

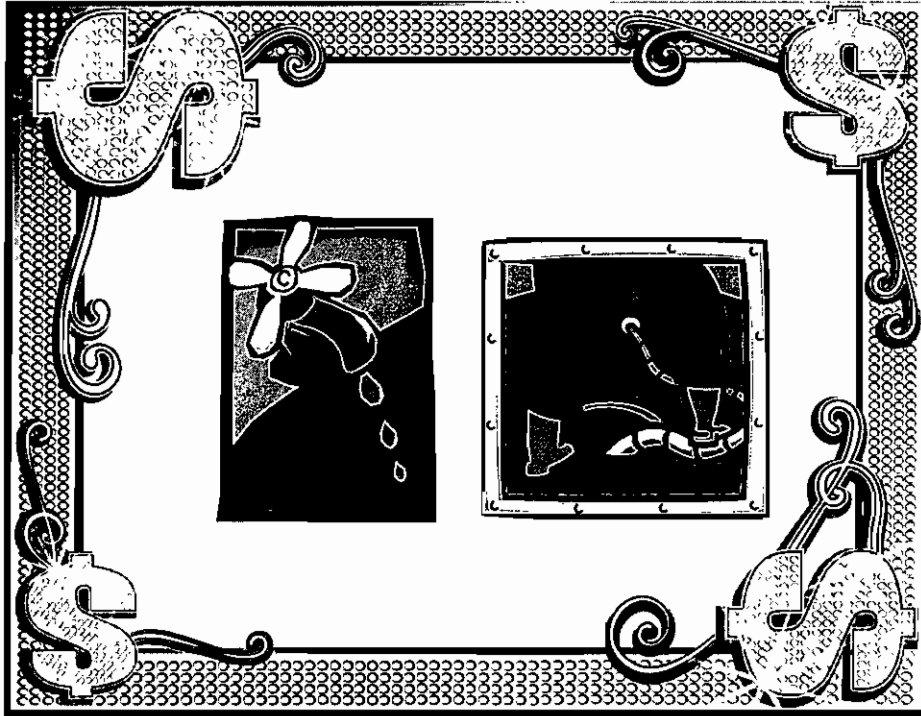
Water & Sewer Rate Task Force

Tuesday

November 20, 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 October 23, 2012 Page 5
- 6. VISITORS**
- 7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**
- 8. PUBLIC HEARING**
- 9. PENDING BUSINESS**
 - A. Staff Responses to Requests for Information
 1. Email from Carey Meyer dated November 13, 2012 Re: Number of Meters per Meter Size and Response to Request for Number of Six Inch Meters For Identifying Fire Service Page 13
 2. Email from Carey Meyer dated November 13, 2012 Re: Spit Restroom Water Usage 2011 Page 15
 3. Email from Carey Meyer dated November 13, 2012 Re: Analysis of Spit Surcharge Page 17
 4. Response from Regina Mauras/Laurie Moore dated November 13, 2012 Re: Kachemak City Rates and Questions with Resolution 11-094(S) as backup. Page 19
 5. Copies of Actual Invoices for Water and Sewer Service Page 27
 6. Kachemak City Rates, Billing Formulas, Number of Commercial Units Page 39
 - B. Review and Discussion on Working Draft Rate Model revised November 6, 2012
 - a. Draft Models printed from Working Spreadsheets - for reference only Page 43
- 10. NEW BUSINESS**
- 11. INFORMATIONAL ITEMS**
 - A. Meeting Calendar as of November 1, 2012 Page 49
 - B. Timeline as of November 14, 2012 Page 53
 - C. Resolution 12-094 Amending Resolution 12-027(A), Allowing Mayor Wythe to remain on the Task Force Page 57
 - D. Confirming the Appointment of Beauregard Burgess to the Task Force Page 59
- 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, DECEMBER 4, 2012** City Hall Upstairs Conference Room at 5:15 p.m. The next **REGULAR MEETING** is **DECEMBER 18, 2012** at 5:15 p.m. Conference Room Upstairs in the City Hall located at 491 E. Pioneer Avenue, Homer Alaska.

Water and Sewer Rate Task Force Purpose:

TO EXAMINE THE EXISTING RATES AND RATE STRUCTURE

TO PREPARE A RECOMMENDATION TO COUNCIL ON A RATE AND RATE STRUCTURE FOR 2013.

Session 12-09 A Regular Meeting of the Water and Sewer Rate Task Force was called to order at 5:15 pm on October 23, 2012 by Chair Beth Wythe at City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: SHARON MINSCH, KEN CASTNER, BETH WYTHE
BEAU BURGESS AND BOB HOWARD

ABSENT: LLOYD MOORE (EXCUSED)

STAFF: RENEE KRAUSE, CMC, DEPUTY CITY CLERK I

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

APPROVAL OF THE AGENDA

Chair Wythe called for approval of the agenda.

CASTNER/MINSCH – SO MOVED.

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)*

There were no public comments.

RECONSIDERATION

There were no items for reconsideration.

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

A. Regular Meeting Minutes for August 21, 2012

B. Special Meeting Minutes for September 19, 2012

HOWARD/MINSCH – MOVED TO APPROVE THE AUGUST 21, 2012 AS PRESENTED.

There was no discussion.

The minutes of August 21, 2012 Regular meeting were approved by consensus of the Task Force.

HOWARD/MINSCH – MOVED TO APPROVE THE MINUTES OF SEPTEMBER 19, 2012.

MINSCH/HOWARD – MOVED TO CORRECT THE MINUTES SHOWING MS. MINSCH WAS PRESENT.

There was no discussion.

The amendment was approved by consensus of the Task Force.

The amended minutes for September 19, 2012 were approved 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 reports included for this meeting.

PUBLIC HEARING *(3 minute time limit)*

There were no items for public hearing.

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.

