

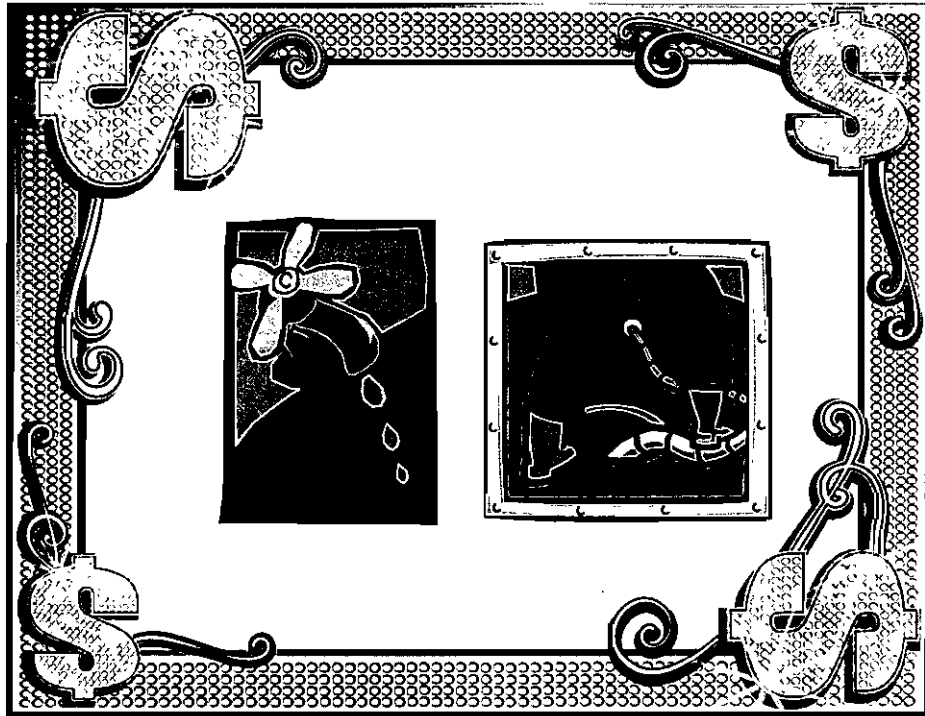
# *Water & Sewer Rate Task Force*

Tuesday

October 23, 2012

Regular Meeting

5:15 p.m.



City Hall Conference Room - Upstairs  
491 E. Pioneer Avenue  
Homer, Alaska 99603





**NOTICE OF MEETING  
REGULAR MEETING**

- 1. CALL TO ORDER**
- 2. APPROVAL OF THE AGENDA**
- 3. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA**
- 4. RECONSIDERATION**
- 5. APPROVAL OF MINUTES** (*Minutes are approved during regular meetings only*)
  - A. Regular Meeting Minutes for August 21, 2012 Page 5
  - B. Special Meeting Minutes for September 19, 2012 Page 13
- 6. VISITORS**
- 7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**
- 8. PUBLIC HEARING**
- 9. PENDING BUSINESS**
  - A. Requested Information on the Cost to Create an Invoice and Percentage of Water from the Spit Used for Flushing or Bleeding Lines AND Estimated amount of Sewage created on the Spit. Page 21
  - B. Review and Discussion on Working Draft Rate Model October 9, 2012 Page 43
    - a. Draft Models printed from Working Spreadsheets - for reference only
- 10. NEW BUSINESS**
- 11. INFORMATIONAL ITEMS**
  - A. Memorandum to Mayor and Council Re: Changes to Membership of the Task Force Page 51
  - B. Meeting Calendar as of October 9, 2012 Page 53
  - C. Timeline as of October 9, 2012 Page 57
  - D. Resolution 12-094, Retain Mayor Wythe Page 61
- 12. COMMENTS OF THE AUDIENCE**
- 13. COMMENTS OF THE CITY STAFF**
- 14. COMMENTS OF THE CHAIR**
- 15. COMMENTS OF THE TASK FORCE**
- 16. ADJOURNMENT** next **WORKSESSION** is scheduled for **TUESDAY, NOVEMBER 13, 2012** City Hall Upstairs Conference Room at 5:15 p.m. The next **REGULAR MEETING** is **NOVEMBER 27, 2012** at 5:15 p.m. Conference Room Upstairs in the City Hall located at 491 E. Pioneer Avenue, Homer Alaska.



Session 12-06 A Regular Meeting of the Water and Sewer Rate Task Force was called to order at 5:15 pm on August 21, 2012 by Chair Beth Wythe at City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

**PRESENT:** LLOYD MOORE, KEN CASTNER, BETH WYTHE  
BARBARA HOWARD AND BOB HOWARD

**ABSENT:** SHARON MINSCH (EXCUSED)

**STAFF:** RENEE KRAUSE, CMC, DEPUTY CITY CLERK I  
CAREY MEYER, DIRECTOR OF PUBLIC WORKS

Ms. Krause noted that Finance Staff was available if the Task Force had any questions or needed Ms. Moore to attend but that she was busy working on the budget. Ms. Krause noted that there was a discrepancy on the meeting date available it should read the 12<sup>th</sup>, not the 11<sup>th</sup> and that a color copy is available regarding the meetings.

### **APPROVAL OF THE AGENDA**

Chair Wythe requested a motion to approve the agenda.

HOWARD/HOWARD – MOVED TO APPROVE AS PRESENTED.

There was no discussion.

The agenda was approved by consensus of the Task Force.

### **PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA (3 Minute Time Limit)**

Justin Arnold, city resident, owner of a tri-plex. He stated that his classification was changed from commercial to multi-family residential with three service charges. He provided information on what the past month's water service with the old rate and the new rate. He stated that he is irritated on his water costs since it now costs him more than his heating bill. He pointed out that a converted tri-plex down the street was billed as a single family. He stated it has the same identical system and they pay substantially less than he does. He was told he could not have multiple meters because of only one shut off at the curb but if he has to pay multiple service charges he should be able to have multiple meters. He wanted to know why he has to pay more when other tri-plexes have the exact same system. He wanted to voice that he still also has to pay a service fee when the unit is empty or the tenant is not paying their rent.

### **RECONSIDERATION**

There were no items for reconsideration.

### **APPROVAL OF MINUTES (Minutes are approved during Regular Meetings only)**

- A. Regular Meeting Minutes for June 19, 2012
- B. Special Meeting Minutes for July 24, 2012

Chair Wythe requested a motion to approve the minutes of June 19, 2012 and July 24, 2012.

HOWARD/CASTNER – SO MOVED.

There was no discussion.

The minutes were approved as presented by consensus of the Task Force.

## **VISITORS**

There were no visitors scheduled.

## **STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**

*(Chair set time limit not to exceed 5 minutes)*

There were no written reports submitted by staff.

## **PUBLIC HEARING** *(3 minute time limit)*

There were no items for public hearing.

## **PENDING BUSINESS**

### **A. Discussion - How Does Fire Protection Affect the City Water System?**

#### **1. The ability to monitor hydrant flows for flushing**

Carey Meyer, Public Works Director spoke about the effects of Fire Protection on the City Water System. He commented that fire protection has minimal effect to the treatment plant; the tanks are significantly over-sized to accommodate for the need of fire protection. The bulk of the tank is for the demand when fire protection is needed and peak customer demand. The mains are 8" in diameter specifically because they offer fire protection. If this was not offered then presumably 4" mains would be adequate. When figuring the depreciation you need a higher number because you are providing fire protection; the mains are the most cost for replacement.

The cost for fire hydrants is a line item in the budget and for 2012 it was comprised mostly of labor costs; in the winter the hydrants must be steamed so they don't pop out of the ground; the budgeted amount is \$83,600. It would be nice to be able to charge the labor directly on the time sheets.

He noted that the City of Anchorage has transferred to maintenance and costs of the hydrants to the fire department. The costs were pulled from the Utility Budget.

In response to a question from Mr. Howard regarding the extent of the costs he was reluctant to quote a price and offered to bring those numbers to the September meeting of the Task Force.

Mr. Meyer noted that there would be a significant reduction in labor costs if they did not offer fire protection.

Mr. Castner commented on a "Stale Water Issue" which could be hung on the excess water needed for fire protection.

Mr. Meyer cited for example the needs of the residents for Kachemak Drive could be 3" but due to fire protection and the distances it needed to be 12 inch line.

Mr. Castner cited the fact that SBS has 6" service for fire protection and if Mr. Meyer knew what other buildings had the same needs around town. Mr. Meyer went on to explain the reasons for the 6" main and that all the schools and hospital have that 6" main.

It is believed that no one pays for this service specifically. It was noted that some may pay in their property taxes which goes into the general fund.

Mr. Castner restated his question of if there is any way to know how many have this 6 inch service on the system. Mr. Meyer stated they should be able to figure it out and may be able to provide this at the next meeting. Mr. Moore stated he recently purchased a building with a six in line to it but that is as far as it went. Mr. Castner questioned whether the Utility budget is outside the enterprise budget?

Questions were asked regarding figuring the costs and would be requested from Finance. Mr. Meyer will try to provide the information on the larger diameter fire lines for the next meeting.

Mr. Meyer addressed Chair Wythe's questions regarding flushing and the flow rates and the actual number of gallons used in flushing. He stated that if you put a meter on the hydrant and it is possible with a stop watch to get a pretty close estimate; Mr. Castner opined that a meter could be installed at the end of the spit permanently for flushing. Mr. Meyer commented that he could meter the flow but not when flushing; Chair Wythe stated that even if it costs a penny but we are using a million gallons we need to be able to account for that costs in figuring a rate; Mr. Moore requested clarification on flushing or bleeding; flushing is too high a flow to meter but bleeding could be metered and that's where we are losing a lot of water.

B. Discussion on Services Provided to Kachemak City

1. Confirmation on the amounts billed
2. Renewing the contract to provide services

Chair Wythe provided a summary of the agenda item.

Finance has provided the information that there are 127 customers from Kachemak City that are being pumped. @ \$57.40 per month for a total of \$7,289.80 and three customer who do not get pumped are being charged \$51.40 per month for and Additional charge of \$154.20 a month.

