	4728
Application Type	:	License Renewal

Dear Ms. Jacobsen,

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

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

Sincerely,

Johni Blankenship, MMC  
Borough Clerk

JB/TS

Encl.

cc: books@ak.net; clerk@ci.homer.ak.us; DHenry@kpb.us; JRodgers@kpb.us



## Office of the Borough Clerk

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

Johni Blankenship, MMC  
Borough Clerk

2/22/2019

Ms. Melissa Jacobsen  
City of Homer Clerk  
Homer City Hall  
491 E Pioneer Ave.  
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	D & H Inc.
Business Name	:	BOARDWALK FISH & CHIPS
License Type	:	Restaurant/Eating Places - Public Convenience
License Location	:	4287 Homer Spit Rd. Unit # 4, City of Homer
License No.	:	4713
Application Type	:	License Renewal

Dear Ms. Jacobsen,

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

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

Sincerely,

Johni Blankenship, MMC  
Borough Clerk

JB/TS

Encl.

cc: hmcusack@iupui.edu; clerk@ci.homer.ak.us; DHenry@kpb.us; JRodgers@kpb.us







# City of Homer

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

## Office of the City Clerk

491 East Pioneer Avenue  
Homer, Alaska 99603

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

(p) 907-235-3130

(f) 907-235-3143

## Memorandum 19-034

TO: MAYOR CASTNER AND HOMER CITY COUNCIL  
FROM: MELISSA JACOBSEN, MMC, CITY CLERK  
DATE: FEBRUARY 6, 2019  
SUBJECT: CITY OF HOMER MUNICIPAL IMPACT STATEMENT

---

Attached is the City of Homer Municipal Impact Statement that will be sent to Governor Dunlevy and Legislators.

### RECOMMENDATION:

Approve the City of Homer Municipal Impact Statement





## City of Homer

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

## Homer City Council

491 East Pioneer Avenue  
Homer, Alaska 99603

(p) 907-235-3130

(f) 907-235-3143

March 11, 2019

Honorable Governor Dunleavy  
Alaska State Legislature, State Capitol  
120 4<sup>th</sup> St.  
Juneau, Alaska 99801

RE: City of Homer Municipal Impact Statement

Honorable Governor Dunleavy and Members of the Alaska State Legislature,

We appreciate the State's commitment to sustainable spending but want to draw attention to the unsustainable impact the proposed FY20 budget will have on local governments in Alaska and offer our support for considering revenue solutions.

### REVENUE SOLUTIONS

The Homer City Council wants to be proactive and is supportive of a sincere and honest look at new revenue for the State of Alaska. This includes:

- Examining the oil tax credit structure to ensure oil and gas exploration is not being subsidized by citizens
- Exploring an income tax
- Using our largest asset, the Permanent Fund, to fund essential government services by capping the Permanent Fund Dividend

### IMPACT OF PROPOSED CUTS IN HOMER

The City of Homer is responsible for municipal governance in our community of 5,313 residents. We have 101.5 full time employees who fulfill the obligations of a local government. Our ability to do so is limited by statute, public interest, and available resources. Traditionally those resources have included State and Federal funding, which offset the burdens that might otherwise be felt by a local tax base.

On average our tax revenue comprises 72% of our total General Fund budget, and any impact from State decision-making on Alaska's economy further weakens the City's ability to sustainably serve our community. The City of Homer is very concerned about the impact cuts to the University, Alaska Marine Highway System, education, and Medicaid will have on our local economy.

- The Kachemak Bay Branch of the Kenai Peninsula College is part of the fabric of Homer. It educates students in a formal learning environment and the community through diverse programming. It provides critical job training for everyone from fisherman to nurses and employs X professionals.
- The City of Homer is the Home Port to the M/V Tustemena. In addition to employing local residents, the Alaska Marine Highway System brings visitors and residents throughout town as a gateway to Seldovia, Kodiak, and Western Alaska.

- South Peninsula Hospital is the largest employer in Homer with over 400 professional jobs. The Hospital provides critical care to our residents; the Kenai Peninsula Borough has the fastest growing senior population in the State.
- Cuts to the Kenai Peninsula Borough will have a direct impact on the City of Homer and our residents. We are especially concerned about \$20 million in cuts to the Kenai Peninsula Borough School District that will force the closure of schools and compromise the quality of education. Without good schools, people will leave Homer which will further effect our local economy and erode our tax base.

Based on the proposed FY20 budget, we have highlighted below some of the areas that will be directly impacted based on your administration’s proposed budget:

- Our Community Assistance funding was \$177,172 in State FY2019.
- Our receipt of the Petroleum Property Tax was \$5,998 in 2018.
- We received \$62,069 in 2018 in Fisheries Taxes from the State. These funds are invested directly back into our public access fish dock to support fishing industry infrastructure.

The City of Homer was hit hard in 2015 when the State reduced the contract with communities for shared prisoner space by 45% and we removed Community Assistance from our operating budget due to the uncertain future of the fund. Also during this time, the City Council cut the budget, which included staff reductions, and with voter approval, restructured sales tax to cover municipal operations. Recognizing the need to pay our own way, voters approved a .35% sales tax increase in 2018 to fund a long overdue police station. **The City of Homer and its residents have stepped up to the plate.** There is no room in our budget or tax base for further cost shifting.

We believe the proposed FY20 budget and approach that you have outlined reflects little concern for the burden that you have passed on to the residents of Alaska and the local governments that serve them. The City of Homer will work to mitigate the damage from these administrative actions while partnering with our legislative leaders to develop solutions that protect the public’s interest.

Sincerely,

Homer City Council

Mayor Ken Castner

Donna Aderhold

Heath Smith

Tom Stroozas

Shelly Erickson

Caroline Venuti

Rachel Lord

**ORDINANCE REFERENCE SHEET**  
**2019 ORDINANCE**  
**ORDINANCE 19-11**

An Ordinance of the City Council of Homer, Alaska, Amending the 2019 Operating Budget to Appropriate Matching Funds in the Amount of \$40,097 from the HART Fund for Low-Impact Development Planning through the use of Green Infrastructure.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting March 11, 2019 Introduction



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

3 City Manager/  
4 Public Works Director

5 **ORDINANCE 19-11**

6  
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
8 AMENDING THE 2019 OPERATING BUDGET TO APPROPRIATE  
9 MATCHING FUNDS IN THE AMOUNT OF \$40,097 FROM THE HART  
10 FUND FOR LOW-IMPACT DEVELOPMENT PLANNING THROUGH  
11 THE USE OF GREEN INFRASTRUCTURE.  
12

13 WHEREAS, The City is pleased to have been awarded a \$59,784.50 60-40 matching  
14 Alaska Clean Water Actions (ACWA) grant from the Alaska Department of Environmental  
15 Conservation (DEC) for low-impact development planning; and  
16

17 WHEREAS, City Council Resolution 18-086 authorized the City's grant request  
18 submission and Resolution 19-018 accepts and appropriates the grant award of \$59,784.50;  
19 and  
20

21 WHEREAS, The DEC ACWA Grant requires a local match of \$40,097; and  
22

23 WHEREAS, The project's low-impact development planning activities will help the City  
24 meet three criterion that qualifies it for the Homer Accelerated Road and Trails (HART)  
25 Program, namely (a) corrects drainage problems, (b) corrects deficiencies of existing systems,  
26 and (c) reduces maintenance costs  
27

28 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:  
29

30 Section 1. The Homer City Council hereby amends the FY 2019 Operating Budget to  
31 appropriate \$40,097.00 from the Homer Accelerated Road and Trails (HART) Program for the  
32 required local match to aid the City in developing a Master Stormwater Plan.  
33

34 Expenditure:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
160-0766	ACWA Low-Impact Development Planning Matching Funds	\$40,097

35  
36  
37  
38  
39  
40  
41





**ORDINANCE REFERENCE SHEET**  
**2019 ORDINANCE**  
**ORDINANCE 19-12**

An Ordinance of the City Council of Homer, Alaska, Amending the 2019 Operating Budget to Appropriate Funds in the Amount of \$25,000 from the Harbor Reserve Account for the Final Design of the Harbor Barge Mooring Facility.

Sponsor: City Manager/Port Director

1. City Council Regular Meeting March 11, 2019 Introduction

Memorandum 19-029 from Public Works Director as backup  
Homer Barge Mooring & Large Vessel Haul Out Repair Facility CIP FY20



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

3 City Manager/  
4 Port Director

5 **ORDINANCE 19-12**

6  
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
8 AMENDING THE 2019 OPERATING BUDGET TO APPROPRIATE  
9 FUNDS IN THE AMOUNT OF \$42,646 FROM THE HARBOR RESERVE  
10 FUND TO COMPLETE THE FINAL DESIGN OF THE HOMER BARGE  
11 MOORING FACILITY.  
12

13 WHEREAS, The City's #2 Capital Improvement Legislative Priority Request is the Homer  
14 Barge Mooring/Large Vessel Haul-Out Repair Facility; and  
15

16 WHEREAS, The City utilized a State Legislative Grant to initiate the design of the  
17 proposed Barge Mooring/Vessel Repair Haul-Out facility; and  
18

19 WHEREAS, These funds completed the design to a 65% level (including design, cost  
20 estimating and environmental permitting); and  
21

22 WHEREAS, Construction of this project, estimated to cost \$4.7M, has always been  
23 proposed to be completed in phases; and  
24

25 WHEREAS, The final design of the first phase of construction (the Barge Mooring facility)  
26 is estimated to be \$42,646; with the final design of the entire project estimated to be  
27 approximately \$178,400; and  
28

29 WHEREAS, Due to the current economic environment and our inability to identify  
30 construction funding for the entire project, staff suggests that only the final design of the Barge  
31 Mooring portion of the project be completed at this time (consistent with the Capital  
32 Improvement Plan) to create a shovel ready project.  
33

34 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:  
35

36 Section 1. The Homer City Council hereby amends the FY 2019 Operating Budget to  
37 appropriate \$42,646 from the Harbor Reserve Fund for the final design of the Barge Mooring  
38 Facility portion of the project.  
39

40 Expenditure:  
41

	<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
42			
43			
44	456-0380	Final Design	\$42,646
45		Homer Barge Mooring Facility	
46			

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

49  
50 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_ day of March, 2019.

51  
52

CITY OF HOMER

53  
54

\_\_\_\_\_  
KEN CASTNER, MAYOR

55  
56

57  
58

59 ATTEST:

60  
61

62 \_\_\_\_\_  
63 MELISSA JACOBSEN, MMC, CITY CLERK

64  
65

66  
67

67 Introduction:  
68 Public Hearing:  
69 Second Reading:  
70 Effective Date:

71  
72

72 Ayes:  
73 Noes:  
74 Abstain:  
75 Absent:

76  
77

77 Reviewed and approved as to form:

78  
79

80 \_\_\_\_\_  
Katie Koester, City Manager

\_\_\_\_\_  
Holly Wells, Attorney

81  
82

82 Date: \_\_\_\_\_

Date: \_\_\_\_\_

83



# City of Homer

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

## Public Works

3575 Heath Street  
Homer, AK 99603

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

(p) 907- 235-3170

(f) 907-235-3145

## Memorandum 19-029

**TO:** Katie Koester, City Manager  
**FROM:** Carey S. Meyer, Public Works Director  
**DATE:** March 6, 2019  
**SUBJECT:** Homer Barge Mooring/Large Vessel Haul-Out Repair Facility  
Request for final Design Funds – Barge Mooring Facility

---

The main impetus of this project was to have it eligible for federal Infrastructure funding, expected to be authorized by Congress for transportation related projects. The City utilized a State Legislative Grant to initiate the design of the proposed Homer Barge Mooring/Large Vessel Haul-Out Repair facility. These funds completed the design to a 65% level (including design, cost estimating and environmental permitting). The need for additional funds to complete final design was always anticipated.

The City's #2 Capital Improvement Legislative Priority Request is currently the Homer Barge Mooring/Large Vessel Haul-Out Repair Facility. See attached CIP project description.

In 2018, the name of this project was submitted to various federal and state agencies as a potential transportation related project, with the promise that the project would be "shovel ready" by the time the infrastructure bill was passed.

Congress has not authorized any transportation infrastructure funding to date, but there seems to be bi-partisan support for the concept of an infrastructure bill.

Construction of this entire project is estimated to cost \$4.7M; with the final design of the entire project estimated to be approximately \$178,400. The final design of the first phase of construction (the Barge Mooring facility portion) is estimated to be \$42,646.

Due to the current economic environment and our inability to identify construction funding for the entire project, staff suggests that only the final design of the Barge Mooring portion of the project be completed at this time (consistent with the Capital Improvement Plan) to create a shovel ready project.

**Recommendation:** The Council authorize additional design funds from the Harbor Reserve Fund to prepare this project for potential federal infrastructure funding.





## 2. Homer Barge Mooring & Large Vessel Haul Out Repair Facility

**Project Description & Benefit:** This project provides safe moorage and an associated uplands haul out repair facility for large shallow draft vessels. This improvement supports the marine transportation needs of central and western Alaska. Because of the lack of facilities, these vessels currently have to travel to perform annually required maintenance and repairs which could otherwise be completed here in Homer. The facility benefits the local fleet of larger vessels as well as local marine trades businesses, and can accommodate the growing freight needs of existing Homer businesses.

The mooring facility, proposed along the beach front of Lot TR-1-A (between the Nick Dudiak Fishing Lagoon and Freight Dock Road on the west side of the harbor) will stage barges in the tidal zone with the bow end pulled tight to the beach for accessing a haul out ramp. A dead-man anchoring system will be provided for winching vessels up the ramp above the high tide line for maintenance and minor repairs. Upland improvements will include a large vessel wash down pad (which can also be used by recreational/sport boats), electrical pedestals, lighting, security fencing and a drainage/water management system to facilitate local, efficient and environmentally sound vessel repairs. This site has accommodated approximately six to eight vessels (depending on size) with ample workspace; it will offer barges the ability to complete their required annual maintenance at the uplands repair facility while wintering over.

**Plans & Progress:** Project development is being carried out in phases. Phase 1, initiated in 2014, consisted of forming a Large Vessel Haul Out Task Force to assist with site selection and completion of Best Management Practices, vessel owner use agreements, and vendor use agreements. Staff additionally completed a Stormwater Pollution Prevention Plan (SWPPP) with the Alaska Department of Environmental Conservation for a portion of lot TR-1-A. Since completing these basic requirements, the haul out area has become a popular repair site option for some of our large vessel owners. This further justifies additional investments to improve our ability to serve these customers and bring more of these customers to Homer.

Phase 2 completed the design and permitting for the barge mooring facility and haul out ramp. Phases 3 will construct the moorage facility and haul out ramp. Phase 4 will construct the upland improvements. The project earned top ranking among four Kenai Peninsula projects that were ultimately submitted to the Alaska Office of the Economic Development Administration for inclusion on a list for potential federal infrastructure funding.

**Total Project Cost:** \$4,768,500

**2017:** Phase 2 - Design/Engineering/Permitting: \$312,000 (Completed)

**2018:** Phase 3 - Barge Mooring Construction: \$1,255,000

**2019:** Phase 4 - Haul Out Repair Facility Construction: \$3,201,500

**FY2020 State Request: \$4,010,850**

(City of Homer 10% Match: \$445,650)



Three vessels hauled out for repairs on Homer Spit Lot TR 1 A.





**CITY OF HOMER  
HOMER, ALASKA  
RESOLUTION 19-014**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ISSUING  
A REQUEST FOR PROPOSAL (RFP) TO MANAGE, LEASE AND  
RENOVATE THE HOMER EDUCATION AND RECREATION COMPLEX  
(HERC 1).

WHEREAS, The City passed Resolution 19-006(A) on January 28, 2019 issuing a request for  
letters of interest for tenants to occupy the Homer Education and Recreation Complex (HERC1);  
and

WHEREAS, The City received four (4) letters of interest from the Bunnell Streets Art Center,  
City of Homer Community Recreation Program, Fireweed Academy, and K-Bay Martial Athletics  
detailing the City’s Community Recreation detailing their prospective space needs, use, rent,  
lease term and capital improvement needs and overall demonstrating a current demand for use  
of HERC 1; and

WHEREAS, The Homer City Council held a work session February 25, 2019 to discuss the  
four letters of interest and next steps listed in Resolution 19-006(A); and

WHEREAS, Resolution 19-006(A) further directed Council to develop a Request for Proposal  
for a third party to manage and lease HERC 1, including performing any necessary improvements  
required for occupancy; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby  
authorizes the City Manager to issue a Request for Proposal (RFP) for a third party to manage and  
lease HERC 1.

BE IT FURTHER RESOLVED that a successful proposal will include:

- Experience in long-term property management and relevant examples
- Intended use of the property with preference given to proposed uses that are educational and/or recreational in nature;
- Intended management structure
- How much the proposer is willing to invest in capital improvements to the HERC 1 to bring it up to code from its current condition for intended use as determined by the State Fire Marshall;
- Any improvements or financial support the City would need to provide for the renovation, operation, and maintenance of HERC 1.

- 42 • How the City of Homer Community Recreation Program will be incorporated as a
- 43 tenant;
- 44 • How much the proposer is willing to pay to lease the facility from the City on an
- 45 annual basis;
- 46 • A lease term of that ranges from a minimum of 10 years to at maximum of 20 years
- 47 with the possibility of two five (5) year options to extend.
- 48 • Expressed interest in either maintaining or not maintaining the surrounding
- 49 grounds, including the skate park.

50  
51 BE IT FURTHER RESOLVED that the successful proposer will be expected to cover  
52 operations and maintenance of HERC 1 and the surrounding grounds, including the skate park  
53 and plowing/sanding of both the upper and lower parking lot during the term of the lease (see  
54 exhibit A).

55  
56 BE IT FURTHER RESOLVED that HERC 2 is excluded from the lease and that parking in front  
57 of HERC 2 will be reserved for City vehicles. However, should the City vacate HERC 2 and it become  
58 available for lease, the successful proposer will have first right of refusal to expand their lease to  
59 include HERC 2.

60  
61 BE IT FURTHER RESOLVED that the RFP review committee will consist of a combination of  
62 City staff and professionals who have specialized experience in large structure renovations and  
63 construction, valuations, operations and maintenance.

64  
65 PASSED AND ADOPTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_ day of \_\_\_\_  
66 2019.

67 CITY OF HOMER

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69  
70 \_\_\_\_\_  
71 KEN CASTNER, MAYOR

72  
73 ATTEST:

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76 \_\_\_\_\_  
77 MELISSA JACOBSEN, MMC, CITY CLERK

78  
79 Fiscal Note: Advertising Costs

# Exhibit A



## Vicinity Map

0 50 100 200  
Feet

450 Sterling Highway  
2016 Photo; property lines not exact.  
Map created 3/6/2019 COH P&Z



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

3 City Clerk/Port & Harbor  
4 Advisory Commission

5 **RESOLUTION 19-015**

6  
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
8 AMENDING THE PORT AND HARBOR ADVISORY COMMISSION  
9 BYLAWS BY RENAMING ARTICLES IN A MANNER THAT MORE  
10 EFFICIENTLY OUTLINES THE COMMISSION'S INTERNAL  
11 OPERATIONS THAT GOVERN THE ORDERLY DISCHARGE OF ITS  
12 RESPONSIBILITIES; AND AMENDING ARTICLES TITLED PURPOSE,  
13 MEMBERS, MEETINGS, COMMITTEES, BYLAW AMENDMENTS, AND  
14 TELECONFERENCING.  
15

16 WHEREAS, The Port and Harbor Advisory Commission reviewed their Bylaws at their  
17 December 12, 2018 and February 27, 2019 regular meetings to make amendments of their own  
18 and to review recommendations from the City Clerk's Office; and  
19

20 WHEREAS, Article II – Purpose is amended to identify the Commission's purpose as  
21 defined in Homer City Code; and  
22

23 WHEREAS, Article III – Members is amended to remove reference to honorary members;  
24 allow for appointments of a student representative and a councilmember to serve as  
25 consulting, non-voting members; and remove the option for an alternate member; and  
26

27 WHEREAS, Article V – Meetings is amended to remove the November meeting; identify  
28 a strategic plan and budget schedule; clarify the process for calling a worksession; and clarify  
29 the verbiage regarding quorum and voting; and  
30

31 WHEREAS, Article VI – Committees is added to identify the process of how a committee  
32 is requested, established, disbanded, and reports; and  
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34 WHEREAS, Article VII – Bylaw Amendments is amended to clarify the bylaw amendment  
35 process; and  
36

37 WHEREAS, Article VIII – Teleconferencing is amended to clarify how members  
38 participate in meetings telephonically; and  
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40 WHEREAS, Previous versions of the bylaws identified two lifetime honorary members  
41 who have since passed and the Commission removed; and  
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WHEREAS, The Port and Harbor Advisory Commission approved the Bylaw amendments at their February 27, 2019 regular meeting by unanimous consent of the Commission.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska amends the Port and Harbor Advisory Commission Bylaws by renaming Articles in a manner that more efficiently outlines the Commission’s internal operations that govern the orderly discharge of its responsibilities; and amending articles titled Purpose, Members, Meetings, Committees, Bylaw Amendments, and Teleconferencing.

PASSED AND ADOPTED by the Homer City Council this 11<sup>th</sup> day of March, 2019

CITY OF HOMER

\_\_\_\_\_  
KEN CASTNER, MAYOR

ATTEST:

\_\_\_\_\_  
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: N/A



## Memorandum 19-030

TO: MAYOR CASTNER AND CITY COUNCIL  
FROM: PORT & HARBOR ADVISORY COMMISSION  
THRU: RACHEL TUSSEY, DEPUTY CITY CLERK  
DATE: MARCH 5, 2019  
SUBJECT: PORT AND HARBOR ADVISORY COMMISSION BYLAW AMENDMENTS

---

At the December 12, 2018 and February 27, 2019 regular meeting, the Port and Harbor Advisory Commission reviewed bylaw amendment recommendations from the City Clerk's Office and made their own additional changes. Excerpts from their meeting minutes are as follows:

**Regular Meeting Minutes from December 12, 2018:**

- A. PHC Bylaw Amendments
  - i. DRAFT 2019 Bylaws

Chair Zimmerman deferred to Deputy City Clerk Tussey to explain the proposed amendments.

Ms. Tussey described the changes made to the new bylaws and referenced her memorandum that detailed out the main amendments that were being proposed. She noted the second section in her memo listed out common bylaw areas that get revised, if the commission decided to make additional amendments. She provided examples of items they may wish to change based on previous conversations the commission has had when discussing potential bylaw amendments. Ms. Tussey also pointed out an older section from the previous bylaws, pertaining to appointing a temporary alternative commissioner that may be outdated and require removal.

There was brief discussion on where the commission would like to make amendments and Commissioner Ulmer noted some grammatical errors.

ZEISET/HARTLEY REMOVE ARTICLE III, SECTION 7, THE UNUSED 2001 BYLAW AMENDMENT.

Commissioner Donich commented on the fact that the option was never used and doesn't need to be in the bylaws.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Chair Zimmerman asked the commission if there were any further changes they'd like to make.

HARTLEY/ULMER MOVED TO STRIKE NOVEMBER FROM THE REGULAR MEETING SCHEDULE UNDER ARTICLE IV, SECTION 1.

There was brief discussion on why there doesn't need to be a November meeting, with reasons including regular commissioner absences in November for Seattle's Pacific Marine Expo and saving the City money by not advertising/holding a meeting that isn't necessary or won't be attended.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Commissioner Donich inquired on the student representative position; Chair Zimmerman and Ms. Tussey clarified the student representative role as it relates to the commission. Commissioner Hartley questioned the necessity of honorary members. Discussion ensued on who those members could be, what they're allowed to do, and concerns of a biased person being appointed to the commission. The commission was reminded that honorary members cannot vote, just consult, and the differentiation between honorary members and student representatives.

HARTLEY/CARROLL MOVED TO REMOVE ARTICLE III, SECTION 8, HONORARY MEMBERS.

Commissioner Zeiset asked for clarification on if other individuals would still be allowed to participate in discussions/conversations at meetings. Chair Zimmerman confirmed with the Deputy City Clerk on holding a Roll Call vote since he is unsure if removing the section would be beneficial.

VOTE. YES: HARTLEY, ULMER, DONICH, CARROLL, ZEISET, ZIMMERMAN

Motion carried.

Chair Zimmerman commented on designating certain months for topics, such as the budget. Since budget requests have to be submitted by August he suggested the commission select a month earlier in the year. There was discussion on the best time, with Mr. Hawkins noting staff doesn't usually have department numbers (used in setting the budget) until about June. Commissioner Donich voiced concerns over the commission possibly limiting its ability to review the budget other times of the year if one month is designated. Chair Zimmerman clarified that designating the month simply means the budget will automatically be on that month's agenda, it won't prevent the commission from discussing it at other times of the year.

Commissioner Zeiset suggested designating the April meeting for reviewing the Strategic Plan.

ZEISET/CARROLL MOVED TO DESIGNATE JUNE AS BUDGET MONTH AND APRIL AS STRATEGIC PLAN MONTH UNDER ARTICLE IV, SECTION 4.

There was no further discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.



Chair Zimmerman asked for a motion for a final reading at the next regular meeting.

CARROLL/HARTLEY MOVED TO HOLD A FINAL READING ON THE PROPOSED PORT AND HARBOR ADVISORY COMMISSION BYLAW AMENDMENTS AT THE NEXT REGULAR MEETING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

**Regular Meeting Minutes from February 27, 2019:**

- A. PHC Bylaw Amendments
  - i. DRAFT 2019 Bylaws

Chair Zimmerman introduced the bylaw amendment agenda item and deferred to Deputy City Clerk Tussey to provide an overview of the bylaw amendments. She reviewed the bylaws section by section with the commissioners, answering questions and explaining all of the changes made by the commission and the City Clerk's Office since the commission last reviewed the proposed bylaw amendments.

ULMER/STOCKBURGER MOVED TO APPROVE THE AMENDED PORT AND HARBOR ADVISORY COMMISSION BYLAWS, AND RECOMMEND TO CITY COUNCIL TO APPROVE THE AMENDED BYLAWS BY WAY OF RESOLUTION.

There was brief discussion on declaration of vacancies, specifically related to felony convictions.

VOTE: YES: ULMER, DONICH, CARROLL, ZEISET, STOCKBURGER, ZIMMERMAN

Motion carried.

**RECOMMENDATION**

Approve Resolution 19-015 adopting the amended Port and Harbor Advisory Commission Bylaws.



**CITY OF HOMER PORT & HARBOR ADVISORY COMMISSION  
BYLAWS**

**ARTICLE I - NAME AND AUTHORIZATION**

This organization shall be called the Port and Harbor Advisory Commission, established via Ordinance 73-1, **existing by virtue of the provisions of Chapter 2.64 of the Homer Municipal Code, and exercising the powers and authority and assuming the responsibilities delegated under said Code.** The following bylaws were adopted on **February 27, 2019** and shall be in effect and govern the procedures of the Port and Harbor Advisory Commission.

**ARTICLE II – PURPOSE**

**Section 1. Act in an advisory capacity to the City Manager and the City Council on the problems and development of the City port and harbor facilities. Consideration may include the physical facilities, possible future development and recommendations on land use within the port and harbor areas.**

**Section 2. Direct recommendations regarding the operation and maintenance of the facilities to the City Manager via memorandum from the Port and Harbor Advisory Commission.**

**Section 3. Consider any specific proposal, problem or project as directed by the City Council and any report or recommendations thereon shall be made directly to the Council, unless otherwise directed by the Council.**

**ARTICLE III - OFFICERS AND COMMISSIONERS MEMBERS**

Section 1. The Commission shall consist of seven members comprised of at least five (5) members that reside inside city limits. Members shall be nominated by the Mayor and confirmed by City Council to serve for three-year terms to expire on February 1<sup>st</sup> of designated years.

~~Section 2. A Chairperson and Vice Chairperson shall be elected from among the appointed commissioners at the regular February meeting of the Commission.~~

-

~~Section 3. Officers shall serve a term of one year from the February meeting at which they are elected, and until their successors are duly elected. Officers may be re-elected in subsequent years.~~

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~~Section 4. The Chairperson shall preside at all meetings of the Commission, authorize calls for any special meetings, execute all documents authorized by the Commission, serve as ex-officio/voting member of all committees, and generally perform all duties associated with that office.~~

-

~~Section 5. In the event of the absence, or disability of the Chairperson, the Vice Chairperson shall assume and perform the duties of the Chair. If both the Chairperson and Vice Chairperson are absent, and a quorum of four members are present, the senior member shall assume and perform the duties and functions of the Chair.~~

-

~~Section 6. Any Commissioner who shall have three **two successive unexcused absences shall be subject to removal by the Commission by a majority vote of the members present and a new member appointed by the Mayor, subject to confirmation by the City Council.**~~

**Section 7 2. One City Council member and one Homer area high school Student Representative may be appointed by the Mayor, subject to confirmation by the City Council, as consulting, non-voting members.**

Section 8 ~~3~~. The Mayor, City Manager, and Port Director/Harbormaster may serve as non-voting, consulting members of the Commission.

**Section 4. A commission appointment is vacated under the following conditions and upon the declaration of vacancy by the Commission. The Commission shall declare a vacancy when the person appointed:**

- **Fails to qualify to take office within 30 days after their appointment;**
- **Resigns and the resignation is accepted;**
- **Is physically or mentally unable to perform the duties of their office;**
- **Misses two (2) consecutive regular meetings unless excused;**
- **Is convicted of a felony.**

Section 9. The Mayor may appoint an alternate Port and Harbor Advisory Commissioner, subject to confirmation by the City Council, who may take the place of a Commissioner who is absent or who has declared a conflict of interest; per Resolution 01-23(A).

Section 10. ~~Honorary members of the Commission may be appointed by the Mayor, subject to confirmation by the City Council. Honorary members may participate in the deliberations of the Commission, but may not vote nor shall they be counted in determining the quorum of Commissioners.~~

#### **ARTICLE IV – MEETINGS & AGENDA OFFICERS**

Section 1. A Chairperson and Vice-Chairperson shall be elected from among the appointed commissioners at the regular February meeting of the Commission.

Section 2. Officers shall serve a term of one year from the February meeting at which they are elected, and until their successors are duly elected. Officers may be re-elected in subsequent years.

Section 3. The Chairperson shall preside at all meetings of the Commission, authorize calls for any special meetings, execute all documents authorized by the Commission, serve as ex officio/voting member of all committees, and generally perform all duties associated with that office.

Section 4. In the event of the absence, or disability of the Chairperson, the Vice-Chairperson shall assume and perform the duties of the Chair. If both the Chairperson and Vice-Chairperson are absent, and a quorum of four members are present, the senior member shall assume and perform the duties and functions of the Chair.

#### **ARTICLE V – MEETINGS & AGENDA**

Section 1. Regular meetings shall be **open to the public and** held on the fourth Wednesday of the following months: January, February, March, April, September, October, ~~November~~, and December at 5:00 p.m.; and May, June, July, and August at 6:00 p.m. in the designated location and shall be posted for public information as required by Homer City Code and Alaska State Statutes.

~~Section 2. All regular meetings shall be open to the public.~~

Section ~~2~~ **3**. The review of the **Strategic Plan and the commission’s** policies, rules and regulation shall be held at **the regular meeting in April of** each year.

Section 4 ~~3~~ **3**. **June of each year shall be designated as Budget Month; the budget shall be reviewed at every regular meeting in June to assist the Port Director/Harbormaster in preparation and presentation of budget requests to City Council.**

Section 5 ~~4~~ **4**. Meeting agenda deadline is at 5:00 p.m. the Wednesday preceding the meeting. Allowances will be made for holidays.

Section 6 ~~5~~ **5**. The order of business for the regular meetings shall include, but not be limited to, the following items, which shall be covered in the sequence shown, as far as circumstances permit. Agenda shall be posted for public information as required by Homer City Code and Alaska State Statutes.

NAME OF BODY	DATE OF MEETING
PHYSICAL LOCATION OF MEETING	DAY OF WEEK AND TIME OF MEETING
HOMER, ALASKA	MEETING ROOM

NOTICE OF MEETING  
REGULAR MEETING AGENDA

1. CALL TO ORDER
2. APPROVAL OF AGENDA
3. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA. (3 MINUTE TIME LIMIT)
4. RECONSIDERATION
5. APPROVAL OF MINUTES or CONSENT AGENDA
6. VISITORS (Chair set time limit not to exceed 20 minutes) (Public may not comment on the visitor or the visitor's topic until audience comments.) No action may be taken at this time.
7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS (Chair set time limit not to exceed 5 minutes.)
8. PUBLIC HEARING (3 MINUTE TIME LIMIT)
9. PLAT CONSIDERATION (Planning Commission only)
10. PENDING BUSINESS or COMMISSION BUSINESS
11. NEW BUSINESS or COMMISSION BUSINESS
12. INFORMATIONAL MATERIALS (NO ACTION MAY BE TAKEN ON THESE MATTERS, THEY MAY BE DISCUSSED ONLY).
13. COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)
14. COMMENTS OF THE CITY STAFF (not required) (Staff report may be at this time in the agenda.)
15. COMMENTS OF THE COUNCILMEMBER (If one is assigned)
16. COMMENTS OF THE CHAIR (May be combined with COMMENTS OF THE COMMISSION/BOARD since the Chair is a member of the Commission/Board.)
17. COMMENTS OF THE COMMISSION

18. ADJOURNMENT/NEXT REGULAR MEETING IS SCHEDULED FOR \_\_\_\_\_ note any worksessions, special meetings, committee meetings etc. All meetings scheduled to be held in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska. (Sometimes the meeting is scheduled for the Conference Room)

Contact info for the department constructing the agenda. Example: City Clerk's Office, [clerk@ci.homer.ak.us](mailto:clerk@ci.homer.ak.us), 235-3130.

Section ~~7~~ **6**. Per Resolution of the City Council (Resolution 06-115(A)), Public Testimony shall normally be limited to three minutes per person. Exceptions may be provided for at the Chair's discretion or by a majority vote of the board members in attendance.

Section ~~8~~ **7**. Special meetings **and Worksessions** may be called by the **Port Director/Harbor Master**, Chair, or a majority of the Commission. **Worksessions do not require a quorum, however, no action may be taken at a worksession; items on the agenda are for discussion only.** ~~for the transaction of business as stated in the call for the meeting.~~ Notice of such meetings shall be posted in the same manner as that for regular meetings.

Section ~~9~~ **8**. A quorum for the transaction of business at any meeting shall consist of four members ~~of the Commission present~~. For purposes of determining the existence of a quorum, honorary members shall not be counted.

Section ~~10~~ **9**. **Four affirmative votes are required to approve any action before the Commission and shall constitute the meaning of "majority vote"**. ~~An affirmative vote of the majority of all Commissioners present at one time shall be necessary to approve any action before the Commission.~~ The Chairperson may vote upon, and may move or second a proposal before the Commission.

Section ~~11~~ **10**. Recorded minutes shall be made available by the City Clerk's Office to the Commission prior to the next meeting **and a record of all voting will be included in the minutes of each meeting.** Minutes shall be available to the public as required by Homer City Code and Alaska State Statutes.

Section 11. The Commission shall abide by existing Alaska State Law, Borough Code of Ordinance, where applicable, and Homer City Code, as well as Robert's Rules of Order, current edition, in so far as this treatise is consistent with Homer City Code.

## ARTICLE VI - COMMITTEES

**Section 1. Committees of one or more members for such specific purposes as the business of the Commission will only become active upon approval of Council. A memorandum and resolution will go before Council outlining the reason, tasks assigned and termination date. Committees shall be considered to be discharged upon completion of the purpose for which it was appointed, and after its final report is made to and approved by the Commission.**

**Section 2. All committees shall make a progress report to the Commission at each of its meetings.**

## ARTICLE VII - VOTING AND BYLAW AMENDMENTS

Section 1. ~~Four affirmative votes are required to approve any action before the Commission and shall constitute the meaning of “majority vote”.~~ An affirmative vote of the majority of all Commissioners present at one time shall be necessary to approve any action before the Commission. The Chairperson may vote upon, and may move or second a proposal before the Commission.

-

Section 2. A record of all voting must be included in the minutes of each meeting.

Section 3 ~~1.~~ The Bylaws may be amended **at any meeting of the Commission by a majority plus one of the members, provided that notice of said proposed amendment is given to each member in writing. The proposed amendment shall be introduced at one meeting and action shall be taken at the next Commission meeting.** by a simple majority of all members of the Commission present at one time, provided written notice of the proposed amendment shall have been sent to all members at least five (5) days prior to the meeting at which such action is proposed to be taken.

Section 4 ~~2.~~ Any rule or resolution of the Commission, whether contained in these Bylaws or otherwise, may be suspended temporarily in connection with business at hand; and such suspension to be valid; may be taken only at a meeting at which at least four of the members of the Commission shall be present, and two-thirds of those present shall so approve.

#### **ARTICLE VIII – ATTENDANCE TELECONFERENCING**

Section 1. Teleconference meetings:

- a. The preferred procedure for a Commission meeting is that all members be physically present at the designated time and location for the meeting. However, physical presence may be waived and a member may participate in a meeting by Teleconference. **This allowance is limited to two (2) meetings per year.**
- b. **There must be a quorum of members physically present in addition to the telephonic member.**
- c. A Commissioner participating by teleconference shall be deemed to be present at the meeting for all purposes.
- d. In the event the Chair participates telephonically, the Vice-Chair shall run the meeting.

Section 2. Teleconference procedures:

- a. A Commissioner who cannot be physically present for a regularly scheduled meeting shall notify the Clerk at least five days prior to the scheduled **meeting time of their** ~~time for the meeting of his/her intent to appear telephonically by telephonic means of communication~~
- b. The Clerk shall notify the **other** Commissioners **of the Commissioner’s intent to appear by teleconference** three days prior to the scheduled **meeting time.** ~~time for the Commission meeting of Commission members intending to appear by teleconference.~~
- c. The means used to facilitate a teleconference meeting of the Commission must enable each Commissioner ~~member~~ appearing telephonically to clearly hear, **and be heard by,** all other Commissioners ~~members,~~ and members of the public. ~~attending the meeting as well as be clearly heard by all other Commission members and members of the public.~~
- d. The Clerk shall note in the attendance record all Commissioners appearing telephonically.





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

3 City Clerk/Library  
4 Advisory Board

5 **RESOLUTION 19-016**

6  
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
8 AMENDING THE LIBRARY ADVISORY BOARD BYLAWS RENAMING  
9 ARTICLES IN A MANNER THAT MORE EFFICIENTLY OUTLINES THE  
10 BOARDS' INTERNAL OPERATIONS THAT GOVERN THE ORDERLY  
11 DISCHARGE OF ITS RESPONSIBILITIES; AND AMENDING ARTICLES  
12 TITLED MEMBERS, MEETINGS, COMMITTEES, BYLAW  
13 AMENDMENTS, AND TELECONFERENCING.

14  
15 WHEREAS, The Library Advisory Board reviewed their Bylaws at the December 4, 2018  
16 and March 5, 2019 regular meetings to make amendments of their own and to review  
17 recommendations from the City Clerk's Office; and

18  
19 WHEREAS, Article III – Members is amended to identify the number of members the  
20 Board comprises of; define who serves as consulting, non-voting members; allow for the  
21 appointment of a councilmember to serve as consulting, non-voting members; and define the  
22 conditions for declaring a vacancy; and

23  
24 WHEREAS, Article V – Meetings is amended to identify the agenda deadline; clarify the  
25 process for calling a worksession; and clarify the verbiage regarding quorum and voting; and

26  
27 WHEREAS, Article VI – Committees is added to clarify the powers of a committee; and

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29 WHEREAS, Article VII – Bylaw Amendments is amended to clarify the bylaw amendment  
30 process; and

31  
32 WHEREAS, Article VIII – Teleconferencing is amended to clarify how members  
33 participate in meetings telephonically; and

34  
35 WHEREAS, The Library Advisory Board approved the Bylaw amendments at their March  
36 5, 2019 regular meeting by unanimous consent of the Board.

37  
38 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska amends the  
39 Library Advisory Board Bylaws by renaming Articles in a manner that more efficiently outlines  
40 the Boards' internal operations that govern the orderly discharge of its responsibilities; and  
41 amending articles titled Members, Meetings, Committees, Bylaw Amendments, and  
42 Teleconferencing.

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PASSED AND ADOPTED by the Homer City Council this 11<sup>th</sup> day of March, 2019

CITY OF HOMER

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KEN CASTNER, MAYOR

ATTEST:

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MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: N/A



## Memorandum 19-031

TO: MAYOR CASTNER AND CITY COUNCIL  
FROM: PORT & HARBOR ADVISORY COMMISSION  
THRU: RACHEL TUSSEY, DEPUTY CITY CLERK  
DATE: MARCH 5, 2019  
SUBJECT: LIBRARY ADVISORY BOARD BYLAW AMENDMENTS

---

At the December 4, 2018 and March 5, 2019 regular meeting, the Library Advisory Board reviewed bylaw amendment recommendations from the City Clerk's Office and made their own additional changes. Excerpts from their meeting minutes are as follows:

**Regular Meeting Minutes from December 4, 2018:**

- C. LAB Bylaw Amendments
  - i. DRAFT 2019 Bylaws

Vice Chair Kuszmaul opened the floor for discussion; she noted that this is the first reading of the bylaw amendments and that the board will be voting on the final approval at the February 5, 2019 meeting.

Boardmember Massion inquired to Library Director Dixon if she had made any of the proposed amendments. Ms. Dixon stated that she had reviewed them but not included any of her own changes. Boardmember Finn posed a question regarding honorary members, who else that would include besides the student representative. Ms. Tussey provided examples from other commissions to clarify who honorary members are. Vice Chair Kuszmaul suggested appointing the Friends of the Homer Library president as an honorary member; the board voiced support of the idea.

Vice Chair Kuszmaul proposed an amendment to Article IV, Section 1, to move the regular meeting date in November to another day that doesn't coincide with the General Election. There was discussion on other days that may work and the pros/cons of holding it on Election Day and using the upstairs Conference Room. The board mutually agreed that the schedule works the way it is now.

Ms. Dixon pointed out an unclear phrase in Article VII, Section 1(b), and asked what the bylaws mean by an "initial quorum". There was brief discussion on using more clarifying language to describe what an initial quorum means.

KUSZMAUL/MASSION MOVED TO AMEND ARTICLE VII, SECTION 1(B), TO CLARIFY THE STATEMENT "THERE MUST BE AN INITIAL QUORUM PRESENT."

There was no further discussion.

VOTE. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

KUSZMAUL/MASSION MOVED TO HOLD THE FINAL READING ON THE PROPOSED LAB BYLAW AMENDMENTS AT THE NEXT REGULAR MEETING.

Boardmember Finn commented on Article III, Section 1 regarding the residential requirements for boardmembers, clarifying that they do not hold seats for people outside city limits. Ms. Tussey provided explanation on the meaning of the section and that its inclusion in the bylaws is to read what is already in code. There was discussion on member eligibility and the reasons why there aren't seats exclusively held for non-resident members on a City advisory board. The discussion posed the question: where is this rule established and is it something that the LAB can change/can we have designated chairs for non-city members only? Ms. Tussey agreed to research the question and follow up with the board via email later in the week.

Boardmember Finn referenced Article V, Section 1, asking for better definition of a committee since she and other boardmembers will often work on tasks individually. Ms. Tussey provided an example of when a sub-committee needs to be appointed by City Council (significant project involving a hired consultant to produce a final report), versus when it does not (smaller projects/research tasks).

There was no further discussion.

VOTE. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

**Regular Meeting Minutes from March 5, 2019:**

- A. LAB Bylaw Amendments
  - i. DRAFT 2019 Library Advisory Board Bylaws

Chair Peterson deferred to Deputy City Clerk Tussey to provide a recap of the amendments made at the last meeting and any additional changes recommended by the City Clerk's Office. Ms. Tussey reviewed the bylaws section-by-section with the boardmembers and held discussion/answered questions on the proposed amendments.

FAIR/MASSION MOVED TO APPROVE THE AMENDED LIBRARY ADVISORY BOARD BYLAWS, AND RECOMMEND TO CITY COUNCIL TO APPROVE THE AMENDED BYLAWS BY WAY OF RESOLUTION.

There was no further discussion.

VOTE: YES: MASSION, KUSZMAUL, PETERSON, FAIR, FINN, SCHMIDT

Motion carried.

**RECOMMENDATION**

Approve Resolution 19-016 that amends the Library Advisory Board Bylaws.

**CITY OF HOMER LIBRARY ADVISORY BOARD  
BYLAWS**

**ARTICLE I - NAME AND AUTHORIZATION**

This organization shall be called the Library Advisory Board, **established via Ordinance 80-2**, existing by virtue of the provisions of Chapter ~~12~~.48 of the Homer Municipal Code, and exercising the powers and authority and assuming the responsibilities delegated under said Code. **The following bylaws were adopted on February 5, 2019 and shall be in effect and govern the procedures of the Library Advisory Board.**

**ARTICLE II – PURPOSE**

Section 1. Establish operational policies for the library program, and submit same to the City Council for approval.

Section 2. Assist the Library Director in preparation and presentation of the annual budget request to the City Council.

Section 3. Make recommendation through the City Manager to the Mayor and City Council concerning the Library and its programs.

Section 4. Solicit donations of money and/or property for the benefit of the Library.

Section 5. Represent the Library to the community.

**ARTICLE III - ~~OFFICERS AND BOARD MEMBERS~~**

Section 1. **The Board shall consist of seven members comprised of at least five (5) members that reside inside city limits. Members shall be nominated by the Mayor and confirmed by City Council to serve for three-year terms to expire on April 1<sup>st</sup> of designated years.**

~~Section 12. A Chairperson and Vice Chairperson shall be elected from among the appointed board members at the regular April meeting of the Board.~~

~~Section 23. Officers shall serve a term of one year from the April meeting at which they are elected, and until their successors are duly elected. Officers may be re-elected in subsequent years.~~

~~Section 34. The Chairperson shall preside at all meetings of the Commission, authorize calls for any special meetings, execute all documents authorized by the Commission, serve as ex officio/voting member of all committees, and generally perform all duties associated with that office.~~

~~Section 45. In the event of the absence, or disability of the Chairperson, the Vice Chairperson shall assume and perform the duties of the Chair. If both the Chairperson and Vice Chairperson are absent, and a quorum of four members are present, the senior member shall assume and perform the duties and functions of the Chair.~~

~~Section 52. If any Library Board member is absent for three consecutive meetings (unless a majority of the other members have previously granted a leave of absence, not to exceed six months), the seat of that member shall be declared vacant and a new member appointed by the Mayor subject to confirmation by the City Council.~~

**Section 5.2. One Homer area high school Student Representative may be appointed by the Mayor, subject to confirmation by the City Council, as a consulting, non-voting member for a school year term running September through May.**

**Section 6.3. The Mayor, City Manager, and Library Director may serve as consulting, non-voting members of the Board.**

**Section 3.4.** One member shall attend the monthly meeting of the Friends of the Homer Public Library on an open volunteer basis.

**Section 5. A board appointment is vacated under the following conditions and upon the declaration of vacancy by the Board. The Board shall declare a vacancy when the person appointed:**

- **Fails to qualify to take office within 30 days after their appointment;**
- **Resigns and the resignation is accepted;**
- **Is physically or mentally unable to perform the duties of their office;**
- **Misses three (3) consecutive regular meetings unless excused;**
- **Is convicted of a felony.**

~~**Section 4.6.** Honorary members of the Board may from time to time be appointed by the Mayor, subject to confirmation by the City Council. One Homer area high school student may be appointed as an Honorary Student Representative for a school year term running September through May. Honorary members may participate in the deliberations of the Board, but may not vote nor shall they be counted in determining the quorum of Board members.~~

#### **ARTICLE IV - MEETINGS & AGENDA - OFFICERS**

**Section 1. A Chairperson and Vice-Chairperson shall be elected from among the appointed board members at the regular April meeting of the Board.**

**Section 2. Officers shall serve a term of one year from the April meeting at which they are elected, and until their successors are duly elected. Officers may be re-elected in subsequent years.**

**Section 3. The Chairperson shall preside at all meetings of the Commission, authorize calls for any special meetings, execute all documents authorized by the Commission, serve as ex officio/voting member of all committees, and generally perform all duties associated with that office.**

**Section 4. In the event of the absence, or disability of the Chairperson, the Vice-Chairperson shall assume and perform the duties of the Chair. If both the Chairperson and Vice-Chairperson are absent, and a quorum of four members are present, the senior member shall assume and perform the duties and functions of the Chair.**

**ARTICLE V - MEETINGS**

Section ~~21~~. Regular meetings shall be **open to the public and** held on the first Tuesday of the following months: February, March, April, May, August, September, October, November, and December at 5:30 p.m. in the designated location and shall be posted for public information as required by Homer City Code and Alaska State Statutes.

~~Section 32. All regular meetings shall be open to the public.~~

Section ~~12~~. The annual meeting for review of policies, rules and regulation shall be held at a regular meeting each year.

Section 4 ~~3~~. The regular meetings in August and September of each year shall be known as budget meetings **to assist the Library Director in preparation and presentation of budget requests to City Council.** ~~Budget proposals shall be reviewed at these meetings.~~

**Section 4. Meeting agenda deadline is at 5:00 p.m. the Wednesday preceding the meeting. Allowances will be made for holidays.**

Section 5. The order of business for the regular meetings shall include, but not be limited to, the following items, which shall be covered in the sequence shown, as far as circumstances permit. Agenda shall be posted for public information as required by Homer City Code and Alaska State Statutes.

NAME OF BODY	DATE OF MEETING
PHYSICAL LOCATION OF MEETING	DAY OF WEEK AND TIME OF MEETING
HOMER, ALASKA	MEETING ROOM

NOTICE OF MEETING  
REGULAR MEETING AGENDA

1. CALL TO ORDER
2. APPROVAL OF AGENDA
3. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA. (3 MINUTE TIME LIMIT)
4. RECONSIDERATION
5. APPROVAL OF MINUTES or CONSENT AGENDA
6. VISITORS (Chair set time limit not to exceed 20 minutes) (Public may not comment on the visitor or the visitor's topic until audience comments.) No action may be taken at this time.
7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS (Chair set time limit not to exceed 5 minutes.)
8. PUBLIC HEARING (3 MINUTE TIME LIMIT)
9. PLAT CONSIDERATION (Planning Commission only)
10. PENDING BUSINESS or COMMISSION BUSINESS
11. NEW BUSINESS or COMMISSION BUSINESS
12. INFORMATIONAL MATERIALS (NO ACTION MAY BE TAKEN ON THESE MATTERS, THEY MAY BE DISCUSSED ONLY).
13. COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)
14. COMMENTS OF THE CITY STAFF (not required) (Staff report may be at this time in the agenda.)
15. COMMENTS OF THE COUNCILMEMBER (If one is assigned)
16. COMMENTS OF THE CHAIR (May be combined with COMMENTS OF THE COMMISSION/BOARD since the Chair is a member of the Commission/Board.)

17. COMMENTS OF THE COMMISSION

18. ADJOURNMENT/NEXT REGULAR MEETING IS SCHEDULED FOR \_\_\_\_\_ note any worksessions, special meetings, committee meetings etc. All meetings scheduled to be held in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska. (Sometimes the meeting is scheduled for the Conference Room)

Contact info for the department constructing the agenda. Example: City Clerk's Office, [clerk@ci.homer.ak.us](mailto:clerk@ci.homer.ak.us), 235-3130.

Section ~~67~~. Per Resolution of the City Council (Resolution 06-115(A)), Public Testimony shall normally be limited to three minutes per person. Exceptions may be provided for at the Chair's discretion or by a majority vote of the board members in attendance.

Section ~~78~~. Special meetings **and Worksessions** may be called by the Library Director, **Chair, or a majority of the Board. Worksessions do not require a quorum, however, no action may be taken at a worksession; items on the agenda are for discussion only.** ~~may be called by the Library Director at the direction of the Chairperson, or at the request of three members., for the transaction of business as stated in the call for the meeting.~~ Notice of such meetings shall be posted in the same manner as that for regular meetings.

Section ~~89~~. A quorum for the transaction of business at any meeting shall consist of four ~~members of the Board present~~. For purposes of determining the existence of a quorum, honorary members shall not be counted.

Section ~~910~~. **Four affirmative votes are required to approve any action before the Board and shall constitute the meaning of "majority vote"**. ~~An affirmative vote of the majority of all members of the Board present at one time shall be necessary to approve any action before the Board.~~ The Chairperson may vote upon, and may move or second a proposal before the Board.

Section ~~1011~~. A record of all voting must be included in the minutes of each meeting.

Section ~~912~~. Recorded minutes shall be made available by the City Clerk's Office to the Board prior to the next meeting. Minutes shall be available to the public as required by Homer City Code and Alaska State Statutes.

Section ~~1013~~. ~~Robert's Rules of Order, latest edition shall govern the parliamentary procedures of meetings.~~ **The Board shall abide by existing Alaska State Law, Borough Code of Ordinance, where applicable, and Homer City Code, as well as Robert's Rules of Order, current edition, in so far as this treatise is consistent with Homer City Code.**

## ARTICLE VI - COMMITTEES

Section 1. Committees of one or more members for such specific purposes as the business of the Board will only become active upon approval of Council. A memorandum and resolution will go before Council outlining the reason, tasks assigned and termination date. Committees shall be considered to be discharged upon completion of the purpose for which it was appointed, and after its final report is made to and approved by the Board.



Section 2. All committees shall make a progress report to the Board at each of its meetings.

Section 3. No committee shall have other than advisory powers unless, by suitable action to the Board, it is granted specific powers to act.

#### **ARTICLE VII - VOTING AND BYLAW AMENDMENTS**

Section 1. ~~Four affirmative votes are required to approve any action before the Board and shall constitute the meaning of “majority vote”.~~ An affirmative vote of the majority of all members of the Board present at one time shall be necessary to approve any action before the Board. The Chairperson may vote upon, and may move or second a proposal before the Board.

Section 2. A record of all voting must be included in the minutes of each meeting.

Section 3 **1.** The Bylaws may be amended **at any meeting of the Board by a majority plus one of the members, provided that notice of said proposed amendment is given to each member in writing. The proposed amendment shall be introduced at one meeting and action shall be taken at the next Board meeting.** by a simple majority of all members of the Board present at one time, provided written notice of the proposed amendment shall have been sent to all members at least five (5) days prior to the meeting at which such action is proposed to be taken.

Section 4 **2.** Any rule or resolution of the Board, whether contained in these Bylaws or otherwise, may be suspended temporarily in connection with business at hand; and such suspension to be valid; may be taken only at a meeting at which at least four of the members of the Board shall be present, and two thirds of those present shall so approve.

#### **ARTICLE VIII – ATTENDANCE TELECONFERENCING**

**Section 1.** Teleconference meetings:

- a.** The preferred procedure for a Board meeting is that all members be physically present at the designated time and location for the meeting. However, physical presence may be waived and a member may participate in a meeting by Teleconference. This **allowance** is limited to two (2) meetings per year.
- b. There must be a quorum of members physically present in addition to the telephonic member.**
- c.** A Boardmember participating by teleconference shall be deemed to be present at the meeting for all purposes.
- d.** In the event the Chair participates telephonically, the Vice-Chair shall run the meeting.

**Section 2.** Teleconference procedures:

- a.** A Boardmember who cannot be physically present for a regularly scheduled meeting shall notify the Clerk at least five days prior to the scheduled **meeting time of their** ~~time for the meeting of his/her intent to appear telephonically by telephonic means of communication.~~
- b.** The Clerk shall notify the **other** Boardmembers **of the Boardmember’s intent to appear by teleconference** three days prior to the scheduled **meeting time.** ~~time for the Board meeting of Board members intending to appear by teleconference.~~
- c.** The means used to facilitate a teleconference meeting ~~the Board~~ must enable each Boardmember appearing telephonically to clearly hear, **and be heard by,** all other

Boardmembers and members of the public. attending the meeting as well as be clearly heard by all other Board members and members of the public.

- d.** The Clerk shall note in the attendance record all Boardmembers appearing telephonically.

**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**RESOLUTION 19-017**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING A LEASE ASSIGNMENT FROM SNUG HARBOR SEAFOODS INC. TO COPPER RIVER SEAFOODS INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS FOR A NEW TWENTY YEAR LEASE WITH OPTIONS FOR TWO CONSECUTIVE FIVE YEAR LEASE RENEWALS FOR A PORTION OF LOT 13B, CITY OF HOMER PORT INDUSTRIAL SUBDIVISION NO. 2, ACCORDING TO PLAT NO. 80-92, AT AN INITIAL ANNUAL RATE OF \$12,996.12.

WHEREAS, Snug Harbor Seafoods Inc. requested to transfer their 2014 City lease to Copper River Seafoods Inc. as part of Copper River Seafoods Inc.'s buyout of Snug Harbor Seafoods Inc. assets; and

WHEREAS, Copper River Seafoods Inc. submitted a complete application pursuant to Homer City Code (HCC) § 18; and

WHEREAS, Copper River Seafoods has indicated their intention of operating a fish buying station which is similar to the Snug Harbor Seafoods Inc. permitted use of seafood buying; and

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

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

WHEREAS, The initial annual rental rate of \$12,996.12 will change in accordance with the appraisal of the lot due in 2019 per HCC § 18.08.100; and

WHEREAS, On February 27, 2019 The City Administration and the Port and Harbor Advisory Commission reviewed the application pursuant to HCC § 18.08.060 and recommend a new twenty year lease with options for two consecutive five-year renewals for a portion of Lot 13B, City of Homer Port Industrial Subdivision No. 2, according to Plat No. 80-92; and

42 WHEREAS, HCC § 18.08.160 (4) states Council shall approve or deny the request for lease  
43 assignment via resolution.

44  
45 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, hereby  
46 approves the lease assignment of the Snug Harbor Seafoods Inc. lease from Snug Harbor  
47 Seafoods Inc. to Copper River Seafoods Inc., and authorizes the City Manager to execute a new  
48 twenty year lease with options for two consecutive five-year renewals for a portion of Lot 13B,  
49 City of Homer Port Industrial Subdivision No. 2, according to Plat No. 80-92, at an initial annual  
50 base rent of \$12, 996.12 for the purpose of a fish buying station.

51  
52  
53 PASSED AND ADOPTED by the Homer City Council this 11th day of March, 2019.

54  
55  
56 CITY OF HOMER

57  
58  
59  
60 \_\_\_\_\_  
61 KEN CASTNER, MAYOR

62 ATTEST:  
63  
64  
65 \_\_\_\_\_  
66 MELISSA JACOBSEN, MMC, CITY CLERK

67  
68 Fiscal note: \$12,996.12



## **Memorandum 19-032**

TO: MAYOR CASTNER AND CITY COUNCIL  
THRU: KATIE KOESTER, CITY MANAGER  
FROM: PORT AND HARBOR ADVISORY COMMISSION  
DATE: MARCH 5, 2019  
SUBJECT: SNUG HARBOR SEAFOODS, INC. LEASE RE-ASSIGNMENT TO COPPER RIVER SEAFOODS, INC.

---

On February 27, 2019, the Port and Harbor Advisory Commission reviewed and discussed the lease re-assignment request from Snug Harbor Seafoods, Inc. and the new lease proposal from Copper River Seafoods Inc., which has assumed ownership of all Snug Harbor Seafoods, Inc. assets in Homer.

- The rates and agreed upon improvements to the property are the same as the preceding 2014 lease with Snug Harbor. Improvements to the property include completing the construction of a 2,300 sq. ft. fish buying building, for which Planning Dept. permission, Fire Marshal approval, and the construction of the foundation were procured/completed by Snug Harbor. The start date for construction of the building would be in 2020.
- The Snug Harbor lease is currently set to expire on April 30, 2034 with two, 5-year extensions, giving a possible end term as late as April 30, 2044. Copper River Seafoods Inc. has requested a 20 year lease with extension. City Code requirements dictate a standard new lease term of 20 years with a maximum of two, 5-year extensions, which would set the new original lease term to expire on March 31, 2039 and with extensions give a possible end term of up to March 31, 2049.

There are no compliance issues with the current lease held by Snug Harbor Seafoods, and Copper River Seafoods' lease application is complete. This lease re-assignment will also update the lease to reflect the new and current code requirements.

The Commission reviewed the application, checklist, and the approval recommendation from the City Manager; below is an excerpt from the Commission's minutes regarding this topic:

- A. Copper River Seafoods' Lease Application- Re-assignment of Snug Harbor Seafoods' Lease
  - i. Memo from Port Director Re: Copper River Seafoods' Lease Application
  - ii. Lease Application Checklist & City Manager Recommendation
  - iii. Copper River Seafoods Lease Application

The commission held brief discussion on the lease, how the finances seemed in order, construction plans for the new facility, and its approval from Harbor Staff and the City Manager.

ULMER/CARROLL MOVE TO RECOMMEND TO CITY COUNCIL TO APPROVE A LEASE RE-ASSIGNMENT FROM SNUG HARBOR SEAFOODS TO COPPER RIVER SEAFOODS, AND RECOMMENDING CITY COUNCIL APPROVE THE RE-ASSIGNMENT AND NEW LEASE TERMS.

There was no further discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT

Motion carried.

**Recommendation:**

The Port and Harbor Advisory Commission recommends that City Council approve a lease re-assignment from Snug Harbor Seafoods to Copper River Seafoods, and that City Council approve the re-assignment and new lease terms.

CITY OF HOMER  
LEASE APPLICATION CHECKLIST

**Applicant Name:** Copper River Seafoods Inc.

**Synopsis:** In 2014, Snug Harbor Seafoods entered into a 20 year lease with the intent to build a two story warehouse for the purpose of "seafood buying." The structure was engineered, permitted, and a concrete slab poured but the structure was not built. Now in 2018/2019, Snug Harbor Seafoods is selling its "holdings" in Homer to Copper River Seafoods Inc., hence a new lease for this reassignment is needed. Copper River Seafoods Inc. requests a 20 year City lease with extensions for the purpose of operating a "fish buying station" and plans to construct the a 42' x 47' square foot facility by December 2020.

**Action:**

- Lease approval.
- Lease approval with conditions. Explain.
- Lease denial. Explain.
- Lease application incomplete.

Katie Koester     2-22-19  
Katie Koester, City Manager     Date

**A. A responsive lease application / proposal shall include:**

1. A completed application form provided by the City

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

**NOTES:** An application form was submitted on 9/24/18; Financial information was submitted 2/20/19 after Copper River Seafoods' Chief Financial Officer met with City Manager Koester on 2/18/19. Initially the applicant noted it was involved in pending litigation however there was a settlement, in the applicant's favor, December 2018; the applicant is currently not involved in any litigation cases. Additionally, the applicant noted in the 9/24/18 application that the intended type of business to be placed on property would be "seafood manufacturing" and the building use would be "seafood processing" but in a 2/22/19 email, the applicant clarified that the intended activities for the property would be a "fish buying station."

2. Any applicable fees.

YES	NO	N/A	INCOMPLETE
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**NOTES:** Check for \$250.00 was received 9/24/18.

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

YES	NO	N/A	INCOMPLETE
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**NOTES:** Please see 9/24/18 application form.

4. A specific time schedule and benchmarks for development

YES	NO	N/A	INCOMPLETE
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**NOTES:** Please see 9/24/18 application form

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.

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

**NOTES:** Please see 9/24/18 application form, which includes a site plan prepared by HZA, LLC. titled "Snug Harbor Seafoods Warehouse @ Homer Spit."

