

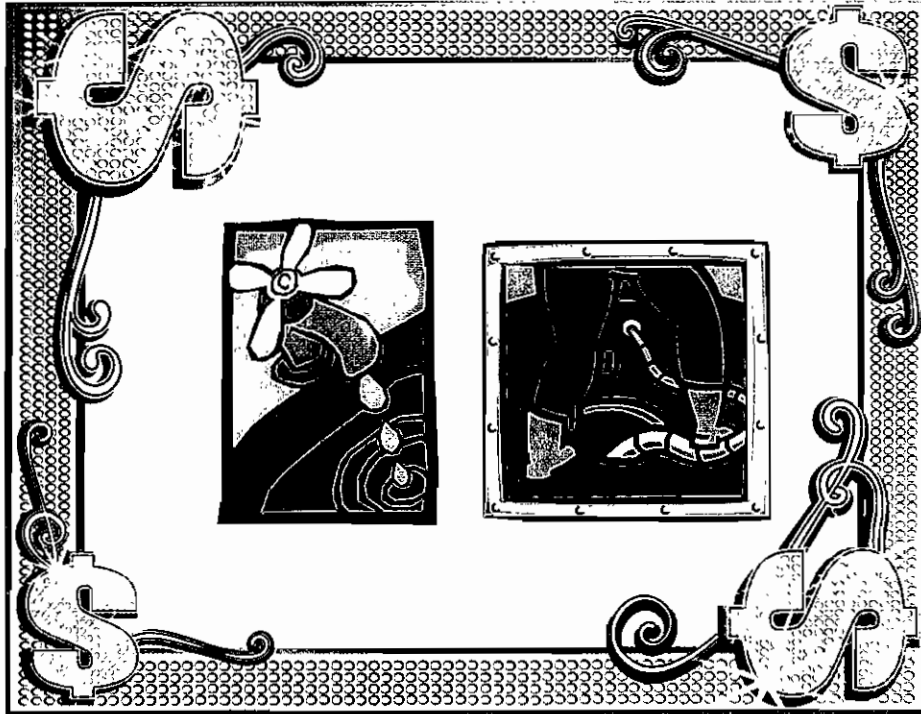
Water & Sewer Rate Task Force

Tuesday

March 5, 2013

Regular Meeting

6:30 p.m.



City Hall Cowles Council Chambers
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** *(Except for Items on the Agenda under Public Hearing)*
- 4. RECONSIDERATION**
- 5. APPROVAL OF MINUTES** *(Minutes are not approved during worksessions)*
 - A. Meeting Minutes for January 22, 2013 Page 5
- 6. VISITORS**
- 7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**
- 8. PUBLIC HEARING**
 - A. Draft Water & Sewer Rate Model Page 21
- 9. PENDING BUSINESS**
 - A. Discussion, Review and Revision of the FINAL Draft Water & Sewer Rate Model and Customer Matrix Page 23
 - B. Discussion, Review and revision of the Memorandum and Presentation to Presentation to City Council Page 31
- 10. NEW BUSINESS**
 - A. Scheduling Additional Meeting Dates (if required) Page 73
- 11. INFORMATIONAL ITEMS**
 - A. Updated Timeline Page 75
 - B. Updated Meeting Calendar Page 77
- 12. COMMENTS OF THE AUDIENCE**
- 13. COMMENTS OF THE CITY STAFF**
- 14. COMMENTS OF THE CHAIR**
- 15. COMMENTS OF THE TASK FORCE**
- 16. ADJOURNMENT** the next **TENTATIVE REGULAR MEETING** is scheduled for **MARCH _____, 2013** at _____ in the _____ City Hall, located at 491 E. Pioneer Avenue, Homer Alaska.

Session 13-01 A Regular Meeting of the Water and Sewer Rate Task Force was called to order at 5:35 pm on January 22, 2013 by Chair Beth Wythe at City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: KEN CASTNER, BETH WYTHE, BEAU BURGESS AND LLOYD MOORE

ABSENT: SHARON MINSCH, BOB HOWARD (EXCUSED)

STAFF: CAREY MEYER, PUBLIC WORKS DIRECTOR
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.

APPROVAL OF THE AGENDA

Chair Wythe called for approval of the agenda as presented.

BURGESS/CASTNER – SO MOVED.

The agenda was approved by consensus of the Task Force.

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

Larry Slone, city resident, complimented the compilation of the background information on what the Task Force has been working on and whoever put that together did a good job; he provided in email the comparison of the current rates versus the proposed rates and wanted the Task Force aware of a minor change to his figures for multiplexes, the model rate would be \$10 more and the residential would be a couple dollars differential.

Mike Dye, city resident, commenting on the draft rate model stated it appears that the City of Homer will recuperate the proportionate sewer costs that the Spit users generate without this proposal to single out the Spit users with a 2.7 surcharge for sewage. Mr. Dye proceeded to quote figures and percentages on what the projected costs and revenue would be if the Spit users were not singled out as a basis for his statement. He further went on to comment on the water rates using a commodity rate. Mr. Dye commented that they are creating a rate system that's taxing the high end users on the water side with a commodity rate that doesn't have any value reduction based on usage and on the sewer side singling out specific areas to charge more fees.