There was a brief discussion and clarification made on the City of Homer collecting enough to cover the actual costs of the pumping then a question was posed why they were not pumping three customers. What were the circumstances regarding this; also why the contract is not renewed and technically the City is not responsible to provide the services in the agreement since there is no agreement; City of Homer did take ownership of the system. The agreement was initiated in 1988 and when the City of Homer adjusts the rates those rates apply to the same classification of customers in Kachemak City.

Information on why the three are not pumped was asked to be provided at the September meeting. The task force requested a better breakdown or detailed breakdown on the rates charged to Kachemak City.

Comment was made by Mr. Moore regarding the systems that are not maintained properly and are failing and would have to be replaced. Discussion continued on the contract is carried by the City of Homer and unless the contract is renewed it is Kachemak City's responsibility. Questions posed by the members

Determining a rate for Kachemak City should be included in the recommendation to City Council.

C. Discussion on the Various Rate Models

Chair Wythe requested this item on the agenda. She noted that they did not really discuss rate models at the last meeting.

Chair Wythe outlined the following models:

- Blended rate – everyone pays the same amount
- Block rate – everyone pays a certain fee until they reach a certain level
- Size of system rating drives the rate fee that is charged

She noted that they have been talking around the subject but not really saying if they had a position one way or the other and wanted to know if they were at a place that could be discussed.

Mr. Castner stated that it is easy to set up variables in the rate matrix and easy to predict when you move things into a commodity rate or block rate. Using the computer you can plug in the rates and budgets; plug in gallonage. He personally favored the blended rate model with some demand feature within the rate structure. He will need to play with numbers.

Chair Wythe stated that they did a quick review of the book M54 regarding rate structures.

Discussion encompassed seasonal rates; bring back a spit differential fee; concerns regarding the cost of living in Homer; different rate schedule for a year round user; charging tourists for the maintenance of the facilities they enjoy such as establishing a bed tax; charging based on the user class; modeling each of the rate scenarios to test the system; direct allocation of costs models may hurt some people in the community; the necessity to keep an open mind and not pre-suppose the outcome.

D. Reviewing and Revising the Existing Meeting Schedule

1. Addressing meeting date change for September

Chair Wythe opened the next item for discussion and noted that the Clerk has presented some options for the September meeting.

Discussion ensued on the dates members were available. It was determined that September 19, 2012 would be the next meeting.

The normal meeting dates in October the first Tuesday is the City election night and the Library Advisory Board meets on that date so will be rescheduled to the conference room. Ms. Krause recommended shifting the dates a week to October 9 and 23<sup>rd</sup>.

November is a scheduling conflict and then Holiday week. The Task Force discussed availability in November and determined that November 13<sup>th</sup> and tentatively scheduled a regular meeting for November 27<sup>th</sup>; it was noted that Sharon would have to be available for there to be a quorum.

The dates for December 4, 18, 2012 were okay and the regular worksession and meeting.

The first Public Hearing is being scheduled for January 8, 2013, with a regular meeting tentatively scheduled for January 22, 2013.

E. Water & Sewer Rates and Surcharge Removal for Spit Customers

1. Minutes and Resolutions from 2004-2005

Chair Wythe read the title into the record. She noted that she was present and read the minutes and does not remember the content on why it was dropped. There was no motion or notation in the minutes to show the removal of the Spit Surcharge.

Ms. Krause will look into the retention period on the recordings for those meetings.

A brief discussion on the rates and the process that was used to remove the Spit differential and how there should have been a more formal action and the minutes; there were definitely some procedural differences. If the recordings were available the Chair volunteered to listen to those recordings and report back to the Task Force. Additional comments were made on some hand written changes to resolutions instead of being formally changed.

**NEW BUSINESS**

A. Sealing City Water Meters to Prevent Tampering

Mr. Meyer spoke at length on the meters that are installed are tamper resistant but not tamper proof; putting a seal would not prevent tampering; once meters are installed they do not go back or monitor them; they get changed out every ten years; HEA seals their meters; water meters can be done the same way and that it is being done; the meters are removed a few days a months since they are consistently read the same day each month; it would not cost much to randomly test meters; this may be happening to larger consumption customers; this could be included in their recommendation to council.



B. City of Homer Sewer System 101 – Customer to Waste Water Treatment Plant

1. How does this system work?
2. What is the specific impact to the system from large customer or restaurants?
3. What is the specific impact regarding various contaminants?

Chair Wythe introduced the next item and inquired if there are other things that maybe the Task Force should be considering in their recommendation to Council.

Discussion ensued on whether there was some differentiation between a residential user and a restaurant and the reason for the differentiation. Mr. Meyer stated an impact is the sump pump usage; sometimes exceeding the DEC recommendation on limits; the digesters are not used to the fullest capacity; is there a fee that these higher users should be paying; it was recommended to inquire from five or six different municipalities to come up with a general guideline; adding oxygen to treat the sewage adds to the cost of electricity.

C. Creating a Sub-Committee to Focus on Rate Models

Chair Wythe provided a summary of the item on creating a committee. It can be established but there are requirements of providing synopsis and agendas. This would be an unstaffed committee.

CASTNER/- MOVED TO ESTABLISH A SUB-COMMITTEE TO WORK SOLELY ON RATE MODELING.

There was no second.

The motion died for lack of a second.

Chair Wythe next brought up the recommendation of the Clerk to appoint tasks to members of the Task Force to address the concern expressed by Mr. Castner in getting the rate models tested in a timely manner. She added that this was his reason for requesting a sub-committee be established.

There were no recommendations or suggestion from the task force and Chair Wythe stated they would build the rate models into the current meeting schedule.

Mr. Howard stated he agreed that they did need to start developing some rate models but did not feel that the Task Force has come to an agreement on what they are trying to achieve with any rate structure other than an equitable rate that covers the costs of the system. He asked what would be the parameters of the rate models be to achieve these rate models. He inquired if they needed many classes to divide the costs; are the four classes they currently have adequate; do they need more classes: what are we trying to achieve when they work within a class; percentage of the costs are they going to incur; are they structuring rates that do not have subsidies; afforded to a senior housing project; these are all part of a rate structure; what is important when developing the rates.

Mr. Moore opined that when looking at rates and direct allocation of costs you need to consider the benefits to having water service and fire protection to your house.

The Task Force needs to identify if this extends to people not on the system when allocating to the general fund to pay for it which means everyone is contributing to the system; whether they have benefit is always arguable; if there is a desire to assign a portion of the system for fire protection and the general fund should be picking it up; this should be more; asking the general public to pay and need to identify the benefit to substantiate the costs.

A brief discussion on putting in an opinion piece or letter to the editor developed regarding input from the public.

Chair Wythe noted the long break between meetings and would like everyone to be prepared to have a list of specifics regarding considerations on the rate models such as benefits, subsidies, who benefits

from fire service water service in your community. This should help develop a list a priorities. She would welcome a draft rate model and the reasons why you are recommending that model.

Mr. Howard stated it was reasonable if they do it.

Mrs. Howard requested this to be ready for the packet deadline of September 12, 2012. No laydowns. This would afford time for proper review.

Mr. Castner did not feel that this would be appropriate since these models are spreadsheet and computer driven. Chair Wythe stated that these could be forwarded to the clerk and explained the difficulty in reviewing something that is presented at the meeting as a laydown. Mr. Castner questioned putting the spreadsheets on a screen at a meeting who would build the matrix to view those numbers? Mrs. Howard then explained her reasoning for not supporting the formation of a rate model committee previously. She did not feel that she was ready for that so how could she give him any marching orders.

Chair Wythe explained that if Mr. Castner has a specific rate model structure that he would like to develop he could do that and present it to the group. Mr. Castner stated he did not and added that adding and taking away is easy but he feels strongly that they need to build the matrix outside of a meeting. It takes hours to build each matrix.

HOWARD/CASTNER – MOVED FOR AN IMMEDIATE RECONSIDERATION OF ESTABLISHING A SUB-COMMITTEE.

There was no discussion.

The motion to reconsider was carried by consensus of the Task Force.

HOWARD/CASTNER - MOVED TO ESTABLISH A SUB COMMITTEE TO CREATE RATE MODELS.

There was a brief discussion on the benefits of establishing a sub-committee to focus on creating rate models.

HOWARD/CASTNER - MOVE TO HAVE THE SUB-COMMITTEE CONSIST OF TWO TASK FORCE MEMBERS.

There was no discussion.

VOTE. (Amendment) YES. NON-OBJECTION. UNANIMOUS CONSENT.

VOTE. (Main). YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Ms. Krause explained the process for appointing members to the Rate Model Committee.

Mr. Castner and Mr. Howard<sup>f</sup> were appointed to the committee after indicating they wished to serve on it.

#### **INFORMATIONAL MATERIALS**

A. Updated Timeline

B. Reformatted Fixed Assets listing from the August 7, 2012 Worksession

Ms. Krause explained that to carry the columns over to the next page was a difficult process since the information was pulled from Clarity in response to a query from Chair Wythe.

Mr. Castner requested clarification on the class that Mr. Arnold, earlier audience member, belonged to so he could verify the charges in the information Mr. Arnold provided to the Task Force.

**COMMENTS OF THE AUDIENCE**

There was no audience present to comment.

**COMMENTS OF THE CITY STAFF**

There were no additional comments from staff present.

**COMMENTS OF THE CHAIR**

Chair Wythe had no comments.

**COMMENTS OF THE TASK FORCE**

Mrs. Howard and Mr. Howard had no comments.

Mr. Moore thanked Mr. Howard and Mr. Castner for volunteering to work on the rate models. He also commented on the comment made tonight regarding a conflict of interest. He requested the other members to let him know if they feel he has a conflict; he noted that he needs to keep track of what is going on in the system it is not his intent to direct the rates away from him; if the rates go up he raises his rates and if they go too high he finds another source; he doesn't believe that he has tried to lean to discussion towards his benefit he has just tried to inform the other members on his experience or perspective.

Mr. Castner commented that a Task Force is comprised of stakeholders and Mr. Moore is a stakeholder.

