



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

Agenda Changes/Supplemental Packet

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

FROM: JO JOHNSON, MMC, CITY CLERK

DATE: JUNE 13, 2016

SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

Commissions/Board Reports: Homer Advisory Planning Commission by Vice Chair Tom Stroozas

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PUBLIC HEARINGS

Resolution 16-054, A Resolution of the City Council of Homer, Alaska, Amending the City of Homer Fee Schedule to Implement a New Graduated Harbor Moorage Rate Structure. Port and Harbor Director/Port and Harbor Advisory Commission.

Written public comments

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Ordinance 16-30(S-2), An Ordinance of the City Council of Homer, Alaska, Authorizing the City to Issue General Obligation Bonds in the Principal Amount of Not to Exceed \$11,425,000 to Finance the Acquisition and Construction of a Police Station; Amending HCC 9.16.010 to Provide for an Increase in the Rate of the City Sales Tax From 4.5% to 5.5% From April 1 Through September 30, With the Increase Providing Funds to Pay Debt Service on the General Obligation Bonds and Expiring on September 30 of the Year When the City Has Received Sufficient Funds From the Increase to Pay All of That Debt Service; and Submitting the Question of the Issuance of the Bonds and the Sales Tax Rate Increase to the Qualified Voters of the City at the October 4, 2016 Regular City Election. Smith.

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CITY ATTORNEY REPORT

City Attorney Report – May 2016

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PENDING BUSINESS

Resolution 16-063(S-2), A Resolution of the Homer City Council Maintaining the Water And Sewer Fees at the 2016 Rate and **Amending the Sewer Fees for Sewer Only Customers and Kachemak City Customers and** Updating the Homer Fee Schedule Accordingly. Mayor.

Page 23

RECOMMENDATION:

Voice consensus to changes under Agenda Approval.

Fiscal Note: N/A

Homer Planning & Zoning Update

Report to City Council

June 13, 2016

This report will bring you up to date on the Homer Advisory Planning & Zoning Commission activities over our last two sessions.

May 18, 2016

- This meeting was devoted to reviewing the expansion plans for the Hickerson Memorial Cemetery. The Planning Commission would like to move forward in addressing a phased approach at expanding the cemetery which would include consideration for various types of memorial options, such as cremains plots, a Columbarium (niche wall for urns), more compact grave layout and a memorial plaque area. We are seeking a concurrence of the council before we spend too much more time on the issue. A memo is included in the City Manager's report that outlines the direction that we support.

June 1, 2016

- The Commission held a public hearing on a proposed ordinance that would accept the latest revision in the FEMA flood maps. The area of the latest study updated the shore lands above the spit. One person testified and encouraged the Commission to forward a recommendation for the City Council to approve the new maps, which we did.
- We recommended approval of a preliminary plat which combines two lots together, just east of the Senior Center; this was a requirement of a previously approved CUP that allows the replacement of multiple cabins on the site.
- We reviewed some initial revisions to the Parks and Recreation section of the Comprehensive Plan, some recommendations were made and we will be reviewing it again in the future.
- We also learned that Commissioner Erickson will not be reapplying for another term to the Planning Commission because of family obligations. We are seeking another Commissioner, who does not have to live in the city, and if anyone who is listening is interested please contact the City Clerk. We are aware that an applicant residing outside the City of Homer has filed for appointment.

###

Tom Stroozas – Vice Chair
Homer Advisory Planning & Zoning Commission
2/9/16

Subject: Fw: Fwd: Harbor Mooring Rate Structure Proposal

From: janie leask (huntave@yahoo.com)

To: clerk@cityofhomer-ak.gov;

Date: Wednesday, June 8, 2016 1:16 PM

JUN 08 2016 PM 01:31 *RL*

Dear Homer City Council Members:

I am writing to urge you to reject the mooring rate structure proposal currently before you drafted by the Homer Port and Harbor Commission. Instead, I urge you to adopt a rate structure recommended by your consultants, Northern Economics, that is fair to all classes of boats, both large and small, that reside in the harbor.

Although I am a boat owner and use harbor facilities, I am addressing you today as a citizen and property owner of the city. In this capacity I am concerned that in all of its deliberations, including this one, the Council embrace solutions that consistently adopt a doctrine of fairness. A community with fair minded policies attract fair minded people to live there. And that is the type of community and people that most of us want to be around. For the most part, I've been pleased to see that this has been your track record in the past. Only through a consistent application of such a doctrine in all of its policy decisions, including this one, will our beautiful community continue to thrive into the future and be the place that all of us are proud to live.