Mr. Faulkner, city resident and proprietor of Land's End, opened his comments that the proposed model is grossly unfair, especially to Spit users; he will provide information to them later with respect to the differential cost; he believes that this is fundamentally flawed; they have no basis to assume that 50% of the total cost of all lift stations is due to Spit activity; by far the most expensive lift station in the flow chain is Beluga Lake which picks up three times the number of businesses and residences that are on the Spit; of the lift stations on the Spit, 2 out of 7 are servicing commercial businesses, the rest are servicing leased property or private residences; these lift stations are not more expensive to maintain than any other lift stations; the Task Force has overlooked assessing others who use lift stations and singled out Spit users for an unknown and unjustified reason; only 23% of lift station costs for 2012 were direct costs according to the information he received from Public Works; 77% is overhead; there is zero basis for burdening the Spit users with this level of overhead for just the lift stations; overhead is not generated by the few users on the Spit; additionally Mr. Faulkner stated that a 13% drop in usage as a WAG is an overestimation admitted to by the Task Force; the cost of any conservation should be socialized; Mr. Faulkner proceeded to comment on the efforts and expense that Land's End made to install and conserve water 3-4 years ago; he believes that they will be penalized if this model is enacted; they are going to have to pay again; it is bad public policy; he showed them a graph and stated he would provide a copy to the Task Force and be delivering this information to City Council comparing the water and sewer costs for 3 months average in summer versus 3 months in winter average for 2012 at Land's End

against the randomly selected cities of Sitka, Palmer, Kodiak and Kenai. He stated that Homer has the perception of being anti-business, these are facts. This is not fiction. Mr. Faulkner listed the costs for each municipality. He then stated that the problem here is Homer is not competitive. Mr. Faulkner suggested the following solutions: the city should examine its overhead and ask itself if the overhead for a city this size and the burden being placed on the residents appropriate for the size of this community; and the city should deduct 10 percent additional overhead from the finance depart budget and allocate it to each resident to cover a shortfall.

Chair Wythe explained that this is the first draft presented for public comments and the City Council will not be addressing this issue for some time. There will be a few more reviews and the Task Force will be taking the comments made tonight under consideration and requested that Mr. Faulkner provide them with a copy of his information instead of City Council.

RECONSIDERATION

There were no items for reconsideration.

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

A. Regular Meeting Minutes for November 20, 2012

Chair Wythe requested a motion to approve the minutes.

CASTNER/BURGESS –MOVED TO APPROVE THE MINUTES OF THE NOVEMBER 20, 2012 MEETING AS PRESENTED.

The minutes 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)*

Chair Wythe stated that the Public Hearing process and requested Mr. Castner to provide a brief report on the Draft Rate Model. Then they will address questions and comments.

Chair Wythe suggested going through a brief description on the steps taken to create the model then the rates themselves.

Mr. Castner proceeded to explain the Draft Model as a self-writing model which could be changed according to the revenue requirements. Mr. Castner noted the following aspects in the development of the Draft Rate Model:

- Commercial rates are almost the same
 - Task Force reviewed the costs to the system including the City/Municipal uses
 - Costs affecting the system
 - Fairly apportioning the costs
 - The customer base is one user group; the entire tax base is another user group
 - Costs should be borne by the general fund and some costs apportioned to the users within the system
- Mr. Castner then went through the Draft Water Rate Model line item by line item noting the figures that were budgetary in nature; the process to determine the proposed fee for a service charge and that this is based on 40% of the budgeted amount; he provided further clarification on who is charged the current service charge; he noted that the entire system is established around fire protection for the entire town thus the increase to

the line item of Hydrant Rents and delegated 10% of the water costs; it was further determined that the citizens should cover this expense and not the utility; Mr. Castner noted that every time they add something to the City's budget means that they will have to find the revenues to cover the expense; he further stated that the fee charged to businesses that are plumbed for Fire protection is a reasonable fee to cover that demand which offers a benefit to the consumer; Mr. Castner went on to explain the amounts that are produced and sold; it was consensus that there will be some conservation but they do not want to raise rates in the second year because they came up short in the water sales.

Chair Wythe recommended explaining the Draft Sewer Rate Model then they can entertain questions and comments on the Rate Model as a whole.

Mr. Castner employing the same approach explained the process the Task Force used to develop the Draft Sewer Rate Model. He proceeded to note that sewage has some costs that water does not; staff provided information verbally that costs were approximately \$200,000 to run the lift stations; the Task Force has requested this information on how it was apportioned to the cost and staff provided minimal information on the electricity for each of the stations; he noted the locations and service route of the lift stations that service Kachemak City and Kachemak Drive; staff has provided information that 50% of the lift stations cost is generated by the Spit users; Mr. Castner stated they applied the same percentage of water conservation to sewer.

Chair Wythe opened the period for comment or questions. She also stated that she would be reviewing the draft presentation to Council.

Mr. Faulkner inquired why the Task Force decided to make a philosophical decision not socializing the 13% conservation but placing that burden on the commodity side so that larger users pay a greater share of the WAG? Mr. Castner responding for the Task Force stated that they did not believe it was disproportionate penalization to any user, when it was corrected the following year the user would then receive a proportionate benefit. The Task Force is open to recommendations of an appropriate number for conservation.

Chair Wythe explained the meaning of conservation as it applies to this draft rate model and is included as a preventative measure on how much they will lose by the consumer reducing their usage.

Mr. Burgess further explained how the commodity rate model would provide incentive for the larger user to conserve more and stated that a smaller user would not be able to see on a system based largely on usage fees as opposed to the amount of usage.

Mr. Faulkner indicated he did not believe the Task Force thought through the charges for BOD. He continued by stating he believed the BOD from a residence was no different than BOD from his hotel. He stated a substantial portion of their water is no different and but it all is charged at the higher rate and questioned what is high BOD; he also believes there should be more disclosure to the public as the Task Force develops these proposals, such as to what constitutes high BOD as that in itself is controversial.

