



City of Homer

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Office of the City Clerk

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Memorandum

Agenda Changes/Supplemental Packet

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
FROM: MELISSA JACOBSEN, MMC, CITY CLERK
DATE: JUNE 10, 2019
SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

Public Hearings

Ordinance 19-19, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 14.08, "Water Rules and Regulations" to add HCC 14.08.015, "Water Service Area" and Prohibiting the City from Providing Water Service Outside the City of Homer Unless Authorized by Ordinance or Required by Law and Requiring the Adoption of Extraterritorial Public Utility Agreements by Resolution. Aderhold.

Water/Sewer Map as backup.

Page 3

Ordinance 19-25, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of the Homer Public Library Lot Located at 3713 Main Street and Authorizing the City Manager to Execute the Appropriate Documents to Dispose of the Lot. Aderhold.

Written public comment

Page 5

Resolution 19-036(S), A Resolution of the City Council of Homer, Alaska, Amending **Maintaining** the City of Homer Water and Sewer Rates and Updating the Homer Fee Schedule Accordingly. Stroozas. Page 7

"No Change" rate schedule included as backup

Page 13

Resolutions

Resolution 19-041(S), A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Replacement of the A-Frame PRV Station to the firm of Steiner's North Star Construction of Homer, Alaska, in the amount of \$296,512, and Authorizing the City Clerk to Execute the Appropriate Documents. City Clerk.

Page 15

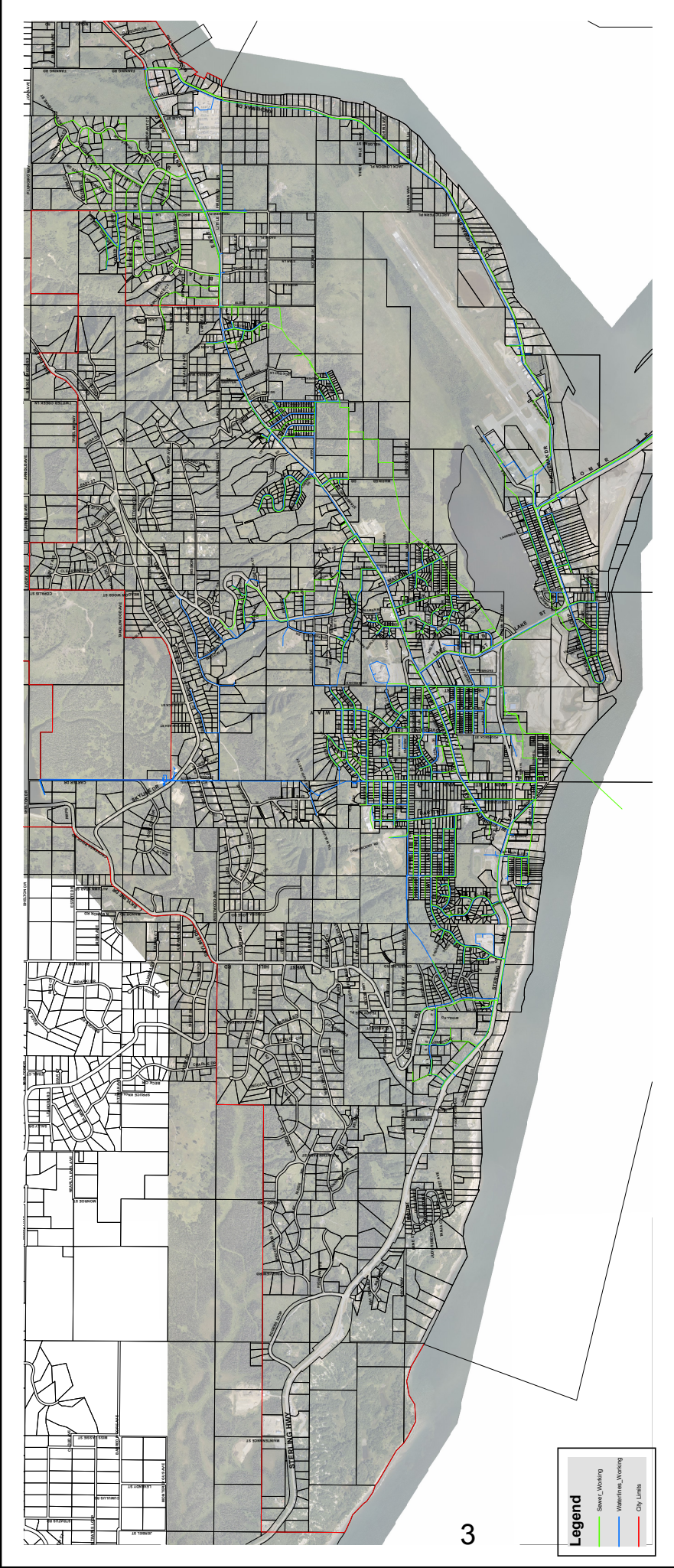
Memorandum 19-076 from Public Works Director as backup