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

YES	NO	N/A	INCOMPLETE
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**NOTES:**

7. All other required attachments

- Applicant information - Provided 9/24/18
- Plot Plan - See question #5 Notes section
- Development Plan - See 9/24/18 application form
- Insurance - Provided Certificate of Liability Insurance dated 2/13/19
- Proposed Subleases - N/A
- Environmental Information- If there are any Environmental Information materials necessary for the proposed fish buying station, they will be provided at the 2/27/19 Port & Harbor Advisory Committee otherwise this will be considered N/A
- Agency approvals and permits - Provided a letter from Nelson Engineering dated 3/1/13; Provided a letter from the State of Alaska, Department of Public Safety dated 4/9/13
- Financial Information- Provided a letter dated 2/20/19
- Corporation information and a copy of the Articles of Incorporation and Bylaws - Provided Articles of Incorporation of Copper River Fine Seafoods, Inc. dated 3/7/96; Articles of Amendment dated 3/1/04; Bylaws dated 3/15/98. On the 9/24/18 application, the applicant noted CEO Scott Blake held a 54.20 share, Director Rodger May held a 33.20 share, and Secretary Rich Monroe held no shares however the State of Alaska reports that in addition to Blake and May, Director Norman Stavis holds a 6.30 share and Shareholder James Stavis holds a 6.30 share.
- Certificate of good standing issued by the entity's state of domicile - State of Alaska notes Copper River Seafoods Inc. is in good standing as of 2/22/19
- 4 Appropriate References- Independent Packers Company representative; Seattle Tacoma Box representative; Pacific Harvest Seafoods representative; Key Bank B12 Capital representative

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

YES	NO	N/A	INCOMPLETE
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### 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:	
Business Name:	Copper River Seafoods, Inc.
Social Security Number:	92-0157589
Mailing Address:	1118 E. 5 <sup>th</sup> Ave
City, State, ZIP code:	Anchorage, AK 99501
Business Telephone No.	907-522-7806
Representative's Name:	Martin Weiser
Mailing Address:	1118 E. 5 <sup>th</sup> Ave
City, State, ZIP code:	Anchorage, AK 99501
Business Telephone No.	907-522-7806
Property Location:	
Legal Description:	Portion of Lot 13B, city of Homer Port Industrial
Type of Business to be placed on property:	Seafood Manufacturing
Duration of Lease requested:	20 years
Options to re-new:	20 year extension

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

1.	<b>Plot Plan</b>  <i>Attached</i>	<u>A drawing of the proposed leased property showing:</u> <input type="checkbox"/> Size of lot - dimensions and total square footage (to scale) <input type="checkbox"/> Placement and size of buildings, storage units, miscellaneous structures planned (to scale). <input type="checkbox"/> Water and sewer lines – location of septic tanks, if needed. <input type="checkbox"/> Parking spaces – numbered on the drawing with a total number indicated																		
2.	<b>Development Plan</b>	<input type="checkbox"/> <u>List the time schedule from project initiation to project completion, including major project milestones.</u> <table border="0"> <thead> <tr> <th align="left">Dates</th> <th align="left">Tasks</th> </tr> </thead> <tbody> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td><u>9/1/20</u></td> <td><u>Framing.</u></td> </tr> <tr> <td><u>12/31/2020</u></td> <td><u>Completion</u></td> </tr> </tbody> </table> <p>For each building, indicate:</p> <table border="0"> <thead> <tr> <th align="left">Building Use</th> <th align="left">Dimensions and square footage</th> </tr> </thead> <tbody> <tr> <td><u>Seafood Processing</u></td> <td><u>~ 42' x 47' 1974 sq ft</u></td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> </tbody> </table>	Dates	Tasks	_____	_____	_____	_____	<u>9/1/20</u>	<u>Framing.</u>	<u>12/31/2020</u>	<u>Completion</u>	Building Use	Dimensions and square footage	<u>Seafood Processing</u>	<u>~ 42' x 47' 1974 sq ft</u>	_____	_____	_____	_____
Dates	Tasks																			
_____	_____																			
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Building Use	Dimensions and square footage																			
<u>Seafood Processing</u>	<u>~ 42' x 47' 1974 sq ft</u>																			
_____	_____																			
_____	_____																			
3.	<b>Insurance</b>  <i>Attached</i>	<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.																		
4.	<b>Subleases</b>  <i>n/a</i>	<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.																		
5.	<b>Health Requirements</b>  <i>Attached Prior approval</i>	<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.																		

6.	<b>Agency Approval</b> <i>Attached</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.	<b>Fees</b>	<u>All applicable fees must be submitted prior to the preparation and/or execution of a lease.</u>  <input type="checkbox"/> <b>Application fee - \$30.00.</b> Covers costs associated with processing the application. <i>Please make check payable to the City of Homer.</i>  <input type="checkbox"/> <b>Lease fee - \$300.00.</b> Covers the costs of preparing and processing the actual lease.  <input checked="" type="checkbox"/> <b>Assignment fee - \$250.00.</b> Covers the costs of preparing and processing the lease transfer. <i>Please make check payable to the City of Homer.</i>
8.	<b>Financial Data</b>	<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 type="checkbox"/> <b>Financial Statement – <u>Please attach a financial statement showing the ability of the lessee to meet the required financial obligations.</u></b>  <input type="checkbox"/> <b>Surety Information –</b> 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"/> <b>Bankruptcy information -</b> 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"/> <b>Pending Litigation –</b> Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation? <i>as of 2/19/19</i> <input checked="" type="checkbox"/> No    Yes. If yes, please attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.

9.	Partnership Statement	<input type="checkbox"/> If the applicant is a partnership, please provide the following: <b>Date of organization:</b> _____ <b>Type:</b> <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <b>Statement of Partnership Recorded?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ <b>Has partnership done business in Alaska?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ <b>Name, address, and partnership share. If partner is a corporation, please complete corporation statement.</b>  <i>Please attach a copy of your partnership agreement.</i>																				
10.	Corporation Statement	<input checked="" type="checkbox"/> If the applicant is a corporation, please provide the following: <b>Date of Incorporation:</b> <u>March 7, 1996</u> <b>State of Incorporation:</b> <u>Alaska</u> <b>Is the Corporation authorized to do business in Alaska?</b> <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Is so, as of what Date? <u>March 7, 1996</u> <b>Corporation is held?</b> <input type="checkbox"/> Publicly <input checked="" type="checkbox"/> Privately If publicly held, how and where is the stock traded?  <b>Officers &amp; Principal Stockholders [10%+]:</b> <table border="1"> <thead> <tr> <th>Name</th> <th>Title</th> <th>Address</th> <th>Share</th> </tr> </thead> <tbody> <tr> <td>Scott A. Blake</td> <td>Pres/CEO</td> <td>118 E 5th Anch AK 99501</td> <td>54.20</td> </tr> <tr> <td>Rodger May</td> <td>Director, shareholder</td> <td>"</td> <td>33.20</td> </tr> <tr> <td>Rich Monroe</td> <td>Secretary/Treas.</td> <td>"</td> <td>0</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"> <thead> <tr> <th>Name</th> <th>Title</th> </tr> </thead> <tbody> <tr> <td>Scott Blake</td> <td>Resident/CEO</td> </tr> </tbody> </table>	Name	Title	Address	Share	Scott A. Blake	Pres/CEO	118 E 5th Anch AK 99501	54.20	Rodger May	Director, shareholder	"	33.20	Rich Monroe	Secretary/Treas.	"	0	Name	Title	Scott Blake	Resident/CEO
Name	Title	Address	Share																			
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Rodger May	Director, shareholder	"	33.20																			
Rich Monroe	Secretary/Treas.	"	0																			
Name	Title																					
Scott Blake	Resident/CEO																					

n/a

Attached

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: Jeff Buske  
Firm: Independent Packers Company  
Title: Owner  
Address: 2001 W. Garfield St Seattle, WA 98199  
Telephone: 206-922-3860  
Nature of business association with Applicant: They custom process for us for approx. 10 yrs

Name: Seattle Tacoma Box  
Firm: Cindy Unley  
Title: CFO  
Address: 23400 71st Pl S. Kent, WA 98032  
Telephone: 253-854-9700  
Nature of business association with Applicant: They have supplied us with all our packages for numerous years

Name: Jim Gonzales  
Firm: Pacific Harvest Seafoods  
Title: Owner / Pres.  
Address: 1800 NE 44th St. #200 Renton, WA 98056  
Telephone: 425-254-1544  
Nature of business association with Applicant: Customer/Supplier, partnered on ventures in past, not currently.

Name: Michael Panichi  
Firm: Kcp Bank Biz Capital  
Title: Sr. VP  
Address: 127 Public Square Cleveland, OH 44114  
Telephone: 216-689-4769 Mail code: OH-01-27-0533  
Nature of business association with Applicant: Bank

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

Signature:

Mark Wines, Chief Development Officer  
Page 5 of 5

Date:

9/20/18

**From:** Martin Weiser <mweiser@crsalaska.com>  
**Sent:** Friday, February 22, 2019 3:26 PM  
**To:** Rachel Friedlander <rfriedlander@ci.homer.ak.us>  
**Cc:** Erica Hollis <ehollis@ci.homer.ak.us>  
**Subject:** RE: Questions regarding CRS application

Sorry for the confusion, it is confirmed that the proper term for the activities we plan to perform in Homer would be, "fish buying station." If you could amend the application to read as such I would appreciate it.

As far as #2 goes, I will have to research that. It was my understanding from Paul Dale that the package I was submitting to you had all the necessary prior approvals. I will let you know if that is something we have and we failed to submit it or if we are going to have to scramble to meet the necessary requirement.

Marty

**From:** Rachel Friedlander <[rfriedlander@ci.homer.ak.us](mailto:rfriedlander@ci.homer.ak.us)>  
**Sent:** Friday, February 22, 2019 12:48 PM  
**To:** Martin Weiser <[mweiser@crsalaska.com](mailto:mweiser@crsalaska.com)>  
**Cc:** Erica Hollis <[ehollis@ci.homer.ak.us](mailto:ehollis@ci.homer.ak.us)>  
**Subject:** Questions regarding CRS application

Hi Martin,

A few questions came up while reviewing the application submitted by CRS in 2018, namely:

- 1) On the first page under "type of business to be placed on the property", you list "seafood manufacturing" but then on the second page under "Development Plan" you list "seafood processing." I've also heard that CRS intends to use the facility/City property for "fish buying" – could you clarify the intended use?
- 2) On #5 "Health Requirements," you noted "attached prior approval" but I don't seem to have those documents on my end – could you please resubmit those?

Thank you for your prompt response,  
Rachel



**Rachel Friedlander**  
*Executive Assistant to City Manager Katie Koester*  
City of Homer

## Rachel Friedlander

---

**From:** Martin Weiser <mweiser@crsalaska.com>  
**Sent:** Wednesday, February 27, 2019 12:42 PM  
**To:** Rachel Friedlander  
**Cc:** Erica Hollis  
**Subject:** RE: Questions regarding CRS application

Not to our knowledge at this time. My understanding is that the parcel was already connected to city sewer and that is all that is going to be required as we do not have any plans to process in this facility.

Marty

---

**From:** Rachel Friedlander <rfriedlander@ci.homer.ak.us>  
**Sent:** Wednesday, February 27, 2019 9:54 AM  
**To:** Martin Weiser <mweiser@crsalaska.com>  
**Cc:** Erica Hollis <ehollis@ci.homer.ak.us>  
**Subject:** RE: Questions regarding CRS application

Hi Marty,

Following up with you on #2 – is there any required environmental information from the DEC that should be presented at the Port&Harbor Advisory Commission this evening?

Thank you,  
Rachel

---

**From:** Martin Weiser <mweiser@crsalaska.com>  
**Sent:** Friday, February 22, 2019 3:26 PM  
**To:** Rachel Friedlander <rfriedlander@ci.homer.ak.us>  
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**Subject:** RE: Questions regarding CRS application

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**Cc:** Erica Hollis <ehollis@ci.homer.ak.us>  
**Subject:** Questions regarding CRS application

Hi Martin,

# ENTITY DETAILS

## Name(s)

Type	Name
Legal Name	COPPER RIVER SEAFOODS, INC.

**Entity Type:** Business Corporation

**Entity #:** 57866D

**Status:** Good Standing

**AK Formed Date:** 3/7/1996

**Duration/Expiration:** Perpetual

**Home State:** ALASKA

**Next Biennial Report Due:** 1/2/2020

**Entity Mailing Address:** 1118 E. 5TH AVE., ANCHORAGE, AK 99501

**Entity Physical Address:** 1118 E. 5TH AVE., ANCHORAGE, AK 99501

## Registered Agent

**Agent Name:** Scott Blake

**Registered Mailing Address:** 1118 E. 5TH AVE., ANCHORAGE, AK 99501

**Registered Physical Address:** 1118 E. 5TH AVE., ANCHORAGE, AK 99501

## Officials

Show Former

AK Entity #	Name	Titles	Owned
	James Stavis	Shareholder	6.30
	Norman Stavis	Director, Shareholder	6.30
	Rich Monroe	Secretary, Treasurer	
	Rodger May	Director, Shareholder	33.20
	Scott Blake	Director, President, Shareholder	54.20

## Filed Documents

Date Filed	Type	Filing	Certificate
3/07/1996	Creation Filing	<a href="#">Click to View</a>	



<b>Date Filed</b>	<b>Type</b>	<b>Filing</b>	<b>Certificate</b>
12/04/1997	Biennial Report	<a href="#">Click to View</a>	
1/03/2000	Biennial Report	<a href="#">Click to View</a>	
10/10/2002	Biennial Report	<a href="#">Click to View</a>	
1/22/2004	Amendment	<a href="#">Click to View</a>	
7/01/2004	Agent Change	<a href="#">Click to View</a>	
7/01/2004	Biennial Report	<a href="#">Click to View</a>	
1/13/2006	Biennial Report	<a href="#">Click to View</a>	
1/20/2009	Biennial Report	<a href="#">Click to View</a>	
12/22/2009	Biennial Report	<a href="#">Click to View</a>	
1/02/2012	Biennial Report	<a href="#">Click to View</a>	
1/20/2012	Certificate of Compliance		<a href="#">Click to View</a>
3/28/2012	Certificate of Compliance		<a href="#">Click to View</a>
3/29/2012	Certificate of Compliance		<a href="#">Click to View</a>
3/30/2012	Amendment	<a href="#">Click to View</a>	<a href="#">Click to View</a>
3/29/2013	Certificate of Compliance		<a href="#">Click to View</a>
4/24/2013	Certificate of Compliance		<a href="#">Click to View</a>
11/14/2013	Agent Change	<a href="#">Click to View</a>	
3/03/2014	Biennial Report	<a href="#">Click to View</a>	
3/24/2015	Change of Officials	<a href="#">Click to View</a>	
12/30/2015	Biennial Report	<a href="#">Click to View</a>	
5/02/2016	Certificate of Compliance		<a href="#">Click to View</a>
3/20/2018	Biennial Report	<a href="#">Click to View</a>	

**Close Details**

**Print Friendly Version**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
2/13/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Marsh & McLennan Agency, LLC 1031 West 4th Ave., Suite 400 Anchorage AK 99501		<b>CONTACT NAME:</b> Marianne Strahle <b>PHONE (A/C, No, Ext):</b> (907) 276-5617 <b>E-MAIL ADDRESS:</b> marianne.strahle@marshmc.com		<b>FAX (A/C, No):</b> (907) 276-6292
<b>INSURED</b> Copper River Seafoods Inc 1118 E. 5th Ave. Anchorage AK 99501		<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
		INSURER A: Travelers Prop Cas Co Of Amer		
		INSURER B: Travelers Indemnity Co.		
		INSURER C: Employers Insurance Co. of Wausau		
		INSURER D:		
		INSURER E:		
		INSURER F:		

**COVERAGES**      **CERTIFICATE NUMBER: 18-19 CRS, GAEW**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		Y6605G885652TIL18	12/31/2018	12/31/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Employee Overhead Liability \$ 1,000,000
B	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		BA5G93557919CAG	12/31/2018	12/31/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Medical payments \$
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$      RETENTION \$		CUP0J3035301914	12/31/2018	12/31/2019	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N N / A	WCCZ91470024018	12/31/2018	12/31/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
Re: Commercial Crane Agreement.

Where required by written contract, Certificate Holder is an Additional Insured on the General Liability policy, subject to the terms, conditions and limitations of said policy and the additional insured endorsement. It is further agreed that, where required by written contract, such insurance as is afforded the Certificate Holder shall be primary and non-contributory with any other insurance in force for or which may be purchased by the Certificate Holder.

<b>CERTIFICATE HOLDER</b> City of Homer 4311 Freight Dock Road Homer, AK 99603	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE Kirk Leadbetter/LRICH
---	---

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MAR 07 1996

Department of Commerce  
and Economic Development

ARTICLES OF INCORPORATION  
OF  
COPPER RIVER FINE SEAFOODS, INC.

ARTICLE I

The name of this corporation is COPPER RIVER FINE SEAFOODS, INC.

ARTICLE II

This corporation has perpetual existence.

ARTICLE III

The purpose of the corporation is to engage in the transaction of any and all lawful business for which corporations may be incorporated in the State of Alaska.

ARTICLE IV

The location and address of the registered office of the corporation is 7125 Old Seward Highway, #101, Anchorage, Alaska 99518, and the name of the registered agent at such address is R. Douglas Shaffer.

ARTICLE V

There are no affiliates of the company which are nonresident aliens or corporations whose places of incorporation are outside the United States.

ARTICLE VI

The corporation is authorized to issue one class of shares. The total number of shares which may be issued is 10,000.

ARTICLE VI

The first directors of the corporation are two in number and their names and addresses are:

<u>Name</u>	<u>Address</u>
R. Douglas Shaffer	7125 Old Seward Highway #101, Anchorage, Alaska 99518
William Bailey	7125 Old Seward Highway #101, Anchorage, Alaska 99518
Bruce Richardson	7125 Old Seward Highway #101, Anchorage, Alaska 99518
Scott Blake	7125 Old Seward Highway #101, Anchorage, Alaska 99518

The first directors shall serve until the first annual meeting of shareholders and until their successors are elected and qualified.

ARTICLE VII

The name and address of the incorporator is:

<u>Name</u>	<u>Address</u>
R. Douglas Shaffer	7125 Old Seward Highway #101, Anchorage, Alaska 99518

ARTICLE VIII

The corporation reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation, in the manner now or hereafter prescribed by law, and all rights and powers conferred herein on shareholders and directors are subject to this reserved power.

DATED this 4<sup>th</sup> day of March, 1996.

R. Douglas Shaffer  
R. Douglas Shaffer

STATE OF ALASKA                    )  
  )ss:  
THIRD JUDICIAL DISTRICT        )

I, R. Douglas Shaffer, being first duly sworn, depose and say:

I am the person above named; I have read the foregoing ARTICLES OF INCORPORATION and understand the contents thereof; I have executed it freely and voluntarily for the purpose set forth therein; and I verify that the same is true of my own knowledge.

R. Douglas Shaffer  
R. Douglas Shaffer

SUBSCRIBED and SWORN to before me this 4<sup>th</sup> day of March, 1996.

Patricia D. Meyer  
Notary Public in and for Alaska  
My Commission Expires: 8/29/99



Filing Date: Filed for Record  
State of Alaska  
JAN 22 2004  
Department of Community  
and Economic Development

[www.dced.state.ak.us/bsc/corps.htm](http://www.dced.state.ak.us/bsc/corps.htm)

Your corporation email/website address: \_\_\_\_\_

## ARTICLES OF AMENDMENT

The undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation pursuant to the provisions of Alaska Statute 10.06.510.

### ITEM 1 (See number 1 of the instructions)

The name of the corporation is: Copper River Fine Seafoods, Inc.

ITEM II (See number 2 and 6 of the instructions). Any article being amended must be set forth in its entirety. Any number of articles may be amended, added, or deleted.

Resolved that Article I of the Articles of Incorporation be amended to read as follows:

\_\_\_\_\_

The name of this corporation shall be and herewith is "Copper River Seafoods, Inc."

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

For continuation of amendment(s), attach additional pages.

08-440 (Rev. 7/99)

RECEIVED  
MAR 01 2004  
Peter C. Glinder, P.C.

**ITEM III** (See number 3, 4, and 5 of the instructions).

The amendment to the Articles of Incorporation was adopted on \_\_\_\_\_, by a resolution of the Board of Directors. **No shares have been issued.**

OR

The amendment to the Articles of Incorporation was adopted on January 16, 2004, by the outstanding shares and by the Board of Directors on January 16, 2004.

The number of shares outstanding is: 1,000.

The number of shares entitled to vote is: 1,000.

The number of shares which voted for the amendment: 1,000.

The number of shares which voted against the amendment: -0-.

If the shares of a class are entitled to vote as a class, write the designation and number of outstanding shares of each class entitled to vote and the number of shares of each class which voted for and against the amendment.

NO. OF SHARES	CLASS	SERIES	FOR	AGAINST

Date 1-01-04

Copper River Fine Seafoods, Inc.  
Name of Corporation

By: Scott A. Blakely  
President or Vice President

By: Philip H. Kelly  
Secretary or Assistant Secretary

BYLAWS  
OF  
COPPER RIVER FINE SEAFOODS, INC.

ARTICLE I

SEAL, FISCAL YEAR AND OFFICE

Section 1. Seal. The seal of this corporation shall have inscribed on it the name of this corporation and the words: "Corporate Seal."

Section 2. Fiscal Year. The fiscal year of this corporation shall be January 1 through December 31.

Section 3. Office. The principal office of the corporation in the State of Alaska shall be located in the Anchorage Recording District, Third Judicial District, at Anchorage. The registered office of the corporation required by the Alaska Corporations Code shall be located at the same location.

ARTICLE II

MEETING OF SHAREHOLDERS

Section 1. Annual Meeting. The annual meeting of the shareholders, the election of directors, and the transaction of such other business as may properly come before it shall be held at the principal office of the corporation in Anchorage, Alaska, or at some other place within the state as shall be set forth in the notice of meeting. The meeting shall be held on the 7th day of March of each year at 2 p.m. The secretary shall give personally or by mail not less than ten (10) nor more than thirty (30) days before the date of the meeting to each shareholder entitled to vote at such meeting written notice stating the place, date, and hour of the meeting. If mailed, the notice shall be addressed to each shareholder at his or her address as it appears on the record of shareholders of the corporation unless he or she shall have filed with the secretary of the corporation a written request that notices intended for him or her be mailed to a different address, in which case it shall be mailed to the address designated in the request. Any and all notices of meetings may be waived by a shareholder by submitting a signed waiver either before or after the meeting or by attendance at the meeting.

Section 2. Special Meetings. Special meetings of shareholders other than those regulated by statute may be called at any time by a majority of the directors or the president and must be called by the president upon the written request of the shareholders of ten percent (10%) of outstanding shares entitled to vote at a special meeting. Written notice of such meeting stating the place within or without the state, the date and hour of the meeting, the purpose or purposes for which it is called, and the name of the person by whom or at whose direction the meeting is called shall be given not less than ten (10) nor more than thirty (30) days before the date set for the meeting. The notice shall be given to each shareholder of record in the same manner as notice for the annual meeting. No business other than that specified in the notice of meeting shall be transacted in the meeting or at any such special meeting. Notice of a special meeting may be waived by submitting a signed waiver or by attendance at a meeting.

Section 3. Quorum. The presence in person or by proxy of the holders of a majority of the outstanding shares entitled to vote at a meeting shall be necessary to constitute a quorum for the transaction of business at all meetings of shareholders. If a quorum shall not be



present at any meeting of the shareholders, the shareholders entitled to vote at such meeting shall have power to adjourn the meeting to a future date at which a quorum shall be present or represented. At such adjourned meeting, any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Record Date. The directors may fix in advance a date not less than ten (10) nor more than thirty (30) days prior to the date of any meeting of the shareholders as the record date for the determination of shareholders.

Section 5. Voting. A shareholder entitled to vote at a meeting may vote at such meeting in person or by proxy. Every shareholder shall be entitled to one (1) vote for each share standing in his name on the record of shareholders. Except as herein or in the Articles of Incorporation otherwise provided, all corporate action shall be determined by a vote of a majority of the shares cast at a meeting of shareholders by the holders of shares entitled to vote thereon.

Section 6. Proxies. Every proxy must be dated and signed by the shareholder or by his attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided therein. Every proxy shall be revocable at the pleasure of the shareholder executing it except where an irrevocable proxy is permitted by statute. Proxies shall be shareholders.

Section 7. Ratification. Whenever by provision of statute or by the Articles of Incorporation or by these Bylaws, the vote of shareholders is required or permitted to be taken at a meeting thereof in connection with any corporate action, the meeting and voting of shareholders may be dispensed with if all the shareholders who would have been entitled to vote upon the action if such meeting were held shall consent in writing to such corporate action being taken.

### ARTICLE III

#### DIRECTORS

Section 1. Number and Qualifications. The entire Board of Directors shall consist of six (6) persons (all of whom shall be of full age). The number of directors may be changed by an amendment to the Bylaws adopted by the shareholders.

Section 2. Manner of Election. The directors shall be elected at the annual meeting of shareholders by plurality vote except as otherwise prescribed by statute.

Section 3. Term of Office. The term of office of each director shall be until the next annual meeting of the shareholders and until his or her successor has been duly elected and has qualified.

Section 4. Duties and Powers. The Board of Directors shall have control and management of the affairs and business of the corporation. The directors shall in all cases act as a board, regularly convened, and in the transaction of business the act of a majority present at a meeting except as otherwise provided by law or the Articles of Incorporation shall be the act of the Board, provided a quorum is present. The directors may adopt such rules and regulations for the conduct of their meetings and the management of the corporation as they may deem proper, not inconsistent with law or these Bylaws.

Section 5. Meetings. The Board of Directors shall meet for the election or appointment of officers and for the transaction of any other business as soon as practicable after the adjournment of the annual meeting of the shareholders, and other regular meetings of the Board shall be held at such times as the Board may from time to time determine. Special meetings of the Board of Directors may be called by the president at any time, and he must, upon the written request of any two (2) directors, call a special meeting to be held not more than five (5) days after the receipt of such request.

Section 6. Notice of Meetings. No notice need be given of any regular meeting of the Board. Notice of special meetings shall be served upon each director in person or by mail addressed to him at his last known post office address, at least two (2) days prior to the date of such meeting, specifying the time and place of the meeting. At any meeting at which all of the directors shall be present, although held without notice, any business may be transacted which might have been transacted if the meeting had been duly called.

Section 7. Place of Meeting. The Board of Directors may hold its meetings within the state of Alaska or outside of the state of Alaska at such place as may be designated in the notice of any such meeting.

Section 8. Quorum. At any meeting of the Board of Directors, the presence of a majority of the Board shall be necessary to constitute a quorum for the transaction of business. However, should a quorum not be present, the lesser number may adjourn the meeting to some future time, not more than five (5) days later.

Section 9. Compensation. Each director shall be entitled to receive for attendance at each meeting of the Board or of any duly constituted committee thereof which he attends such fee as is fixed by the Board.

Section 10. Vacancies. Any vacancy occurring in the Board of Directors by death, resignation, or otherwise shall be filled promptly by a majority vote of the remaining directors at the special meeting which shall be called for that purpose within five (5) days after the occurrence of the vacancy. The director thus chosen shall hold office for the unexpired term of his predecessor and until the election and qualification of his successor.

Section 11. Removal of Directors. Any director may be removed either with or without cause and at any time by a vote of the shareholders holding the majority of the shares then issued and outstanding and who are entitled to vote for the election of directors sought to be removed, at any special meeting called for that purpose, or at the annual meeting. Except as otherwise prescribed by statute, a director may be removed for cause by vote of the majority of the entire Board.

Section 12. Resignation. Any director may resign his office at any time, such resignation to be made in writing and to take effect immediately without acceptance.

#### ARTICLE IV

#### OFFICERS

Section 1. Officers and Qualifications. The officers of the corporation shall be a president, one or more vice-presidents, a secretary, a treasurer, and such other officers as the Board of Directors may determine. Any of the offices may be held by the same person. Each officer must be a shareholder in the corporation.

Section 2. Election. All officers of the corporation shall be elected annually by the Board of Directors at its meeting held immediately after the annual meeting of shareholders.

Section 3. Term of Office. All officers shall hold office until their successors have been duly elected and have qualified or until removed as hereinafter provided.

Section 4. Removal of Officers. Any officer may be removed either with or without cause by vote of a majority of the Board of Directors.

Section 5. Duties of Officers. The duties and powers of the officers of the corporation shall be as follows and as shall hereafter be set by resolution of the Board of Directors.

#### PRESIDENT

A. The president shall preside at all meetings of the Board of Directors. He shall also preside at all meetings of the shareholders.

B. He shall present at each annual meeting of the shareholders and directors a report of the condition of the business of the corporation.

C. He shall cause to be called regular and special meetings of the shareholders and directors in accordance with requirements of the statutes and of these Bylaws.

D. He shall appoint, discharge, and fix the compensation of all employees and agents of the corporation other than the duly elected officers, subject to the approval of the Board of Directors.

E. He shall sign and execute all contracts in the name of the corporation, and all notes, drafts, or other orders for the payment of money, subject to the approval of the Board of Directors.

F. He shall sign all certificates representing shares.

G. He shall cause all books, reports, statements, and certificates to be properly kept and filed as required by law.

H. He shall enforce these Bylaws and perform all the duties instant to his office and which are required by law, and generally, he shall supervise and control the business and affairs of the corporation.

#### VICE-PRESIDENT

During the absence or incapacity of the president, the vice-president, in order of seniority of election, shall perform the duties of the president, and when so acting, he shall have all the powers and be subject to all the responsibilities of the office of the president and shall perform such duties and functions as the Board may prescribe.

### SECRETARY

- A. The secretary shall keep the minutes of the meetings of the Board of Directors and of the shareholders in appropriate books.
- B. He shall attend to the giving of notice of special meetings of the Board of Directors and of all the meetings of the shareholders of the corporation.
- C. He shall be custodian of the records and seal of the corporation and shall affix the seal to the certificates representing shares and other corporate papers when required.
- D. He shall keep at the principal office of the corporation a book or record containing the names, alphabetically arranged, of all persons who are shareholders of the corporation, showing their places of residence, the number and class of shares held by them respectively, and the dates when they respectively became the owners of record thereof. He shall keep such book or record and the minutes of the proceedings of its shareholders open daily during the usual business hours, for inspection, within the limits prescribed by law, by any person duly authorized to inspect such records. At the request of the person entitled to an inspection thereof, he shall prepare and make available a current list of the officers and directors of the corporation and their residence addresses.
- E. He shall sign all certificates representing shares and affix the corporate seal thereto.
- F. He shall attend to all correspondence and present to the Board of Directors at its meetings all official communications received by him.
- G. He shall perform all the duties incident to the office of secretary of the corporation.

### TREASURER

- A. The treasurer shall have the care and custody of and be responsible for all the funds and securities of the corporation and shall deposit such funds and securities in the name of the corporation in such banks or safety deposit companies as the Board of Directors may designate.
- B. He shall make, sign, and endorse in the name of the corporation all checks, drafts, notes, and other orders for the payment of money and pay out and dispose of such under the direction of the president or the Board of Directors.
- C. He shall keep at the principal office of the corporation accurate books of account of all its business and transactions and shall at all reasonable hours exhibit books and accounts to any director upon application at the office of the corporation during business hours.
- D. He shall render a report of the condition of finances of the corporation at each regular meeting of the Board of Directors and at such other times as shall be required of him, and he shall make a full financial report at the annual meeting of the shareholders.
- E. He shall further perform all duties incident to the office of treasurer of the corporation.

F. If required by the Board of Directors, he should give such bond as it shall determine appropriate for the faithful performance of his duties.

#### OTHER OFFICERS

Other officers shall perform such duties and have such powers as may be assigned to them by the Board of Directors.

Section 6. Vacancies. All vacancies in any office shall be filled promptly by the Board of Directors, either at regular meetings or at a meeting specially called for that purpose.

Section 7. Compensation of Officers. The officers shall receive such salary or compensation as may be fixed by the Board of Directors.

#### ARTICLE V

#### SHARE CERTIFICATE

Section 1. Certificates. The shares of the corporation shall be represented by certificates approved by the Board of Directors and signed by the president or a vice-president, and by the secretary or an assistant secretary, or the treasurer or an assistant treasurer, and sealed with the seal of the corporation or a facsimile. Certificates shall be numbered consecutively and in the order in which they are issued; they shall be bound in a book and shall be issued in consecutive order therefrom, and in the margin thereof shall be entered the name of the person to whom the share is represented by each such certificate issued, the number and class or series of such shares, and the date of issue. Each certificate shall state the registered holder's name, the number and class of shares represented thereby, the date of issue, and the par value of such shares or that they are without par value. All certificates representing shares issued by the corporation shall have noted conspicuously thereon reference to the restrictions on sale and transfer provided for in Section 4 of this Article.

Section 2. Subscriptions. Subscriptions to the shares shall be paid at such time and in such installments as the Board of Directors shall determine. If default shall be made in payment of any installment as required by such resolution, the Board may declare the shares and all previous payments thereon forfeited for the use of the corporation in the manner prescribed by statute.

Section 3. Transfer of Shares. Subject to the provisions of Section 4 of this Article, the shares of the corporation shall be assignable and transferable only on the books and records of the corporation by the registered owner, or by his duly authorized attorney-in-fact, upon surrender of the certificate duly and properly endorsed with proper evidence of authority to transfer. The corporation shall issue a new certificate for the shares surrendered to the person or persons entitled thereto.

Section 4. Restrictions on Sale and Transfer. Unless otherwise provided in a shareholders' buy-sell agreement, no shareholder of the corporation may sell or transfer his shares in the corporation without first offering the shares for purchase to the corporation and to the shareholders of the corporation within a period of ninety (90) days of notice of intent to transfer the shares. Any sale or transfer, except by operation of law or court decree, may be made only after it shall have been approved by the Board of Directors, or at a shareholders' meeting specially called for such purpose, by not less than two-thirds of the outstanding shares

of the corporation. At such shareholders' meeting, the shares held by the shareholder proposing to sell or transfer his shares may not be voted or counted for any purpose, unless all shareholders consent that such shares be voted or counted.

Section 5. All certificates issued by the corporation shall be noted on the face of the certificate with the restrictions on sale and transfer contained in Section 4 as follows: "Transfer of these shares subject to approval by Board of Directors. Shares must be first offered to the corporation and other shareholders for purchase before transfer."

Section 6. Returned Certificates. All certificates for shares changed or returned to the corporation for transfer shall be marked by the secretary "canceled," with the date of cancellation, and the transaction shall be immediately recorded in the certificate book opposite the memorandum of their issue. The returned certificate may be inserted in the certificate book.

## ARTICLE VI

### DIVIDENDS

The Board of Directors at any regular or special meeting may declare dividends payable out of the surplus of the corporation, whenever in the exercise of its discretion it may deem such declaration advisable. Such dividends may be paid in cash, property, or shares of the corporation.

## ARTICLE VII

### BILLS, NOTES, ETC.

All bills payable, notes, checks, drafts, warrants, or other negotiable instruments of the corporation shall be made in the name of the corporation and shall be signed by such officer or officers as the Board of Directors shall from time to time by resolution direct.

No officer or agent of the corporation, either singly or jointly with others, shall have the power to make any bill payable, note, check, draft, or warrant, or other negotiable instrument, or endorse the same in the name of the corporation, or contract, or cause to be contracted any debt or liability in the name and on the behalf of the corporation except as herein expressly prescribed and provided.

## ARTICLE VIII

### OFFICES

The principal office of the corporation shall be located in the city of Anchorage, Alaska. The Board of Directors may change the location of the principal office of the corporation and may from time to time designate other offices within or without the state as the business of the corporation may require.

## ARTICLE IX

### AMENDMENTS

These Bylaws may be altered, amended, repealed, or added to by the affirmative vote of the holders of the majority of the shares entitled to vote in the election of any director at an

annual meeting or at a special meeting called for that purpose, provided that a written notice shall have been sent to each shareholder of record entitled to vote at such meeting at his or her last known post office address at least ten (10) days before the date of such annual or special meeting, which notice shall state the alterations, amendments, additions, or changes which are proposed to be made in such Bylaws. Only such changes shall be made as have been specified in the notice. These Bylaws may also be altered, amended, repealed, or new bylaws adopted by a majority of the entire Board of Directors at a regular or special meeting of the Board. However, any bylaws adopted by the Board may be altered, amended, or repealed by the shareholders.

ARTICLE X

WAIVER OF NOTICE

Whenever under the provisions of these Bylaws or any statute any shareholder or director is entitled to notice of any regular or special meeting or of any action to be taken by the corporation, such meeting may be held or such action may be taken without the giving of such notice, provided every shareholder or director entitled to such notice waives the requirements of these Bylaws with respect thereto.

DATED this 15 day of March, 1998, at Anchorage, Alaska.

Secretary

(S E A L)



CONSULTING ENGINEERS  
155 BIDARKA STREET  
(907) 283-3583

STRUCTURAL CIVIL ENVIRONMENTAL  
KENAI, ALASKA 99611  
FAX (907) 283-4514

March 1, 2013  
Timothy Fisher, Plans Examiner  
State of Alaska-Department of Public Safety  
Review Number: 4106

Dear Mr. Timothy Fisher,

I have received your plan review comments and offer the following responses:

1. Provide Electrical and Mechanical Plans. Electrical plans have been attached to this response letter. Per IBC section 1203.4 there is adequate natural ventilation in the building and the heating system will not be mechanical. Therefore mechanical plans should not be required. Please see attached calculations of natural ventilation.
2. Reclassification of Storage Area. Please refer to the revised plan set. The classification has been changed from S-2 to S-1.
3. Location of Fire Extinguishers. Please refer to the revised plan set. Fire extinguisher location and type have been noted on the floor plans.
4. Stair Rise and Run. Please refer to the revised plan set. Stair rise has been changed to 6<sup>3</sup>/<sub>4</sub>" and stair run has been changed to 11".
5. Maximum Openings in Guardrails. Please refer to the revised plan set. Guardrails have been added to all stair cases with a maximum opening of 4".
6. Documentation of Adequate Fire Vehicle Access. Please see attached documentation from the Fire Chief regarding the adequacy of the fire vehicle access to the proposed building.
7. Documentation of Adequate Hydrant Access. Please see attached documentation from the Fire Chief regarding the adequacy of fire hydrant access to the proposed building.
8. Listings for Assemblies. Please refer the revised plan set. We have added listings for floor and wall assemblies referencing the IBC, U.S. Gypsum, and UL Standards.

Thank you for this review of our structural plans. Please let me know if you have any additional questions.

Sincerely,

Zack Rininger

Reviewed By: William Nelson

09/05/11







THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

**Department of Public Safety**

DIVISION OF FIRE AND LIFE SAFETY  
Plan Review Bureau - Anchorage

5700 East Tudor Road  
Anchorage, Alaska 99507-1225  
Main: 907.269.2004  
Fax: 907.269.0098

April 09, 2013

William Nelson  
Nelson Engineering  
155 Bidarka Street  
Kenai, AK 99611

SUBJECT: Snug Harbor Seafoods Warehouse - Full Plan Review  
CITY: Homer  
PLAN REVIEW: 2013Anch1062  
TYPE OF CONSTRUCTION: VB  
OCCUPANCY: B, S-1, R-2  
2009 INTERNATIONAL BUILDING AND FIRE CODE

Dear William Nelson:

Plans for the subject facility have been reviewed by this office for conformity with the State Fire Safety Regulations and are hereby approved as submitted. Enclosed is a certificate of approval that must be posted on the premises until completion of the above facility. You are prohibited to occupy this building until construction is completed as approved. Any changes to the approved plans must be submitted to this office for review and approval.

Approval of submitted plans is not approval of omissions or oversights by this office or noncompliance with any applicable regulations of the Municipal Government. The plans have not been reviewed for compliance with the federal Americans with Disabilities Act or structural requirements.

It must be understood that the inclusion of and compliance with State Fire Safety Regulations does not preclude the necessity of compliance with the requirements of local codes and ordinances.

If we can be of further assistance in this matter, please feel free to contact us at the address above.

Sincerely,

A handwritten signature in cursive script, appearing to read "Timothy W. Fisher".

Timothy Fisher  
Plans Examiner

Enclosure: Approval Certificate



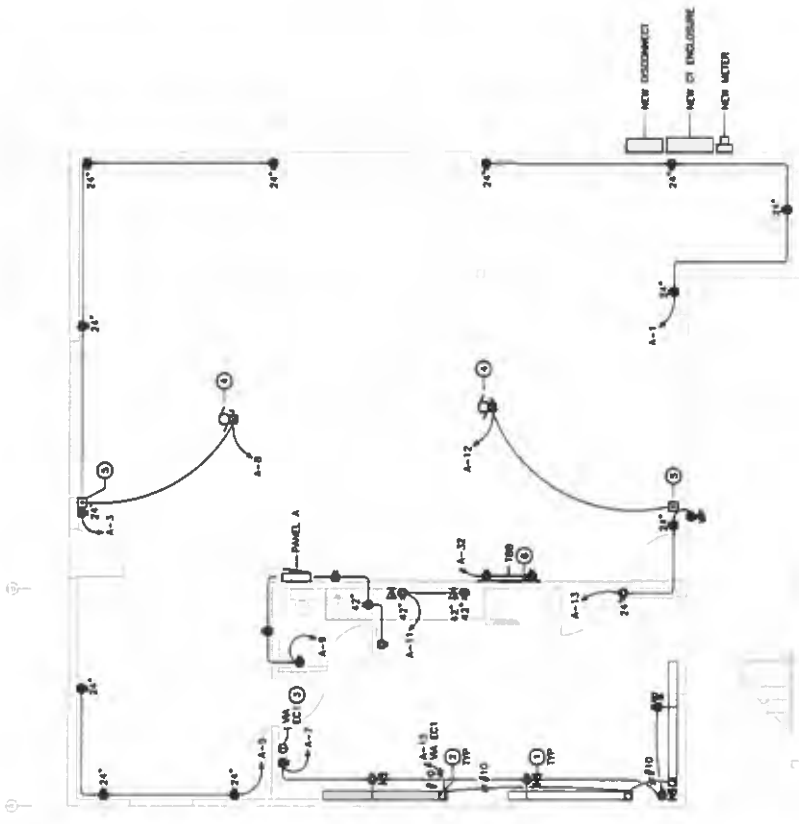
SUNG HARBOR SEAFOODS  
WAREHOUSE @ HOMER SPIT  
HOMER ALASKA

Revisions	No.	Description	Date

Drawn: \_\_\_\_\_  
Checked: \_\_\_\_\_  
Date: 04/02/11  
Job No: 2013.026

Sheet Contents  
GROUND FLOOR  
POWER, LIGHTING  
& SIGNAL PLANS

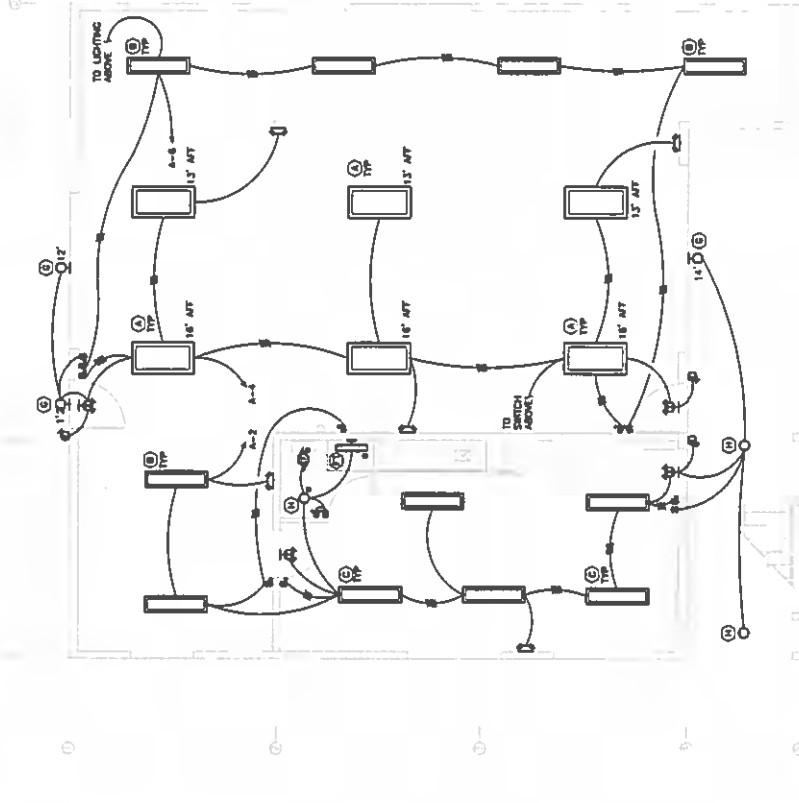
Drawing No. E2



2 GROUND FLOOR POWER & SIGNAL PLAN  
SCALE: 1/4" = 1'-0"

SHEET NOTES:

- PROVIDE ROUGH-IN OF 1" TO WAREHOUSE OPERATOR FOR TELEPHONE SERVICE. PROVIDE TELEPHONE SYSTEM TO TELECOM BACKBOARD, COORDINATE TELECOM OUTLET & CABLE REQUIREMENTS WITH TELNET.
- ELECTRIC HEATING/HEAT EXCHANGER. PROVIDE ROUGH-IN FOR ELECTRIC HEATING STRIPS AS SELECTED BY THE OWNER. PROVIDE TELEPHONE SERVICE TO TELECOM BACK BOARD OR REMAIN FOR TELECOM SERVICE. COORDINATE REQUIREMENTS WITH TELEPHONE UTILITY.
- ECL 240V, 30A, 1A, ELECTRIC HEAT THERMOSTAT CONTROL.
- GROUND FLOOR METER 100-240V, 15 (NEWBY)
- GARAGE LIGHT EXHIBITION SWITCH
- PROVIDE 2" DIA. FROM TELEPHONE ROOSTER TO TELECOM BACK BOARD OR REMAIN FOR TELECOM SERVICE. COORDINATE REQUIREMENTS WITH TELEPHONE UTILITY.



1 GROUND FLOOR LIGHTING PLAN  
SCALE: 1/4" = 1'-0"



**SUNG HARBOR SEAFOODS**  
**WAREHOUSE @ HOMER SPT**  
**HOMER ALASKA**

Revisions	No.	Description	Date

Drawn: \_\_\_\_\_

Checked: \_\_\_\_\_

Date: 04/02/11

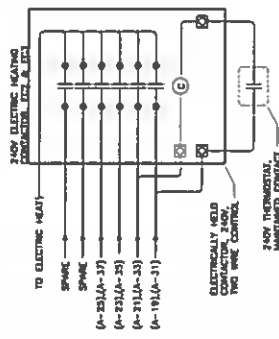
Job No: 2013.028

Sheet Contents:  
 2ND LEVEL LIGHTING  
 & SIGNAL PLAN

Drawing No. **E3**

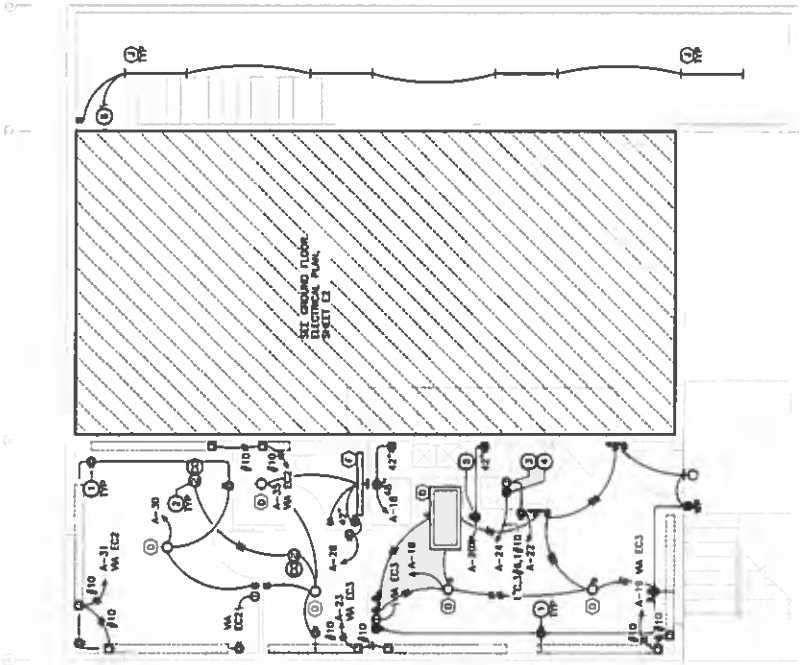
**SHEET NOTES:**

1. PROVIDE TAMPER RESISTANT RECEPTACLES IN DWELLING UNIT
2. PROVIDE SINGLE STATION 120V SOURCE & CO DETECTOR TO ALL TAMPER RESISTANT RECEPTACLES IN THE DWELLING UNIT UPON SOURCE OR CO DETECTOR.
3. ELECTRIC RANGE, SMOOR, NEMA 14-50R
4. RANGE, OVEN, FAN & LIGHTS, CONNECT TO CIRCUIT AS SHOWN.
5. MOUNT RECEPTACLE IN CABINET FACE PER NEC.
6. CONNECT TO LIGHTING CIRCUIT A-E.



**DETAIL NOTES:**

1. HEATING NOT SHOWN FOR CLARITY
2. MOUNT HEATING CONTACTORS NEAR PANEL 'A'



**1 SECOND LEVEL POWER & LIGHTING PLAN**  
 SCALE 1/8" = 1'-0"

**2 HEATING CONTROL DETAIL (EC2 & EC3)**  
 SCALE 1/8" = 1'-0"



**SUNG HARBOR SEAFOODS**  
**WAREHOUSE @ HOMER SPT**  
**HOMER ALASKA**

No.	Description	Date

Drawn: \_\_\_\_\_

Checked: \_\_\_\_\_

Date: 04/02/11

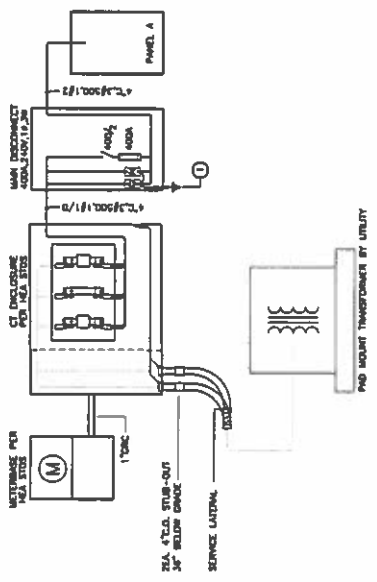
Job No: 2011.028

Sheet Contents  
 SINGLE LINE DIAGRAM  
 & PANEL SCHEDULE

Drawing No.

**E4**

PANEL A		120/20V 1PH 3W		480V 3PH 3W	
NO.	DESCRIPTION	AMPERE A	PHASE B	NO.	DESCRIPTION
1	LINE C WAREHOUSE	720	175	1	LINE C WAREHOUSE
2	LINE C WAREHOUSE	140	115	2	LINE C WAREHOUSE
3	LINE C OFFICE	600	600	3	LINE C OFFICE
4	LINE C OFFICE	140	800	4	LINE C OFFICE
5	ELECTRIC HEAT	2200	1600	5	ELECTRIC HEAT
6	ELECTRIC HEAT	2200	2200	6	ELECTRIC HEAT
7	ELECTRIC HEAT	1115	1115	7	ELECTRIC HEAT
8	ELECTRIC HEAT	2200	1775	8	ELECTRIC HEAT
9	ELECTRIC HEAT	2200	2200	9	ELECTRIC HEAT
10	ELECTRIC HEAT	2200	2200	10	ELECTRIC HEAT
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91	ELECTRIC HEAT	2200	2200	91	ELECTRIC HEAT
92	ELECTRIC HEAT	2200	2200	92	ELECTRIC HEAT
93	ELECTRIC HEAT	2200	2200	93	ELECTRIC HEAT
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100	ELECTRIC HEAT	2200	2200	100	ELECTRIC HEAT



**1 ELECTRICAL SINGLE LINE DIAGRAM**  
 SCALE: 1/8\"/>

**DETAIL NOTES**

1. ALL OIL IS METAL WATER PIP, NOT OF A OIL OR 20FT. OF 3\"/>
2. IMMEDIATELY UPON PROJECT NOTICE TO PROCEED, CONTRACTOR IS TO ARRANGE AN ELECTRICAL SERVICE APPLICATION WITH HOMER ELECTRIC ASSOCIATION.

**GROUND LEASE AND SECURITY AGREEMENT**

**BETWEEN**

**CITY OF HOMER, ALASKA**

**AND**

**COPPER RIVER SEAFOODS, INC.**

**Dated March 1, 2019**

## GROUND LEASE AND SECURITY AGREEMENT

GROUND LEASE AND SECURITY AGREEMENT (“Lease”) dated as of March 1, 2019, between the CITY OF HOMER, an Alaska Municipal Corporation (“Landlord”), whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and COPPER RIVER SEAFOODS, INC., a State of Alaska Business Corporation (“Tenant”), whose address is 1118 E. 5<sup>th</sup> Avenue, Anchorage, Alaska 99501.

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** is a certificate of good standing issued by the state under whose laws Tenant is organized. 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

WHEREAS, Tenant has made its own determination that its proposed development of the property will be economically feasible, and that the term for which it is leasing the property will be sufficient to amortize Tenant’s investment in developing the leased property under Tenant’s proposal.

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"):

*Portion of Lot 13B, City of Homer Port Industrial Subdivision No. 2, according to Plat No. 80-92, Homer Recording District, State of Alaska, as depicted on Exhibit C, containing 15,300 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 18103425;*

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 twenty (20) years, commencing on April 1, 2019, and ending on March 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 (2) additional, consecutive five (5) year periods (each 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 \$12,996.12 (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 \$1,083.01, plus sales and all other taxes Landlord is authorized or obligated to collect on such transactions, on April 1, 2019, and on the first (1<sup>st</sup>) 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 on January 1, 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.** Upon execution of this Lease, and in addition to any other security or credit support provided by or for the benefit of Tenant in entering into this Lease, Tenant shall deposit with Landlord an amount equal to 10% of the annual Base Rent as security for Tenant's performance of its obligations under this Lease. Landlord may commingle the security deposit with other funds of Landlord, and its obligations with respect to such security deposit shall only be as a debtor and not as a trustee or fiduciary. If Tenant defaults in performing any obligation under this Lease, including without limitation the payment of rent, Landlord may apply all or any portion of the security deposit to the payment of any sum in default or any damages suffered by Landlord as result of the default, or any sum that Landlord may be required to incur by reason of the default. Upon demand, Tenant shall deposit with Landlord the amount so applied so that Landlord will have the full deposit on hand at all times during the Term.

## **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.

**7.10 Fish Dock Use Permit.** Before using the City of Homer Fish Dock, Tenant shall obtain a City of Homer Fish Dock Use Permit. Tenant shall continue to have a current Fish Dock Use Permit in force until the earlier to occur of (i) the expiration or earlier termination of the Term, and (ii) the date Tenant ceases to use the Fish Dock.

**7.11 Terminal Use Permit.** Before using City of Homer Docks other than the Fish Dock, Tenant shall obtain a City of Homer Terminal Use Permit. Tenant shall continue to have a current Terminal Use Permit in force until the earlier to occur of (i) the expiration or earlier termination of the Term, and (ii) the date Tenant ceases to use City of Homer Docks other than the Fish Dock.

## **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  
Email: citymanager@cityofhomer-ak.gov

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

Martin Weiser  
Copper River Seafoods  
1118 E. 5<sup>th</sup> Avenue  
Anchorage, Alaska 99501  
Email: mweiser@crsalaska.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 May 1, 2014, a lease of which has been recorded in the records of the Homer Recording District under Document No. 2014-001303-0 (the "Prior Lease"). This Lease replaces and supersedes the Prior Lease effective as of April 1, 2019, 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**

**COPPER RIVER SEAFOODS INC.**

By: \_\_\_\_\_  
Katie Koester, City Manager

By: \_\_\_\_\_  
Martin Weiser, Chief Development Officer

**ACKNOWLEDGMENTS**

STATE OF ALASKA )  
) ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 20\_\_, Katie Koester, 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 Martin Weiser, as Chief Development Officer of Copper River Seafoods Inc. on behalf of Copper River Seafoods Inc.

---

Notary Public in and for Alaska

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**

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

Tenant, Copper River Seafoods Inc., is a Business Corporation 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.

The shareholders and their percentage of ownership are as follows:

James Stavis, Shareholder 1118 E. 5TH AVE., ANCHORAGE, AK 99501	6.30 %
Norman Stavis, Shareholder 1118 E. 5TH AVE., ANCHORAGE, AK 99501	6.30 %
Rodger May, Director, Shareholder 1118 E. 5TH AVE., ANCHORAGE, AK 99501	33.20%
Scott Blake, Director, President, Shareholder 1118 E. 5TH AVE., ANCHORAGE, AK 99501	54.20
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)**

Portion of Lot 13B, City of Homer Port Industrial Subdivision No. 2, according to Plat No. 80-92, Homer Recording District, State of Alaska, containing 15,300 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 18103425.

**EXHIBIT D**

**TENANT'S PROPOSED USE OF THE PROPERTY**

**(Section 6.01)**

The Tenant's proposed use of the property is a fish buying station.



**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 Copper River Seafoods Inc. (“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: \_\_\_\_\_

**COPPER RIVER SEAFOODS INC.**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_



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

3 City Manager/  
4 Public Works Director

5 **RESOLUTION 19-018**

6  
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
8 AUTHORIZING ACCEPTANCE OF AN ALASKA CLEAN WATER  
9 ACTIONS (ACWA) GRANT FOR LOW-IMPACT DEVELOPMENT  
10 PLANNING IN THE AMOUNT OF \$59,784.50 AND AUTHORIZING  
11 THE CITY MANAGER TO EXECUTE THE GRANT AGREEMENT.

12  
13 WHEREAS, The City submitted an application to the Alaska Department of  
14 Environmental Conservation (DEC) for a SFY2019-2021 Alaska Clean Water Actions (ACWA)  
15 Grant for low-impact development planning; and

16  
17 WHEREAS, low-impact development planning will assist the City of Homer to begin a  
18 Storm Water Master Plan, which is a Legislative Priority in the 2019-2024 City of Homer Capital  
19 Improvement Plan; and

20  
21 WHEREAS, City Council Resolution 18-086 authorized the grant submission; and

22  
23 WHEREAS, The City is pleased to have been awarded a \$59,784.50 60-40 matching grant  
24 from DEC to identify and map drainage basins in city limits, estimate stormwater runoff  
25 volumes, identify and compare traditional and green infrastructure opportunities for  
26 treatment of stormwater runoff, and construct green infrastructure at the new police station  
27 site.

28  
29 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, accepts the  
30 DEC ACWA grant funds and authorizes the City Manager to submit the appropriate documents.

31  
32 BE IT FURTHER RESOLVED that the City Council will meet the 40% grant match  
33 requirement with HART funds through Ordinance 19-11.

34  
35 PASSED AND ADOPTED by the Homer City Council this 11<sup>th</sup> day of March, 2019.

36  
37 CITY OF HOMER

38  
39  
40  
41 \_\_\_\_\_  
42 KEN CASTNER, MAYOR

43 ATTEST:

44

45

46 \_\_\_\_\_

47 MELISSA JACOBSEN, MMC, CITY CLERK

48

49 Fiscal Note: N/A

# VISITORS





ANNOUNCEMENTS  
PRESENTATIONS  
BOROUGH REPORT  
COMMISSION REPORTS





## City of Homer

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

## Homer City Council

491 East Pioneer Avenue  
Homer, Alaska 99603

(p) 907-235-3130

(f) 907-235-3143

Date: February 26, 2019  
From: Councilmember Donna Aderhold  
Subject: Alaska Municipal League Winter Meeting and Legislative Fly-In, Juneau, 18-20 February 2019  
Trip Report

I had the privilege to travel to Juneau to meet with Homer's state legislators and state and federal agencies, and attend the Alaska Municipal League's winter meeting. These trips are valuable on many fronts, and I appreciate the opportunity to attend. Below is a summary of the meetings held.

### **Senator Gary Stevens**

Councilmembers Smith and Lord, City Manager Koester, and I met with Senator Gary Stevens. The bulk of our conversation revolved around the governor's proposed budget and Senator Stevens' perceptions of the budget thus far. He noted that during a Senate Finance hearing, Senator von Imhof aptly stated that the budget is the result of everyone receiving a \$3,000 PFD in 2019. Senator Stevens wants to know the impact of proposed budget measures on municipalities.

Regarding the University of Alaska, he does not want to lose the colleges. He would like to see the university preserve programs and remove some administrative layers in chancellors and deans. The future of the UAA education program is uncertain, though there is the possibility of UAA education students receiving their degrees from either UAF or UAS. Senator Stevens is sponsoring a bill that would make the Board of Regents responsible for monitoring accreditation of programs. He is also concerned about the loss of the WWAMI program, wondering aloud how many doctors in Homer came through the program.

Our discussion touched on numerous other budget related topics:

- He has heard support from his constituents for an income tax. He supports one, but believes an income tax bill would not pass the governor.
- He tentatively supports of sending prisoners outside Alaska because of the cost savings. The prisoners sent outside would include those individuals with the longest sentences.
- The trooper's 15% salary increase will probably stay in the budget. This affects Homer because law enforcement is all the same pool.
- Senator Stevens has sponsored a bill that would allow municipalities to invest funds in the permanent fund investment.
- He noted that the senate is discussing that it may be time to get rid of oil tax credits.
- He believes the current administration is interested in giving AKLNG back to the oil and gas companies. Is there a market?
- Senator Stevens will be traveling through his district, including Homer, soon for community updates.

### **Representative Sarah Vance**

Councilmembers Smith and Lord, City Manager Koester, and I met with Representative Vance. When we met with her the House had just organized and was in the midst of determining committee assignments.

City Manager Koester provided information on how state budget cuts would affect municipalities, especially Homer. For instance, SB 63 that would stop sharing fish taxes with municipalities would cut approximately \$100,000 revenues to Homer. Other impacts would be indirect.

Representative Vance compared the governor's proposed budget to pruning a tree rather than clearcutting a forest. Pruning is healthy for the tree.

Regarding education, she is interested in adjusting requirements for school building construction to better meet the needs of communities. She is interested in increasing local control to improve education.

She encourages the public to weigh in on innovation ideas. She'd like to find efficiencies that keep jobs. She wants people to be part of the conversation.

SB57, which would redirect oil and gas property taxes from municipalities to the state would likely not see the light of day this year, she predicted.

Regarding new revenues for the state, Representative Vance said that a sales tax is most favored by state residents based on a poll from an undisclosed source.

She noted that one-third of the legislature is new this year and the administration is new and reorganized.

Representative Vance is planning town hall meetings in Homer. At the time of our meeting she had not determined when they would be scheduled.

### **Alaska Municipal League Meeting**

City Manager Koester, Councilmember Smith, and I attended the Alaska Municipal League meeting. Councilmember Lord attended periodically during breaks in the Harbormaster's conference. Following are brief summaries of presentations made during the two days we attended.

Much of the planned agenda for the first day of AML fell apart after the governor's budget became public and many speakers needed to attend to budget review and legislative hearings related to the budget. Instead, AML Executive Director Nils Andreassen provided a municipal overview of the budget and opened the room for discussion of how the budget would impact different municipalities. AML Board President Tim Navarre started the meeting by noting that parts of the governor's proposed budget put municipalities out of business and municipalities need to work together with the administration to affect change.

#### AML Budget Overview

- Municipalities that contribute the greatest to the state's GDP experience the brunt of cuts and cost-shifting
- Indirect costs to municipalities are the more significant challenge
- These cuts do not reduce state government, they eliminate the state's support of institutions that are fundamental to the quality of life and economic health
- Discussion on the bullets above included the following:
  - "Prudent local government" results in savings with the governor uses against municipalities that have saved
  - The senate is working pragmatically toward negotiation with the governor for a veto-proof budget
  - "On day 1 he opened the state for business, on day 75 he closed Valdez."
  - "Fundamental breach of social structure between state and rural Alaska."