You will hear from others the detail of how the current Harbor Commission's rate structure recommendation falls drastically short of fairness, particularly to the owners of small vessels, and how the study that you commissioned from Northern Economics rectifies this shortcoming. I urge you to review this material in depth and believe that when you have, you will render a rate structure decision that is impartial and fair not just to all users of the harbor, but, in a broader sense, to all of the residents who call this place home.

Sincerely


Don Reed

233 Island View Ct
907-862-2913

June 8, 2016

JUN - 8 2016

Jo Johnson, City Clerk
City of Homer
491 E. Pioneer Avenue
Homer, Alaska 99603

RE: Harbor Rates

Dear Ms. Johnson:

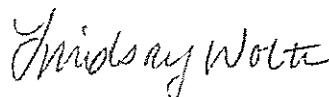
I am writing regarding the upcoming City Council meeting and the ongoing discussion about harbor rates, particularly as they relate to small boat owners. I hope my comments can be included in the council's packet for the June 13th meeting.

My husband and I own a 23' recreational vessel, and we pay the annual slip fee of about \$1,000 to keep our boat in the harbor every year. As I understand it, Northern Economics was hired as a consultant to review the harbor's current rate structure, and in October of 2015, issued a recommended "fair and equitable" rate structure after determining that the harbor's current rate structure does not meet a fair or equitable threshold (since small boats are shouldering the load of the harbor costs). Although Northern Economics is a neutral third party in this matter, the Port and Harbor Commission has chosen not to adopt its recommendation.

As a small boat owner and supporter of the harbor, I have no qualms about paying for the services I receive. But the rates I pay should be fair and equitable. The Port and Harbor Commission's rationale for continuing the current rate structure is a hard pill to swallow, and does not strike me as fair or equitable. According to the Commission, since large boat owners "provide a lot of income into the community and drive a lot of the economy," they should be entitled to pay a lesser harbor fee. I know a significant number of small boat owners who use the harbor and pay the annual slip fees, and each one of them is a contributing member of our community, and each helps drive our economy. Furthermore, the small boat owners I know all live in Homer (which cannot be said of all large vessel owners), and do not use a majority of the harbor facilities that are used by large vessels. So having the small boat owners shoulder the cost burden does not strike me as fair or equitable, nor does the commission's rationale take small boat owners' contributions to the harbor and our community into consideration.

Thank you for your consideration.

Sincerely,



Lindsay Wolter

06/08/2016

JUN 10 2016

To City Council.

My name is Tom Youngblood,

I have lived in Homer for 13 yrs and I have a 22' boat that I trailer in and out of the Harbor.

I have attended the harbor commission meetings concerning the fair and equitable rate structure.

I have to question the harbor commission as to why they went to the trouble of hiring Northern Economic Consultants to prepare a rate structure that would be fair to all users of the harbor and then totally ignore it, and continue to recommend a rate structure that would continue to favor the bigger boats.

As I see it I believe there is a conflict of interest in the members of the harbor commission you have three members, one that owns large boats, two that their primary business is serving the large boats, one that would like his competition out of business, and two that straddle the fence so to speak.

The city council needs to take a stand on this issue and approve a rate structure that is fair and equitable to all boats owners regardless of size, that will generate enough revenue to cover the costs of operation of the harbor. I strongly recommend that the council does not accept or adopt the rate structure that the harbor commission has recommended.

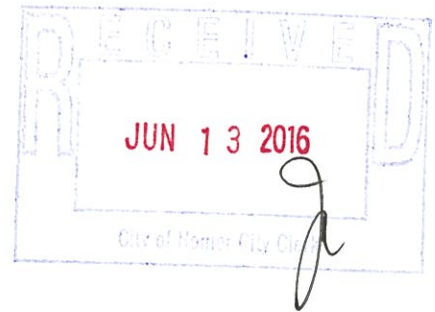
I am in favor of the recommended rate structure prepared by the consultants, and strongly urge you to accept and set this rate structure, that is fair to everyone. Thank you for your service to this community.

Sincerely Tom Faughlood

Rex Murphy
PO Box 3309
Homer, AK 99603

June 10, 2016

Homer City Council
Homer City
491 E. Pioneer Avenue
Homer, Alaska 99603



Dear Council Members:

I am once again writing in support of adoption of a graduated rate method for annual moorage fees in the Homer small boat harbor.