Mr. Castner responded that he was not sure what formula could be entertained for mixed use customers such as Land's End. He agreed that it would be unfair to charge everything like it is filthy, high BOD water; but every city with a water system is dealing with plugged up systems at the intersection of a restaurant and a city system.

Mr. Burgess stated that in previous testimony from Mr. Faulkner he indicated that it was unfair to penalize a customer that has taken measures and he would be very amenable to include that if provided proof of measure to counteract grease, etc., from entering the system to waiving the proposed BOD fees or charges.

Mr. Castner went on the further state that other options had been considered but a case was made that it should be a rate associated with gallonage.

Mr. Faulkner went on the further state that before the Task Force proposes new policy they should disclose the basis these recommendations are being made; the public needs the information in order to determine if the recommendations are fair. He feels that it is important for the Public to be able to judge.

The next item that Mr. Faulkner questioned was the comment of "We were told that 40% of the overhead from the Finance Department, who told you and is it, documented somewhere?"

Chair Wythe responded that the budget breaks out the allocation. Mr. Faulkner inquired if Council has assessed that 40% of Finance's time is on the water and sewer.

Chair Wythe continued to explain that information comes from the Finance Director and the Council approves the allocation when they approve the budget. Mr. Castner noted that given Finance's other duties it is plausible that the staff spends that amount of time.

Deputy City Clerk Krause noted that all materials used or reviewed by the Task Force have been compiled in the notebooks on the table. Each notebook contains the same information but that the public is free to review that information.

Mr. Faulkner stated that he obtained information from the Public Works Director, through proper channels, regarding the costs of maintaining the lift stations are itemized for the review of the Task Force and he does not believe since he obtained this information that it would not be readily available to the Task Force and should have been consulted before the recommendation to add a surcharge to the Spit customers. He believed that this information proved how low the maintenance cost is at least for the lift stations on the Spit.

Mr. Dye remarked on the conservation aspect of the rate model, he believes that the hospital currently outsources the washing of their linens as Land's End does and he disagrees with the argument proposed by the Task Force. He asked for clarification on the Spit Rate for Sewer and Water Service. Chair Wythe and Mr. Castner responded. He then asked what number the Task Force was using for cost recovery for the Spit. Mr. Dye expressed concern for the amount that was being collected from the Spit users for sewer services. Mr. Castner noted that the rate was the same as everyone else, 1.5 cents per gallon; he additionally expressed that the Task Force was provided a number that it costs to run the lift stations. He continued that if those are not the correct numbers they will get to those numbers. Mr. Dye believed the Spit was already paying its portion if the percentage of use was reviewed. Mr. Castner explained that most of the system is gravity feed and by attributing costs directly related to specific areas they are directing costs to cost causers. Mr. Burgess entered into the dialog to provide further clarification on the process. Mr. Dye remarked that he hoped they did further review of the proposed rate for the Spit users and see that they Spit users did pay their fair share of costs.

Mr. Moore voiced that he disagreed with the direction the Task Force is going. He questioned if Mr. Dye was satisfied with the proposed water rates since he has not presented any testimony against the proposed water rate. Mr. Dye stated that Mr. Faulkner address the concerns with the water rates.

Mr. Moore additionally commented on the high water rates; costs to run the system; overhead more than it should be; taxing the high end commercial users; there won't be money for the Library; now the pendulum has swung way too far in the other direction. There must be a happy medium.

Chair Wythe reviewed the draft presentation to City Council. She explained the reasons the Task Force was created; what the Task Force was directed to do - review existing rates, propose rates and submit a recommendation. Chair Wythe noted that the Task Force reviewed rate structures from other cities; the basic concept of rate setting - consulted information from manuals and the internet; tried to answer the question why is our system so expensive; the regulatory requirements; staff requirements and certifications; community sense - there was never and probably never will be a water rate that will make everyone happy, the system is very expensive and is unique to the system; the City of Homer is one of the only systems that is compliant with regard to Federal regulatory requirements. Kenai and Soldotna are currently in the throes of bringing their systems up to grade and will be looking at higher rates when they do this; Chair Wythe touched on the fact that they have few users and it is not very dense; the cost of serving the very few users on the Spit; services provided to Kachemak City reviewed and ensuing recommendations for that area also.

Chair Wythe continued by stating that the Task Force examined different Rate Models before choosing what they believed was fair to the majority. She acknowledged the rolls of Mr. Castner and Mr. Howard for going through the various rate models. She believes that the Task Force has put their best foot forward on this Rate Model and tried to keep the political aspects removed from the process and the resulting model.

There was a brief discourse on the perception of fairness, large commercial revenue providers versus residential in regards to administrative costs, and the opportunity and appointment of a Spilt resident or business owner to sit on a Water Sewer Task Force.

There was no further comments, questions or discussion Chair Wythe closed the Public Hearing.

PENDING BUSINESS

A. Review and Discussion on Working Draft Rate Model

a. Draft Models printed from Working Spreadsheets - for reference only

Chair Wythe stated although they did not individually touch on these next items she believed these have been covered under the previous agenda item.

NEW BUSINESS

A. Incorporating Public Comments or Suggestions into the Draft Rate Model

Chair Wythe stated that they would be addressing this item at the next meeting as she did not believe there was time for that now.