Page 17

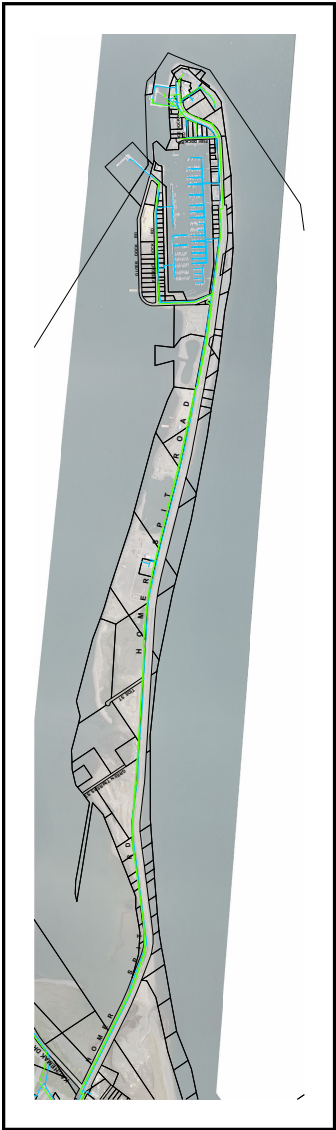
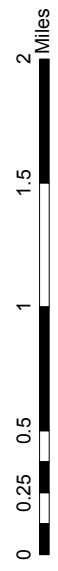
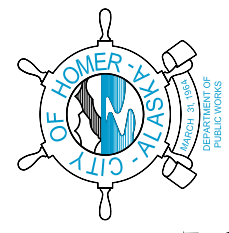
Resolution 19-042(S), A Resolution of the City Council of Homer, Alaska, Awarding the City Hall Roof Replacement Project to the firm of Anchorage Roofing and Contracting of Anchorage, Alaska in the Amount \$195,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Page 19

Memorandum 19-077 from Public Works Director as backup

Page 21



City of Homer Department of Public Works Water & Sewer Distribution Map 2018



From: [jeanne walker](#)
To: [Donna Aderhold](#); [Tom Stroozas](#); [Shelly Erickson](#); [Caroline Venuti](#); [Heath Smith](#); [Rachel Lord](#)
Cc: [Department Clerk](#)
Subject: support Ordinance 19-25
Date: Sunday, June 09, 2019 1:29:33 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

As a Homer area resident (Kachemak City) who supports local Homer businesses, I would encourage you to vote yes on this ordinance and allow the sale of this lot to Grace Ridge Brewery.

They are a proven good neighbor, supporting many non-profits in our community and providing a convivial meeting place where you can actually have a conversation - unlike other places in town that serve alcohol. They would be much better located downtown. Right now both breweries are located in the same area and not near the walkable downtown area.

A couple of council members have mentioned wanting to hold the lot aside for a possible rec center. It seems a marginal size for that purpose, very near to the SPARC center and with a much larger lot available (where the HERC building is located now). I was not aware of Homer's intention to hold this lot aside for a public purpose - this seems an untimely change in purpose when this property has been for sale for years and now has a fair offer. It also seems an unlikely place for a rec center in an area of restaurants, art galleries and other small businesses.

Thank you for your consideration,
Jeanne Walker
59975 Golden Plover Ave.