**ADJOURN**

There being no further business before the Water and Sewer Rate Task Force Chair Wythe adjourned the meeting at 7:20 p.m. **A SPECIAL MEETING IS SCHEDULED FOR WEDNESDAY, SEPTEMBER 19, 2012 AT 5:15 P.M. A WORKSESSION** is scheduled for **TUESDAY, OCTOBER 9, 2012 AT 5:15 p.m.** The next **REGULAR MEETING is OCTOBER 23, 2012** at 5:15 P.M. All meetings are scheduled in the **UPSTAIRS CONFERENCE ROOM** at City Hall, 491 E. Pioneer Avenue, Homer, Alaska.

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Renee Krause, CMC, Deputy City Clerk I

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



Session 12-07 A Special Meeting of the Water and Sewer Rate Task Force was called to order at 5:15 pm on September 19, 2012 by Chair Beth Wythe at City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

**PRESENT:** LLOYD MOORE, KEN CASTNER, BETH WYTHE  
BARBARA HOWARD AND BOB HOWARD

**ABSENT:** SHARON MINSCH (EXCUSED)

**STAFF:** RENEE KRAUSE, CMC, DEPUTY CITY CLERK I  
CAREY MEYER, DIRECTOR OF PUBLIC WORKS

Ms. Krause notified the Task Force that Ms. Moore was available if needed but she would be in her office working on the budget.

### **APPROVAL OF THE AGENDA**

The agenda was approved by consensus of the Task Force.

### **PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA** *(3 Minute Time Limit)*

Larry Sloan, city resident, commented on the several models that will be presented by the rate committee for consideration and review; the one based on a commodity rate which will apply to 90% of the users and those 90% place the same demand on the system whether they use 10 gallons per day or 100 gallons per day. Therefore the demand is a real consideration. There would be some differentials for those users placing a high demand on the system such as spit users and the fire department. He highly approves of this rate model for a number of reasons; he has had the opportunity to offer substantial input, fairness, transparency, simplicity, flexibility, and revenue production necessary to operate and maintain the system. It is tangible and defensible. Small step for the overall effort but a giant leap in the efforts of the Task Force as far as complying with the mandate of the City Council to provide them with a workable rate structure.

### **RECONSIDERATION**

There were no items for reconsideration.

### **APPROVAL OF MINUTES** *(Minutes are approved during Regular Meetings only)*

There were no minutes provided for approval.

### **VISITORS**

There were no visitors scheduled.

### **STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS** *(Chair set time limit not to exceed 5 minutes)*

A. Rate Model Sub-Committee Synopsis for September 5, 2012

Mr. Castner asked to provide the synopsis under Pending Business item B.

### **PUBLIC HEARING** *(3 minute time limit)*

There were no items for public hearing.

### **PENDING BUSINESS**

- A. Discussion on Services Provided to Kachemak City
  - 1. Information Update on Septic Pumping Services

Chair Wythe asked if there was any discussion on the information provided on the Septic Pumping Services.

There was discussion on where the revenue is shown in the budget, if this is a line item; where do additional revenue items appear in the Budget; final dollar amount for the contract for Kachemak City; the amounts billed, the ownership of the system was established as the City of Homer and a new contract was approved for the pumping;

Mr. Castner queried where the charges or revenue is shown in the budget as a line item of revenue. It was determined that this may be lumped in but would like Staff to indicate where this is in the budget.

Questions asked were:

1. Identifying the revenue received for pumping Kachemak City in the budget.

Staff responded that there is not a separate line in the budget. This was reflected or included in the Special Water Sewer Revenue Fund. This is not in the general fund.

2. Dumping Stations – How many are in the city?

Staff responded there is a holding tank that is used as a dump station on Kachemak Drive for Kachemak City; there is a dump station next to the Fishing Lagoon and the RV Dump Station at Public Works both have a voluntary fee collection.

A detailed dialogue was entertained on the number, locations and amount charged for the dump stations and if this revenue was included in the budget; the Homer Spit Campground provides a RV dump station which is tied into the city system. They do not have water or plumbing there. It was noted that this did affect the system.

The Rate Committee was looking for "cost causers". It was noted that the Chapple's were paying a bill based on the total amount of water used and sewer charges are based on this also. The sewer bill does not capture the additional costs for septic.

The dump stations are not measured for billing purposes. There is a minimal charge of \$2-3.00 and there is an iron ranger. The other RV Park on the spit has each site plumbed for water and sewer.

Further discussion on if there is enough the expense should not be distributed city wide and rates should be addressed in a recommendation.

3. Seasonal Meters – What is this?

Ms. Moore explained the usage of seasonal meters and how it worked. This gallonage is deducted from the sewer portion of the billing. She noted that there is a one-time fee. The meter is read at the end of the season, usually with the September billing. This is done by hand.

The gallonage used is metered and Finance can provide those figures. The Task Force also requested the year to date water and sewer figures that was provided at the last meeting to see what amount is uncollected. She confirmed that it may be a few hundred gallons.

Ms. Minsch stated she did not have the information –Chair Wythe requested this information to be included in the next packet – a mid-year budget review to see where the Water Sewer Budget is at.

Mr. Moore questioned why the two customers are not pumped. Ms. Moore stated she did not have that information and Dan Gardner should be able to provide the information.

Mr. Meyer responded to that question and provided the following information: They installed tanks on the Spit similar to what was installed in Kachemak City and they are included in the contract.

There were no further questions for finance staff.

B. Discussion on the Various Rate Models

Mr. Castner summarized the progress of the committee and what they had come up with so far. He displayed the sample Flat Rate Model and expressed the findings of the sub-committee. There was a brief discussion on the various components of the Flat Rate Model, including the source of the figures, if it contained depreciation it was noted that this model was not fair to all users.

The group voiced by consensus that they did not want to pursue that model.

The next model addressed was the commodity rate model. Mr. Castner stated that the figures used are the same as the Flat Rate model. The committee had a few questions that were needed to further flesh out this rate model. It was noted that most of the costs would be transferred to the larger users and new revenues also.

Mr. Castner proceeded to explain how the committee proceeded providing the following points:

- the first line represented the estimated percentage of hydrants rents or City contribution into the water system.
- the system is oversized
- this represents an estimated one third of the water did not get metered and they took 1/3 of this figure to come up with 11%
- necessity to dump water to maintain water quality
- necessity to maintain oversized lines and hydrants
- increase cost to larger users
  - encourages conservation among the larger users
- projected 136 million gallons
- revenue was projected as depicted in the budget
- some items would go against the revenue requirement
- the committee put in a 15% spit differential
  - applied to water only
  - affects commodity rate only
- fire differential covers a business with a 6-8" line
  - these lines need to be identified and the number of lines
  - part of the oversizing of the lines and those customers should be charged accordingly

There was brief discussion on the line amounts and calculations that had shifted on the spreadsheet.

- there is one fee for both water and sewer
- covers cost of meter read, accounting, banking, etc., which should be the minimum fee charged all year, applies to all accounts whether using it or not.
- bulk water sales cost was increased to normalize the cost comparable with a city user
- large bulk water sales would want a rate to give the city a reason for selling bulk water
- number of flushes per day on the spit would be equaled to those in town
- the restrooms are believed to be metered like all other city facilities
- the current figures used are estimates and represent a proposed base rate

There was further discussion on how the numbers change based on the data used and what each of the numbers reflected in dollar amounts. The service fee could be on any side and the end result is a small user would have an average bill of \$27.33 combined water & sewer this would be the lowest 150 users. A large user prediction would require the information that was provided at an earlier meeting. Further discussion ensued on the changes and how they affect the current users. It was discussed on the amount of gallonage would be compared from the current commodity rate to the proposed commodity rate. There was concern on the amount of change for the larger user. An example for a combined 2000 gallon usage would \$75.80 which would be a decrease of approximately \$35 per month. It was explained that reallocating the costs to the Spit users and then higher consumption would pay not the smaller users. The spit users would automatically pay 15% higher, 1.1 cents which using this model increases 10% so the overall increase for water would be 25% or less. The sewer would be higher.

Mr. Castner explained that they based this model on 1500 customers using 1 meter fee, they did not go into multi-family issues; with regards to the Spit differential there was no resolution to take that away so they are putting it back; they did away with the commercial classes too. This is a commodity based model. If we pick and choose the subsidies let's not put it all on the little guys. Ms. Minsch opined that a building with six families puts a heavier demand on the system. Mr. Castner reminded the members that they have not challenged the city's numbers and it still needs work.

Chair Wythe inquired what additional information was needed by the rate committee.

Mr. Castner stated at some time they need to make a decision that this is their working document and if they start attacking the individuals lines that are decidedly too large or too small.

Chair Wythe asked Mr. Meyer if they can go back and look at what usage was two years ago and see how the rates have been increased incrementally over the last few years should provide the amounts of conservation and if the sales have gone down as the rates have gone up will provide the information needed. She additionally asked if the 15% water and the 30% sewer figures were provided by staff. Mr. Howard responded that at a previous meeting Mr. Meyer stated that the Spit has increased 15-25% for water. The sewer needs some work but we know that there is \$80 thousand dollars in the lift stations and more work is needed in how much sewage comes off the spit and how much domestic water does not wind up back in system.

Mrs. Howard felt that the question should be asked if this body feels the commodity rate model is the way to go.

HOWARD/HOWARD – MOVED THAT THE TASK FORCE INSTRUCTS THE RATE COMMITTEE TO MOVE AHEAD ON THE COMMODITY RATE MODEL SYSTEM.

Discussion ensued that the rate committee is headed in the right direction but refinement is needed. Questions asked by the Task Force - Has the rate committee looked into other systems besides the two presented tonight? The rate committee confirmed that they have only looked at the flat rate model and the commodity rate model. Mr. Castner explained that the rate committee has not spent the time on the fire costs to the system under the commodity model either, that they spent more time on the spit costs to the system and that is how they came up with the spit differential. Mr. Castner explained how the processes from previous years and what this rate model committee did, that there are some deviations. Chair Wythe noted that they do have classes since there will be a base rate and a spit rate. They will need to see what those numbers are; need to build example cases for the different users.

Mrs. Howard called for the question repeating the motion on the floor. Chair Wythe asked if there were further discussion.

Chair Wythe asked if there was any opposition to the motion. There was no response.

Chair Wythe noted the motion passes by consensus.

Mr. Castner responded to a previous question regarding a larger user would be paying \$1084 per month. Mr. Moore noted that in theory this would be passed onto the harbor users. Mr. Howard stated they did not know that at this time.