B. Discussion and Recommendations on Draft Presentation to City Council

INFORMATIONAL MATERIALS

A. Public Comment received January 18, 2013 Re: Proposed Water & Sewer Rates submitted by Mr. Slone, resident.

There was no discussion or comment on the informational items.

COMMENTS OF THE AUDIENCE

Mr. Sloan, city resident, stated that he supports the proposed rate model. He further stated that cost causer-cost payer - there was nothing more fairer than this; there are fixed costs to running this system and there is no way around it; all additional costs have been identified such as spit users, BOD, fire and bulk; all other costs are essentially identical for 90% of the users; cannot identify how many feet of pipe individuals use; Mr. Meyer has stated that the costs are indistinguishable; Mr. Slone asked, "if users pay on what they use how much fairer than that can you get?" He commented on how you could differentiate between the users with higher BOD generation; he is sure that it could be refined a bit more. He then commented that the general concept of the lift stations is appropriate but it too can be refined. The administration costs are high and works out that each user is paying \$18 a month and the rest is spread out among the rest of the users. If someone can come up with a better system then they should do so.

Mr. Faulkner, in closing, he would say that his water and sewer bills after conservation have doubled. He does not know any business that can sustain the kind of increases that are being proposed and there will be consequences, real consequences. He does not think people appreciate how tough it is to do business in this town; he does not think the Task Force appreciates the seasonality. It is time to cut, because that is what he has to do... and he has done it; and if he has to march the people he has cut in front of City Council so they can afford to hire people, extend their hours and benefits of people within government, then that's what he will do; because it has consequences. These rates...the best measure of fairness...there is a process, it is called benchmarking, when he decides what to charge for a hamburger, he has to look at what all the businesses in the area are charging for their hamburgers. The comments about what other communities are facing due to increases, the reality is when he compares what he would have to pay in the exact similar situation in another community, we are twice the amount in some cases, there's no excuse for that and that is what the Task Force should be focusing on, not burdening businesses more, they should focus on burdening businesses less.

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

Mr. Moore commented on the rate Land's End will pay to get the sewage off the Spit and he can almost truck it off in a semi-truck. There is something wrong with that costing so much. He went on that the cost being almost equal to the expense of running a truck there is something wrong with that. That is what the Task Force needs to look at. You put it in a line you don't have the labor or the fuel costs and wear and tear on a truck. He sees a problem with that.

Mr. Castner commented that Mr. Faulkner was given different information than the Task Force and they will look into those numbers. But whatever the cost of the lift stations are if it is less which Mr. Faulkner stated was a lot less, those numbers will go down. He was glad that they had the Public Hearing tonight. He believes that most of the work will be focused on this one area for the next meetings; he would like to come up with a formula for businesses that have kitchens or similar situation such as regards to the senior citizens. But he is glad they had the Public Hearing. Thanks.

Mr. Burgess stated that in regards to Mr. Faulkner comments, the extremely relative high cost of the system in Homer just brings us back to the larger subject of a very expensive core infrastructure utilized by a relatively small number of users. He noted that although an important issue, the Task Force wasn't tasked to address that issue. He believes there are certain things that can be done but they need to address infilling and getting more people to participate in the larger system. There is a system that can serve the large portion of the city and there is a small core. He resents a little bit being called insensitive or discriminating towards businesses being a business owner. This is not about being a business or an individual or anything else. It is about cost causers being cost payers. We are doing our best to achieve that goal. The simple reality is when you put a cost into a unit of commodity and people, who use more of the commodity, pay more. The alternative would be to put that cost onto smaller amount user, or having everyone subsidize the system. The only answer is to get more users.

Mr. Castner requested a motion to be made to create a subcommittee to draft the presentation to Council.

Chair Wythe was not sure that a motion was proper during closing arguments. Ms. Krause noted that it has been done, but is not proper process. Ms. Krause would leave it to the Chair's discretion.

CASTNER/BURGESS - MOVED TO APPOINT A SUBCOMMITTEE TO DRAFT THE PRESENTATION TO COUNCIL.

A brief discussion on the purpose of the motion and clarification on the Task Force requirement to submit a recommendation to City Council and what the Task Force has so far drafted followed. Chair Wythe noted that the timeline is running out and they need to get things completed.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Chair Wythe requested that item to be on the next agenda. She noted that it would be a good time to work on that issue. She thanked everyone for attending and acknowledged that this has not been the easiest task.

ADJOURN

There being no further business before the Water and Sewer Rate Task Force Chair Wythe adjourned the meeting at 7:00 p.m. The next **WORKSESSIONS** are scheduled for **FEBRUARY 5 and 19, 2013** at 5:15 P.M. All meetings are scheduled in the **UPSTAIRS CONFERENCE ROOM** at City Hall. The next **REGULAR MEETING AND PUBLIC HEARING IS SCHEDULED FOR MARCH 5, 2013** at 5:30 p.m. at Cowles Council chambers, City Hall 491 E. Pioneer Avenue Homer, Alaska.

Renee Krause, CMC, Deputy City Clerk I

Approved: _____

Session 13-04 A Worksession of the Water and Sewer Rate Task Force was called to order at 5:20 pm on February 19, 2013 by Chair Beth Wythe at City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: BETH WYTHER, BEAU BURGESS
ABSENT: SHARON MINSCH, LLOYD MOORE, KEN CASTNER, BOB HOWARD (EXCUSED)
STAFF: RENEE KRAUSE, CMC, DEPUTY CITY CLERK I

APPROVAL OF THE AGENDA

Chair Wythe called for approval of the agenda as presented.