1 CITY OF HOMER
2 HOMER, ALASKA

3 Stroozas

4 RESOLUTION 19-036(S)
5

6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING **MAINTAINING** THE CITY OF HOMER WATER AND
8 SEWER RATES AND UPDATING THE HOMER FEE SCHEDULE
9 ACCORDINGLY.

10
11 WHEREAS, Water and sewer utility services shall be reviewed annually and shall take
12 effect as of the first billing cycle in January; and
13

14 ~~WHEREAS, Based on a the water sewer rate model prepared by the Water Sewer Rate~~
15 ~~Task Force and adopted by the Homer City Council in Resolution 13-048(S-2)(A-3) adjustments~~
16 ~~to the rates are recommended and warranted to reflect the true cost of water and sewer~~
17 ~~services; and~~
18

19 **WHEREAS, The Homer City Council reviewed the current rate model and concluded**
20 **that based on the health of the combined water and sewer reserve balance no rate**
21 **increases are justified or necessary for 2020; and**
22

23 WHEREAS, City Council adopted Ordinance 19-09(S) authorizing the enactment of a
24 4.85% of total charges charged to every water customer outside of City limits in lieu of City of
25 Homer Sales Tax.
26

27 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, that the
28 water and sewer fees be amended and the Homer Fee Schedule be updated as follows:
29

30 WATER AND SEWER FEES:

31 Public Works - 235-3170

32 City Hall - 235-8121

33 Billing - 235-8121 x 2240
34

35 (The following fees have been set by the following legislative enactment HCC Title 14, new fees
36 set forth in **Ordinance 19-09(S)**, 16-063(S-2), Resolution 14-060, Ordinance 13-30(A),
37 Resolution 15-074A-2), 13-048 (S-2)(A-3), Ordinance 11-43, Resolution 11-094(S), Resolution 11-
38 062(A), Resolution 09-47(S)(A), Resolution 09-48(S)(A), Resolution 07-119 (A), Resolution 07-
39 120(A), Ordinance 06-62(A), Resolution 06-04, Resolution 05-125, Resolution 05-122, Resolution
40 05-121(A), Resolution 05-09, Resolution 04-95, Resolution 04-94(S)(A), Resolution 03-159,
41 Resolution 02-80, Resolution 01-80(A), Resolution 00-123, Resolution 00-34, Ordinance 00-02,
42 Ordinance 97-17(A), amending the rates set forth in Ordinance 97-5(S)(A), with amendments
43 by Ordinance 97-7, Ordinance 97-13 and Ordinance 97-14).

44
45 A 15% admin. fee **will be assessed** for replacement parts for water/sewer services, functions,
46 pressure reducing valves, sewer saddles, any Public Works Department stock item for resale to
47 public.

48
49 Establishing service includes a one-time disconnect - \$75
50 Service calls, inspections, repairs not to exceed one hour - \$25 per employee plus equipment
51 and materials.

52
53 Service calls, inspections and repairs during normal operating hours in excess of one hour
54 labor: actual labor costs by City plus equipment and materials.

55
56 Service calls, inspections and repairs after normal operating hours or on weekends/holidays:
57 \$50 minimum plus equipment and materials or actual cost incurred by City, whichever is
58 greater.

59
60 WATER FEES:

61
62 **A 4.85% of total charges charged to every customer outside of city limits in lieu of city**
63 **sales tax will be applied to those water accounts outside city limits.**

64
65 Water Connection Fee
66 Single Family \$300
67 Multi-Family/Commercial \$375

68
69 Customer classification definitions for determining water connection and extension permit
70 fees:

71
72 Single Family Residential – A unit providing housing for one household; with less than 25% of
73 the building area used for business or commercial purposes.

74
75 Multi-Family Residential- A building or lot occupied by more than one household: contained
76 within one building or several building within one complex. Examples of multi-family units
77 includes duplexes, four-plexes and up, apartments, condominiums, co-housing projects, and
78 multiple structures on one lot (where units are normally rented or occupied for longer than
79 one month at a time). Examples of units not considered as multi-family include hotels, motels,
80 B&B's seasonal rooms/cabins (where units are routinely rented or occupied for less than one
81 month at a time.)

82
83 Commercial - Any user not defined as Residential.