Mr. Castner opened discussion on generating a bill by offering the opinion that in the budget it shows the revenues for metered sales residential and commercial industrial and connection fees and service meters. Not included is the money that the City pays for services provided elsewhere such as the Harbor buys water and this is not reflected as a line item in the revenue budget. Everything else is tracked and listed as a line item in the budget but what the city pays. He opined that for transparency sake it should be shown in the budget as a City of Homer usage and is tracked.

There is no proof that this is paid and this is the reason for the account codes that was provided by Ms. Mauras.

Mr. Castner noted the expenses for various funds and line items. He noted that this is not in the same ratios as seen otherwise in the budget. He was going to insert these figures in the model then subtract it out.

Discussion ensued on the various numbers and budget line items regarding the City of Homer contributions. It was noted that even it washed with the overhead costs it should be shown since it is a public use account.

The Task Force questioned the document provided by the Public Works department noting that it was not titled or labeled properly and who the 39 private accounts. The Task Force stated that when staff provides documents to support information they need to identify it properly.

A detailed and lengthy discussion on the overhead costs charged to the system, the actual usage by the City of Homer, and the service charged for Administrative services occurred then.

The next discussion was on the figures behind what it takes to create an invoice for water and sewer services. It was pointed out that no funds were taken from the general funds at this point in creating the rate model. It was agreed that this was for a bill that would be sent out each and every month whether they received water or not; Chair Wythe reminded the Task Force on the ultimate goal with this spreadsheet. Mr. Howard recommended rounding up on the figure for water whatever it comes out to be.

Further points noted or addressed were the service fee rate; the commodity rate reduction for conservation; the commodity rate fee; a formula to use for the draft rate model.

The Task Force Members then addressed the rate model line by line as follows:

Service Fee = # of Meters (M)

Variable Function based on the Two End Put Constants which is number of meters (m) monthly meters service fee sub-function $F/m/12 =$ gives the monthly bill service amounts. This can be adjusted monthly by the number of active meters.

Sub-function F = Finance number from the budget (from page 42 of the Budget)

Chair Wythe questioned where she would come up the number. Mr. Burgess explained that the finance number, on page 42, divided by 12 divided by the number of meters divided by 12 gives the service fee. Chair Wythe wanted to give a line number since they were not the people struggling through this in two years. She wanted to provide a system that takes the politics out of it and give a mathematical formula to be applied. Mr. Howard wanted to make sure that they are collecting enough money and not find

themselves in the same position where they have to implement large increases. He recommended multiplying the number by 105.

CASTNER/MINSCH - MOVED THAT THE S5 FUNCTION EQUALS 40% OF THE FINANCE OVERHEAD.

Discussion ensued regarding the use of this figure. This results in $\$310,077.00 \cdot .4 \times 775192 = 310077/1472/12=17.55 \times 1.05$ to hold it for increased costs not accounted for. The discussion included having a model that someone else could run. Mr. Castner updated the model. Mr. Castner noted that this model is a subtractive model. So it does not show the 5%. He noted that they would have to adjust the revenue component side of the model. Mr. Howard wanted to remind the group that they had to consider including the depreciation. It was noted that they needed to agree upon some numbers to create formulas to input into the rate formula and currently the budget included a set amount. It was questioned that this figure will hold the same at 40% over time.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

BURGESS/MINSCH - MOVED TO CALCULATE THE MONTHLY METERED SERVICE FEE, SF AS DESCRIBED, CELL E12 DIVIDED BY M, WHERE M IS THE TOTAL NUMBER OF METERS, CELL E21, DIVIDED BY 12 MONTHS.

BURGESS/ HOWARD – MOVED TO ADD FRIENDLY AMENDMENT TO ADD A MULTIPLIER OF 1.05 TO THE CALCULATION.

The group discussed adding transparency, adjusting the revenue stream, the cost to produce the bill will remain the same, keep it more in alignment for the actual numbers; the current model is a subtractive model; the 5% does not necessarily needed; this creates a new model. If this is important just revisit the previous motion and increase the .40 to .42. Clarification on if you want to recover costs to provide a separate line instead of each separate line in the model; building a plug and play model using constants that will come out in the budgetary process.

VOTE. (Amendment). NO. NON-OBJECTION. UNANIMOUS CONSENT.

Motion Failed.

Chair Wythe repeated the motion on the floor for the record.

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

Motion carried.

Chair Wythe noted that Mr. Castner had earlier stated he would support a motion to round to the highest dollar if anyone wanted to make that motion now.

HOWARD/MINSCH - MOVED TO ROUND THE METERED SERVICE FEE UP TO THE NEAREST DOLLAR.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CASTNER/HOWARD – MOVED TO HAVE A COMMODITY BASED FEE ON THE WATER SIDE OF THE UTILITY.

There was a brief discussion on everyone is charged the same for a gallon of water with two exceptions, Spit Customers will be charged a differential and Bulk Users will be charged a higher fee. There was more discussion on charging the Spit Differential. There was a brief discussion on the sewer side is different and there can be additional considerations on the sewer side. It is okay to say that they are in disagreement with the current plan. There was concern that they are paying for the system now and there is no room to increase revenue basing it on meters. It was noted that they could look at the fact they are selling a commodity.

Mr. Castner called for the question.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

HOWARD/CASTNER - MOVED TO TASK STAFF WITH EVALUATING THE COST OF DELIVERING WATER TO THE SPIT TO ASCERTAIN THE DIFFERENTIAL FOR SPIT WATER DELIVERY.

Discussion on the fairness of charging a spit differential and the spit being an important economic engine. It was noted that they do not know what the differential will be until staff evaluates and provides the information on the cost to provide water. This is separate from the costs to bring the sewage back from the spit. It was also noted that there was no direct action to remove the differential in the first place.

VOTE. NO. MINSCH. CASTNER. WYTHE.

VOTE. YES. HOWARD. BURGESS.

Motion failed.

CASTNER/MINSCH – MOVED TO PLACE A 5% SPIT DIFFERENTIAL TO THE COST OF WATER.