- OMB Director Arduin stated that state spending caused the state recession—as opposed to the documented oil price drop
- Community assistance is not clearly in the budget, but the governor is saying the state will pay \$50 million this year. Community assistance funds are absorbed into the general fund in FY20.
- School bond debt reimbursement is eliminated from the budget. These are negotiated agreements and commitments the state made with municipalities over time. Across the state this is \$105 million, \$2.8 million for the Kenai Peninsula Borough.
- The shift of the petroleum property tax from municipalities to the state (SB57) results in a \$439.5 million cost shift (\$15 million for KPBP). This results in state rescission and preemption of municipal taxing authority.
- Shifting fisheries business taxes and fisheries resource landing taxes (SB63) from municipalities to the state results in a loss of \$25.9 million and \$6.3 million, respectively to municipalities statewide. More rescission and preemption.
- The base student allocation from the state to municipalities is reduced to \$1,100/student. Beyond impacts to schools and students, local governments will need to evaluate their local contribution. Overall this is a \$332.4 million cut to municipalities, \$18.3 million for KPBP.
- Ports and harbors: in 2003 the state committed to fund DOT&PF port and harbor projects transferred by the state to municipalities, including Homer. SB59 would repeal this commitment, currently at \$32.5 million but ports and harbors require constant maintenance and upgrades. Municipalities took on state debt and are now being punished.
- Additional cuts that affect municipalities:
  - UA--\$155 million
  - Health spending--\$270 million (includes SPH)
  - Alaska Marine Highway System—end service in October, 65% cut and planned divestiture; Southeast Conference is working on a restructure of AMHS ([amhsreform.com](http://amhsreform.com)); need to clarify with administration what it means to privatize
  - Power Cost Equalization reallocated to general fund
  - Many other smaller things
- Total costs to 24 highest value municipalities (based on 5 variables) = \$774,822,158; cost shifting as percent of tax revenue = 49%
- Solutions from a broad policy perspective
  - “Anything you take off the table has to be replaced.” Mike Barnhill, OMB Policy
  - Use of earnings reserve
  - Implementation of a broad-based tax
  - Reduce or reallocate payout of the PFD
  - Decrease repayment of oil tax credits
  - Reduce actual size of state government
- Communications
  - Alaskan as citizens deserve their share of the state’s resource wealth AND as taxpayers deserve public services that their wealth contributes to.
  - Governor Dunleavy’s proposal increases taxes and eliminates essential services.
  - All cuts are not created equal.
  - “Prudent behavior” by local governments reward by cost-shifting and burdens.
  - Erosion of quality of life, loss of jobs, etc. = preparation for recession.

- Budget plan accepts status quo as good enough for Alaskans – no growth scenario.

### Senator Bert Stedman

Notes and quotes captured during his presentation:

“The budget has been stabbed a few times, it’s bleeding pretty good, and the prognosis isn’t good.”

Said in jest: No tax increases here at all.

Looking at holding PERS/TRS rate at 22% and maintaining revenue sharing.

Sinking of the AMHS—DOT&PF will be in front of Senate Finance committee in a few days and he intends to ask what the holding costs for the fleet are after October. What are maintenance costs for a mothballed fleet? What about the state-owned boat yard in Ketchikan?

Alaska has strongest government in the U.S. by structure. Working to negotiate with the governor—kicking him in the butt is not effective. We still have a revenue issue.

Working to get everyone in the senate to understand what’s in the budget.

Unlikely that the bill to remove oil and gas property tax will pass, which leaves a big hole in the governor’s budget.

Got to come up with something fair around the state that is not disruptive to the state and communities.

Recommends short letters: revenue impact to towns and how municipalities would remedy, i.e., how quickly can municipalities respond legislatively and administratively to state cuts.

Upcoming presentations to senate finance include the university, DOT&PF, and HHS.

“Beaching the fleet and tubing the shipyard not an option.”

Need to fix the problem. Whining and crying won’t get us there. We need an economy.

Dunleavy is serious about the budget, Stedman does not agree. They are negotiating.

### Outcome of AML Board meeting with Governor Dunleavy

A small group of AML board members met with Governor Dunleavy for 20 minutes. The governor is open to ideas from AML that would reduce the cost of municipal regulation compliance. He requested feedback on constitutional amendments he has proposed. He also suggested that the state could give the municipalities more land (although the state is currently years behind in the considerable work to transfer land and the process costs money). He is looking for ways to increase resource development.

### Group discussion among AML attendees

Should there be a consistent set of questions asked at community town hall meetings?

Currently there is no connection between the people and the cost of government. We have one taxpayer in the state (oil and gas industry), and the more people who move to the state the greater the drain on state resources.

PERS/TRS is a burden on small communities that have had to reduce the number of employees, because they end up paying the 22% on “ghost” employees.

AML suggested that cities and boroughs work together to present municipal impacts comprehensively.

Senator Lisa Murkowski

Misery loves company.

\$90 billion in federal cuts to avoid sequestration.

Are our communities healthy? Are we able to attract people? It's about people.

Impact to Alaska from the federal shutdown:

- Highest per capita federal employees affected
- Local “mom and pop” businesses, fishermen, and other non-federal workers affected by federal employees not spending money and federal work not happening

The state of Alaska stands to lose federal funds because there often needs to be a state match to receive federal funds.

Doesn't help to dig a deeper hole in one place to fill it in another. Need to find different revenues instead of pitting one part of the state against another

PFAS at Alaska airports—pushing EPA to develop an action plan.

Mike Barnhill, Office of Management and Budget Policy Director

Governor Dunleavy's budget cut \$1.6 billion from Governor Walker's proposed budget, from \$4.8 billion to \$3.2 billion. At Gov. Dunleavy's direction the budget pays out a full PFD.

Some revenue in the budget comes from the municipalities:

- Repeal local petroleum property tax (SB57) brings \$398 million to the state.
- Repeal sharing of fish business and landing taxes with municipalities brings \$28.4 million to the state.
- Debt reimbursement:
  - Repeal school debt reimbursement brings \$100 million to state
  - Repeal project debt reimbursement (capital projects nearing debt payback) brings \$4.5 million to state
- Oil and gas tax credit paydown from surplus AIDEA funds
- The state does share 50% of alcohol taxes with municipalities

Shutting down 11 agencies altogether would save the state \$400 million.

OMB analyzed the capacity of municipalities to weather some years of lost revenues if SB57 passes.

Through legislation the governor would change the structure of community assistance and other “quasi-dedicated funds” (other “quasi-dedicated funds” include power cost equalization and higher education).

The intent is to move these funds to the general fund (which the administration argues is where the funds belong because they are not truly designated funds) and fund each program annually.

The budget is now subject to “the process” which equals legislative review. New revenues are up to the process.

Any suggested additions to the budget need to be accompanied by a means to pay for them.

Jason Brune, DEC Commissioner

Mission of agency to protect human and environmental health. Alaska has better standards than other states for a reason; we need to hold ourselves to the same high standard.

Local problems call for local solutions.

Higher fecal coliform standards for the cruise ship industry than for municipalities—there should be one standard.

PFAS issues at local airports around the state leading to drinking water well contamination. EPA is working on an MCL

CPlans are out of control—too long and too hard to read; working on changing that.

Confident DEC can hold oil and gas industry to a very high standard (said in response to a question about air quality issues in Nuiqsut).

Sandra Moller, DCCED Division of Community and Regional Affairs

“Alaska is only as strong as its rural communities.”

“People engineer.” Mission: Helping Alaska’s communities build sustainable economies and means of self-governance.

Her office administers municipal grants for community revenue sharing, PILT, and fish taxes.

In response to a question about the stress the governor’s proposed budget puts on municipalities and rural communities she responded “stress makes steel stronger.”

Anchorage Mayor Ethan Berkowitz

“We must, indeed, all hang together or, most assuredly, we shall all hang separately.” Ben Franklin

"There is no vision, no hope, no future, no agenda for Alaska, if your only ideology, if your only philosophy, if your only cause is to cut the budget." Wally J. Hickel

The governor’s budget is designed to tear us apart. Declaring Alaska open for business should not be a cliché. The statement rings hollow with the proposed budget.

Rather than protecting the full amount of the permanent fund we should be protecting the principles and ideals behind the dividend.

The budget pushes more responsibility onto municipalities while taking away municipalities’ ability to take on more responsibility.

Speaker of the House Bryce Edgmon

House organized thanks to republicans who joined a coalition around a fiscal plan for the state. The coalition includes 25 representatives. The house intends to go toe to toe with the governor on the budget. One-third of the undesignated general fund budget gone in one fell swoop would cripple rural communities. People need to understand the tradeoffs.

Representative Tammie Wilson, co-chair Finance

The coalition is about working together. She remains just as conservative right as always. She wants transparency from the governor on how they built the budget. What were their priorities? The cuts to education in the budget demonstrate no understanding that municipalities have revenue caps. However, the budget forces Alaskans to have the conversation we need to have.



We need a balanced budget. But so far we haven't had a discussion about how we got to a reduced PFD.

Now we have the opportunity to have that discussion with Alaskans. One-half of undesignated general fund goes to municipalities through various means. Need to change the conversation with the governor and Alaskans. She hasn't seen the administration be transparent with the senate yet.

#### Senator Lyman Hoffman, finance committee

Alaska is on a different path now. The PFD is larger than HSS and Education budgets. We could eliminate every state worker and still not balance the budget. He is a supporter of revenue sharing with municipalities and working to keep the Power Cost Equalization endowment.

#### U.S. Senator Dan Sullivan

Alaska is still in a recession but on the verge of finally emerging—oil and gas on the North Slope is going through a renaissance, the military and Coast Guard are rebuilding, and there is a highway bill for the Alaska Marine Highway System.

Sen. Sullivan is working on several pieces of legislation related to wellness:

- Save our Seas Act related to ocean plastics (passed). Now working on legislation on plastics with everyone involved
- Comprehensive Addiction and Recovery Act is working through the legislature. It would provide funding to communities affected by opioid addiction.
- Power Act would give victims of sexual assault the right to counsel similar to the right to counsel for those accused of a crime.
- Also working on other legislation related to sexual assault and domestic violence. This will take a generation.

There is currently a debate in Congress about the pros and cons of earmarks.

Secretary of Interior Ryan Zinke was great for Alaska. His replacement (Dave Burnhart) will be just as good. He knows Alaska issues.

#### Public Safety Summit

Presentations by Amy Demboski, Deputy Chief of Staff, Ben Stevens, Policy Advisor, Ed Mercer, Chief Juneau Police, Greg Russell, Retired Police Officer, Jim Stiers, Chief Fairbanks Fire Department, John Moosey, Mat-Su Borough Manager, and Yucel Ors, National League of Cities.

Governor's office is formulating a strategy to change crime trends in Alaska—reform doesn't happen overnight. The governor's budget had the least reductions in areas of public safety. The state is looking to share assets with municipalities and low or no cost to the state. See public safety as a continuum of care—what do communities need? More troopers, behavioral health providers, etc.?

The Juneau Police Department has not been fully staffed in 20 years. Municipalities and state compete with each other for the same pool of recruits and end up taking from each other. It's difficult to maintain morale when officers are seeing the same people and the same crimes over and over.

Alaska needs standards through the Alaska Police Standards Council. Results in certified officers. Can screen for integrity—better to leave a position vacant than to hire the wrong person. It costs \$100 thousand to lose one trained officer.

The Mat-Su Borough was working towards obtaining police powers until the governor's budget came out. HB25 would privatize police agencies which would result in losing oversight of police departments.

Need safe communities for businesses to invest. PTSD among officers is an issue—need to improve mental health. \$4 million from the feds to the state for opioid crisis grants—how was this used in Alaska? Is it getting to local levels? Juvenile justice, SAFER, and other grants mentioned.

### **U.S. Coast Guard**

City Manager Koester, Harbormaster Hawkins, Councilmember Smith, and I met with the U.S. Coast Guard to continue discussions on Homer's plans for a large vessel harbor. Harbormaster Hawkins provided an update of our planning efforts with the U.S. Army Corps of Engineers and Admiral Bell and his team updated us on their future plans in Alaska. We discussed our need for support from the U.S. Coast Guard as we move our plans forward.

### **Alaska Department of Transportation and Public Facilities**

City Manager Koester, Councilmembers Smith and Lord, and I met with Deputy Commissioner Mary Siroky and Legislative Liaison Mike Lesmann regarding the status of the Pioneer Avenue reconstruction project, East Hill reconstruction, erosion along the Sterling Highway on the Homer Spit, drainage issues near Augustine Drive, and other Homer road projects.

# PUBLIC HEARING(S)



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

**Ordinances 19-07(S-3)(A), 19-10**

A **public hearing** is scheduled for **Monday, March 11, 2019** during a Regular City Council Meeting. The meeting begins at 6:00 p.m. in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

**Ordinance 19-07(S-3)(A)**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund **and \$7,827.95 from the General Fund** to **Homer Foundation for City of Homer Grants Related to Addiction Prevention, Treatment, Harm Reduction, and Recovery; and** Set Free Alaska for the Purpose of **to aid the Construction of a Residential and Out-Patient** Addiction Treatment Center in **the City of** Homer. ~~Aderhold/Venuti-Smith/Erickson~~

**Ordinance 19-10**, An Ordinance of the City Council of Homer, Alaska, Amending the Operating Budget in the Amount of \$19,700.00 from the Port and Harbor Reserves for the Purpose of Purchasing and Installing Fencing to Divide Lot 12, Homer Spit Subdivision No. 5 Secured Storage into Regulated and Unregulated Cargo Areas. City Manager/Port Director.

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](mailto:clerk@ci.homer.ak.us)

Melissa Jacobsen, MMC, City Clerk  
Publish: March 7, 2019

**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:

**Ordinance 19-07(S-3)(A)**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund **and \$7,827.95 from the General Fund to Homer Foundation for City of Homer Grants Related to Addiction Prevention, Treatment, Harm Reduction, and Recovery; and** Set Free Alaska for the Purpose of **to aid the Construction of a Residential and Out-Patient** Addiction Treatment Center in **the City of** Homer. **Aderhold/Venuti-Smith/Erickson**

**Ordinance 19-10**, An Ordinance of the City Council of Homer, Alaska, Amending the Operating Budget in the Amount of \$19,700.00 from the Port and Harbor Reserves for the Purpose of Purchasing and Installing Fencing to Divide Lot 12, Homer Spit Subdivision No. 5 Secured Storage into Regulated and Unregulated Cargo Areas. City Manager/Port Director.

...was distributed on Tuesday, March 5, 2019 to the City of Homer kiosks located at City Clerk's Office, the Homer Public Library, and posted on the City of Homer website.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 5<sup>th</sup> day of March 2019.



*Rachel Tussey*  
Rachel Tussey, Deputy City Clerk I

**ORDINANCE REFERENCE SHEET**  
**2019 ORDINANCE**  
**ORDINANCE 19-07**

An Ordinance of the City Council of Homer, Alaska amending the FY 2019 Capital Budget by Re-appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund to Set Free Alaska for the purpose of establishing an addiction treatment center in Homer.

Sponsor: Erickson/Smith

1. City Council Regular Meeting January 28, 2019 Introduction

Letters of Support to the State

**Ordinance 19-07(S)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund to Set Free Alaska for the Purpose of Securing Matching Funds to Establish an Addiction Treatment Center in Homer. Smith/Erickson.

2. City Council Regular Meeting February 11, 2019 Public Hearing and Second Reading

Letter to Mayor and Councilmembers from Set Free Alaska, Inc.  
Set Free Alaska, Inc. Policy and Procedure  
Written Public Comments  
Legislative Recognition of Set Free Alaska

**Ordinance 19-07(S-2)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund to **Mobilizing for Action Through Planning and Partnerships (MAPP) for the Opioid Task Force Coordination; Homer Foundation for City of Homer Grants Related to Addiction Prevention, Treatment, Harm Reduction, and Recovery; and** Set Free Alaska For The Purpose of Establishing an **a Residential** Addiction Treatment Center in Homer. Smith/Erickson **Aderhold/Venuti.**

3. City Council Regular Meeting February 25, 2019 Public Hearing Second Reading Postponed to March 11, 2019

**Ordinance 19-07(S-3)**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the

Amount of \$177,172.05 from the Police Station Fund **and \$7,827.95 from the General Fund** to **Homer Foundation for City of Homer Grants Related to Addiction Prevention, Treatment, Harm Reduction, and Recovery; and** Set Free Alaska for the Purpose of **to aid the Construction of a Residential and Out-Patient** Addiction Treatment Center in Homer. **Aderhold/Venuti/Smith/Erickson**

Letter from Set Free Alaska – Answers to City Questions  
Community Assistance Program, Statutes and Regulations  
Written public comments

4. City Council Regular Meeting March 11, 2019 Public Hearing and Second Reading

**Ordinance 19-07(S-3)(A)**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2019 Capital Budget by Appropriating FY2019 Community Assistance in the Amount of \$177,172.05 from the Police Station Fund **and \$7,827.95 from the General Fund** to **Homer Foundation for City of Homer Grants Related to Addiction Prevention, Treatment, Harm Reduction, and Recovery; and** Set Free Alaska for the Purpose of **to aid the Construction of a Residential and Out-Patient** Addiction Treatment Center in **the City of** Homer. **Aderhold/Venuti/Smith/Erickson**

Ordinance 19-07(S-3)(A) Amendment Justification  
Letter from Set Free Alaska – Non Discrimination Policy  
Letter from Representative Vance with attachment from Leg Legal  
Written public comments



1 CITY OF HOMER  
2 HOMER, ALASKA

3 Erickson/Smith  
4 Aderhold/Venuti  
5 Smith/Erickson

6 ORDINANCE 19-07(S-3)(A)  
7

8 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
9 AMENDING THE FY 2019 CAPITAL BUDGET BY REAPPROPRIATING  
10 FY2019 COMMUNITY ASSISTANCE IN THE AMOUNT OF  
11 \$177,172.05 FROM THE POLICE STATION FUND **AND \$7,827.95**  
12 **FROM THE GENERAL FUND TO HOMER FOUNDATION FOR CITY**  
13 **OF HOMER GRANTS RELATED TO ADDICTION PREVENTION,**  
14 **TREATMENT, HARM REDUCTION, AND RECOVERY; AND** SET  
15 FREE ALASKA FOR THE PURPOSE TO AID THE CONSTRUCTION  
16 **OF AN A RESIDENTIAL AND OUT-PATIENT** ADDICTION  
17 TREATMENT CENTER IN **THE CITY OF** HOMER.

18  
19 WHEREAS, Homer is experiencing an opioid epidemic with rates of opioid-related crime  
20 and death skyrocketing; and

21  
22 WHEREAS, **Homer and surrounding** communities of Homer has **have** come together  
23 to form the **Southern Kenai Peninsula** Opioid Task Force with representation from across the  
24 community to combat the epidemic; and

25  
26 WHEREAS, The City of Homer realizes the solution to this epidemic will require the  
27 partnership and effort of the entire community; and

28  
29 WHEREAS, The City of Homer passed Resolution 16-008 supporting the establishment  
30 of a syringe exchange program in Homer City Limits; and

31  
32 WHEREAS, Homer City Council is supportive of the efforts of the **Southern Kenai**  
33 **Peninsula** Opioid Task Force and has a standing quarterly report from **the Task Force** on their  
34 meeting agenda; and

35  
36 **WHEREAS, Contributing \$10,000 to the Homer Foundation's City of Homer grant**  
37 **fund specifically for Homer-based organizations conducting programs and events related**  
38 **to addiction prevention, treatment, harm reduction, and recovery would benefit all of**  
39 **Homer and the surrounding area; and**

40  
41 WHEREAS, The closest residential addiction treatment for Homer area residents is the  
42 central peninsula; and

44 WHEREAS, Set Free Alaska is an Alaskan non-profit that has successfully run an  
45 addiction treatment center in the MatSu Valley since 2009; and

46  
47 ~~WHEREAS, Set Free Alaska's program completion rate ranges from 20-35% higher than~~  
48 ~~the statewide average for addiction treatment; and~~

49  
50 WHEREAS, Set Free Alaska's goal is to establish a comprehensive array of substance  
51 abuse services including inpatient, outpatient and prevention in Homer; and

52  
53 WHEREAS, Set Free Alaska is applying for a \$1.5 million grant with the State of Alaska to  
54 establish a residential addiction treatment facility within the Homer city limits; and

55  
56 WHEREAS, Set Free Alaska has letters of support for the treatment facility from multiple  
57 diverse community organizations; and

58  
59 WHEREAS, Set Free Alaska has received in kind donations from local organizations and  
60 has a local fundraising committee dedicated to generating additional local cash donations for  
61 a Homer treatment center; and

62  
63 WHEREAS, By contributing ~~\$177,172.05~~ **\$175,000** the City of Homer will help close the  
64 gap between the state grant and the amount the local community can fundraise and allow Set  
65 Free Alaska to establish a treatment facility in Homer; and

66  
67 WHEREAS, The Homer City Council adopted Ordinance 15-16 removing State Revenue  
68 Sharing from the City of Homer Operating budget with the intention of using those funds on  
69 one-time purchases; and

70  
71 WHEREAS, The most recent amount received in Community Assistance for State fiscal  
72 year 2019 was \$177,172.05; and

73  
74 WHEREAS, It is appropriate and in the City's interest to ~~appropriate funds from FY 2020~~  
75 ~~State Revenue Sharing to move this project forward~~ spend Community Assistance funds on  
76 **opioid and other addiction related projects and programs in the Homer community** this  
77 community wide project; and

78  
79 ~~WHEREAS, It is the intent of the Homer City Council to reimburse the General Fund for~~  
80 ~~this expenditure with the anticipated State FY 2020 Community Assistance; and~~

81  
82 **WHEREAS, The 2019 budget appropriated the 2017 surplus of \$250,000 to the**  
83 **police station project; and**

84

85 **WHEREAS, Reappropriating FY2019 Community Assistance from the Police Station**  
86 **to MAPP, the Homer Foundation’s City of Homer grant fund, and Set Free Alaska leaves**  
87 **\$7,615,000 in available funds after bonding to construct the Police Station which exceeds**  
88 **the \$7.5 million budget Council established for the project; and**

89  
90 WHEREAS, A financial contribution from the City to pay part of the cost of Set Free  
91 Alaska’s startup costs for an addiction treatment facility in Homer **for the following purposes:**

- 92 • **To provide grant funds for Homer-based organizations to conduct programs**  
93 **and events related to addiction prevention, treatment, harm-reduction, and**  
94 **recovery through the Homer Foundation’s City of Homer grant fund; and**
- 95 • **To pay part of Set Free Alaska’s construction costs for a residential and out**  
96 **patient addiction treatment facility in Homer**

97  
98 is in the best interest of the City and its residents, and will serve a public purpose of the  
99 City; and

100  
101  
102 **WHEREAS, The City Manager is authorized to develop a Memorandum of**  
103 **Understanding between the City of Homer and the Homer Foundation to disperse the**  
104 **funds.**

105  
106 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

107  
108 Section 1. The City of Homer hereby amends the FY 2019 Capital Budget by appropriating  
109 \$177,172.05 from the Police Station Fund to Set Free Alaska for the startup costs associated  
110 with an addiction treatment facility in Homer.

111  
112 Revenue:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
	Police Station Fund	\$177,172.05
	<b>General Fund</b>	<b>\$7,827.95</b>

116  
117 Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
	<b>Homer Foundation</b>	<b>\$10,000.00</b>
	<b>Set Free Alaska</b>	<b>\$175,000.00</b>

121  
122 Section 2. Funding is contingent on Set Free Alaska receiving a grant from the State of  
123 Alaska for an addiction treatment facility in Homer.

124  
125 **Section 2. Funding to the Homer Foundation will be added to the City Homer’s**  
126 **grant fund for the purpose of grants to organizations based in Homer to conduct**

127 **programs and events related to addiction, treatment, harm-reduction, and recovery. The**  
128 **Homer Foundation shall have the discretion to establish specific criteria and eligibility**  
129 **requirements. Information on the grants awarded will be included during the Homer**  
130 **Foundation regular report to the City on the City of Homer grant fund.**

131  
132 **Section 3. Funding to Set Free Alaska is contingent on their receipt a grant from**  
133 **the State of Alaska for a residential addiction treatment facility in Homer. Funds to Set**  
134 **Free Alaska are designated for aid to construct a residential and out patient addiction**  
135 **treatment facility in the City of Homer.**

136  
137 **Section 4. All funding authorized in this ordinance is one time only.**

138  
139 Section 3 5. This is a budget amendment ordinance, is temporary in nature, and shall  
140 not be codified.

141  
142 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this \_\_\_\_\_ day of  
143 \_\_\_\_\_ 2019.

144  
145 CITY OF HOMER

146  
147 \_\_\_\_\_  
148 KEN CASTNER, MAYOR

149  
150 ATTEST:

151  
152  
153 \_\_\_\_\_  
154 MELISSA JACOBSEN, MMC, CITY CLERK

155  
156 YES:

157 NO:

158 ABSTAIN:

159 ABSENT:

160  
161 First Reading:

162 Public Reading:

163 Second Reading:

164 Effective Date:

165  
166 Reviewed and approved as to form:

167

168

169 \_\_\_\_\_  
170 Katie Koester, City Manager  
171  
172 Date: \_\_\_\_\_

\_\_\_\_\_  
Holly Wells, City Attorney  
Date: \_\_\_\_\_



March 11, 2019 Index

Ordinance 19-07(s-3)(A) Amendment Justification

Letter from Set Free Alaska – Non Discrimination Policy

Letter from Representative Vance with attachment from Leg Legal

Written public comments:

Schmidt, Tamara

Schimdt, Tim







# 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

## AMENDMENTS

*Justification for Changes Recommended to Ordinance 19-07 (S-3)(A) by the Finance Department for Clarity*

The Finance Department is proposing two additional amendments to Ordinance 19-07 (S-3)(A). Amendment (1) specifies where the fund revenue would come from and Amendment (2) specifies the title of the grant:

- (1) Line 114, delete “General Fund,” insert “**General Fund Fund Balance**”

Section 1. The City of Homer hereby amends the FY 2019 Capital Budget by appropriating \$177,172.05 from the Police Station Fund to Set Free Alaska for the startup costs associated with an addiction treatment facility in Homer.

Revenue:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
	Police Station Fund	\$177,172.05
	General Fund <b>General Fund Fund Balance</b>	\$7,827.95

- (2) Line 131, delete “of a grant,” insert “**of the Residential Subsistence Use Disorder (SUD) Treatment Services grant**”

Section 3. Funding to Set Free Alaska is contingent on their receipt of a grant ~~the Residential Subsistence Use Disorder (SUD) Treatment Services grant~~ **of the Residential Subsistence Use Disorder (SUD) Treatment Services grant** from the State of Alaska for a residential addiction treatment facility in Homer. Funds to Set Free Alaska are designated for aid to construct a residential and out patient addiction treatment facility in the City of Homer.





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March 5<sup>th</sup>, 2019

Mr. Mayor and Councilmembers,

I am writing this letter to clarify and clearly state Set Free Alaska's intentions regarding religious non-discrimination. Our organization and all programs that it runs do not in any way discriminate based on religious belief systems. Clients are free to enter the program regardless of whether they practice or align with Christian belief systems. Clients can also graduate the program without any requirement to adhere to or align with Christian beliefs. Set Free Alaska in no way can refuse service to any individual based on their religious beliefs.

Our mission is to see people experience freedom from addiction. We seek to bring hope, healing, and resilience resulting in lasting change. This mission is founded upon our belief that God loves people and would desire for us to help them get free from addiction. Our policy ensures that we help people who are struggling with addiction regardless of their religious affiliation or if they choose to have no religious affiliation. T

Sincerely,

A handwritten signature in black ink, appearing to read "Philip Licht".

Philip Licht  
Executive Director  
Set Free Alaska





# *Alaska State Legislature*

Representative Sarah Vance

House District 31

March 1, 2019

Dear Mayor and Council Members;

Thank you for your service to our community and for the continued commitment to address the opioid epidemic and substance abuse in our city. The establishment of the Opioid Task Force and coordination of other local organizations has led to a raised awareness that brings us closer to a solution.

The need for a drug treatment facility on the lower peninsula is long overdue. It would be a detriment to the health of our community to forgo any opportunity to establish a successful treatment facility in Homer. The introduction of Homer Ordinance 19-07 Re-appropriating Community Assistance from the Police Station Fund to Set Free Alaska is a positive step toward ending the epidemic that affects so many families.

You have my commitment to work with Commissioner Adam Crum of Health and Social Services along with the Dunleavy Administration in order to secure funding to help establish Set Free Alaska's addiction treatment facility in Homer and to partner with the City of Homer's matching contribution and commitment to end addiction!

Please see the attached memo from Legislative Legal Service addressing any concerns as to the use of Community Assistance Funds toward a faith-based program intended for public use.

Respectfully,

A handwritten signature in blue ink, appearing to read "Sarah Vance".

Representative Sarah Vance

District 31

CC: Commissioner Adam Crum

Set Free Alaska



# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

March 1, 2019

**SUBJECT:** Utilization of state funds for Christian-based drug treatment facility (Work Order No. 31-LS0605)

**TO:** Representative Sarah Vance  
Attn: Janet Ogan

**FROM:** Meera Caouette *HVM for MBC*  
Legislative Counsel

You have asked for an opinion related to whether a municipality may utilize state funds received through the Community Assistance Program for a Christian-based drug treatment facility. Under AS 29.60.850(a), "[t]he community assistance fund is established in the general fund for the purpose of making community assistance payments to municipalities, reserves, and communities for any public purpose."<sup>1</sup>

The Alaska Supreme Court has declined to give the phrase "public purpose" a precise definition. The Court has stated that "there are no rigid categories establishing public versus private purposes; in each case, the analysis of public purpose must be made within the context of specific facts."<sup>2</sup> The Court has also recognized that a recipient's status as a private entity is irrelevant to whether the appropriation serves a public purpose.<sup>3</sup> "The issue turns not on who is being paid but on what will be provided."<sup>4</sup> The Court further explained, "where the legislature has found that a public purpose will be served by the expenditure or transfer of public funds or the use of the public credit, this court will not set aside the finding of the legislature unless it clearly appears that such finding is arbitrary and without any reasonable basis in fact."<sup>5</sup>

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<sup>1</sup> Art. IX, sec. 6, Constitution of the State of Alaska, provides that "[n]o tax shall be levied, or appropriation of public money made, or public property transferred, nor shall the public credit be used, except for a public purpose.

<sup>2</sup> *Weber v. Kenai Peninsula Borough*, 990 P.2d 611, 614 (Alaska 1999) (holding that the extension of private gasoline using municipal assessment serves a public purpose).

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> *DeArmond v. Alaska State Dev. Corp.*, 376 P.2d 717, 721 (Alaska 1962).

The Court has specifically considered how the public purpose requirement applies to religious organizations that benefit from public funds. In *Lien v. Ketchikan*, the Court considered if the public purpose requirement was satisfied when public funds were used to construct a hospital that was to be operated by a non-profit religious organization.<sup>6</sup> In *Lien*, the city of Ketchikan utilized local, state, and federal funds to construct a hospital and, following voter approval, agreed to lease the hospital to Sisters of St. Joseph of Newark (Sisters), a charitable non-profit corporation.<sup>7</sup> The Court ultimately found that "the moneys used to construct the Ketchikan hospital were spent for a public purpose, since a community hospital serves the general welfare. That purpose does not become non-public when the hospital is turned over to a charitable, non-profit corporation for operation, rather than being operated by the city itself."<sup>8</sup> The Court noted that the lease agreement prohibited Sisters from practicing discrimination in providing services and that Sisters' articles of incorporation did not indicate an intent to "further religious beliefs or dogmas of the Catholic church."<sup>9</sup> The plaintiff in *Lien* expressed concern that Sisters would impose religious teachings on patients in operating the hospital, however, the Court indicated that if the lease had the effect of violating the Constitution, that would be the time for judicial intervention.<sup>10</sup>

Based on the precedent established by the Alaska Supreme Court, the use of state funds to construct a Christian-based drug treatment facility likely constitutes a public purpose as long as the facility does not have the effect of promoting specific religious beliefs and is open to the general public, not just a particular religious group, that would be the time.

If I may be of further assistance, please advise.

MBC.kwg  
19-051.kwg

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<sup>6</sup> 383 P.2d 721 (Alaska 1963).

<sup>7</sup> *Id.*

<sup>8</sup> *Id.* at 722.

<sup>9</sup> *Id.* at 722, 724.

<sup>10</sup> *Id.* at 724.



**From:** [schmidt](#)  
**To:** [Department Clerk](#); [Tom Stroozas](#); [Rachel Lord](#); [Donna Aderhold](#); [shellyerikson@ci.homer.ak.us](mailto:shellyerikson@ci.homer.ak.us); [Caroline Venuti](#); [Heath Smith](#)  
**Subject:** Set Free Alaska rehab funding  
**Date:** Tuesday, March 05, 2019 3:54:56 PM

---

1) I am against the city giving money to this self proclaimed faith based rehab organization for many reasons but topmost is that I believe it should and will be ruled illegal in court. At its core, the success of faith based rehab is with vulnerable people already of that faith or able and willing to convert.

1st amendment Establishment clause "Lemon Test" states that the effect (of government action) must not either advance or inhibit religion. This funding by our city to a faith based rehab situated in the basement of a church certainly would be seen as advancing a religion. This proposal is questionable and will be challenged in court.

2) I am against taking the money from the police building funds before that project is completed. I am distressed that this is even possible to do and I am sure it is not prudent.

3) I question the wisdom of a plan to put an in-patient rehab in the center of town, next to a liquor store and close to three bars. I question the choice to exclude women. I question the reliance on local medical resources. I wonder if the patients will be Homer residents or could they come from other places. I know that a religious face on a rehab program will deter many who are seeking help for their addiction.

4) I am in favor of the city promoting non- religious based, local rehab programs which will treat Homer residents and provide a community for their support beyond the initial addiction 'treatment'.

Please consider my concerns in your decision on this issue.

~Tamara Schmidt  
Homer resident for 24 years

## TO THE HOMER CITY COUNCIL

My name is Ted Schmidt, I am a Homer resident and live at 1544 highland Dr. in Homer.

I am a business owner and employer in Homer for over 20 years.

I would like to express my concern and sincere opposition to the use of city funds for the establishment of the faith based treatment center , “Set Free Alaska”. This, like the contested Borough invocation policy is a violation of the separation of Church and State.

It is also a male only facility which discriminates against female participation.

The Central Peninsula Hospital system has a treatment center that is a Borough owned facility and should be utilized and or expanded to include the needs of the south peninsula area.

Having some experience with substance abuse treatment and recovery in my opinion the location is a bad choice.

The difference between faith based approach and a non biblical approach to therapy is substantial . The research I have seen of “Set Free Alaska” is that the majority of the staff are ministers, have stated religious credentials, or have stated they are training to “ Do the Work of God”. There was no mention of academic credentials, or even that they had self addiction and recovery experience. This in my mind is an unacceptable “ RED FLAG”

If there are members of the council that are making their decision of funding of this institution “Set Free Alaska” based on personal religious convictions in my opinion they should recues themselves from this decision making process as they may not be able to be objective in looking at the consequences of this proposed funding, “in my opinion”.

In closing I have no opposition to the need for a substance abuse therapy program in Homer, but this funding action will surely result in litigation and the waste of valuable council time and taxpayer monies.

Thank you for considering my comments and I hope that further review of the subject will take a more sensible tack.

February 25, 2019 Index

Letter from Set Free Alaska – Answers to City Questions

Community Assistance Program, Statutes and Regulations

Written public comments:

Dally

Griswold

Spence

Walters





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February 12, 2019

Mr. Mayor and Councilmembers,

I am writing this letter in response to questions that arose during the City Council meeting February 11<sup>th</sup>, 2019. Thanks to the KBBI App I was able to listen in from Juneau while meeting with various legislators and statewide leaders. I appreciate your support of Set Free, our project to provide residential treatment in Homer, and your desire to do what is best for your constituents. It was clear to me that the entire council (based on the initial and substitute ordinances) are in favor of our project moving forward. Below are my responses to the questions forwarded to me by Councilmember Smith as well as responses from other comments at the meeting.

1. Has a location been determined? Set Free Alaska has identified a potential site on Pioneer Street. With remodel, this site will perfectly suit the needs of this program. In addition, the owners of the facility have generously committed funding in the form of rent and purchase reduction as a contribution towards the project. Until the funds are secured, there is no lease in place and therefore the site is not yet secured.
2. Has Set Free considered zoning codes and permits? Yes, the agency has met with the City Planner and received an application for the appropriate permit. The organization has researched and ensured that its usage meets the city code requirements for the pending location.
3. What services will the facility include? A 16-bed residential program for men and a co-ed outpatient program. The project with the state is for residential only as well as this ordinance with the city. However, eventually the organization would like to provide outpatient services as well.
4. If the project starts and does not finish will the city recoup investment? Set Free Alaska will not move forward with the project until 100% of the project funding is secured. If the project falls short of the necessary funds, then it will either be delayed or cancelled. There is no risk of the project being partially completed. If Set Free receives funding from the City of Homer and does not secure additional funding necessary, then the City could reconsider allocating the funding as they see fit.
5. What is the budget, and how will Set Free spend the City of Homer money? The project launch totals approximately \$2.7 million dollars. This budget includes operating costs to get the program off the ground such as personnel, utilities, and other ongoing expenses for the first 1.25 years. The operating costs of the project during this period are covered by the state grant. Additionally, the budget includes capital startup costs to the program such as facility renovations and purchasing of necessary items such as furniture, bedding, supplies, appliances, etc. The Homer City funding will be applied 100% towards capital startup costs for facility remodel and startup purchases.
6. How will Set Free treat trans-gender clients? Set Free Alaska treats all clients with dignity, love, and respect.

7. What will happen if the City of Homer funding is reduced? Any reduction at this point will require Set Free to raise the money elsewhere. Funding reduction could either delay, or potentially cease the project from moving forward. If Set Free is unable to raise additional funds reduced from this ordinance, we will have to deny the state grant award (as we would be unable to comply with the grant requirements) and the residential program will not move forward.
8. Why is this project happening so quickly? John Wooden once said, “when opportunity knocks it is too late to get prepared.” This is very true of state grants. The Request for Proposal for this project was released and as usual there was a very short window of time in which to apply. Typically, the state gives you 30-45 days to put a complete proposal together and submit. Set Free Alaska was already pursuing the potential of providing service in Homer, so we were ready. We had discussions with many partners in the community and everyone seemed to want a residential program so this appeared to be an opportunity to make it happen. Due to state grant timelines we needed to act fast. In addition, the community needs assessment supported the discussions we had about the need for services. Since this has been a huge need for so long and no one to this point has been able or willing to address it we did not foresee such opposition to the rapid timeline as we thought it would be a welcome idea that we could reach this goal so quickly.
9. What is the timeline of the project? We should hear back from the state around the beginning of March (depending on how quickly they move and whether they are on schedule). The project timeline is set to begin April with remodel and facility preparation. We will seek to hire and train over the summer with a goal of launching the program late summer/early fall.
10. What is the sustainability and economic impact of this project? With one-time start up funding this project will be completely sustainable after year one. Set Free has a history of successful program launches from outpatient, intensive outpatient, children’s, residential, and peer support. We are known in our community and statewide for our ability to successfully develop, implement, launch, and sustain programs which is why the state is so willing to partner with us. This program will hire 15 full time employees. These employees will work, play, and live in Homer. In addition, there will be construction, lease payments, procurement, and other economic benefits to the City of Homer far outweighing and outlasting the cost of this funding ordinance.
11. Will Set Free Alaska’s program be ADA accessible? All facilities which house Set Free programs are modified to be ADA accessible. Any facility in Homer will be renovated to meet ADA standards. This is a good example of one of the capital start up remodel expenses in which the Homer ordinance will be directed. Set Free Alaska’s programs provide reasonable accommodations for individuals with disabilities to ensure they can access necessary help.
12. Will Set Free provide a full copy of the state grant application? No, this is a competitive grant process. The application includes proprietary information along with personnel salary data. We are doing our best and going above and beyond to answer questions and provide information within reason; however, this is not a reasonable request.
13. Does Set Free Alaska provide or approve of MAT treatment? Set Free does not provide MAT treatment as we are not a medical provider. We are supportive of MAT treatment in the context of SAMHSA recommendations and when appropriate for each individual client needs. Our plan will be to partner with other medically trained and certified organizations to provide this service through collaborative partnerships.



14. Can you share success data and length of stay information? Set Free Alaska's FY19 residential completion percentages were 47% vs. 31% statewide average. FY19 YTD completion percentages for Set Free are 50% vs. 35% statewide average. This data is pulled from the State of Alaska's AK AIMS system. These numbers include all clients admitted into the residential program including individuals who admit and leave within the first week. Success numbers of individuals who make it through the first week and engage in more of the therapeutic services are far greater. Our program length of stay is a minimum of five months; however, length of stay is based on individual client needs and medical necessity. In 2018, 88% of clients (in all programs) evidenced a reduction in substance use, 84% evidenced an improvement in overall mental health, and 94% said that they were treated with respect and satisfied with the services they received. This data is also pulled from the State data management system AK AIMS.
15. Does Set Free provide Diversion Therapy? No, Set Free Alaska does not provide Diversion Therapy. This is a medical type model (such as Shick Shadle). We provide evidence-based modalities including but not limited to Cognitive Behavioral Therapy, EMDR, and MRT.
16. Does Set Free have a client discharge exit strategy? Yes, clients leave the program with a robust discharge plan including relapse prevention. Client who are in the program from other communities will work with the case manager and receive transportation assistance to assist them in returning to their community of origin whether or not they successfully complete.
17. Can Set Free fill the 16-bed capacity? Yes, the state issued this funding proposal based on data from the lack of residential treatment programs statewide including long wait lists. Set Free Alaska's program located in Mat-Su has been at full capacity with a wait list since its inception.
18. Will there be a local preference for admissions? Set Free Alaska must abide by statewide standards for admissions and waitlist priority populations. So long as it aligns with those standards, Set Free Alaska will give preference to individuals from the local community. In addition, case managers locally will work with individuals to ensure that they are receiving assistance with their admissions process.

Again, I thank you for your time and consideration. We simply want to do what we can to help Homer reach its long-time goal of having a residential substance abuse treatment program. The last three community needs assessments conducted by MAPP have identified substance abuse as the number one issue Homer is facing. This is not the only answer; however, it is a big step in the right direction. We appreciate your support and look forward to working together with you for years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip Licht".

Philip Licht  
Executive Director  
Set Free Alaska

**William S. Walters**

---

P.O. Box 2224 Homer, Alaska 99603-2224City Council  
City of Homer

25 February, 2019

Gentlemen:

**It is time to tighten our belts.** While the Governor's budget proposals will most likely not all pass, the writing is on the wall - State support for municipalities will severely decline in the near future.

There are several things you can do:

- (1) Implement new tax bases - specifically a bed tax, and  
Impose non resident (membership) fees at the library.
- (2) Cease acting as a social service agency, and cease all  
funding of social service agencies / programs
- (3) Stick to core City operational needs.

**Bed Tax:**

This is an obvious no brainer to raise additional revenue. It minimally impacts city residents/taxpayers, and will primarily impact tourists and out of town business travelers. As of 2016, 54 municipalities or boroughs have implemented a bed tax at rates ranging from 4 % to 12 %. I would recommend a rate of 10% to minimize the need for future rate increases.

The bed tax has been raised before, but was vehemently opposed by several of our hotels/motels who claimed it would put them at a competitive disadvantage with other destinations.

That is simply hog wash. Our primary competitors for tourist beds include: Anchorage, Kenai, Seward, Kodiak, Fairbanks, Palmer, and Wasilla, all of which currently have a bed tax. (See attachment)



The bed tax would also apply to B&Bs and “For rent by Owner” for stays of less than 30 days, which would also level the playing field. The bed tax is not required to be included in advertized list prices, so potential housing clients would not be dissuaded by the tax. Hotels usually cover this with the generic statement : “plus local and state taxes” in their room rate disclosures.

All of the firms that collect the tax, would receive a fee for collecting and processing the tax as is currently the practice for sales tax.

If the council does not possess the cajones to implement a bed tax, set it up for a public vote. The time for a bed tax is now.

## **Social Service Initiatives**

### **Detox Center / Rehabilitation Facility:**

The City should not get involved in funding such a facility. If a private facility, in full compliance with site/zoning requirements, then so be it, but it is not the City’s responsibility to enter into that endeavor, especially in light of potential state revenue declines.

Additionally, such a center will probably not have enough customers from just the local area to support such an operation, it will most likely accept and import druggies from other areas of the state, especially anchorage. We do NOT need this operation to import these people into Homer. There is a substantial relapse rate for persons having been through such programs, and we do not need them settling in Homer when they get out of “treatment” and getting back into drugs. There are drug and alcohol programs available in other areas of the state (primarily anchorage) where any locals can get treatment.

### **Homeless Shelter:**

Again, the City has no business getting involved in such an operation with taxpayer funds. Fortunately, Homer has a relatively minor homeless problem. There is a group of youth/young adults, and

a second group of adult hard core homeless who in many cases chose that lifestyle rather than seek employment.

Fortunately the problem is relatively minor in Homer, as evidenced by the substantial lack of panhandlers which one encounters in Anchorage. There are shelters and additional support for the homeless in Anchorage, and historically many of them gravitate back to Anchorage in winter, which reduces our local homeless population.

A homeless shelter would tend to enable this lifestyle by providing them housing and other support. It may also incentivize homeless from larger cities to move here due to the availability of homeless housing. We do not need more homeless in the community.

If either a treatment facility or homeless shelter has any religious aspect to their program/facility, and the City funds it, there will be litigation which you do not need.

Please stick to funding essential city services, and get out of the social engineering / support programs. Stick to legitimate city business !

Thank you

A handwritten signature in black ink, appearing to read 'William S Walters', with a long horizontal flourish extending to the right.

William S Walters

Attachment: Alaska Community Bed Tax Listing

**Alaskan Community Sales, Bed and Car Rental Tax Rates > 0  
by Total Rate, Borough/Census Area**

2016 Data, Last updated 3/14/2017

Source: State of Alaska Division of Community and Regional Affairs

<b>Borough/Census Area</b>	<b>Community Name</b>	<b>Sales Tax %</b>	<b>Bed Tax %</b>	<b>Sales + Bed Total %</b>	<b>Car Rental Tax %</b>
Bethel Census Area	Bethel	6.0	12.0	18.0	-
Dillingham Census Area	Dillingham	6.0	10.0	16.0	-
Dillingham Census Area	Aleknagik	5.0	9.0	14.0	-
Hoonah-Angoon Census Area	Pelican	4.0	10.0	14.0	-
Ketchikan Gateway Borough	Ketchikan	6.5	7.0	13.5	-
City and Borough of Wrangell - CBW	City and Borough of Wrangell	7.0	6.0	13.0	-
City and Borough of Yakutat - CBY	City and Borough of Yakutat	5.0	8.0	13.0	8.0
Denali Borough	Anderson	6.0	7.0	13.0	-
Ketchikan Gateway Borough	Saxman	6.5	6.0	12.5	-
City and Borough of Juneau - CBJ	City and Borough of Juneau	5.0	7.0	12.0	-
Fairbanks North Star Borough - FNSB	North Pole	4.0	8.0	12.0	-
Kodiak Island Borough	Kodiak	7.0	5.0	12.0	-
Municipality of Anchorage	Anchorage	-	12.0	12.0	8.0
Northwest Arctic Borough	Kotzebue	6.0	6.0	12.0	-
Valdez-Cordova Census Area	Cordova	6.0	6.0	12.0	6.0
Prince of Wales-Hyder Census Area	Klawock	5.5	6.0	11.5	-
Aleutians East Borough	Sand Point	4.0	7.0	11.0	-
City and Borough of Sitka	City and Borough of Sitka	5.0	6.0	11.0	-
Kenai Peninsula Borough	Kenai	6.0	5.0	11.0	-
Kenai Peninsula Borough	Seward	7.0	4.0	11.0	-
Matanuska-Susitna Borough	Palmer, Wasilla & Willow	3.0	8.0	11.0	-
Municipality of Skagway	Skagway	3.0	8.0	11.0	-
Nome Census Area	Nome	5.0	6.0	11.0	-
Aleutians East Borough	Cold Bay	-	10.0	10.0	-
Aleutians West Census Area	Atka	-	10.0	10.0	-
Bristol Bay Borough	Bristol Bay Borough	-	10.0	10.0	-
Matanuska-Susitna Borough	Houston	2.0	8.0	10.0	-
Nome Census Area	Unalakleet	5.0	5.0	10.0	-
Petersburg Borough	Petersburg Borough	6.0	4.0	10.0	-
Prince of Wales-Hyder Census Area	Port Alexander	4.0	6.0	10.0	-
Prince of Wales-Hyder Census Area	Thorne Bay	6.0	4.0	10.0	-
Yukon-Koyukuk Census Area	McGrath	-	10.0	10.0	-
Haines Borough	Haines	5.5	4.0	9.5	-
Aleutians East Borough	False Pass	3.0	6.0	9.0	-
Aleutians West Census Area	Adak	4.0	5.0	9.0	-
Lake and Peninsula Borough	Nondalton	3.0	6.0	9.0	-
Ketchikan Gateway Borough	Ketchikan Gateway Borough	2.5	6.0	8.5	-
Aleutians West Census Area	Unalaska	3.0	5.0	8.0	-
Fairbanks North Star Borough - FNSB	Fairbanks	-	8.0	8.0	-
Hoonah-Angoon Census Area	Angoon	3.0	5.0	8.0	-
Hoonah-Angoon Census Area	Tenakee Springs	2.0	6.0	8.0	-
Kodiak Island Borough	Old Harbor	3.0	5.0	8.0	-
Lake and Peninsula Borough	Newhalen	2.0	6.0	8.0	-
Lake and Peninsula Borough	Pile Bay	-	8.0	8.0	-
Matanuska-Susitna Borough	Big Lake	-	8.0	8.0	-
Municipality of Skagway	Dyea	-	8.0	8.0	-
Kenai Peninsula Borough	Homer	7.5	-	7.5	-
Denali Borough	Cantwell	-	7.0	7.0	-
Hoonah-Angoon Census Area	Gustavus	3.0	4.0	7.0	-

**Alaskan Community Sales, Bed and Car Rental Tax Rates > 0  
by Total Rate, Borough/Census Area**

2016 Data, Last updated 3/14/2017

Source: State of Alaska Division of Community and Regional Affairs

<b>Borough/Census Area</b>	<b>Community Name</b>	<b>Sales Tax %</b>	<b>Bed Tax %</b>	<b>Sales + Bed Total %</b>	<b>Car Rental Tax %</b>
North Slope Borough	Nuiqsut	-	7.0	7.0	-
Hoonah-Angoon Census Area	Hoonah	6.5	-	6.5	-
Northwest Arctic Borough	Selawik	6.5	-	6.5	-
Aleutians East Borough	King Cove	6.0	-	6.0	-
Kenai Peninsula Borough	Soldotna	6.0	-	6.0	-
Lake and Peninsula Borough	Iliamna	-	6.0	6.0	-
Northwest Arctic Borough	Buckland	6.0	-	6.0	-
Prince of Wales-Hyder Census Area	Hydaburg	6.0	-	6.0	-
Valdez-Cordova Census Area	Valdez	-	6.0	6.0	-
Kenai Peninsula Borough	Seldovia	5.5	-	5.5	-
Bethel Census Area	Kwethluk	5.0	-	5.0	-
Bristol Bay Borough	Kanatak	-	5.0	5.0	-
Dillingham Census Area	Clark's Point	5.0	-	5.0	-
Kodiak Island Borough	Afognak	-	5.0	5.0	-
North Slope Borough	Barrow (Utqiagvik)	-	5.0	5.0	-
Prince of Wales-Hyder Census Area	Craig, and Kake	5.0	-	5.0	-
Valdez-Cordova Census Area	Whittier	5.0	-	5.0	-
Bethel Census Area	Mekoryuk	4.0	-	4.0	-
Kusilvak Census Area	Russian Mission	4.0	-	4.0	-
Nome Census Area	Diomedede	4.0	-	4.0	-
Northwest Arctic Borough	Noorvik	4.0	-	4.0	-
Yukon-Koyukuk Census Area	Nenana	4.0	-	4.0	-
Aleutians West Census Area	Saint George	3.0	-	3.0	-
Bethel Census Area	Goodnews Bay	3.0	-	3.0	-
Kenai Peninsula Borough	Kenai Peninsula Borough	3.0	-	3.0	-
Kodiak Island Borough	Larsen Bay	3.0	-	3.0	-
Kusilvak Census Area	Saint Mary's	3.0	-	3.0	-
Nome Census Area	Brevig Mission	3.0	-	3.0	-
North Slope Borough	Point Hope	3.0	-	3.0	-
Northwest Arctic Borough	Ambler	3.0	-	3.0	-
Yukon-Koyukuk Census Area	Galena	3.0	-	3.0	-
Bethel Census Area	Aniak	2.0	-	2.0	-
Dillingham Census Area	Togiak	2.0	-	2.0	-
Nome Census Area	Koyuk	2.0	-	2.0	-
Northwest Arctic Borough	Kivalina	2.0	-	2.0	-
Yukon-Koyukuk Census Area	Tanana	2.0	-	2.0	-
Nome Census Area	White Mountain	1.0	-	1.0	-

**From:** [Tess Dally](#)  
**To:** [Melissa Jacobsen](#)  
**Subject:** City councilmembers  
**Date:** Wednesday, February 13, 2019 10:01:53 AM

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**Dear Council members, As a member of the Homer City ADA compliance committee I would like to bring to your attention a population in our community that faith based treatment facilities are exempt from providing accessible services. People with physical disabilities experience addiction at 2 to 4 times the rate of the general population.**

**Thank you, Tess Dally**

## **Title III of the ADA: Public Accommodations**

### **What does Title III of the ADA cover?**

Title III covers private businesses that *own, lease, lease to, or operate* any of twelve types of “places of public accommodation.” Examples include hotels, restaurants, theaters, shopping centers, banks, museums, zoos, day care centers, private schools, and health spas. Title III also covers private businesses that offer classes or tests related to applications, licensing, certification, or credentialing for secondary or post-secondary education, professional, or trade purposes. Examples include the GED, SAT, GRE, LSAT, and MCAT tests, as well as classes designed to prepare students to take these examinations.

Title III addresses disability-based discrimination, including ensuring access to goods and services, making reasonable policy modifications, and communicating effectively with individuals who have vision, hearing, or speech disabilities.

### **Are religious entities covered by Title III of the ADA?**

No, religious entities are completely exempt from Title III of the ADA. All of their facilities, programs, and activities, whether they are religious or secular in nature, are exempt.

## **Are religious entities' programs covered by Title III if they are open to the general public?**

No. For example, if a religious entity controls a school that is open to both members and non-members of the religious entity, the school is still considered a religious entity and is exempt from Title III. Likewise, if a religious entity holds an event, such as a festival or performance, which is open to the general public, it is exempt.

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Tess Dally

**From:** [Mary Griswold](#)  
**To:** [Melissa Jacobsen](#)  
**Subject:** Fw: Ord 19-07 re-appropriating police station funding  
**Date:** Thursday, February 21, 2019 11:54:25 AM

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(please include in the next available council packet)

**From:** [Mary Griswold](#)  
**Sent:** Thursday, February 21, 2019 11:49 AM  
**To:** [carolinevenuti@ci.homer.ak.us](mailto:carolinevenuti@ci.homer.ak.us) ; [donnaaderhold@ci.homer.ak.us](mailto:donnaaderhold@ci.homer.ak.us) ; [heathsmith@ci.homer.ak.us](mailto:heathsmith@ci.homer.ak.us) ; [mayor@ci.homer.ak.us](mailto:mayor@ci.homer.ak.us) ; [rachellord@ci.homer.ak.us](mailto:rachellord@ci.homer.ak.us) ; [shellyerickson@ci.homer.ak.us](mailto:shellyerickson@ci.homer.ak.us) ; [tomstroozas@ci.homer.ak.us](mailto:tomstroozas@ci.homer.ak.us) ; [kkoester@ci.homer.ak.us](mailto:kkoester@ci.homer.ak.us)  
**Subject:** Ord 19-07 re-appropriating police station funding

Ord 19-07 in all iterations, re-appropriating Police Station funding

The 2019 budget was completed in December after at least three months of number crunching to balance our needs and financial resources.

“Transfer 2017 GF Surplus to Police Station Project” was a successful amendment among many denied critical requests for funding.

“Rationale: This amendment transfers the General Fund surplus from 2017 to the police station project. As the **number one priority** for the City of Homer, it is prudent to commit any extra resources to this project. Furthermore, by adding \$250,000 of General Fund dollars to the project, the City can reduce the amount it bonds for from \$5 to \$4.75 million.”

Now, not even three months into the 2019 budget, with not even construction plans completed for the new police station, the council is considering re-appropriating at least \$177,000 from the number one priority for the city to a new project which did not have to compete with other funding requests during the budget process.

“Uncertainty still persists in Alaska’s economic future. Municipalities will be a target for cost shifting either directly by reducing Community Assistance funds and contracts for services or indirectly by a declining level of state services that in turn puts pressure on municipalities to pick up these state-initiated shortfalls.”

“Every department has expressed a need to increase staffing under the strain that years of tight budgets have put on their capacity. The Public Works complex is aging, the City Hall roof needs replacing. (Information taken from 2019 Homer Budget Document)

The local opioid crisis is real, but rehab is not a city service. These funds are more appropriately requested from area health and social services.

Please protect the funding for the police station. Please respect the budget process. It is important to evaluate all large competing financial demands at one time to fairly allocate resources. It is important to fund essential city services first.

**Title 3. Commerce, Community and Economic Development**  
**Chapter 180. Community Assistance Program**

Section

- 10. Application for community assistance payments.
- 20. Reports to the department by municipalities.
- 30. Population determination.
- 40. Request for adjustment of population determination
- 50. Appeal of population determination to the commissioner.
- 60. Standards for payment to communities located in the unorganized borough. Repealed.
- 65. Standards for payment to reserves. Repealed.
- 70. Standards for payment on behalf of communities located within boroughs and unified municipalities. Repealed.
- 80. Determination of most qualified entity.
- 90. Incorporation or dissolution of a municipality.
- 100. Waiver for good cause.
- 110. Determination of social unit.
- 120. Preliminary and final payments.
- 130. Waiver of sovereign immunity.
- 140. Overpayment, adjustment, and assignment.
- 900. Definitions.

**3 AAC 180.010. Application for community assistance payments.** (a) To receive a community assistance payment under AS 29.60.850 - 29.60.879, a municipality, reserve, or community must certify and agree, on a form provided by the department,

(1) that the municipality, reserve, or community is in compliance with AS 29.60.850 – 29.60.879 and this chapter;

(2) to use a payment received under AS 29.60.855 and 29.60.860 only for a public purpose as required under AS 29.60.850(a);

(3) to make a service or facility provided with a payment received under AS 29.60.855 and 29.60.860 available to every person in the community regardless of race, religion, color, national origin, age, physical or mental disability, sex, marital status, changes in marital status, pregnancy, parenthood, or political affiliation; and

(4) to maintain, as required under this paragraph, all accounting records, receipts, invoices, and other documents related to the receipt and expenditure of a payment under AS 29.60.855 and 29.60.860, including all documents that record the activities that occurred through the use of the payment; if the payment is for a community, the village council or incorporated nonprofit entity that agrees to receive the payment of the community must agree to maintain documents as required under this paragraph; the documents must be maintained

(A) for at least three years after the date when the department distributes a payment under AS 29.60.855 and AS 29.60.860 each year to the municipality or reserve or to the village council or incorporated nonprofit entity for a community; and

(B) for longer than three years and until the matter is fully resolved, if the municipality or reserve, or the village council or incorporated nonprofit entity for a community,



has an unresolved audit finding, questioned costs, litigation, or a grievance at the end of the three-year period.

(b) In addition to making the certification and agreement on the form provided under (a) of this section, a borough or unified municipality that will receive community assistance payments on behalf of communities in the borough or unified municipality must

(1) submit to the department a resolution adopted by the assembly that clearly identifies

(A) the communities that the borough or unified municipality has determined meet the eligibility criteria under AS 29.60.865, 29.60.879, and 3 AAC 180.110; and

(B) the village council or incorporated nonprofit entity located within each community listed under (A) of this paragraph that the borough or unified municipality has approved as the recipient of the community assistance payment; and

(2) certify that at least three of the services required under AS 29.60.865(c) are generally available to all residents of the community.

(c) In addition to making the certification and agreement on the form provided under (a) of this section and receiving any identification required under (b) of this section, a reserve or village council must submit to the department a waiver of sovereign immunity in accordance with AS 29.60.865(a) and 3 AAC 180.130.

(d) The department will not issue a community assistance payment to an entity until the department has received the entity's statement of expenditures of the prior year's community assistance payment, the community assistance program budget form for the current year's application, and all documents required under this section and 3 AAC 180.020.

(e) To administer more efficiently the community assistance payment program under AS 29.60.850 – 29.60.879 and this chapter, and to reduce the costs associated with its administration, the department will use electronic mailing and electronic filing to the maximum degree possible. An applicant may submit the form and documents required by this section to the department by means of electronic mail received not later than 4:30 p.m. on June 1 or regular mail postmarked not later than June 1, for community assistance payments to be distributed the following state fiscal year. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; em am 3/10/2011 - 7/7/2011, Register 198; am 12/22/2017, Register 224)

**Authority:** AS 29.60.850 AS 29.60.860 AS 44.33.020  
AS 29.60.855 AS 29.60.865

**Editor's note: For an application submitted by electronic mail, the department's electronic mail address is [caa@alaska.gov](mailto:caa@alaska.gov).**

**3 AAC 180.020. Reports to the department by municipalities.** In addition to meeting the requirements of 3 AAC 180.010 that apply to a municipality, and before the department makes a community assistance payment to a municipality, the municipality must submit

(1) maps and descriptions of all annexed or detached territory as required under AS 29.20.640(a)(1);

(2) if the municipality is a borough, unified municipality, or first class city, a copy of the annual audit reviewed by a certified public accountant licensed under AS 08.04, as required under AS 29.20.640(a)(2);

(3) if the municipality is a second class city and is required under state or federal law to submit an audit, a copy of that audit reviewed by a certified public accountant licensed under AS

08.04, as required under AS 29.20.640(a)(2); otherwise, a second class city must submit a statement of annual income and expenditures approved by the governing body, as required under AS 29.20.640(a)(2);

(4) tax assessment and tax levy figures for the most recently completed annual budget cycle as required under AS 29.20.640(a)(3);

(5) a copy of the current annual budget of the municipality as required under AS 29.20.640(a)(4);

(6) as required under AS 29.20.640(a)(5), a summary of the optional property tax exemptions authorized together with the estimate of the revenues lost to the municipality by operation of each exemptions; and

(7) a copy of the taxpayer notices required under AS 29.45.020 and 29.45.660. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; am12/22/2017, Register 224)

<b>Authority:</b>	AS 29.20.640	AS 29.45.660	AS 29.60.865
	AS 29.45.020	AS 29.60.850	AS 44.33.020

**3 AAC 180.030. Population determination.** (a) For purposes of community assistance per capita payments to municipalities, reserves, and communities under AS 29.60.860, the director shall annually determine the permanent resident population of the previous calendar year for each municipality, reserve, and community in the state. No later than January 15 of each calendar year, the director shall mail to each municipality, reserve, and community the determination of the municipality's previous calendar year population. (b) The determination under (a) of this section must be based upon the following census or estimate that indicates the most recent population of the municipality, reserve, or community:

(1) a census of the United States Bureau of the Census;

(2) a head count census conducted in accordance with 3 AAC 180.040(c) by the municipality or reserve, or by the village council or incorporated nonprofit entity for a community;

(3) a housing unit method population estimate conducted in accordance with 3 AAC 180.040(d) by the municipality or reserve, or by village council or incorporated nonprofit entity for a community;

(4) an estimate by the Department of Labor and Workforce Development.