Mr. Castner opined that they are running out of time and they need to come up with a working model so the public can comment. Sooner rather than later.

Chair Wythe commented on bringing the proposed rate model once refined to the other committees and commissions she believed they would want the bottom line numbers since their concern would be their costs, especially those items with additional fees.



Mr. Howard believed that the defensible answers would come from staff and that this task force must harass staff to help refine the numbers to the point that they understand what they are after. We need to know how to crunch them.

Mrs. Howard stated that they would need a supporting document explaining the formula and what the rationale was behind the formula for each every line.

Mr. Howard further commented that 14% of the water is consumed on the Spit but we don't believe that 14% of Sewage is created on the Spit. It was explained that the 1500 users was rounded up.

Mr. Castner addressed the high BOD users and charging a minimal \$5 fee which provides an additional \$12,000, and keeps track of them and if it is found that they are creating higher maintenance issues then they can address the issue at that time.

Mr. Howard commented on the historical aspects of restaurants and bakeries over domestic sewage. He noted that the average commercial guy is paying more for their sewage than he should be and the average domestic sewage producer is paying less than they should.

Mr. Castner explained that there was a line item that accounted for addressing multi-family. Further discussion on why the multi-family user impacts the system no differently than a residential customer.

The Task Force plugged in the current rates for multi-family to provide an example. Then played with some numbers to see what happens to the other lines items in the rate model presented. Further discussion on current examples of rates and how it affects a commodity rate and concern expressed that a multi-family customer puts more demand on the system. Then the discussion developed into who was going to pay. The bills will be less due to less service fee and costs would be reallocated appropriately. It was explained that other providers charge a minimal service that does not cover the actual costs.

Chair Wythe stated that if Ms. Minsch wanted to make a motion to add a fee to rate model that addresses multi-family you can do that now. The rates currently reflected are the best that can be displayed at this time.

Mr. Moore commented that it would be easy to add a \$5 or \$10 fee into this model and Mr. Castner made adjustments to the rate model to display that scenario. This is a way to track this for future changes if required.

Further explanations were provided to explain the reduction in monthly bills overall.

MOORE/CASTNER – MOVED TO ADD A FIVE DOLLAR CHARGE PER UNIT PER MONTH FOR MULTI-FAMILY SERVICE.

Discussion included that it is needed for tracking, recognize the perception of an additional demand and a scenario was provided. This can always be changed or deleted.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

A discussion and exercise on the current rates and the projection that rates are going to be reduced and still cover the requirements of the system including maintenance and depreciation ensued. It was noted that the amount of gallonage sold did not all go through the sewer. The water is based on dollars and the sewer is based on gallons.

The next item the Task Force discussed was the service fee and how could they lower it from \$45 to a suggested \$18 per month.

HOWARD/CASTNER – MOVED TO REQUEST STAFF TO GENERATE THE ADMINISTRATIVE COSTS THAT INCLUDES READING THE METERS, GENERATING THE BILLS, COLLECTING THE MONEY.

There was discussion on the service fee and what would be a defensible number from staff.

Motion was passed by consensus of the Task Force members.

The Task Force did a brief exercise changing the service fee amount. It was noted that the closer you can get the service fee to \$0 the fairer it is overall. Further time was spent in explaining how a lower rate can be charged and covering all the costs.

HOWARD/HOWARD – MOVED TO HAVE STAFF PROVIDE THE QUANTITY OF SEWAGE THAT COMES FROM THE SPIT.

Mr. Howard commented that they required a more accurate number of gallons of water that goes back to the sewage treatment plant, it is known that not all the water metered does not get sent back as sewage and they also wanted information on pump station efficiencies. As an example any water that goes to the ice house the majority does not come back as sewage.

The Motion was passed by consensus of the Task Force members.

#### C. Discussion and Clarification of Fire Protection Costs to the System

Mr. Castner noted that there is more into maintaining those hydrants.

Mr. Howard requested confirmation that the \$83,000 covers just labor. Mr. Meyer responded saying that \$73,000 covers labor and approximately \$10,000 for equipment.

Further discussion on details of the costs related to providing fire service to the city and the benefits of that service.

Mr. Castner said he felt that represented 11% of the cost and Mr. Moore felt 25%. Mr. Castner said this number reflects only the maintenance of the system.

Mr. Meyer related how they do it in Anchorage.

Chair Wythe asked if there was a way to identify the depreciable value of the hydrants in the fire system.

Ms. Minsch asked if it was known how many units on the Spit are being provided fire protection.

Further discussion on fairness ensued.

Mrs. Minsch asked for an item on the agenda for just general discussion.

#### **NEW BUSINESS**

There were no items on the agenda.

#### **INFORMATIONAL MATERIALS**

A. Updated Timeline

B. Updated Meeting Schedule

There was no discussion on the informational items in the packet.

#### **COMMENTS OF THE AUDIENCE**

Larry Sloan commented on the commodity rate model, staff providing materials requested and charging a fee with no benefit. He further commented that more discussion was required on fire service costs and depreciation.

**COMMENTS OF THE CITY STAFF**

Ms. Krause had no comments.

Mr. Meyer commented on the exercise using the spreadsheet seeing how changing one factor acts on other areas of the rate; how the service fees are applied; the overall costs to operate the system; if you don't use water there is still fixed costs.

**COMMENTS OF THE CHAIR**

Chair Wythe commented on looking at the depreciation as a fixed cost to the system.

**COMMENTS OF THE TASK FORCE**

Mr. and Mrs. Howard had no comments.

Mr. Moore commented that he would like to talk about his water usage but that might be declared a conflict of interest so he won't. His concerns were the pendulum swinging from one end to the other and he wants to be fair for everyone there needs to be some common ground to keep costs down for everybody.

Mr. Castner commented on paying for the system again and again.

Ms. Minsch wanted to know if they really think they will be ready for public hearings in January and getting input from the public and what do they want them to comment on.

**ADJOURN**

There being no further business before the Water and Sewer Rate Task Force Chair Wythe adjourned the meeting at 8:30 p.m. The next **REGULAR MEETING is OCTOBER 23, 2012** at 5:15 P.M. All meetings are scheduled in the **UPSTAIRS CONFERENCE ROOM** at City Hall, 491 E. Pioneer Avenue, Homer, Alaska.

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Renee Krause, CMC, Deputy City Clerk I

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



Renee Krause

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**From:** Carey Meyer  
**Sent:** Tuesday, October 09, 2012 4:08 PM  
**To:** Renee Krause

17,921,000 gallons of water is delivered to Spit customers (annually). This is customer metered flow.

Looking at the type of user (Harbor, fish processing where little water returns in the sewer system vs. residential, restaurant, commercial where almost all water returns)

Approximately 9,150,000 gallons (53%) of this does not enter the sewer system.  
8,771,000 gallons (47%) does enter the sewer system.

Looking at sewer lift station pump run times, we estimate approximately 7,225,000 gallons (42%) of water leaves the Spit as wastewater.

Carey S. Meyer, P.E., MPA  
**City of Homer**  
Public Works Director  
3575 Heath Street  
Homer, AK 99603  
*e-mail: [cmeyer@ci.homer.ak.us](mailto:cmeyer@ci.homer.ak.us)*  
Phone: (907) 235-3170  
Fax: (907) 235-3145  
Cell: (907) 399-7232



Renee Krause

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**From:** Regina Mauras  
**Sent:** Monday, October 08, 2012 3:46 PM  
**To:** Renee Krause  
**Subject:** RE: Items of Information that was Requested at the Sept 19th WSTF meeting

Hi Renee...

It is nearly impossible to determine how much time is spent from meter reading to invoicing to payment receipt. There are too many variables, including collections, whether a person pays on line or in person, new hook up or disconnects are more timely, and seasonal folks. Additionally, having an exact amount of hours per employee that is involved in this process, including overtime, sick and holiday pay, benefits for each would be time consuming and not necessarily accurate.

I would love to help our task force on this, but level of detail would take more time than we have available. What we do have, is the allocation schedule in each year's budget. For finance, time is allocated on measurable factors, such as how many water/sewer bills were generated, ambulance bills, and Port and Harbor bills. Public Works allocate time through the budgeting process also based on actual data.

Regina

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**From:** Renee Krause  
**Sent:** Thursday, October 04, 2012 11:52 AM  
**To:** Lauriè Moore; Regina Mauras; Carey Meyer  
**Subject:** Items of Information that was Requested at the Sept 19th WSTF meeting  
**Importance:** High

I was just wondering if you were able to get together the information requested by the Water & Sewer Task Force on the following if not no problem the regular meeting is scheduled for 10/23/12

Finance - Actual time/cost involved to process the invoice/billing - no rates or personnel names would be needed. They also wanted to know how much time/cost is involved in reading the meters to report the information to be invoiced.

Public Works – Approx. gallonage that is used out at the spit, flushing, bleeding lines, etc.

I understand your schedules so please remember do not kill the messenger. If you are unable to provide this information for the worksession I will just provide a memo that you are working on it and the information will be available for the regular meeting.

I am putting the packet together now if you will have something before the end of the day let me know if not send me an email response please.

Thanks☺

Renee Krause, CMC  
Deputy City Clerk I  
City of Homer  
491 E. Pioneer Avenue  
Homer, Alaska 99603

Ph. 907-235-8121 ext. 2224  
Fax. 907- 235-3143  
[rkrause@ci.homer.ak.us](mailto:rkrause@ci.homer.ak.us)

*"Successful is the person who has lived well, laughed often and loved much, who has gained the respect of children, who leaves the world better than they found it, who has never lacked appreciation for the earth's beauty, who never fails to look for the best in others or give the best of themselves."*

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Renee Krause

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**From:** Regina Mauras  
**Sent:** Friday, October 12, 2012 1:32 PM  
**To:** Renee Krause  
**Cc:** Laurie Moore  
**Subject:** RE: WSTF Request

What was provided to the council, and is on line, is the 2011 Audited Numbers, 2012 Adopted Budget, and 2013 Proposed Budget.

The revenues for 2013 are 2011 actual data and adding 2% for inflation.