Further discussion on employing a differential to Spit customers and the various places where the water was metered but were not return sewer items and would come off the sewer side. The water used for flushing is not metered and not counted. It was noted that the differential should reflect the reality as close as possible otherwise it did not justify the cost of a different billing structure. It was further noted that this question was asked three different ways and we haven't received an answer.

VOTE. NO. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Chair Wythe confirmed that the Spit Differential remains at 15%.

CASTNER/MINSCH – MOVED TO DELETE THE 15% DIFFENTIAL FROM THE WATER SIDE.

Discussion on the purpose of this task force; discover the real costs; who uses water and who doesn't; who is billed for the water used by the Ferry; the largest user or use of water is Ramp Four Cleaning Tables; increase fees in the Harbor; how can you apply a differential without having the actual numbers.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mr. Castner deleted this from the draft model and noted that the commodity rate rose from .114 to .119 by removing the spit differential.

The next topic of discussion was the Fire Hydrants. Mr. Castner pointed out that they currently take about 10% of the amount for fire protection.

CASTNER/HOWARD - MOVED THAT 10% OF THE WATER REVENUE REQUIREMENTS, SHOWN AS FUND 100, 200 AND 400 IN THE BUDGET, TO BE ALLOCATED TO HYDRANT RENTS.

There was a question if they can ask Staff to have the budget reflect this information separately for public water usage, industrial, residential and commercial. Chair Wythe noted that they could include in their final recommendation that expenditures for water and sewer be broken out as separate line items for water and sewer in the budget. When they denote these specific numbers they can be taken directly from the budget. Further points noted were that water dispensed to maintain the system is unmetered water. Only water that is metered is counted.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mr. Castner adjusted the draft rate model to reflect this change. It was noted that it brought it down to \$10.70 per thousand. This has brought down the costs by approximately a penny which reflects the City paying its portion of the costs.

Mr. Castner explained for Mr. Burgess's benefit the reason for applying a \$5.00 per month per six inch service meter. This is applied to any building which currently is numbered at twenty. Mr. Meyer was requested to provide the number of six inch meters at a previous meter.

CASTNER/MINSCH -MOVED TO ADD A 40% SURCHARGE TO SURPLUS WATER SALES.

Mr. Burgess would prefer to see a percentage over the standard rate instead of a set dollar amount. The current rate is .0147. They are recommending adding a 40% increasing rather than have it something to change every time with inflation. The customers are getting really good water and a really good rate on this water. They discussed the rates for water bought by a large vessel.

Chair Wythe recessed the meeting at 7:15 p.m. to get a Fee Schedule. The meeting was called back to order at 7:20 p.m.

Further discussion on if a large vessel comes in to port and is sold a million dollars; there was a tariff that directly affects those purchases in the harbor; they are trying to make the rates meet costs; it was considered that bulk water sales were more than water being sold across the dock. Currently they pay \$12.69 per thousand gallons.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

There was a brief discussion on how to insert the formula into the current rate model.

Chair Wythe noted the changes made and stated the rate would then be \$10.60 per thousand or .0106. This number then is divided by 1,800,750 gallons. The next conversation will be on the reduction for conservation percentage. Mr. Castner noted that in one section of the Rate Model he was not changing the formula at this meeting. He noted they agreed to round up the service fee previously. He will have to make adjustments to the formulas after the meeting.

There was a brief discussion on the use of 13% and how the percentage was calculated. Chair Wythe asked if Mr. Castner would like to make a motion on that.

CASTNER/HOWARD - MOVED TO USE A 13% CALCULATION FOR THE ANTICIPATED COMMODITY RATE REDUCTION FOR CONSERVATION EFFORTS.

There was a brief discussion on using this as an estimated amount; not building on anticipated reduction but should be described so they speak for themselves; this model is being built for overtime not just the next budget cycle; they have a much easier time determining costs; the benefits of having conservation anticipated using a commodity rate model to ensure collection of funds to maintain a system; the difference in usage in smaller effects such as a rainy summer; is there any other way to account for this aspect in another format; projection numbers; the public and staff concern that this task force is building a model that will fail in the first year.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CASTNER/HOWARD - MOVED THE DRAFT RATE MODEL FOR THE WATER AS AMENDED IS TAKEN TO PUBLIC HEARING.

Discussion on having one last review of the final clean-up version of the Rate Model before submitting for Public Hearing; Mr. Burgess requested that they refine the model to describe all the constants somewhere on the spreadsheet and agrees in principle with the percentages and wanted to offer a friendly amendment to define the constants; some of the items were incomplete but the formulas or numbers were intact. Ms. Minsch proposed waiting to review the final draft rate model before agreeing to submit for public hearing.

VOTE. YES. HOWARD. CASTNER. BURGESS, WYTHE.
VOTE. NO. MINSCH.

Motion carried.

Chair Wythe noted that they will bring this forward as the Public Hearing Draft.

Ms. Minsch requested a copy of the revised updated draft Rate model after the changes. It was determined that the Clerk can forward a copy of the updated spreadsheet.

Chair Wythe proposed the due to the late hour and they have finished the business on the agenda and Mr. Castner has requested to address one item on the Sewer side of the Rate Model.

Mr. Castner stated that they have a 30% Spit Differential on the Sewer and since the next meeting is a month away it would be a good time to request some information from Public Works now is the time to make that motion. Chair Wythe opined that they requested that information before and asked if they have not received the total volume of dollars associated with Spit expenses compared to the other.

Mr. Howard stated that they received pieces, we know how much sewage we bring off the spit and we know how much the lift stations cost, and it would be appropriate for the staff to analyze the impact the lift stations have on that little amount of sewage off the spit. That is where the differential will come from; Mr. Howard went to report that Carey Meyer has reported previously was that 50% of the lift station costs are attributed to the Spit. It would seem to him that staff would be in a position to analyze the quantities of sewage associated with that cost compared to the rest of the community and come up

with the Spit Differential. Mr. Howard's recollection was around \$85,000 dollars and when you use the figure of 8,000,000 gallons of sewage there is a significant increase.