84
85 Water Rate Schedule.

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

Rates	Table III	
	Water	Usage Charge/Gallon
Customer Classification	Monthly Service	
Lift-Station Customer	\$ 13.00	\$0.0132 -\$0.0142
Non-Lift-Station Customer	\$ 13.00	\$0.0132 -\$0.0142
Multi-units (additional per unit)	\$ 5.00	
Bulk Water	\$ 13.00	\$0.0172 -\$0.0182

89
 90 Customer classification definitions for determining water rates:

91
 92 Bulk Water Customers: The bulk water customers are the resellers of water or water users who
 93 purchase water from the water plant directly and are not in the metered water distribution
 94 system.

95
 96 Non-Bulk Customers: All customers who receive water from the metered water distribution
 97 system.

98
 99 Multi-Units: An additional \$5 monthly charge shall apply to each of the units of a building or lot
 100 occupied by more than one household or commercial entity contained within one building or
 101 several buildings within one complex. Examples of multi-family units include duplexes, four-
 102 plexes and up, apartments, condominiums, co-housing projects, and multiple structures on
 103 one lot (where units are normally rented or occupied for longer than one month at a time).
 104 Examples of units not considered as multi-family include hotels, motels, and B&B's seasonal
 105 rooms/cabins (where units are routinely rented or occupied for less than one month at a time.)

106
 107 This fee applies to all multi-unit structures defined in the sewer section of this for apartments,
 108 rental units or multi-unit buildings where each unit would have one or more restrooms and are
 109 intended to be rented on a monthly basis where there is only one meter installed, excluding a
 110 rental building restroom used for shared or public use.

111
 112 Meter Size Deposits.

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

3	\$220.00	\$525.00
4	\$310.00	\$730.00
6	\$520.00	\$1,225.00

114

115 \$750 meter deposit shall apply to metered fire hydrant connections. The deposit will be
116 returned when the meter is returned undamaged. This deposit may be waived upon the
117 recommendation of the Public Works Superintendent.

118

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

125

126 SEWER FEES:

127

128 Sewer Connection and Extension Permit Fee

129 Single Family \$255

130 Multi-Family/Commercial \$330

131

132 Customer classification definitions for determining sewer connection and extension permit
133 fees:

134

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

137

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

145

146 Commercial - Any user not defined as Residential.

147

148 Sewer Rate Schedule.

149

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

Rates

Table I

	Sewer	
Customer Classification	Monthly Service	Usage Charge/Gallon
<u>Lift Station Customer</u>		\$0.0224 -\$0.0244
<u>Non-Lift-Station Customer</u>		\$0.0145 -\$0.0166
Multi-units (additional per unit)	\$5.00	N/A

153

Rates

Table II

Sewer ONLY Customers	Sewer	
	Fees/Rate/Usage	Per Customer Per Month
Lift-Station Customer	\$0.0244 \$0.0224 /Gal	\$67.20 -\$73.20
Non-Lift-Station Customer	\$0.0166 \$0.0145 /Gal	\$43.50 -\$49.80
Monthly Service	\$5.00/customer/mo.	\$5.00 (Kachemak City customers will be exempt from \$5 monthly service fee. Kachemak City will be billed a \$5 monthly service fee to cover all Kachemak City sewer customers.)
Pumping Fee (If Applicable)	\$6.25 \$6.75 /customer/mo.	\$6.75 -\$6.25
Assumption: Avg. Sewer Usage	3000 Gal/Mo.	

154

155 Customer classification definitions for determining sewer rates:

156

157 Lift Station Zone Customer: There are eleven sewage lift/pump stations that are used for
 158 pumping wastewater or sewage from areas with lower elevation than the treatment plant.

159 Customers who are located in these areas shall be charged additional fees for the cost added
160 to the services (see Table I & II).

161
162 Non-Lift Station Zone Customer: Customers who are located in the zone that do not need
163 lift/pump station services.