In the City Manager's letter he did address the Water / Sewer Rates. Laurie provided YTD 2012 Revenues to W/S Task force not this past Meeting but the one before.

regina

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**From:** Renee Krause  
**Sent:** Thursday, October 11, 2012 4:57 PM  
**To:** Laurie Moore  
**Cc:** Regina Mauras  
**Subject:** WSTF Request  
**Importance:** High

Do you recall the request from Sharon at the September 19<sup>th</sup> meeting for the mid-year budget review or status update on the water & sewer. This was information provided to council?

Renee Krause, CMC  
Deputy City Clerk I  
City of Homer  
491 E. Pioneer Avenue  
Homer, Alaska 99603  
Ph. 907-235-8121 ext. 2224  
Fax. 907- 235-3143  
[rkrause@ci.homer.ak.us](mailto:rkrause@ci.homer.ak.us)

*"Successful is the person who has lived well, laughed often and loved much, who has gained the respect of children, who leaves the world better than they found it, who has never lacked appreciation for the earth's beauty, who never fails to look for the best in others or give the best of themselves."*

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CITY OF HOMER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

WATER / SEWER SPECIAL REVENUE

	MTD ACTUAL	YTD ACTUAL	ENCUMBRANCES	BUDGET	UNEARNED	F
<u>WATER SYSTEMS ADMINISTRATION</u>						
200-400-4527 PERS REVENUE	.00	.00	.00	50,000.00	50,000.00	
200-400-4616 METER SALES RES	321,466.33	321,466.33	.00	713,541.00	392,074.67	
200-400-4617 METER SALES COM	480,322.19	480,322.19	.00	932,560.00	452,237.81	
200-400-4618 METER SALE IND	8,270.44	8,270.44	.00	32,000.00	23,729.56	
200-400-4661 CONNECTION FEES	8,330.63	8,330.63	.00	15,000.00	6,669.37	
200-400-4662 SERVICE & METERS	2,876.87	2,876.87	.00	24,000.00	21,123.13	
200-400-4801 INTEREST INCOME	.00	.00	.00	5,000.00	5,000.00	
200-400-4802 PENALTY/INT	4,301.55	4,301.55	.00	6,000.00	1,698.45	
TOTAL WATER SYSTEMS ADMINISTR	825,568.01	825,568.01	.00	1,778,101.00	952,532.99	
<u>SEWER SYSTEMS ADMINISTRATION</u>						
200-500-4616 METER SALES RES	417,819.63	417,819.63	.00	953,785.00	535,965.37	
200-500-4617 METER SALES COM	309,090.62	309,090.62	.00	582,305.00	273,214.38	
200-500-4618 METER SALE IND	4,216.38	4,216.38	.00	20,000.00	15,783.62	
200-500-4662 SERVICE&METER	3,545.21	3,545.21	.00	13,000.00	9,454.79	
200-500-4701 RV DUMP STATION	198.87	198.87	.00	3,000.00	2,801.13	
TOTAL SEWER SYSTEMS ADMINISTR	734,870.71	734,870.71	.00	1,572,090.00	837,219.29	
TOTAL FUND REVENUE	1,560,438.72	1,560,438.72	.00	3,350,191.00	1,789,752.28	



CITY OF HOMER  
EXPENDITURES & ENCUMBRANCES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

WATER / SEWER SPECIAL REVENUE

	MTD ACTUAL	YTD ACTUAL	ENCUMBRANCE	BUDGET	UNEXPENDE	PCNT
<u>WATER SYSTEMS ADMINISTRATION</u>						
200-400-5101 REG EMPLOYEES	62,344.45	62,344.45	.00	128,650.00	66,305.55	48.5
200-400-5102 FRINGE BENEFITS	35,047.75	35,047.75	.00	100,017.00	64,969.25	35.0
200-400-5103 PART TIME EMPL	2,134.45	2,134.45	.00	.00	2,134.45-	.0
200-400-5104 FRINGE BEN P/T	436.95	436.95	.00	.00	438.95-	.0
200-400-5105 OVERTIME	123.83	123.83	.00	1,000.00	876.17	12.4
200-400-5106 LEAVE CASH OUT	15,755.18	15,755.16	.00	15,699.00	56.16-	100.4
200-400-5107 PART TIME OVERTIME	2.10	2.10	.00	.00	2.10-	.0
200-400-5201 OFFICE SUPPLIES	736.46	736.46	.00	1,200.00	463.54	61.4
200-400-5202 OPR SUPPLIES	379.26	379.26	.00	900.00	520.74	42.1
200-400-5203 FUEL/LUBE	181.82	181.82	.00	.00	181.82-	.0
200-400-5208 EQUIPMENT MAINTENANCE	.00	.00	.00	1,000.00	1,000.00	.0
200-400-5210 PROF & SPEC SVC	1,962.67	1,982.67	.00	13,500.00	11,537.33	14.5
200-400-5211 AUDIT SERVICES	8,826.74	8,826.74	.00	9,496.00	669.26	93.0
200-400-5215 COMMUNICATIONS	2,014.59	2,014.59	.00	4,200.00	2,185.41	48.0
200-400-5216 POSTAGE/FREIGHT	.00	.00	.00	1,500.00	1,500.00	.0
200-400-5221 PROPERTY INS	.00	.00	.00	13,444.00	13,444.00	.0
200-400-5222 AUTO INSURANCE	.00	.00	.00	11,439.00	11,439.00	.0
200-400-5223 LIABILITY INS	.00	.00	.00	17,777.00	17,777.00	.0
200-400-5227 ADVERTISING	129.48	129.48	.00	700.00	570.52	18.5
200-400-5231 TOOLS/EQUIP	541.18	541.18	.00	1,200.00	658.82	45.1
200-400-5234 RECORD/PERMITS	150.00	150.00	.00	1,000.00	850.00	15.0
200-400-5235 MEMBERSHIP/DUES	368.25	368.25	.00	1,000.00	631.75	36.8
200-400-5236 TRANSPORTATION	1,273.45	1,273.45	.00	.00	1,273.45-	.0
200-400-5241 G/F ADMIN FEES	226,432.00	226,432.00	.00	226,432.00	.00	100.0
200-400-5252 CREDIT CARD SERVICE FEES	2,801.01	2,801.01	.00	15,000.00	12,198.99	18.7
200-400-5602 SAFETY EQUIP	419.24	419.24	.00	750.00	330.76	55.9
200-400-5603 EMPLOYEE TRAIN	761.50	761.50	.00	7,200.00	6,438.50	10.6
200-400-5606 BAD DEBT EXP	31,019.48	31,019.48	.00	.00	31,019.48-	.0
200-400-5608 INTEREST EXPENSE	216.38	216.38	.00	.00	216.38-	.0
200-400-5990 TRANSFERS TO	100,000.00	100,000.00	.00	100,000.00	.00	100.0
 TOTAL WATER SYSTEMS ADMINISTR	 494,058.20	 494,058.20	 .00	 673,104.00	 179,045.80	 73.4



CITY OF HOMER  
EXPENDITURES & ENCUMBRANCES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

WATER / SEWER SPECIAL REVENUE

	MTD ACTUAL	YTD ACTUAL	ENCUMBRANCE	BUDGET	UNEXPENDE	PCNT
<u>TREATMENT PLANT</u>						
200-401-5101 REG EMPLOYEES	49,034.01	49,034.01	.00	97,400.00	48,365.99	50.3
200-401-5102 FRINGE BENEFITS	35,123.06	35,123.06	.00	63,933.00	28,809.94	54.9
200-401-5103 PART TIME EMPLOYEES	.00	.00	.00	4,130.00	4,130.00	.0
200-401-5104 P/T FRINGE BENEFITS	.00	.00	.00	558.00	558.00	.0
200-401-5105 OVERTIME	14,319.49	14,319.49	.00	11,500.00	2,819.49	124.5
200-401-5202 OPR SUPPLIES	936.60	936.60	.00	6,000.00	5,063.40	15.6
200-401-5203 FUEL/LUBE	25,751.98	25,751.98	.00	35,000.00	9,248.02	73.6
200-401-5204 CHEMICALS	37,266.64	37,266.64	.00	32,000.00	5,266.64	116.5
200-401-5207 VEHICLE/BOAT MAINTENANCE	654.36	654.36	.00	1,200.00	545.64	54.5
200-401-5208 EQUIPMENT MAINT	9,582.84	9,582.84	.00	21,000.00	11,417.16	45.6
200-401-5209 BLDG/GRDS MAINT	406.28	406.28	.00	4,000.00	3,593.72	10.2
200-401-5210 PROF & SPEC SVC	132.00	132.00	.00	3,800.00	3,668.00	3.5
200-401-5214 RENTS AND LEASES	.00	.00	.00	2,000.00	2,000.00	.0
200-401-5217 ELECTRICITY	25,806.50	25,806.50	.00	40,000.00	14,193.50	64.5
200-401-5602 SAFETY EQUIP	77.94	77.94	.00	500.00	422.06	15.6
TOTAL TREATMENT PLANT	199,091.70	199,091.70	.00	323,021.00	123,929.30	61.6
<u>TESTING</u>						
200-402-5101 REG EMPLOYEES	10,341.43	10,341.43	.00	16,600.00	8,258.57	62.3
200-402-5102 FRINGE BENEFITS	5,856.14	5,856.14	.00	10,590.00	4,733.86	55.3
200-402-5105 OVERTIME	178.58	178.56	.00	500.00	321.44	35.7
200-402-5202 OPR SUPPLIES	1,303.00	1,303.00	.00	4,600.00	3,297.00	28.3
200-402-5208 EQUIPMENT MAINT	1,775.00	1,775.00	.00	4,000.00	2,225.00	44.4
200-402-5210 PROF & SPEC SVC	215.66	215.66	.00	2,200.00	1,984.34	9.8
200-402-5226 TESTING/ANALYS	6,047.40	6,047.40	.00	16,000.00	9,952.60	37.8
TOTAL TESTING	25,717.19	25,717.19	.00	54,490.00	28,772.81	47.2
<u>PUMP STATIONS</u>						
200-403-5101 REG EMPLOYEES	9,197.03	9,197.03	.00	19,558.00	10,360.97	47.0
200-403-5102 FRINGE BENEFITS	6,324.37	6,324.37	.00	11,647.00	5,322.63	54.3
200-403-5103 PART TIME EMPLOYEES	.00	.00	.00	590.00	590.00	.0
200-403-5104 P/T FRINGE BENEFITS	.00	.00	.00	80.00	80.00	.0
200-403-5105 OVERTIME	176.21	176.21	.00	400.00	223.79	44.1
200-403-5202 OPR SUPPLIES	2.31	2.31	.00	2,200.00	2,197.69	.1
200-403-5203 FUEL/LUBE	.00	.00	.00	1,000.00	1,000.00	.0
200-403-5208 EQUIPMENT MAINT	.00	.00	.00	7,000.00	7,000.00	.0
200-403-5209 BLDG/GRDS MAINT	.00	.00	.00	5,000.00	5,000.00	.0
200-403-5217 ELECTRICITY	26,465.66	26,465.66	.00	45,000.00	18,534.34	58.8
200-403-5231 TOOLS/EQUIP	.00	.00	.00	1,000.00	1,000.00	.0
TOTAL PUMP STATIONS	42,165.58	42,185.58	.00	93,475.00	51,309.42	45.1