I own the private f/v "Winter King", a 34 foot catamaran moored in the small boat harbor. Reviewing Robert Howard's analysis of the current Homer harbor moorage rates, it is obvious that the owners of small boats are paying disproportionally more for harbor moorage than large boat operators. Large boats are wider and occupy much more real estate per linear foot than smaller boats. I see no reason why small boat owners should pay disproportionately more for moorage than larger boats.

A truly fair and equitable rate structure for harbor moorage would be to charge by the square foot. However I feel that a reasonable compromise would be adoption of the graduated rate structure over a period of years suggested by Mr. Howard.

Homer has by far the nicest harbor in the state. It takes money to keep it that way while making it even better. All harbor users need to pay their fair share. I believe the gradual adoption of Mr. Howard's proposed moorage rates will help the Harbor meet its long term revenue goals while minimizing the impact to all boat owners and the local businesses that support them.

Sincerely,

A handwritten signature in black ink that reads 'Rex Murphy'. The signature is stylized, with the first letters of the first and last names being prominent.

Rex Murphy

Jo Johnson

From: Capt. Greg Sutter <captgreg@alaska.net>
Sent: Sunday, June 12, 2016 9:06 PM
To: Department Clerk
Subject: Establishing New Harbor Rate Structure

Dear Mayor and City Council Members,

Reference: Establishing New Harbor Rate Structure/Adopt Northern Economics Consultants Recommendations

After reviewing the the Port and Harbor Commission's result on changing fees for our port and comparing it to the recommendations placed forth by the Northern Economics consultant, I strongly urge the Council to take action and adopt the recommendations made by the consultant. The P&H Commission's recommendation places a greater financial burden on smaller vessels than the larger vessels creating a disproportional burden on small boat owners. This is unacceptable. The P&H Commission's had a great opportunity this past winter to study and create an equitable solution to address existing disparities in the rate structure; but instead, further exacerbated those disparities with their proposed recommendations. It appears they ignored or did not even consider the Northern Economics study.

Please do adopt the recommendations by the consultant that incorporates a much better approach to achieving a "fair and equitable" rate structure that will better serve Homer and the greater community of harbor users. Your current action will effect this community for years to come. Thank you for your diligent attention to this very important matter.

Sincerely yours,
Greg Sutter

CAPTAIN GREG'S CHARTERS
"TOMAHAWK." Ramp #3, Slip H-33
PO Box 2202
Homer, AK 99603
(877) 235-4756 toll free
(907) 235-4756 local
(907) 399-4856 cell
www.CAPTGREG.com
"Go fishing while and when you can!"
SEMPER PARATUS

Jo Johnson

From: Katherine Haley <beckmannka@gmail.com>
Sent: Sunday, June 12, 2016 10:29 PM
To: Jo Johnson
Subject: Resolution 16-054

Homer City Council,

I would like to encourage the Council members to support an alternative to the proposed harbor rate structure. I do not believe the proposal from the Harbor Commission is fair to all users of the harbor. The difference in price paid per square foot, between large boats and small boats, should not be so great. I am asking that the Council take this into consideration and set aside the Harbor Commission's proposal for one that is fair to everyone.

Sincerely,
Katherine Haley

Jo Johnson

From: Haleyfootball@yahoo.com
Sent: Sunday, June 12, 2016 10:34 PM
To: Jo Johnson
Subject: Resolution 16-054

From: "Haleyfootball@yahoo.com" <Haleyfootball@yahoo.com>
Date: June 8, 2016 at 4:16:25 PM AKDT
To: clerk@cityofhomer-ak.gov
Subject: Resolution 16-054

Homer Council Members,

I would like to voice my concern over the proposed harbor moorage rate schedule. As a small boat owner, I do not believe the proposal by the Harbor Commission is fair. Small boat owners should not be subsidizing large boat owners and the infrastructure they use. I am asking that the Council prepare a fair rate structure.

Sincerely
Grant Haley



North Pacific Fisheries Association
P.O. Box 796 · Homer, AK · 99603



June 13, 2016- Monday

Homer City Council Members,

North Pacific Fisheries Association is a local organization comprised of and representing the interests of local commercial fishermen. Our membership calls Homer their home port and fish locally as well as across the state, from St. Mathew's Island to Southeast Alaska. This is our home and where we want to keep our vessels and do business.