There was a further notation that the spit differential was removed on the water side what would not stop it from being removed on the sewer side and it was noted that there were the additional costs of having the lift stations, it was pointed out they have lift stations in other locations. The lift station costs were in the budget.

HOWARD/CASTNER - MOVED TO TASK STAFF TO IDENTIFY THE SPIT DIFFERENTIAL FOR SEWAGE FEES BASED ON THE VOLUME OF SEWAGE THAT COMES OFF THE SPIT AND THE ADDITIONAL COSTS ASSOCIATED WITH OPERATING THE LIFT STATIONS SPECIFIC TO BRINGING THE SEWAGE OFF THE SPIT.

There was a brief discussion on the request being specific enough for staff.

Mr. Burgess offered a friendly amendment to add the specific costs to operating the lift stations used for bringing the sewage off the spit.

It was requested to get the costs to operate the other lift stations. The other lift stations manage 92% sewage according to the plant and then 8% of the sewage that causes this expense. It is very definable. It was noted that there was a line item in the budget last year that was \$170,000, but staff knows the numbers and figuring the costs should be easy for them.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Chair Wythe stated that the next meeting is November 20, 2012. Mr. Howard commented that he will be out of town. There was a brief discussion regarding the meeting being changed due to an error on one of the documents not being updated and why there will be no meeting earlier in the meeting. The Clerk explained that temporary committees usually do not have conference calls. The same process will be conducted on the sewer side. The Clerk could email Mr. Howard the Draft model that will be used and follow along over the phone. Mr. Howard made some further comments on the sewage charges, BOD loading for various commercial accounts. He noted the concern expressed for multi-family domestic sewage and small business sewage.

The Clerk confirmed that four members present make a quorum.

- B. Review and Discussion on Working Draft Rate Model October 9, 2012
 - a. Draft Models printed from Working Spreadsheets - for reference only

There was no discussion it was included in the above topic.

NEW BUSINESS

There was no new business on the agenda.

INFORMATIONAL MATERIALS

- A. Timeline as of October 9, 2012
- B. Meeting Calendar as of October 9, 2012
- C. Memorandum Re: Changes to Membership of the Task Force
- D. Resolution 12-094, Retain Mayor Wythe

COMMENTS OF THE AUDIENCE

Mr. Sloan, city resident, always advocated that this Task Force be non-political and was sorry to see the 15% split differential on the water side go away especially since they are tasking staff to come up with a Split differential figure for the sewer side. He thought it would be appropriate for staff to do the water side; the conservation percentage due to reduction part should be easy to explain especially to the larger users; he opined that assigning 10% of the water budget to hydrants is still too low according to the discussion and information provided by Carey Meyer at the August 21, 2012 meeting. He feels that this area should be revisited before its ready for prime time public.

COMMENTS OF THE CITY STAFF

There were no additional comments from staff present.

COMMENTS OF THE CHAIR

Chair Wythe confirmed that yes they will be reviewing in December voting on the whole model. She will try to carve out some time to do some drafting of recommendations before that too.

COMMENTS OF THE TASK FORCE

Mr. Howard had no comments.

Mr. Castner stated he wasn't done with the overhead thing he wanted to revisit that has that number needs to be fixed.

Ms. Minsch clarified that they will still revisit the amended rate model before going to public hearing.

ADJOURN

There being no further business before the Water and Sewer Rate Task Force Chair Wythe adjourned the meeting at 8:00 p.m. The next **REGULAR MEETING is NOVEMBER 20, 2012** at 5:15 P.M. All meetings are scheduled in the **UPSTAIRS CONFERENCE ROOM** at City Hall, 491 E. Pioneer Avenue, Homer, Alaska.

Renee Krause, CMC, Deputy City Clerk I

Approved: _____

Renee Krause

From: Carey Meyer
Sent: Tuesday, November 13, 2012 11:53 AM
To: Renee Krause
Cc: Regina Mauras
Subject: RE: First request from WSTF

Previously, I responded to a variation of this question (see below) as follows:

"Public Works does not have a data base that can tell us exactly how many customers are served by a 6" fire service. Any building with a sprinkler system that received a State Fire Marshall approval will most likely have a 6"– 8" service line. Based on the fact that most large commercial/institutional structures are required to have a sprinkler system, it is reasonable to assume that there are maybe 25-35 customers with fire services. If this issue became a part of a rate system, PW could research our records and determine who exactly has one of these larger service lines."

Since there are no City plumbing building inspections required and water rates are not presently based on whether or not a customer has a fire service (sprinkler system), it would take some time to identify exactly how many customers have a fire service. A meter on a fire service will not necessarily be the same size as the pipe.

Based on our records, the system has the following numbers of various meter sizes:

<u>Meter Size</u>	<u>No of Meters</u>
5/8	1348
1"	28
1.5"	31
2"	15
3"	6
4"	2

From: Renee Krause
Sent: Monday, November 05, 2012 11:37 AM
To: Carey Meyer
Subject: First request from WSTF

Can I get the actual number of six inch meters, it was estimated at around thirty but they need the actual number.

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

"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

From: Carey Meyer
Sent: Tuesday, November 13, 2012 12:26 PM
To: Renee Krause
Subject: RE: WSTF Information

Spit restroom water usage (annual 2011 in gallons):

Ramp 3	407,200
Ramp 4	146,400
Load/Launch	120,600
Ramp 6	168300
Fishing Lagoon	291,200

From: Renee Krause
Sent: Monday, October 22, 2012 01:46 PM
To: Carey Meyer
Subject: WSTF Information

Ken Castner was wondering if you were able to find out the information on the restrooms on the spit if they were metered and I guess he needed amounts?

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

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From: Carey Meyer
Sent: Tuesday, November 13, 2012 12:07 PM
To: Renee Krause
Cc: Regina Mauras; Walt Wrede
Subject: one analysis of what a Spit surcharge might be

Here is my analysis of what a Spit surcharge might be.