CITY OF HOMER  
EXPENDITURES & ENCUMBRANCES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

WATER / SEWER SPECIAL REVENUE

	MTD ACTUAL	YTD ACTUAL	ENCUMBRANCE	BUDGET	UNEXPENDE	PCNT
<u>DISTRIBUTION SYSTEMS</u>						
200-404-5101 REG EMPLOYEES	61,400.25	61,400.25	.00	125,121.00	63,720.75	49.1
200-404-5102 FRINGE BENEFITS	40,665.71	40,665.71	.00	77,358.00	36,692.29	52.6
200-404-5103 PART TIME EMPLOYEES	2,755.20	2,755.20	.00	.00	2,755.20-	.0
200-404-5104 P/T FRINGE BENEFITS	337.13	337.13	.00	.00	337.13-	.0
200-404-5105 OVERTIME	5,704.24	5,704.24	.00	10,000.00	4,295.76	57.0
200-404-5107 PART TIME OVERTIME	12.60	12.60	.00	.00	12.60-	.0
200-404-5202 OPR SUPPLIES	5,804.32	5,804.32	.00	9,000.00	3,195.68	64.5
200-404-5208 EQUIPMENT MAINT	.00	.00	.00	6,500.00	6,500.00	.0
200-404-5209 BLDG/GRDS MAINT	184.94	184.94	.00	1,500.00	1,315.06	12.3
200-404-5210 PROF & SPEC SVC	261.25	281.25	.00	7,500.00	7,218.75	3.8
200-404-5217 ELECTRICITY	74,527.62	74,527.62	.00	42,000.00	32,527.62-	177.5
200-404-5231 TOOLS/EQUIP	533.12	533.12	.00	6,000.00	5,466.88	8.9
TOTAL DISTRIBUTION SYSTEMS	192,206.38	192,206.38	.00	284,979.00	92,772.62	67.5
<u>WATER RESERVOIR</u>						
200-405-5101 REG EMPLOYEES	15,285.99	15,285.99	.00	27,347.00	12,061.01	55.9
200-405-5102 FRINGE BENEFITS	9,200.92	9,200.92	.00	17,589.00	8,388.08	52.3
200-405-5103 PART TIME EMPL	459.20	459.20	.00	.00	459.20-	.0
200-405-5104 FRINGE BEN P/T	52.03	52.03	.00	.00	52.03-	.0
200-405-5105 OVERTIME	463.36	463.36	.00	500.00	36.64	92.7
200-405-5107 PART TIME OVERTIME	2.10	2.10	.00	.00	2.10-	.0
200-405-5202 OPR SUPPLIES	37.54	37.54	.00	1,000.00	962.46	3.8
200-405-5208 EQUIPMENT MAINT	171.87	171.87	.00	3,000.00	2,828.13	5.7
200-405-5209 BLDG/GRDS MAINT	.00	.00	.00	2,000.00	2,000.00	.0
200-405-5210 PROF & SPEC SVC	.00	.00	.00	5,600.00	5,600.00	.0
200-405-5213 SURVEY/APPRaisal	.00	.00	.00	1,200.00	1,200.00	.0
TOTAL WATER RESERVOIR	25,673.01	25,673.01	.00	58,236.00	32,562.99	44.1
<u>WATER METERS</u>						
200-406-5101 REG EMPLOYEES	25,252.03	25,252.03	.00	54,021.00	28,766.97	46.7
200-406-5102 FRINGE BENEFITS	16,300.17	16,300.17	.00	35,304.00	19,003.83	46.2
200-406-5103 PART TIME EMPLOYEES	459.20	459.20	.00	.00	459.20-	.0
200-406-5104 P/T FRINGE BENEFITS	52.03	52.03	.00	.00	52.03-	.0
200-406-5105 OVERTIME	27.45	27.45	.00	2,000.00	1,972.55	1.4
200-406-5107 PART TIME OVERTIME	2.10	2.10	.00	.00	2.10-	.0
200-406-5202 OPR SUPPLIES	2,646.52	2,646.52	.00	15,000.00	12,353.48	17.6
200-406-5231 TOOLS/EQUIP	244.67	244.67	.00	1,500.00	1,255.33	16.3
200-406-5602 SAFETY EQUIP	507.28	507.28	.00	750.00	242.72	67.6
200-406-5603 EMPLOYEE TRAINING	.00	.00	.00	1,200.00	1,200.00	.0
TOTAL WATER METERS	45,491.45	45,491.45	.00	109,775.00	64,283.55	41.4



CITY OF HOMER  
EXPENDITURES & ENCUMBRANCES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

WATER / SEWER SPECIAL REVENUE

	MTD ACTUAL	YTD ACTUAL	ENCUMBRANCE	BUDGET	UNEXPENDE	PCNT
<u>WATER HYDRANTS</u>						
200-407-5101 REG EMPLOYEES	23,798.93	23,798.93	.00	47,620.00	23,821.07	50.0
200-407-5102 FRINGE BENEFITS	15,355.62	15,355.62	.00	27,934.00	12,578.38	55.0
200-407-5103 PART TIME EMPLOYEES	916.40	918.40	.00	.00	918.40-	.0
200-407-5104 P/T FRINGE BENEFITS	104.09	104.09	.00	.00	104.09-	.0
200-407-5105 OVERTIME	479.65	479.65	.00	100.00	379.65-	479.7
200-407-5107 PART TIME OVERTIME	4.20	4.20	.00	.00	4.20-	.0
200-407-5202 OPR SUPPLIES	4,876.98	4,876.98	.00	7,000.00	2,123.02	69.7
200-407-5210 PROFESSIONAL & SPECIAL SERVICE	.00	.00	.00	1,000.00	1,000.00	.0
TOTAL WATER HYDRANTS	45,537.87	45,537.67	.00	83,654.00	36,116.13	54.4

<u>SEWER SYSTEMS ADMINISTRATION</u>						
200-500-5101 REG EMPLOYEES	62,023.65	62,023.65	.00	128,650.00	66,626.35	48.2
200-500-5102 FRINGE BENEFITS	34,158.98	34,158.98	.00	100,017.00	65,858.02	34.2
200-500-5103 PART TIME EMPL	2,134.45	2,134.45	.00	.00	2,134.45-	.0
200-500-5104 FRINGE BEN P/T	436.97	436.97	.00	.00	436.97-	.0
200-500-5105 OVERTIME	123.80	123.60	.00	1,000.00	676.20	12.4
200-500-5106 LEAVE CASH OUT	20,149.16	20,149.16	.00	20,093.00	56.16-	100.3
200-500-5107 PART TIME OVERTIME	2.10	2.10	.00	.00	2.10-	.0
200-500-5201 OFFICE SUPPLIES	14.49	14.49	.00	.00	14.49-	.0
200-500-5202 OPR SUPPLIES	282.59	282.59	.00	800.00	517.41	35.3
200-500-5210 PROF & SPEC SVC	670.65	670.65	.00	10,000.00	9,329.35	6.7
200-500-5211 AUDIT SERVICES	8,826.74	8,826.74	.00	9,495.00	666.26	93.0
200-500-5215 COMMUNICATIONS	.00	.00	.00	4,500.00	4,500.00	.0
200-500-5216 POSTAGE/FREIGHT	.00	.00	.00	2,500.00	2,500.00	.0
200-500-5221 PROPERTY INS	.00	.00	.00	7,719.00	7,719.00	.0
200-500-5222 AUTO INSURANCE	.00	.00	.00	11,439.00	11,439.00	.0
200-500-5223 LIABILITY INS	.00	.00	.00	17,447.00	17,447.00	.0
200-500-5227 ADVERTISING	81.00	61.00	.00	500.00	419.00	16.2
200-500-5231 TOOLS/EQUIP	231.91	231.91	.00	1,500.00	1,268.09	15.5
200-500-5234 PERMITS	1,680.00	1,680.00	.00	.00	1,680.00-	.0
200-500-5235 MEMBERSHIP/DUES	700.00	700.00	.00	1,500.00	600.00	46.7
200-500-5236 TRANSPORTATION	429.84	429.84	.00	.00	429.84-	.0
200-500-5241 G/F ADMIN FEES	310,086.00	310,086.00	.00	310,086.00	.00	100.0
200-500-5252 CREDIT CARD SERVICE FEES	2,802.37	2,802.37	.00	15,000.00	12,197.63	18.7
200-500-5601 CLOTHING/UNIFORM	400.14	400.14	.00	250.00	150.14-	160.1
200-500-5602 SAFETY EQUIP	1,798.91	1,798.91	.00	1,500.00	298.91-	119.9
200-500-5603 EMPLOYEE TRAIN	2,169.60	2,169.60	.00	4,000.00	1,830.40	54.2
200-500-5990 TRANSFERS TO	100,000.00	100,000.00	.00	100,000.00	.00	100.0
TOTAL SEWER SYSTEMS ADMINISTR	549,203.35	549,203.35	.00	747,996.00	198,792.65	73.4



CITY OF HOMER  
EXPENDITURES & ENCUMBRANCES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