We urge the Council to take note of the fact that via the Port and Harbor Commission, discussion of rate changes has gone through the public process, voices have been heard over the last two years from all sectors of the maritime industry and the Port and Harbor Commission has deliberated for a time to come up with a compromise for all Harbor users that NPFA was willing to support.

We request that the Council support the recommendation of the Port & Harbor Commission, and if the Council wishes to take the tariff another direction, that you wait until fall when local commercial fishermen have returned from their respective fishing grounds across the state, so that a large portion of stakeholders in this issue are not under-represented and unable to participate properly in the public process.

Thank you for your careful consideration,

Abigail Turner-Franke, Project Coordinator

North Pacific Fisheries Association

CITY OF HOMER
HOMER, ALASKA

City Manager Smith

ORDINANCE 16-30(S-2)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE CITY TO ISSUE GENERAL OBLIGATION BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$12,000,000 \$11,425,000 TO FINANCE THE ACQUISITION AND CONSTRUCTION OF A POLICE STATION ~~AND IMPROVEMENTS TO THE FIRE HALL~~; AMENDING HCC 9.16.010 TO PROVIDE FOR AN INCREASE IN THE RATE OF THE CITY SALES TAX FROM 4.5% TO 5.5% FROM APRIL 1 THROUGH SEPTEMBER 30, WITH THE INCREASE DEDICATED **PROVIDING FUNDS** TO FUND PUBLIC SAFETY OPERATIONS AND INFRASTRUCTURE, INCLUDING CONSTRUCTION OF A POLICE STATION AND RENOVATION **PAY DEBT SERVICE ON THE GENERAL OBLIGATION BONDS AND EXPIRING ON SEPTEMBER 30 OF THE YEAR WHEN THE CITY HAS RECEIVED SUFFICIENT FUNDS FROM THE INCREASE TO PAY ALL** OF A FIRE HALL **THAT DEBT SERVICE**; AND SUBMITTING THE QUESTION OF THE ISSUANCE OF SUCH **THE BONDS** AND SUCH ~~THE~~ SALES TAX RATE INCREASE TO THE QUALIFIED VOTERS OF THE CITY AT THE OCTOBER 4, 2016 REGULAR CITY ELECTION.

WHEREAS, The City of Homer (the "City") is in need of a new police station ~~and renovations to the existing fire hall~~; and

WHEREAS, The City Council views the acquisition and construction of a new police station and related capital improvements ~~and renovations to the fire hall and related capital improvements~~ authorized herein as necessary and beneficial to the community, and determines that to fund such improvements general obligation bonds of the City should be authorized, issued and sold; and

WHEREAS, The City Council also deems it necessary to increase the rate of the City sales tax to provide funds to pay costs of public safety operations and capital improvements, ~~including without limitation part of the debt service on such general obligation bonds~~, **with the increase expiring when the City has received funds from the increase that are sufficient to pay all debt service on the general obligation bonds**; and

WHEREAS, Under the provisions of AS 29.47.190 the City may incur general obligation debt only after a bond authorization ordinance is approved by a majority of those voting on the question at a regular or special election; and

WHEREAS, Under the provisions of AS 29.45.700(b) and AS 29.45.670, the City may increase the rate of its sales tax only after an ordinance authorizing the increase is approved by a majority of those voting on the question at a regular or special election.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. It is hereby determined to be for a public purpose and in the public interest of the City to incur general obligation bonded indebtedness in an amount not to exceed ~~Twelve Million Dollars (\$12,000,000)~~ **Eleven Million Four Hundred Twenty-Five Thousand Dollars (\$11,425,000)** for the purpose of paying the cost of planning, designing, and constructing a new police station and related capital improvements ~~and renovating the fire hall and related capital improvements.~~

Section 2. The City is authorized to borrow the sum of ~~Twelve Million Dollars \$12,000,000~~ **Eleven Million Four Hundred Twenty-Five Thousand Dollars (\$11,425,000)** to finance the capital improvements described in Section 1, and the borrowing shall be evidenced by the issuance of general obligation bonds of the City. The full faith and credit of the City are pledged for payment of the principal of and interest on the bonds, and ad valorem taxes upon all taxable property in the City shall be levied without limitation as to rate or amount to pay the principal of and interest on the bonds when due.