(c) If there is a conflict between or among the population results, for the same calendar year, of a census or a population estimate listed in (b) of this section, the order of precedence for determination of population is the order in which the censuses and population estimates are listed in (b) of this section.

(d) When a city is within a borough, a head count census or housing unit method population estimate conducted by the borough may be used to determine the population of the city. For the purposes of (c) of this section, a head count census or housing unit population estimate conducted by the borough within which the city is located takes precedence over an estimate by the Department of Labor and Workforce Development.

(e) If a population determination under this section for a city within a borough conflicts with the population for that city indicated in a head count census or housing unit population estimate upon which a population determination for the borough is based, the conflict is automatically appealed to the commissioner. Both municipalities are parties to the appeal. (Eff. 5/15/2008,

Register 186, am 10/8/2008, Resister 188, em am 3/10/2011 – 7/7/2011, Register 198, am 12/22/2017, Register 224)

**Authority:** AS 29.60.860 AS 44.33.020

**3 AAC 180.040. Request for adjustment of population determination.** (a) A municipality or reserve, or the village council or incorporated nonprofit entity for a community, may request an adjustment of the population determination under 3 AAC 180.030 for the municipality, reserve, or community by submitting a written request to the director, postmarked no later than April 1 of the calendar year. If a municipality or reserve, or the village council or incorporated nonprofit entity for a community, requests an adjustment under this section, the municipality, reserve, village council, or incorporated nonprofit entity shall substantiate the requested adjustment with

(1) a head count census conducted by the municipality, reserve, village council, or incorporated nonprofit entity in accordance with (c) of this section; or

(2) a housing unit method population estimate conducted by the municipality, reserve, village council, or incorporated nonprofit entity in accordance with (d) of this section.

(b) If a request under (a) of this section is postmarked after April 1 of the calendar year, the director shall deny the request as being untimely filed. An appeal to the commissioner regarding that denial, submitted in accordance with 3 AAC 180.050, will be accepted if the applicant shows good cause for missing the postmark deadline.

(c) For the purposes of (a)(1) of this section, a head count census must be conducted in a manner satisfactory to the division. The division shall validate the census in accordance with the standard census definitions and procedures specified by the division. The municipality, reserve, village council, or incorporated nonprofit entity shall bear the expense of the census. The governing body of the municipality, reserve, or the governing body of a village council or incorporated nonprofit entity for a community, must

(1) pass a resolution adopting the results of the census; and

(2) provide a copy of the resolution with the census results to the division.

(d) For the purposes of (a)(2) of this section, a housing unit population estimate must be conducted in a manner satisfactory to the division. The division shall validate the estimate in accordance with standard census definitions and procedures specified by the division. The municipality, reserve, village council, or incorporated nonprofit entity, shall bear the expense of the estimate. The governing body of the municipality, reserve, village council, or incorporated nonprofit entity, must

(1) pass a resolution adopting the results of the estimate; and

(2) provide a copy of the resolution with the estimate results to the division.

(e) A municipality, reserve, village council, or incorporated nonprofit entity shall, upon request of the director, furnish available information and provide assistance requested by the director necessary to make a determination to grant or deny a request for adjustment under (a) of this section. The director may prescribe forms containing procedures for reporting the information.

(f) The director shall, in writing, grant or deny a request for adjustment within 10 days after receipt of the request. The director's response shall include the reason for granting or denying the request for adjustment, and a determination of the municipality's population determination based upon the director's decision to grant or deny the request. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; em am 3/10/2011 – 7/7/2011, Register 198, am 12/22/2017, Register 224)

**Authority:** AS 29.60.860 AS 44.33.020

**3 AAC 180.050. Appeal of population determination to the commissioner.** (a) A municipality, reserve, village council, or incorporated nonprofit entity may appeal to the commissioner a decision of the director made under 3 AAC 180.040. The appeal must be in writing and must be postmarked within 10 days after the municipality, reserve, village council, or incorporated nonprofit entity received the written decision of the director. The appeal must include relevant evidence in support of the claim.

(b) No later than 10 days after receipt of the appeal, the commissioner will render a decision on the appeal. Immediately following the commissioner's decision, written notification, containing a statement of the decision and the reasons for it, will be sent to the municipality, reserve, village council, or incorporated nonprofit entity.

(c) The commissioner's decision of an appeal is final.

(d) After deciding all appeals made under this section, the commissioner will certify a final population report on or before June 1 of that calendar year. (Eff. 5/15/2008, Register 186; em am 3/10/2011 – 7/7/2011, Register 198; am 12/22/2017, Register 224)

**Authority:** AS 29.60.860 AS 44.33.020

**3 AAC 180.060. Standards for payment to communities located in the unorganized borough.** Repealed. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; repealed 12/22/2017, Register 224)

**3 AAC 180.065. Standards for payment to reserves.** Repealed. (Eff. 10/8/2008, Register 188; repealed 12/22/2017, Register 224)

**3 AAC 180.070. Standards for payment on behalf of communities located within boroughs and unified municipalities.** Repealed. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; repealed 12/22/2017, Register 224)

**3 AAC 180.080. Determination of most qualified entity.** If there is more than one qualified entity within a community in the unorganized borough that will agree to receive and spend the community assistance payment under AS 29.60.865, the department shall determine which entity is to receive the payment. In making this determination, the department shall consider factors relevant to achieving the public purpose of the payment, including

(1) the administrative capability of each village council or incorporated nonprofit entity, including past performance on any previous grant awards, bulk fuel loans under AS 42.45.250 - 42.45.299, or any other financial aid provided by the state or federal government;

(2) for each incorporated nonprofit entity, whether the entity has articles of incorporation and a certificate of incorporation in good standing under AS 10.20;

(3) the ability of each village council or incorporated nonprofit entity to manage its debt and other finances, including whether amounts due to the United States Internal Revenue Service are timely paid;

(4) the degree to which each village council or incorporated nonprofit entity is representative of the community; and

(5) the purpose for which each village council or incorporated nonprofit entity intends to spend the community assistance payment. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188. am 12/22/2017, Register 224)

**Authority:** AS 29.60.865 AS 44.33.020

**3 AAC 180.090. Incorporation or dissolution of a municipality.** (a) A municipality that incorporates on or before June 30 of a state fiscal year is eligible to receive a community assistance payment under AS 29.60.855 - 29.60.860 the following state fiscal year.

(b) A qualified entity under AS 29.60.865(a) located within a city in the unorganized borough may receive a community assistance payment under AS 29.60.855 - 29.60.860 if

(1) the city has not qualified for a community assistance payment under AS 29.60.855 - 29.60.860 for two consecutive state fiscal years; and

(2) a petition has been submitted under AS 29.06.460 to the local boundary commission to initiate dissolution of the city.

(c) Payment may not be made under (b) of this section for more than two state fiscal years. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188, am 12/22/2017, Register 224)

**Authority:** AS 29.60.855 AS 29.60.860 AS 44.33.020

**3 AAC 180.100. Waiver for good cause.** The department may waive a deadline in this chapter if the department determines there was good cause for missing the deadline and that a waiver will not unreasonably disrupt the process of administering the program under this chapter. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; am 12/22/2017, Register 224)

**Authority:** AS 29.60.855 AS 29.60.860 AS 44.33.020

**3 AAC 180.110. Determination of social unit.** (a) A community under AS 29.60.879 is a social unit if

(1) the persons residing in an area are a discrete and identifiable unit based on evidence of

- (A) school enrollment;
- (B) sources of employment;
- (C) voter registration;
- (D) permanency of dwelling units; or
- (E) presence of a commercial establishment; and

(2) the geographic area in which the persons reside is proportionate in size to that number of persons; in determining whether this standard has been met, the department may consider the physical topography of the area, the use of the land, land ownership patterns, and other factors that could affect population density; an area with a population density of at least 14 persons per square mile is considered to have met this standard.

(b) Individuals residing in the following places are not a social unit under AS 29.60.879:

- (1) a place where public access or the right to reside at the location is restricted;
- (2) a place that is contiguous to a city and is dependent upon the city to the extent that it exists only because the city exists; or

(3) a place provided by an employer that is populated primarily by persons who are required to reside there as a condition of their employment. (Eff. 5/15/2008; am 10/8/2008, Register 188; am 12/22/2017, Register 224)

**Authority:** AS 29.60.865 AS 29.60.879 AS 44.33.020

**3 AAC 180.120. Preliminary and final payments.** (a) Upon a finding by the department that it is in the state's best interest, the department may make preliminary community assistance payments to eligible municipalities, communities, and reserves. The amount of the preliminary payment equals the sum of the basic payment calculated under AS 29.60.855.

(b) Immediately after identifying and verifying all information necessary to calculate final community assistance payments, the department will calculate and distribute final payments to all eligible municipalities, communities, and reserves. The amount of the final payment for each eligible municipality, community, and reserve equals the difference between the amount of the total payments calculated under AS 29.60.855 and 29.60.860 and the amount distributed under (a) of this section. . (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; am 12/22/2017, Register 224)

**Authority:** AS 29.60.855 AS 29.60.860 AS 44.33.020

**3 AAC 180.130. Waiver of sovereign immunity.** The department will not make a community assistance payment under AS 29.60.855 and 29.60.860 to a village council or reserve unless the department receives, on a form approved by the Department of Law, a waiver of sovereign immunity from suit adopted by the governing body for claims related to the payment. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; am 12/22/2017, Register 224)

**Authority:** AS 29.60.855 AS 29.60.865 AS 44.33.020

AS 29.60.860

**3 AAC 180.140. Overpayment, adjustment, and assignment.** (a) If the amount that an entity receives under this chapter exceeds the amount that the entity is entitled to receive under AS 29.60.855 and 29.60.860, the department will either request the entity to return the excess to the state or will reduce the entity's payment for the next distribution by the difference between the amount received and the amount that the entity was entitled to receive.

(b) If the department determines that it is in the best interests of the state and the entity involved, the commissioner may extend the adjustment period over three years.

(c) The commissioner may waive the return of the overpayment if

(1) the entity reasonably and in good faith relied upon the department's determination of the entity's payment; and

(2) the reason for the overpayment was all or in substantial part departmental error.

(d) If loss of services essential to the public health and safety is imminent, an entity receiving community assistance payments may assign any portion of the current year program payment directly to a third party approved by the commissioner. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; am 12/22/2017, Register 224)

**Authority:** AS 29.60.855 AS 29.60.860 AS 44.33.020

**3 AAC 180.900. Definitions.** In this chapter, unless the context requires otherwise,

- (1) "commissioner" means the commissioner of commerce, community, and economic development;
- (2) "community" has the meaning given in AS 29.60.879;
- (3) "department" means the Department of Commerce, Community, and Economic Development;
- (4) "director" means the director of the departmental division responsible for community and regional affairs;
- (5) "division" means the departmental division responsible for community and regional affairs;
- (6) "entity" means a municipality, reserve, community, village council, or incorporated nonprofit entity.
- (7) "governing body" means
  - (A) the assembly or council for a municipality defined;
  - (B) the council for a reserve defined in AS 29.60.879;
  - (C) the council for a Native village council; or
  - (D) the board of directors for an incorporated nonprofit entity;
- (8) "municipality" has the meaning given in AS 29.71.800;
- (9) "permanent resident" means a person whose primary place of residence is within the corporate limits of a municipality or community;
- (10) "primary place of residence" means the place where a person sleeps on a weekly basis; if a person has more than one residence, "primary place of residence" means the place where the person sleeps more often during the calendar year;
- (11) "public purpose" means a purpose the objective of which is to promote the public health, safety, and general welfare of the residents of a municipality, community, or reserve in the state;
- (12) "village council" means
  - (A) a council organized under 25 U.S.C. 476 (sec. 16 of the Indian Reorganization Act);
  - (B) a traditional village council recognized by the United States as eligible for federal aid to Indians; or
  - (C) a council recognized by the department under 3 AAC 190.110 - 3 AAC 190.150. (Eff. 5/15/2008, Register 186; am 10/8/2008, Register 188; am 12/22/2017, Register 224)

**Authority:** AS 29.60.850 AS 29.60.860 AS 43.33.020  
AS 29.60.855 AS 29.60.865 AS 29.60.879

**Article 08. COMMUNITY ASSISTANCE PROGRAM Sec. 29.60.850.**

**Community Assistance Fund.** (a) The community assistance fund is established in the general fund for the purpose of making community assistance payments to municipalities, reserves, and communities for any public purpose. The fund consists of appropriations. Income earned on money in the fund may be appropriated to the fund. Money in the fund does not lapse.

(b) Each fiscal year, the legislature may appropriate to the community assistance fund money received by the state during the previous calendar year under [AS 43.20.030\(c\)](#). The amount may not exceed the greater of

(1) \$30,000,000; or

(2) the amount that, when added to the fund balance on June 30 of the previous fiscal year, equals \$90,000,000.

(c) The balance in the community assistance fund shall be determined on June 30 of each year. If the fund balance is at least \$15,000,000, without further appropriation, the department shall distribute one-third of that amount as community assistance payments for the immediately following fiscal year. Otherwise, no payments may be made.

(d) Notwithstanding the guidelines in (b) of this section, the legislature may appropriate any amount to the community revenue sharing fund. Nothing in this section creates a dedicated fund.

**Sec. 29.60.855. Basic community assistance payments.** (a) The basic amount used for determining the basic community assistance payment for a fiscal year is \$300,000. However, if the amount available for payments for that fiscal year under [AS 29.60.850\(c\)](#) is less than the amount necessary to make the payments under (b) of this section, the department shall reduce the basic amount pro rata.

(b) Except as provided in (c) of this section, the basic community assistance payment for a fiscal year equals, for each

(1) unified municipality, the sum of the amounts calculated under (2) and (3) of this subsection, rounded to the nearest dollar;

(2) borough, the basic amount, rounded to the nearest dollar;

(3) city and eligible reserve, one-fourth of the basic amount, rounded to the nearest dollar;

(4) eligible community in the unorganized borough, one-twelfth of the basic amount, rounded to the nearest dollar;

(5) eligible community in a unified municipality or borough, one-nineteenth of the basic amount, rounded to the nearest dollar.

(c) The basic community assistance payment amount for a succeeding municipality formed when two or more municipalities merge, consolidate, or unify after January 1, 2002, equals the sum of the amounts each of the former municipalities would receive under (b) of this section calculated as if the merger, consolidation, or unification had not occurred.



**Sec. 29.60.860. Per capita payment increases.** (a) Subject to (b) of this section, if the amount available for distribution under [AS 29.60.850\(c\)](#) exceeds the amount needed to fully fund all the basic community assistance payments, the balance shall be distributed on a per capita basis to municipalities, to reserves, and to communities in the unorganized borough.

(b) The per capita amount distributed to each community in the unorganized borough may not, when added to the basic community assistance payment for that community, exceed the basic amount calculated under [AS 29.60.855\(b\)\(3\)](#). If the per capita distribution for a community in the unorganized borough, when added to the basic community assistance payment for that community, would exceed the basic amount calculated under [AS 29.60.855\(b\)\(3\)](#), the excess amount shall be distributed on a per capita basis to other communities in the unorganized borough.

(c) For purposes of this section, the population of a municipality, reserve, or community shall be determined by using the numbers of permanent fund dividend recipients or other population data that the department determines is reliable. For purposes of determining the population of a borough, the population of each city in the borough shall be deducted from the total borough population.

**Sec. 29.60.865. Eligibility requirements for reserves and communities.**

(a) The department, with advice from the Department of Law, shall determine whether there is in each community or reserve an incorporated nonprofit entity or a Native village council that will agree to receive and spend the community assistance payment. If there is more than one qualified entity in a reserve or community in the unorganized borough, the department shall pay the money to the entity that the department finds most qualified to receive and spend the money on behalf of the reserve or community. The department may not make a community assistance payment to a Native village council unless the council waives immunity from suit for claims arising out of activities of the council related to the payment. A waiver of immunity from suit under this section must be on a form provided by the Department of Law. If there is no qualified incorporated nonprofit entity or Native village council in a reserve or community that is willing to receive the community assistance payment and use the payment on behalf of that reserve or community, the payment for that reserve or community may not be paid. Neither this section nor any action taken under it enlarges or diminishes the governmental authority or jurisdiction of a Native village council.

(b) The department may make a community assistance payment on behalf of a community in a borough or unified municipality only to the municipality for payment by the municipality to an incorporated nonprofit entity or Native village council that has been approved by the assembly and meets the requirements of (a) of this section. The department shall have written evidence of the assembly approval. If there is more than one qualified entity

in a community in a borough or unified municipality, one of the entities may receive the entire payment, or the payment may be shared between two or more of the qualified entities, as determined by the assembly.

(c) A community in a borough or unified municipality is eligible for a community assistance payment only if at least three of the following services are generally available to all residents of the community and each of the three services, in any combination, are provided by one or more qualifying incorporated nonprofit entities or a Native village council or are substantially paid for by the residents of the community through taxes, charges, or assessments levied or authorized by the borough or unified municipality:

- (1) fire protection;
- (2) emergency medical;
- (3) water and sewer;
- (4) solid waste management;
- (5) public road or ice road maintenance;
- (6) public health;
- (7) search and rescue.

**Sec. 29.60.879. Definitions.** In [AS 29.60.850](#) - 29.60.879,

(1) "community" means a place in the unorganized borough, in a borough, or in a unified municipality that is not incorporated as a municipality, that is not a reserve, and in which 25 or more individuals reside as a social unit;

(2) "reserve" means a place that is organized under federal law as an Indian reserve that existed before enactment of 43 U.S.C. 1618(a) and is continued in existence under that subsection.

February 11, 2019 Back Up to Ordinance 19-07 & 19-07(S)

Letter from Set Free Alaska

Set Free Alaska Policy and Procedure

Public Comments:

Dally

Spencer

Griswold

Heimbuch

Spence

Stillwell

Legislative Recognition





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February 5, 2019

Mr. Mayor and Councilmembers,

Set Free Alaska seeks to provide substance abuse counseling services to the residents of Homer alongside other community providers. As we have been invited in and supported in this effort, it is our desire to partner with the city, community members, and other organizations to the best of our ability. This letter and attached policy serve to communicate our intention to provide this treatment service as a Christian program, however, in a non-discriminatory and respectful manner.

As a provider of service since 2010, our organization has been certified by Alaska's Department of Health & Social Services. We have received funding directly and indirectly from the State of Alaska, the federal government, various foundations, individual donors, and more. Our commitment with such funding is to assist individuals in finding freedom from addiction. Clients choose our program knowing that although we are Christian in our worldview and philosophy, we will respect their freedom of choice regarding personal faith.

As our policy clearly indicates, Set Free Alaska does not require clients to be Christian upon entry into the program. Nor does the program require any conversion while in the program, or upon graduation. Clients in our outpatient and residential programs are free to pursue spirituality in a way that is personal and meaningful to them. Clients are also respected in their choice to pursue no form of spirituality if they choose. Many clients specifically choose Set Free Alaska as it is their desire to incorporate spirituality into their recovery process. In addition, many clients choose Set Free knowing our Christian approach does not align with their personal belief system but regardless they will receive good quality care.

We are so grateful for the kindness and welcome we have received from the residents of Homer. We look forward to serving this need together. Thank you for your partnership as we pursue our goal of Freedom From the Bondage of Addiction!

Sincerely,

A handwritten signature in black ink, appearing to read "Philip Licht".

Philip Licht  
Executive Director  
Set Free Alaska

<b>Set Free Alaska Policy &amp; Procedure</b>	Policy Number: Pages: Attachments: n/a
Subject: <b>Agency's Christian Approach</b>	

**POLICY:**

Set Free Alaska is a Christian treatment center that uses a mind-body-spirit approach to recovery. Our multi-generational programs facilitate hope, healing, and resilience resulting in lasting change. The faith-based initiative ensures that individuals have equal access to faith-based programs, while also assuring neither staff nor clients experience discrimination.

In accordance with state and federal laws, Set Free Alaska will provide services to clients as a Christian organization. The agency's founders and current leadership believe that this is the best way to accomplish its vision and mission. We do not require our employees, contractor or clients to believe any, some, or all of the following, but believe it useful to provide the foundation from which Set Free offers services.

**Set Free Alaska Bylaws Article III Sections 1-4:**

- Section 1.** We believe that the Bible is the inspired Word of God equally in all parts and without error in its original manuscripts, absolutely infallible, and our source of supreme revelation from God, superior to conscience and reason, though not contrary to reason; and it is therefore our infallible rule of faith and practice. (II Timothy 3:16; 1 Peter 1:23-25; Hebrews 4:12)
- Section 2.** We believe in the pre-existence, incarnation, and virgin birth of Jesus Christ who came into this world to reveal the Father, and was the brightness of His glory and the express image of His person; that Jesus Christ was the creator of all things, for by Him the worlds were made. We further believe that in Jesus Christ dwelt all the fullness of the Godhead bodily and that He was very God and very Man. (John 1:1,2 &14; 1 Timothy 3:16; Acts 7:37,38.)
- Section 3.** We believe in Jesus Christ's sinless life, miracles, substitutionary death, bodily resurrection, and His ascension into Heaven, and acknowledge His Lordship—that Jesus Christ is Lord over all things in heaven and in earth, and under the earth. (Philippians 2:9,10)
- Section 4.** We believe that Jesus desires to set people free from the bondage of addiction. (Luke 4:18; Acts 10:38)

**PROCEDURE:**

1. Set Free Alaska does not discriminate in its hiring. Staff will be respected in their own spiritual journey and belief system regardless whether it aligns with the organization's.
2. Set Free Alaska does not discriminate in its services to clients. Clients will be respected in their own spiritual journey and belief system regardless of whether it aligns with Set Free.
3. Staff are permitted to pray with, incorporate scripture, and use Biblical Christian principles in the context of treatment:
  - a. Set Free serves clients of many faiths and those without a faith background. When clients come to Set Free they are aware, or made aware at the outset, of its foundation as a Christian program. Staff will be mindful to meet each client where they are and be respectful of their unique belief system, regardless what it is.

- b. Clients who do not wish to incorporate Christian principles into their recovery process will either be reasonably accommodated within the Set Free Alaska program, or referred to a more appropriate program, depending on each unique situation.
  - c. Staff will not be required to pray and/or promote Biblical Christian beliefs if they do not align with their own, or if they are not comfortable doing so. Reasonable accommodations will be made upon request based on sincerely held religious beliefs, practices – or lack thereof – if an accommodation will not impose an undue hardship on the conduct of the business.
4. As a Christian organization and in accordance with agency bylaws (Article III Section 1) the Bible is the only religious material provided to clients.
- a. A Bible is offered as a gift to clients at admissions. Some clients accept, some decline, and Set Free’s clients are free to do either.
  - b. Staff will not be required to give a Bible to clients, if doing so makes them feel uncomfortable, or if doing so does not align with their own belief system.
  - c. Staff are not permitted to promote and/or give religious materials other than the Bible.
  - d. Treatment curriculum that is religious in nature must align with a biblical worldview and be approved by the Executive Leadership Team (Ex. Boundaries Series).
5. Clients may desire to pursue spirituality and/or religion outside of Christianity and/or the Bible.
- a. In such a case, staff will assist the client in an appropriate clinical way as they walk their personal journey.
  - b. Clients living within Set Free Alaska facilities will be allowed to have religious materials other than the Bible.

**From:** [Tess Dally](#)  
**To:** [Melissa Jacobsen](#); [Rachel Tussey](#)  
**Subject:** City Council Members, Set Free Homer LGBTQ  
**Date:** Monday, February 11, 2019 12:45:09 PM

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My concern is discrimination toward providing services to the LGBTQ community under a faith based umbrella. In Anchorage there was a case where a women's shelter denied access to a transgendered woman. An estimated 20-30 percent of the LGBTQ community experiences addiction compared to the estimated 9 percent of the general population. As a city will we give money to an organization that will use religious liberty to deny access to individuals based on their LGBTQ status?

Tess Dally

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Tess Dally



**From:** [sarah spencer](#)  
**To:** [Department Clerk](#)  
**Subject:** Tonights public hearing comments  
**Date:** Monday, February 11, 2019 9:52:20 AM

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I cannot attend the meeting tonight, but I would be interested in submitting some comments by email.

I understand that there is a proposal under discussion to provide funding to "set-free Alaska" to assist them in the development of a Men's residential substance use disorder (SUD) treatment facility.

As the only local addiction medicine specialist, I fully support the development of a residential treatment facility in Homer. I also support the use of city finds to help support this effort. I would like to clarify, though, that the letter of support written by myself for Set-free was written to support their State Grant application, not this city proposal, and I would like to document to be labeled in that way so that it is clarified.

It has come to my attention that another alternative funding proposal has been submitted to split some of the proposed funds and give some to local agencies (such as the Homer foundation and Maapp). I think that supporting local efforts is also very important, given that they have been instrumental in providing critical services around addiction for the past 2 years in Homer and are struggling with little to no funding at this time. The Opioid task force has been instrumental in providing education and uniting the service organizations to streamline care for patients. The Exchange has been highly successful in distributing Narcan kits that have reversed over 12 overdoses in our community and helped 6 clients get into SUD treatment, and likely prevented multiple cases of Hepatitis C transmission. The bearded sisters foundation has been supporting recovery by starting the fit-to-recover program. These organizations have been able to make dramatic headway in filling gaps in SUD care in our community, and can continue to provide substantial services with only small amounts of money required.

I'm not sure what the right answer is to choosing the best proposal at this time, but if other homer addiction and recovery efforts are not included at this time, I would strongly encourage the city to consider offering support to these organizations in the near future.

Thank you for your attention to this matter.

Dr. Sarah Spencer  
Addiction Medicine Specialist (ABAM)  
Volunteer Medical Director of Homer Exchange

**From:** [Mary Griswold](#)  
**To:** [Department Clerk](#)  
**Subject:** Fw: Ord 19-07 Set Free Alaska funding  
**Date:** Monday, February 04, 2019 7:00:23 PM

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(Please include in the upcoming council packet)

**From:** [Mary Griswold](#)  
**Sent:** Monday, February 04, 2019 6:56 PM  
**To:** [carolinevenuti@ci.homer.ak.us](mailto:carolinevenuti@ci.homer.ak.us) ; [donnaaderhold@ci.homer.ak.us](mailto:donnaaderhold@ci.homer.ak.us) ; [heathsmith@ci.homer.ak.us](mailto:heathsmith@ci.homer.ak.us) ; [mayor@ci.homer.ak.us](mailto:mayor@ci.homer.ak.us) ; [rachellord@ci.homer.ak.us](mailto:rachellord@ci.homer.ak.us) ; [shellyerickson@ci.homer.ak.us](mailto:shellyerickson@ci.homer.ak.us) ; [tomstroozas@ci.homer.ak.us](mailto:tomstroozas@ci.homer.ak.us)  
**Subject:** Ord 19-07 Set Free Alaska funding

I have concerns about contributing city funds to a faith-based organization. Set Free Alaska uses a mind-body-spiritual approach to recovery, according to its website. "This unique approach fuses healthy spiritual principals with proven clinical and therapeutic techniques." At the last council meeting, their spokesperson said they will accept clients of all persuasions. However, will clients be required to participate in spiritual rehab? I do not object to Set Free Alaska operating in Homer, but I do not favor using city funds to support religious proselytizing no matter how lofty or needed the goal.

**From:** [Hannah Heimbuch](#)  
**To:** [Hannah Heimbuch](#)  
**Subject:** Ordinance 19-07(S)  
**Date:** Monday, February 11, 2019 10:32:22 AM

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Dear Council Members and Mayor Castner —

I am writing to provide comment on Ordinance 19-07(S), which re-appropriates funds to Set Free Alaska for an addiction treatment facility. I am unable to attend most of the Council meeting tomorrow, so will direct my comments to you here.

I am a City of Homer resident, and participate occasionally on the Opioid Task Force as a community member and as co-founder of a non profit focused on recovery and sober living issues.

First off, I am profoundly supportive of the steps the city is taking in funding addiction treatment and recovery services. This is a tremendous community need, impacting all families in one way or another. Thank you for the attention being given to this issue, I commend you for making this a priority.

I am very supportive of Set Free Alaska coming to Homer. They appear to have the passion, skills and capacity to provide excellent care and services here, and I look forward to seeing those services expand. This is a landmark moment for our community and I celebrate this important development. I will admit that I have misgivings about faith-based programs and institutions, however, I appreciate and have confidence in the distinct policies laid out by Set Free that establish openness and acceptance around the diverse spiritual convictions of individuals, and prioritize quality care over a particular faith-based agenda. **I believe this distinction is critical to their ability to serve the entire community without prejudice, critical to gaining the trust of those in need, and critical to determining the appropriateness of directing any city funds to this program.**

I understand from the Ordinance language that the city is considering providing a portion of the funds needed to close the gap between Set Free's pending State of Alaska grant and their final budget needs, and that the remainder will be generated through their additional fundraising. I am overall supportive of this decision and look forward to seeing the Council pass this or a version of this Ordinance in the near future. I also look forward to supporting through community advocacy the remaining fundraising needed to bring this project to fruition. Before the *city* appropriates funds to this project, however, I think there are a few things that should be included in the public record in order to truly incorporate this important project into the fabric of a collaborative approach to addiction established by the Opioid Task Force.

The proposed funding amount (\$177,172.05) is, as stated in the Ordinance, the most recent amount received in Community Assistance for State fiscal year 2019. During their presentation to the City Council on January 28, Set Free Alaska requested that the entirety of that specific amount be directed to their Homer-based project. This is a smart and timely request on their part. However, I think it is prudent and important for the City Council to request, for public record and review, a copy of the budget into which these funds will be incorporated, and a copy of the grant proposal(s) they are intended to complement. I believe this is good practice for appropriating public funds to any outside entity, and reflective of the

gravity and complexity of the issue the funds are intended to address. Moreover, it would give city residents and applicable health organizations greater opportunity to review and comment on this ordinance with what I think is a necessary level of detail, not currently included in Council documents. As you know, the letters included in this week's city packet are in support of Set Free coming to Homer, and in support of Set Free's State of Alaska grant proposal, but not directly applicable to this Ordinance. **Even Set Free's letter does not name a specific dollar amount or a reasoning for that dollar amount.** I believe due diligence requires that additional information, if only to establish the intent and use of these important and particular funds, and generate much deserved support for this exciting new project.

As a comparison, the City directed \$179,250 to Alaska Mindful Paws in 2016 to operate the animal shelter over a 2 year time period. In order to obtain this contract, AMP submitted an operating plan and simple budget for review by the Homer Police Department, which reported to the Council on the substance and quality of this plan, the specific reasoning for the submitted budget, the quality of the proposed staffing, and its ability to meet the distinct needs of the service. The city was contracting for an outside organization to run a city service, so this is a somewhat different scenario. But I think it is a good example of a private organization submitting robust information to the city, requesting a distinct funding amount through a detailed proposal, and receiving said funds. I support Set Free Alaska's project in Homer, and I support city funding going to it. But there needs to be a budget and project proposal for public review. This is too big a step to not incorporate those elements, and it would be difficult for me to believe that a very temporary delay in appropriating these funds would compromise the project's success.

This minimal additional time and information would also give the Opioid Task Force an opportunity to discuss this project specifically. They have not had an opportunity as yet to do so. Though there has certainly been discussion and broad support from the Task Force for Set Free coming to Homer, and they have given input on the type of services needed, they have not as a group discussed and given input on a particular project proposal or the components of it that seek local municipal funding. The Ordinance recognizes that the City receives quarterly reports from the Opioid Task Force, which is a highly diverse community coalition dedicated to addressing addiction issues on the Southern Kenai Peninsula. Given the complexity of the issue and the system of collaborative problem solving established by the Task Force and supported by the City, I think it makes sense for them and other members of the public to review at least a basic project description and budget. If the organization is already seeking additional grant funds for this project, both of those things should be readily available, and could be provided in short order.

As a community member, outspoken advocate for recovery and addiction services, and a participating member of the Opioid Task Force, I want this project to go forward with the maximum amount of community confidence. I believe having a full understanding of how these substantial public funds will be incorporated into Set Free Alaska's overall project vision and budget will do a great deal to generate that confidence. As an independent entity bringing a private operation to Homer, they do not owe anyone that explanation. As an entity potentially receiving \$177,172.05 in public funds, they absolutely do.

My comments here should not indicate a lack of support for Set Free. I am immensely supportive of what they are doing. But what I have learned from my time engaging with the Task Force is that it takes a high degree of collaboration and communication to develop a comprehensive approach to treating this incredibly dynamic community health issue. It cannot

be addressed by any one approach or any one organization. Because of this complexity I do not believe we should direct city funds to a specific project without having a robust understanding of how those funds will be utilized, and feedback from those in the community that have been active and collaborating on addiction services.

In summary — please request a project budget and a copy of partnering grant proposals to accompany this funding request, allowing time for the public to review and provide comment. In my opinion, this would reflect smart public process surrounding a vitally important issue and community project.

Thank you,  
Hannah Heimbuch  
907.299.4018

**From:** [Lynn Spence](#)  
**To:** [Department Clerk](#)  
**Subject:** Rehab Center  
**Date:** Monday, February 11, 2019 11:35:19 AM

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Dear Council,

I have not been paying attention to the research that has gone into getting a rehab facility in Homer but after listening at the last council meeting I walked away feeling a bit uncomfortable. My discomfort has more to do with process than what agency will provide services. It felt a bit like a salesman offering candy to children. I just want to know that you have approached this like any other expenditure the city makes. I hope you have some kind of written agreement on how the money will be used and what the program really is. Will local people have some kind of preference or is it a statewide program? Do you know how people are prioritized for the program or do they just take the next person who asks for help?

There are a lot of things the city could spend money on so it seems important to know exactly what we are spending our community money on. It is easy to understand spending it on the police station to reduce the debt load on a city building. It is harder to understand giving it to a private entity even if they provide a service we want.

I am just sharing my thoughts.

Lynn Spence  
331 Mountain View Drive  
Homer, AK

**From:** [Stephanie Stillwell](#)  
**To:** [Heath Smith](#); [Tom Stroozas](#); [Donna Aderhold](#); [Shelly Erickson](#); [Caroline Venuti](#); [Rachel Lord](#); [Mayor Email](#)  
**Subject:** Ordinance 19-07(S)  
**Date:** Monday, February 11, 2019 9:12:28 AM

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Good Morning Council Members and Mayor Castner,

First of all, I would like to say thank you for bringing forward the ordinance for the appropriation of funds for Set Free Alaska. As I mentioned in my presentation during the last city council meeting, any opportunity to talk about addiction and recovery is great.

I also want to express that as a community member, I support any opportunity for the community to work together to fill a need that has been identified, and as you all are aware, that includes access to a residential treatment facility. Set Free Alaska has a great reputation for providing substance use treatment services and I believe this would be a great asset for individuals that need higher levels of treatment services in our community.

With that being said, I also need to be sure that I advocate for the local organizations that have been working hard in our community to enhance existing programs, create new grassroots programs and are and have been actively engaged in the task force. I would also like to highlight that the majority of the successes that our community has achieved in the past 2 years has done so without any additional funding to support these efforts, including the efforts and coordination of the opioid task force.

Our community has really been proactive in creatively filling the needs and creating programs, offering training and educational opportunity by relying on sponsors and donations from individuals. As my presentation highlighted, our community has really rallied together to make these things happen with very limited resources.

Regardless of whether funding comes from this ordinance, a different city proposal, a private community member or a completely different source, I feel that it is my duty to share that funding is needed and to share the impact that any intentional funding for addiction prevention, treatment, recovery and harm reduction efforts in our community could really mean for Homer, and how even just a small amount of money can really stretch and create a positive impact for many people.

What could intentional funding related to addiction prevention, treatment & recovery efforts provide to our community:

- Opportunity to kick start programs for grassroots efforts and offer support to existing local groups that have already been working hard to fill gaps in services needed.
  - For example, funding to sponsor local folks to have peer support training for further engagement of this evidence based practice, raising emergency funds for

programs like The Exchange, having accessible funds for events, outreach, printing, materials and other needs related to educating the community.

- Multiple local grassroots organizations and programs have been created in response to the need for creatively approaching this extremely complex issue, including recovery and peer support programs, reentry and addiction, harm reduction and youth prevention. Local funding for these groups to access would create immediate opportunity for engagement with the folks that need these services while working to create solutions for long term sustainability.
- Funding to support opioid task force coordination would create more hours available for community engagement, increased opportunity for communication and collaboration between agencies, the city, and other community efforts. MAPP has been supporting the efforts of the opioid task force however there has been no additional funding to support this effort, and is not currently sustainable to support this role for much longer into the future with the capacity that it has been operating.
- In general, having local funding available specifically to address issues related to addiction prevention, treatment, harm reduction and recovery would serve as the opportunity to create more immediate solutions to address any community needs as they arise.

What I really appreciate about this ordinance is that it brought the issue of funding to light, because having intentional conversations about how the city can financially help with this effort is now on my radar. I feel that as the coordinator of the task force, I did not connect the idea that the city would even potentially have funding that could be used to address issues related to addiction. I have been discussing the need for funding with folks for awhile, including Philip with Set Free. When he informed me that the city was in support of Set Free and wanted to contribute to funding this, I was of course happy to hear that there was such support for Set Free although I also felt that there was a missed opportunity to support our local efforts. Set Free is great and certainly filling a gap, I just want to be sure that this is not overshadowing all the great work our community has been doing. If the task force were engaged in the conversations about how city funding could have been appropriated to this issue, folks around the table would have likely been engaged in how best this could be used. And again, I want to be sure that I am not projecting any opposition to Set Free being a part of our community and do not want to jeopardize their project.

Again, I thank you all for the work you are doing and willingness to engage in these efforts and to be part of the solution.

Stephanie Stillwell  
907-756-3780



# THE ALASKA LEGISLATURE



\* HONORING \*

\* SET FREE ALASKA \*

The Thirtieth Alaska State Legislature is proud to recognize and thank Set Free Alaska for its work to heal our fellow Alaskans.

Set Free Alaska is a Christian treatment center that provides services to individuals and families in the area of substance abuse and behavioral health. It provides substance abuse treatment for adults and teens, behavioral health treatment for children, and residential substance abuse treatment for women. It fills a crucial role in the fight against addiction for residents in the Matanuska-Susitna Borough.

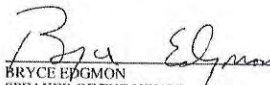
Set Free Alaska's outpatient services include assessments, intensive outpatient counseling, treatment of co-occurring disorders, trauma informed therapy, and continuing aftercare. Outpatient services are provided to adults, and teens fourteen to seventeen years old. The agency also provides youth services treatment to residents at the Job Corp facility in Palmer. This partnership helps eliminate the transportation barriers that often keep people from getting the help they need. Set Free Alaska believes in providing treatment for the entire family. Early intervention services are available for children whose parents are receiving treatment in the adult program. Behavioral health services are also offered to children in the general community. These behavioral health services include individual and family counseling, as well as trauma informed treatment for those five to seventeen years old. There is great value in helping heal the hearts and address the trauma in these children at the first opportunity. By doing so the agency is working to prevent future addiction before it happens.

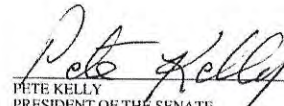
Set Free Alaska recently opened a new 16-bed residential treatment center for women in the Mat-Su, including women with children, and pregnant women. Services at the new center include individual and group counseling, trauma informed care, and treatment of co-occurring disorders. The program has a strong focus on healthy relationships and daily living practices.


Set Free Alaska's mission is to provide multi-generational programs that facilitate hope, healing and resilience resulting in lasting change. Set Free Alaska believes every individual should be honored and respected. It combines innovative clinical techniques with Christian-based principles. Its performance indicators are well above the state average, with 93% of clients experiencing a decrease in substance abuse from intake to discharge, 100% reporting they were treated with respect, and 68% substance abuse free at the end of 90 days.

The members of the Thirtieth State Alaska Legislature express their gratitude and commend Set Free Alaska for its tireless efforts to heal Alaskans.



  
BRYCE EDGMON  
SPEAKER OF THE HOUSE

  
PETE KELLY  
PRESIDENT OF THE SENATE

  
REP. DAVID EASTMAN  
PRIME SPONSOR

  
SEN. MIKE SHOWER  
PRIME SPONSOR

Date: May 12, 2018

Cosponsors: Representatives Johnson, Neuman, Rauscher, Sullivan-Leonard, Tilton, Edgmon, Birch, Chenault, Claman, Drummond, Foster, Gara, Grenn, Guttenberg, Johnston, Josephson, Kawasaki, Kito, Kopp, Kreiss-Tomkins, LeDoux, Lincoln, Miltett, Ortiz, Parish, Pruitt, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Talerico, Farr, Thompson, Tuck, Wilson, Wool, Zulkosky; Senators Kelly, Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Miciciche, Olson, Stedman, Stevens, von Imhof, Wielechowski, Wilson



January 28, 2019 Back Up to Ordinance 19-07 & 19-07(S)

Letters of Support to the State from:

- South Peninsula Hospital
- Kachemak Bay Family Planning Clinic
- Christian Health Associates
- South Central Region SOA Public Health Nursing
- Church on the Rock
- Niniichik Traditional Council Community Clinic
- South Peninsula Haven House
- South Peninsula Behavioral Health Services





Administration  
4300 Bartlett Street  
Homer, AK 99603  
907-235-0325

January 23, 2019

Alaska Department of Health & Social Services  
3601 C Street STE 902  
Anchorage, AK 9950

Attn: Department Commissioner Adam Crum  
Re: Letter of Support –Set Free Alaska SUD Residential and Outpatient Services Homer, Alaska

Dear Commissioner Crum,

As the community's only hospital we are well aware of the issues surrounding addiction and the need for treatment services. We see patients dealing with challenges of addiction in our emergency room, inpatient, surgery department, primary care clinic and physical therapy department. The ability to rely on local, community based addiction treatment providers is essential to our patient's well-being, and has been identified as lacking in our community. The potential to refer individuals for local residential treatment will improve the overall health and wellness of the residents in our service area, and keep individuals and their loved ones close to home for the care they need.

This letter is in support of Set Free Alaska and their effort to establish residential 3.5, intensive outpatient 2.1, and outpatient 1.0 substance abuse treatment services in Homer, Alaska. We have great need for treatment providers as currently there are no residential services locally, and limited options for outpatient services. As we do with many local health and social services providers, we hope to partner with Set Free Alaska for the mutual benefit of our patients, in ways such as trainings, community events, referrals, and support.

Our last three community health needs assessments identified substance abuse as a top problem in our community. In response and in alignment with the state's response, we have an opioid task force as a part of our MAPP Community Health Coalition for which the hospital serves as the backbone agency. Set Free Alaska, in preparation for service provision in Homer, attends these task force and coalition meetings.

Residential and outpatient treatment are needed in Homer and we welcome Set Free Alaska as a new provider. South Peninsula Hospital supports D.H.S.S. support of this and any increase in addiction treatment or prevention capacity here or throughout the state.

Sincerely,

A handwritten signature in cursive script that reads "Deratha Ferraro".

Deratha Ferraro  
Director of Public Relations  
Community Health and Wellness



3959 Ben Walters Lane • Homer, AK 99603  
907.235.3436 • Fax 907.235.8346  
info@kbfp.org • www.kbfp.org



January 25<sup>th</sup>, 2019

Alaska Department of Health & Social Services  
3601 C Street STE 902  
Anchorage, AK 9950

Attn: Department Commissioner Adam Crum  
Re: Letter of Support –Set Free Alaska SUD Residential and Outpatient Services Homer, Alaska  
Commissioner Crum,

As our community's family planning clinic, we see firsthand the issues surrounding addiction and the need for treatment services. Our program is often visited by individuals struggling and in need of help. The ability to partner with substance abuse providers is essential to our clients and our community. Furthermore, the potential to refer individuals for residential treatment when needed will improve the overall health and wellness of Homer and southern Kenai Peninsula residents. We intend to collaborate and partner with Set Free Alaska for the mutual benefit of our shared clients. This collaboration will take many forms including trainings, community awareness events, referrals, and general support.

Kachemak Bay Family Planning Clinic (KBFP) is a non-profit organization providing high-quality, low cost reproductive healthcare for women, men and families of the southern Kenai Peninsula. We offer a range of confidential clinical services for men and women, as well as youth education programs and community health outreach. Insurance is accepted, and low- or no-cost options are available. Additionally, The R.E.C Room (a Youth Resource & Enrichment Co-op) offers teens ages 12-18 a safe and welcoming environment to socialize with friends after school and get connected with positive activities and education opportunities for youth.

KBFP's Homer Peer Educators, a team of four high school aged staff members and two adult staff, provide Resilience-informed Sexual Health and Wellness and substance misuse prevention lessons in middle and high schools across the southern Kenai Peninsula.

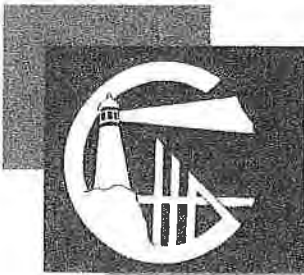
This letter is being submitted in support of Set Free Alaska and their effort to establish residential 3.5, intensive outpatient 2.1, and outpatient 1.0 substance abuse treatment services in Homer, Alaska. Our community is experiencing an epidemic regarding substance abuse especially involving the opioid crisis. We have great need for treatment providers as currently there are no residential and limited options for outpatient services.

In response to this crisis and in alignment with the state's opioid response we have formed an opioid task force. This task force is well attended by various members of the community. The MAPP Wellness Coalition houses the task force and our organization is actively involved in this work. The last three community needs assessments identified substance abuse as the number one problem our community is facing. Set Free Alaska, in preparation for service provision in Homer has begun attending these task force and coalition meetings. I am confident that they will be a strong partner in our wellness coalition and opioid task force as well as an overall benefit to assisting our community solve this problem.

It is for this reason that I strongly support Set Free Alaska's funding proposal. They have a good reputation in our state for providing effective and efficient services. Residential and outpatient treatment are needed in Homer and we welcome them as a new provider.

Sincerely,

Catriona Reynolds, Executive Director



# Christian Health Associates

*...offering help along the way*

Alaska Department of Health & Social Services  
3601 C Street STE 902  
Anchorage, AK 9950

January 14<sup>th</sup>, 2019

Attn: Department Commissioner Adam Crum  
Re: Letter of Support –Set Free Alaska SUD Residential and Outpatient Services Homer, Alaska

Commissioner Crum,

Christian Health Associates has a long history of providing counseling, medical, and other services in the state of Alaska. We have partnered with Set Free Alaska on several projects and found them to be of great value to the state. Their efficient and effective programs offer hope, healing, and resilience resulting in lasting change for individuals and families.

Our organization has a counseling clinic in Homer with two licensed professional counselors. It is our intention to partner with Set Free Alaska in a collaborative way. This partnership will include referrals, contracted assessments, and other mental health services as appropriate and needed. In a smaller community, workforce development can often be an issue. Through this partnership, our organizations can better work towards solving the issues that Homer residents are facing.

This Letter is being submitted in support of Set Free Alaska and their effort to establish residential 3.5, intensive outpatient 2.1, and outpatient 1.0 substance abuse treatment services in Homer, Alaska. Our community is experiencing an epidemic regarding substance abuse especially involving the opioid crisis. We have great need for treatment providers as currently there are no residential and limited options for outpatient services.

In response to this crisis and in alignment with the state's opioid response we have been an active participant in the opioid task force in Homer. This task force is well attended by various members of the community. The MAPP Wellness Coalition houses the task force where many local churches are active participants. Our last three community needs assessments identified substance abuse as the number one problem our community is facing. Set Free Alaska, in preparation for service provision in Homer has begun attending these task force and coalition meetings. I am confident that they will be a strong partner in our wellness coalition and opioid task force as well as an overall benefit to assisting our community solve this problem.

It is for this reason that we strongly support Set Free Alaska's funding proposal. They have a good reputation in our state for providing effective and efficient services. Residential and outpatient treatment are needed in Homer and we welcome them as a new provider.

Sincerely,

Brian Green, PhD.  
Executive Director, Christian Health Associates



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

**Department of  
Health and Social Services**

DIVISION OF PUBLIC HEALTH  
Homer Public Health Center

195 East Bunnell Ave. Suite C  
Homer, Alaska 99603  
Main: 907.235.8857  
Fax: 907.235.7090

January 16<sup>th</sup>, 2019

Department Commissioner Adam Crum  
Alaska Department of Health & Social Services  
3601 C St, Suite 902  
Anchorage, AK 99503

Commissioner Crum,

This letter is being submitted in support of Set Free Alaska and their effort to establish residential 3.5, intensive outpatient 2.1, and outpatient 1.0 substance abuse treatment services in Homer, Alaska. Our community is experiencing an epidemic regarding substance misuse especially involving the opioid crisis. We have great need for treatment providers as currently there are no residential and limited options for outpatient services.

In response to this crisis and in alignment with the state's opioid response our community has formed an opioid task force. This task force is well attended by various members of the community. The MAPP of Southern Kenai Peninsula provides backbone support to the local Opioid Task Force. Our last three community needs assessments identified substance abuse as the number one problem our community is facing. Set Free Alaska, in preparation for service provision in Homer has begun attending these task force and coalition meetings. I am confident that they will be a strong partner in our wellness coalition and opioid task force as well as an overall benefit to assisting our community solve this problem.

Homer public health has seen firsthand the impact of the substance abuse crisis. Our local needle exchange handed out over 13,000 needles last quarter. Although this harm reduction strategy will reduce disease and improve resident's health, we recognize that treatment is needed to help individuals overcome addiction. Often individuals need services that do not exist or are waitlisted due to the lack of providers and options in Homer. If Set Free Alaska is awarded this funding and given the ability to provide service in Homer we will partner with them through collaboration and referrals. It would be great to refer individuals to help while they are coming to the needle exchange. The combination of harm reduction and treatment can be a powerful partnership for the city of Homer and the Kenai Peninsula.

It is for this reason that we strongly support Set Free Alaska's funding proposal. They have a good reputation in our state for providing effective and efficient services. Residential and outpatient treatment are needed in Homer and we welcome them as a new provider.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry Troshynski".

Jerry Troshynski, MPA, BSN, RN  
PHN V Regional Nurse Manager  
South Central Region  
State of Alaska Public Health Nursing  
State of Alaska  
907-352-6637 or 907-334-2399  
jerry.troshynski@alaska.gov





## Church on the Rock HOMER

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PO BOX 2689, HOMER, ALASKA 99603  
P(907) 235-2689 F(907) 235-2687  
OFFICE@COTRHOMER.ORG ~ WWW.COTRHOMER.ORG

January 16<sup>th</sup>, 2019

Alaska Department of Health & Social Services  
3601 C Street STE 902  
Anchorage, AK 9950

Attn: Department Commissioner Adam Crum

Re: Letter of Support –Set Free Alaska SUD Residential and Outpatient Services Homer, Alaska

Commissioner Crum,

Homer has a strong Christian faith community. As pastors and spiritual leaders, community members often come to us in seek for help in times of need. We have seen firsthand the need surrounding addiction. We believe that this problem is not just physical and emotional but also spiritual. We support Set Free Alaska's Christian approach as it aligns with our value system and gives a faith-based option to individuals who desire to incorporate spirituality into their recovery journey. Our faith community would benefit from a program such as Set Free offers that we could refer individuals in need to.

This Letter is being submitted in support of Set Free Alaska and their effort to establish residential 3.5, intensive outpatient 2.1, and outpatient 1.0 substance abuse treatment services in Homer, Alaska. Our community is experiencing an epidemic regarding substance abuse especially involving the opioid crisis. We have great need for treatment providers as currently there are no residential and limited options for outpatient services.

In response to this crisis and in alignment with the state's opioid response we have formed an opioid task force. This task force is well attended by various members of the community including faith leaders. The MAPP Wellness Coalition houses the task force of which many local churches are represented. Our last three community needs assessments identified substance abuse as the number one problem our community is facing. Set Free Alaska, in preparation for service provision in Homer has begun attending these task force and coalition meetings. I am confident that they will be a strong partner in our wellness coalition and opioid task force as well as an overall benefit to assisting our community solve this problem.

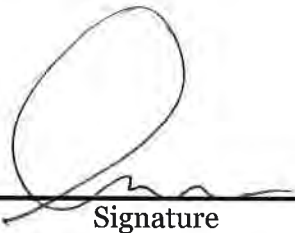


# Church on the Rock HOMER

PO BOX 2689, HOMER, ALASKA 99603  
P(907) 235-2689 F(907) 235-2687  
OFFICE@COTRHOMER.ORG ~ WWW.COTRHOMER.ORG


It is for this reason that we strongly support Set Free Alaska's funding proposal. They have a good reputation in our state for providing effective and efficient services. Residential and outpatient treatment are needed in Homer and as pastors in Homer we welcome them as a new provider.

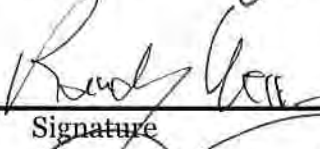
Sincerely,

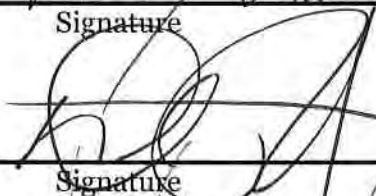
<u>Dr. Aaron Richard Weisser</u>		<u>Church on the Rock Homer</u>
Pastor's Printed Name	Signature	Church Name

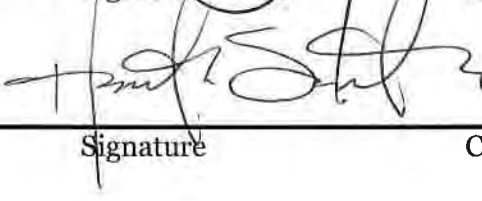
<u>Drew Simpson</u>		<u>Church on the Rock Homer</u>
Pastor's Printed Name	Signature	Church Name

<u>Mark Edens</u>		<u>Regent Wife Church</u>
Pastor's Printed Name	Signature	Church Name

<u>PAUL HUEPER</u>		<u>Refuge Chapel</u>
Pastor's Printed Name	Signature	Church Name

<u>Kandy Wever</u>		<u>Church on the Rock Homer</u>
Pastor's Printed Name	Signature	Church Name

<u>David Taylor</u>		<u>Christian Community Church</u>
Pastor's Printed Name	Signature	Church Name

<u>TRATH SMITH</u>		<u>Church of Jesus</u> <i>Church of Latter Day Saints</i>
Pastor's Printed Name	Signature	Church Name

<u>Richard M Wise</u>		<u>Glacierside Baptist</u>
Pastor's Printed Name	Signature	Church Name



January 16<sup>th</sup>, 2019

Alaska Department of Health & Social Services  
3601 C Street STE 902  
Anchorage, AK 9950

Attn: Department Commissioner Adam Crum

Re: Letter of Support –Set Free Alaska SUD Residential and Outpatient Services Homer, Alaska

Commissioner Crum,

As a doctor and provider of MAT services in Homer and the surrounding area I am well aware of the issues surrounding addiction and the need for treatment services. Our agency serves these individuals struggling and in need of help. The ability to collaborate with substance abuse providers is essentially to our clients and our community. Furthermore, the potential to refer individuals for residential treatment when needed will improve the overall health and wellness of Homer and other Kenai Peninsula residents. We intend to collaborate and partner with Set Free Alaska for the mutual benefit of our shared clients. Specifically, this collaboration will take place by serving individuals who are in Set Frees program who need MAT services. We can provide the MAT while clients are receiving services at Set Frees residential or outpatient programs. We have case manager's and peer specialists who will work with Set Free staff to coordinate appointments and other necessary communication.

The NTC community clinic offers an outpatient MAT program and recently received a SAMSHA grant to expand services. As a board certified Addiction Medicine specialist, I have been providing MAT in rural Alaska of 9 years, and I provide the medical expertise and prescribing for our MAT program. We offer both buprenorphine and naltrexone options for MAT, depending on patient preference and suitability, and also provide counselling services, case management and peer support services. We have struggled in the past to find local inpatient placement for our MAT patients who need the extra support to succeed in recovery, and are excited about this new option that will allow our patients to access both MAT and residential/IOP services locally. We are opening a part-time satellite clinic in Homer this month, so it would be easy for us to provide the MAT prescribing, support and monitoring for patients at a Homer treatment center.

This letter is being submitted in support of Set Free Alaska and their effort to establish residential 3.5, intensive outpatient 2.1, and outpatient 1.0 substance abuse treatment services in Homer, Alaska. Our community is experiencing an epidemic regarding substance abuse especially involving the opioid crisis. We have great need for treatment providers as currently there are no residential and limited options for outpatient services.

In response to this crisis and in alignment with the state's opioid response we have formed an opioid task force. This task force is well attended by various members of the community. The MAPP Wellness Coalition houses the task force and the hospital is the backbone organization for this work. Our last three community needs assessments identified substance abuse as the number one problem our community is facing. Set Free Alaska, in preparation for service provision in Homer has begun attending these task force and coalition meetings. I am confident that they will be a strong partner in our wellness coalition and opioid task force as well as an overall benefit to assisting our community solve this problem.

It is for this reason that I strongly support Set Free Alaska's funding proposal. They have a good reputation in our state for providing effective and efficient services. Residential and outpatient treatment are needed in Homer and we welcome them as a new provider.

Sincerely,



Sarah Spencer, DO  
Ninilchik Community clinic  
American Board of Addiction Medicine  
Senior physician consultant for SAMSHA's State Targeted Response  
Technical Assistance program for opioid treatment



## **South Peninsula Haven House**

3776 Lake Street, Homer, Alaska 99603

Phone: (907) 235-7712 Toll free: (800) 478-7712

Fax: (907) 235-2733 E-mail: [ronnie@havenhousealaska.org](mailto:ronnie@havenhousealaska.org)

January 16<sup>th</sup>, 2019

Alaska Department of Health & Social Services  
3601 C Street STE 902  
Anchorage, AK 9950

Attn: Department Commissioner Adam Crum  
Re: Letter of Support –Set Free Alaska SUD Residential and Outpatient Services Homer,  
Alaska

Commissioner Crum,

In our work, domestic violence and substance abuse often go hand in hand. The ability to collaborate with substance abuse providers is essentially to our clients. Furthermore, the potential to refer individuals for residential treatment when needed will improve the overall health and wellness of Homer and other Kenai Peninsula residents. We intend to collaborate and partner with Set Free Alaska for the mutual benefit of our shared clients. This collaboration can take many forms including trainings, community awareness events, referrals, and general support.

South Peninsula Haven House is a non-profit organization that has been in service for over 30 years. Our agency provides direct services for individuals impacted by domestic violence, sexual assault, child abuse, and homelessness. We currently operate a 20 bed emergency shelter primarily for victims of domestic violence, sexual assault, and child abuse. We recognize that many of our victims present with co-occurring issues, such as substance abuse and drug addiction. We currently don't have the internal capacity to support victims who are at the intersection of DV and addiction in a holistic manner and embrace any ongoing assistance in this area. It is imperative to survivors to have options. It is necessary that victims have ongoing support while rebuilding their lives. We are in desperate need for a local residential treatment center to assist in the long term rebuilding of victims lives.

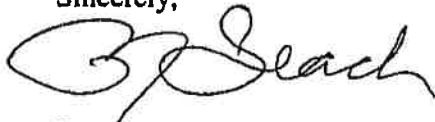
This Letter is being submitted in support of Set Free Alaska and their effort to establish residential 3.5, intensive outpatient 2.1, and outpatient 1.0 substance abuse treatment services in Homer, Alaska. Our community is experiencing an epidemic regarding

substance abuse especially involving the opioid crisis. We have great need for treatment providers as currently there are no residential and limited options for outpatient services.

In response to this crisis and in alignment with the state's opioid response we have formed an opioid task force. This task force is well attended by various members of the community. The MAPP Wellness Coalition houses the task force of which the organization I represent is an active member. Our last three community needs assessments identified substance abuse as the number one problem our community is facing. Set Free Alaska, in preparation for service provision in Homer has begun attending these task force and coalition meetings. I am confident that they will be a strong partner in our wellness coalition and opioid task force as well as an overall benefit to assisting our community solve this problem.

It is for this reason that I strongly support Set Free Alaska's funding proposal. They have a good reputation in our state for providing effective and efficient services. Residential and outpatient treatment are needed in Homer and we welcome them as a new provider.

Sincerely,

A handwritten signature in black ink that reads "Ronnie Leach". The signature is written in a cursive style with a large, looping initial "R".

Ronnie Leach, Executive Director  
South Peninsula Haven House  
Homer, AK, 99603



**South Peninsula  
Behavioral Health Services, Inc.**

3948 Ben Walters Lane, Homer, Alaska 99603

---

January 22<sup>nd</sup>, 2019

Alaska Department of Health & Social Services  
3601 C Street STE 902  
Anchorage, AK 9950

Attn: Department Commissioner Adam Crum

Re: Letter of Support –Set Free Alaska SUD Residential and Outpatient Services Homer, Alaska

Commissioner Crum,

For the last forty years South Peninsula Behavioral Health Services has been the community mental health center and a provider of multiple wellness services in our community working with children, adults and families. Our services benefit the Southern Kenai Peninsula in many ways, unfortunately, gaps remain is what we are capable of providing. Set Free Alaska is positioned to help fill some of those gaps. The substance misuse project planned by Set Free Alaska will enhance the overall behavioral health continuum of care and help address the addiction problems our community is facing. SPBHS's current infrastructure allows for collaborative partnership with Set Free in which clients can receive substance abuse treatment at Set Free and mental health treatment at SPBHS. The potential for referrals and partnership between our organizations is positive. With strong communication we can seamlessly coordinate services for individuals who are appropriate to be seen in both programs. Ultimately, this collaboration will improve the success of the clients seen. Furthermore, the potential to refer individuals for residential treatment when needed will improve the overall health and wellness of Homer and other Kenai Peninsula residents.

This Letter is being submitted in support of Set Free Alaska and their effort to establish residential 3.5, intensive outpatient 2.1, and outpatient 1.0 substance abuse treatment services in Homer, Alaska. Our community is experiencing an epidemic regarding substance abuse especially involving the opioid crisis. We have great need for treatment providers as currently there are no residential and limited options for outpatient services. The Homer Area Opioid Task force has determined that these services represent the biggest gaps in community need.

Since 2016 our Task Force has been working to help address the various needs in the community. This task force is well attended by a full range of stakeholders. The MAPP Wellness Coalition houses the task force of which the organization I represent is an active member. Our last three community needs assessments identified substance abuse as the number one problem our community is facing. Set Free Alaska, in preparation for service provision in Homer has begun attending these task force and coalition meetings. I am confident that they will be a strong partner in our wellness coalition and opioid task force as well as an overall benefit to assisting our community solve this problem.

SPBHS strongly supports Set Free Alaska's funding proposal. They have a good reputation in our state for providing effective and efficient services. Residential and outpatient treatment are needed in Homer and we look forward to the impact we can have in making our community stronger.

Please feel free to contact me if I can be of any further assistance or answer any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bechtol", written over a horizontal line.

Jay Bechtol  
CEO, South Peninsula Behavioral Health Services



**ORDINANCE REFERENCE SHEET**  
**2019 ORDINANCE**  
**ORDINANCE 19-10**

An Ordinance of the City Council of Homer, Alaska, Amending the Operating Budget in the Amount of \$19,700.00 from the Port and Harbor Reserves for the Purpose of Purchasing and Installing Fencing to Divide Lot 12, Homer Spit Subdivision No. 5 Secured Storage into Regulated and Unregulated Cargo Areas.