Spit Sewer Surcharge Determination

Assumptions:

The Spit is served by 3 sewer lift stations

The City maintains 7 sewer lift stations

Therefore, 42% of the cost to operate sewer lift stations benefits only Spit customers

The Spit is served by a 3.3 miles of sewer main (not benefitting others)

The City maintains 48.6 miles of sewer main

Therefore, 7% of the cost to operate the collection system benefits only Spit customers

2012 Sewer Budget Overall		% benefitting Spit only	\$ benefitting Spit only
Sewer Plant Operations	\$ 526,138	0%	0
Sewer Testing	\$ 63,733	0%	0
Sewer Pumps/Lift Stations	\$ 165,285	42%	\$ 69,420
Sewer Collection System	\$ 165,001	7%	\$ 11,550

Total Sewer Budget \$ 920,157 \$ 80,970

Total cost to maintain sewer system = \$ 920,157

Cost to operate system (benefitting Spit only) = \$ 80,970

Percent of operating budget benefitting Spit only = 8.8%

	Gallons	Connections
<i>Total City Annual Water Used (2012)=</i>	201,200,000	1500 (approx)
<i>Spit Water Usage (2012) =</i>	17,900,000	52

Need to generate an additional \$80,970 from Spit sewer customers

Existing commercial sewer rate is \$12.64 per 1000 gallons

\$80,970 divided by 17,900,000

gal \$ 4.52 per 1000 gallons

Requires a 36% increase in Spit sewer rate

From: Renee Krause
Sent: Monday, November 05, 2012 4:40 PM
To: Carey Meyer
Subject: Excerpt from the Minutes Requesting Staff provide more information
Importance: High

Carey I wanted to complete this much earlier but we have been swamped today. This is what staff has requested for the meeting scheduled on November 20, 2012 t 5:15 pm I will need it no later than 8:00 am on November 15th for the Packet please. Thanks and sorry for taking so long getting this request to you.

"Mr. Castner stated that they have a 30% Spit Differential on the Sewer and since the next meeting is a month away it would be a good time to request some information from Public Works now is the time to make that motion. Chair Wythe opined that they requested that information before and asked if they have not received the total volume of dollars associated with Spit expenses compared to the other.

"Mr. Howard stated that they received pieces, we know how much sewage we bring off the spit and we know how much the lift stations cost, and it would be appropriate for the staff to analyze the impact the lift stations have on that little amount of sewage off the spit. That is where the differential will come from; Mr. Howard went to report that Carey Meyer has reported previously was that 50% of the lift station costs are attributed to the Spit. It would seem to him that staff would be in a position to analyze the quantities of sewage associated with that cost compared to the rest of the community and come up with the Spit Differential. Mr. Howard's recollection was around \$85,000 dollars and when you use the figure of 8,000,000 gallons of sewage there is a significant increase.

There was a further notation that the spit differential was removed on the water side what would not stop it from being removed on the sewer side and it was noted that there were the additional costs of having the lift stations, it was pointed out they have lift stations in other locations. The lift station costs were in the budget.

HOWARD/CASTNER - MOVED TO TASK STAFF TO IDENTIFY THE SPIT DIFFERENTIAL FOR SEWAGE FEES BASED ON THE VOLUME OF SEWAGE THAT COMES OFF THE SPIT AND THE ADDITIONAL COSTS ASSOCIATED WITH OPERATING THE LIFT STATIONS SPECIFIC TO BRINGING THE SEWAGE OFF THE SPIT.

There was a brief discussion on the request being specific enough for staff.

Mr. Burgess offered a friendly amendment to add the specific costs to operating the lift stations used for bringing the sewage off the spit.

It was requested to get the costs to operate the other lift stations. The other lift stations manage 92% sewage according to the plant and then 8% of the sewage that causes this expense. It is very definable. It was noted that there was a line item in the budget last year that was \$170,000, but staff knows the numbers and figuring the costs should be easy for them.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried."

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

Renee Krause

From: Ken Castner <KCastner@tonsina.biz>
Sent: Thursday, November 08, 2012 12:02 PM
To: Renee Krause
Subject: RE: Attached is copy of the work done today

I'll make copies of the invoices for you.

There are two last pieces of information that we need to have before we can finish the draft model:

1. Can we get the exact formula for the Kachemak City billing? It's my understanding that the billing is based on 3200 gallons/month at residential rates? If that is so, how many units? Is the \$6 pumping fee included or excluded from that?
2. We are looking at charging a customer fee for the units beyond a meter. Right now the City is collecting against residential units. We want to include commercial units as well. That would include malls, office condos, office complexes, boardwalk complexes, etcetera. Does anyone have any idea as to how many of those there are? How long did it take to gather the data for residential units?

Thanks.

Ken Castner

From: Renee Krause [<mailto:RKrause@ci.homer.ak.us>]
Sent: Tuesday, November 06, 2012 12:11 PM
To: Ken Castner
Subject: Attached is copy of the work done today
Importance: High

I need copies of those invoices I gave to you this morning. I did not get a chance to make any before giving them to you.

If you can scan and email them to me great.

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

"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

From: Ken Castner <KCastner@tonsina.biz>
Sent: Tuesday, November 13, 2012 11:58 AM
To: Renee Krause
Subject: RE: Kachemak City Rates & Questions - Responses from Finance

See below in RED.

From: Renee Krause [mailto:RKrause@ci.homer.ak.us]
Sent: Tuesday, November 13, 2012 11:21 AM
To: Ken Castner
Cc: bobhoward@gci.net
Subject: Kachemak City Rates & Questions - Responses from Finance
Importance: High

Please refer to Resolution 11-049(S) which you can access on the web at this link:
[Fee Schedule for Water Sewer Rates](#)

And the below information

1. The breakdown for the Kachemak City Sewer is broken out in Resolution 11-094(S) on page 2, almost half way down the page under the title ~~Sewer System Dischargers Who Are Members of Kachemak City~~ **LD** (Attached reso).