164
165 Sewer System Dischargers (Sewer ONLY customers): Customers who use sewer service only
166 shall be charged a monthly fee of \$5 plus sewer usage fee based on assessed volume of 3,000
167 gallons per month multiplied by the applicable sewage rate (see Table II). Kachemak City Local
168 Improvement District (LID) members have contributed to the initial cost of the sewer treatment
169 plant and the collection system. For Kachemak City LID dischargers connected within the LID,
170 the City of Homer shall bill Kachemak City in one single bill at the Lift-Station Zone Rate of
171 ~~\$73.95(\$67.20 + \$6.75)~~ \$79.45 (~~\$73.20 + \$6.25~~) per month per customer. Kachemak City shall
172 be billed a \$5 monthly service charge to cover all Kachemak City sewer customers and shall be
173 responsible for payment to the City of Homer.

174
175 Domestic sewer service customers who use large quantities of City water in addition to their
176 domestic use shall be allowed, with the Public Works Director's approval, to install an
177 additional water meter on the domestic water use line for the purpose of metering and
178 charging for domestic sewer system use. Sewer system use will be billed monthly.

179
180 The City will allow, upon approval by Public Works and a permit from the Public Works
181 Department, a second water usage meter – called a seasonal sewer meter – for each customer
182 that desires to measure the flow of City water that is not discharged to the sewer system during
183 the summer growing season, June 15 through September 15. Rates noted above do not apply.

184
185 Seasonal Sewer Meter Fee is \$251.75.

186
187 PASSED AND ADOPTED by the Homer City Council on this 10th day of June, 2019.

188
189 CITY OF HOMER

190
191 _____
192 KEN CASTNER, MAYOR

193
194 ATTEST:

195
196 _____
197 MELISSA JACOBSEN, MMC, CITY CLERK

198
199 Fiscal Note: Revenue amounts defined in FY2020 budget.

City of Homer
Water and Sewer Rate Study
Proposed - No Change in Rates from 2019 and No Transfer to Reserves

WATER			
Descriptions	Units	Rate	Projected Revenue - for FY 2019
Total Metered Water Sales	122,000,000		
Bulk Water Sales	16,000,000	\$ 0.0172	\$ 275,200
Metered Water Sales (excluding Bulk)	106,000,000	\$ 0.0132	\$ 1,399,200
Service Charges	1,786	\$ 13.00	\$ 278,616
Hydrant Rents			\$ 94,388
Total Projected Revenue			\$ 2,047,404
FY 2019 Projected Water Budget			\$ 1,887,755
			\$ 159,649

SEWER			
Descriptions	Units	Rate	Projected Revenue - for FY 2019
Projected Total Billable Sewage Discharge (Gal.)	92,000,000		
Billable Volume from Lift-Station Zone (Gal.)	26,000,000	\$ 0.0224	\$ 582,400
Billable Volume from Non-Lift-Station Zone (Gal.)	66,000,000	\$ 0.0145	\$ 957,000
Multi-Units (Including K-city)	1,013	\$ 5.00	\$ 60,780
Kachemak City pumping charges	142	\$ 6.25	\$ 10,650
Dumping Station Fees			\$ 3,507
Total Projected Sewer Revenue			\$ 1,614,337
FY 2019 Projected Sewer Budget			\$ 1,566,850
			\$ 47,487

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 19-041(S)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AWARDING THE CONTRACT FOR THE REPLACEMENT OF THE A-FRAME PRV STATION TO STEINER'S NORTH STAR CONSTRUCTION, OF HOMER, ALASKA, IN THE AMOUNT OF \$296,512, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, In accordance with the Procurement Policy the Invitation to Bid was advertised in the Homer News on April 25 and May 2, 2019, the Peninsula Clarion on April 27, 2019, sent to two in-state plans rooms, and posted on the City of Homer website; and

WHEREAS, Bids were due June 6, 2019 and three bids were received; and

WHEREAS, Steiner's North Star Construction of Homer, Alaska, was found to be the lowest responsive bidder; and

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

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the contract for the Replacement of the A-Frame PRV Replacement to the firm of Steiner's North Star Construction of Homer, Alaska, in the amount of \$296,512, and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 10th day of June, 2019.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: Funding: ADEC MMG#40909 Alaska State Revolving Fund Loan #409301 & HAWSP
Expenditure: Project #215-0004



MEMORANDUM 19-076

To: Katie Koester, City Manager

From: Carey Meyer, PW Director

Date: June 6, 2019

Subject: **Award of Construction Contract
A-Frame PRV Station Replacement**

The Homer City Council passed Resolutions 18-009(S) and 18-039; and Ordinance 18-10 which authorized utilizing remaining ADEC Municipal Matching Grant funds to complete the design and construction of various water distribution/storage improvements. The projects are funded through the ADEC Municipal Matching Grant program (70% grant/30% City) with the City’s match financed through the low interest State Revolving Loan Program.