BURGESS/WYTHER – MOVED TO APPROVE THE AGENDA

The agenda was approved by consensus of the Task Force.

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

Chair Wythe explained that due to prior commitments this meeting was changed to a worksession there will be public comment period on items on the agenda only.

Mr. Faulkner, city resident, Owner of Land's End Resort, opened his comments requesting the Task Force to extending the Public Comment period. As a business they have had a difficult time keeping up with the changes. He also believes that inaccurate information has been provided to the Public; he specifically noted the article that was in the Homer News, February 14, 2013; he doesn't believe that people have any idea of what is being proposed by the Task Force.

Mr. Faulkner stated that his bills for water & sewer using the proposed rates as calculated by the Finance Director and his staff received at 3:00 p.m. today, would double, a 100% increase. He asked how the Task Force could look at these numbers with a straight face and say they are open for business because they are closing his business. He is one of the largest if not the largest purely private sector employer; He stated that the proposed rates were more than onerous, they were beyond pale and the impact needs to be more fully understood by this Task Force.

Mr. Slone, city resident, the cost of the water & sewer operation in this town is extremely high and he doesn't need to go over it again with those present. That information has been available to the public; his cost will probably be 5 times higher than any other place. He is not sure there is any way around it; it has been reviewed and gone over multiple times. It may be a deal breaker for some businesses, he doesn't want to pay more but there are few choices; either pay it or socialize it through the system. The Task Force is trying to keep politics out of it; he hopes that they continue in the vein they have been progressing. He doesn't believe more public meetings are necessary. The information is available online but if the Task Force decides he has no problem with more public meetings, but did not feel it was necessary.

Mr. Mike Dye, appreciated the prior comments regarding more time but the point he made regarding the impact of the new fees on him was incorrect with the new proposal. He would love to talk to the Task Force regarding the use of trained people in rate systems or experts to come up with a fairer rate system. He is just arguing now not to change it any further. Proposing to add fees will only exasperate the problems. Their total water & sewer bill in increasing 100%.

Chair Wythe responded to Mr. Dye's question regarding the timeline to present to Council being next month to allow Council ample review time. This Task Force is only making a recommendation to council. She informed him that he could ask questions and she would answer them after the discussion. Mr Dye asked the following questions:

- Why wasn't the city staff that is trained in rate making working on this?

- Why if you are not using the City Staff that has been trained in rate making that you have not considered hiring an expert in the field?

Mr. Dye stated that he was disappointed in seeing the burden that the proposed rates would be placing on their business and he was hoping they were not aware of that burden.

There were no further comments.

RECONSIDERATION

There were no items for reconsideration.

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

Since this was a worksession there are no minutes for approval.

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 at this meeting.

PENDING BUSINESS

Chair Wythe proceeded to explain how the meeting would proceed from this point regarding the next items on the agenda.

A. Discussion and Recommendations on FINAL Draft Rate Model, Customer Matrix and Presentation to City Council

Chair Wythe and Mr. Burgess discussed editing the document. Chair Wythe stated that she put the document together with generalized comments or notations in the various sections to enable the entire Task Force to work on it together.

Chair Wythe requested Mr. Burgess to review Mrs. Howard's notes regarding the Overhead costs related to the number of employees required and the expense related and the reasons why it is needed. This information is needed prior to the next Public Hearing.

Mr. Burgess noted that the format was fine but when it is presented to Council that a populating document should be designed to be straight forward. The central message is switching from a more privilege or connection system to a commodity system which affects the high end users. This is what the Council will need to address and focus on. Chair Wythe commented on the information submitted by Mr. Faulkner from Ms. Mauras; to be able to identify how she ran what is being proposed through the existing rate model.

Mr. Burgess speaking against what has been pointed out tonight, would be interested in knowing what the current rate model is compared to the proposed rate model; the fact that the water & sewer costs in the other cities when half of these have sub-standard water/sewer systems and as he understands it they are getting ready to pass on those costs to their users or taxpayers. Homer's system is unique to its geography and new rates are not what is needed but infilling – more users connecting to the system is what is needed.

Ms. Krause departed to get information from Mrs. Mauras on what was provided.

During Ms. Krause's absence Chair Wythe explained that the Task Force was not permitted to see individual accounts. Chair Wythe confirmed the author of the news article that Mr. Faulkner provided was Michael Armstrong.

Mr. Burgess requested that under "Other Considerations" they specifically bring Council's attention to address the larger issue of infill is a huge part of addressing the overall cost of the system and accurately examining and justifying the administrative costs which was beyond what the Task Force was asked to do.

Chair Wythe stated she is hoping that between former Task Member Howard's notes and hers they will be able to include all previously noted recommendations.

Ms. Krause requested to speak with Mr. Faulkner and Mr. Dye regarding release of the information obtained from Ms. Mauras. Mr. Faulkner signed his consent to release Land's End Resort account information.

Chair Wythe commented on the demand fee, inspections, etc., that had come up during the meetings; noting that she was planning to come over on Tuesday, February 26, 2013 to work with Ms. Krause on finalizing the draft documents for Council. She requested Mr. Burgess to submit his specific recommendations and changes to Ms. Krause so that she could incorporate them into the documents before that date. Mr. Burgess requested the word document to be emailed to him.

Chair Wythe stated that she may have her submit the document to the other members of the Task Force.

There was no further discussion.

B. Memorandum to Task Force dated February 12, 2013 Re: Review of Proposed Rates by City Manager and Finance Director

Chair Wythe stated that she thought this has been had been addressed.