- a. The current rate is \$60.90. (\$20 + \$34.90 + \$6)
\$20 customer charge per user, plus 3,500 gallons of water at the current rate of \$9.97 per 1,000 gallons = \$34.90, plus \$6 for pumping. At the time of calculation KC user count was approximately 127.

So Kachemak customers are part of the 639 number we have been using for res. customer charge? Or are there more sewer (unmetered) residential customers then there are water (unmetered) residential customers?

2. Finance has no idea how many units are in commercial buildings, we've never had to keep that data. Someone would have to do a physical count for every commercial building. The meter reader did a physical count for residential units with it taking a few weeks if memory serves. Carey would know a more accurate time-frame.

We don't need a hard count until and if the Council adopts these rates, but an estimate is necessary to establish a revenue projection. The Rate Sub-committee could not find a logical reason to charge one (old) class of customer (residential) a fee, but exempt another (old) class of customer (commercial). A tenant is a tenant, and if it makes any sense to charge for one, then the same logic would apply to the other. Absent any information from Public Works, we'll just round it up to 800 from the existing 639.

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CITY OF HOMER
HOMER, ALASKA

City Clerk

RESOLUTION 11-094(S)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, MAINTAINING THE CITY OF HOMER FEE SCHEDULE AT THE CURRENT RATES, AND AMENDING CUSTOMER CLASSIFICATIONS IN THE WATER AND SEWER RATE SCHEDULES.

WHEREAS, Fees are reviewed annually during the budget cycle; and

WHEREAS, Ordinance 11-43 amends HCC 14.08.037 regarding the number of water meters per lot; and

WHEREAS, It was determined that there were no rate adjustments to the City of Homer Fee Schedule needed at this time.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, that the City of Homer Fee Schedule is amended as follows:

SEWER FEES:

Sewer Connection and Extension Permit Fee

Single Family/Duplex \$255

Multi-Family/Commercial/Industrial \$330

Sewer Rate Schedule.

All sewer utility services shall be billed according to the following schedule. 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.

Customer Classification*	Monthly Customer Charge	Charge per Gallon	Usage Charge per 1,000 Gallons of Water
Single Family Residential	\$20	\$0.00997	\$ 9.97
Multi-Family Residential	\$20 (per unit)	\$0.00997	\$ 9.97
Commercial	\$20	\$0.01264	\$12.64

*-Customer classification definitions for determining water rates:

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 include duplexes, four-plexes and up, apartments, condominiums, co-

45 housing projects, and multiple structures on one lot (where units are normally rented or
46 occupied for longer than one month at a time). Examples of units not considered as
47 multi-family include hotels, motels, B&B's seasonal rooms/cabins (where units are
48 routinely rented or occupied for less than one month at a time.)
49

50 **Commercial - Any user not defined as Residential.**

51
52 **Sewer System Residential or Residential Equivalent Dischargers Who Are Not Water System**
53 **Users:**

54
55 Sewer system dischargers who are not water system users shall be charged at the rate of
56 \$54.90. Variable rate \$34.90 based on 3,500 gallons per month plus monthly customer charge
57 \$20. The City reserves the right to adjust this rate based on the characteristics of the service
58 for non-residential or non-residential equivalent users. Customers who receive septic service
59 shall be charged an additional \$6.00* per month.
60

61 **Sewer System Dischargers Who Are Members of Kachemak City LID:**

62 Kachemak City Local Improvement District (LID) members have contributed to the initial cost
63 of the sewer treatment plant and the collection system. Kachemak City LID dischargers
64 connected within the LID and the City of Homer shall bill Kachemak City in one lump sum at
65 the rate of \$60.90. Variable rate \$34.90 based on 3,500 gallons per month plus monthly
66 customer charge of \$20 plus septage cost \$6.00* per month for each residential or residential
67 equivalent discharger. Kachemak City shall be responsible for payment to the City of Homer.
68

69 Domestic sewer service customers who use large quantities of City water in addition to their
70 domestic use shall be allowed, with the Public Works Director's approval, to install an
71 additional water meter on the domestic water use line for the purpose of metering and charging
72 for domestic sewer system use. Sewer system use will be billed monthly.
73

74 The City will allow, upon approval by Public Works and a permit from the Public Works
75 Department, a second water usage meter - called a seasonal sewer meter - for each customer
76 that desires to measure the flow of City water that is not discharged to the sewer system during
77 the summer growing season, June 15 through September 15. Rates noted above do not apply.
78

79 Seasonal Sewer Meter Fee is \$211.97.
80

81
82 **WATER FEES:**

83 **Water Connection Fee**

84
85 Single Family/Duplex \$300

86 Multi-Family/Commercial/Industrial \$375
87

88 **Water Rate Schedule.**

89
90 All water utility services shall be billed according to the following schedule. This schedule is for
91 monthly water service and is in addition to any charges for connecting or disconnecting the
92 service, installation of the service or any assessment of the improvements.
93
94
95
96
97
98

Customer Classification*	Monthly Customer Charge	Charge per Gallon	Usage Charge per 1,000 Gallons of Water
Single Family Residential	\$25	\$0.00442	\$ 4.42
Multi-Family Residential	\$25 (per unit)	\$0.00442	\$ 4.42
Commercial	\$25	\$0.01140	\$11.40
Bulk	\$25	\$0.01269	\$12.69

*-Customer classification definitions for determining water rates:

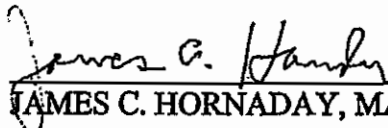
Single Family Residential - A unit providing housing for one household; with less than 25% of the building area used for business or commercial purposes.

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 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, 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.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 12th day of December, 2011.

CITY OF HOMER


JAMES C. HORNADAY, MAYOR

ATTEST:


JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Revenue amounts not defined in CY2012 budget.