WATER / SEWER SPECIAL REVENUE

	MTD ACTUAL	YTD ACTUAL	ENCUMBRANCE	BUDGET	UNEXPENDE	PCNT
<u>SEWER PLANT OPERATIONS</u>						
200-501-5101 REG EMPLOYEES	57,326.79	57,326.79	.00	128,776.00	71,449.21	44.5
200-501-5102 FRINGE BENEFITS	40,611.46	40,611.46	.00	85,126.00	44,514.54	47.7
200-501-5103 PART TIME EMPL	459.20	459.20	.00	7,080.00	6,620.80	6.5
200-501-5104 FRINGE BEN P/T	594.25	594.25	.00	956.00	361.75	62.2
200-501-5105 OVERTIME	6,906.11	6,906.11	.00	10,600.00	3,693.89	65.2
200-501-5107 P/T OVERTIME	2.10	2.10	.00	.00	2.10-	.0
200-501-5202 OPR SUPPLIES	2,805.53	2,805.53	.00	7,500.00	4,694.47	37.4
200-501-5203 FUEL/LUBE	24,079.20	24,079.20	.00	45,000.00	20,920.80	53.5
200-501-5204 CHEMICALS	15,730.00	15,730.00	.00	25,000.00	9,270.00	62.9
200-501-5208 EQUIPMENT MAINT	6,664.73	6,664.73	10,985.40	21,000.00	3,349.87	84.1
200-501-5209 BLDG/GRDS MAINT	33.85	33.85	.00	1,500.00	1,466.15	2.3
200-501-5210 PROF & SPEC SVC	477.00	477.00	.00	3,000.00	2,523.00	15.9
200-501-5214 RENTS & LEASES	.00	.00	.00	1,500.00	1,500.00	.0
200-501-5216 FREIGHT	75.00	75.00	.00	.00	75.00-	.0
200-501-5217 ELECTRICITY	27,110.43	27,110.43	.00	173,200.00	146,089.57	15.7
200-501-5218 WATER	9,148.68	9,148.68	.00	15,000.00	5,851.32	61.0
200-501-5219 SEWER	356.38	356.38	.00	900.00	543.62	39.6
TOTAL SEWER PLANT OPERATIONS	192,380.71	192,380.71	10,985.40	526,138.00	322,771.89	38.7
<u>SEWER SYSTEM TESTING</u>						
200-502-5101 REG EMPLOYEES	20,495.00	20,495.00	.00	34,432.00	13,937.00	59.5
200-502-5102 FRINGE BENEFITS	11,623.02	11,623.02	.00	21,501.00	9,877.98	54.1
200-502-5105 OVERTIME	311.60	311.60	.00	200.00	111.60-	155.8
200-502-5202 OPR SUPPLIES	4,099.32	4,099.32	.00	3,000.00	1,099.32-	136.6
200-502-5210 PROFESSIONAL & SPECIAL SERVICE	150.00	150.00	.00	600.00	450.00	25.0
200-502-5226 TESTING/ANALYS	648.00	648.00	.00	4,000.00	3,352.00	16.2
TOTAL SEWER SYSTEM TESTING	37,326.94	37,326.94	.00	63,733.00	26,406.06	58.6
<u>SEWER LIFT STATIONS</u>						
200-503-5101 REG EMPLOYEES	39,708.76	39,708.76	.00	78,317.00	38,608.24	50.7
200-503-5102 FRINGE BENEFITS	25,768.47	25,768.47	.00	47,769.00	22,000.53	53.9
200-503-5103 PART TIME EMPLOYEES	2,296.00	2,296.00	.00	.00	2,296.00-	.0
200-503-5104 P/T FRINGE BENEFITS	260.30	260.30	.00	.00	260.30-	.0
200-503-5105 OVERTIME	3,067.01	3,067.01	.00	1,700.00	1,367.01-	180.4
200-503-5107 PART TIME OVERTIME	10.50	10.50	.00	.00	10.50-	.0
200-503-5202 OPR SUPPLIES	3,806.12	3,806.12	.00	10,500.00	6,693.88	36.3
200-503-5208 EQUIPMENT MAINT	53.67	53.67	.00	7,000.00	6,946.33	.8
200-503-5209 BLDG/GRDS MAINT	.00	.00	.00	2,000.00	2,000.00	.0
200-503-5217 ELECTRICITY	6,896.45	6,896.45	.00	16,500.00	9,603.55	41.8
200-503-5231 TOOLS/EQUIP	.00	.00	.00	1,500.00	1,500.00	.0
TOTAL SEWER LIFT STATIONS	81,867.28	81,867.28	.00	165,286.00	83,416.72	49.5



CITY OF HOMER  
EXPENDITURES & ENCUMBRANCES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING JUNE 30, 2012

WATER / SEWER SPECIAL REVENUE

		MTD ACTUAL	YTD ACTUAL	ENCUMBRANCE	BUDGET	UNEXPENDE	PCNT
<u>COLLECTION SYSTEM</u>							
200-504-5101	REG EMPLOYEES	37,659.16	37,659.16	.00	76,641.00	38,981.84	49.1
200-504-5102	FRINGE BENEFITS	24,148.81	24,148.81	.00	44,659.00	20,510.19	54.1
200-504-5105	OVERTIME	881.58	881.58	.00	1,000.00	118.42	88.2
200-504-5202	OPR SUPPLIES	1,121.96	1,121.96	62.76	5,000.00	3,815.26	23.7
200-504-5206	EQUIPMENT MAINT	.00	.00	.00	1,200.00	1,200.00	.0
200-504-5210	PROF & SPEC SVC	6,453.75	6,453.75	.00	35,000.00	28,546.25	18.4
200-504-5231	TOOLS/EQUIP	.00	.00	.00	1,500.00	1,500.00	.0
	TOTAL COLLECTION SYSTEM	70,265.26	70,265.26	62.76	165,000.00	94,671.98	42.6
	TOTAL FUND EXPENDITURES	2,000,984.92	2,000,984.92	11,048.16	3,348,887.00	1,336,853.92	60.1
	NET REVENUE OVER EXPENDITURES	440,546.20-	440,546.20-	( 11,048.16)	1,304.00	452,898.36	(34631





CITY OF HOMER  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 8 MONTHS ENDING AUGUST 31, 2012

WATER / SEWER SPECIAL REVENUE

		MTD ACTUAL	YTD ACTUAL	ENCUMBRANCES	BUDGET	UNEARNED	PCNT
<u>WATER SYSTEMS ADMINISTRATION</u>							
200-400-4616	METER SALES RES	441,478.73	441,478.73	.00	713,541.00	272,062.27	61.9
200-400-4617	METER SALES COM	704,082.17	704,082.17	.00	932,560.00	228,477.83	75.5
200-400-4618	METER SALE IND	17,721.54	17,721.54	.00	32,000.00	14,278.46	55.4
200-400-4661	CONNECTION FEES	12,155.63	12,155.63	.00	15,000.00	2,844.37	81.0
200-400-4662	SERVICE & METERS	12,914.36	12,914.36	.00	24,000.00	11,085.64	53.8
TOTAL WATER SYSTEMS ADMINISTR		1,188,352.43	1,188,352.43	.00	1,717,101.00	528,748.57	69.2
<u>SEWER SYSTEMS ADMINISTRATION</u>							
200-500-4616	METER SALES RES	575,606.56	575,606.56	.00	953,785.00	378,178.44	60.4
200-500-4617	METER SALES COM	454,816.23	454,816.23	.00	582,305.00	127,488.77	78.1
200-500-4618	METER SALE IND	10,020.14	10,020.14	.00	20,000.00	9,979.86	50.1
200-500-4662	SERVICE&METER	10,510.42	10,510.42	.00	13,000.00	2,489.58	80.9
200-500-4701	RV DUMP STATION	2,292.54	2,292.54	.00	3,000.00	707.46	76.4
TOTAL SEWER SYSTEMS ADMINISTR		1,053,245.89	1,053,245.89	.00	1,572,090.00	518,844.11	67.0
TOTAL FUND REVENUE		2,241,598.32	2,241,598.32	.00	3,289,191.00	1,047,592.68	68.2
NET REVENUE OVER EXPENDITURES		2,241,598.32	2,241,598.32	.00	3,289,191.00	1,047,592.88	68.2



City of Homer Water and Sewer Rate Study Draft Rate Model  
Version 3 Working

Assumptions:

1		Hydrant Rents =	178,647
2		Commodity Reduction due to Conservation =	13%
3		Historic Metered Sales Projection (gallons) =	136,000,000
4		Adjusted Sales Projection (gallons) =	
5		Total Revenue Requirements for Commodity =	1,633,781
6		Total Revenue Requirements for Disposal =	1,665,170
7		Total Services (meters) =	1,500
8		Total Customers (billings) =	
9		Total Revenue Requirements for Service =	324,000
10		15% Spit Differential Water=	24,480
10		30% Spit Differential Sewer=	49,776
11		Fire Sprinkler Fee =	840
12		High BOD Generator Sewage Differential =	12,000
13		BOD Generator Sewage from Apartments =	
14		Monthly Demand Fee =	
15		Surplus Water Sales (Bulk)=	93,350
		Sloan = Line 5/Line 3 = Commodity Rate (\$/gal)	
		Sloan = Line 8/Line 6/12 = Monthly Service Fee	
		Sloan= Line 6/Line 3	



All Customers	Water Rate	Service Fee	Sewer Rate
	0.01201	18	0.0122

## Water

Total Revenue:  
Commodity  
Service  
Total:

1,633,781  
324,000  
1,957,781

	Average mo. Gal.	New Rate/mo.	Service Fee	Monthly Bill
1 to 150	323	3.88	18	21.88
151 to 300	1,033	12.41	18	30.41
301 to 450	1,636	19.65	18	37.65
451 to 600	2,127	25.55	18	43.55
601 to 750	2,593	31.15	18	49.15
751 to 900**	2,726	32.74	18	50.74
901 to 1050**	3,227	38.76	18	56.76
1051 to 1200**	4,025	48.36	18	66.36
1201 to 1350**	5,785	69.49	18	87.49
Top 10%**	36,949	443.87	18	461.87

\*\* conservation reduction applied

## Sewer

	Average mo. Gal.	New Rate/mo.	Service Fee	Monthly Bill
1 to 150	323	3.95	0	3.95
151 to 300	1,033	12.65	0	12.65