On June 6, 2019, bids were received for one of these projects; the replacement of the A-Frame PRV Station (originally built in 1965). The project was advertised in the Homer News on April 25 and May 2 and in the Peninsula Clarion on April 27, 2019. Competitive bidding was completed in accordance with the City’s procurement regulations and grant conditions.

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

Responsive Bidder’s Names	Location	Base Bid	Additive Bid	Total
PEI, LLC	Homer	\$ 373,500	\$ 3,600	\$ 377,100
Build Alaska General Contractor	Anchorage	\$ 361,714	\$ 18,712.52	\$ 380,426.52
Steiner’s North Star Construction	Homer	\$ 292,762	\$ 3,750	\$ 296,512
Engineer’s Estimate		\$ 289,250	\$ 6,350	\$ 295,600

The low bid is within the overall project budget approved by the City Council and provided for in the grant. Public Works recommends awarding both the Base bid and the Additive. Bid item The Additive bid item covers the cost of upgrading the building siding from T1-11 to better looking Lap Board Composite Cement Siding.

Recommendation:

City Council pass a resolution awarding the construction contract for the A-Frame PRV Replacement project in the amount of \$296,512 to Steiner’s North Star, Homer, Alaska and authorizing the City Manager to execute all appropriate documents necessary to complete this project.

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 19-042(S)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AWARDING THE CONTRACT FOR THE CITY HALL ROOF REPLACEMENT TO THE FIRM OF ANCHORAGE ROOFING & CONTRACTING, OF ANCHORAGE, ALASKA IN THE AMOUNT OF \$195,000 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, In accordance with the Procurement Policy the Invitation to Bid was advertised in the Homer News on May 16 and 23, 2019, the Anchorage Daily News on May 19, 2019, sent to two in-state plans rooms, and posted on the City of Homer website; and

WHEREAS, Bids were due June 6, 2019 and three bids were received; and

WHEREAS, Anchorage Roofing and Contracting of Anchorage, Alaska, was found to be the lowest responsive bidder; and

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

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the contract for the City Hall Roof Replacement to the firm of Anchorage Roofing and Contracting of Anchorage, Alaska, in the amount of \$195,000, and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 10th day of June, 2019.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: Project #156-0384



MEMORANDUM 19-077

To: Katie Koester, City Manager

From: Carey Meyer, PW Director

Date: June 6, 2019

Subject: **Award of Construction Contract
City Hall Roof Replacement Project**

Design of the City Hall roof was funded in the 2018 capital budget. The City Council authorized construction funds by passing Ordinance 19-18 in the amount of \$229,452.

On June 6, 2019, bids were received for the City Hall Roof replacement project. The project was advertised in the Homer News on April 16 and April 26 and in the Peninsula Clarion on April 19, 2019. Competitive bidding was completed in accordance with the City’s procurement regulations.

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

<u>Responsive Bidder’s Names</u>	<u>Location</u>	<u>Amount</u>
Rain Proof Roofing	Anchorage	\$229,600
Building Specialties, Inc.	Anchor Point	\$241,000
Anchorage Roofing & Contracting Anchorage		\$195,000
Engineer’s Estimate		\$ 209,500

The City’s 5% local bidder’s preference does apply to this award.

The low bid is within the overall project budget approved by the City Council. Public Works expects the work to commence in July/August and be completed by September, 2019.

Recommendation:

City Council pass a resolution awarding the construction contract for the City Hall Roof Replacement project in the amount of **\$195,000 to Anchorage Roofing & Contracting, of Anchorage, Alaska** and authorizing the authorize the City Manager to execute all appropriate documents necessary to complete this project.

Fiscal Note – 156-0384