BURGESS/WYTHE – MOVED TO REQUEST STAFF TO SUBMIT THE DRAFT RATE MODEL TO THE CITY MANAGER AND FINANCE DIRECTOR.

There was no further discussion.

The motion was approved by consensus of Task Force.

NEW BUSINESS

There was no new business on this agenda.

INFORMATIONAL MATERIALS

There were no informational items.

COMMENTS OF THE AUDIENCE

Jon Faulkner, this is really important business and he believes that the members of the Task Force should maintain a certain level of attendance. He has attended five of these meetings and he hasn't seen one member at any of these meetings. He believes that it should not be tolerated. With respect to Mr. Slone's point they have presented a graph that shows the relative rate that their business is facing comparable to other cities and

he would ask this task force to produce a similar graph for residences. If a point is going to be made that he as a resident is being negatively impacted or unfairly treated he would like to see that supported by this task force and he would like to see those residential rates compared to other residential rates throughout the state. On that point, Mr. Burgess he believed it was inappropriate to dismiss completely the concept of comparing the rate structure to other communities in the state. He said you pick your five; if you think there are five out there aren't subject to these ethereal situations where this might happen; or they have deferred maintenance that will come back to haunt them; then by all means present it, because he doesn't agree with that; he absolutely thinks that Mr. Burgess as a public official, trying to do the right thing, have to look at benchmarking and what other communities are doing, and if you are pointing to a community whose rates are about to come and haunt the public, then Mr. Burgess you should tell them what community it is, because he heard that then he is concerned about the here and now not about the what if scenario down the road because those you are not accountable for; Mr. Faulkner is also concerned about the BOD rates, its out there, there has been no information distributed to the public on what constitutes High BOD.

Mr. Burgess responded that the BOD rate was changed and Mr. Faulkner was basing his comment on a previous model. There is now a fixed fee not per gallon fee.

Mr. Faulkner stated that this proves that the Task Force needs to extend the Public Hearings because clearly there are individuals probably public and private sector that have no idea what the Task Force is doing here. There was no intent to trick anybody.

Mr. Faulkner, in fact he's heard this term a lot, he hopes that he represents the very customer that they are trying to attract, he develops, that's what he does, there are other developers in this town, ask them how favorable these rates are to the kind of activity that they are trying to attract, you say the solution is infill, and we are saying that as developers and private sector people that develop properties that build this town that these rates are the problem the up they drive the rates the less likely you are to have infill.

Mr. Slone, seconded Mr. Faulkner's initial comments on the lack of attendance of some of the members, it is extremely discourteous, as well as the other reasons Mr. Faulkner stated. They volunteered to do the public's business and have a basic obligation to be there and unless there is some radical reason they cannot attend and does not believe that there have been so many situations that have come up that they cannot make the predetermined meeting schedule. He strongly seconds Mr. Faulkner's concern regarding that; also the proposed change effecting the water rates, his rates have been radically higher since the current rates went into effect a year ago, it is 40% higher than what he believes he should be paying. The point he was trying to make with all the rate changes there has been a sector of the populace that has been taken advantage of, this past year he has paid more than his fair share.

Mr. Dye questioned which rates that were incorrect in the print out of the rates currently paid by Land's End and the proposed rates according to the Finance Director. He made a comment that they thought city personnel would be more knowledgeable than they were.

Mr. Burgess responded that the city personnel did not have the most current figures and according to his knowledge they were not going to distribute the information out to the public but use it for their own internal purposes, that said, the BOD rate was agreed at the last meeting to represent a fixed fee not a per gallon charge and the city staff has included both the fixed fee and the per gallon charge on the information they provided to Land's End. He noted that the document that was prepared showed the cumulative rates. Which is incorrect.

Between Mr. Burgess and Chair Wythe they reviewed the proposed rates providing the correct application of the rates as they should be applied to the Land's End account thereby reducing the figure substantially that was represented on the information provided by the Finance Department. They assured Mr. Dye that they were 98% positive of these rates as shown.

Mr. Dye asked about the timeline to present the information to Council; if this Task Force has the ability at this point to reconsider these key points -

1. At whether the Task Force is looking at a budget issue where they are looking to recoup a certain amount of dollars from everyone in the community.
2. The Task Force talked about infill, something that doesn't exist, which is de-fill, it is easier to retain clients than to get new ones.

3. Can you talk about a different model at this point instead of this one what with the impacts of shifting costs from one sector putting all that burden on somebody else.

Joshua Garvey, CFO, Land's End Resort, had a few questions regarding data provided. On the copy of what was provided by the Finance Director using the draft rate model spreadsheets he requested clarification on the what the correct rates should reflect. He questioned the application of the rates as shown on the spreadsheets submitted by city personnel. Chair Wythe explained that these rates are not cumulative, rates apply separately if the criteria is met, such as if you have a lift station on your line the rate would be 0.023 or if you are not in a lift station zone then the rate would be 0.013. Mr. Garvey noted that to make a note to that respect would make that clearer.

Alisha Mahoney, recently purchased a multi-plex in city limits and expressed concerns on how the new rates would affect them compared to the current rates. She stated time it takes her to create the billing for her tenants pass on the extra fees and the amount she has to charge to cover her billing time. She questioned the additional service fees for each unit when only one line comes into the property. She asked how the city can charge for a lift station when these are costs for the property owners. She expressed that it is cost prohibitive to the property owners in her understanding with the higher cost for usage. She asked why the rates were higher for commercial and residential.