Sponsor: City Manager/Port Director

1. City Council Regular Meeting February 25, 2019 Introduction
2. City Council Regular Meeting March 11, 2019 Public Hearing and Second Reading



**CITY OF HOMER  
HOMER, ALASKA**

City Manager/Port Director

**ORDINANCE 19-10**

1 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,  
2 AMENDING THE 2019 OPERATING BUDGET BY APPROPRIATING  
3 FUNDS IN THE AMOUNT OF \$19,700.00 FROM THE PORT AND  
4 HARBOR RESERVES FOR THE PURPOSE OF PURCHASING AND  
5 INSTALLING FENCING TO DIVIDE LOT 12, HOMER SPIT  
6 SUBDIVISION NO 5 SECURED STORAGE INTO REGULATED AND  
7 UNREGULATED CARGO AREAS.  
8

9 WHEREAS, Lot 12, Homer Spit Subdivision No 5 currently has a perimeter fence  
10 enclosing the area of a 5 acre concrete pad and additional gravel laydown area; and  
11

12 WHEREAS, The City of Homer Port and Harbor's current dual use of the perimeter  
13 fenced storage area is as a laydown yard for equipment, gear storage, and other unregulated  
14 cargo and also for regulated cargo as needed; and  
15

16 WHEREAS, Regulated cargo access and storage requirements often restrict use of the  
17 entire secure area, including TWIC card/security awareness training requirements, screening,  
18 and escort for any person in the regulated cargo area when regulated cargo is present; and  
19

20 WHEREAS, 200 feet of fencing and access gates are needed at the South East end of  
21 the concrete pad to separate the concrete storage pad used for regulated cargo from the  
22 fenced in gravel lay down yard used for unregulated cargo, equipment, and fishing gear,  
23 allowing maximum concurrent use of storage space that matches the varied industrial  
24 storage needs present; and  
25

26 WHEREAS, The Port and Harbor reached out to several businesses to acquire quotes  
27 for the proposed work and of the bids collected the lowest bid was made by Polar Star  
28 Construction; and  
29

30 WHEREAS, In addition to being the lowest bidder the City's local bidder's 5%  
31 preference requirements apply for Polar Star Construction; and  
32

33 WHEREAS, Polar Star Construction's quote for materials and installation of the  
34 required fencing and access gates was \$19,700.00.  
35

36 NOW, THEREFORE, The City of Homer Ordains:  
37



# ORDINANCE(S)



# CITY MANAGER'S REPORT







## City of Homer

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

Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

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

(p) 907-235-8121 x2222

(f) 907-235-3148

## Memorandum

TO: Mayor Castner and Homer City Council  
FROM: Katie Koester, City Manager  
DATE: March 6, 2019  
SUBJECT: March 11 City Manager Report

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### **Hilcorp Exploration in the Inlet**

This summer you may notice a rather large ship stationed in the Inlet. Beginning in May, Hilcorp will be conducting exploration via contractor Polarcus, a marine seismic exploration company, approximately 30 miles west of the Homer Spit. The attached map and white paper has additional information. Though the Polarcus may dock for a few days in Homer, it will spend most of its time in the Inlet and will be working with local providers to shuttle goods and people.

### **ROW Clearing**

Since 2016, Public Works has made a conscious effort to be more proactive about clearing rights-of-way (ROW) since years of “vegetation creep” allowed alders and large spruce branches to impede the ROW. The goal of this effort was to have the ROW proactively surveyed and cleared when staff had the dedicated time to do so versus staff responding reactively to a ROW that unexpectedly impeded regular maintenance or posed a safety hazard. Being proactive with ROW maintenance is efficient and cost effective since work can be done when the crews have time and the conditions are ideal versus on an emergency basis. It also extends the life of the road and facilitates access to utilities in need of repair. Nevertheless, ROW clearing can be one of the things you as councilmembers hear about the most from your constituents as the impacts are close to home. There is no question the right of way has to be cleared-- the City has not only a right but an obligation to keep the right of way clear and well maintained, however I wanted to have a conversation with the Council about the best way to manage our resources while adequately maintaining City streets. Equally important is to be consistent with how we approach properties so Public Works knows the Council and City Administration has their back. I am hoping to spend some time getting Council feedback and ideas during the Committee of the Whole meeting.

### **Summary of Neighborhood Seawall Meeting**

On February 28<sup>th</sup>, Public Works Director Meyer and Councilmembers’ Smith and Aderhold joined me in hosting a discussion on the Seawall while listening to comments and suggestions made by the public. There were seven community members present, two of which joined telephonically. I am currently drafting a list of suggestions made at the meeting, which will be submitted to all the homeowners residing in the Ocean Drive Loop Service Area (ODLSA), a neighboring property owner interested in paying into the Seawall’s maintenance fund, and to Coastal Engineer Ronny McPherson. Mr. McPherson’s Anchorage-based firm HDR is typically hired by the Department of Transportation for its Homer-based projects, including coastal erosion issues. Mr. McPherson will then provide the City with a quote that reflects how much his firm’s

coastal engineering analysis will cost; the analysis will take into consideration the suggestions we submit. I will then come before Council on March 26<sup>th</sup> to request authority to spend funds from the Seawall Revenue Accounts (City account 156-0369 and ODLA residents' mill rate deposits account 808-0375) to cover a coastal engineering analysis for the Seawall that addresses preventative measures and future next steps to extend the life of the wall. The majority of the community members were in favor of using the Seawall maintenance funds to cover this analysis. As of the end of 2018, the remaining fund balance for Seawall maintenance is around \$90,000.

### **Northern Enterprises Boat Yard Inc. Lease Postponed**

In my last City Manager's report, I shared with Council that staff would come before Council on March 11<sup>th</sup> with a Northern Enterprises Boat Yard Inc. lease proposal for sixty square feet of City tidelands. This topic has been tentatively postponed to the March 26<sup>th</sup> City Council meeting but may be additionally delayed due to the applicants' needs.

### **Library Director Busy Applying for Grants**

Library Director Dixon has applied for a Tier 1 Rasmuson grant request with two parts: "collection enhancement" for books, DVDs, and Great Courses in CD and DVD formats (\$9,550); and funding for construction of a locking storage case to house a collection of historical and rare Alaskan books (\$3,000).

The Collection Enhancement portion is to purchase new books in several targeted sections, including health and medicine; STEM/Maker topics for older teens and adults; art books with quality photos; updated travel guides; replacements for classics in poor condition; updated children's book series on countries of the world; and bilingual/world languages books for children. Media purchases will include Great Courses; adding and replacing popular DVD classics; and DVDs on drug education and prevention.

The locking, glass-front cabinet will allow us to move a collection of historical and rare Alaskan books out of the director's office and into the main library, where patrons may utilize them in the library under controlled conditions. The collection contains items from the libraries of Toby Tyler, ???, and other local residents to the library over the years. These books are too valuable, or difficult to replace, or fragile to circulate in the regular collection. This grant request was submitted at the beginning of the month. The Rasmuson Foundation takes three to six months to decide on acceptance of the proposal.

The Library has applied for the Rasmuson grant a couple of times in the recent past. However, there are grants that we apply for and receive every year. These include the Federal e-rate grant that covers 70% of bandwidth costs at the Library (\$9,000) and a \$7,000 State Public Library Assistance Grant for books.

### **City Manager Out of the Office but Not Off Work**

I will be out of the office the week of March 18<sup>th</sup> attending the International City Manager Association West Coast Regional Conference. I am looking forward to the opportunity to be reenergized and inspired by from my West Coast colleagues. Please feel to contact me while I am away – I will be engaged with packet prep and other City business and should be 100% available by phone and email.

### **SCBA Funding Request to Legislature**

The Kenai Peninsula Borough has submitted a request to the Legislature for the replacement of self-contained breathing apparatus (SCBA) for Peninsula fire departments. This is in addition to the joint application to the Assistance to Fire Fighters Grant Program the City of Homer is participating in for the same equipment (Resolution 18-080). The Homer Volunteer Fire Department SCBA will be expiring in less

than one year and we will have to find general fund dollars to replace the equipment if one of these grants is not successful. The City appreciates the Borough taking the lead for Peninsula departments; working together we have a stronger voice and it ensures the interoperability of our equipment when we need to engage in mutual aid. Though it is unlikely there will be much of a capital budget this year, this project hits all the marks of life safety, regional benefit, and is a high need item. The City should advocate for it with the Legislature if the opportunity becomes available.

### **Update on 1% for the Art for Fire Hall**

Resolution 18-081 awarded a contract to Jeffery Dean of Creative Fire Studio for a steel engraving to mount on the Fire Hall. In the resolution, the Art Selection Committee directed the artist to work with members of the Homer Volunteer Fire Department and members of the selection committee on final design and placement. After much back and forth, the artist and Department settled on the attached design to be placed in Pocket Park by the Fire Hall. This piece, complete with a bench and landscaping, will bring attention to this lovely little space. See attached proposal for details. The City appreciates the patience and professionalism of the artist as we have worked to get the perfect piece to enhance our Fire Hall property.

### **Tsunami Awareness Activities at the End of March – Plan to Participate!**

Special Projects Coordinator Jenny Carroll has been working with the Fire Department, community volunteer Wayne Aderhold and various community partners to help make citizens aware of Homer's tsunami safe zone. They've planned a variety of Tsunami Awareness events for the last week of March, which coincides with Alaska's Tsunami Awareness Week. Activities include Facebook posts throughout the week promoting new emergency information materials on the City's website; KBBI's Coffee Table call in show at 10 am, Wednesday March 27<sup>th</sup> and a call in to Radio Realty, Thursday, March 28<sup>th</sup>; and a feature story in the Homer News.

To culminate the week, on Saturday, March 30<sup>th</sup>, the City and Kachemak Bay Running Club will be co-sponsoring the "Tsunami Blue Line Fun Run/Walk" event. The 2.66-mile round trip course follows Homer's tsunami safe zone, a 50' blue line through Homer from the Homer Elks Lodge around Ben Walters and back. The attached white paper and flyer have more information. Please plan on participating in any way you can!

- Enc:
- White paper and map from Hilcorp
  - Ordinance 16-51; back up memo 16-164 and City website page "Why Are You Cutting Down the Trees in Front of my Property"
  - January 14<sup>th</sup> City of Homer letter to DOT Commissioner RE: Drainage Issues in Baycrest Subdivision and DOT response dated February 25<sup>th</sup>
  - CAPSIS request for SCBA
  - Art Proposal for City of Homer – HVFD Pocket Park
  - "Tsunami Blue Line Fun Run/Walk" flyer and white paper





## Hilcorp Alaska

Post Office Box 244027, Anchorage, AK 99524-4027  
3800 Centerpoint Drive, Suite 1400, Anchorage, AK 99503  
Phone: 907/777-8300 Fax: 907/777.-8301

Dear Neighbor,

Later this year, Hilcorp Alaska, LLC (Hilcorp) plans to conduct seismic surveys in the lower Cook Inlet area to gather geologic data. The proposed grid displayed on the enclosed map shows the area we will be collecting the data from a seismic vessel. Hilcorp has hired Polarcus to perform this work. Polarcus is a pioneer in the marine seismic exploration industry, with a proven track record of responsibly operating without harm to the environment. To learn more about Polarcus, their dedication to the environment, and past projects, you can reference their website at [Polarcus.com](http://Polarcus.com).

We plan for the seismic survey activity to commence in early May 2019. The complete survey is expected to take approximately 6-8 weeks. The total duration of the survey may vary due to weather and other local conditions, but our goal is to complete the survey as safely and efficiently as possible with minimal disturbance to the area.

Polarcus plans to dock in Homer and will be in the proposed area navigating the seismic vessel. Two additional guide vessels will be locally contracted to ensure the safety of all project personnel, nearby vessels and area wildlife. The exact path and direction of the vessel is weather dependent.

Hilcorp has applied for the required permits to conduct this work from:

- Bureau of Ocean Energy Management (BOEM)
- United States Fish & Wildlife Service (USFWS)
- National Marine Fisheries Service (NMFS)

***Hilcorp recognizes the importance and sensitivities of the Cook Inlet region and our obligation to execute our work in a responsible manner.***

***Our team will be doing all it can to minimize any potential disturbances.***

Fairweather Science, LLC, an Anchorage-based consulting firm will manage the marine mammal monitoring program during the seismic survey, as required by the Federal law. Protected Species Observers (PSOs) will be placed on project vessels to collect information on marine mammals in the area and work with the vessel crews to initiate shutdown activities when marine mammals are observed within specified distances to our activity. The Polarcus seismic crews will also be fully trained on Cook Inlet species and permit requirements to ensure an environmentally sustainable operation. It is important to note:

- Seismic activities will not start unless no marine mammal has been sighted for a minimum of 30 minutes within established work zones.
- Seismic activities will be shut down and will not start again if a marine mammal has been sighted within an established risk zone.

Hilcorp has also contracted JCS Consulting, a firm based out of Soldotna, to coordinate stakeholder engagement and outreach.

To convey any concerns you may have about this project, activity or to request a community meeting with Hilcorp and/or Polarcus specialists, please reach out to Jill Schaefer at [ak3dinfo@hilcorp.com](mailto:ak3dinfo@hilcorp.com) or 907-841-8185.

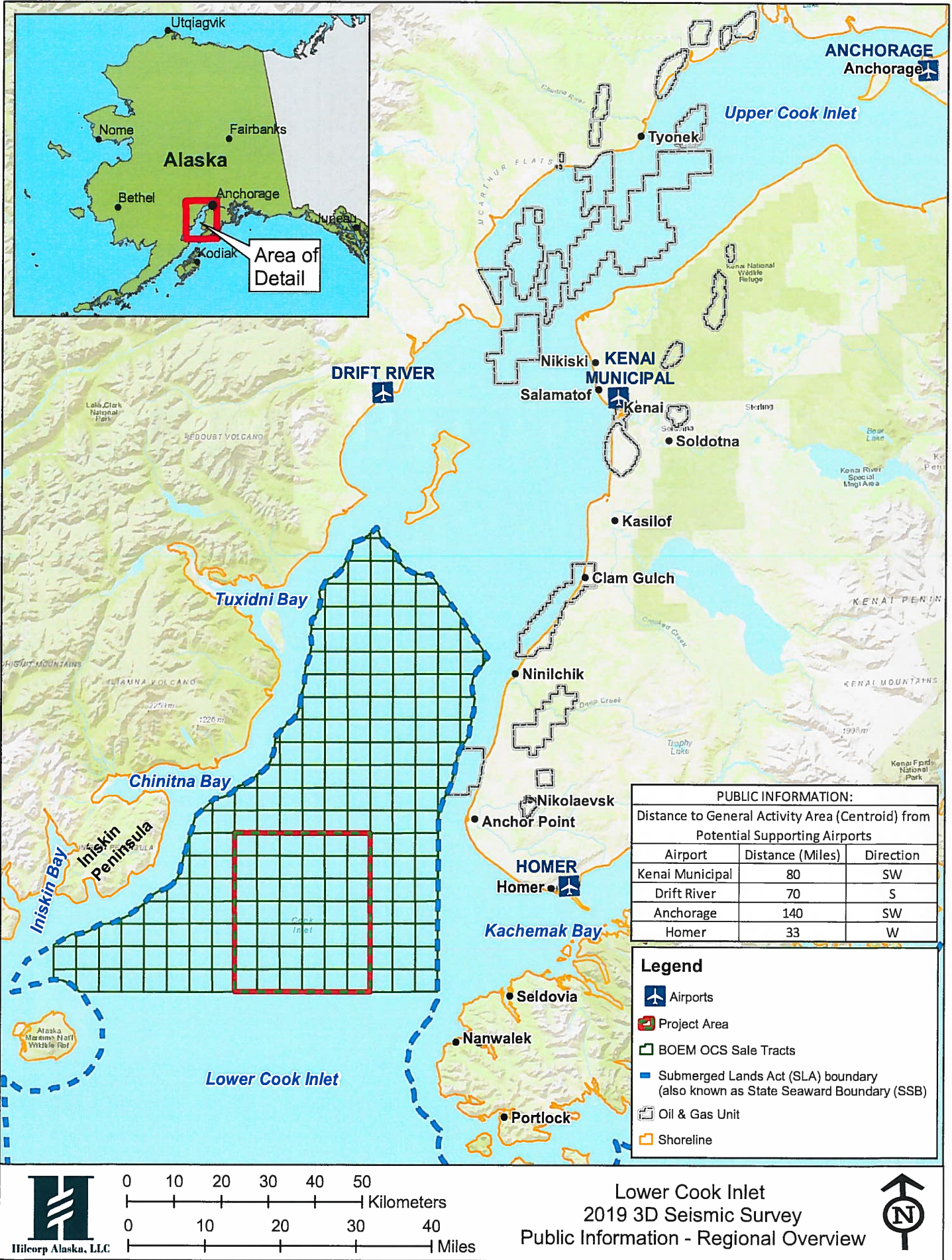
At Hilcorp we strive to improve each and every day in all aspects of our business – safety, environmental protection and production. We are excited to work with our Kenai Peninsula neighbors on this project.

For additional information about Hilcorp, our team members or other activity in the area, please contact me directly.

*Sincerely,*

*Lori Nelson*

Lori Nelson  
Manager, External Affairs  
Hilcorp Alaska, LLC  
[lnelson@hilcorp.com](mailto:lnelson@hilcorp.com)



# Polarcus Naila

14 streamer 3D/4D seismic vessel

## Overview

Delivered in 2010 Polarcus Naila is an ultra-modern 14 streamer 3D/4D seismic vessel. Built to the ULSTEIN SX124 design and incorporating the innovative ULSTEIN X-BOW® hull, this vessel combines the latest developments in maritime systems with the most advanced seismic technology commercially available. The vessel is also amongst the most environmentally sound seismic vessels in the market with diesel-electric propulsion, high specification catalytic convertors, double hull, and advanced bilge water cleaning system. This vessel complies with the stringent DNV CLEAN DESIGN notation.

## Vessel

• Design	ULSTEIN SX124
• Builder	Drydocks World Dubai LLC
• Date Built	2010
• Flag	Bahamas
• Classification	DNV 1A1, SPS, BWM-T,TMON, SF, E0, DYNPOS-AUTR, CLEAN DESIGN, COMF-V (3), ICE-C, NAUT-AW,HELDK
• Helideck	Sikorsky S-61N / S-92
• Length Overall	91.0m
• Beam	19.0m
• Max Draft	7.5m
• Gross Tonnage	6667t
• Propulsion	Diesel Electric
• Maximum Speed	15.0 knots
• Bollard Pull	155t
• Fuel Capacity	1,540 m3 gas-oil
• Main Engines	6 x Wartsila 9L20, MCR rating 1800kW at 1000rpm
• Main Propulsion	2 x Berg CPP at 3700kW
• Bow Thrusters	1 x Brunvoll tunnel thruster at 1200kW 1 x Brunvoll retractable azimuth thruster at 850kW
• Stern Thruster	2 x 400kw
• DP System	Kongsberg K-Pos DP-21 - DPII
• Berths	60, including 23 single cabins

## Navigation & Positioning

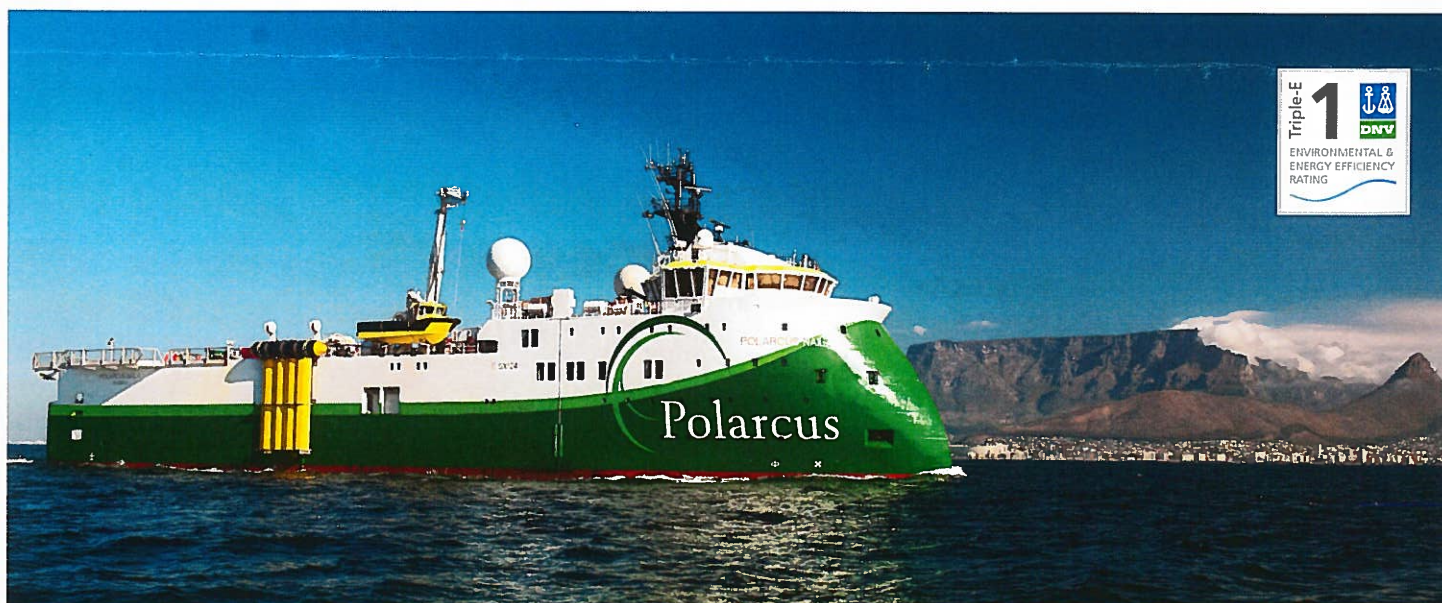
• Radar plants	S-band ARPA radar X-band ARPA radar
• Navigation	ECDIS chart system, DGPS

## Communications

• Primary	GMDSS A4
• Secondary	Inmarsat F Fleet-77
• Communication	VSAT

## Seismic Systems

• Seismic Source	Bolt Technology 1500-LL/1900-LLXT dual sources
• Marine Compressor	3 x LMF Compressors
• Streamers	14
• Streamer Type	Sercel Sentinel solid streamers
• Acquisition System	Sercel Seal Marine Data Acquisition System
• Navigation System	ION Orca
• Streamer Positioning	SERCEL Nautilus® 2D steering system
• Source Controller	Seamap GunLink 4000 fully distributed digital gun controller







45 d. Has the potential if not removed to damage pavement or other improvements in  
46 the right-of-way;

47 e. Has the potential if not removed to damage or interfere with the operation of  
48 overhead or underground public utility facilities in the right-of-way.  
49

50 Section 2. This ordinance is of a permanent and general character and shall be  
51 included in the City code.  
52

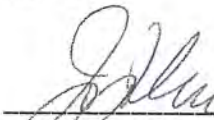
53 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 24<sup>th</sup> day of October, 2016.  
54



CITY OF HOMER

  
BRYAN ZAK, MAYOR

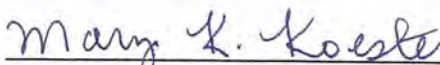
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60 ATTEST:

  
JO JOHNSON, MMC, CITY CLERK

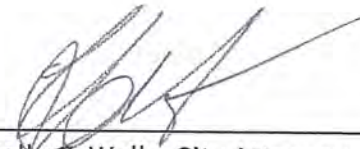
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68 AYES: 6  
69 NOES: 0  
70 ABSTAIN: 0  
71 ABSENT: 0  
72  
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74 First Reading: 10/10/16  
75 Public Reading: 10/24/16  
76 Second Reading: 10/24/16  
77 Effective Date: 10/25/16  
78

79 Reviewed and approved as to form:

80  
81  
82   
83 Mary K. Koester, City Manager  
84

85 Date: 10.26.16

  
Holly C. Wells, City Attorney

Date: 11.7.16



## Memorandum 16-164 Vegetation in Road Right-of-Ways

**Memorandum ID:**

16-164

**Memorandum Status:**

Backup

**Related Meetings**

- City Council Regular Meeting - Mon 10/10/16
- City Council Regular Meeting - Mon 10/24/16

**Related Ordinances/Resolutions**

Ordinance 16-51 Enacting HCC Chapter 11.36, Vegetation in Rights-of-Way, Providing for the Removal of Vegetation

**Details**

Memorandum 16-164

To: Katie Koester, City Manager

From: Dan Gardner, PW Superintendent

Date: September 23, 2016

Subject: Vegetation in Road Right-of-Ways

The city is charged with clearing vegetation within the right-of-way (ROW) in order to deal with sight distance issues, maintain drainages, and to prevent damage to equipment. Over the years, ROW creep has occurred where branches from large spruce and alders have reached into the ROW. This can create problems where snow laden branches fall to a point where snow removal equipment cannot operate without the cab being slapped by the branches. This is a safety matter and also a matter of protecting equipment. Some of the ROW creep prevents periodic ditching efforts to maintain drainages due to alders growing into the drainage ditch and backslope areas.

As many of the alders have grown over the years to significant heights, it is becoming increasingly more hazardous to attempt to "trim" the sides of the alders vertically as the heights often reach higher than our equipment can reach. And, it's not the safest operation to be trimming vertically at those heights with the brush cutter.

It is our intention to begin the task of manually cutting vegetation to the limits of the ROW to reclaim the ROW and then attempt to keep the vegetation mowed to ground elevation with the brush cutter. This will take years to accomplish as time permits. The proposed vegetation ordinance is intended to put existing standards and law into a city ordinance. As we work through areas where clearing will take place, reasonable efforts will be made to notify property owners of any trimming that will take place of branches on trees that are located on private property where branches are encroaching into the ROW. No work will take place on private property unless approval is obtained from the property owner.

[Return to Top](#)



City of Homer (907) 235-8121  
491 E. Pioneer Avenue Homer, AK 99603

Select Language | ▼

## Why Are You Cutting Down the Trees in Front of my Property?

We understand that to some property owners, trees and vegetation growing in the right-of-way act as a visual buffer to their property. It is especially difficult to see trees removed when the aphides and beetles have killed so many healthy trees in our town.

Public Work, over the last few years, has dedicated a portion of our summer to improving drainage along roads by re-establishing road side ditches. This work extends the life of roads, improves their level of service, and reduces long term maintenance costs. To complete ditch maintenance, vegetation along the road side is impacted.

Road side ditches play an important role in collecting surface water from adjacent property and draining the road subgrade. Poor drainage contributes to saturated road gravel/subgrades which (especially during breakup) causes roads to become impassable. Good drainage reduces the severity and the length of time gravel roads suffer during thawing and wet conditions. Paved roads will deteriorate more quickly if underlying subgrade and gravel are allowed to become saturated.

Unfortunately, trees in the right-of-way can and do block sight distances, interfere with snow plowing and storage. They also interfere with the maintenance and operation of drainage improvements, gas mains, telephone and power lines, and cable facilities. Street right-of way is intended to serve the public and provide access, drainage, and a corridor for aboveground and underground utilities. In most cases, trees in the right-of-way conflict with these public needs.



In summary, the work described above is completed for the following reasons:

- Maintain and improve drainage
- Provide for snow storage and the ability to “wing back” snow during heavy accumulations
- Maintain sight distances at driveways and intersection
- Allow for utility companies, including power, telephone, gas and cable TV facilities, to efficiently operate and maintain their facilities
- Clear overhanging/protruding vegetation that interferes with the heavy maintenance equipment and emergency vehicle response

It is probable that the lack of attention in the past to maintaining street right-of-way in the manner described above has contributed to the severity of the work some of the clearing being accomplished now. We hope that the community can understand and support our ongoing efforts to maintain street right-of-way for the benefit of the many users of our public rights-of-way.

When significant clearing is anticipated, Public Works makes every effort to contact adjacent property owners about the work in their neighborhood and explain why the work is necessary. In this situation, we knock on doors and leave door hangers. At the property owner’s request, downed trees can be salvaged for firewood. All work is completed within street right-of-way. Surveyors are employed to locate property lines to make sure we are not excavating or clearing vegetation on private property.





## City of Homer

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

## Homer City Council

491 East Pioneer Avenue  
Homer, Alaska 99603

(p) 907-235-3130

(f) 907-235-3143

Commissioner John MacKinnon  
Alaska Department of Transportation and Public Facilities  
3132 Channel Dr #300  
Juneau, AK 99801-7898

January 14, 2019

RE: Drainage concerns in Baycrest Subdivision, Homer, Alaska

Dear Commissioner MacKinnon,

Congratulations on your appointment as Commissioner of the Alaska Department of Transportation and Public Facilities. Your experience building and maintaining the infrastructure of Alaska will be most valuable in this pivotal position.

The City of Homer would like to bring to your attention what may seem like a small concern given the breadth of your responsibilities, but one that has the potential to be devastating. Properties in Baycrest subdivision in Homer, Alaska experience unusually high levels of soil saturation, runoff and erosion. This has caused lasting damage in at least 3 homes off of Judy Rebecca Court. The slope instability in this neighborhood threatens these homes and their occupants. Contributing significantly to the water saturation is an ADOT beehive that collects water from the Sterling Highway and discharges it unrestricted onto the properties below rather than into a natural drainage pattern.

In January of 2018 the City of Homer passed Resolution 18-008 requesting the Alaska Department of Transportation and Public Facilities work to fix Sterling Highway Drainage that is Adversely Effecting Baycrest Subdivision. As a follow up, City of Homer Councilmembers met with Deputy Commissioner Holland in Juneau in February of 2018. ADOT has sent hydrologists twice to the area, but there has been no meaningful follow up to solve the problem. As a simple solution, the City has proposed ADOT divert the water coming from the beehive into a neighboring natural draining a short distance away.

The City of Homer understands that slope instability in the Baycrest subdivision is likely due to a number of factors. To that end, the City is vigilant about maintaining ditches and culverts on the City roads in the subdivision. The Planning Commission is exploring a Natural Hazards Overlay District in the area and is working with the Alaska Division of Geological and Geophysical Surveys on LIDAR mapping to assess landslide risk. The City asks that ADOT do its part and address the runoff from the Sterling Highway that is exacerbating the slope stability issues in Baycrest subdivision.

Thank you in advance for your time and attention.

Sincerely,

Ken Castner, Mayor  
Oh Behalf of Homer City Council

Cc: Representative Sarah Vance  
Senator Gary Stevens

Enc:  
Map of Baycrest Subdivision showing beehive  
Estimate for culvert diverting beehive drainage  
Resolution 18-008





THE STATE  
of **ALASKA**  
GOVERNOR MICHAEL J. DUNLEAVY

## Department of Transportation and Public Facilities

CENTRAL REGION  
Office of the Regional Director

Address: 4111 Aviation Avenue  
P.O. Box 196900  
Anchorage, Alaska 99519-6900  
Main: 907.269-0770  
Fax: 907.248.1573  
dot.alaska.gov

February 25, 2019

The Honorable Ken Castner  
City of Homer  
491 East Pioneer Avenue  
Homer, Alaska 99603

Dear Mayor Castner:

Thank you for your recent letter to the Alaska Department of Transportation & Public Facilities (DOT&PF) and a copy of Resolution 18-008. Commissioner MacKinnon asked that I address your concerns. As you know, we have spent a number of years and staff time considering and investigating the drainage at MP 170.5 (Baycrest Hill), Sterling Highway. Most recently, our staff met with representatives from the City of Homer in February 2018 and our regional hydrologist conducted a site visit in July 2018. We have been very clear in all of our communications, that the drainage in this area is following the natural drain pattern, is not exacerbating the existing soil conditions, and we have no plans to alter the current drain location, size or pattern.

The issue focuses on a 24" culvert that conveys water from the uphill side of the Sterling Highway to the downhill side. The Sterling Highway was constructed in the 1950s and at that time a 24" culvert was installed. Our regional hydrologist has reviewed aerial photos of this area from the 1950's to current conditions. He has also reviewed "As-Builts" of the road during this time period (1950's-today). The photos and "As Builts" clearly show that the 24" culvert that currently exists at this location has been replaced a number of times but is the exact same size and is in the exact same location as it was in the original 1950's construction. In addition, the water which this culvert conveys from one side of the road to the other follows the natural drainage pattern as is evident from the 1950's aerial photo. The Baycrest Subdivision was constructed sometime in the 1970's—long after the road and culvert were constructed.

According to the representatives from the City of Homer, the subdivision in question was not built to City of Homer standards, sufficient drainage was not installed to convey water across the steep unstable hillside and subsequent construction activities and lack of erosion protection measures have made the situation worse.

We have seen no engineering analysis that would suggest that moving the location of the culvert in question would improve the issues this subdivision is currently faced with. In addition, rerouting the water from its current location, to a new location, would almost certainly result in claims that we had altered the natural

*"Keep Alaska Moving through service and infrastructure."*

drainage patterns (which would be correct) and we would then be held responsible for any and all erosion in the area downhill.

There does appear to be consensus that many factors have contributed to the issues that this subdivision is faced with. The first and foremost is that the soils in this area are mostly silty and are by their nature unstable. When vegetation is removed these soils quickly become unstable especially on a steep hillside. In addition, sufficient drainage structures were not installed when the streets and homes were originally constructed. Our regional geologist also believes that the water issues on the lower portion of this subdivision (far below our road) are caused by groundwater that is naturally coming to the surface due to the geology of this area.

While we do not believe that we have any responsibility to resolve these issues we have agreed to provide contact information for DCED grants-which may be available for a project like this. We sent that information last year to the Homer City Manager. We also agreed that our regional hydrologist and our regional geologist could provide opinions on options available to the City of Homer if requested.

Thank you again for your thoughtful letter and for forwarding the City Council of Homer's resolution.

Sincerely,



Dave Kemp, P.E., PMP  
Regional Director

cc: John MacKinnon, Commissioner



# Kenai Peninsula Borough

Year 2019 State Capital Improvement Projects

## SUPPORTING KENAI PENINSULA FIRE CHIEFS ASSOCIATION

<b>Funding Recipient:</b>	Kenai Peninsula Borough		
<b>Project Name:</b>	Areawide SCBA Replacement Project	<b>Project Priority Ranking:</b>	1

### Detailed Project Description and Justification:

On behalf of the municipal and volunteer fire departments, the borough respectfully requests \$1,999,200 to replace 294 SCBA units that are no longer serviceable or able to be upgraded. This grant will supplement the high cost to have total interoperability among all municipal and volunteer fire departments with standardized SCBA inventories and compliance with NFPA / OSHA mandates. The borough will purchase and distribute the SCBA to all participating departments through memorandum of agreements to non-borough entities. The goal of this project is to lower the risk of inhalation hazards, hardening the safety and wellbeing of our firefighters with properly outfitted, reliable SCBA. Additionally, purchasing SCBA units (consisting of a face mask, pack and two cylinders) will resolve the issue with the departments' current inventories of 4500 PSI air cylinders that are past their serviceable life and can no longer be legally hydro-tested.

In 2013 the Alaska Fire Chiefs Association received a legislative appropriation for fire stations across Alaska to repair and upgrade SCBA models to the 2007 NFPA standards. However, the last useful upgrade was to the 2013 standard, which many stations have not met the 2013 standard due to costs. These aged SCBA continue to have problems with maintenance and serviceability that can no longer be addressed. Maintaining the mixed inventory of unserviceable cylinders, different versions of universal rescue connections (URC) or rapid intervention couplings (RIC), varying URC/RIC hose, pack frames and escape rope positions is not cost effective or safe for our firefighters. We should not issue cobbled packs to firefighters with the potential to expose them to chemical or biological hazards and expect them to have confidence in the issued PPE.

Aside from the municipalities of Homer, Kenai, Seward and Soldotna, our rural fire response zones do not have building plan requirements or construction codes, and fire code restrictions are nonexistent for single dwelling homes. Fire suppression is compounded by unpredictable construction techniques - where residents build houses with dilapidated materials, heat with fuel oil or propane tanks and stage fuels containers in/outside of structures. Our firefighters respond to structure fires with no knowledge of what they will be exposed to while encountering taxing conditions that are capable of pushing the limits of their abilities. In closing, the standardization will achieve interoperability and enhance firefighter safety. By using standardized SCBA, firefighters will be more confident and proficient in their personal protective equipment, which in turn will support their capabilities to perform at a high-functioning response level for our civilians that need protection of life and property. Upon award notification, these funds will purchase the 2018 editions of NFPA 1981 "Standard on Open-Circuit SCBA for Emergency Services" and NFPA 1982 "Standard on Personal Alert Safety Systems"; both standards provide for significant safety changes.

The 2017 borough population is 58,024; the fiscal savings to our residents by the State supplementing this project is approximately \$35 per resident (\$1,999,200 ÷ 58,024). The total project cost of \$1,999,200 is a small investment versus losing a firefighter. (FEMA 2009 Benefit Cost Analysis calculates the value of \$1.74 million per statistical human life.)

Funding Requested:	\$1,999,200	Election District:	Senate:	O, P
Total Project Cost:	\$1,999,200		House:	29, 30, 31 & 32
Local Match (if any):	\$ See budget narrative			

### CONTACT INFORMATION

Name, Title:	Brenda Ahlberg, Community & Fiscal Projects Mgr	Phone:	907 714-2153
Address:	144 N. Binkley Street	Fax:	907 714-2377
City, State Zip:	Soldotna, AK 99669	Email:	bahlberg@kpb.us

Funding Plan:			
Total Project Cost:	\$	1,999,200	This should be the most accurate estimate of how much this project will cost. How much of the project costs are in hand, secured, guaranteed, appropriated, etc. You may include in-kind contributions and volunteer labor. Do not include hypothetical funds. How much is being requested from this year's capital budget. Amount requested from other sources not yet received. Additional funding needed to complete the project.
Funding Secured:	\$	0	
Funding Requested:	\$	1,999,200	
Pending Requests	\$	0	
Project Deficit:	\$	1,999,200	

**Please list Secured Funding Sources and Amounts:**

The estimated cost per unit is \$6,800, and each department will provide any overrun costs for additional packs due to the high shipping costs in Alaska. See 2018 SCBA inventory list and individual department's financial contribution (NOTE THE TOTAL INVENTORY DIFFERS FROM THE REQUEST AT 294 VS. 301).

**If this project is funded this year, will you be requesting state funding again?** Yes:  No:

**Please describe the project time-line and when the expenditures will occur:**

**Has this project gone through a public review process at the local level?** Yes:  No:   
Yes:  No:

**If a community or service area meeting was conducted, how was it advertised? When and where was it held? Who attended?** Peninsula Chiefs have met three times throughout 2018 to evaluate different vendor options and training to the SCBA. The borough will work to negotiate with the chosen vendor to receive some credit for the existing SCBA and training to the new SCBA units will be done by departments. We will continue to use in-house technicians, ensuring that they are certified instructors that will perform training and maintenance to the new units.

NEED MORE INPUT HERE...

**Who will own the project or facility?** Kenai Peninsula Borough will own the equipment during the grant performance period and enter into memorandum of agreements with non-borough entities prior to distributing SCBA packs. Owner transfers will be issued with DCCED approval.

**Entity responsible for providing ongoing operation and maintenance of this project?** Each department will be responsible for operation and maintenance as well as training to equipment.

**How will operations and maintenance be funded after the project is complete?** Each department will have the funds in their annual operating budgets.

- Please select a project type** (chosed only one):
- Planning and Research
  - Maintenance and Repairs
  - Remodel, Reconstruction and Upgrades
  - New Construction and Land Acquisition
  - Equipment and Materials
  - Information System and Technology
  - Other:



## Art and Innovation from the Creative Fires...

Fine art and functional sculpture in clay, wood, bronze, stone, steel and more.

Art Proposal for City of Homer - HVFD Pocket Park

2/18/1019

City of Homer  
Attn. City Clerk's Office  
491 E. Pioneer Avenue  
Homer, Alaska 99603

Hello Robert, Renee and Art Committee,



Here is a new design for the Homer Vollunteer Fire Department Pocket Park. The working title is 'Nor'Easter'.

The picture will be engraved on brass. Similar to my steel engravings, the different areas in the design will be ground and textured to suggest the form, movement and character of the subject. There may be subtle patination as well to create the desired effect.

'Nor'Easter' will be approximately 80" high x 72" wide x 1.75" deep. The 14 gauge brass sheet will be mounted on a cedar back board that also serves to frame the design.

It will be supported with a stand made from red cedar timbers. The 4" x 10" timber posts can anchored to the ground with steel post brackets secured in concrete.

I made the original sketch last year after spending a few days at a clients house on the coast in Massachusetts during a winter storm.

As with many of my designs, it is intended to be part of a small limited edition. The piece for the park will be the first and numbered 1/7. Additional pieces in the edition might be made in a variety of sizes and materials with each being an original and unique in it's own right.

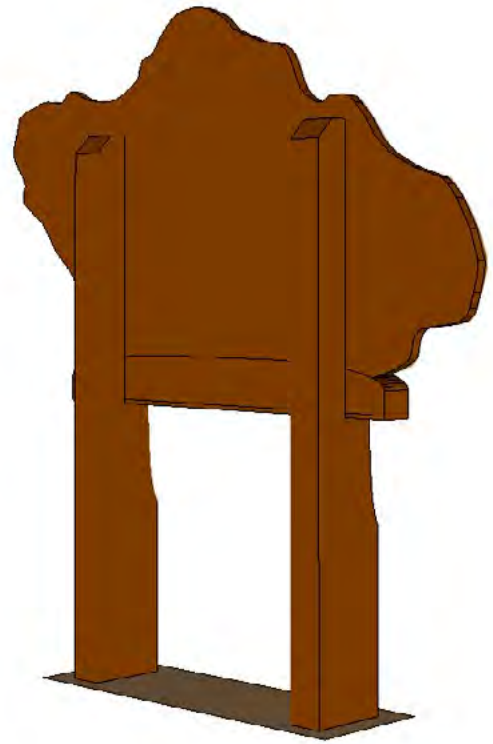
I envision this standing just behind the benches at the front of the park so as to be visible from the street and attract more use of the park. I'm also open to suggestions for other locations.

Warm Regards,  
Jeff

*Nor'Easter* • Engraved brass on Red Cedar. Approximately 80" high x 72" wide.

---









KBay Running Club & City of Homer present

# TSUNAMI BLUE LINE FUN RUN/WALK

SHOULD I  
STAY



OR

SHOULD I  
GO?

**RUN THE BLUE LINE  
SO YOU WILL KNOW**

**March 30 10 AM**

**Start: Homer Elks Lodge**

**2.66 mile course follows Homer's tsunami safe zone**

**Free! Register at Homer Elks Lodge at 9 am. Wear Blue!  
Pass all blue line stations and be entered for prize drawings.**

**More info: City of Homer (907) 435-3101**



## **Tsunami Awareness Activities at the End of March – Plan to Participate!**

When the next tsunami evacuation siren sounds, do you know, should you stay or should you go?

Special Projects Coordinator Jenny Carroll has been working with the Fire Department, community volunteer Wayne Aderhold and various community partners to help make citizens aware of Homer's tsunami safe zone.

They've planned a variety of Tsunami Awareness events for the last week of March, which coincides with Alaska's Tsunami Awareness Week. Activities include Facebook posts throughout the week promoting new emergency information materials on the City's website; KBBI's Coffee Table call in show at 10 am, Wednesday March 27<sup>th</sup>, the Chris Story Radio Show at ??, Thursday, March 28<sup>th</sup> and a feature story in the Homer News.

To culminate the week, on Saturday, March 30<sup>th</sup> the City and Kachemak Bay Running Club will be co-sponsoring a The Tsunami Blue Line Fun Run/Walk event. The 2.66-mile round trip course follows Homer's tsunami safe zone, or 50' blue line through Homer from the Homer Elks Lodge around Ben Walters and back. Wells Fargo Bank is offering to host a refreshments table for the runners at their blue line crossing.

Don't be intimidated by the word **run**. The fun run/walk is free and open to all abilities. Registration begins at 9 am at the Homer Elks Lodge. The run/walk event starts at 10 am.

In addition, from 10 am to 2 pm, volunteers will host Blue Line Stations at various places where the blue line crosses our roads. These will be set up from 10 am to 2 pm to educate the public about Homer's tsunami safe zone. I believe we are working on some prize drawings to congratulate participants who check in at all the Blue Line Crossing stations.

Thanks to many community organizations, businesses and individual volunteers for joining us in this awareness effort. It is a fun way to highlight the Blue Line! Plan to participate. You might be surprised where it actually is!

*Want to help with this fun event? Volunteers are greatly appreciated.*

--Let Jenny know if you can help advertise the event. She can provide you with a poster or other information as needed.

--Please let Jenny Carroll know if you would be willing to volunteer at one of the stations. Commitment would be from 10 am – 2 pm.

--Participate in the community fun run/walk. The more people that participate the more we'll bring attention to the blue line. Remember to wear all blue!

You can reach Jenny at [jcarroll@ci.homer.ak.us](mailto:jcarroll@ci.homer.ak.us) or 435-3101.



# City of Homer

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

Office of the City Clerk

491 East Pioneer Avenue  
Homer, Alaska 99603

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

(p) 907-235-3130

(f) 907-235-3143

## Memorandum

TO: MAYOR CASTNER AND CITY COUNCIL  
FROM: RENEE KRAUSE, MMC, DEPUTY CITY CLERK  
DATE: MARCH 5, 2019  
SUBJECT: BID REPORT

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### **REQUEST FOR PROPOSALS FOR CONSULTATION REGARDING UPGRADES TO THE CITY-OWNED ICE PLANT**

The City of Homer is requesting proposals from qualified firms for the purpose of a consultation contract, which at point of contract award will include performing a site visit to Homer's Ice Plant to evaluate our options and provide a list of recommendations for optimizing and/or upgrading our ice plant and cold storage facility. RFP submission and information are available online at <http://www.cityofhomer-ak.gov/rfps>, or at the Office of the City Clerk, 491 E. Pioneer Avenue, Homer, Alaska 99603. **All bidders must submit a City of Homer Plan Holders Registration form to be on the Plan Holders List and to be considered responsive.** Electronic copies of this Request for Proposals and requirements are available. There is a fee of \$10.00 for a hard copy, postage not included. Proposals shall be received at the Office of the City Clerk **no later than 2:00 p.m. Thursday, March 14 2019.** The time of receipt will be determined by the City Clerk's time stamp. Proposals received after that time shall not be considered. Please direct RFP submission questions to Melissa Jacobsen, City Clerk, at (907) 235-3130. Please direct technical questions to Burton Gregory, Ice Plant Manager, at (907) 235-3162 and in writing at [bgregory@ci.homer.ak.us](mailto:bgregory@ci.homer.ak.us), or to 4311 Freight Dock Road, Homer, AK 99603.

### **REQUEST FOR PROPOSALS INCORPORATING ART INTO THE NEW HOMER POLICE STATION**

Proposals to provide art or to incorporate art into the new Homer Police Station will be received at the Office of the City Clerk, City Hall, City of Homer, 491 East Pioneer Avenue, Homer, Alaska, until **4:30 P.M., Thursday, April 4, 2019.** The intent of this proposal effort is to provide an opportunity for artists and other interested persons to present ideas on how and what art can be incorporated into/onto the building (interior and exterior) at specific locations. The proposals will be evaluated by the Art Selection Committee appointed for the Project utilizing the City's 1% for Art Funding designated for this project. All ideas and concepts will be considered. Expect that more than one art piece or idea will be funded with the available dollars. The time of receipt for submittals will be determined by the City Clerk's time stamp. Proposals received after the time fixed for the receipt of proposals shall not be considered. Respondents not on the plan holder's list shall be deemed unresponsive and shall not be considered. The City shall not accept faxed proposals. The Request for Proposals package and Plan Holder registration form is posted on the City website: <http://www.cityofhomer-ak.gov/rfps>. Paper copies of the Proposal Documents may

be purchased at the Office of the City Clerk upon payment of \$10 per set (\$15 for overnight delivery). All fees are non-refundable. **For proposal evaluation criteria questions contact:** City Clerk's Office, City of Homer 491 E. Pioneer Avenue, Homer, Alaska 99603 at [clerk@cityofhomer-ak.gov](mailto:clerk@cityofhomer-ak.gov) or 907-235-3130. **Please direct all technical questions** regarding this project to: Pat McNary, Project Manager, City of Homer 3575 Heath Street, Homer, AK 99603 at 907-235-3170

# COMMITTEE REPORTS





PENDING BUSINESS



**ORDINANCE REFERENCE SHEET**  
**2019 ORDINANCE**  
**ORDINANCE 19-09**

An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a \$100,000 Service Extension Fee and Authorizing the Extension of City of Homer Water Services to Lot 2B, Puffin Acres Milepost 3, East End Road in Kachemak City.

Sponsor: Mayor

1. City Council Regular Meeting February 11, 2019 Introduction  
  
Resolution 17-014(S), Resolution 04-42(A), and Backup items from March 13, 2017 City Council Regular meeting
2. City Council Regular Meeting February 25, 2019 Public Hearing and Postponed to March 11, 2019 for Second Reading
3. City Council Regular Meeting March 11, 2019 Second Reading  
  
Resolution 17-014(S), Resolution 04-42(A), and Backup items from March 13, 2017 City Council Regular meeting



CITY OF HOMER  
HOMER, ALASKA

Mayor

ORDINANCE 19-09

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,  
ACCEPTING AND APPROPRIATING A \$100,000 SERVICE  
EXTENSION FEE AND AUTHORIZING THE EXTENSION OF CITY OF  
HOMER WATER SERVICES TO LOT 28, PUFFIN ACRES MILEPOST 3  
EAST END ROAD IN KACHEMAK CITY.

WHEREAS, In 2004, in conjunction with the Alaska Department of Transportation East End Road Improvement Project, the City of Homer was afforded a very cost effective opportunity to extend the water and sewer lines along East End Road to Kachemak Drive; and

WHEREAS, When the East End Sewer was extended, Kachemak City was allowed to pay for a portion of the sewer improvement (based on the area and lots potentially served) with grant monies and assessments Kachemak City levied on Kachemak City benefited lots; and

WHEREAS, Resolution 04-42(A) authorized the City of Homer to proceed with the petitioning process as outlined in HCC 17.04.030 that eventually established the East End Road Sewer Local Improvement District (LID) and the East End Road Water LID; and

WHEREAS, While approximately half of the cost of the construction was allocated to the lots within the LID, the unallocated portion became known as the “Kachemak City Share”; and

WHEREAS, The Kachemak City Share of East End Road Water Extension Improvements was calculated at \$265,069.88 (.484% of the total based on the area and lots potentially served plus a standard 5% administrative fee) for creating water assessments to be collected in some fashion at such time as connections are permitted; and

WHEREAS, The City of Homer has been approached by East End Partners, LLC a company constructing affordable housing units in Kachemak City that needs access to a reliable water source; and

WHEREAS, Affordable housing has been identified as a need by the City of Homer in the Comprehensive Plan and Comprehensive Economic Development Strategy; and

WHEREAS, East End Partners, LLC will build 24 units of varying sizes that will help fill this need for the greater Homer area; and

42 WHEREAS, East End Partners, LLC has proposed to pay a service connection fee of  
43 \$100,000 to have access to City water; and

44  
45 WHEREAS, The service connection fee will go to the Homer Accelerated Water and  
46 Sewer Program (HAWSP) to help fund future water system distribution improvements; and

47  
48 WHEREAS, The connection of City water fronting Lot 28 does not change **the City's**  
49 policy on extending water outside City limits established in Resolution 04-42(A); and

50  
51 WHEREAS, At which time a sewer only customer in Kachemak City hooks up to City  
52 water, their water usage will be metered and no longer billed under the sewer only rate  
53 structure; and

54  
55 WHEREAS, A service fee of \$5 is charged to every water customer outside of City Limits  
56 in lieu of City of Homer sales tax.

57  
58 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

59  
60 Section 1. The Homer City Council hereby amends the FY 2019 Capital Budget by  
61 accepting \$100,000 from East End Partners, LLC and appropriating it to the Homer Accelerated  
62 Water and Sewer Program for future water and sewer distribution improvements as follows:

63  
64 Appropriation/Transfer From:

<u>Description</u>	<u>Amount</u>
65 66 67 68 Service connection fee for Lot 28, 69 Mile Post 3, East End Road, Kachemak City	\$100,000

70  
71 Section 2. The \$100,000 service connection fee is an independent arrangement  
72 between the City of Homer and East End Partners, LLC and will not be applied to any potential  
73 future agreement to extend water to the lots along East End Road in Kachemak City that front  
74 a water main.

75  
76 Section 3. This ordinance is a budget amendment ordinance only, is not permanent in  
77 nature and shall not be codified.

78  
79 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_ day of \_\_\_\_\_,  
80 2019.

81  
82

CITY OF HOMER

\_\_\_\_\_  
KEN CASTNER, MAYOR

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ATTEST:

\_\_\_\_\_  
MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form.

\_\_\_\_\_  
Katie Koester, City Manager

\_\_\_\_\_  
Holly C. Wells, City Attorney

Date:\_\_\_\_\_

Date:\_\_\_\_\_

*Failed  
3/13/17*

**CITY OF HOMER  
HOMER, ALASKA**

Stroozas

**RESOLUTION 17-014(S)**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
AUTHORIZING THE EXTENSION OF CITY OF HOMER WATER  
SERVICES TO BENEFITED LOTS IN KACHEMAK CITY AND  
NULLIFYING THE STATEMENT IN RESOLUTION 04-42(A) WITH  
REGARD TO EXTENDING CITY WATER TO NON-CITY PROPERTIES.

WHEREAS, In 2004, in conjunction with an Alaska Department of Transportation East End Road Improvement Project, the City of Homer recognized an opportunity to install water and sewer mains to serve City of Homer residents along East End Road to Kachemak Drive; and

WHEREAS, Resolution 04-42(A) authorized the City of Homer to proceed with the petitioning process as outlined in HCC 17.04.030 that eventually established the East End Road Sewer Local Improvement District (LID) and the East End Road Water LID ; and

WHEREAS, When the East End Sewer was extended, Kachemak City was allowed to pay for a portion of the sewer improvement (based on the area and lots potentially served) with grant monies and assessments Kachemak City levied on Kachemak City benefited lots; and

WHEREAS, This extension of City of Homer sewer service to Kachemak City lots increases throughput in City of Homer's existing sewer system thereby contributing to City of Homer revenues beyond the cost of providing the service; and

WHEREAS, Resolution 04-42(A) further resolved not to extend City water to non-City properties; and

WHEREAS, This resolve excluded sixteen Kachemak City properties that could potentially benefit from City of Homer water services; and

WHEREAS, The Kachemak City share of East Road Water Extension Improvements was calculated at \$265,069.88 (.484% of the total based on the area and lots potentially served plus a standard 5% administrative fee) for creating water assessments to be collected in some fashion at such time as connections are permitted; and

WHEREAS, The Kachemak City share of the East Road Water Extension Improvements was estimated at \$16,738.43 per parcel in 2009; and



42 WHEREAS, Extending water service to these Kachemak City lots on the north side of East  
43 End Road along the utility corridor is wise and prudent because:

- 44 • the utility infrastructure is already in place; and
- 45 • the benefited lots already receive City of Homer Sewer service; and
- 46 • the additional water service would be at the expense of the new customer(s) making it  
47 low cost/no cost to the City of Homer; and
- 48 • the increase in throughput will increase City of Homer revenues.

49  
50 WHEREAS, At which time a sewer only customer in Kachemak City hooks up to City  
51 water, their water usage will be metered and no longer billed under the sewer only rate  
52 structure; and

53  
54 WHEREAS, A service fee of \$5 will be charged to every water customer outside of City  
55 Limits in lieu of City of Homer sales tax.

56  
57 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, authorizes  
58 the extension of City of Homer Water services to benefited lots in Kachemak City under similar  
59 terms and conditions as the City of Homer East End Road Water Local Improvement District.

60  
61 BE IT FURTHER RESOLVED that the adoption of this resolution nullifies the statement in  
62 Resolution 04-42(A) with regard to extending City water to non-City properties.

63  
64 BE IT FURTHER RESOLVED that the City Manager is directed to work with Kachemak City  
65 officials on a proposal for allocating and collecting the Kachemak City share of the East Road  
66 Water Extension Improvements for Council approval.

67  
68 PASSED AND ADOPTED by the Homer City Council this 13<sup>th</sup> day of February, 2017.

69  
70 CITY OF HOMER

71  
72  
73  
74 \_\_\_\_\_  
75 BRYAN ZAK, MAYOR

76 ATTEST:  
77  
78  
79 \_\_\_\_\_  
80 JO JOHNSON, MMC, CITY CLERK

81  
82 Fiscal Note: N/A

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

3 Stroozas

4 **RESOLUTION 17-014(S)**

5  
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
7 AUTHORIZING THE EXTENSION OF CITY OF HOMER WATER  
8 SERVICES TO BENEFITED LOTS IN KACHEMAK CITY AND  
9 NULLIFYING THE STATEMENT IN RESOLUTION 04-42(A) WITH  
10 REGARD TO EXTENDING CITY WATER TO NON-CITY PROPERTIES.  
11

12 WHEREAS, In 2004, in conjunction with an Alaska Department of Transportation East  
13 End Road Improvement Project, the City of Homer recognized an opportunity to install water  
14 and sewer mains to serve City of Homer residents along East End Road to Kachemak Drive; and  
15

16 WHEREAS, Resolution 04-42(A) authorized the City of Homer to proceed with the  
17 petitioning process as outlined in HCC 17.04.030 that eventually established the East End Road  
18 Sewer Local Improvement District (LID) and the East End Road Water LID ; and  
19

20 WHEREAS, When the East End Sewer was extended, Kachemak City was allowed to pay  
21 for a portion of the sewer improvement (based on the area and lots potentially served) with  
22 grant monies and assessments Kachemak City levied on Kachemak City benefited lots; and  
23

24 WHEREAS, This extension of City of Homer sewer service to Kachamak City lots  
25 increases throughput in City of Homer's existing sewer system thereby contributing to City of  
26 Homer revenues beyond the cost of providing the service; and  
27

28 WHEREAS, Resolution 04-42(A) further resolved not to extend City water to non-City  
29 properties; and  
30

31 WHEREAS, This resolve excluded sixteen Kachemak City properties that could  
32 potentially benefit from City of Homer water services; and  
33

34 WHEREAS, The Kachemak City share of East Road Water Extension Improvements was  
35 calculated at \$265,069.88 (.484% of the total based on the area and lots potentially served plus  
36 a standard 5% administrative fee) for creating water assessments to be collected in some  
37 fashion at such time as connections are permitted; and  
38

39 WHEREAS, The Kachemak City share of the East Road Water Extension Improvements  
40 was estimated at \$16,738.43 per parcel in 2009; and  
41

42 WHEREAS, Extending water service to these Kachemak City lots on the north side of East  
43 End Road along the utility corridor is wise and prudent because:

- 44 • the utility infrastructure is already in place; and
- 45 • the benefited lots already receive City of Homer Sewer service; and
- 46 • the additional water service would be at the expense of the new customer(s) making it  
47 low cost/no cost to the City of Homer; and
- 48 • the increase in throughput will increase City of Homer revenues.

49  
50 WHEREAS, At which time a sewer only customer in Kachemak City hooks up to City  
51 water, their water usage will be metered and no longer billed under the sewer only rate  
52 structure; and

53  
54 WHEREAS, A service fee of \$5 will be charged to every water customer outside of City  
55 Limits in lieu of City of Homer sales tax.

56  
57 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, authorizes  
58 the extension of City of Homer Water services to benefited lots in Kachemak City under similar  
59 terms and conditions as the City of Homer East End Road Water Local Improvement District.

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61 BE IT FURTHER RESOLVED that the adoption of this resolution nullifies the statement in  
62 Resolution 04-42(A) with regard to extending City water to non-City properties.

63  
64 BE IT FURTHER RESOLVED that the City Manager is directed to work with Kachemak City  
65 officials on a proposal for allocating and collecting the Kachemak City share of the East Road  
66 Water Extension Improvements for Council approval.

67  
68 PASSED AND ADOPTED by the Homer City Council this 13<sup>th</sup> day of February, 2017.

69  
70 CITY OF HOMER

71  
72  
73 \_\_\_\_\_  
74 BRYAN ZAK, MAYOR

75  
76 ATTEST:

77  
78  
79 \_\_\_\_\_  
80 JO JOHNSON, MMC, CITY CLERK

81  
82 Fiscal Note: N/A

CITY OF HOMER  
HOMER, ALASKA

PWD/City Clerk

RESOLUTION 04-42(A)

A RESOLUTION OF THE CITY COUNCIL DETERMINING, PURSUANT TO HOMER CITY CODE 17.04.030(D), THAT THE EAST END ROAD WATER AND SEWER IMPROVEMENTS ARE NEEDED AND AUTHORIZING THE CITY CLERK TO PROCEED WITH THE PETITIONING PROCESS FOR SAID IMPROVEMENTS.

WHEREAS, The City Council discussed Memorandum 04-09(S) during their Regular Meeting of January 12, 2004 and gave direction to the City Manager; and

WHEREAS, After review by the City Manager and Public Works Director they recommend that the Council proceed with the petitioning process; and

WHEREAS, The petition process will be conducted pursuant to Homer City Code (HCC)17.04.030.

NOW, THEREFORE, BE IT RESOLVED by the City Council hereby determines, pursuant to HCC 17.04.030(d), that the East End Road Water and Sewer Improvements are needed and that the City Clerk is hereby authorized to proceed with the petitioning process for an East End Road Sewer Local Improvement District (LID) and an East End Road Water LID; and

BE IT FURTHER RESOLVED that the City Clerk shall follow the petitioning process as outlined in HCC 17.04.030 and

**BE IT FURTHER RESOLVED that the City of Homer affirms its position not to extend City water to non City properties.**

PASSED AND ADOPTED by the City Council of Homer, Alaska this 10th day of May, 2004.

CITY OF HOMER

  
JACK CUSHING, MAYOR

ATTEST:

  
MARY L. CALHOUN, CMC, CITY CLERK

Proposed Fiscal Note: Sewer - Total cost estimated is \$303,911.79; 75% = \$227,933.84; would be assessed against each of 11 parcels = \$20,721.26, twenty year payment plan at 2.5% interest. Water- Total cost estimated is \$334,719.27; 75% = \$251,039.45 would be assessed against each of 16 parcels = \$15,689.97, twenty year payment plan at 2.5% interest.

East End Road Water & Sewer Improvements H. **Resolution 04-42**, Of the City Council Determining, Pursuant to Homer City Code 17.04.030(d), that the East End Road Water and Sewer Improvements are Needed and Authorizing the City Clerk to Proceed with the Petitioning Process for said Improvements. PWD/City Clerk. Proposed Fiscal Note: Sewer - Total cost estimated is \$303,911.79; 75% = \$227,933.84; would be assessed against each of 11 parcels = \$20,721.26, twenty year payment plan at 2.5% interest. Water- Total cost estimated is \$334,719.27; 75% = \$251,039.45 would be assessed against each of 16 parcels = \$15,689.97, twenty year payment plan at 2.5% interest. Recommend Adoption.

Memorandum 04-66, from Public Works as backup.

Liquor License Renewals - Jafe Cups & Captn. Pattie's Kyra Wagner LAB Reapp. I. **Memorandum 04-62**, from City Clerk, Re: Liquor License Renewals for Café Cups and Captain Pattie's Fish House Inc. Recommend voicing non objection and approval.

J. **Memorandum 04-63**, from Mayor, Re: Reappointment of Kyra Wagner to the Library Advisory Board. Recommend confirmation.

LADD/BECK - MOVED FOR THE APPROVAL AND/OR ADOPTION OF THE RECOMMENDATIONS OF THE CONSENT AGENDA.