Section 3. Homer City Code 9.16.010 is amended to read as follows:

9.16.010 Levied.

a. A consumer's sales tax in the amount of three and three-quarters percent is levied by the City on all sales, rents and services within the City except as the same may be otherwise exempted by law.

b. An additional consumer's sales tax in the amount of three-quarters percent is hereby levied by the City of Homer on all sales, rents and services within the City except as the same may be otherwise exempted by law, for the purpose of funding debt retirement of the sewer treatment plant improvements, and to the extent revenues from such tax exceed such debt retirement obligations, for the purpose of funding water and sewer systems.

c. An additional consumer's sales tax in the amount of one percent is hereby levied by the City of Homer on all sales, rents and services within the City from April 1 through September 30, except as the same may be otherwise exempted by law, for the purpose of funding public safety operations and infrastructure within the City, including construction of a police station, maintenance of the fire hall and, without limitation, debt retirement of capital improvements related to the police station and fire hall paying debt

[Added language bold and underlined. Deleted language stricken through.]

service on the bonds authorized by Ordinance 16-30(S). The additional consumer's sales tax shall be levied only on sales, rents and services made on or before September 30 in the year when the City has received funds from the tax that are sufficient to pay all debt service on the bonds.

Section 4. The City shall submit the following proposition to the qualified voters of the City at the October 4, 2016 regular City election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. ____
GENERAL OBLIGATION BONDS FOR A NEW POLICE STATION
AND FIRE HALL RENOVATION AND RELATED CAPITAL IMPROVEMENTS;
1.0% SALES TAX RATE INCREASE TO 5.5%

Shall the City of Homer incur debt and issue general obligation bonds in an amount not to exceed ~~Twelve Million Dollars (\$12,000,000)~~ **Eleven Million Four Hundred Twenty-Five Thousand Dollars (\$11,425,000)** to finance the planning, design and construction of a police station and related capital improvements ~~and renovation of the fire hall and related capital improvements;~~ and shall the rate of City sales tax be increased by one percent (1.0%) to five and one-half percent (5.5%) from April 1 through September 30, for the purpose of ~~funding public safety operations and infrastructure within the City, including construction of a police station, maintenance of the fire hall and, without limitation, debt retirement of capital improvements related to a police station and the fire hall~~ **paying debt service on the general obligation bonds, until September 30 in the year when the City has received funds from the tax that are sufficient to pay all debt service on the bonds?**

The bonds shall be secured by a pledge of the full faith and credit of the City.
(Ordinance 2016-~~30(S-2)~~)

Section 5. The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other general obligation bond propositions, and the following words shall be added as appropriate next to a space provided for marking the ballot for voting by hand or machine:

PROPOSITION NO. ____

O Yes
O No

Section 6. Section 2 of this ordinance shall become effective only if the proposition

[Added language bold and underlined. Deleted language stricken through.]

described in Section 4 is approved by a majority of the qualified voters voting on the proposition at the October 4, 2016 regular City election. Section 3 of this ordinance shall become effective January 1, 2017, but only if the proposition described in Section 4 is approved by a majority of the qualified voters voting on the proposition at the October 4, 2016 regular City election. The remaining sections of this ordinance shall become effective upon passage.

Section 7. Section 3 of this Ordinance is of a permanent and general character and shall be included in the City Code. The remainder of this ordinance is not of a permanent nature and as such, shall not be codified.

ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this _____ day of _____, 2016.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

AYES:

NOES:

ABSTAIN:

ABSENT:

First Reading:

Public Reading:

Second Reading:

Effective Date:

Reviewed and approved as to form:

[Added language bold and underlined. Deleted language stricken through.]

167 _____
168 Mary K. Koester, City Manager
169
170 Date: _____

Holly C. Wells, City Attorney

Date: _____



Birch Horton Bittner & Cherot
a professional corporation

MEMORANDUM

**TO: MAYOR AND CITY COUNCIL MEMBERS
CITY OF HOMER**

FROM: HOLLY C. WELLS

RE: CITY ATTORNEY REPORT FOR MAY 2016

FILE NO.: 506,742.23

DATE: JUNE 13, 2016

The following summarizes our activities as City Attorney during the month of May 2016.

City Council. I attended the May 11 Council meeting.

City Clerk. I worked with the City Clerk on understanding the revised Department of Justice preclearance requirements and how these changes affect City of Homer ("City") elections.