Mr. Burgess and Chair Wythe provided clarification on the differences in the cost per usage will increase, the service fee will substantially less, there is no fees or costs for private lift stations. The rates are for the lift stations within the city's water & sewer system. It was further explained that the current rates have those differences but the new rate model is the same for everyone. They did acknowledge that a fee of \$5.00 was being imposed in recognition that a multi residential building has a higher impact on the system by pressure. It is a perception. It was noted on the testimony in creating the rate model that the administrative cost to the system for a multi-family dwelling is greater than single family dwelling. The service fee is per connection with a \$5.00 fee per unit.

Chair Wythe stated that the \$45 dollar fees were the reason that this Task Force was created. She then noted that the next meeting will have the rate model again in full along with the draft report to Council. When this committee is done the deliverable will walk Council through each step, what actions were taken and the results. This will provide the thought processes of the Task Force. The final date is June 25, 2013, but Council needs time to fully go through the rate making processing and have public hearings also.

This will be purely a recommendation from this Task Force to City Council. Council will take the recommendation and any other additional information and determine a rate.

There was a brief explanation on the reasons for choosing the commodity rate model as follows:

- There are rate models that are inverse which reflects the more volume the lesser the rate.
- They chose a pure commodity rate model to cover a set amount of expenses.
- There are as many rate models as there are people to think about them
- The Task Force that this rate model was the most equitable to everyone

COMMENTS OF THE CITY STAFF

There were no comments.

COMMENTS OF THE CHAIR

Chair Wythe thanked the audience for coming out and spending the evening. She addressed the following comments and questions:

- Staff was initially involved at the beginning, collecting data and assisting the Task Force but the function of the Rate Review was tasked to this group of people by the City Council and there was no provision to provide other than cursory Staff support.

The objective was to look at this independent of any staff influence.

The existing rate model was developed and presented by staff and accepted by Council and the public was not happy. In response Council came forward to create a committee that included members of the public to review the rates and bring back a recommendation on how these can be better applied. That is why there was no consideration for a contracted service.

- The last time the city did contract this out the company did come back with a similar rate model that was not a total commodity based rate, it survived the ying and yang of the Council for a number of years until public outcry on the way the rates were increasing.

- the due date to Council was stated earlier as June 25, 2013 but the Task Force wanted to submit their recommendations to Council with ample time for Council to review the entire process and work through the rate model themselves before having to make a decision on setting the new rate for 2013-2014.

- She spoke on the review of personal billing information, they review random samplings of usage and members of the Task Force brought personal information forward to assist in evaluation

- the Council directed that the Task Force to review and bring back a recommendation on how it can be made more equitable

- the city code dictates on the installation of water and sewer services in new neighborhoods

- there is consideration for the years between the construction of the infrastructure and when residents hook up to the system

- this will be a huge issue financially for the City in the future

- addressing the cost of a high end system

- this brings the quality to required standards and beyond

- in speaking about communities upgrading their systems, Kenai and Soldotna have spoken to her regarding the required upgrades to their systems; they have an advantage over Homer in that their communities are tightly established and do not have to worry about infilling. The costs can be spread over the larger user base and they can do percentage increases over time to lessen the burden on their customers.

- adding more infrastructure adds more costs, adding more customers spreads the cost over the many instead of the few.

- there has never been a time when the rates have been changed that the users being affected felt those rates are unfair and they will look at it that they subsidize the others whose rates were lowered

- the task force decided to wipe the slate clean and identify the costs to the system, such as fire service to a building those are charged a specific fee since exact costs cannot be determined

- there are costs associated with higher BOD in a system without the ability to determine exact costs they agreed to a nominal charge to specific users

COMMENTS OF THE TASK FORCE

Mr. Burgess appreciates the public comment and if people look back at the process that most of their concerns had been addressed by this Task Force, specifically the lowering of the lift stations and BOD, many considerations have been addressed, and would like them to keep that in mind; he appreciates the points on comparison but we have a world class quality system that serves only 1400-1600 users and has high fixed costs; if they do not want the system subsidized by the taxpayer at large, the personal choices of residents should not directly subsidize residents with services of the system; he believes the rest of the community benefits, this is a good system, cost payer-cost causer, larger issue of infill; expanding access to better dividing those costs is the issue and is not what this Task Force was charged with; he recommended getting familiar with the model that is being recommended he further encouraged city staff without the caveat that the rates are based on a previous model and may have been updated. Without this disclaimer he believes that it only causes more issues and problems.

There was a brief discussion on the next meeting date. Due to Ms. Krause having a prior commitment the meeting will start at 6:30 p.m. on March 5, 2013 instead of 5:30 p.m.

ADJOURN

There being no further business before the Water and Sewer Rate Task Force Chair Wythe adjourned the meeting at 6:45 p.m. The next **REGULAR MEETING AND PUBLIC HEARING IS SCHEDULED FOR MARCH 5, 2013** at 6:30 p.m. at Cowles Council chambers, City Hall 491 E. Pioneer Avenue Homer, Alaska.

Renee Krause, CMC, Deputy City Clerk I

Approved: _____

PUBLIC NOTICE

Public notice is hereby given that the City of Homer will hold a public hearing by the Water and Sewer Rate Task Force on Tuesday, March 5, 2013 at 6:30 p.m. at Homer City Hall, 491 East Pioneer Avenue, Homer, Alaska on the following matters:

Draft Water and Sewer Rate Model

Anyone wishing to present testimony concerning these matters may do so at the meeting or by submitting a written statement to the Water and Sewer Rate Task Force, 491 East Pioneer Avenue, Homer, Alaska 99603, by 4:00 p.m. on the day of the meeting.