VOTE: YES: NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS **VISITORS**

ANNOUNCE/PRESENTATIONS **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS**

A. Memorandum 04-67, from Councilmember Stark, Re: Trip Report - Alaska Municipal League - Juneau 14-15 April.

Stark-AML report Councilmember Stark elucidated the success of his trip to Juneau, that there was a lot accomplished. He emphasized how this showed him again the advantage to the City of belonging to the Alaska Municipal League (AML) and the amount of good the league can accomplish, while working with all of the cities in the state. He reported that he mentioned to the legislators that the City's main position was in relation to getting a fiscal plan adopted and other items in the Resolution. He apprized all of the work being done on Municipal Revenue Sharing and the PERS costs.

B. Special Presentation to Deena Benson, Deputy City Clerk 2.

Deena Benson - MC present Mayor Cushing presented Deena Benson with the International Municipal Clerk plaque and lapel pin denoting her recent designation as Certified Municipal Clerk and a Mayoral Exhortation regarding the Municipal Clerk's Code of Ethics.

City Clerk's Week C. Mayoral Proclamation, City Clerk's Week May 2-8, 2004.

R Comm. progress report Carole Hamik, Parks and Recreation Commissioner, gave a progress report. She thanked the Mayor and Council, on behalf of the Commission, relaying the Commission's pleasure with the Mayor and Council for giving positive direction to DOT and for implementing improved roads, sidewalks and crosswalks on most of the heavily used connecting roads. She advised that they allocated \$1,000.00

VOTE: (primary amendment 3.) YES: NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

There was no further discussion.

VOTE:(main amended motion) YES: NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RESOLUTIONS

A. **Resolution 04-42,** Of the City Council Determining, Pursuant to Homer City Code 17.04.030(d), that the East End Road Water and Sewer Improvements are Needed and Authorizing the City Clerk to Proceed with the Petitioning Process for said Improvements. PWD/City Clerk. Proposed Fiscal Note: Sewer - Total cost estimated is \$303,911.79; 75% = \$227,933.84; would be assessed against each of 11 parcels = \$20,721.26, twenty year payment plan at 2.5% interest. Water- Total cost estimated is \$334,719.27; 75% = \$251,039.45 would be assessed against each of 16 parcels = \$15,689.97, twenty year payment plan at 2.5% interest. Revote if Reconsideration is passed.

Memorandum 04-09(S), as previously submitted with other previously submitted backup information.

Reconsideration passed.

**LADD/STARK - MOVED TO AMEND TO ADD AN BE IT FURTHER RESOLVED CLAUSE: THAT THE CITY OF HOMER AFFIRMS ITS POSITION NOT TO EXTEND ITS CITY WATER TO NON CITY PROPERTIES.**

Concern was expressed regarding the importance of City residents receiving water and that there are a lot of City residents who are not currently connected to the City system. It was stated that Council does not want the implication that the Council is in the business of sending City water outside of City limits to properties, which are not City of Homer tax paying properties. Council expressed opinion that the costs seem a little high and questioned the reasonableness of the property owners being assessed for, what appears, as the entire cost of the trunk line. Trunk line size was discussed and is noted as being twelve inches.

VOTE: (primary amendment 1.) YES: NON OBJECTION .UNANIMOUS CONSENT.

Motion carried.

Public Works Director Meyer responded to Council question that a twelve inch trunk line does not double the cost and that there is some justification for, in the end when the project is done, the City to pick up oversizing costs. Oversizing costs are the cost of the pipe going from an eight inch to a twelve inch which could be \$10.00 per linear foot. The majority of the cost of installing the pipe is the trenching, pretty much the same cost under either scenario. He pointed out that these assessments are in the ball park of the assessments from other areas, adding that the Hillside Acres assessments

are higher and that these East End Road lots are some of the largest the City has run water and sewer to.

East F  
Rd. Wa  
& Sewe

Discussion ensued along those lines.

Council discussed allowing people to connect on at a later date at the 75% property owner share amount. There may be additional individuals who want to connect that are adjacent to the benefitting property owners.

Discussion ensued specifically regarding deferral and grace periods.

NOVAK - MOVED TO AMEND TO STATE THAT WE WILL GIVE THEM SIX MONTHS TO FORM AN LID TO ACHIEVE THE TWENTY FIVE PERCENT CREDIT PLUS THE GOOD DISCOUNT RATE ON THE INTEREST AND AFTER THAT THEY WOULD JUST BE ASSESSED THE FULL RATE WHEN THEY DO DECIDE TO HOOK UP. SO THE INCENTIVE IS TO DO IT NOW.

This amendment was not recognized.

Mayor Cushing called for a recess at 10:14 p.m. at the City Clerk's request regarding the Code requirements on LID deadlines. He reconvened the meeting at 10:19 p.m.

Mayor Cushing clarified that the deadlines for the LIDs are set by Ordinance, however, Council sets the deadline on the final assessments and at that time the Council could extend this offer.

NOVAK/ - MOVED TO AMEND IF ASSESSMENT PASSES PROPERTY OWNERS WHO HAVE NOT JOINED CAN GAVE SIX MONTHS TO JOIN IN SAME FINANCING PROGRAM, AFTER THAT THEY WOULD HAVE TO PAY WHOLE THING.

This motion died for lack of a second and, simultaneously, was withdrawn.

Discussion ensued regarding the LID process and a deferred payment plan. Throughout the discussion it was noted, more than once, that the bubble area property owners, the newly annexed area along East End Road to the east of Kachemak Drive, have expressed desire for City utilities.

VOTE: (Main amended motion) YES: NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. Resolution 04-45(A), Of the City Council Accepting the Final Draft Long Range Fiscal Plan and Forwarding this to the Public for Input and to Public Hearing on May 25, 2004. City Manager.

Long  
Range  
Fiscal  
Plan

STARK/BECK - MOVED FOR THE ADOPTION OF RESOLUTION 04-45 BY READING OF TITLE.

Council noted that there will be a lot of changes and this plan presents a lot of options. There are a lot of unknowns. This is a planning document and not cast in stone. These are fiscally challenging



## CITY OF HOMER

### PUBLIC WORKS

3575 HEATH STREET HOMER, AK 99603

TELEPHONE (907)235-3170

FACSIMILE (907)235-3145

## MEMORANDUM

To: Walt Wrede, City Manager

From: Carey Meyer, Public Works Director

Date: May 17, 2006

Subject: **East End Road Water & Sewer Extension LID  
Final Acceptance and Cost Determination**

---

The East End Road Water and Sewer Extension LID is complete and Public Works has accepted the project. Below is an overview of the costs of the project: **(Final Assessments will be verified by the Homer City Clerk and Finance Department)**

<b>Total Combined Water &amp; Sewer Extension Costs</b>		<b>\$904,301.49</b>
Includes Kachemak & Homer Shares		
<b>Total Combined W&amp;S Extension Original Estimate</b>		<b>\$1,104,386.27</b>
Includes Kachemak & Homer Shares		
<b>City of Homer Water LID Improvements</b>		<b>\$269,213.74</b>
Plus 5% Admin on Property Owner Share	\$ 10,095.52	
<b>City of Homer Sewer LID Improvements</b>		<b>255,061.69</b>
Plus 5% Admin on Property Owner Share	\$ 9564.82	
<b>Kachemak Share Water Extension</b>		<b>\$252,447.50</b>
Plus 5% Admin	\$ 12,622.38	
<b>Kachemak Share Sewer Extension</b>		<b>\$127,240.23</b>
Plus 5% Admin	\$ 6362.02	



## Determination of Assessments

### City of Homer Water LID Assessments

The total cost of water improvements associated with the City of Homer LID is \$269,213.74. The City (HAWSP) is responsible for 25% of the cost of the improvements. The cost to the property owners is \$212,005.83 (75% plus 5% admin) . There are 17 lots in the water LID (see attached water LID map). The estimated per lot assessment is \$12,470.94. The original estimated assessment was \$15,689.97.

### City of Homer Sewer LID Assessments

The total cost of sewer improvements associated with the LID is \$255,061.69 The City (HAWSP) is responsible for 25% of the cost of the improvements. The cost to the property owners is \$200,861.09 There are 12 lots in the sewer LID (see attached sewer LID map). The estimated per lot assessment is \$16,738.43. The original estimated assessment was \$20,721.26.

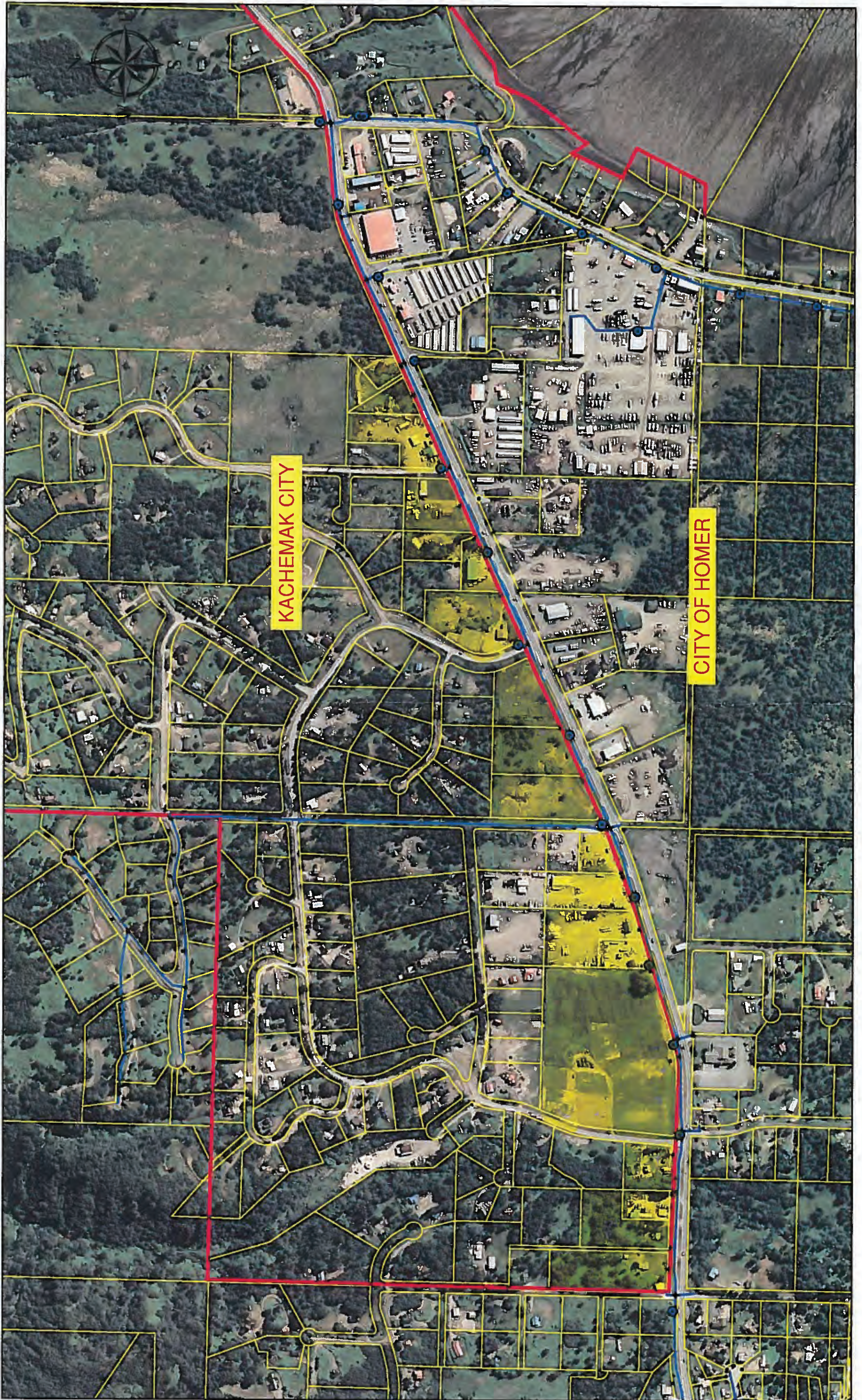
### Kachemak City Share of East Road Water Extension Improvements

The original estimate for Kachemak City was .484% of the total of water improvements based on the area and lots potentially served. The total amount due is .484% of the total plus the standard 5% admin fee, for a total of \$265,069.88. Assessments will be created for the affected lots to be collected in some fashion at such time as connections are permitted. Estimated property owner assessments are \$16,566.87, based on 16 existing lots.

### Kachemak City Share of East Road Sewer Extension Improvements

The original estimate for Kachemak City was .333% of the total of sewer improvements based on the area and lots potentially served. The total amount due is .333% of the total plus the standard 5% admin fee, for a total of \$133,602.25. Kachemak City will assess their own residents and pay Homer the entire amount.

**Recommendation:** The Council schedule public hearings and create the assessments for this project.



KACHEMAK CITY PROPERTIES SERVED BY CITY WATER

1 inch = 500 feet

CITY OF HOMER  
HOMER, ALASKA

PWD/City Clerk

RESOLUTION 04-42(A)

A RESOLUTION OF THE CITY COUNCIL DETERMINING, PURSUANT TO HOMER CITY CODE 17.04.030(D), THAT THE EAST END ROAD WATER AND SEWER IMPROVEMENTS ARE NEEDED AND AUTHORIZING THE CITY CLERK TO PROCEED WITH THE PETITIONING PROCESS FOR SAID IMPROVEMENTS.

WHEREAS, The City Council discussed Memorandum 04-09(S) during their Regular Meeting of January 12, 2004 and gave direction to the City Manager; and

WHEREAS, After review by the City Manager and Public Works Director they recommend that the Council proceed with the petitioning process; and

WHEREAS, The petition process will be conducted pursuant to Homer City Code (HCC)17.04.030.

NOW, THEREFORE, BE IT RESOLVED by the City Council hereby determines, pursuant to HCC 17.04.030(d), that the East End Road Water and Sewer Improvements are needed and that the City Clerk is hereby authorized to proceed with the petitioning process for an East End Road Sewer Local Improvement District (LID) and an East End Road Water LID; and

BE IT FURTHER RESOLVED that the City Clerk shall follow the petitioning process as outlined in HCC 17.04.030 and

**BE IT FURTHER RESOLVED that the City of Homer affirms its position not to extend City water to non City properties.**

PASSED AND ADOPTED by the City Council of Homer, Alaska this 10th day of May, 2004.

CITY OF HOMER

  
JACK CUSHING, MAYOR

ATTEST:

  
MARY L. CALHOUN, CMC, CITY CLERK

Proposed Fiscal Note: Sewer - Total cost estimated is \$303,911.79 75% = \$227,933.84; would be assessed against each of 11 parcels = \$20,721.26, twenty year payment plan at 2.5% interest.  
Water- Total cost estimated is \$334,719.27; 75% = \$251,039.45 would be assessed against each of 16 parcels = \$15,689.97, twenty year payment plan at 2.5% interest.

## Jo Johnson

---

**From:** Kelly Cooper <midnightsun.kelly@live.com>  
**Sent:** Sunday, March 12, 2017 12:13 PM  
**To:** Jo Johnson  
**Subject:** Please vote yes to reconsider and then vote no on Resolution 17-014

**Resolution 17-014(S)**, A Resolution of the City Council of Homer, Alaska, Authorizing the Extension of City of Homer Water Services to Benefited Lots in Kachemak City and Nullifying the Statement in Resolution 04-42(A) With Regard to Extending City Water to Non-City Properties

Jo,  
Please distribute to council.

Please vote yes to reconsider Resolution 17-014 and then vote no on this resolution. There should have been communication with Kachemak City on this resolution giving them the opportunity to get public input, determine if their residents support this and research done by the two cities to see if it makes sense. While there may be a few that think this is a good idea, the current resolution has not been vetted.

Thank you.  
Kelly Cooper

**Jo Johnson**

---

**From:** Francie Roberts <francieroberts@gmail.com>  
**Sent:** Monday, March 13, 2017 10:34 AM  
**To:** Department Clerk  
**Subject:** Resolution 17-014(S)

Dear Homer City Council Members,

I do not support Resolution 17-014(S). I am glad you are reconsidering it.

Kachemak City residents have specifically chosen not to be a part of the City of Homer and not to pay property tax to our city. By extending the rights to utilize the water system, you are allowing benefits to a particular group of citizens who do not wish to be a part of our city.

There are also people in the city who do not have water services, the energy would be better spent to provide them with services.

I am sorry I had a previous commitment or I would be there in person to tell you how I feel.

Francie Roberts

Rec'd  
3/13/17

Subject: Extending hard piped water outside City limits. [REDACTED]

[REDACTED]

Greetings Mr. Mayor, Councilmembers and Administrative folks. Thank you for your work.

I'm Jack Cushing, I've been a City resident for over 30 years, and a 20 mile East Road resident for another 10 years prior to that. I served five years on the Planning Commission followed by four years on the Council and then eight years as the Mayor.

I'm here at this meeting, to speak to your reconsideration on resolution 17-014s allowing hard piped waterlines to areas outside the City limits. I hope that you will put this resolution up for additional consideration, and vote it down tonight, or at least spend some time and give it the in-depth consideration it deserves. I was visiting my son in DC, and my mom in New Hampshire, when this resolution originally came up and apologize if you may already have discussed some of these items.

Briefly, numerous items that I feel warrant in-depth discussion are:

1. Will this open the door, for the City, in the future, to possibly have to consider annexation again? From experience, this would make your last Monday night's meeting seem like a cakewalk, except it would last for 2 to 3 years. What does the Boundary Commission say about an area's capacity to appeal an annexation request in-spite of the fact that they are incorporated, once they are receiving this service?
2. Opinion of Kachemak City residents? Has that City been approached as a whole to see what their desires are?
3. Further line extensions? Could lot lines be dropped and large areas be covered by a single service?
4. Zoning? Would lots receiving this service be subject to City of Homer zoning requirements. The most obvious example of this is our 66,000 square-foot large retail ordinance voted in by the City voters? Unzoned growth outside the City enabled by City services, would put City businesses at a distinct and obvious disadvantage. This topic was discussed in-depth during the formulation of this original resolution.
5. Interruptibility of service? Will the City be obliged to increase its total water supply, in part to accommodate this area, in the future, over City properties still waiting for water. Over a year's worth of consideration was given to the

interruptibility of trucked water service. This was done to favor properties in Homer, the owners of the water system, and not oblige a future council to have to go to court, to assure that City of Homer properties have first rights to this resource that will always be in demand.



7. Sales tax? City businesses help support City functions with sales tax, was there any discussion of fairness to in-town businesses on this issue?

8. Property tax? City properties help support City functions with property tax. Was there any discussion on fairness to in-town properties on this issue?

9. Water for bulk water hauling with trucks? There was a bulk water fill station in this area previously. It did not work out to the advantage of the City. After much negotiation, the station was closed down and relocated into town. Was there any discussion of this use?

Again, thanks for your work and consideration of this important issue.



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**CITY OF HOMER  
HOMER, ALASKA**

City Clerk

**RESOLUTION 19-012**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING THE COUNCIL'S OPERATING MANUAL REGARDING TELEPHONIC PARTICIPATION, RE-ORGANIZING SECTIONS, CLARIFYING LANGUAGE, AND ADDING APPENDICES FOR CITY CODE EXCERPTS.

WHEREAS, Over the years sections of the Council Operating Manual have been amended but weren't carried through into other sections or were inserted in such a way that created some discontinuity over time; and

WHEREAS, Ordinance 19-05(A) amends HCC 2.08.100-2.08.120 regarding telephonic participation and those sections are also included in the Council Operating Manual; and

WHEREAS, Two large sections of city code are included in the body of the Council Operating Manual and have been moved to appendices to improve the readability and make it easier to amend the manual when those sections of code are amended; and

WHEREAS, Some sections have been reorganized so topics are located in one place in the manual for ease of reference; and

WHEREAS, Some paragraphs have been deleted because they are no longer relevant or processes have changed over time; and

WHEREAS, Language is included to allow the City Clerk to amend code sections in the Council Operating Manual after they are adopted by ordinance without having to bring the manual back for amendment by resolution; and

WHEREAS, All other amendments to the operating manual will still be required to come before Council by resolution for approval; and

WHEREAS, The amendments are identified in Attachment A through strike outs for items to be deleted and bold underline for new language or language that has been moved.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council amends the Council Operating Manual regarding telephonic participation, re-organizing sections, clarifying language, and adding appendices for City Code excerpts.

43 PASSED AND ADOPTED by the Homer City Council this 25<sup>th</sup> day of February, 2019.

44

45

46

CITY OF HOMER

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HEATH SMITH, MAYOR PRO TEMPORE

51

52 ATTEST:

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54

55

\_\_\_\_\_  
56 MELISSA JACOBSEN, MMC, CITY CLERK

57

58 Fiscal note: N/A

1 **POLICIES OF THE HOMER CITY COUNCIL (Attachment A)**

2  
3 In 1983 the Homer City Council directed that policy directives be drafted to promote routine  
4 handling of various categorical business practices. Personnel policies were amended in  
5 accordance with policy directives dealing specifically with personnel matters and are found  
6 in the City of Homer Personnel Regulations Manual. The balance of these policies are as  
7 follows and will be updated regularly.

8  
9 **General Statements**

10  
11 The City of Homer is a first class general law city incorporated March 31, 1964. Homer has a  
12 City Manager form of government.

13  
14 Mayor and Council are elected officials. The Mayor is not a member of the Council and may  
15 vote only in the case of a tie vote.

16  
17 The Mayor of the City of Homer presides over meetings of the City Council, has the power to  
18 veto action of the Council (which may be overridden with a 2/3 vote of the Council), and acts  
19 in an official capacity ~~to~~ **through** the City Clerk.

20  
21 The City Council is a body of six elected officials empowered by State Statute and Homer City  
22 Code to represent the citizenry in decisions on their behalf. Four members of the Council  
23 constitute a majority for quorum and voting purposes.

24  
25 **Policy Directives**

26  
27 Council Relations with Employees & Department Heads:

28  
29 "The Council acts as a whole, not as individuals, when interacting with employees regarding  
30 City business."

31  
32 Council Relation with City Attorney

33  
34 "Contact with the Attorney by individual Councilmembers is expected to be judicious, always  
35 considering the fiscal impact. Specific information requested from the City Attorney by an  
36 individual must be in writing to the City Attorney and copied to each Councilmember. Legal  
37 opinions on sensitive, controversial, or potentially costly matters will be brought before the  
38 full Council for action and should be in written form whenever possible. "Legal Opinions" are  
39 defined as paper products and not intended to include advice/information provided verbally.  
40 Legal opinions will be given to all members at the same time it is given to the individual  
41 member."  
42

43 "When more than one solicited legal opinion exists on the same subject, the City Attorney's  
44 opinion overrides."

45

46 Council Conduct - Statement of Mayor and Council on Behalf of the City of Homer

47

48 "Statements of the Mayor and Council on behalf of the City are based on consensus and  
49 resolve of the Council body and substantiated by official record."

50

51 Councilmember/Mayor Absences

52

53 "Every effort should be made to give advance notice of absences. Absences should be  
54 coordinated in order to provide the highest possible attendance at Council Meetings."

55

56 City Council and Commission and Board Minutes

57

58 "It is a general consensus that the official record of proceedings, the minutes of City Council  
59 and Commission meetings, will be in the "action" format which state clearly the subject  
60 considered and the action. Points made in deliberation shall be reflected only. Individual  
61 comments of the Council, Commissions and Board are summarized under "Council  
62 Comments", "Commission Comments" or "Board Comments". Statements for the record are  
63 prefaced with a directive that the comment "is for the record." Public Comments, Public  
64 Testimony on Public Hearing Items and Audience Comments shall reflect the subject of the  
65 comment or testimony, whether the commenter/testifier is for or against the subject of  
66 his/her comments/testimony and shall reflect, in synopsis format, any historical perspective.  
67 (Reso 06-115(A), 08/28/06).

68

69 Public Comment/Testimony and Audience Comment Time Limits for City Council,  
70 Commission, and Board Meetings

71

72 The meeting chairperson shall note for the audience's benefit that there is a three minute  
73 time limit each time there is a place in the agenda for public comment/testimony or audience  
74 comments. Any individual wishing to address the City Council or any of its Advisory Bodies  
75 shall adhere to a three minute time limit. It is the responsibility of the Chair to announce  
76 under Public Comments, Public testimony on public hearing items and Audience Comments  
77 that there is a 3 minute time limit. Time limits may be adjusted by the 2 minutes up or down  
78 with the concurrence of the body in special circumstances only such as agenda content and  
79 public attendance. (Reso 06-115(A), 08/28/06).

80

81 City Council and Commission, Board Agenda Guidelines

82

83 ~~Agenda and Meeting Conduct Guidelines are as illustrated in Section 6.~~

84

85 City Council Meetings

86

87 It is the policy of the City Council to avoid holding regular or special meetings on State and  
88 Federal holidays. It is the custom of the Homer City Council to cancel the second regular  
89 meeting in December.

90

91 Mayor Pro Tem

92

93 ~~HCC 2.08.080~~. At the first meeting of the Council following certification of the municipal  
94 election each year, there shall be appointed a Mayor Pro Tempore, by majority vote of  
95 Council, to act as Mayor during the Mayor's temporary absence or disability. **HCC 2.08.080**

96

97 The Mayor Pro Tem shall, in the absence of the Mayor, act as Mayor of the City of Homer as  
98 though they themselves had taken the Oath of Office of Mayor with all duties, responsibilities  
99 and power of the Office of the Mayor for the City of Homer, including agenda deadline and  
100 review, appointments to boards and commissions, Mayoral Proclamations and Recognitions,  
101 and other duties of the Mayor.

102

103 The Mayor Pro Tem, when acting in that capacity, does not lose the privilege or duty to  
104 discuss and vote as Councilmember.

105

106 **In the event both the Mayor and Mayor Pro Tem are unable to preside, the most senior**  
107 **member will serve as the Presiding Officer and assume the duties as identified for Mayor**  
108 **Pro Tem.**

109

110 Appointment to Board & Commissions

111

112 ~~City Advisory board and commission appointments are made by the Mayor upon~~  
113 ~~confirmation by the Council. **Members of Boards and Commissions are appointed by the**~~  
114 ~~**Mayor and confirmed by City Council. (AS 29.20.320(b)** The Mayor will notify Council of~~  
115 ~~vacancy and appointment at the next regular meeting if not sooner. Data information sheets~~

116

117 **Applications for appointment to board and commissions** will be on file in the City Clerk's  
118 office for those considered for appointment. The Mayor will submit a list the names of those  
119 considered to the City Council. Representation of a wide community cross-section is  
120 desirable on the commissions and boards. Replacements for vacancies may be  
121 recommended by the appropriate Commission or Board.

122

123 Appointment of a City representative on a board, commission, etc., that is not advisory to the  
124 City is made by the Council. ~~Economic Development Commissioners are nominated by the~~  
125 ~~Mayor and confirmed by the Council for appointment.~~

126

127 Orientation of New Councilmembers

128  
129 "A general orientation to municipal government, Council conduct and expectations will take  
130 place in close proximity to being sworn into office." The Mayor is responsible for providing  
131 the orientation program.

132  
133 Release of Telephone, Mailing Address and Location of City Council and Commissions

134  
135 "It is the policy of the City of Homer to release all available information on any official unless  
136 otherwise directed by the individual official."

137  
138 New Liquor License Applications

139  
140 ~~"All applications for new liquor licenses will be subject first to a public hearing, duly notified~~  
141 ~~and that issuance of the license may be protested for cause pursuant to AS 4.11.480."~~

142  
143 Fiscal Notes

144  
145 ~~December 10, 1990 via, to begin January 1, 1991 e~~ Every action item on Council's Agenda is to  
146 include both negative and/or positive financial impact. If a fiscal note is not required or not  
147 applicable the action item is to be so marked. (Memorandum 90-239)

148  
149 Use of City Letterhead

150  
151 ~~"Any letter being sent out from the Council, using City letterhead, should first come before~~  
152 ~~the Council." **Councilmembers should not distribute letters independently on City**  
153 **letterhead. Letters sent on behalf of the City Council must come before the Council for**  
154 **review and approval.**~~

155  
156 Political Endorsement

157  
158 "The Homer City Council takes no position in the endorsement of any political race." "Since  
159 the Mayor is not a member of the voting body and is an elected official, there is nothing to  
160 prohibit his using his title to endorse a political candidate."

161  
162 Lobbying Activities

163  
164 Pursuant to, the City Manager will create and deliver to Councilmembers' and the Mayor's  
165 mailboxes an initial list of legislation and issues important to the City. (Reso 96-10)

166  
167 Each Council member and the Mayor will choose the issue(s) and the bill(s) s/he wishes to be  
168 responsible for and will indicate how much time s/he is willing to spend on those items.

169  
170 Where necessary, City Council will develop formal, written positions on issues to be voted on  
171 outside the CIP list.

172  
173 When working with a contract lobbyist or lobbying on behalf of the City, the Mayor, City  
174 Manager and Council will be guided by the above-mentioned process. Toward the end of the  
175 session, when legislation moves quickly, the City Manager, Mayor or Council members  
176 responsible for specific issues may draft a position document and send it to the appropriate  
177 players. In that case, a hard copy of the transmittal will be distributed to Council, Mayor, and  
178 City Manager immediately thereafter in their mailboxes, with a copy placed in Council  
179 packets under Announcements/Presentations/~~Borough and Commission~~ Reports, thereby  
180 ensuring public involvement. (Reso 06-54, 05/22/06).

181  
182 Upon returning from travel on City business, including lobbying trips or other trips made on  
183 behalf of the City, the City Manager, Council members and Mayor will file written reports for  
184 inclusion in the next Council meeting packet under Announcements/Presentations/~~Borough~~  
185 ~~and Commission~~ Reports using the attached format. ~~Each entry describing the activity and~~  
186 ~~subject(s) discussed will be followed by a recommendation. In this way, Councilmembers,~~  
187 ~~the Mayor, or the City Manager following up will have a clear direction to follow.~~ (Reso 00-08,  
188 1/10/00; Reso 06-54, 05/22/06).

189  
190 Each Councilmember, the Mayor, and City Manager are expected to share his/her lobbying  
191 activities with the public in oral and written form under the agenda section marked  
192 Announcements/Presentations/Borough and Commission Reports. (Reso 06-54, 05/22/06).

193  
194 Travel Report Narratives are required for all travel and will be included under  
195 Announcements/Presentations/Borough and Commission Reports. Finance verifies expenses  
196 and prepares check, less advance, (if applicable) after receipt of check request from City  
197 Clerk. (Reso 00-08, 01/10/00; Reso 95-78(A), 10/07/95).

198  
199 Committee of the Whole

200  
201 The Committee of the Whole may meet prior to every Regular Council Meeting at 5:00 p.m. to  
202 not run past 5:50 p.m.

203  
204 This is a device to enable the full Council to give detailed consideration to a matter under  
205 conditions of freedom approximating those of a committee. The results of any votes taken  
206 are not the final action of the Council and are recommendations.

207  
208 The Mayor shall be the presiding officer.

209  
210 No text may be altered in any agenda item for Council's Regular meeting; however,

211 amendments may be recommended.

212

213 ~~The agenda shall be noticed the same as a Council's Regular meeting. Only those matters on~~  
214 ~~the noticed agenda shall be considered; however, other items not on the Council's Regular~~  
215 ~~meeting agenda may be considered if the agenda item is received by the City Clerk no later~~  
216 ~~than the Wednesday prior to the meeting. "Old business" shall be added to the Committee of~~  
217 ~~the Whole agenda and shall be those items that are not on Council's Regular Meeting agenda~~  
218 ~~and that were not discussed at the previous Committee of the Whole meeting due to~~  
219 ~~insufficient time. (Reso 09 116(A), 11/23/09; Reso 03 118 08/25/03; Reso 01 24, 04/09/01; Reso~~  
220 ~~01-08(S), 02/26/01).~~

221

## 222 **AMENDMENTS TO THE COUNCIL OPERATING MANUAL**

223

224 **Amendments to City Code that are adopted by Ordinance and are referenced in this**  
225 **manual and in the Appendices will be updated by the City Clerk and will not be required**  
226 **approved by resolution. All other amendments to the Council Operating Manual will be**  
227 **approved by resolution.**

228

229

### **PROCEDURES**

230

#### **GENERAL INFORMATION - (HOW TO'S)**

231

232 Introduction: Robert's Rules, Homer City Code (HCC) and Alaska State Statues (AS) govern  
233 powers and operations of the Council. Title 29 specifically deals with municipalities;  
234 however, other State Statutes can affect specific subjects of consideration. The following is a  
235 quick reference for Councilmembers confronted with the first exposure as an elected  
236 government official.

237

#### 238 **ABSENCES** (To be excused from meeting)

239

240 By-laws for Council procedure provides that unexcused absences from three consecutive  
241 meetings is adequate basis for declaring the seat vacant. Notification of intent to be absent  
242 is the primary prerequisite to being excused.

243

244 Notification of future absences can be made at any Council meeting under Comments of the  
245 Council.

246

247 Notification of absence between meetings is accomplished by advising the Mayor, City Clerk  
248 or City Manager.

249

250 During opening remarks, the Mayor, or designated presiding officers declares the status of  
251 any absence for the record.

252



253 Councilmembers may state objections to absences either when authorization for an absence  
254 is required by a Councilmember or declared excused by the Mayor. HCC 2.08.040(l)(5).

255  
256 **TELECONFERENCE (To participate telephonically)**

257  
258 Mayor and Councilmembers may participate may attend a maximum of three meetings  
259 telephonically during the twelve month period commencing November 1<sup>st</sup> of each year, with  
260 the exception of executive sessions and hearings on an ethics charge.

261  
262 Mayor or Councilmembers shall notify the City Clerk at least 5 days prior to the scheduled  
263 time for the meeting their request to participate telephonically. The City Clerk will notify the  
264 Mayor and Councilmembers of the request three days prior to the scheduled meeting time.

265  
266 **Procedures regarding telephonic participation are attached in Appendix A and in HCC**  
267 **2.08.100-2.08.120.**

268  
269 **EXECUTIVE SESSION** - Call for...

270  
271 State law pertaining to public agency meetings is applied in the absence of specific City  
272 Code. AS 44.62.310(c)(1)-(3) state legal reason for executive sessions. The law is as follows:

- 273  
274 "The following excepted subjects may be discussed in an executive session:
- 275 (1) Matters, the immediate knowledge of which would clearly have an adverse effect  
276 upon the finances of the government unit;
  - 277 (2) Subjects that tend to prejudice the reputation and character of any person,  
278 provided the person may request a public discussion;
  - 279 (3) Matters which by law, municipal charter, or ordinances are required to be  
280 confidential."
  - 281 (4) Confidential records, matters involving consideration of government records,  
282 that by law are not subject to public disclosure. HCC 2.80.030
  - 283 (5) Attorney-client privilege.
  - 284 (6) Exemption for adjudicatory deliberations and decision-making.
  - 285 (7) Organizational votes.

286  
287 On the Council's Agenda only the Statute number and section are required to be listed as the  
288 reason for Executive Session. The issue to be discussed is to be listed in parenthesis after the  
289 reason for executive session.

290  
291 This section is not applicable to quasi-judicial bodies, i.e. Boards of Adjustment.

292  
293 A regular or special meeting may be recessed or adjourned to executive session. Future times  
294 for executive sessions may be set by motion. A duly constituted, called meeting with a

295 quorum present is required for consideration of an executive session motion. Vote on the  
296 motion is taken by roll call.

297  
298 Any Councilmember, the Mayor or City Manager may place consideration of an executive  
299 session on the agenda. When placed before agenda closing, the question is decided by 2/3  
300 vote. Request falls under the By-Law requiring unanimous consent for additions or deletions  
301 to the agenda.

302  
303 During Executive Session:  
304 (1) Stick to the issue  
305 (2) No action; limited exceptions  
306 (3) Decision-making in ad judicatory proceeding

307  
308 Reconvene in public, make a statement, and take action if necessary. (Reso 03-140, 10/27/03;  
309 Reso 01-61, 09/10/01).

310  
311 **CONFLICT OF INTEREST** - When to Express

312  
313 Council business may present a conflict. It is important to recognize and state the conflict,  
314 immediately disqualifying yourself from participation. A conflict of interest is considered to  
315 exist when the Councilmember has a substantial financial interest in the matter under  
316 consideration. A Councilmember may move to disqualify another member if he does not  
317 disqualify himself. It is recognized that from time to time local government officials cannot  
318 avoid the circumstance of conflict of interest or appearance thereof. How these possible  
319 conflicts are handled is of prime importance to the official and the municipality.

320  
321 Key Steps are 1) notification of substantial financial interest which then leads to 2) Mayor or  
322 Presiding Officer determination of whether financial interest is substantial.

323  
324 Example: City Council Agenda Item - "Resolution to create an improvement district." A  
325 potential conflict may exist, for instance, when a Councilmember owns property in an area  
326 for which improvements would increase the value or development potential of the land.

327  
328 (Notification): Councilmember Landowner states he/she is a property owner in the proposed  
329 improvement district for which improvements would increase the value or may occur when  
330 the proposed utilities are in place.

331  
332 (Determination of Substantial Interest and Action): "I own property in this proposed  
333 improvement. I, therefore request to be excused from participating in discussion of or voting  
334 on this matter."

335  
336 To abstain from voting without giving notice may be a disservice to the other

337 Councilmembers. An abstention counts as a negative vote (Robert's Rules of Order).

338

339 **All procedures regarding conflict of interest and code of ethics are attached in Appendix B**  
340 **and in HCC Chapter 1.18 Conflicts of Interest, Partiality.**

341

342 **STANDARD OPERATING PROCEDURE - Motions**

343

344 Public Comment/Testimony and Audience Comment Time Limits for City Council,  
345 Commission, and Board Meetings

346

347 The ~~meeting chairperson~~ **Presiding Officer** shall note for the audience's benefit that there is  
348 a three minute time limit each time there is a place in the agenda for public  
349 comment/testimony or audience comments. Any individual wishing to address the City  
350 Council or any of its Advisory Bodies shall adhere to a three minute time limit. It is the  
351 responsibility of the ~~Chair~~ **Presiding Officer** to announce under Public Comments, Public  
352 testimony on public hearing items and Audience Comments that there is a 3 minute time  
353 limit. Time limits may be adjusted by the 2 minutes up or down with the concurrence of the  
354 body in special circumstances only such as agenda content and public attendance. (Reso 06-  
355 115(A), 08/28/06).

356

357 Liquor Licenses - Application for new, renewal, or transfer of the liquor licenses within the  
358 City are reviewed by the Council. The Alcoholic Beverage Control Board allows municipalities  
359 the opportunity to protest all such applications before their final consideration and  
360 disposition. Status of taxes is checked with the Borough and comment is solicited from the  
361 Homer Department of Public Safety by the City Clerk's Office as standard course of action.  
362 Any negative reports are stated in informational memoranda about the liquor license. Liquor  
363 license applicants are notified of the report given to Council.

364

365 Liquor Licenses are normally placed on the consent agenda, and can be removed for  
366 discussion by any Councilmember. The memoranda from the Clerk will clearly state a  
367 recommendation to "approve", "object" or "voice no objection" to the action on the license.

368

369 **New Liquor License Applications - All applications for new liquor licenses will be subject**  
370 **first to a public hearing, duly notified and that issuance of the license may be protested**  
371 **for cause. AS 4.11.480.**

372

373 Games of Chance and Skill Permit - These permits are not transferable, so applications are  
374 either new or for a renewal. Alaska Department of Revenue issues the permit. All permits  
375 requiring acknowledgment of proof of filing shall be executed upon receipt by the City Clerk's  
376 Office, with a Report Memorandum from the Clerk's Office through the City Manager under  
377 the City Manager's Report. All permits requiring approval by the local government unit, shall  
378 not be executed by the City Clerk until Council has taken action, generally via Consent

379 Agenda at a Regular Meeting. The memoranda from the Clerk will clearly state a  
380 recommendation to "approve", "object" or "voice non objection". A simple motion for  
381 approval or non objection of the permit advances the application to the State for issuance.  
382 Protest is limited to the lack of qualification of the applicant. (Reso 96-110, 12/16/96)  
383

384 Vacations of Right-of-Way - AS 29.40.070 governs dedication of right-of-way; vacation  
385 thereof. The Council is allowed thirty days following the decision of the platting board to  
386 veto that decision. No action on the agenda item constitutes approval. To disapprove, the  
387 motion must be to "veto the vacation". This item is generally placed on the Consent Agenda.  
388

389 **STATEMENTS/COMMENTS FOR THE RECORD:** Certain statements for the record are SOP; 1)  
390 Councilmember qualifying potential conflict, Council." For other statements to be included  
391 remarks are prefaced by the directive "For the Record...."  
392

393 **APPEALS, COUNCIL AS BOARD OF ADJUSTMENT;** Occasionally the City Council convenes as  
394 a Board of Adjustment on appeals from the Planning Commission. HCC 21.91 outlines  
395 requirements and board procedures. Essentially, the Council becomes a quasi-judicial body  
396 when hearing appeals. Discussion of appeals' subject matter with circumstance. Evidence  
397 and testimony should be weighted on its own merit and only as it is presented in written or  
398 oral form. No effort should be made to discuss the matter with staff or the parties involved.  
399

400 **HOMER CITY COUNCIL**  
401 **BYLAWS**  
402

403 The following bylaws shall govern the procedures of the City Council of the City:  
404

405 a. To abide by existing Alaska State laws pertaining to cities of the first class.  
406

407 b. To abide by the current edition of Robert's Rules of Order insofar as this treatise is  
408 consistent with these bylaws, other provisions of the Homer City Code, or unwritten standing  
409 rules adopted by the City Council. In all other cases, bylaws, the code or the standing rule  
410 shall prevail.  
411

412 c. The Council's agenda format specified in the City of Homer City Council Operating Manual,  
413 as the same may be amended from time to time, is incorporated herein by reference.

414 1. The manual may be revised with Council approval;

415 2. A copy of the manual shall be available to the public during regular business hours  
416 at the Homer City Hall and be available during City Council meetings.  
417

418 d. Regular Meetings.

419 1. Second and fourth Mondays of each month at 6:00 p.m., unless otherwise provided  
420 by two-thirds vote of the City Council;

- 421 2. The agenda shall be provided to each Council member 36 hours prior to meeting, by  
422 City Clerk;  
423 3. Adding items to or removing items from the agenda will be by unanimous consent  
424 of the Council;  
425 4. Public notice of a regular meeting shall be made as provided in Chapter 1.14 HCC.  
426

427 e. Special Meetings.

- 428 1. Called by Mayor or majority of the Council;  
429 2. If a majority of members are given at least 36 hours' oral or written notice and  
430 reasonable efforts are made to notify all members, a special meeting may be held at  
431 the call of the presiding officer or at least one-third of the members;  
432 3. Agenda shall be as per subsection (c) of this section;  
433 4. Public notice of a special meeting shall be made as provided in Chapter 1.14 HCC.  
434

435 f. Emergency Meetings.

- 436 1. By unanimous consent of quorum;  
437 2. Required justifiable reason;  
438 3. Informal agenda – limited to emergency;  
439 4. Public notice shall be made as provided in Chapter 1.14 HCC.  
440

441 g. Teleconference participation in meetings may be authorized pursuant to HCC 2.08.100  
442 through 2.08.120.  
443

444 h. Quorum – Voting. Four Council members shall constitute a quorum. Four affirmative votes  
445 are required for the passage of an ordinance, resolution, or motion. A member of the Council  
446 acting as Mayor Pro Tem shall not lose his vote as the result of serving in such office. The  
447 Mayor is not a Council member and may vote only in the case of a tie. The final vote on each  
448 ordinance, resolution, or substantive motion may be a roll call vote or may be done in  
449 accordance with subsection (k) of this section (see AS 29.20.160(c)(d)).  
450

451 i. Motions to Reconsider. A member of the Council who voted with the prevailing side on any  
452 issue may move to reconsider the Council's action at the same meeting or at the next regular  
453 meeting of the body. Notice of reconsideration shall be given to the Mayor or City Clerk within  
454 48 hours from the time the original action was taken.  
455

456 j. Abstentions. All Council members present shall vote unless abstention is required by law  
457 (AS 29.20.160(d)).  
458

459 k. Consensus. The Council may, from time to time, express its opinion or preference  
460 concerning a subject brought before it to consideration. The statement, representing the will  
461 of the body and a meeting of the minds of the members, may be given by the presiding officer  
462 as the consensus of the body as to that subject without taking a motion and roll call vote.

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l. Vacancies. An elected municipal office is vacated under the following conditions and upon the declaration of vacancy by the Council. The Council shall declare an elective office vacant when the person elected:

1. Fails to qualify or take office within 30 days after his election or appointment;
2. Resigns and his resignation is accepted;
3. Is physically or mentally unable to perform the duties of the office as determined by two-thirds vote of the Council;
4. Is convicted of a felony or misdemeanor described in AS 15.56 and two-thirds of the members of the Council concur in expelling the person elected;
5. Misses three consecutive regular meetings unless excused;
6. Is convicted of a felony or of an offense involving a violation of the oath of office;
7. Is convicted of a violation of AS 15.13 concerning Alaska Public Offices Commission reporting requirements;
8. No longer physically resides in the municipality and the City Council by two-thirds vote declares the seat vacant; and
9. Is physically absent from the municipality for 90 consecutive days unless excused by the City Council.

m. Salaries of Elected Officials.

1. The Mayor and each Council Member shall be paid a stipend of \$75.00 for each council-meeting-day in which the person participates in person, or \$50.00 per council-meeting-day in which a majority of the person's participation time is telephonic. A council-meeting-day is any calendar day in which the person participates in any one or more of the following:
  - a. A scheduled and publicly noticed meeting of the City Council, including without limitation a regular meeting, special meeting, committee of the whole meeting and meeting in executive session.
  - b. A scheduled and publicly noticed meeting of the Board of Adjustment, Board of Ethics, or other board or commission that is composed of the Mayor and Council Members.
  - c. Training or continuing education programs, and work sessions, that are required by law or commonly recognized best practice to perform the duties of Mayor or Council Member.

The City shall not spend any funds for elected officials' membership in the Public Employees Retirement System. An elected official may not receive any other compensation for service to the City unless specifically authorized to do so by ordinance. Per diem payments or reimbursements for expenses are not compensation under this section.

[Ord. 17-01, 2017; Ord. 15-01(A), 2015; Ord. 10-51(A), 2011; Ord. 10-45, 2010; Ord. 09-54 § 1, 2009; Ord. 07-45(A)(S) § 4, 2007; Ord. 05-58(S)(A), 2005; Ord. 03-48(A), 2003; Ord. 01-30, 2001;

505 Ord. 99-17(A) § 2, 1999; Ord. 96-07(S)(A) § 1, 1996; Ord. 95-16(S), 1995; Ord. 92-28(S), 1992;  
506 Ord. 91-12, 1991; Ord. 90-22, 1990. Code 1981 § 1.24.040].

507  
508

509 **CITY COUNCIL AGENDA & MEETING CONDUCT GUIDELINES**

510

511 **1. CALL TO ORDER, PLEDGE OF ALLEGIANCE**

512

513 HCC 2.08.040(h) (Bylaws)

514

514 Four council members (quorum) is required.

515

516

516 Pledge of Allegiance will be said for all Regular and  
517 Special Meetings.

517

518

519 **2. APPROVAL OF THE AGENDA**

520

521

521 The agenda closes at 11:00 a.m., Wednesday before the Council meeting. HCC  
522 2.08.040(d)(3) requires unanimous consent of the Council to add (or remove)  
523 business items from the agenda. Tentative agenda items, type of enactment and  
524 subject only, need to be to the City Clerk by Thursday of the week proceeding  
525 Council packet week. The final packet ready document(s) need to be to the City  
526 Clerk as soon as possible prior to 11:00 a.m. on the Wednesday for packet review.  
527 Any late agenda item not meeting the tentative agenda deadline and/or not  
528 meeting the packet deadline shall be discussed with the Mayor by the submitter if a  
529 Councilmember. All other late items, unless of an immediate nature, shall be  
530 placed on the next tentative agenda. (Reso 03-84, 2003; Reso 03-81, 2003).

531

532 **3. MAYORAL RECOGNITIONS AND MAYORAL PROCLAMATIONS**

533

534

534 Mayoral recognitions and mayoral proclamations must be approved by the Mayor.  
535 A request must be made timely for inclusion in the City Council packet. Official  
536 action of the City Council is not taken under this agenda item. (Reso 16-122, 2016).

535

536

537

538 **4. PUBLIC COMMENTS REGARDING ITEMS ALREADY ON THE AGENDA**

539

540

540 No prior arrangement is required. The public may have unrestricted access to the  
541 City Council for comments regarding matters already on the agenda with the  
542 exception of matters listed under Public Hearings or questions on presentations  
543 given under Visitors section of the agenda; these should be held until Comments of  
544 the Audience. Those giving testimony are requested to preface remarks with their  
545 name & address for the record. The Mayor will announce ~~provide time limitations~~  
546 ~~on presentations based on the volume of business before the Council.~~ **that there is**

544

545

546

547 **a 3 minute time limit. Time limits may be adjusted by the 2 minutes up or**  
548 **down with the concurrence of the body in special circumstances only such as**  
549 **agenda content and public attendance.** No official action will be taken by the  
550 Council under this business item. Any comments regarding Board of Adjustment  
551 hearings must be on procedure only. No comments that contain any argument or  
552 new evidence are acceptable and are subject to being cut short by the Mayor  
553 and/or Council.

554

555 5. **RECONSIDERATION**

556

557 When a Councilmember has issued notice of reconsideration on an item, the  
558 reconsideration is acted upon at this point in the meeting. The Item to be  
559 reconsidered is placed under Pending Business, Ordinances or Resolutions -  
560 depending on the item.

561

562 6. **CONSENT AGENDA**

563

564 The following business items are appropriate for the consent agenda. These items  
565 are acted upon by one motion for approval of the Consent Agenda. If discussion is  
566 requested on an item that item may be removed from the Consent Agenda and  
567 placed on the Regular Agenda.

568

- 569 1) Minutes approval
- 570 2) Liquor license renewals and transfers
- 571 3) Any gaming permit requiring approval of the local government unit.
- 572 4) Confirmation of Commission & Board Appointments
- 573 5) Resolutions (of a general nature required for normal business operations of the  
574 City)
- 575 6) Requests to hold Executive Session. (Executive Session will typically be  
576 conducted at the end of business, just prior to Audience Comments, unless the  
577 Mayor calls for the Executive Session to be held at another point in the agenda.)  
578 (Reso 03-140, 10/27/03).
- 579 7) Change Orders
- 580 8) Travel Authorization (Reso 00-08, 1/10/00).
- 581 9) Ordinance introduction and first reading and setting the public hearing date  
582 and second reading date. (Reso 00-82, 8/28/00).

583

584 The Mayor or any Councilmember, whether a/the sponsor or not, may remove an  
585 item and place that item on the Regular Agenda during the Tentative Agenda  
586 period and up until the printing and distribution of the packet. The City Clerk shall  
587 notify the sponsor(s) of said change. The Mayor and Council shall have agendas  
588 with blank lines under Consent Agenda, Ordinances, New Business and Resolutions



589 for the purposes of keeping track of changes to the Consent Agenda, Ordinances,  
590 New Business and Resolutions.

591  
592 This format shall be utilized as much as it reasonable for the Standing Committees,  
593 Committees, Task Forces and the like. (Reso 06-132, 09/25/06).

594  
595 7. **VISITOR(S)**

596  
597 These requests must be approved by the City Manager or Mayor. To be placed in the  
598 visitors category, an outline, letter, or other descriptive material must be provided  
599 (timely) for distribution in the City Council Packet. Official action of the City Council  
600 is not taken under this agenda item. NO questions from the audience will be taken  
601 until "Comments of the Audience"

602  
603 8. **ANNOUNCEMENTS/PRESENTATIONS/ ~~BOROUGH, COMMISSION, & COMMITTEE~~**  
604 **REPORTS**

605  
606 Announcements are made from the council table (Council Members, Mayor or City  
607 Manager). The Chair may be provided written information in advance of the  
608 meeting to announce for non-Councilmembers, at the Chair's discretion. **Reports**  
609 **may include, but are not limited to, Kenai Peninsula Borough Assembly report,**  
610 **Advisory Body reports, Worksession and Committee of the Whole reports,**  
611 **Mayor's report, Travel reports** may also be presented at this time. No action by  
612 Council will be made here, although the Council may request a matter brought to  
613 their attention in a report be placed on an agenda for a future meeting. ~~Travel~~  
614 ~~Narrative Reports.~~ (Reso 00-08, 1/10/00).

615  
616 9. **PUBLIC HEARINGS**

617  
618 This agenda item is intended to provide for formal hearing testimony regarding  
619 ordinances, resolutions, or as ~~directed by the Chair or majority of City Council~~ **other**  
620 **items as outlined in Homer City Code.** Those giving testimony are requested to  
621 preface remarks with their name and address for the record **if they are residents of**  
622 **the City or outside city limits.**

623  
624 Public Hearing testimony ~~may be time limited by the Chair.~~ **is limited to 3 minutes.**  
625 **Time limits may be adjusted by the 2 minutes up or down with the concurrence**  
626 **of the body in special circumstances only such as agenda content and public**  
627 **attendance.** Council may make inquiries of those giving testimony. After the public  
628 has finished testifying the City Council may take final action, including amendments,  
629 on an Ordinance, provided that the public has been notified that such action may  
630 occur at this time and shall follow the other procedures as outlined under Item 9.

631 (Reso 01-36, 06/11/01; Ord 01-18, 06/12/01).

632

633 10. **ORDINANCES**

634

635 For first and subsequent readings including the final reading of ordinances, and all  
636 formal votes on motions of amendment, adoption or other disposition of  
637 ordinances. Votes are taken by roll call. Placement of an ordinance is limited to the  
638 City Manager, Mayor or Council Members. However, introduction/first reading of  
639 Ordinances and setting of public hearing may be placed on the Consent Agenda.  
640 Ordinances may be postponed at introduction or subsequent readings to the next  
641 regular or special meeting.

642

643 Editing form for Ordinances: Deletions are characterized strike over and may be in  
644 brackets. Additions are characterized by bold lettering and underlining.

645

646 Sponsors, authors, Directed by Council or Requested by staff may be placed at the  
647 top of the Ordinance. (Reso 01-36, 06/11/01; Ord 01-18, 06/12/01).

648

649 11. **CITY MANAGER'S REPORT**

650

651 The Manager or his designee reports to the City Council. Questions and answers  
652 between the Council and Manager are appropriate. Official action is not taken by the  
653 Council under this agenda item. A monthly report will be provided in the Council  
654 informational packet.

655

656 12. **PENDING BUSINESS**

657

658 Access is limited to the City Manager, Mayor and members of the City Council.  
659 Requests for items to be placed on agendas at Council meetings for future council  
660 agendas will be subject to vote of the City Council. Voice vote or roll call vote will  
661 constitute action of the City Council. Reference HCC 2.08.040(h) for By-law  
662 provisions.

663

664 13. **NEW BUSINESS**

665

666 The same provisions as under pending business apply here.

667

668 14. **RESOLUTIONS**

669

670 A City Council Member, Mayor, ~~or~~ City Manager or the City Clerk ~~can~~ may direct that  
671 submit a resolution appear to be placed on the agenda for Council consideration.  
672 Notation of sponsor ~~can~~ shall appear on the face of the resolution. Formal action of

673 the Council will be by roll call vote. HCC 2.08.040(h).  
674 Sponsors, authors, Directed by Council or staff may be placed at the top of the  
675 Resolution.

676  
677 ~~Council Training & Informational Materials~~

678  
679 ~~Deleted from the Packet by Council consensus and signing of a Memorandum by the~~  
680 ~~Councilmembers on June 8, 1992. Also noted was that b~~ Backup up materials of any  
681 kind are not required in consecutive packets provided a reference sheet is submitted  
682 with the item denoting the backup materials previously submitted.

683  
684 15. **COMMENTS OF THE AUDIENCE**

685  
686 Members of the audience may address the City Council at will on any subject whether  
687 or not on the agenda. The Mayor ~~may time limit remarks~~ **will announce that there**  
688 **is a 3 minute time limit. Time limits may be adjusted by the 2 minutes up or**  
689 **down with the concurrence of the body in special circumstances only such as**  
690 **agenda content and public attendance.**

691  
692 16. **COMMENTS OF THE CITY ATTORNEY**

693  
694 Reserved for Comments of the City Attorney. Action of the Council is not taken here.

695  
696 17. **COMMENTS OF THE CITY CLERK**

697  
698 Reserved for comments of the City Clerk. Action of the City Council is not taken here.

699  
700 18. **COMMENTS OF THE MANAGER**

701  
702 Reserved for comments of the City Manager. Action of the City Council is not taken  
703 here.

704  
705 19. **COMMENTS OF THE MAYOR**

706  
707 Reserved for comments, reports, or notification of the Mayor. No Council action is  
708 taken here.

709  
710 20. **COMMENTS OF THE COUNCIL**

711  
712 Each Council Member may comment regarding any subject whether or not on the  
713 agenda. This is an appropriate place to note or bring to the attention of the Mayor,  
714 Council and Administration any miscellaneous business or point of interest.

715 Miscellaneous announcements, notifications of absence from future Council  
716 meetings, and requests for items to appear on the agenda, are other areas  
717 appropriately covered.

718  
719 Notice of reconsideration may be given, re: 2.08.040(i).

720  
721 **21. ADJOURNMENT/NOTICE OF NEXT REGULAR MEETING**

722  
723 Meetings will be concluded by or recessed by midnight, unless Council votes to  
724 suspend the rules. The balance of any business will be held over until call of the  
725 Chair. Notice of the next regular, and/or special meeting will appear on the agenda  
726 following "adjournment". (Reso 18-082 & 18-083, Reso 10-73, 09/13/10; Reso 00-82,  
727 08/28/00; Reso 00-08, 01/10/00; Reso 98-58, 07/13/98).

728  
729 The Regular Agenda format for all advisory bodies of the City Council shall utilize the  
730 following basic agenda format:

731  
732 NAME OF BODY  
733 PHYSICAL LOCATION OF MEETING  
734 HOMER, ALASKA  
735  
736 DATE OF MEETING  
737 DAY OF WEEK AND TIME  
738 OF MEETING  
739 MEETING ROOM

737 **REGULAR MEETING**  
738 **AGENDA**

- 739  
740 1. CALL TO ORDER  
741 2. APPROVAL OF AGENDA  
742 3. MAYORAL RECOGNITIONS AND MAYORAL PROCLAMATIONS  
743 4. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA.  
744 (3 MINUTE TIME LIMIT)  
745 5. RECONSIDERATION  
746 6. APPROVAL OF MINUTES or CONSENT AGENDA  
747 7. VISITORS (Chair set time limit not to exceed 20 minutes) (Public may not  
748 comment on the visitor or the visitor's topic until audience comments.) No action  
749 may be taken at this time.  
750 8. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS  
751 (Chair set time limit not to exceed 5 minutes.)  
752 9. PUBLIC HEARING (3 MINUTE TIME LIMIT)  
753 10. PLAT CONSIDERATION (Planning Commission only)  
754 11. PENDING BUSINESS or COMMISSION BUSINESS  
755 12. INFORMATIONAL MATERIALS  
756 (NO ACTION MAY BE TAKEN ON THESE MATTERS, THEY MAY BE DISCUSSED  
757 ONLY)  
758 13. INFORMATIONAL MATERIALS (NO ACTION MAY BE TAKEN ON THESE MATTERS,

- 759 THEY MAY BE DISCUSSED ONLY)  
760 14. COMMENTS OF THE AUDIENCE (3 MINUTE TIME LIMIT)  
761 15. COMMENTS OF THE CITY STAFF (not required) (Staff report may be at this time  
762 in the agenda.)  
763 16. COMMENTS OF THE COUNCILMEMBER (If one is assigned)  
764 17. COMMENTS OF THE CHAIR (May be combined with COMMENTS OF THE  
765 COMMISSION/BOARD since the Chair is a member of the Commission/Board.)  
766 18. COMMENTS OF THE COMMISSION  
767 19. ADJOURNMENT/NEXT REGULAR MEETING IS SCHEDULED FOR \_\_\_\_\_ note  
768 any worksessions, special meetings, committee meetings etc. All meetings  
769 scheduled to be held in the Homer City Hall Cowles Council Chambers located at  
770 491 E. Pioneer Avenue, Homer, Alaska. (Sometimes the meeting is scheduled for  
771 the Conference Room)

772  
773 Contact info for the department constructing the agenda. Example: City Clerk’s Office,  
774 [clerk@ci.homer.ak.us](mailto:clerk@ci.homer.ak.us). 235-3130.

775  
776 Audience Participation – Audience comments are acceptable when invited by a  
777 Councilmember or the Mayor. Audience comments as an agenda item is provided so that  
778 anyone wishing to speak to the Council may do so without prior arrangement. The Mayor may  
779 limit the time for “Comments Upon Matters Already on the Agenda or Audience Comments.”  
780 Comments are generally limited to 3 minutes per person unless authorization to speak  
781 longer is granted by Council action. (Reso 06-54, 05/22/06).

782  
783 BASIC TIME LIMIT (Public Comments, Public Hearing Testimony and Audience Comments.)  
784 Comments are limited to three minutes per person per issue unless authorization to speak  
785 longer is granted by Council action. In the interest of time, the Council has found it necessary  
786 to place a time limit. It may be desirable to have one spokesperson for special interest  
787 groups making a statement to the Council. (Reso 06-54, 05/22/06).

788  
789 Any person making personal, impertinent, threatening or slanderous remarks or who shall  
790 become boisterous while addressing the Council, shall be forthwith, by the presiding officer  
791 barred from further audience at the meeting before the Council, unless permission to  
792 continue be granted by a majority vote of the Council.

793  
794 ~~This is item m. of the Council's ByLaws.~~ Any Councilmember may rise to a Point of Order  
795 regarding this issue.

796  
797 **GENERAL AGENDA AND PACKET DISTRIBUTION INFORMATION**

798  
799 **Regular City Council Meetings**

800  
801 Tentative Agendas

- 802  
803 1. Tentative and Preliminary agenda items, type of enactment and subject only, need to be to  
804 the City Clerk by Thursday of the week proceeding Council packet week.  
805  
806 2. The final packet ready document needs to be to the City Clerk as soon as possible prior to  
807 11:00 a.m. on the Wednesday prior to the Council meeting for packet review.  
808  
809 3. Any late agenda item not meeting the tentative agenda deadline and/or not meeting the  
810 packet deadline shall be discussed with the Mayor by the submitter, if a Councilmember.  
811  
812 4. All other late items, unless of an immediate nature shall be placed on the next tentative  
813 agenda.

813  
814 **Agenda**

- 815  
816 1. Agenda closes at 11:00 a.m., Wednesday preceding the meeting. Allowances will be  
817 made for holidays. (Reso 03-81, 05/27/03).  
818  
819 2. The City Manager, Mayor and City Clerk review the agenda at 11:00 a.m. on Wednesday,  
820 preceding the meeting. (Reso 03-81, 05/27/03).  
821  
822 3. Informational packets are available for pick up and on the City's website usually on  
823 Thursdays at 5:00 p.m. but no later than 5:00 p.m. on the Friday preceding the regular  
824 meeting. Packets will be posted on the City's website and placed in the Council's mail boxes  
825 if requested.  
826  
827 4. Items may be added or removed from the agenda by unanimous consent of the Council.  
828

829 **Special City Council Meeting**

830  
831 Called and agendas established by the Mayor or four (2/3) City Councilmembers. Adequate  
832 notice must be given to provide for materials preparation and delivery of meeting notice  
833 thirty-six (36) hours prior to the meeting.  
834

835 **Emergency City Council Meeting**

836  
837 By unanimous consent of quorum, four Councilmembers, requires justifiable reason, informal  
838 agenda - limited to emergency, public notice as soon as possible and repeated at least two  
839 times prior to meeting.  
840

841 **Worksessions, Special Meetings, and Executive Sessions**

842

843 May be called at any time, including beginning at 4:00 p.m. and ending not later than 5:50  
844 p.m. before a Regular Council Meeting, with proper notice to the public. The agenda and  
845 packet information may be handed out at the worksession depending on the nature of the  
846 session. No formal action may be taken. May be called by Mayor or four Councilmembers.  
847 Public notice requirements are relaxed but should be at least broadcast as soon as possible  
848 and repeated at least two additional times prior to the session. Reference: HCC 1.14.