09/20/2012 to 10/09/2012 11/07/12 3.2310.02

Water Service/Customer Charge	25.00
13,513 23,705 192 W	218.88
Sewer Service/Customer Charge	20.00
Sewer Charges	242.69
Tax	37.50
Penalty	

11/07/2012 3.2310.02 544.07

11.40
 3231002 12.64

Prior Year Usage: 285

Due Date: 11/15/2012 544.07

in Town Restaurant

Sewer ch.	18.00
W	230.04
S	345.60
	<hr/>
	593.64
	44.52
	<hr/>
	638.16

09/20/2012 to 10/09/2012 11/07/12 3.0670.03

11/07/2012 3.0670.03 246.10

Water Service/Customer Charge	100.00
5,196 5,230 34 W	15.03
Sewer Service/Customer Charge	80.00
Sewer Charges	33.90
Tax	17.17
Penalty	

3067003

Prior Year Usage: 54

Due Date: 11/15/2012 246.10

4-plex

SC
Multi:

1
18.00
20.00
40.80
97.60

126.40
9.48

135.88

09/19/2012 to 10/10/2012 11/07/12 3.1055.01

				11/07/2012 3.1055.01	80.86
Water Service/Customer Charge			25.00		
1,353	1,374	21	9.28		
Sewer Service/Customer Charge			20.00		
Sewer Charges			20.94		
Tax			5.64		
Penalty					

3105501

Prior Year Usage: 24

Due Date: 11/15/2012 80.86

single family Residential

SC	18.00
W	25.20
S	29.40
	<hr/>
	72.60
	5.45
	<hr/>
	78.05

09/19/2012 to 10/09/2012 11/07/12 3.9465.01

				11/07/2012	3.9465.01	76.80
Water Service/Customer Charge						
1,941	1,952	11	W			
Sewer Service/Customer Charge						
Sewer Charges						
Tax						
Penalty						

3946501

Prior Year Usage: 13

Due Date: 11/15/2012 76.80

IN TOWN BUSINESS.

SC	18.00
W	13.20
S	15.40
	<hr/>
	46.60
	3.50
	<hr/>
	50.10

09/19/2012 to 10/09/2012 11/07/12 3.2270.02

		11/07/2012	3.2270.02	887.84
Water Service/Customer Charge	25.00			
34,917 35,252 335 W	381.90			
Sewer Service/Customer Charge	20.00			
Sewer Charges	423.44			
Tax	37.50			
Penalty				

3227002

Prior Year Usage: 438

Due Date: 11/15/2012 887.84

IN TOWN HOTEL/MOTEL

From: Renee Krause [mailto:RKrause@ci.homer.ak.us]
Sent: Tuesday, November 13, 2012 11:21 AM
To: Ken Castner
Cc: bobhoward@gci.net
Subject: Kachemak City Rates & Questions - Responses from Finance
Importance: High

Please refer to Resolution 11-049(S) which you can access on the web at this link:
[Fee Schedule for Water Sewer Rates](#)

And the below information

1. The breakdown for the Kachemak City Sewer is broken out in Resolution 11-094(S) on page 2, almost half way down the page under the title **Sewer System Dischargers Who Are Members of Kachemak City LID** (Attached reso).
 - a. The current rate is \$60.90. (\$20 + \$34.90 + \$6)
\$20 customer charge per user, plus 3,500 gallons of water at the current rate of \$9.97 per 1,000 gallons = \$34.90, plus \$6 for pumping. At the time of calculation KC user count was approximately 127.
So Kachemak customers are part of the 639 number we have been using for res. customer charge? Or are there more sewer (unmetered) residential customers then there are water (unmetered) residential customers?

The 639 number you are using is the approximate number of multi-family users and has no bearing on the Kachemak City users. The Kachemak City Users are counted as sewer customers and not water customers. Multi-Family Users are considered for both as applicable.

2. Finance has no idea how many units are in commercial buildings, we've never had to keep that data. Someone would have to do a physical count for every commercial building. The meter reader did a physical count for residential units with it taking a few weeks if memory serves. Carey would know a more accurate time-frame. We don't need a hard count until and if the Council adopts these rates, but an estimate is necessary to establish a revenue projection. The Rate Sub-committee could not find a logical reason to charge one (old) class of customer (residential) a fee, but exempt another (old) class of customer (commercial). A tenant is a tenant, and if it makes any sense to charge for one, then the same logic would apply to the other. Absent any information from Public Works, we'll just round it up to 800 from the existing 639.

Once again this information has not been maintained by the City. The Multi-Family Users were determined by KPB classifications, physical identification by public works, and letters sent out to users requesting the number of units in a building. If you are using the logic listed above, you may want to consider hotel/motel rooms, B&B's, etc. How about offices in homes? This could go on and on...

Original Questions from Ken

Renee Krause

From: Ken Castner <KCastner@tonsina.biz>
Sent: Thursday, November 15, 2012 10:38 AM
To: Renee Krause
Cc: Mary Wythe
Subject: RE: Kachemak City Rates & Questions - Responses from Finance

Appreciate the information, but not the attitude.
Ken

From: Renee Krause [mailto:RKrause@ci.homer.ak.us]
Sent: Thursday, November 15, 2012 9:02 AM
To: Ken Castner
Subject: FW: Kachemak City Rates & Questions - Responses from Finance

See responses below.

Renee Krause, CMC
Deputy City Clerk I

From: Regina Mauras
Sent: Thursday, November 15, 2012 8:26 AM
To: Renee Krause; Carey Meyer; Laurie Moore
Cc: Walt Wrede
Subject: RE: Kachemak City Rates & Questions - Responses from Finance

My responses to Ken are in Orange.

regina

From: Renee Krause
Sent: Tuesday, November 13, 2012 12:05 PM
To: Carey Meyer; Regina Mauras; Laurie Moore
Subject: FW: Kachemak City Rates & Questions - Responses from Finance
Importance: High

See Ken's comments in red. Is there any response to his remarks?

(His original questions are below everything)

Renee Krause, CMC
Deputy City Clerk I

From: Ken Castner [mailto:KCastner@tonsina.biz]
Sent: Tuesday, November 13, 2012 11:58 AM
To: Renee Krause
Subject: RE: Kachemak City Rates & Questions - Responses from Finance

See below in RED.