City Manager. Thomas Klinkner worked with the City Manager regarding fees and penalties associated with payment of property taxes and the costs associated with foreclosing on properties with delinquent tax payments. He also worked with her regarding an ordinance to expand election financial disclosure requirements and on an update to the fine schedule and minor offense schedule. I worked with the City Manager regarding the City's sales and excise tax options and limitations. Additionally, I worked with the City Manager on conflict of interest questions and drafted memoranda to the City Council and the City Manager addressing the City's conflict of interest and partiality procedures and prohibitions. We worked with the City Manager and the Police Chief regarding the repeal and revision of drug paraphernalia provisions and drafted a memorandum regarding the nature and reason underlying the recommended revisions. Amy Walters worked with the City Administration regarding personnel matters. I also attended the staff meeting held on May 25, 2016.

Marijuana Regulation. We drafted a memorandum providing the Cannabis Advisory Commission ("CAC") with an update on the City's ability to tax the marijuana industry within the City and resources regarding taxes imposed on the marijuana industry in other jurisdictions. We attended the Marijuana Control Board meeting and

observed the license application procedure and researched pending licenses within or near the vicinity of the City.

Planning Department. Leila Kimbrell worked with the Planning Director on signage violations and enforcement. I reviewed the pending tower regulation ordinance with the Planning Director and we worked together on changes. Katie Davies worked with the Planning Director regarding small claims actions brought by the City.

Public Works Department. We drafted an ordinance regarding fire hall improvements and construction of a new police station and authorization for bonds and taxes to fund these new projects. Adam Cook and I worked with the City Manager regarding the request for proposal process for build-design contracts and Mr. Cook drafted a memorandum regarding the little Davis Bacon wage requirements on City property and/or funded projects.

Port & Harbor. We continued revising the crane usage agreement for the Small Boat Harbor with the Harbormaster and worked with him on revising the harbor citation process. We also worked with the Harbormaster on drafting and reviewing contracts for the creation/implementation of a software program for managing Port and Harbor services, fees, and documentation. Additionally, we worked with the Port and Harbor team on upland lease matters.

H.A.R.T. Program. We revised a resolution regarding the effective date of the change in H.A.R.T. support for road SADs and consulted with the City Manager regarding this matter.

Griswold v. City of Homer litigation. We drafted oppositions to Mr. Griswold's motions to supplement the record and his motion for contempt as well as several other procedural pleadings filed by Mr. Griswold. We also responded to Mr. Griswold's correspondence and requests to the Alaska Supreme Court clerk.

Clear Creek Cat Rescue v. City. Thomas Klinkner drafted initial disclosures and began analyzing the claims raised.

I will be available to answer questions regarding these matters at the June 13, 2016 Council meeting.

cc: Katie Koester
Jo Johnson

HCW/

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Manager/
4 Finance Director
5 Mayor

6 RESOLUTION 16-063(S-2)

7
8 A RESOLUTION OF THE HOMER CITY COUNCIL MAINTAINING THE
9 WATER AND SEWER FEES AT THE 2016 RATE AND **AMENDING**
10 **THE SEWER FEES FOR SEWER ONLY CUSTOMERS AND**
11 **KACHEMAK CITY CUSTOMERS AND** UPDATING THE HOMER FEE
12 SCHEDULE ACCORDINGLY.
13

14 WHEREAS, Water and sewer utility services shall be reviewed annually and amended,
15 as necessary, to take effect as of July 1, 2016 with the first billing cycle to take effect following
16 July 1; and
17

18 WHEREAS, The Homer City Council reviewed the current rate model and
19 recommended no rate changes **for water fees** for the period of July 1, 2016 through June 30,
20 2017; **and**
21

22 **WHEREAS, The Homer City Council reviewed the current rate model and**
23 **recommended amending the sewer fees for sewer only customers and Kachemak City**
24 **sewer only customers to a sewer usage fee based on assessed volume of 3,000 gallons**
25 **per month multiplied by the applicable sewage rate (see Table II).**
26

27 **WHEREAS, The Homer City Council recommended removing the \$5 monthly**
28 **service charge for Kachemak City customers and billing one \$5 monthly service charge**
29 **to cover all Kachemak City sewer customers, with Kachemak City being responsible for**
30 **payment to the City of Homer.**
31

32 NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, that the
33 water and sewer fees be maintained at the 2016 rate **and the sewer fees for customers and**
34 **Kachemak City customers be amended** and the Homer Fee Schedule be updated as follows:
35

36 WATER AND SEWER FEES:

37
38 Public Works – 235-3170

39 City Hall – 235-8121

40 Billing – 235-8121 x2240
41

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

A 15% admin. fee for replacement parts for water/sewer services, functions, pressure reducing valves, sewer saddles, any Public Works Department stock item for resale to public.