849

### 850 **Committee of the Whole**

851

852 **The Committee of the Whole may meet prior to every Regular Council Meeting beginning**  
853 **at 5:00 p.m. and ending not later than 5:50 p.m. when scheduled worksessions do not**  
854 **exceed 4:50 p.m. This is a device to enable the full Council to give detailed consideration**  
855 **to a matter under conditions of freedom approximating those of a committee. The**  
856 **results of any votes taken are not the final action of the Council and are**  
857 **recommendations. The Mayor shall be the presiding officer. No text may be altered in**  
858 **any agenda item for Council's Regular meeting; however, amendments may be**  
859 **recommended.**

860

861 **The agenda shall be noticed the same as a Council's Regular meeting. Only those**  
862 **matters on the noticed agenda shall be considered; however, other items not on the**  
863 **Council's Regular meeting agenda may be considered if the agenda item is received by**  
864 **the City Clerk no later than the Wednesday prior to the meeting. "Old business" shall be**  
865 **added to the Committee of the Whole agenda and shall be those items that are not on**  
866 **Council's Regular Meeting agenda and that were not discussed at the previous**  
867 **Committee of the Whole meeting due to insufficient time. (Reso 09-116(A), 11/23/09;**  
868 **Reso 03-118(A), 08/25/03; Reso 01-24, 04/09/01; Reso 01-08(S), 02/26/01).**

869

### 870 **CODE OF ETHICS**

#### 871 **PURPOSE.**

872 The proper functioning of democratic government requires ethical behavior by public  
873 officials. Ethics involves the commitment to take individual responsibility in creating a  
874 government that has the trust and respect of its citizens. The purpose of this section is to set  
875 reasonable standards of conduct for elected city officials and appointed advisory  
876 commissioners and boardmembers so that the public may be assure that its trust in such  
877 persons is well placed and that the officials themselves are aware of the standards of conduct  
878 demanded of persons in like office.

879 However, recognizing that Homer is a small community, with a limited number of people  
880 interested in serving as community leaders, it is not the intent of this section to set  
881 unreasonable barriers that will serve only to deter aspirants from public service.

882 This section is also intended to establish a process which will ensure that complaints or  
883 inquiries regarding the conduct of elected city officials and appointed advisory  
884 commissioners and boardmembers are resolved in the shortest practicable time in order to  
885 protect the rights of the public at large and the rights of the elected or official, or appointed  
886 advisory commissioners and boardmembers.

887 The Council intends this code to be interpreted to promote fair, honest, and impartial  
888 dealings with members of the public, to ensure proper use of city resources, and to avoid  
889 conflicts of interest. It is the intent of the Council that nothing in this section be interpreted to  
890 create a private cause of action against an elected official or appointed advisory  
891 commissioner or boardmember.

892 **DEFINITIONS.**

893 As used in this section.

894 "Engaging in business" or "engage in business" means submitting a written or oral proposal  
895 or bid to supply goods, services or other things of value, or furnishing goods, services or other  
896 things of value, for consideration or otherwise entering into any contract or transaction with  
897 the city including but not limited to the lease, sale, exchange or transfer of real or personal  
898 property.

899 "Financial interest" means a direct or indirect pecuniary or material benefit accruing to a city  
900 official or appointed advisory commissioner or boardmember as a result of a contract or  
901 transaction by or with the city except for such contract or transactions which by their terms  
902 and by substance of their provisions confer the opportunity and right to realize the accrual of  
903 similar benefits to all other persons and/or property similarly situated. A financial interest  
904 does not include city paid remuneration for official duties. A person has a financial interest in  
905 a decision if a substantial possibility exists that a financial interest of that person might vary  
906 with the outcome of the decision. A financial interest of an official includes:

- 907 1. Any financial interest of a member of that person's immediate family;  
908 2. Any financial interest in an entity in which that person or a member of his immediate family  
909 has an ownership interest, or is a director, officer or employee;  
910 3. Any financial interest of a person or entity with whom the official, or a member of his  
911 immediate family or an entity described in subparagraph 2 of this subsection has or is likely  
912 to acquire a contractual relationship relating to the transaction in question.

913 "Gratuity" means a thing having value given voluntarily or beyond lawful obligation.

914 "Immediate family" of a person means anyone related to that person by blood or current  
915 marriage, or adoption in a degree up to and including the fourth degree of consanguinity or  
916 affinity, or any relative or non-relative who lives in that person's household.



917 "City official" or "official" means the Mayor, Councilmember, advisory Commissioner or  
918 Boardmember under the ordinances of the city, or who is a member of a committee or task  
919 force of the city.

920 "Official act" or "action" means any legislative, administrative, appointive or discretionary  
921 act of any officer of the city or any committee or commission thereof.

922 "Organization" means any corporation, partnership, firm or association, whether organized  
923 for profit or non-profit.

924 "Political activity" means any act for the purpose of influencing the nomination or election of  
925 any person to public office, or for the purpose of influencing the outcome of any ballot  
926 proposition or question. Informing the public about a ballot proposition or question without  
927 attempting to influence the outcome of the ballot proposition or question is not political  
928 activity.

929 **PROHIBITED ACTS.**

930 Official Action. A city official shall not participate in any official action in which he has a  
931 financial interest. An official who is a voting member of the council, a commission, or other  
932 agency shall identify any financial conflicts of interest in accordance with (the ordinance  
933 regarding conflict of interest).

934 Business Prohibition. No official may engage in business with the city when that person has  
935 had substantial involvement in planning, recommending or otherwise supporting the project  
936 or transaction in issue. No official shall attempt to influence the city's selection of any bid or  
937 proposal, or the city's conduct of business, in which the official has a financial interest. Newly  
938 elected or appointed officials who have pre-existing contracts with the city may fulfill the  
939 terms and conditions of such contracts without penalty.

940 Use of Office for Personal Gain. No official shall seek or hold office or position for the purpose  
941 of obtaining anything of value for himself, his immediate family or a business that he owns or  
942 in which he holds an interest or for any matter in which he has a financial interest. This  
943 prohibition shall not apply to the receipt of authorized remuneration for the office or  
944 position.

945 Inappropriate Use of Office Title/Authority. No official, elected or appointed, shall use the  
946 implied authority of their position for the purposes of unduly influencing the decisions of  
947 others, or promoting a personal interest within the community. Councilmembers will refrain  
948 from using their title except when duly representing the city in that capacity. Unless duly  
949 appointed by the

950 Mayor and/or Council to represent the interests of the full council, councilmembers shall  
951 refrain from implying their representation of the whole by the use of their title.

952 Representing Private Interests. No official shall represent, for compensation, or assist those  
953 representing private business or personal interests before the city council, administration, or  
954 any city board, commission or agency. Nothing herein shall prevent an official from making  
955 verbal or written inquiries on behalf of constituents or the general public to elements of city  
956 government or from requesting explanations or additional information on behalf of such  
957 constituents. No official may solicit a benefit or anything of value or accept same from any  
958 person for having performed this service.

959 Confidential Information. No official may disclose information he knows to be confidential  
960 concerning the property, government, or affairs of the city unless authorized or required by  
961 law to do so.

962 Outside Activities. An official may not engage in business or accept employment with, or  
963 render services for, a person other than the city or hold an office or position where that  
964 activity or position is incompatible with the proper discharge of his city duties or would tend  
965 to impair his independence of judgment in performing his city duties. This prohibition shall  
966 include but not be limited to the following activities:

967 1. A person who holds an appointed city office shall not be eligible for employment with the  
968 city, during their term of office, in the department that the appointed commission has  
969 jurisdiction over until one year has elapsed following the term of appointment. An exception  
970 may be made with the approval of the city council.

971 2. A person who holds or has held an elective city office shall not be eligible for appointment  
972 to an office or for employment with the city until one year has elapsed following the term for  
973 which he was elected or appointed. An exception may be made with the approval of the city  
974 council.

975 Gratuities. No official shall accept a gratuity from any person engaging in business with the  
976 city or having a financial interest in a decision pending with the city. No official shall give a  
977 gratuity to another official for the purpose of influencing that person's opinion, judgment,  
978 action, decision or exercise of discretion as a city official. This subsection does not prohibit  
979 accepting:

- 980 1. A meal;
- 981 2. Discounts or prizes that are generally available to the public or large sections thereof;
- 982 3. Gifts presented by employers in recognition of meritorious service or other civic or public  
983 awards;
- 984 4. A candidate for public office accepting campaign contributions;
- 985 5. An occasional non-pecuniary gift insignificant in value;
- 986 6. Any gift which would have been offered or given to him if he were not an official.

987 Use of City Property. No official may request or permit the use of city vehicles, equipment,

988 materials or property for non-city purpose, including but not limited to private financial gain,  
989 unless that use is available to the general public on the same terms or unless specifically  
990 authorized by the city council.

991 Political Activities, Limitations of Individuals. Appointed officials may not take an active part  
992 in a political campaign or other matter to be brought before the voters when on duty.  
993 Nothing herein shall be construed as preventing appointed officials from exercising their  
994 voting franchise, contributing to a campaign or candidate of their choice, or expressing their  
995 political views when not on duty or otherwise conspicuously representing the city.

996 Political Activity, Limitation on City Government. The city may prepare and disseminate  
997 general, objective information about the issues to be voted on in local elections. Such  
998 material shall be devoid of biased statements or slant and, where appropriate, may contain  
999 pro and con statements of equal weight and value.

1000 Influencing Another Council Member's Vote. A city council member may not attempt to  
1001 influence another council member's vote or position on a particular item through contact  
1002 with a city council member's employer or by threatening financial harm to another city  
1003 council member.

1004

1005 **BUSINESS DEALINGS WITH CITY.**

1006

1007 Before a city official or an organization or entity in which the official has a financial interest,  
1008 engages in business with the city, the official shall file with the city clerk a statement, under  
1009 oath, setting forth the nature of such business dealings and his interest therein, not less than  
1010 ten days before the date when official action may be taken by the council or by any officer,  
1011 commission or other agency of the city upon the matter involved. If all other provisions of this  
1012 section are complied with, the statement shall be sufficient for continuing transactions of a  
1013 similar or like nature for one year from the date of its filing. However, if an official has violated  
1014 any of the provisions of this section, he shall be precluded from dealing with the city on that  
1015 particular matter.

1016 Upon taking office, or upon subsequently acquiring the interest, and official shall file with the  
1017 city clerk a statement disclosing any financial interests of the official in an organization  
1018 engaging in business with the city.

1019

1020 **PUBLIC DISCLOSURE.**

1021

1022 a. Each city official must annually file a conflict of interest disclosure using forms  
1023 substantially the same as the following selected schedules from the Alaska Public Offices  
1024 Commission Public Official Financial Disclosure Statement: Schedules B (business interests),  
1025 C (real property interests / rent to own), E (the portion relating to natural resource leases  
1026 only), F (government contracts and leases) and G (close economic associations). The city

1027 clerk shall provide the forms to each city official. The city clerk may make such alterations to  
1028 the forms as may be necessary to make them applicable to the city and city officials.

1029         b. The annual disclosures must be filed by November 1 each year. A newly appointed  
1030 official must file a disclosure within 30 days of taking office. Each candidate for elected city  
1031 office must file a disclosure at the time he or she files a declaration of candidacy, except an  
1032 incumbent seeking reelection with a current disclosure on file. Refusal or failure of a  
1033 candidate to file the required disclosure before the end of the time period for filing  
1034 declarations of candidacy shall require that the candidate's declaration of candidacy be  
1035 rejected and the candidate disqualified.

1036         c. The disclosures must be true, correct and complete and shall be signed         under  
1037 oath or affirmation, or certified to be true under penalty of perjury.

1038         d. The disclosures shall be filed with the city clerk and shall be open to public  
1039 inspection and copying at the office of the city clerk. The disclosures will not be sent to the  
1040 Alaska Public Offices Commission. (Ord 07-35(A-2), 10/23/07).

1041  
1042 **All procedures regarding code of ethics are attached in Appendix C and in HCC Chapter 1.19**  
1043 **Board of Ethics.**  
1044

1045 **NOTICE**

1046 ADDRESSING THE CITY COUNCIL

1047  
1048 In order to address the City Council, please:

- 1049 1. Mayor will call for public comments as appropriate on the agenda.
- 1050
- 1051 2. Take the public testimony place in front of the Council table, print your name on the sign in sheet, also
- 1052 address and indicating whether you are a resident of the City.
- 1053
- 1054 3. Address the Council as a body.
- 1055
- 1056

1057 PUBLIC COMMENTS

1058 There are four places on the agenda where citizens may address the Council.

- 1060 1. **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**, Item 3. This item is on the agenda so
- 1061 you may speak on any item on the agenda, unless the matter is listed under Public Hearings or Visitors.
- 1062 The Mayor will provide time limitations on presentations based on the volume of business before the
- 1063 Council. Changes to the agenda occur just before this item, so if any item is removed you may not
- 1064 address it here; if an item is added, you may. When in doubt, clarify with the Chair. (Mayor or Mayor Pro
- 1065 Tem)
- 1066
- 1067 2. **PUBLIC HEARINGS**, Item 9. Public Testimony is taken on any of the matters listed under the public
- 1068 hearing portion of the agenda. Agendas and public hearing information are available at the table in
- 1069 back of the Council Chamber. Public Hearing testimony may be time limited by the Mayor.
- 1070
- 1071 3. **VISITORS**, Item 7. This place is for presentations previously arranged with the City Clerk, approved by the
- 1072 Mayor and listed on the agenda. Comments on a visitor's presentation by the audience is restricted to
- 1073 Item 15, Comments of the Audience.
- 1074
- 1075 4. **COMMENTS OF THE AUDIENCE**, Item 15. You may address the Council regarding any matter at this point.
- 1076 The Mayor may time limit remarks.
- 1077
- 1078

1079 **TIME LIMITATIONS:** Public comments are limited to no more than 3 minutes per person, per issue unless

1080 authorization to speak longer is granted by Council action. The Mayor may limit the time for public comments,

1081 public testimony and Audience Comments. In the interest of time, it may be desirable to have one

1082 spokesperson for special interest groups making a statement to the Council.

1083 **WRITTEN MATERIAL TO COUNCIL:** Written material presented to Council on the night of the meeting should

1084 also be given to the City Clerk to be added to the record.

1085 **RECORDING:** This meeting is being recorded and amplified. Please speak up so that a clear recording of your

1086 comments can be made and others can hear you.

1087 **BOARD OF ADJUSTMENT** HCC 21.93.510(a) restricts the Council when sitting as a Board of Adjustment from

1088 considering allegations of new evidence or changed circumstances and shall make its decision based solely on

1089 the record as prepared by the Clerk.

1090  
1091 THANK YOU, YOUR INPUT IS VALUABLE.

RESOURCE MATERIALS

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~~After a Councilmember has been sworn in the City Clerk's Office will issue the following items of reference to them:~~

- ~~A.~~ A. Homer City Code
- ~~B.~~ B. City of Homer Personnel Regulations
- ~~C.~~ C. Alaska Statutes, Title 29
- ~~D.~~ ~~Elected Officials Handbook~~
- ~~E.~~ **D.** City of Homer Directory
- ~~F.~~ **E.** Comprehensive Plan
- ~~G.~~ **F.** City of Homer Procurement Policy
- ~~H.~~ **G.** Current Calendar Year - Line Item Budget
- ~~I.~~ **H.** Parliamentary Procedure at a Glance
- ~~J.~~ **I.** Five Year Capital Improvement Plan
- ~~K.~~ **J.** Comprehensive Financial Statement
- ~~L.~~ **K.** A.M.L. Elected Officials Handbook
- ~~M.~~ **L.** COUNCIL'S OPERATING MANUAL, NEWEST VERSION
- ~~N.~~ **M.** ~~OPEN MEETINGS ACT BOOKLET, BY GORDON TANS~~ **LEGAL ISSUES FACING THE HOMER CITY COUNCIL AND HOMER'S COMMISSIONS AND BOARDS, BY HOLLY WELLS**

~~Upon expiration of term, please return these items to the City Clerk's Office so they may be updated and re-issued to the newly elected official.~~

~~A wealth of resource information, reports, studies, and city historical information is available at the City Hall Library. Contact the City Clerk's Office for assistance.~~

**Resource materials are available on the City of Homer webpage. Councilmembers may**

1138 request copies from the City Clerks Office.

1139  
1140  
1141 **Homer City Council**  
1142 **Tablet Usage Policy**  
1143

1144 **1. Purpose**

- 1145 a. The City of Homer recognizes that the use of digital communications has  
1146 become necessary to conduct official business. This policy strives to ensure  
1147 that the Mayor and Council Members are able to be issued a device which will  
1148 enable them to utilize digital communications in a manner consistent with  
1149 their role as an elected official and applicable law.  
1150

1151 **2. Ownership**

- 1152 a. One tablet computer and accessory package (tablet) will be issued to the  
1153 Mayor and each member of Council. Tablets issued under this policy will  
1154 remain the property of the City of Homer. The Mayor and members of Council  
1155 will have no ownership, interest, or right to title of the tablet.  
1156 b. Each recipient issued a tablet is responsible for the security and care of that  
1157 tablet, regardless of where the tablet is used.  
1158 c. All tablets will be covered by a hardware warranty and supplemental support  
1159 plan through the manufacturer or a third party. The exact details of the  
1160 coverage and remaining term will be outlined on the equipment receipt form.  
1161 d. Upon vacating elected or appointed seat, each tablet recipient will ensure that  
1162 their tablet is returned to the City Clerk, who will ensure that the tablet  
1163 reimaged and will reissue the unit to the next holder of that seat.  
1164

1165 **3. License Agreements**

- 1166 a. The City of Homer is the sole licensee of the software included with the tablet.  
1167 Any copying, modification, merging, or distribution of the software by the  
1168 recipient, including written documentation, is prohibited. The recipient is  
1169 responsible for complying with any and all hardware, software and service  
1170 provider licensing agreements, terms of use, and applicable state and federal  
1171 copyright and other intellectual property protections. Violation of any such  
1172 licenses, terms, or laws shall constitute a violation of this policy.  
1173

1174 **4. Liability**

- 1175 a. Recipients are responsible for all material sent by and/or stored on the tablet  
1176 issued to them which they will knowingly and intentionally send or  
1177 store/install. Recipients accept responsibility for keeping their tablet free from  
1178 all inappropriate or dangerous files.

1179                   b. The City of Homer is not liable for any inappropriate material sent by and/or  
1180                   stored on tablets issued under this policy outside of the scope of use expected  
1181                   by a city official.  
1182

1183                   **5. Email Usage**

1184                   a. The recipient of a device under this policy agrees to conduct all email  
1185                   communications which are stored on this device through their assigned City  
1186                   email account. All emails sent through the City’s email system are archived  
1187                   and retained by the City in a manner consistent with the City’s Record  
1188                   Retention Policy.

1189                   b. Syncing personal email accounts to the issued device, other than the  
1190                   recipient’s assigned City email account, is prohibited.  
1191

1192                   **6. Acceptable Use**

1193                   a. The City of Homer only authorizes use of its tablets in a manner that supports  
1194                   the recipient’s role as an elected official of the City.

1195                   b. The device may only be used for limited personal use; that does not interfere  
1196                   with the ability of the device to be used for official intended purposes.

1197                   c. Use of the tablet for any political use including but not limited to campaigning  
1198                   is expressly forbidden.  
1199

1200                   **7. Privacy**

1201                   a. All communications made via devices covered under this policy are subject to  
1202                   disclosure under the Open Records Act or for litigation purposes unless a  
1203                   privilege or exception exists that justify withholding the records.  
1204

1205                   **8. Installation of applications**

1206                   a. The installation of applications is limited to applications that are consistent  
1207                   with the terms listed in this policy and are available through the tablet’s  
1208                   application store.

1209                   b. Applications will only be licensed and installed by the Information Technology  
1210                   Manager and his staff.

1211                   c. Modification of the tablet’s operating system to allow installation of  
1212                   applications not approved by the manufacturer and/or not available through  
1213                   the “application store” is prohibited.

1214                   d. Applications for personal use that do not interfere with city use may be  
1215                   allowed by the IT Manager on a case by case basis.  
1216

1217                   **9. Care of the Device**

1218                   a. Recipients are responsible for the general care of the device issued under this  
1219                   policy. The tablet must remain free of any writing, drawing, stickers, or labels



1220 that are not property of the City. Only a clean microfiber cloth, like what is  
1221 used to clean eyewear, should be used when cleaning the screen.  
1222

1223 **10. Loss and Damage**

- 1224 a. Recipients of tablets under this policy are encouraged to keep the device safe  
1225 and in good working order. If a user demonstrates extreme negligence with a  
1226 device, or loses a replacement device within 18 months of being issued a  
1227 replacement, then he or she shall be financially responsible for the cost of the  
1228 replacement.
- 1229 b. Loss of or damage to a City of Homer tablet and/or accessory must be reported  
1230 immediately to City staff.
- 1231 c. Recipients must not modify, upgrade, or attempt to repair tablets and/or  
1232 accessories issued under this policy without the express permission of the City  
1233 of Homer Information Technology Manager. All repairs must be made through  
1234 the provided protection plan. Repairs not covered by the supplied protection  
1235 plan which are determined to be caused by negligence, shall be covered by the  
1236 recipient. (Reso 13-035(A), 04/08/13).

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**Homer City Council**  
**Off-site Equipment Receipt**

I \_\_\_\_\_ agree and understand that I have received the below listed equipment in good working order.  
I acknowledge having received, read, and understood the Homer City Council Tablet Use Policy.  
I agree that this equipment will be used solely for the conduct of City business, and in accordance with any and all Homer City Council policies, and applicable laws.  
I will return the equipment in good working order, with allowance for normal wear and tear.  
I understand that I must provide an inventory of all City of Homer provided equipment used off-site annually, and sign another equipment receipt for same.

Manufacturer	Model	Serial Number	Remarks

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
(Equipment Recipient)

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
(Information Technology Manager)

1269 APPENDIX A

1270

1271 2.08.100 Teleconference participation in meetings.

1272

1273 a. This section through HCC 2.08.120 govern the telephonic participation of the Mayor and  
1274 members of the Council at all meetings of the City Council, including all other bodies that are  
1275 comprised of the Mayor and members of the Council, such as, but not limited to, the Board of  
1276 Adjustment and an Ethics Board.

1277

1278 b. The preferred procedure for City Council meetings is that the Mayor and all Council  
1279 members should be physically present at the designated time and location within the City for  
1280 the meeting. However, physical presence may be waived and the Mayor and any member(s)  
1281 may participate in a Council meeting by teleconference, subject to the procedures and  
1282 limitations provided in this section through HCC 2.08.120.

1283

1284 c. A person participating by teleconference shall, while actually on the teleconference, be  
1285 deemed to be present at the meeting for all purposes. The person shall make every effort to  
1286 participate in the entire meeting.

1287

1288 d. If the Mayor participates telephonically, the Mayor may vote telephonically to break a tie as  
1289 permitted in HCC 2.08.040(h), but the Mayor Pro Tem, or the senior Council member in the  
1290 Mayor Pro Tem's absence, shall preside over and perform all other functions of the Mayor at  
1291 the meeting.

1292

1293 e. "Teleconferencing" means a means used for remote participation by an official for a  
1294 meeting of the City Council which must enable the remote official, for the duration of the  
1295 meeting, to clearly hear the Mayor, all Council members, the City Clerk and public testimony  
1296 and to be clearly heard by the Mayor, all Council members, the City Clerk and the public in  
1297 attendance. [Ord. 19-05(A) § 1, 2019; Ord. 16-58(A) § 1, 2017; Ord. 07-45(A)(S) § 1, 2007. Code  
1298 1981 § 1.24.100].

1299

1300 2.08.110 Teleconference procedures.

1301

1302 a. A Mayor or Council member who cannot be physically present for a regularly scheduled  
1303 Council meeting shall notify the City Clerk at least five days prior to the scheduled time for  
1304 the meeting of his or her request to participate in the meeting by telephonic means of  
1305 communication.

1306

1307 b. Three days prior to the scheduled time for the Council meeting, the City Clerk shall notify  
1308 the Mayor and Council of the person's request to participate by teleconference.

1309

1310 c. At the commencement of the Council meeting a telephonic connection will be established

1311 with the person or persons intending to participate telephonically. After a telephonic  
1312 connection is established the Mayor shall call for a vote of the Council on whether the  
1313 person(s) may or may not participate by telephone. Prior to the vote, the Mayor or Council  
1314 members may make such inquiries as necessary to make a decision. Only the Council  
1315 members physically present may vote on the question. If a person participates in the meeting  
1316 telephonically without a ruling from the Council, it shall be deemed to be with the approval of  
1317 such participation by the Council, and all actions taken by the Council with the participation  
1318 of all such persons are valid.

1319  
1320 If telephonic participation is interrupted due to poor connectivity that hinders the active  
1321 participation of a member in the meeting the Mayor will request a brief recess to allow the  
1322 person an attempt to reestablish a connection. If the person cannot reestablish a clear  
1323 connection after a recess, the Mayor shall call for a vote of the Council on whether to  
1324 terminate telephonic participation. Prior to the vote, the Mayor or Council members may  
1325 make such inquiries as necessary to make a decision. If a majority of the Council votes to  
1326 terminate telephonic participation, the record will indicate such and the member  
1327 participating telephonically shall not be called upon to comment or vote. The Council's  
1328 determination is final and not subject to veto or appeal.

1329  
1330 d. Subsections (a) and (b) of this section do not apply to special meetings or emergency  
1331 meetings of the City Council called under HCC 1.14.030 and 1.14.050. A Council member or  
1332 Mayor who requests to participate in a special or emergency meeting of the City Council must  
1333 notify the City Clerk before the time scheduled for the start of the meeting. The Clerk will  
1334 notify the Mayor and Council no later than the commencement of the meeting. After a  
1335 telephonic connection is established with the person or persons requesting to participate  
1336 telephonically, a ruling shall be made on the person's participation in the meeting as  
1337 provided in subsection (c) of this section.

1338  
1339 e. The means used for a teleconference meeting of the City Council must enable each  
1340 member appearing telephonically to clearly hear the Mayor, all other Council members, and  
1341 public testimony at the meeting as well as be clearly heard by all other Council members and  
1342 members of the public in attendance.

1343  
1344 f. The City Clerk shall note in the journal of the proceedings of the City Council all members  
1345 appearing telephonically.

1346  
1347 g. To the extent practicable, materials to be considered by the Council shall be made  
1348 available to those attending by teleconference. [Ord. 19-05(A) § 1, 2019; Ord. 07-45(A)(S) § 2,  
1349 2007. Code 1981 § 1.24.110].

1350  
1351 2.08.120 Teleconference – Limitations.

1352

1353 a. All Council members and the Mayor should make all reasonable effort to be physically  
1354 present for every meeting. Teleconference procedures may not be used as a regular means of  
1355 attendance at meetings.

1356  
1357 b. Participation by teleconference may be denied whenever the physical presence of the  
1358 individual is considered essential to effective participation in the meeting or to the proper  
1359 conduct of the business to be addressed at the meeting.

1360  
1361 c. If teleconferencing is denied the individual will be listed as absent.

1362  
1363 d. Each Council member and the Mayor may attend a maximum of three City Council  
1364 meetings by teleconference during the 12-month period commencing November 1st each  
1365 year. If a member participates in any part of a regularly scheduled meeting telephonically, it  
1366 will count towards their maximum allowable telephonic participations.

1367  
1368 e. Each Council member and the Mayor may attend additional teleconferences as a special  
1369 exception if expressly approved for good cause in each instance by a vote of the Council.  
1370 Good cause may include, but is not limited to, absence required for work-related travel or  
1371 medical care needed for the individual or the individual's immediate family.

1372  
1373 f. No Council member or the Mayor shall attend by telephonic means:

- 1374  
1375 1. An executive session of the City Council.  
1376 2. A hearing on an ethics charge under Chapter 1.18 HCC. [Ord. 19-05(A) § 1, 2019; Ord. 07-  
1377 45(A)(S) § 3, 2007. Code 1981 § 1.24.120].

1378  
1379 APPENDIX B.

1380  
1381 ~~Homer City Code 1.18 reads as follows: (MOVE TO APPENDIX)~~

1382  
1383 1.18.010 Purpose.

1384 a. The proper functioning of democratic government requires ethical behavior by public  
1385 officials. Ethics involves the commitment to take individual responsibility in creating a  
1386 government that has the trust and respect of its citizens. The purpose of this chapter is to set  
1387 reasonable standards of conduct for City officials and the City Manager so that the public may  
1388 be assured that its trust in such persons is well placed and that the City officials and the City  
1389 Manager themselves are aware of the standards of conduct demanded.

1390  
1391 b. However, recognizing that Homer is a small community, with a limited number of people  
1392 interested in serving as community leaders, it is not the intent of this chapter to set  
1393 unreasonable barriers that will serve only to deter aspirants from public service.

1394

1395 c. This chapter also defines conflict of interest and partiality, the standards stating when and  
1396 to whom it applies, and the procedures for declaration and the proper action of the body  
1397 when possible conflicts and partiality arise.

1398  
1399 d. This chapter is also intended to establish a process which will ensure that complaints or  
1400 inquiries regarding the conduct of City officials and the City Manager are resolved in the  
1401 shortest practicable time in order to protect the rights of the public at large and the rights of  
1402 the City and the City Manager.

1403  
1404 e. The City Council intends this code to be interpreted to promote fair, honest, and impartial  
1405 dealings with members of the public, to ensure proper use of City resources, and to avoid  
1406 conflicts of interest.

1407  
1408 f. This chapter does not create or prevent a private cause of action against any person, City  
1409 official, or the City Manager. [Ord. 08-24(S-2)(A), 2008].

1410  
1411 1.18.020 Definitions.

1412  
1413 As used in this chapter and unless otherwise provided or the context otherwise requires, the  
1414 following terms shall have the meanings set forth in this section:

1415  
1416 “Applicant” means any person that is applying for an official action by any official, employee,  
1417 or body of the City including but not limited to:

- 1418       1. Any person authorized to act for the applicant;  
1419       2. If the applicant is an organization, any person who has an ownership interest in the  
1420 organization or serves as an officer, director or manager of the organization.

1421  
1422 “Body of the City” means the City Council and the boards, commissions, committees and task  
1423 forces appointed by the City Council or the Mayor.

1424  
1425 “City Manager” means the person who is hired by the City Council to manage the City of  
1426 Homer.

1427  
1428 “City official” means a person who holds elective office under the ordinances of the City, or  
1429 who is a member of a board or commission whose appointment is subject to confirmation by  
1430 the City Council.

1431  
1432 “Financial interest” means:

- 1433       1. An interest currently held by that person or an immediate family member including:  
1434           a. Involvement or ownership in a business; or  
1435           b. Property ownership, or a professional or private relationship, that is a source  
1436 of income, or from which, or as a result of which, a person receives a financial

1437 benefit; or  
1438 c. An affiliation with an organization in which the person holds a position of  
1439 management, or is an officer, director, trustee, employee, or the like.

1440  
1441 2. Financial interest does not include:  
1442 a. Affiliation as unpaid volunteer with a legally recognized nonprofit organization; or  
1443 b. Financial interests of a type which are generally possessed in common with all  
1444 other citizens or a large class of citizens.

1445  
1446 “Gratuity” means a thing having value given voluntarily or beyond lawful obligation.

1447  
1448 “Hired consultants and contractors” means a person or organization hired by the City as an  
1449 independent contractor and not as an employee.

1450  
1451 “Immediate family member” means:  
1452 1. The spouse of the person;  
1453 2. A life partner or person cohabiting with the person;  
1454 3. A child, including a stepchild and an adoptive child, of the person;  
1455 4. A parent, sibling, or grandparent of the person; and  
1456 5. A parent or sibling of the person’s spouse.

1457  
1458 “Impartial” means acting in a manner that the City official believes is in the public’s best  
1459 interest and not acting to benefit a financial or personal interest of the City official.

1460  
1461 “Large class of citizens” means a substantially large group of citizens as decided by official  
1462 decision of the City Council made prior to the official action in question.

1463  
1464 “Large class of citizens” does not include:  
1465 1. A single profession, regardless of the number of persons.  
1466 2. An individual business or organization regardless of the number of citizens it  
1467 contains.

1468  
1469 “Official action” means a recommendation, decision, approval, disapproval, vote, or other  
1470 similar action, including inaction (when it is the equivalent of decision to take negative  
1471 action), made while serving in the capacity of City official or City Manager, whether such  
1472 action or inaction is administrative, legislative, quasi-judicial, advisory, or otherwise.

1473  
1474 “Organization” means any business, corporation, partnership, firm, company, trust,  
1475 association, or other entity, whether organized for profit or nonprofit.

1476  
1477 “Partiality” applies only in quasi-judicial proceedings and means:  
1478 1. The ability of a member of the quasi-judicial body to make an impartial decision is

- 1479 actually impaired; or  
1480 2. The circumstances are such that reasonable persons would conclude the ability of  
1481 the member to make an impartial decision is impaired and includes, but is not limited  
1482 to, instances in which:  
1483 a. The member has a personal bias or prejudice for or against a party to the  
1484 proceeding including a party's lawyer;  
1485 b. The member or an immediate family member is a party, material witness to  
1486 the proceeding or represents a party in the proceeding.

1487  
1488 "Person" means a natural person or an organization.

1489  
1490 "Political activity" means any act for the purpose of influencing the nomination or election of  
1491 any person to public office, or for the purpose of influencing the outcome of any ballot  
1492 proposition or question. Informing the public about a ballot proposition or question without  
1493 attempting to influence the outcome of the ballot proposition or question is not political  
1494 activity.

1495  
1496 "Subject of the action" means anything under consideration for official action including but  
1497 not limited to:

- 1498 1. Appointments to any office or position of employment;  
1499 2. Any contract, project, property, or transaction subject to the action;  
1500 3. A platting, vacation or subdivision action;  
1501 4. An application for or other consideration of a license, permit, appeal, approval,  
1502 exception, variance, or other entitlement;  
1503 5. A rezoning; and  
1504 6. Appeals and quasi-judicial proceedings.

1505  
1506 "Substantial financial interest" means a financial interest that would result in a pecuniary  
1507 gain or loss exceeding \$1,000 in a single transaction or more than \$5,000 in the aggregate in  
1508 12 consecutive months. [Ord. 08-24(S-2)(A), 2008].

1509  
1510 1.18.025 Scope and duration.

1511 a. Except as otherwise provided in this chapter, this chapter applies to the conduct of City  
1512 officials and the City Manager.

1513  
1514 b. Enforcement proceedings may be commenced and continue to completion after a person  
1515 is no longer a City official or City Manager for conduct that occurred during the time the  
1516 person was serving or engaged in such a capacity for the City. [Ord. 08-24(S-2)(A), 2008].

1517  
1518 1.18.030 Standards and prohibited acts.

1519 a. City officials, the City Manager, and City hired consultants and contractors, while acting in  
1520 such capacity, shall not knowingly make false statements to influence official action.



1521  
1522 b. Official Action. No City official or the City Manager shall participate in any official action in  
1523 which:  
1524 1. The person is the applicant, a party or has a substantial financial interest in the  
1525 subject of the official action.  
1526 2. Within a period of one year after the action the person will have a substantial  
1527 financial interest in the subject of the official action.  
1528 3. The person resides or owns land within a 300-foot periphery of any property that is  
1529 the subject of any action.  
1530 4. The person does or will recognize a substantial financial interest as a result of the  
1531 action.  
1532 5. Exceptions.  
1533 a. This subsection does not prohibit a person from acquiring a substantial  
1534 financial interest in the subject of the action after the longer of 12 months after  
1535 the official action is approved, or 12 months after the person's term or  
1536 employment ends.  
1537 b. This section does not prohibit any gain or loss that would generally be in  
1538 common with all other citizens or a large class of citizens.  
1539 c. This section does not prohibit any gain or loss that would generally be in  
1540 common with other property owners on property that is further than 300 feet from the  
1541 periphery of any property that is the subject of an action.  
1542  
1543 c. City officials and the City Manager acting in the course of their official duties are allowed to  
1544 participate in official actions on behalf of the City or when the City itself is the applicant or  
1545 subject of the action.  
1546  
1547 d. Undue Influence. No City official or the City Manager shall attempt to influence the City's  
1548 selection of any bid or proposal, or the City's conduct of business, in which the City official or  
1549 the City Manager has a substantial financial interest. This subsection does not prohibit a City  
1550 official or the City Manager from being an applicant while holding City office or City position,  
1551 if the person takes no official action concerning his or her own application. A City official or  
1552 City Manager may give testimony and make appearances before City bodies on his or her own  
1553 behalf.  
1554  
1555 e. Participation in Appointments. No City official shall participate in, vote on, or attempt to  
1556 influence the selection of an appointee to any board, commission or committee (1) having  
1557 authority to take official action on any pending matter or application in which that official  
1558 has a substantial financial interest or (2) if that official has a substantial financial interest  
1559 with a nominee for the appointment.  
1560  
1561 f. No official shall participate in, vote on, or attempt to influence the selection of an  
1562 appointee to the Homer Advisory Planning Commission if that official has, or could

1563 reasonably be expected to have within one year after the date of the appointment:  
1564 1. A rezoning, quasi-judicial or platting action pending before the Commission; or  
1565 2. An application that would require approval by a quasi-judicial or platting action of  
1566 the Commission.

1567  
1568 In the case of the reappointment of an incumbent to another term, the prohibition above also  
1569 applies to an official who had such a matter pending before the Homer Advisory Planning  
1570 Commission within one year before the date of the reappointment. The Board of Ethics may,  
1571 upon written request, grant an exception to this one-year period when it determines the  
1572 public interest does not require continuing enforcement of the prohibition.

1573  
1574 g. Use of Office for Personal Gain. No City official or the City Manager shall seek office or  
1575 position or use their office or position for the purpose of obtaining anything of value for  
1576 themselves, an immediate family member or a business that they own or in which they hold  
1577 an interest, or for the purpose of influencing any matter in which they have a financial  
1578 interest. This subsection does not prohibit the receipt of authorized remuneration for the  
1579 office or position.

1580  
1581 h. Inappropriate Use of Office Title or Authority. No City official or the City Manager shall use  
1582 the implied authority of office or position for the purposes of unduly influencing the decisions  
1583 of others, or promoting a personal interest within the community. City officials and the City  
1584 Manager will refrain from using their title except when duly representing the City in an  
1585 authorized capacity. Unless duly appointed by the Mayor or Council to represent the interests  
1586 of the full Council, Council members shall refrain from implying their representation of the  
1587 whole by the use of their title.

1588  
1589 i. Representing Private Interests. No City official shall, for compensation, represent or assist  
1590 those representing private business or personal interests before the City Council,  
1591 administration, or any City board, commission or agency. Nothing herein shall prevent an  
1592 official from making verbal or written inquiries on behalf of constituents or the general public  
1593 to elements of City government or from requesting explanations or additional information on  
1594 behalf of such constituents. No official may solicit or accept a benefit or anything of value  
1595 from any person for having performed this service.

1596  
1597 j. Confidential Information. No City official or the City Manager may disclose information they  
1598 know to be confidential concerning employees of the City, City property, City government, or  
1599 other City affairs, including but not limited to confidential information disclosed during an  
1600 executive session, unless authorized or required by law to do so.

1601  
1602 k. Outside Activities. A City official or the City Manager may not engage in business or accept  
1603 employment with, or render services for, a person other than the City or hold any office or  
1604 position where that activity, office, or position is incompatible with the proper discharge of

1605 the official's or City Manager's City duties or would tend to impair the official's or the City  
1606 Manager's independence of judgment in performing City duties. This prohibition shall include  
1607 but not be limited to the following activities:

1608 1. A person who holds an appointed City office on a board or commission shall not be  
1609 eligible for employment with the City in the department related to the board or  
1610 commission during the official's term of office and until one year has elapsed  
1611 following the period of service. An exception may be made on a case-by-case basis  
1612 with the express authorization of the City Council.

1613 2. A person who holds or has held an elective City office shall not be eligible for  
1614 appointment to an office or for employment with the City during the official's period  
1615 of service and until one year has elapsed following the period of service. An exception  
1616 may be made on a case-by-case basis with the express authorization of the City  
1617 Council.

1618  
1619 l. Gratuities. No City official or the City Manager shall accept a gratuity from any person  
1620 engaging in business with the City or having a financial interest in a decision pending with the  
1621 City. No City official or the City Manager shall give a gratuity to another City official for the  
1622 purpose of influencing that person's opinion, judgment, action, decision or exercise of  
1623 discretion as a City official. This subsection does not prohibit accepting:

- 1624 1. A meal of reasonable value;  
1625 2. Discounts or prizes that are generally available to the public or large sections  
1626 thereof;  
1627 3. Gifts presented by an employer to its employees in recognition of meritorious  
1628 service, or civic or public awards;  
1629 4. A lawful campaign contribution made to a candidate for public office;  
1630 5. An occasional nonpecuniary gift insignificant in value;  
1631 6. Any gift which would have been offered or given to them if they were not a City  
1632 official or the City Manager.

1633  
1634 m. Use of City Property. No City official, the City Manager, or City hired consultant or  
1635 contractor may use, request or permit the use of City vehicles, equipment, materials or  
1636 property for any non-City purpose, including but not limited to private financial gain, unless  
1637 that use is available to the general public on the same terms or unless specifically authorized  
1638 by the City Council. This subsection does not prohibit de minimis personal use.

1639  
1640 n. Political Activities – Limitations of Individuals. A City official may not take an active part in  
1641 a political campaign or other political activity when on duty. Nothing herein shall be  
1642 construed as preventing such officials from exercising their voting franchise, contributing to a  
1643 campaign or candidate of their choice, or expressing their political views when not on duty or  
1644 otherwise conspicuously representing the City.

1645  
1646 o. Influencing Another City Official's Vote. A City official may not attempt to influence another

1647 City official's vote or position on a particular item through contact with the City official's  
1648 employer or by threatening financial harm to another City official.

1649  
1650 p. City officials or the City Manager shall not participate in public testimony before any City  
1651 body in any matter in which they have a substantial financial interest unless:

- 1652 1. They or the City is the applicant; or  
1653 2. They fully and publicly disclose the nature of their interest in the subject of the  
1654 action.

1655  
1656 q. No City official may violate HCC 2.04.030.

1657  
1658 r. City officials shall act impartially when conducting City business.

1659  
1660 s. At all times during performance of their official duties, Council members shall comply with  
1661 the City's workplace safety policies, harassment prevention, and respectful workplace  
1662 polices as set forth in the employee policy manual. [Ord. 18-14(A), 2018; Ord. 16-48(S)(A) § 1,  
1663 2016; Ord. 08-24(S-2)(A), 2008].

1664  
1665 1.18.040 Business dealings with City.

1666 a. Not less than 10 days before the date when official action may be taken by the Council or  
1667 by any officer, the City Manager, commission or other agency of the City upon business  
1668 dealings between the City and a City official or an organization in which the City official has a  
1669 substantial financial interest, the City official shall file a statement with the City Clerk. The  
1670 statement shall set forth the nature of such business dealings and the City official's interest  
1671 therein. This statement is only required when the person receives a beneficial substantial  
1672 financial interest. If all other provisions of this chapter are complied with, the statement shall  
1673 be sufficient for continuing transactions of a similar or like nature for one year from the date  
1674 of its filing. However, if an official has violated any of the provisions of this chapter, he shall  
1675 be precluded from engaging in business with the City on that particular matter for one year.

1676  
1677 b. Upon taking office or upon subsequently acquiring the interest, an official shall, within 10  
1678 days, file with the City Clerk a statement disclosing any substantial financial interests of the  
1679 official or the City Manager in any existing business with the City, including those of any  
1680 organization in which the official or the City Manager has a substantial financial interest.

1681  
1682 c. The City Manager shall not engage in business with the City outside the duties of City  
1683 Manager. [Ord. 18-14(A), 2018; Ord. 08-24(S-2)(A), 2008].

1684  
1685 1.18.043 Public disclosure.

1686 a. City officials and the City Manager must annually file the following financial interest  
1687 disclosure on forms prepared by the City Clerk:

- 1688 1. For each City official and the City Manager the information that is required on the

1689 following selected schedules from the Alaska Public Offices Commission Public  
1690 Official Financial Disclosure Statement: Schedules B (business interests), C (real  
1691 property interests/rent to own), E (the portion relating to natural resource leases  
1692 only), F (government contracts and leases) and G (close economic associations); and  
1693 2. For each elected City official a list of each business in which an immediate family  
1694 member is a partner, proprietor or employee to the extent not provided in response to  
1695 subsection (a)(1) of this section.

1696  
1697 b. The financial interest disclosure must be filed by November 1st each year. A newly  
1698 appointed official must file a statement within 30 days after taking office. Each candidate for  
1699 elected City office must file a disclosure statement at the time he or she files a declaration of  
1700 candidacy, except an incumbent seeking reelection with a current disclosure statement on  
1701 file. Refusal or failure of a candidate to file the required disclosure statement before the end  
1702 of the time period for filing declarations of candidacy shall require that the candidate's  
1703 declaration of candidacy be rejected and the candidate disqualified.

1704  
1705 c. The disclosure statement must be true, correct and complete and shall be signed under  
1706 oath or affirmation, or certified to be true under penalty of perjury. Not filing a statement  
1707 within the stipulated period is a violation of this chapter.

1708  
1709 d. The disclosure statement shall be filed with the City Clerk and shall be open to public  
1710 inspection and copying at the office of the City Clerk. The disclosure statement will not be  
1711 sent to the Alaska Public Offices Commission. [Ord. 16-26 § 1, 2016; Ord. 08-24(S-2)(A), 2008].

1712  
1713 1.18.045 Procedure for declaring potential conflict of interest – City officials.

1714 a. A City official who has or may have a substantial financial interest in an official action shall  
1715 disclose the facts concerning that interest to the body of the City of which the official is a  
1716 member prior to the body taking any official action. Any member of the body may raise a  
1717 question concerning another member's financial interests, in which case the member in  
1718 question shall disclose relevant facts concerning the official's financial interests in the  
1719 subject of the action.

1720  
1721 b. If the official is a City Council member, the Mayor, or the Mayor Pro Tem in the absence of  
1722 the Mayor, shall rule on whether the Council member must be excused from participation or  
1723 must vote. The ruling may be immediately overridden by a majority vote of the City Council.  
1724 There is no appeal from the action or inaction of the City Council to override or not override  
1725 the ruling of the Mayor.

1726  
1727 c. If the official is not a City Council member, the official may excuse themselves without a  
1728 vote for conflict of interest, otherwise the board, commission, or other body of which the  
1729 official is a member shall by majority vote rule on whether the member must be excused from  
1730 participation, which must be the ruling when the body determines the official has a

1731 substantial financial interest in the official action. There is no appeal from the ruling of the  
1732 body.

1733  
1734 d. The official shall abide by the ruling. If the official is not a City Council member, the ruling  
1735 applies (without the need for further disclosures and rulings) to all subsequent occasions on  
1736 which the same official action comes before the same body, unless there has been a material  
1737 change of circumstances. On each such subsequent occasion, the presiding officer shall note  
1738 for the minutes that the ruling previously made continues in effect.

1739  
1740 e. An official who is ruled to be excused from participation shall leave the official table and  
1741 not vote, debate, testify, or otherwise take part in the official action, except an official who is  
1742 an applicant may testify on his or her own behalf from the public testimony area.

1743  
1744 f. Rule of Necessity. Exceptions to a ruling excusing a member from participation shall be  
1745 made in cases where:

1746 1. By reason of being excused for conflicts of interest the number of members of the  
1747 Council or other body eligible to vote is reduced to less than the minimum number  
1748 required to approve the official action;

1749 2. No other body of the City has jurisdiction and authority to take the official action on  
1750 the matter; and

1751 3. The official action cannot be set aside to a later date, within a reasonable time,  
1752 when the body could obtain the minimum number of members to take action who are  
1753 not excused for conflicts of interest.

1754  
1755 When the body determines this exception applies, then all members, except the applicant  
1756 when the applicant is a member of the body, shall participate in the official action. [Ord. 08-  
1757 24(S-2)(A), 2008].

1758  
1759 1.18.047 Procedure for declaring potential conflicts of interest – City Manager.  
1760 The City Manager who has or may have a substantial financial interest in an official action  
1761 shall disclose the facts concerning the Manager’s financial interests to the City Council prior  
1762 to taking any official action. If the City Council determines the Manager has a substantial  
1763 financial interest in the action, the City Council shall excuse the Manager and assign another  
1764 City employee to the matter. [Ord. 08-24(S-2)(A), 2008].

1765  
1766 1.18.048 Procedure for declaring and ruling on partiality in quasi-judicial matters.  
1767 a. A City official or the City Manager who has partiality concerning a quasi-judicial matter  
1768 shall not advise on matter, adjudicate the matter or serve as a member of a body  
1769 adjudicating the matter.

1770  
1771 b. A City official who is a member of a quasi-judicial body and who has or may have partiality  
1772 concerning a matter to be adjudicated shall disclose the facts concerning the official’s

1773 possible partiality to the body to the parties to the matter prior to the commencement of  
1774 proceedings by the body. Any member of the body, and any party to a matter before the  
1775 body, may raise a question concerning a member's partiality, in which case the member in  
1776 question shall disclose facts concerning the official's possible partiality in the matter.

1777  
1778 c. After such disclosure, the City official may excuse themselves for partiality without a vote of  
1779 the body, otherwise the body (including a body comprised of City Council members when  
1780 serving in a quasi-judicial capacity) shall by majority vote rule on whether the member must  
1781 be excused from participation, which must be the ruling when the body determines the  
1782 official has partiality concerning the matter.

1783  
1784 d. Rule of Necessity. Exceptions to a ruling excusing a member from participation shall be  
1785 made in cases where:

- 1786 1. By reason of being excused for partiality the number of members of the Council or  
1787 other body eligible to vote is reduced to less than the minimum number required to  
1788 approve the official action;
- 1789 2. No other body of the City has jurisdiction and authority to take the official action on  
1790 the matter; and
- 1791 3. The official action cannot be set aside to a later date, within a reasonable time,  
1792 when the body could obtain the minimum number of members to take action who are  
1793 not excused for partiality.

1794  
1795 When the body determines this exception applies, then all members, except the applicant  
1796 when the applicant is a member of the body, shall participate in the official action.

1797  
1798 e. The City Manager who has or may have partiality concerning a quasi-judicial matter over  
1799 which the Manager has decision-making authority shall either (1) appoint another City  
1800 employee to make the decision or (2) disclose the facts concerning the possible partiality to  
1801 the City Council and to the parties to the matter prior to taking any official action. If referred  
1802 to the City Council and the City Council determines the Manager has partiality concerning the  
1803 matter, the City Council shall excuse the Manager and cause another City employee to be  
1804 assigned to decide the matter. [Ord. 08-24(S-2)(A), 2008].

1805  
1806 1.18.060 Advisory opinions.

1807 a. Where any city official or the City Manager has a doubt as to the applicability of any  
1808 provision of this chapter to a particular situation, or as to the definition of terms used herein,  
1809 he may apply in writing to the city attorney for an advisory opinion. The city official or City  
1810 Manager shall have the opportunity to present his interpretation of the facts at issue and of  
1811 the applicability of provisions of the chapter before such advisory opinion is made. The  
1812 request must clearly state it is a request for an advisory opinion under this section of the  
1813 ethics code.

1814

1815 b. Such opinion, until amended or revoked, shall be binding on the city in any subsequent  
1816 actions concerning the public official who sought the opinion and acted on it in good faith,  
1817 unless material facts were omitted or misstated in the request for the advisory opinion. An  
1818 advisory opinion shall be applicable and binding only to the particular set of facts and  
1819 instances of conduct for which it was requested and shall have no force or effect for purposes  
1820 of general application. Such opinion shall not be binding or admissible in evidence in any  
1821 action initiated by any private citizen. (Ord 08-24(S-2)(A) §1, 2008).

1822  
1823 c. Any act or omission taken by any City Official or the City Manager in their official capacity  
1824 based upon the advice of the City Attorney provided in writing, during a Council or  
1825 Commission meeting or acknowledged by the City Attorney in response to a complaint shall  
1826 not be subject to an ethics complaint under Chapter 1.18 HCC. [Ord. 18-14(A), 2018]

1827  
1828  
1829

1830 1.18.070 Violation and penalty.  
1831 Any official who violates any of the provisions of this chapter shall be guilty of a violation  
1832 subject to punishment pursuant to HCC 1.16. (Ord 08-24(S-2)(A) §1, 2008).

1833  
1834 1.18.090 Distribution of Code.  
1835 The city clerk shall cause a copy of this chapter to be distributed to each city official elected  
1836 or appointed before entering upon the duties of his office and to the City Manager upon  
1837 employment. (Ord 08-24(S-2)(A) §1, 2008).

1838  
1839 1.18.100 Application of state statutes.  
1840 a. Nothing in this chapter is intended to curtail, modify, or otherwise circumvent the  
1841 application of the Alaska Statutes to any conduct involving bribery or other offenses against  
1842 public administration.

1843  
1844 b. All municipal officers as defined by Alaska Statutes Chapter 39.50 are exempt from the  
1845 provisions of AS 39.50 relating to conflicts of interest or financial disclosures. (Ord 08-24(S-  
1846 2)(A) §1, 2008).

1847  
1848  
1849  
1850

1851 Chapter 1.19  
1852 BOARD OF ETHICS – COMPLAINTS

1853

- 1854 Sections:
- 1855 1.19.010 Board of Ethics established – General provisions.
  - 1856 1.19.020 Function and authority.
  - 1857 1.19.030 Procedures for violation reporting.



1858 1.19.040 Confidentiality – Initial review.  
1859 1.19.050 Disclosure of complaint of potential violation prohibited.  
1860 1.19.060 Conduct of investigation and standard of proof.  
1861 1.19.070 Deliberations of the Board.  
1862 1.19.080 Decisions on the record.  
1863 1.19.090 Timely completion.  
1864 1.19.100 Sanctions, civil penalties and remedies.  
1865 1.19.110 Board member and hearing officer disclosures.  
1866 1.19.120 Duty of cooperation.  
1867 1.19.130 Settlement of complaints.  
1868 1.19.140 Record of proceedings and public record.  
1869 1.19.150 Limitation period.  
1870  
1871 1.19.010 Board of Ethics established – General provisions.  
1872 a. There is hereby established a Board of Ethics.  
1873  
1874 b. The Board shall be comprised of all members of the City Council and the Mayor. The Mayor,  
1875 or the Mayor Pro Tem in the Mayor’s absence, will serve as presiding officer of the Board. In  
1876 the absence of both, the members of the Board shall elect a presiding officer from among its  
1877 members.  
1878  
1879 c. The City Attorney or other legal counsel for the Board may assist the Board at every stage  
1880 of the proceedings, but shall have no vote.  
1881  
1882 d. A quorum of the Board shall be a majority of all members who are not excused for cause,  
1883 such as being the complainant, the respondent, a witness, having a conflict of interest, or  
1884 other cause for recusal. However, in no event may a quorum be less than three. If no quorum  
1885 of the Board can be established due to conflicts of interest or other cause of recusal, the  
1886 present members of the Board shall direct the Clerk to transfer the complaint to a hearing  
1887 officer.  
1888  
1889 e. Decisions of the Board shall be adopted by a majority of the members who are qualified to  
1890 act on the matter, where a quorum is present.  
1891  
1892 f. Unless the Board delegates such authority to another member or decides that no one shall  
1893 have such authority, and except as provided for hearing officers in subsection (h) of this  
1894 section, the presiding officer shall have authority to make procedural decisions between  
1895 Board meetings on behalf of the Board. Examples of matters that may be decided by such  
1896 delegate include scheduling hearings and other matters, establishing pre-hearing  
1897 requirements and filing deadlines for motions, exhibits, witness lists, hearing briefs, and  
1898 deciding other procedural matters.  
1899

1900 g. The presiding officer shall vote on every question, unless required to abstain for cause, and  
1901 shall not have power to veto any action of the Board.

1902  
1903 h. A hearing officer designated by the City Clerk under HCC 1.19.030(d) shall have sole  
1904 authority to investigate the complaint they have been retained to hear and to make  
1905 procedural decisions regarding the investigation and hearing of that complaint. Except as  
1906 otherwise provided in HCC 1.19.030, the designated hearing officer shall be the sole decision-  
1907 maker and shall comply with the procedures and requirements of this chapter. [Ord. 18-14(A)  
1908 § 5, 2018].

1909  
1910 1.19.020 Function and authority.  
1911 The Board of Ethics or a hearing officer appointed under this chapter has authority to  
1912 perform the following functions:

1913  
1914 a. Investigate reported violations of Chapter 1.18 HCC.

1915  
1916 b. Hear and decide written complaints of violations of Chapter 1.18 HCC.

1917  
1918 c. Hear and decide on requests for exceptions as specified in Chapter 1.18 HCC.

1919  
1920 d. Make findings and recommendations concerning sanctions, civil penalties and remedies  
1921 for violations as provided in the code.

1922  
1923 e. Adopt recommended policies and procedures governing the Board's conduct of business.

1924  
1925 f. Upon application of the complainant, respondent, or at the Board's or hearing officer's  
1926 discretion, compel by subpoena the appearance and sworn testimony, at a specified time  
1927 and place, of a person the Board or hearing officer reasonably believes may be able to  
1928 provide information relating to a matter under investigation by the Board or hearing officer  
1929 or the production of documents, records or other items the Board or hearing officer  
1930 reasonably believes may relate to the matter under consideration.

1931  
1932 g. Administer oaths and receive testimony from witnesses appearing before the Board or  
1933 hearing officer.

1934  
1935 h. Request City agencies to cooperate with the Board or hearing officer in the exercise of the  
1936 Board's or hearing officer's jurisdiction.

1937  
1938 i. Request the advising attorney to seek assistance of the Superior Court to enforce the  
1939 Board's or hearing officer's subpoena.

1940  
1941 j. Conduct investigative hearings in executive session, pursuant to notifications alleging

1942 violations of matters within the authority of the Board or hearing officer. [Ord. 18-14(A) § 5,  
1943 2018].

1944

1945 1.19.030 Procedures for violation reporting.

1946 a. Any person who believes that a violation of any portion of Chapter 1.18 HCC has occurred  
1947 may file a written complaint of potential violation with the City Clerk’s office.

1948

1949 b. All written complaints of potential violation submitted under this chapter shall be signed  
1950 by the person submitting the complaint. A written complaint of potential violation shall state  
1951 the address and telephone number of the person filing the complaint, identify the  
1952 respondent, and affirm to the best of the person’s knowledge and belief the facts alleged in  
1953 the complaint of potential violation signed by the person are true. The person filing the  
1954 complaint of potential violation shall identify the section of Chapter 1.18 HCC the person  
1955 believes was violated, state why the person signing the complaint of potential violation  
1956 believes the facts alleged constitute a violation of that section, and identify any documentary  
1957 or testimonial evidence the person filing the complaint believes is in support of the  
1958 notification of potential violation.

1959

1960 c. Written complaints of potential violations filed with the City Clerk’s office shall be reviewed  
1961 in accordance with HCC 1.19.040. Except as otherwise provided in HCC 1.19.040, the Board of  
1962 Ethics shall have sole jurisdiction to decide the merits of the complaint filed under this  
1963 chapter.

1964

1965 d. The City Clerk shall appoint a hearing officer to decide and investigate properly filed  
1966 written complaints against City Council members or the Mayor. Except as provided in HCC  
1967 1.19.040, the hearing officer shall have sole jurisdiction to decide the merits of a complaint  
1968 under this chapter. [Ord. 18-14(A) § 5, 2018].

1969

1970 1.19.040 Confidentiality – Initial review.

1971 a. Each written complaint of a violation of Chapter 1.18 HCC received by the City Clerk’s office  
1972 shall be assigned an identification number, which shall be used in lieu of names when  
1973 referring to the complaint to maintain confidentiality. The City Clerk, City Attorney, and the  
1974 Board or hearing officer shall keep all written complaints of potential violation confidential  
1975 during investigation and the Board’s or hearing officer’s deliberative process. Complaints of  
1976 potential violation may be disclosed only to the staff member of the City Clerk’s office  
1977 providing administrative support to the Board or hearing officer, members of the Board  
1978 except when a hearing officer has been appointed, and legal counsel.

1979

1980 b. Upon receipt of a notification of potential violation, the City Clerk shall review the  
1981 complaint for completeness and inclusion of the information required in HCC 1.19.030(b). If  
1982 the City Clerk determines that the complaint is not complete and lacks information required  
1983 by HCC 1.19.030(b), the City Clerk shall return the complaint and identify in writing the

1984 deficiencies on which the return is based. The City Clerk shall notify the complainant of the  
1985 return and the reasons for it. A person may amend and refile a complaint but a complaint  
1986 filed by the same complainant with the same deficiencies shall not be accepted. The City  
1987 Clerk may recommend to the person filing the complaint that it be amended and refiled.  
1988 Notifications of potential violation returned without further action shall remain confidential.  
1989 c. The City Attorney shall review the sufficiency of the statement of violation in the complaint.  
1990 If the City Attorney determines the facts alleged in the notification of potential violation, even  
1991 if proven, do not constitute a violation, or that the Board or hearing officer lacks jurisdiction  
1992 to address the complaint of potential violation, the City Attorney shall instruct the City Clerk  
1993 to return the complaint and identify in writing the deficiencies on which the return is based.  
1994 The City Clerk shall notify the complainant of the return and the reasons for it. A person may  
1995 amend and refile a complaint but a complaint filed by the same complainant with the same  
1996 deficiencies shall not be accepted. The City Clerk may recommend to the person filing the  
1997 complaint that it be amended and refiled. Notifications of potential violation returned  
1998 without further action shall remain confidential.

1999  
2000 d. If the City Attorney determines the allegations in a complaint of potential violation, if  
2001 proven, may constitute a violation of a matter within the Board or hearing officer's  
2002 jurisdiction, the City Attorney shall provide written notice to the City Clerk.

2003 e. If the City Attorney and City Clerk find the complaint sufficient under this section, the City  
2004 Clerk shall:

- 2005
- 2006 1. Retain a hearing officer as required under HCC 1.19.030(d) and provide that officer  
2007 with a copy of the complaint of potential violation, a copy of the outline of the hearing  
2008 officer process under this chapter, including notice that the respondent may choose  
2009 to hold the proceeding in public and may be represented by legal counsel of  
2010 respondent's choosing and at respondent's own expense; or
  - 2011 2. Provide the Board with a copy of the complaint of potential violation, a copy of the  
2012 outline of the Board's process under this chapter, including notice that the  
2013 respondent may choose to hold the proceeding in public and may be represented by  
2014 legal counsel of respondent's choosing and at respondent's own expense;
  - 2015 3. Give the respondent a copy of the complaint of potential violation, along with a  
2016 copy of the outline of the Board's process under this chapter, including notice that the  
2017 respondent may choose to hold the proceeding in public and may be represented by  
2018 legal counsel of respondent's choosing and at respondent's own expense; and
  - 2019 4. Notify both the person submitting the complaint of potential violation and  
2020 respondent of the date(s) on which each may be requested to meet with the Board or  
2021 hearing officer, present documentary or testimonial evidence, and assist the Board or  
2022 hearing officer in resolving the potential violation. [Ord. 18-14(A) § 5, 2018].