301 to 450	1,636	20.03	0	20.03
451 to 600	2,127	26.04	0	26.04
601 to 750	2,593	31.75	0	31.75
751 to 900**	2,726	33.37	0	33.37
901 to 1050**	3,227	39.51	0	39.51
1051 to 1200**	4,025	49.29	0	49.29
1201 to 1350**	5,785	70.83	0	70.83
Top 10%**	36,949	452.40	0	452.40

\*\* conservation reduction applied

Total Water and Sewer	Monthly Bill
1 to 150	25.84
151 to 300	43.06
301 to 450	57.68
451 to 600	69.59
601 to 750	80.90
751 to 900	84.12
901 to 1050	96.27
1051 to 1200	115.65
1201 to 1350	158.32
Top 10%	914.27

Points in Favor:

- A) Simple
- B) Removes multi-tenant charges
- C) Encourages conservation





Points Against:

- Case 3 Cost-causers subsidized by others (Spit water)
- Case 4 Cost-causers subsidized by others (Sprinkler water)
- Case 5 Cost-causers subsidized by others (Spit sewer)
- Case 6 Cost-causers subsidized by others (Heavy Commercial sewer)

Note: Service Fee Commodity Cost/Gallons= Min Fee



## Office of the City Clerk

Jo Johnson, CMC, City Clerk

Melissa Jacobsen, CMC, Deputy City Clerk II  
Renee Krause, CMC, Deputy City Clerk I



491 E. Pioneer Avenue  
Homer, Alaska 99603-7624  
(907) 235-3130

(907) 235-8121  
Extension: 2227  
Extension: 2224

Fax: (907) 235-3143  
Email: [clerk@ci.homer.ak.us](mailto:clerk@ci.homer.ak.us)

## MEMORANDUM

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TO: MAYOR WYTHE AND CITY COUNCIL

FROM: WATER & SEWER RATE TASK FORCE

DATE: OCTOBER 16, 2012

SUBJECT: CHANGES TO THE MEMBERSHIP OF THE TASK FORCE

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### **BACKGROUND**

At the worksession on October 8, 2012 the members of the Water & Sewer Rate Task Force discussed a requirement that mandated Chair Wythe step down from her position on any Committee or Task Force.

The discussion included the difficulty a new member would have getting "up to speed" and possibly losing time in presenting an alternate solution to the Water & Sewer rates.

The majority of the members agreed that it was preferable to retain Chair Wythe on the task force but if she could then the Council definitely needed to appoint a new council member to take her place.

### **RECOMMENDATION**

The Water & Sewer Rate Task Force Recommends City Council allow Mayor Elect Wythe to stay on the Task Force due to her strong leadership skills, continuity, and the stage the recommendation to Council is at currently.



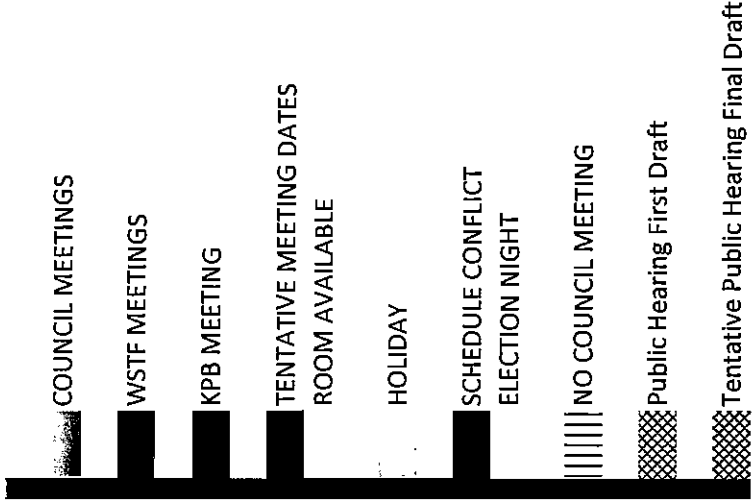
LEGEND						
COUNCIL MEETINGS						
WSTF MEETINGS						
KPB MEETING						
TENTATIVE MEETING DATES						
ROOM AVAILABLE						
HOLIDAY						
SCHEDULE CONFLICT						
ELECTION NIGHT						
NO COUNCIL MEETING						
Public Hearing First Draft						
Tentative Public Hearing Final Draft						
SUN	MON	TUES	WED	THURS	FRI	SAT
AUGUST						
19	20		22	23	24	25
26	27	28	29	30	31	
SEPTEMBER						
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17			20	21	22
23	24	25	26	27	28	29
30						
OCTOBER						
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22		24	25	26	27
28	29	30	31			
NOVEMBER						
4	5		7	8	9	10
11	12		14	15	16	17
18	19	20	21	22	23	24
25	26		28	29	30	
DECEMBER						
2	3		5	6	7	8
9	10	11	12	13	14	15
16	17		19	20	21	22
23	24	25	26	27	28	29
30	31					
JANUARY						
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21		23	24	25	26
27	28	29	30	31		
FEBRUARY						
3	4		6	7	8	9
10	11	12	13	14	15	16
17	18		20	21	22	23
24	25	26	27	28		



SUN	MON	TUES	WED	THURS	FRI	SAT
3	4	5	6	7	1	2
10	11	12	13	14	8	9
17	18	19	20	21	15	16
24	25	26	27	28	22	23
31				29	29	30

MARCH

LEGEND







MEETING DATES	LEGEND
5/22 5/23 5/24 5/25 5/26 5/27 5/28 5/29 5/30 5/31 6/1 6/2 6/3 6/4 6/5 6/6 6/7 6/8 6/9 6/10 6/11 6/12 6/13 6/14 6/15 6/16 6/17 6/18 6/19 6/20 6/21 6/22 6/23 6/24 6/25 6/26 6/27 6/28 6/29 6/30 7/1 7/2 7/3 7/4 7/5 7/6 7/7 7/8 7/9 7/10 7/11 7/12 7/13 7/14 7/15 7/16 7/17 7/18 7/19 7/20 7/21 7/22 7/23 7/24 7/25 7/26 7/27 7/28 7/29 7/30 7/31 8/1 8/2 8/3 8/4 8/5 8/6 8/7 8/8 8/9 8/10 8/11 8/12 8/13 8/14 8/15 8/16 8/17 8/18 8/19 8/20 8/21 8/22 8/23 8/24 8/25 8/26 8/27 8/28 8/29 8/30 8/31 9/1 9/2 9/3 9/4 9/5 9/6 9/7 9/8 9/9 9/10 9/11 9/12 9/13 9/14 9/15 9/16 9/17 9/18 9/19 9/20 9/21 9/22 9/23 9/24 9/25 9/26 9/27 9/28 9/29 9/30 10/1 10/2 10/3 10/4 10/5 10/6 10/7 10/8 10/9 10/10 10/11 10/12 10/13 10/14 10/15 10/16 10/17 10/18 10/19 10/20 10/21 10/22 10/23 10/24 10/25 10/26 10/27 10/28 10/29 10/30 10/31 11/1 11/2 11/3 11/4 11/5 11/6 11/7 11/8 11/9 11/10 11/11 11/12 11/13 11/14 11/15 11/16 11/17 11/18 11/19 11/20 11/21 11/22 11/23 11/24 11/25 11/26 11/27 11/28 11/29 11/30 12/1 12/2 12/3 12/4 12/5 12/6 12/7 12/8 12/9 12/10 12/11 12/12 12/13 12/14 12/15 12/16 12/17 12/18 12/19 12/20 12/21 12/22 12/23 12/24 12/25 12/26 12/27 12/28 12/29 12/30 12/31	Task Completed Task Ongoing Task Dropped Task Not Started
TASKS	
Alaska Open Meetings Act	
Nomenclature	
Creating a Project Time Line	
Water & Sewer 101 The Basics of the System Source to Customer	
Rates & Information from 2000	
Creating a Project Time Line	
Rate Study 2000-2001	
Seasonal Use Number of Gallons Used	
Flow Rates	
Random Sampling of Water	
Sewer Bills	
Review & Discussion on Percentage of Loss from Flushing	
Review of Rate Sheet and Update of Water Meter Information	
Projected Revenue and Amount of Revenue to Date for Reso. 1194(S)	
City of Homer Water & Sewer Systems Map	
2000 Rate Model using Current Rate - Comparisons	
How Does Fire Protection Affect the City Water System	
Discussion on Water & Sewer Service on the Homer Spit	
Discussion on the City of Homer Sewer System 101 Customer to Treatment Plant	
Review and Discussion on M54 Document/Book	
Reviewing the Different Options in Rate Models	
Why a Rate Model Would Not be in the Best Interests for the City to Implement	
Establishing a Sub Committee	



MEETING DATES	LEGEND											
Narrowing the Options for Proposed Rate Models												
Draft Rate Model												Task Completed
Plugging Current Numbers into Draft Rate Model												Task Ongoing
Final Draft of Proposed Rate Model												Task Dropped
Public Hearing												Task Not Started
Inputting Public Recommendations into Proposed Rate Model												
Public Hearing												
Inputting Public Comments into Proposed Rate Model Final Draft												
Submittal to City Council with Summary of Action												



**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**RESOLUTION 12-094**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING RESOLUTION 12-027(A), THE COMPOSITION OF THE WATER AND SEWER RATE TASK FORCE, TO ALLOW MAYOR WYTHER TO CONTINUE TO SERVE AS A TASK FORCE MEMBER UNTIL THE COMPLETION OF THEIR FINDINGS AND RECOMMENDATIONS TO THE CITY COUNCIL.

WHEREAS, A task force to review the existing water and sewer rates and rate structure was formed March 27, 2012 via Resolution 12-27(A); and

WHEREAS, The task force was comprised of five members of the community who are residents of the City and two City Councilmembers; and

WHEREAS, Former Councilmember Beth Wythe was appointed to the task force on April 9, 2012 via Memorandum 12-056 and has served continuously until she was elected Mayor of the City of Homer on October 2, 2012; and

WHEREAS, The task force is well established; and

WHEREAS, It would be in the best interest of the City to allow Mayor Wythe to continue to serve on the Task Force.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby amends Resolution 12-027(A), the composition of the Water and Sewer Rate Task Force to allow Mayor Beth Wythe to continue to serve on the task force until the completion of their findings and recommendations to the City Council.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 22<sup>nd</sup> day of October, 2012.

CITY OF HOMER

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MARY E. WYTHER, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A