Establishing service includes a one-time disconnect - \$75

Service calls, inspections, repairs not to exceed one hour - \$25 per employee plus equipment and materials.

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

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

SEWER FEES:

Sewer Connection and Extension Permit Fee

Single Family \$255

Multi-Family/Commercial \$330

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

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

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

Commercial – Any user not defined as Residential.

Sewer Rate Schedule.

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

Rates

Table I

	Sewer	
Customer Classification	Monthly Service	Usage Charge/Gallon
Lift-Station Customer	\$ -	\$0.0232
Non-Lift-Station Customer		\$0.0157
Multi-units (additional per unit)	\$ 5.00	N/A

Rates

Table II

Sewer ONLY Customers	Sewer	
	Fees/Rate/Usage	Per Customer Per Month
Lift-Station Customer	\$0.0232/Gal	\$81.20 \$69.60
Non-Lift-Station Customer	\$0.0157/Gal	\$54.95
Monthly Service	\$5.00/customer/mo.	<u>\$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.)</u>
Pumping Fee (If Applicable)	\$7.75/customer/mo.	\$7.75
Assumption: Avg. Sewer Usage	3500 3000 Gal/Mo.	

Customer classification definitions for determining sewer rates:

Lift Station Zone Customer: There are eleven sewage lift/pump stations that are used for pumping wastewater or sewage from areas with lower elevation than the treatment plant. Customers who are located in these areas shall be charged additional fees for the cost added to the services (see Table I & II).

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

Sewer System Dischargers (Sewer ONLY customers): Customers who use sewer service only shall be charged a monthly fee of \$5 plus sewer usage fee based on assessed volume of ~~3,500~~ **3,000** gallons per month multiplied by the applicable sewage rate (see Table II). Kachemak City Local Improvement District (LID) members have contributed to the initial cost of the sewer treatment plant and the collection system. For Kachemak City LID dischargers connected within the LID, the City of Homer shall bill Kachemak City in one single bill at the Lift-Station Zone Rate of ~~\$93.95~~ ~~\$88.95~~ ~~\$77.35~~ ~~(\$81.20 + \$5~~ **69.60** **+\$7.75)** per month per customer. Kachemak City shall **be billed a \$5 monthly service charge to cover all Kachemak City sewer customers and shall** be responsible for payment to the City of Homer.

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

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

Seasonal Sewer Meter Fee is \$251.75.

WATER FEES:

Water Connection Fee

Single Family \$300

Multi-Family/Commercial \$375

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

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

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

Commercial - Any user not defined as Residential.

Water Rate Schedule.

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

Rates	Table III	
	Water	
Customer Classification	Monthly Service	Usage Charge/Gallon
Lift-Station Customer	\$ 19.00	\$0.0109
Non-Lift-Station Customer	\$ 19.00	\$0.0109
Multi-units (additional per unit)	\$ 5.00	
Bulk Water	\$ 19.00	\$0.0149

Customer classification definitions for determining water rates:

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

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

Multi-Units: An additional \$5 monthly charge shall apply to each of the units of a building or lot occupied by more than one household or commercial entity contained within one building or several buildings within one complex. Examples of multi-family units include duplexes, four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one lot (where units are normally rented or occupied for longer than one month at a time). Examples of units not considered

as multi-family include hotels, motels, and B&B's seasonal rooms/cabins (where units are routinely rented or occupied for less than one month at a time.)

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

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

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

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

PASSED AND ADOPTED by the City Council of Homer, Alaska, this ____ day of _____, 2016.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

~~Fiscal Note: Reducing gallon multiplier to 3,000 results in \$17,000 less for sewer revenue. Dropping \$5 service charge per Kachemak City sewer customer results in \$6,720 less revenue (113 customers @ \$5).~~

Fiscal Note: Reducing the per gallon multiplier from 3,500 to 3,000 for all sewer only customers results in \$18,514 less for sewer revenue. Dropping the \$5 service charge for Kachemak City sewer customers results in \$6,720 less revenue (currently there are 113 Kachemak City customers and approximately 20 other sewer only customers in City limits).