2023  
2024 1.19.050 Disclosure of complaint of potential violation prohibited.

2025 a. A complaint of potential violation of Chapter 1.18 HCC is confidential until the Board or

2026 hearing officer completes a written report for distribution as a public record.

2027

2028 1. No person, including the complainant, shall knowingly disclose to another person,  
2029 or otherwise make public in violation of this chapter, the contents of a complaint of  
2030 potential violation filed with the Board or hearing officer, unless:

2031 a. The respondent elects to proceed in public; or

2032 b. The written report of the Board or hearing officer is electronically published  
2033 by the City Clerk.

2034

2035 2. Breach of confidentiality required by any provision of this chapter is a violation of this  
2036 chapter subject to punishment.

2037

2038 3. A person filing a complaint of potential violation shall keep confidential the fact that the  
2039 person has filed the complaint with the City, as well as the contents of the complaint of  
2040 potential violation. If the Board or hearing officer finds probable cause to believe that the  
2041 person filing the notice of complaint violation has violated confidentiality under this chapter,  
2042 the Board or hearing officer shall immediately dismiss the complaint of violation. Dismissal  
2043 under this subsection does not affect the right of the Board or hearing officer or another  
2044 person to initiate a proceeding on the same factual allegations by filing a complaint of  
2045 potential violation.

2046

2047 4. Public disclosure resulting from corrective action under this chapter is not a violation of  
2048 this section. [Ord. 18-14(A) § 5, 2018].

2049

2050 1.19.060 Conduct of investigation and standard of proof.

2051 The Board's investigation shall be conducted in executive session, unless the respondent  
2052 requests to hold the Board's investigation on the notification of potential violation in public.

2053 The hearing officer's investigation shall be conducted in a manner to maintain confidentiality  
2054 unless the respondent requests to hold the hearing officer's investigation on the notification  
2055 of potential violation in public.

2056

2057 a. The respondent and the person who filed the notification of potential violation may  
2058 identify other individuals and documents that each would like the Board or hearing officer to  
2059 interview and review.

2060

2061 b. If an individual with information bearing on the notification of potential violation is  
2062 unwilling to come forward with information, the respondent and the person who filed the  
2063 notification of potential violation may each request the Board or hearing officer to subpoena  
2064 the person and any documentary evidence.

2065

2066 c. Persons appearing before the Board or hearing officer may be represented by counsel or  
2067 other person serving in a representative capacity.

2068  
2069 d. The Board or hearing officer may question the respondent, the person who filed the  
2070 notification of potential violation, and other persons appearing before the Board or hearing  
2071 officer.

2072  
2073 e. The Board or hearing officer may solicit questions and testimony from the person filing the  
2074 notification of potential violation, the respondent and other persons appearing for the  
2075 purpose of providing information to the Board or hearing officer. The Board or hearing officer  
2076 may solicit questions from counsel present to represent persons appearing before the Board  
2077 or hearing officer, but all questions during the Board's or hearing officer's investigation shall  
2078 be posed through and by a member of the Board or the hearing officer. Consistent with due  
2079 process, the Board or hearing officer may limit or prohibit questions suggested to the Board  
2080 or hearing officer by or on behalf of persons appearing before the Board or hearing officer.

2081  
2082 f. The standard of proof to be applied by the Board or hearing officer in determining a  
2083 violation under this chapter is proof by a preponderance of the evidence.

2084  
2085 g. Technical rules of evidence do not apply, but the findings of the Board shall be based upon  
2086 reliable and relevant information presented to the Board.

2087  
2088 h. The Board's or hearing officer's finding of a violation of this chapter must be supported by  
2089 substantial evidence.

2090  
2091 i. The Board's or hearing officer's findings shall not be binding in a subsequent sanctions  
2092 proceeding.

2093  
2094 j. When the Board's or hearing officer's investigation is conducted in executive session or  
2095 confidentially, the public shall be excluded but an executive session of the Board shall be  
2096 electronically recorded. The recording shall be available for access as a public record after  
2097 publication by the Municipal Clerk of the proposed resolution and settlement. [Ord. 18-14(A)  
2098 § 5, 2018].

2099  
2100 1.19.070 Deliberations of the Board.  
2101 Deliberations of the Board shall be conducted in executive session.

2102  
2103 a. The deliberations of the Board shall not be recorded.

2104  
2105 b. The respondent, the person filing the complaint, and their counsel shall be excluded from  
2106 the deliberations. The Board's legal counsel may attend the deliberations.

2107  
2108 c. The Board shall reconvene in open session when deliberations are complete. [Ord. 18-14(A)  
2109 § 5, 2018].

2110  
2111 1.19.080 Decisions on the record.  
2112 Using the identification number of the complaint of potential violation to protect  
2113 confidentiality, the Board shall vote or hearing officer shall determine in open session on  
2114 these questions:  
2115 a. Whether the Board or hearing officer finds by a preponderance of the evidence one or more  
2116 violations within the jurisdiction of the Board or hearing officer; and  
2117  
2118 b. Whether the Board or hearing officer recommends further administrative or remedial  
2119 actions; and  
2120  
2121 c. What specific sanctions, corrective actions or referrals, if any, the Board or hearing officer  
2122 recommends pursuant to HCC 1.19.100.  
2123  
2124 d. If the Board or hearing officer does not find a violation under Chapter 1.18 HCC, the Board  
2125 or hearing officer shall prepare a confidential statement of closure listing the complainant  
2126 and respondent, the assigned identification number, the allegations, the hearing date, and  
2127 the finding that no allegation was substantiated by the Board or hearing officer in whole or in  
2128 part, and the date of Board or hearing officer closure. At the sole discretion of the  
2129 respondent, the Board or hearing officer may release the statement of closure as a public  
2130 document. [Ord. 18-14(A) § 5, 2018].  
2131  
2132 1.19.090 Timely completion.  
2133 The Board or hearing officer shall complete action on a complaint of potential violation and  
2134 investigations within 90 days of the filing of the complaint of potential violation. By a majority  
2135 vote, the Board or hearing officer may extend the completion date for up to an additional 90  
2136 days, or longer for good cause shown. [Ord. 18-14(A) § 5, 2018].  
2137  
2138 1.19.100 Sanctions, civil penalties and remedies.  
2139 a. Upon conviction for any violation of Chapter 1.18 HCC under criminal procedures or upon a  
2140 determination of any violation of Chapter 1.18 HCC after an investigation conducted by the  
2141 Board or hearing officer under this chapter, the Board or hearing officer may impose (or  
2142 recommend in the case of subsection (a)(1) of this section) as a sanction, penalty, or remedy  
2143 any or all of the following, as appropriate to the seriousness of the violation:  
2144 1. A recommendation to the City Council that the office of a City Council member or  
2145 the position of City Manager be declared vacant for a serious violation that is (a)  
2146 flagrant or (b) willful and knowing. A recommendation that the office of the Mayor be  
2147 declared vacant may be made only if the violation justifies a declaration of vacancy  
2148 under AS 29.20.280. Only the City Council may actually declare any of these positions  
2149 vacant.  
2150 2. A member of a board or commission may be removed from the board or  
2151 commission.

- 2152 3. A public or private reprimand may be given to the official.  
2153 4. The official may be ordered to refrain from voting, deliberating, or participating in  
2154 any matter in violation of Chapter 1.18 HCC.  
2155 5. The committee assignments of an official may be revoked.  
2156 6. An official's privilege to travel at City expense on City business may be revoked or  
2157 restricted.  
2158 7. A contract, transaction or appointment, which was the subject of an official act or  
2159 action of the City that involved the violation of a provision of Chapter 1.18 HCC, may  
2160 be voided.  
2161 8. The official must forfeit or make restitution of any financial benefit received as a  
2162 consequence of a violation of Chapter 1.18 HCC.  
2163 9. A civil fine of not more than \$1,000 per violation may be imposed. [Ord. 18-14(A) § 5,  
2164 2018].

2165  
2166 1.19.110 Board member and hearing officer disclosures.

2167 a. When an investigation is convened in executive session to determine whether the  
2168 respondent has violated Chapter 1.18 HCC, the Board members will be requested to disclose  
2169 any conflict of interest, ex parte communications, or other facts that may affect their  
2170 qualification to hear the matter. After such a disclosure, the other members of the Board shall  
2171 determine whether a member shall be excused for cause.

2172  
2173 b. A hearing officer shall disclose any conflict of interest or ex parte communications with the  
2174 complainant or respondent before conducting an investigation or holding a hearing under  
2175 this chapter. The complainant and the respondent have 10 days from the date the written  
2176 disclosure is sent to the parties to file an objection to the hearing officer with the City Clerk.  
2177 Upon receiving an objection, the City Clerk shall appoint a new hearing officer. [Ord. 18-14(A)  
2178 § 5, 2018].

2179  
2180 1.19.120 Duty of cooperation.

2181 A City official or the City Manager subject to a complaint of a violation shall work  
2182 cooperatively with the City Clerk to establish a hearing date and shall appear at the place and  
2183 time set for the hearing, regardless of the respondent's intentions concerning defense or  
2184 exercise of other rights. Failure to appear, except when failure results from a serious  
2185 condition or event that prevented the respondent's appearance, is a breach of respondent's  
2186 duties under this chapter and in itself may result in a summary finding of violation by the  
2187 Board or hearing officer and imposition of remedies, penalties and disciplinary action under  
2188 HCC 1.19.100. For the purposes of this section, a "serious condition or event" may include a  
2189 serious medical condition, a serious family emergency requiring the presence of the party, a  
2190 death in the family, or other similar cause that prevents the respondent's attendance at the  
2191 hearing. Nothing in this section shall prevent the rescheduling of a hearing for cause upon  
2192 request of the respondent or the complainant. [Ord. 18-14(A) § 5, 2018].  
2193



2194 1.19.130 Settlement of complaints.  
2195 a. The respondent in any case accepted for investigation may propose a resolution and  
2196 settlement of the complaint. A proposed resolution and settlement will include the admitted  
2197 violation of Chapter 1.18 HCC; the remedial actions agreed to by the respondent subject to  
2198 the City Council's concurrence; any proposed preventive actions to be undertaken to avoid  
2199 similar violation by respondent or others in the future; and other matters required by the  
2200 Board or hearing officer.

2201  
2202 b. A proposed resolution and settlement are subject to approval by the Board or hearing  
2203 officer and have no effect unless approved by the Board or hearing officer. The Board or  
2204 hearing officer will give the complaining person the opportunity to review and comment on  
2205 the proposed resolution and settlement prior to approving it. Until approved by the Board or  
2206 hearing officer, a proposed resolution and settlement must be kept confidential.  
2207 c. The proposed resolution and settlement become public record upon final approval by the  
2208 Board or hearing officer. [Ord. 18-14(A) § 5, 2018].

2209  
2210 1.19.140 Record of proceedings and public record.  
2211 Permanent records and minutes shall be kept of Board's or hearing officer's proceedings.  
2212 Such minutes shall record the vote of each member upon every question decided in public.  
2213 Every decision or finding shall immediately be filed in the office of the City Clerk, and shall be  
2214 a public record open to inspection by any person. Every finding and recommendation shall be  
2215 directed to the City Council at the earliest possible date. [Ord. 18-14(A) § 5, 2018].

2216  
2217 1.19.150 Limitation period.  
2218 a. Notwithstanding any other section of this chapter or Chapter 1.18 HCC, and subject to  
2219 subsection (b) of this section, the Board or hearing officer only may investigate or otherwise  
2220 act upon a complaint of a potential violation of Chapter 1.18 HCC that is received by the City  
2221 Clerk's office within five years after the date of the alleged violation.

2222  
2223 b. After the time limitation in subsection (a) of this section has expired, the Board or hearing  
2224 officer may investigate or otherwise act upon a complaint of a potential violation of Chapter  
2225 1.18 HCC that is received by the City Clerk's office within one year after the date of discovery  
2226 of the alleged violation, but in no case shall this subsection extend the period of limitation in  
2227 subsection (a) of this section by more than three years. [Ord. 18-14(A) § 5, 2018].  
2228





## City of Homer

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

## Office of the City Clerk

491 East Pioneer Avenue  
Homer, Alaska 99603

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

(p) 907-235-3130

(f) 907-235-3143

### Memorandum 19-033

TO: MAYOR CASTNER AND HOMER CITY COUNCIL  
FROM: MELISSA JACOBSEN, MMC, CITY CLERK  
DATE: FEBRUARY 6, 2019  
SUBJECT: COUNCIL OPERATING MANUAL UPDATES

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The last three Resolutions amending the Council Operating Manual have been prompted by amendments to City Code that are included in the manual. This amendment relates to the amendment to the telephonic participation process.

In considering the code excerpts and whether it's more beneficial to include them in the manual, or to save space and simply reference the relevant sections of City Code, a compromise seems to be including them in an appendix at the end for easy reference, if needed.

Another consideration was if it's necessary to bring forward a resolution to change code in the manual that has already been approved by ordinance. This version of the operating manual proposes language that allows the City Clerk to update the appendices only when those sections of code are amended by ordinance. Once the update is complete the Clerk would email Mayor and Council a link to the update manual for review and reference. All other changes would have to come before the Council for approval.

In spending time working with the Council Operating Manual I have come across things that seem like they might fit better in another section, language that is inconsistent with similar language in other sections, language that seems out dated, and language that appears to be left over from other amendments and no longer applies.

Also, after Mayor Castner took office and spent time reviewing the manual he provided some suggestions to be considered.

This memorandum includes line number references to help identify the amendments and the reason behind each one.

Line 19 is an edit suggested by Mayor Castner

Line 81 is language that carried over from a previous version, there is no longer a section 6.

Line 93 is a minor clerical edit

Line 106 clarifies who will preside over the meeting in the event both the Mayor and Mayor Pro Tem are absent.

Lines 112 through 125 clarifies the process for appointments to advisory bodies. The reference to the Economic Development Commission Appointment is something that carried over from a previous edition and is unnecessary language.

Lines 138-41 are moved to Line 369 with the other reference to liquor licenses process.

Line 145 was amended to delete the first section as it seems irrelevant 28 years later. The memo at the end identifies where the section came from if research is needed.

Line 152-154 was amended as the Mayor requested clarification regarding City Letterhead.

Line 179 was amended to correspond with Line 603 amendment changing the title of item 8

Line 185 is amended to strike reference to an attached format. In researching past manuals the last one I found that included an attached format was 1986.

Line 195 is amended to remove language relating to Finance verifying expenses etcetera. Travel reimbursements are addressed in the procurement manual and if Council feels it needs to be addressed in the manual an amendment can be made or it can be addressed in a future amendment.

Lines 199-220 Committee of the Whole are removed from this section and placed under General Agenda and Packet Distribution Information. Resolution 09-115(A) indicates this location and it seems to be more relevant under this heading.

Lines 222-227 are amendments to identify code sections that have been put into appendices and to allow the City Clerk to update the manual when an ordinance is adopted.

Lines 266, 339, and 1042 reference significant sections of code that were placed throughout the manual that have been moved to appendices for ease of reading, reference, and updating when City Code is amended.

Line 347 and 351 are amended to Presiding Officer as requested by the Mayor.

Lines 369 begins the liquor license information moved from line 138-141.

Line 546-549 are amended to be consistent with Public Comments starting on line 347. This language was adopted by Resolution 06-115(A)

Line 603 amends the title of Item 8 to better identify the section being used as one for a varying list of reports.

Line 608 is amended to allow some flexibility to include various reports as needed.

Lines 613 (end of) and 614 are deleted.

Line 619 -622 are amended to update old language that has carried over from previous editions of the manual.

Line 624-627 are amended to be consistent with amended to be consistent with Public Comments starting on line 347. This language was adopted by Resolution 06-115(A).

Lines 670-672 are amended at the request of the Mayor.

Line 677-680 language is deleted because after 27 years it seems irrelevant.

Lines 687-690 are amended to be consistent with Public Comments starting on line 347. This language was adopted by Resolution 06-115(A)

Lines 794 old language is deleted that has carried over from previous editions of the manual.

Line 1098 references and old process. Most of these manuals are available on line and can be accessed with iPads issued to Councilmembers.

Line 1107 Item D on line is not something the Clerk's Office maintains any longer.

Line 1127 is updated language

Lines 1131-1135 references old process. Most of these manuals are available on line and can be accessed with iPads issued to Councilmembers.

Line 1137 is added language to let Councilmembers know where they can find the Resource Materials listed.

Line 1269 begins the Appendices sections.



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

Venuti

3  
4 **RESOLUTION 19-013**

5  
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
7 SUPPORTING THE UNIVERSITY OF ALASKA UNDERSCORING THE  
8 KEY ROLL THE KACHEMAK BAY BRANCH OF THE KENAI  
9 PENINSULA COLLEGE HAS IN HOMER AND ENCOURAGING FULL  
10 FUNDING OF THE UNIVERSITY AT EXISTING LEVELS.

11  
12 WHEREAS, A well-educated public, from kindergarten through college, contributes to  
13 the well-being and economy of Homer, the Kenai Peninsula Borough and the State of Alaska;  
14 and

15  
16 WHEREAS, Governor Dunleavy's proposed budget cut 41% from the University of Alaska  
17 overall budget; and

18  
19 WHEREAS, Governor Dunleavy's proposed budget for the University of Alaska would  
20 directly affect the Kachemak Bay Campus, resulting in the termination of critical services and  
21 instruction to the students; and

22  
23 WHEREAS, The Kachemak Bay Campus provides opportunity for post-secondary  
24 education for more than seven hundred students, with an emphasis on smaller classes and  
25 individual instruction; and

26  
27 WHEREAS, The Kachemak Bay Campus provides students an opportunity for post-  
28 secondary education at a price and location which makes vocational, college, and adult  
29 educational options a viable choice; and

30  
31 WHEREAS, The Kachemak Bay Campus provides for local jobs and promotes economic  
32 development within the community of Homer.

33  
34 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska supports full  
35 funding of post-secondary education by the State of Alaska and encourages the State  
36 Legislature to invest in the youth of Alaska and their future.

37  
38 BE IT FURTHER RESOLVED that copies of this resolution be sent to Alaska Governor Mike  
39 Dunleavy, Senator Gary Stevens, and Representative Sarah Vance.

40  
41 PASSED AND ADOPTED by the Homer City Council this 25<sup>th</sup> day of February, 2019  
42

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CITY OF HOMER

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HEATH SMITH, MAYOR PRO TEMPORE

ATTEST:

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MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: N/A



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

Venuti

3  
4 **RESOLUTION 19-013(S)**

5  
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
7 SUPPORTING THE UNIVERSITY OF ALASKA UNDERSCORING THE  
8 KEY ROLE THE KACHEMAK BAY BRANCH OF THE KENAI  
9 PENINSULA COLLEGE HAS IN HOMER AND ENCOURAGING ~~FULL~~  
10 **CURRENT** FUNDING OF THE UNIVERSITY AT EXISTING LEVELS.

11  
12 WHEREAS, A well-educated public, from kindergarten through college, contributes to  
13 the well-being and economy of Homer, the Kenai Peninsula Borough and the State of Alaska;  
14 and

15  
16 WHEREAS, Governor Dunleavy's proposed budget cut 41% from the University of Alaska  
17 overall budget; and

18  
19 WHEREAS, Governor Dunleavy's proposed budget for the University of Alaska would  
20 directly affect the Kachemak Bay Campus, resulting in the termination of critical services and  
21 instruction to the students; and

22  
23 WHEREAS, The Kachemak Bay Campus provides opportunity for post-secondary  
24 education for more than seven hundred students, with an emphasis on smaller classes and  
25 individual instruction; and

26  
27 **WHEREAS, The location of the Kachemak Bay Campus in downtown Homer, Alaska**  
28 **is a part of a strong and healthy local college option; and**

29  
30 WHEREAS, The Kachemak Bay Campus provides students an opportunity for post-  
31 secondary education at a price and location which makes vocational, college, and adult  
32 educational options a viable choice; and

33  
34 WHEREAS, The Kachemak Bay Campus provides for local jobs and promotes economic  
35 development within the community of Homer.

36  
37 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska supports ~~full~~  
38 **maintaining current** funding of post-secondary education by the State of Alaska and  
39 encourages the State Legislature to invest in the youth of Alaska and their future.

40  
41 BE IT FURTHER RESOLVED that copies of this resolution be sent to Alaska Governor Mike  
42 Dunleavy, Senator Gary Stevens, and Representative Sarah Vance.

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PASSED AND ADOPTED by the Homer City Council this 11<sup>th</sup> day of March, 2019

CITY OF HOMER

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KEN CASTNER, MAYOR

ATTEST:

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MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: N/A

# NEW BUSINESS



# RESOLUTIONS



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

3 City Manager

4  
5 **RESOLUTION 19-019**  
6

7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
8 AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS  
9 IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,000,000 TO  
10 FINANCE PART OF THE COST OF PLANNING, DESIGN, AND  
11 CONSTRUCTION OF POLICE STATION AND RELATED CAPITAL  
12 IMPROVEMENTS IN THE CITY; FIXING CERTAIN DETAILS OF SUCH  
13 BONDS, AUTHORIZING THEIR SALE, AND PROVIDING FOR  
14 RELATED MATTERS.  
15

16 WHEREAS, Pursuant to Ordinance 18-26(A)(S)(A) of the City of Homer, Alaska (the  
17 "City"), adopted May 14, 2018, a question whether the City should issue not to exceed  
18 \$5,000,000 in general obligation bonds for the purpose of financing part of the cost of planning,  
19 designing and constructing a new police station and related capital improvements in the City,  
20 referred to at the special City election held on June 26, 2018 as Proposition No. 1 ("Proposition  
21 1"), was passed and approved; and  
22

23 WHEREAS, Said election has been duly canvassed and the results thereof certified and  
24 confirmed in accordance with law, and \$5,000,000 principal amount of general obligation  
25 bonds remains unissued under Proposition 1; and  
26

27 WHEREAS, The Council finds that it is in the best interest of the City to plan, design and  
28 construct a new police station and related capital improvements (the "Project"), and to issue  
29 not to exceed \$5,000,000 principal amount of general obligation bonds referred to in  
30 Proposition 1 to pay costs of the Project and costs of issuing the bonds; and  
31

32 WHEREAS, The Council finds that it is necessary and appropriate to delegate to the City  
33 Manager authority to determine the maturity amounts, interest rates and other details of the  
34 bonds, and to determine other matters that are not provided for in this resolution; and  
35

36 WHEREAS, The City intends to sell the bonds to the Alaska Municipal Bond Bank, which  
37 will purchase the bonds with the proceeds of an issue of its general obligation bonds; and  
38

39 WHEREAS, There has been presented to the City the form of a Loan Agreement between  
40 the Alaska Municipal Bond Bank and the City, which provides for the Alaska Municipal Bond  
41 Bank to purchase the bonds on the terms and conditions set forth therein and in this

42 resolution, and it is in the best interest of the City that the City sell the bonds to the Alaska  
43 Municipal Bond Bank under such terms and conditions.

44  
45 NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOMER,  
46 ALASKA:

47  
48 Section 1. Definitions. The following terms shall have the following meanings in this  
49 resolution:

50  
51 "Council" means the Council of the City of Homer, as the general legislative authority  
52 of the City of Homer, as the same shall be duly and regularly constituted from time to time.

53  
54 "Bond" or "Bonds" means any of the "General Obligation Police Station Bonds" of the  
55 City of Homer, the issuance and sale of which are authorized herein.

56  
57 "Bond Bank" means the Alaska Municipal Bond Bank, a public corporation of the State  
58 of Alaska.

59  
60 "Bond Bank Bonds" means general obligation bonds issued by the Bond Bank, all or  
61 part of the proceeds of which are used to purchase all of the Bonds.

62  
63 "Bond Register" means the registration books maintained by the Registrar, which  
64 include the names and addresses of the Registered Owners of the Bonds or their nominees.

65  
66 "City" means the City of Homer, a municipal corporation of the State of Alaska,  
67 organized as a first class City under Title 29 of the Alaska Statutes.

68  
69 "Code" means the Internal Revenue Code of 1986, as amended from time to time,  
70 together with all regulations applicable thereto.

71  
72 "Cost" or "Costs" means the cost of planning, designing, acquiring property for,  
73 acquiring, constructing, installing and equipping the Project, including interest on the Bonds  
74 during the period of planning, designing, acquiring property for, acquiring, constructing,  
75 installing and equipping the Project, the cost whether incurred by the City or by another of field  
76 surveys and advance planning undertaken in connection with the Project properly allocable to  
77 the Project, the cost of acquisition of any land or interest therein required as the site or sites of  
78 the Project or for use in connection therewith, the cost of any indemnity and surety bonds and  
79 premiums on insurance incurred in connection with the Project prior to or during construction  
80 thereof, all related direct administrative and inspection expenses whether incurred by the City  
81 or by another in connection with the Project prior to or during construction thereof, and  
82 allocable portions of direct costs of the City, legal fees, costs of issuance of the Bonds by the  
83 City, including financing charges and fees and expenses of bond counsel, financial advisors  
84 and consultants in connection therewith, the cost of any bond insurance premium and bond



85 ratings, the cost of audits, the cost of all machinery, apparatus and equipment, the costs of  
86 engineering, architectural services, designs, plans, specifications and surveys, estimates of  
87 cost, the reimbursement of all moneys advanced from whatever source for the payment of any  
88 item or items of cost of the Project, and all other expenses necessary or incidental to the  
89 acquisition and development of the Project, the financing thereof and the putting of the same  
90 in use and operation.

91 “Government Obligations” means obligations that are either (i) direct obligations of the  
92 United States of America, or (ii) obligations of an agency or instrumentality of the United States  
93 of America the timely payment of the principal of and interest on which are unconditionally  
94 guaranteed by the United States of America

95

96 “Loan Agreement” means the Loan Agreement between the City and the Bond Bank  
97 concerning the Bonds.

98

99 “Registered Owner” means the person named as the registered owner of a Bond in the  
100 Bond Register.

101

102 “Registrar” means the City Treasurer, or any successor that the City may appoint by  
103 resolution.

104

105 “Resolution” means this Resolution 19-\_\_ of the City.

106

107 Section 2. Authorization of Bonds and Purpose of Issuance. For the purpose of  
108 providing part of the funds required to pay the Costs of the Project, to provide for original issue  
109 discount, if any, and to pay all costs incidental thereto and to the issuance of the Bonds, the  
110 City hereby authorizes and determines to issue and sell the Bonds in the aggregate principal  
111 amount of not to exceed \$5,000,000.

112

113 Section 3. Obligation of Bonds. The Bonds shall be direct and general obligations of  
114 the City and the full faith and credit of the City are hereby pledged to the payment of the  
115 principal of and interest on the Bonds. The City hereby irrevocably pledges and covenants that  
116 it will levy and collect taxes upon all taxable property within the City without limitation as to  
117 rate or amount, in amounts sufficient, together with other funds legally available therefor, to  
118 pay the principal of and interest on the Bonds as the same become due and payable.

119

120 Section 4. Designation, Maturities, Interest Rates, and Other Details of Bonds. The  
121 Bonds shall be designated “City of Homer, Alaska, General Obligation Police Station Bonds.”  
122 The Bonds shall be in the denomination of \$5,000 or any integral multiple thereof, shall be  
123 numbered separately in the manner and with such additional designation as the Registrar  
124 deems necessary for purposes of identification, and may have endorsed thereon such legends  
125 or text as may be necessary or appropriate to conform to the rules and regulations of any  
126 governmental authority or any usage or requirement of law with respect thereto.

127

128           The Bonds shall mature in one or more years commencing no earlier than 2019 and  
129 ending no later than 2039. The Bonds shall bear interest from their date, payable commencing  
130 on or after July 1, 2019, and semiannually thereafter. Interest will be computed on the basis of  
131 a 360-day year consisting of twelve 30-day months.  
132

133           Subject to Section 2 and the remainder of this section, the aggregate principal amount,  
134 the principal amount of each maturity, the interest rates, the dated date, the principal and  
135 interest payment dates and the record dates for principal and interest payments on the Bonds  
136 shall be determined at the time of execution of the Loan Agreement under Section 17.  
137

138           Section 5. Optional Redemption. The Bonds, if any, subject to optional redemption by  
139 the City, the time or times when such Bonds are subject to optional redemption, the terms  
140 upon which such Bonds may be redeemed, and the redemption price or redemption prices for  
141 such Bonds, shall be determined at the time of execution of the Loan Agreement under Section  
142 17.  
143

144           Section 6. Selection of Bonds for Redemption; Notice of Redemption.  
145

146           A.     Selection of Bonds for Redemption. When the Bond Bank is the Registered  
147 Owner of the Bonds, the selection of Bonds to be redeemed shall be made as provided in the  
148 Loan Agreement. When the Bond Bank is not the Registered Owner of the Bonds, the selection  
149 of Bonds to be redeemed shall be made as provided in this subsection A. If the City redeems  
150 at any one time fewer than all of the Bonds having the same maturity date, the particular Bonds  
151 or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such other  
152 manner determined by the Registrar) in increments of \$5,000. In the case of a Bond of a  
153 denomination greater than \$5,000, the City shall treat such Bond as representing such number  
154 of separate Bonds each of the denomination of \$5,000 as is obtained by dividing the actual  
155 principal amount of such Bond by \$5,000. In the event that only a portion of the principal  
156 amount of a Bond is redeemed, upon surrender of such Bond at the office of the Registrar there  
157 shall be issued to the Registered Owner, without charge therefor, for the then unredeemed  
158 balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds  
159 of like maturity and interest rate in any of the denominations authorized herein.  
160

161           B.     Notice of Redemption. When the Bond Bank is the Registered Owner of the  
162 Bonds, notice of any intended redemption of Bonds shall be given as provided in the Loan  
163 Agreement. When the Bond Bank is not the Registered Owner of the Bonds, notice of any  
164 intended redemption of Bonds shall be made as provided in this subsection B. Notice of  
165 redemption shall be mailed not less than 30 nor more than 45 days prior to the date fixed for  
166 redemption by first class mail to the Registered Owners of the Bonds to be redeemed at their  
167 addresses as they appear on the Bond Register on the day the notice is mailed. Notice of  
168 redemption shall be deemed to have been given when the notice is mailed as herein provided,  
169 whether or not it is actually received by the Registered Owners. All notices of redemption shall  
170 be dated and shall state: (1) the redemption date; (2) the redemption price; (3) if fewer than all

171 outstanding Bonds are to be redeemed, the identification (and, in the case of partial  
172 redemption, the respective principal amounts) of the Bonds to be redeemed; (4) that on the  
173 redemption date the redemption price will become due and payable upon each such Bond or  
174 portion thereof called for redemption, and that interest thereon shall cease to accrue from and  
175 after said date; and (5) the place where such Bonds are to be surrendered for payment of the  
176 redemption price, which place of payment shall be the office of the Registrar.

177  
178 Official notice of redemption having been given as aforesaid, Bonds or portions of  
179 Bonds to be redeemed shall, on the redemption date, become due and payable at the  
180 redemption price therein specified, and from and after such date, such Bonds or portions of  
181 Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in  
182 accordance with said notice, such Bonds shall be paid at the redemption price. Installments  
183 of interest due on or prior to the redemption date shall be payable as provided herein for  
184 payment of interest. Upon surrender of any Bond for partial redemption, there shall be  
185 prepared for the Registered Owner a new Bond or Bonds of the same maturity in the amount  
186 of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed  
187 by the Registrar and shall not be reissued.

188  
189 Each check or other transfer of funds issued to pay the redemption price of Bonds shall  
190 bear the CUSIP number, if any, identifying, by maturity, the Bonds being redeemed with the  
191 proceeds of such check or other transfer.

192  
193 Section 7. Form of Bond. Each Bond shall be in substantially the following form, with  
194 such variations, omissions and insertions as may be required or permitted by this Resolution:

195  
196 UNITED STATES OF AMERICA  
197 STATE OF ALASKA

198  
199 CITY OF HOMER  
200 (A Municipal Corporation of the State of Alaska)

201  
202 NO. \_\_\_\_\_ \$ \_\_\_\_\_

203  
204 GENERAL OBLIGATION POLICE STATION BOND, 2019 SERIES A

205  
206 Registered Owner

207  
208 Principal Amount DOLLARS

209  
210 The City of Homer (the "City"), a municipal corporation of the State of Alaska, hereby  
211 acknowledges itself to owe and for value received promises to pay to the Registered Owner  
212 identified above, or registered assigns, the principal amount shown above in the following  
213 installments on \_\_\_\_\_ 1 of each of the following years, and to pay interest on such

214 installments from the date hereof, payable on \_\_\_\_\_ 1, 2019 and semiannually  
215 thereafter on the \_\_\_ days of \_\_\_\_\_ and \_\_\_\_\_ of each year, at the rates per  
216 annum as follows:

217  
218 Year    Principal Amount    Interest Rate                      Year    Principal Amount    Interest Rate

219  
220

221            When this Bond is owned by the Alaska Municipal Bond Bank (the "Bond Bank"),  
222 payment of principal and interest shall be made as provided in the Loan Agreement between  
223 the Bond Bank and the City (the "Loan Agreement"). When this Bond is not owned by the Bond  
224 Bank, installments of principal and interest on this Bond shall be paid by check mailed by first  
225 class mail to the Registered Owner as of the close of business on the 15th day of the month  
226 preceding each installment payment date; provided that the final installment of principal and  
227 interest on this Bond shall be payable upon presentation and surrender of this Bond by the  
228 Registered Owner at the office of the Registrar. Interest will be computed on the basis of a 360-  
229 day year consisting of twelve 30-day months. Both principal of and interest on this Bond are  
230 payable in lawful money of the United States of America which, on the respective dates of  
231 payment thereof, shall be legal tender for the payment of public and private debts.

232

233            This Bond is one of the General Obligation Police Station Bonds, 2019 Series A of the  
234 City of Homer, Alaska, of like tenor and effect except as to interest rate, serial number and  
235 maturity, aggregating \$\_\_\_\_\_ in principal amount, and constituting Bonds authorized  
236 for the purpose of paying the cost of police station and related capital improvements in the  
237 City, and is issued under Resolution 19-\_\_ of the City entitled:

238

239 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE ISSUANCE OF  
240 GENERAL OBLIGATION BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,000,000 TO  
241 FINANCE PART OF THE COST OF PLANNING, DESIGN, AND CONSTRUCTION OF POLICE STATION  
242 AND RELATED CAPITAL IMPROVEMENTS IN THE CITY; FIXING CERTAIN DETAILS OF SUCH  
243 BONDS, AUTHORIZING THEIR SALE, AND PROVIDING FOR RELATED MATTERS.

244

245 (the "Resolution").

246

247            Installments of principal of this Bond due on and after \_\_\_\_\_, 20\_\_, shall be subject  
248 to prepayment on and after \_\_\_\_\_, 20\_\_, at the option of the City (subject to any  
249 applicable provisions of the Loan Agreement), in such principal amounts and from such  
250 maturities as the City may determine, and by lot within a maturity, at a redemption price equal  
251 to the principal amount to be prepaid, plus accrued interest to the date of prepayment.

252

253            This Bond is transferable as provided in the Resolution, (i) only upon the bond register  
254 of the City, and (ii) upon surrender of this Bond together with a written instrument of transfer  
255 duly executed by the Registered Owner or the duly authorized attorney of the Registered  
256 Owner, and thereupon a new fully registered Bond or Bonds in the same aggregate principal

257 amount and maturity shall be issued to the transferee in exchange therefor as provided in the  
258 Resolution and upon the payment of charges, if any, as therein prescribed. The City may treat  
259 and consider the person in whose name this Bond is registered as the absolute owner hereof  
260 for the purpose of receiving payment of, or on account of, the principal or redemption price, if  
261 any, hereof and interest due hereon and for all other purposes whatsoever.

262  
263 This Bond is a general obligation of the City of Homer and the full faith and credit of the  
264 City are pledged for the payment of the principal of and interest on this Bond as the same shall  
265 become due.

266  
267 IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts or things required by the  
268 constitution or statutes of the State of Alaska to exist, to have happened or to have been  
269 performed precedent to or in the issuance of this Bond exist, have happened and have been  
270 performed, and that the series of Bonds of which this is one, together with all other  
271 indebtedness of the City, is within every debt and other limit prescribed by said constitution or  
272 statutes.

273  
274 IN WITNESS WHEREOF, THE CITY OF HOMER, ALASKA, has caused this Bond to be signed  
275 in its name and on its behalf by the manual or facsimile signature of its Mayor and its corporate  
276 seal (or a facsimile thereof) to be impressed or otherwise reproduced hereon and attested by  
277 the manual or facsimile signature of its Clerk, all as of the \_\_\_\_ day of \_\_\_\_\_ 2019.

278  
279  
280 \_\_\_\_\_  
281 Mayor

282  
283 ATTEST:

284  
285  
286 \_\_\_\_\_  
287 Clerk

288  
289 [ S E A L ]

290  
291 ASSIGNMENT

292  
293 For value received, the undersigned sells, assigns and transfers to (print or typewrite  
294 name, address, zip code and Social Security number or other tax identification number of  
295 Transferee) \_\_\_\_\_

296  
297 this Bond and irrevocably constitutes and appoints \_\_\_\_\_  
298 \_\_\_\_\_

299 attorney to transfer this Bond on the Bond Register, with full power of substitution in the  
300 premises.

301

302 Dated: \_\_\_\_\_

303

304 Signature Guaranteed:

305

306 \_\_\_\_\_

307

308 Notice: The assignor's signature to this assignment must correspond with the name as  
309 it appears upon the face of this Bond.

310

311 Section 8. Execution. The Bonds shall be executed in the name of the City by the  
312 manual or facsimile signature of the Mayor, and its corporate seal (or a facsimile thereof) shall  
313 be impressed or otherwise reproduced thereon and attested by the manual or facsimile  
314 signature of the City Clerk. The execution of a Bond on behalf of the City by persons who at the  
315 time of the execution are duly authorized to hold the proper offices shall be valid and sufficient  
316 for all purposes, although any such person shall have ceased to hold office at the time of  
317 delivery of the Bond or shall not have held office on the date of the Bond.

318

319 Section 9. Payment of Principal and Interest. The Bonds shall be payable in lawful  
320 money of the United States of America which at the time of payment is legal tender for the  
321 payment of public and private debts. When the Bond Bank is the Registered Owner of the  
322 Bonds, payment of principal and interest on the Bonds shall be made as provided in the Loan  
323 Agreement. When the Bond Bank is not the Registered Owner of the Bonds, installments of  
324 principal and interest on the Bonds shall be paid by check mailed by first class mail to the  
325 Registered Owner as of the record date for the installment payment at the address appearing  
326 on the Bond Register; provided that the final installment of principal and interest on a Bond  
327 shall be payable upon presentation and surrender of the Bond by the Registered Owner at the  
328 office of the Registrar.

329

330 Section 10. Registration. The Bonds shall be issued only in registered form as to both  
331 principal and interest. The City designates the City Treasurer as Registrar for the Bonds. The  
332 Registrar shall keep, or cause to be kept, the Bond Register at the principal office of the City.  
333 The City covenants that, until all Bonds have been surrendered and canceled, it will maintain  
334 a system for recording the ownership of each Bond that complies with the provisions of Section  
335 149 of the Code. The City and the Registrar may treat the person in whose name any Bond shall  
336 be registered as the absolute owner of such Bond for all purposes, whether or not the Bond  
337 shall be overdue, and all payments of principal of and interest on a Bond made to the  
338 Registered Owner thereof or upon its order shall be valid and effectual to satisfy and discharge  
339 the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor  
340 the Registrar shall be affected by any notice to the contrary.

341

342           Section 11. Transfer and Exchange. Bonds shall be transferred only upon the books for  
343 the registration and transfer of Bonds kept at the office of the Registrar. Upon surrender for  
344 transfer or exchange of any Bond at such office, with a written instrument of transfer or  
345 authorization for exchange in form and with guaranty of signature satisfactory to the Registrar,  
346 duly executed by the Registered Owner or the duly authorized attorney of the Registered  
347 Owner, the City shall execute and deliver an equal aggregate principal amount of Bonds of the  
348 same maturity of any authorized denominations, subject to such reasonable regulations as the  
349 City may prescribe and upon payment sufficient to reimburse it for any tax, fee or other  
350 governmental charge required to be paid in connection with such transfer or exchange. All  
351 Bonds surrendered for transfer or exchange shall be canceled by the Registrar.

352  
353           Section 12. Bonds Mutilated, Destroyed, Stolen or Lost. Upon surrender to the  
354 Registrar of a mutilated Bond, the City shall execute and deliver a new Bond of like maturity  
355 and principal amount. Upon filing with the Registrar of evidence satisfactory to the City that a  
356 Bond has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the  
357 City with indemnity satisfactory to it, the City shall execute and deliver a new Bond of like  
358 maturity and principal amount. The person requesting the execution and delivery of a new  
359 Bond under this section shall comply with such other reasonable regulations as the City may  
360 prescribe and pay such expenses as the City may incur in connection therewith.

361  
362           Section 13. Disposition of the Sale Proceeds of the Bonds. The sale proceeds of the  
363 Bonds shall be applied to pay issuance costs of the Bonds, a portion of the interest due on the  
364 Bonds on the first interest payment date for the Bonds, or Costs of the Project, as the City  
365 Manager may determine, and shall be deposited in the appropriate funds or accounts of the  
366 City for such purposes.

367  
368           Section 14. Tax Covenants. The City covenants to comply with any and all applicable  
369 requirements set forth in the Code in effect from time to time to the extent that such  
370 compliance shall be necessary for the exclusion of the interest on the Bonds from gross income  
371 for federal income tax purposes. Without limiting the generality of the foregoing, the City  
372 covenants that it will make no use or investment of the proceeds of the Bonds that will cause  
373 the Bonds to be “arbitrage bonds” subject to federal income taxation by reason of section 148  
374 of the Code, and that it will not take or permit any action that would cause the Bonds to be  
375 “private activity bonds” as defined in Section 141 of the Code.

376  
377           Section 15. Amendatory and Supplemental Resolutions.

378  
379           A.       The Council from time to time and at any time may adopt a resolution or  
380 resolutions supplemental hereto, which resolution or resolutions thereafter shall become a  
381 part of this Resolution, for any one or more of the following purposes:

382

383           1.       To add to the covenants and agreements of the City in this Resolution  
384 other covenants and agreements thereafter to be observed, or to surrender any right or  
385 power herein reserved to or conferred upon the City.

386  
387           2.       To make such provisions for the purpose of curing any ambiguities or of  
388 curing, correcting or supplementing any defective provision contained in this  
389 Resolution or in regard to matters or questions arising under this Resolution as the  
390 Council may deem necessary or desirable and not inconsistent with this Resolution and  
391 which shall not adversely affect the interests of the Registered Owners of the Bonds.

392  
393 Any such supplemental resolution may be adopted without the consent of the Registered  
394 Owner of any of the Bonds at any time outstanding, notwithstanding any of the provisions of  
395 subsection B of this section.

396  
397       B.       With the consent of the Registered Owners of not less than 60 percent in  
398 aggregate principal amount of the Bonds at the time outstanding, the Council may adopt a  
399 resolution or resolutions supplemental hereto for the purpose of adding any provisions to or  
400 changing in any manner or eliminating any of the provisions of this Resolution or of any  
401 supplemental resolution; provided, however, that no such supplemental resolution shall:

402  
403           1.       Extend the fixed maturity of any of the Bonds, or reduce the rate of  
404 interest thereon, or extend the time of payments of interest from their due date, or  
405 reduce the amount of the principal thereof, or reduce any premium payable on the  
406 redemption thereof, without the consent of the Registered Owners of each Bond so  
407 affected; or

408  
409           2.       Reduce the aforesaid percentage of Registered Owners of Bonds  
410 required to approve any such supplemental resolution without the consent of the  
411 Registered Owners of all of the Bonds then outstanding.

412  
413 It shall not be necessary for the consent of the Registered Owners of the Bonds under this  
414 subsection to approve the particular form of any proposed supplemental resolution, but it  
415 shall be sufficient if such consent approves the substance thereof.

416  
417       C.       Upon the adoption of any supplemental resolution under this section, this  
418 Resolution shall be deemed to be modified and amended in accordance therewith, and the  
419 respective rights, duties and obligations under this Resolution of the City and all Registered  
420 Owners of outstanding Bonds shall thereafter be subject in all respects to such modification  
421 and amendment, and all the terms and conditions of the supplemental resolution shall be  
422 deemed to be part of the terms and conditions of this Resolution for any and all purposes.

423  
424       D.       Bonds executed and delivered after the execution of any supplemental  
425 resolution adopted under this section may bear a notation as to any matter provided for in



426 such supplemental resolution, and if such supplemental resolution shall so provide, new  
427 Bonds modified so as to conform, in the opinion of the City, to any modification of this  
428 Resolution contained in any such supplemental resolution may be prepared by the City and  
429 delivered without cost to the Registered Owners of the Bonds then outstanding, upon  
430 surrender for cancellation of such Bonds in equal aggregate principal amounts.

431  
432 Section 16. Defeasance. In the event money and/or non-callable Government  
433 Obligations maturing at such times and bearing interest to be earned thereon in amounts  
434 sufficient to redeem and retire any or all of the Bonds in accordance with their terms are set  
435 aside in a special trust account to effect such redemption or retirement and such moneys and  
436 the principal of and interest on such Government Obligations are irrevocably set aside and  
437 pledged for such purpose, then no further payments need be made to pay or secure the  
438 payment of the principal of and interest on such Bonds and such Bonds shall be deemed not  
439 to be outstanding.

440  
441 Section 17. Sale of Bonds. The Bonds shall be sold to the Bond Bank as provided in the  
442 Loan Agreement. Subject to the limitations provided in Sections 2 and 4, the City Manager is  
443 hereby authorized to determine the aggregate principal amount, maturity amounts, interest  
444 rates, yields, dated date, principal and interest payment dates, redemption terms, if any, for  
445 the Bonds, and other details of the Bonds; provided that the true interest cost of the Bonds,  
446 expressed as an annual rate, does not exceed 4.5 percent. In determining the maturity  
447 amounts, interest rates, yields, and redemption terms, if any, for the Bonds, the City Manager  
448 shall take into account those factors which, in her judgment, will result in the lowest true  
449 interest cost on the Bonds to their maturity, including without limitation current financial  
450 market conditions and current interest rates for obligations comparable in tenor and quality  
451 to the Bonds. Based upon the foregoing determinations, the City Manager is authorized to  
452 execute the Loan Agreement, in substantially the form presented at this meeting.

453  
454 Section 18. Authority of Officers. The Mayor, the City Manager, the City Clerk, and the  
455 Deputy City Clerk each is authorized and directed to do and perform all things and determine  
456 all matters not determined by this Resolution, to the end that the City may carry out its  
457 obligations under the Bonds and this Resolution.

458  
459 Section 19. Prohibited Sale of Bonds. No person, firm or corporation, or any agent or  
460 employee thereof, acting as financial consultant to the City under an agreement for payment  
461 in connection with the sale of the Bonds, is eligible to purchase the Bonds as a member of the  
462 original underwriting syndicate either at public or private sale.

463  
464 Section 20. Ongoing Disclosure. The City acknowledges that, under Rule 15c2-12 of the  
465 Securities and Exchange Commission (the "Rule"), the City may now or in the future be an  
466 "obligated person" with respect to the Bond Bank Bonds. In accordance with the Rule and as  
467 the Bond Bank may require, the City shall enter into a continuing disclosure agreement and

468 undertake to provide certain annual financial information and operating data as shall be set  
469 forth in the Loan Agreement.

470

471 Section 21. Miscellaneous.

472

473 A. All payments made by the City of, or on account of, the principal of or interest  
474 on the Bonds shall be made on the several Bonds ratably and in proportion to the amount due  
475 thereon, respectively, for principal or interest as the case may be.

476

477 B. No recourse shall be had for the payment of the principal of or the interest on  
478 the Bonds or for any claim based thereon or on this Resolution against any member of the  
479 Council or officer of the City or any person executing the Bonds. The Bonds are not and shall  
480 not be in any way a debt or liability of the State of Alaska or of any political subdivision thereof,  
481 except the City, and do not and shall not create or constitute an indebtedness or obligation,  
482 either legal, moral or otherwise, of said state or of any political subdivision thereof, except the  
483 City.

484

485 Section 22. Severability. If any one or more of the provisions of this Resolution shall be  
486 declared by any court of competent jurisdiction to be contrary to law, then such provision shall  
487 be null and void and shall be deemed separable from the remaining provisions of this  
488 Resolution and shall in no way affect the validity of the other provisions of this Resolution or  
489 of the Bonds.

490

491 Section 23. Effective Date. This resolution shall take effect upon adoption.

492

493 PASSED AND ADOPTED by the Homer City Council this 11th day of March, 2019.

494

495

CITY OF HOMER

496

497

498

\_\_\_\_\_  
KEN CASTNER, MAYOR

499

500

501 ATTEST:

502

503

504

\_\_\_\_\_  
505 MELISSA JACOBSEN, MMC, CITY CLERK

**FORM OF**  
**LOAN AGREEMENT**

THIS LOAN AGREEMENT, dated the \_\_\_ day of \_\_\_\_\_ 20\_\_ (the “Loan Agreement”), between the Alaska Municipal Bond Bank (the “Bank”), a body corporate and politic constituted as an instrumentality of the State of Alaska (the “State”) exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the “Act”), having its principal place of business at Juneau, Alaska, and the \_\_\_\_\_, Alaska, a duly constituted \_\_\_\_\_ [city] [borough] of the State (the “[City] [Borough]”):

W I T N E S S E T H:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and make loans of money (the “Loan” or “Loans”) to governmental units; and

WHEREAS, the [City] [Borough] is a “Governmental Unit” as defined in the General Bond Resolution of the Bank hereinafter mentioned and was authorized to accept a Loan from the Bank, evidenced by its municipal bonds; and

WHEREAS, the [City] [Borough] desires to borrow money from the Bank in the amount not to exceed \$ \_\_\_\_\_ and has submitted an application to the Bank for a Loan in the amount not to exceed \$ \_\_\_\_\_; and

WHEREAS, the [City] [Borough] has duly authorized the issuance of its fully registered bond in the principal amount of \$ \_\_\_\_\_ (the “Municipal Bond”), which Municipal Bond is to be purchased by the Bank as evidence of and security for the [City’s][Borough’s] obligation to repay the Loan in accordance with this Loan Agreement; and

WHEREAS, the application of the [City] [Borough] contains the information requested by the Bank; and

WHEREAS, to provide for the issuance of bonds of the Bank to obtain from time to time money with which to make, and/or to refinance Loans, the Board of Directors of the Bank (the “Board”) has adopted its General Obligation Bond Resolution on July 13, 2005 (as amended, the “General Bond Resolution”); and

WHEREAS, the Board approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, on \_\_\_\_\_, 20\_\_ the Board adopted Series Resolution No. 20\_-01 (the “Series Resolution” and together with the General Bond Resolution, the “Bond Resolution”), authorizing the Bank to, among other things, issue the Bank’s General Obligation Bonds, 20\_\_ Series One, and General Obligation Bonds, 20\_\_ Series Two (the “2019 Bonds”), make the Loan to the [City][Borough] and purchase the [City’s][Borough’s] Municipal Bond.

NOW, THEREFORE, the parties agree as follows:

1. The Bank hereby makes the Loan, and the [City] [Borough], hereby accepts the Loan in the principal amount of \$\_\_\_\_\_. As evidence of the Loan made to the [City] [Borough] and such money borrowed from the Bank by the [City] [Borough], the [City] [Borough] hereby agrees to sell to the Bank the Municipal Bond in the principal amount, with the principal installment payments, and bearing interest from its date at the rate or rates per annum, stated in Exhibit A.

2. The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. \_\_\_\_\_, adopted on \_\_\_\_\_, 20\_\_ (the “[City] [Borough] [Ordinance] [Resolution]”). The [City][Borough] further represents to the Bank that the [City][Borough] has taken or will take all other proceedings required by law to enable it to enter into this Loan Agreement and to issue its Municipal Bond to the Bank and that the Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, secured by a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] [Ordinance] [Resolution].

The [City][Borough] represents that the [City][Borough] [Resolution] [Ordinance] is in full force and effect and has not been amended, supplemented or otherwise modified, other than as may have been previously certified by the [City][Borough] to the Bank.

3. Subject to any applicable legal limitations, the amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing interest due on its Municipal Bond (the “Municipal Bond Interest Payments”) shall be computed at the same rate or rates of interest borne by the corresponding maturities of the bonds sold by the Bank in order to obtain the money with which to make the Loan and to purchase the Municipal Bond (the “Loan Obligations”) and shall be paid by the [City] [Borough] [for revenue obligations in monthly installments] at least seven (7) Business Days before the Interest Payment Date to provide funds sufficient to pay interest as the same becomes due on the Loan Obligations.

4. The amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing principal due on its Municipal Bond (the “Municipal Bond Principal Payments”), shall be paid [for revenue obligations, in monthly installments on the dates and in amounts sufficient] to provide at least seven (7) Business Days before the payment date stated in the Municipal Bond funds sufficient to pay the principal of the Loan Obligations as the same matures based upon the maturity schedule stated in Exhibit A.

5. In the event the amounts referred to in Sections 3 and 4 hereof to be paid by the [City] [Borough] pursuant to this Loan Agreement are not made available at any time specified herein, the [City] [Borough] agrees that any money payable to it by any department or agency of the State may be withheld from it and paid over directly to the Trustee acting under the General Bond Resolution, and this Loan Agreement shall be full warrant, authority and direction to make such payment upon notice to such department or agency by the Bank, with a copy provided to the [City] [Borough], as provided in the Act.

6. In the event that all or a portion of the Loan Obligations have been refunded and the interest rates the Bank is required to pay on its refunding bonds in any year are less than the interest rates payable by the [City] [Borough] on the Municipal Bond for the corresponding year pursuant to the terms of the Municipal Bond, then both the Municipal Bond Interest Payments and the Municipal Bond Principal Payments will be adjusted in such a manner that (i) the interest rate paid by the [City] [Borough] on any principal installment of the Municipal Bond is equal to the interest rate paid by the Bank on the corresponding principal installment of the Bank's refunding bonds and (ii) on a present value basis the sum of the adjusted Municipal Bond Interest Payments and Municipal Bond Principal Payments is equal to or less than the sum of the Municipal Bond Interest Payments and Municipal Bond Principal Payments due over the remaining term of the Municipal Bond as previously established under this Loan Agreement. In the event of such a refunding of the Loan Obligations, the Bank shall present to the [City] [Borough] for the [City's] [Borough's] approval, a revised schedule of principal installment amounts and interest rates for the Municipal Bond. If approved by the [City] [Borough] the revised schedule shall be attached hereto as Exhibit A and incorporated herein in replacement of the previous Exhibit A detailing said principal installment amounts and interest rates.

7. The [City] [Borough] is obligated to pay to the Bank Fees and Charges. Such Fees and Charges actually collected from the [City] [Borough] shall be in an amount sufficient, together with the [City's] [Borough's] Allocable Proportion (as defined below) of other money available therefor under the provisions of the Bond Resolution, and other money available therefor, including any specific grants made by the United States of America or any agency or instrumentality thereof or by the State or any agency or instrumentality thereof and amounts applied therefor from amounts transferred to the Operating Fund pursuant to Section 606 of the General Bond Resolution:

(a) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the Administrative Expenses of the Bank; and

(b) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the fees and expenses of the Trustee and paying agent for the Loan Obligations.

The [City's] [Borough's] Allocable Proportion as used herein shall mean the proportionate amount of the total requirement in respect to which the term is used determined by the ratio that the principal amount of the Municipal Bond outstanding bears to the total of all Loans then outstanding to all Governmental Units under the General Bond Resolution, as certified by the Bank. The waiver by the Bank of any fees payable pursuant to this Section 7 shall not constitute a subsequent waiver thereof.

8. The [City] [Borough] is obligated to make the Municipal Bond Principal Payments scheduled by the Bank. The first such Municipal Bond Principal Payment is due at least seven (7) Business Days prior to each date indicated in Exhibit A, and thereafter on the anniversary thereof each year. The [City] [Borough] is obligated to make the Municipal Bond Interest Payments scheduled by the Bank on a semi-annual basis commencing seven (7) Business Days prior to each date indicated in Exhibit A, and to pay any Fees and Charges imposed by the Bank within 30 days after receiving the invoice of the Bank therefor.

9. The Bank shall not sell and the [City] [Borough] shall not redeem prior to maturity any portion of the Municipal Bond in an amount greater than the related Loan Obligations which are then outstanding and which are then redeemable, and in the event of any such sale or redemption, the same shall be in an amount not less than the aggregate of (i) the principal amount of the Municipal Bond (or portion thereof) to be redeemed, (ii) the interest to accrue on the Municipal Bond (or portion thereof) to be redeemed to the next redemption date thereof not previously paid, (iii) the premium, if any, payable on the Municipal Bond (or portion thereof) to be redeemed, and (iv) the cost and expenses of the Bank in effecting the redemption of the Municipal Bond (or portion thereof) to be redeemed. The [City] [Borough] shall give the Bank at least 50 days' prior written notice of the [City's][Borough's] intention to redeem its Municipal Bond.

In the event the Loan Obligations with respect to which the sale or redemption prior to maturity of such Municipal Bond is being made have been refunded and the refunding bonds of the Bank issued for the purpose of refunding such Loan Obligations were issued in a principal amount in excess of or less than the principal amount of the Municipal Bond remaining unpaid at the date of issuance of such refunding bonds, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (i) above shall be the principal amount of such refunding bonds outstanding.

In the event all or a portion of the Loan Obligations have been refunded and the interest the Bank is required to pay on the refunding bonds is less than the interest the Bank was required to pay on the Loan Obligations, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (ii) above shall be the amount of interest to accrue on such refunding bonds outstanding.

In the event all or a portion of the Loan Obligations have been refunded, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (iii) above, when the refunded Loan Obligations or portion thereof are redeemed, shall be the premium, if any, on the Loan Obligations to be redeemed.

Nothing in this Section shall be construed as preventing the [City] [Borough] from refunding the Municipal Bond in exchange for a new Municipal Bond in conjunction with a refunding of all or a portion of the Loan Obligations.

10. Simultaneously with the delivery of the Municipal Bond to the Bank, the [City] [Borough] shall furnish to the Bank evidence satisfactory to the Bank which shall set forth, among other things, that the Municipal Bond will constitute a valid and binding [general obligation] [special and limited obligation] of the [City] [Borough], secured by the [full faith and credit] [revenue of the \_\_\_\_\_] of the [City] [Borough].

11. Invoices for payments under this Loan Agreement shall be addressed to the [City] [Borough], Attention: \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, Alaska 99\_\_\_\_. The [City] [Borough] shall give the Bank and the corporate trust office of the Trustee under the General Bond Resolution at least 30 days' prior written notice of any change in such address.

12. [The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to \$ \_\_\_\_\_) which secures payment of principal and interest on its Municipal Bond, that such fund shall be held in the name of the [City] [Borough] with the Trustee, and that the yield on amounts held in such fund shall be restricted to a yield not in excess of \_\_\_\_\_ percent. **(Applies to revenue bonds only.)**

13. **[Rate covenant and other covenant language – if applicable.]**

14. The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bond Bank upon request.

15. Prior to payment of the amount of the Loan or any portion thereof, and the delivery of the Municipal Bond to the Bank or its designee, the Bank shall have the right to cancel all or any part of its obligations hereunder if:

(a) Any representation, warranty or other statement made by the [City] [Borough] to the Bank in connection with its application to the Bank for a Loan shall be incorrect or incomplete in any material respect.

(b) The [City] [Borough] has violated commitments made by it in the terms of this Loan Agreement.

(c) The financial position of the [City] [Borough] has, in the opinion of the Bank, suffered a materially adverse change between the date of this Loan Agreement and the scheduled time of delivery of the Municipal Bond to the Bank.

16. The obligation of the Bank under this Loan Agreement is contingent upon delivery of its General Obligation Bonds, 20\_\_ Series \_\_\_\_\_ and receipt of the proceeds thereof.

17. The [City] [Borough] agrees that it will provide the Bank with written notice of any default in covenants under the [City] [Borough] [Ordinance] [Resolution] within thirty (30) days after the date thereof.

18. The [City] [Borough] agrees that it shall file, on an annual basis, its annual financial statements with the Municipal Securities Rulemaking Board not later than two hundred ten (210) days after the end of each fiscal year of the [City] [Borough] for so long as the Municipal Bond remains outstanding. The [City] [Borough] further agrees that filings under this Section 18 shall be made in connection with CUSIP Nos. 01179P, 011798 and 01179R. Additional or alternate CUSIP number(s) may be added from time to time by written notice from

the Bank to the [City] [Borough]. The [City] [Borough] agrees that if it shall receive from the Bank CUSIP number(s) in addition to those set forth in this Section then it shall thereafter make its filings using both CUSIP numbers herein stated and any additional CUSIP number(s).

19. The [City] [Borough] agrees that it shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on the Municipal Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Municipal Bond is subject on the date of original issuance thereof.

[The [City] [Borough] shall not permit any of the proceeds of the Municipal Bond, or any facilities financed with such proceeds, to be used in any manner that would cause the Municipal Bond to constitute a “private activity bond” within the meaning of Section 141 of the Code.]

The [City] [Borough] shall make no use or investment of the proceeds of the Municipal Bond that will cause the Municipal Bond to be an “arbitrage bond” under Section 148 of the Code. So long as the Municipal Bond is outstanding, the [City] [Borough], shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect. The [City] [Borough] shall indemnify and hold harmless the Bank from any obligation of the [City] [Borough] to make rebate payments to the United States under said Section 148 arising from the [City’s] [Borough’s] use or investment of the proceeds of the Municipal Bond.

20. Upon request of the Bank, the [City] [Borough] agrees that if its bonds constitute ten percent (10%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purposes of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.

21. The [City] [Borough] agrees that if its bonds constitute ten percent (10%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide the Bank for inclusion in future official statements, upon request, financial information generally of the type included in Appendix D of the Bank’s Official Statement, dated \_\_\_\_\_, 20\_\_, under the heading “Summary of Borrowers Representing 10% or More of Outstanding Bonds Issued Under the 2005 General Bond Resolution,” attached hereto as Exhibit B.

22. If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

23. This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as are necessary, to give effect to the terms of this Loan Agreement.



24. No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition hereof, nor shall a waiver of any breach of this Loan Agreement be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

25. In this Loan Agreement, unless otherwise defined herein, all capitalized terms which are defined in Article I of the General Bond Resolution shall have the same meanings, respectively, as such terms are given in Article I of the General Bond Resolution.

26. This Loan Agreement shall remain in full force and effect so long as the Municipal Bond remains outstanding.

27. This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

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

ALASKA MUNICIPAL BOND BANK

By: \_\_\_\_\_  
DEVEN J. MITCHELL  
Executive Director

[CITY] [BOROUGH] OF \_\_\_\_\_,  
ALASKA

By: \_\_\_\_\_  
\_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**

\$ \_\_\_\_\_  
[City] [Borough], Alaska  
[General Obligation] [Revenue] Bond, 20\_\_  
(the "Municipal Bond")

Due (_____ 1)	Principal <u>Amount</u>	Interest <u>Rate</u>
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Principal installments shall be payable on \_\_\_\_\_ 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on \_\_\_\_\_ 1, 20\_\_, and thereafter on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year.

[Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.]

Optional Prepayment: The Municipal Bond principal installments due on or after \_\_\_\_\_ 1, 20\_\_ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after \_\_\_\_\_ 1, 20\_\_, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

**EXHIBIT B**

*[Information from Appendix D of the Bank's Official Statement to be inserted]*



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