There are two last pieces of information that we need to have before we can finish the draft model:

1. Can we get the exact formula for the Kachemak City billing? It's my understanding that the billing is based on 3200 gallons/month at residential rates? If that is so, how many units? Is the \$6 pumping fee included or excluded from that?
2. We are looking at charging a customer fee for the units beyond a meter. Right now the City is collecting against residential units. We want to include commercial units as well. That would include malls, office condos, office complexes, boardwalk complexes, etcetera. Does anyone have any idea as to how many of those there are? How long did it take to gather the data for residential units?

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City of Homer Water and Sewer Rate Study Draft Rate Model					
Version 7 - Working					
Updated November 5, 2012 by KC					
Water Rates					
Revenue Assumptions (dollars):					Source:
1	Total Water Revenue Requirements (2014)=		1,890,265	annual budget	
2	Deduct Water portion collected through Service Fee		310,077	annual budget	
2	Hydrant Rents (10% of E6) =		189,027	annual budget	
4	Sprinkler Differential (20 buildings - \$5/mo)=		1,200	Building Customer	
6	Surplus Water Sales (Bulk) surcharge only =		98,750	Bulk Sales	
8	Adjusted Revenue Requirements =		1,291,211	Calculated	
9	Usage Assumptions (gallons):				
10	Metered Sales Projection (gallons) =		125,000,000	Prior Year	
11	Commodity Reduction due to Conservation =		13%	Number to be tested	
12	Adjusted Sales Projection (gallons) =		108,750,000	Calculated	
Informational:					
13	Spit Water Sales =		17,921,000	Prior Year	
14	Surplus (Bulk) Water Sales =		23,072,500	Prior Year	
15	Number of Meters =		1,472	Prior Year	
16	City Hall Finance Department O/H=		775,192	annual budget	
17	Public Facilities Water Usage (value)=		134,904	annual budget	
	All Customers	Water Rate	Metered Service Fee		
		0.0119	17.55		

City of Homer Water and Sewer Rate Study Draft Rate Model			
Updated November 5, 2012 by KC			
Sewer Rates		Version 7 - Working	
	Revenue Assumptions (dollars):		Source:
1	2014 Total Revenue Requirement=	1,680,279	Annual Budget
2	Spit Differential Sewer=	84,590	Spit Users
3	High BOD Generator Sewage Differential (26.7%) =	58,687	New Fee
4	Customer Fee from Apartments (\$5/mo) =	38,340	Reduced Fee
7	Kachemak City Fees (less pumping) =	79,248	
8	Summer Metered Gallons (Septic Reduction) =	(400.00)	
9	Adjusted Revenue Requirements=	1,419,814	
	Usage Assumptions (gallons):		
10	Discharge Sales Projection (gross metered) =	125,000,000	
11	13% Commodity Reduction due to Conservation =	(16,250,000)	
12	Metered Spit w/o entering Treatment Line=	(9,150,000)	
13	Adjusted Discharge Sales Projection =	99,600,000	
	Informational:		
14	Spit Sewer Discharge (gallons)=	7,225,000	Prior Year
15	Lift Station Costs=	181,915	Annual Budget
16	Single Meter Residential Multi-Family Units=	639	Prior Year
17	Public Facilities Contribution =	46,918	Annual Budget
18	High BOD Generator Sewage (gallons) =	15,700,000	
19	Dumping Station Fees =	10,500	Annual Budget
	All Customers - Sewer Base Rate /gal		
	0.014		
	Spit Customer - Sewer Rate /gal (Base plus Differential)		
	0.026		
	Spit Customer - Sewer Rate /gal (High BOD = .004)		
	0.030		

		High BOD Rate			
		0.0180			

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

AUGUST
 SEPTEMBER
 OCTOBER
 NOVEMBER
 DECEMBER
 JANUARY
 FEBRUARY












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

MARCH

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

MEETING DATES	5/22	6/5	6/19	7/10	7/24	8/7	8/21	9/19	10/9	10/23	10/23	11/20	12/4	12/18	1/8	1/22	2/5	2/19
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. 11-94(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																		

MEETING DATES	5/22	6/5	6/19	7/10	7/24	8/7	8/21	9/19	10/9	10/23	10/23	11/20	12/4	12/18	1/8	1/22	2/5	2/19	
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																			
Narrowing the Options for Proposed Rate Models																			
Draft Rate Model																			
Plugging Current Numbers into Draft Rate Model																			
Final Draft of Proposed Rate Model																			
Public Hearing																			
Inputing Public Recommendations into Proposed Rate Model																			
Public Hearing																			
Inputing 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 WYTHE 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 22nd day of
October, 2012.

CITY OF HOMER

Mary E Wythe
MARY E. WYTHE, MAYOR

ATTEST

Jo Johnson
JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A



Office of the Mayor

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October 24, 2012

Beauregard Burgess
PO Box 2311
Homer, AK 99603

Dear Beau,

Congratulations! Council confirmed/approved your appointment as a member of the Water and Sewer Rate Task Force during their Regular Meeting of October 22, 2012, via Memorandum 12-161A.

Thank you for your willingness to serve the Water and Sewer Rate Task Force.

Your term will expire with office or upon completion of the work tasked to the Task Force.

Cordially,


Mary E. Wythe, Mayor

Enc: Memorandum 12-161A
Certificate of Appointment

City of Homer

Homer, Alaska

Mayor's Certificate of Appointment

Greetings

Be It Known That

Beauregard Burgess

Has been appointed to

serve as

“Task Force Member”

on the

“Water & Sewer Rate Task Force”

This appointment is made because of your dedication to the cause of good government, your contributions to your community and your willingness to serve your fellow man.

*In Witness whereof I hereunto set my hand
this 24th day of October, 2012.*

Mary E. Wythe

MARY E. WYTHE, MAYOR

ATTEST:

Jo Johnson

JO JOHNSON, CMC, CITY CLERK