For additional information, please contact Renee Krause in the City Clerk's Office at 235-8121, ext. 2224.

PLEASE PUBLISH ONCE

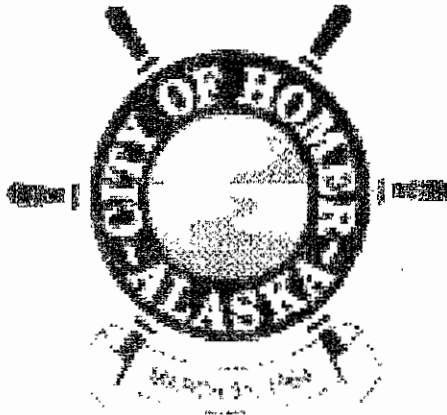
ACCOUNT 100.101.5227

CLERK'S AFFIDAVIT OF POSTING

I, Renee Krause, Deputy City Clerk I for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for the Draft of the Proposed Water & Sewer Rate Model at the City of Homer kiosks located at City Clerk's Office, Captain's Coffee Roasting Co., Harbormaster's Office and Pudgy's Meat & Groceries on March 1, 2013 and that the City Clerk posted same on City of Homer Homepage on February 25, 2013.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 26th February, 2013.

Renee Krause
Renee Krause, Deputy City Clerk I



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
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Extension: 2224

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Email: clerk@ci.homer.ak.us

MEMORANDUM

TO: WATER AND SEWER RATE TASK FORCE

FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK

SUBJECT: DISCUSSION, REVIEW AND FINAL REVISION TO THE
WATER & SEWER RATE MODEL

DATE: FEBRUARY 28, 2013

Background

Please review the recommendations submitted by the public and if determined by consensus of the Task Force incorporate those recommendations into the draft rate model.

RECOMMENDATION

Make a Motion to Approve the Commodity Rate Model for Water & Sewer Rates as presented or amended and Forward to Council for Approval.

	City of Homer	1.11¢ gal Water Fee				
	Version 1 - Working Feb - FIRST FINAL for 2nd Public Hearing					
	Updated February 5, 2012 by Task Force					
	Water Rates					
	Revenue Assumptions (dollars):				Source:	
1	Total Water Revenue Requirements (2014)=			1,890,265	Annual Budget	
2	Deduct 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 =			92,290	Bulk Sales	
8	Adjusted Revenue Requirements =			1,297,672	Calculated	
9	Usage Assumptions (gallons):					
10	Metered Sales Projection (gallons) =			125,000,000	Prior Year	
**11	6.5% Commodity Reduction due to Conservation =			8,125,000	Number to be tested	
12	Adjusted Sales Projection (gallons) =			116,875,000	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			
		0.0111	17.55			Rounded up to \$18
	Bulk Water =	.015/gallon				
	** Changes to Rates following Public Hearing					

	City of Homer	1.11¢ gal Water Fee					
Updated February 19, 2013 by Task Force							
Sewer Rates			Version 12 - Working Febuary	FINAL - Second Public Hearing			
	Revenue Assumptions (dollars):				Source:		
1	2014 Total Revenue Requirement=			1,680,279	Annual Budget		
**2	Sewer Differential (.86*84% of Lift Stations) =			156,447	All Lift Station Users		
**3	High BOD Generator Sewage Differential (\$10/mo) =			5,760	New Fee		
4	Customer Fee from KC/Tennants (\$5/mo) =			53,160	Reduced Fee		
7	Kachemak City Fees (less pumping) =			81,270	Prior Year		
8		Dumping Station Fees		10,500	Prior Year		
9	Summer Metered Gallons (Septic Reduction) =			(400.00)	From Accounting		
10	Adjusted Revenue Requirements=			1,373,542			
	Usage Assumptions (gallons):						
11	Discharge Sales Projection (gross metered) =			125,000,000	Water Sales		
**12	6.5% Commodity Reduction due to Conservation =			(8,125,000)			
13	Metered Spit w/o entering Treatment Line=			(9,150,000)			
14	Adjusted Discharge Sales Projection =			107,725,000			
	Informational:						
15	Spit Sewer Discharge (gallons)=			7,225,000	Prior Year		
16	Lift Station Costs=			181,915	Annual Budget		
17	Single Connection Multi-Tenant Units=			886	Prior Year		
18	Public Facilities Contribution =			46,918	Annual Budget		
**19	High BOD Generator Sewage (gallons) =			48	From Page 2		
20	Dumping Station Fees =			10,500	Annual Budget		
	NON-Lift Zone Customers - Sewer Rate /gal						
21	0.013						
**	Lift Station Zones - Sewer Rate /gal						
22	0.023						
23							

** Changes to Rates following Public Hearing							
		High BOD Users					
		Restaurants	24				
		Hotels w/ Rest & Hosp	4				
		Clubs, Seniors, Schools	12				
		Laundromats	3				
		Car Wash	2				
		Service Stations	3				
		Total High BOD	48				

Trailer Parks on Shared Meter(s)								
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Office of the City Clerk

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MEMORANDUM

TO: WATER AND SEWER RATE TASK FORCE

FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK

SUBJECT: DISCUSSION, REVIEW AND FINAL REVISION TO THE
MEMORANDUM AND PRESENTATION TO COUNCIL

DATE: FEBRUARY 28, 2013

Background

Please review the recommendations submitted by the members of this Task Force and if determined by consensus of the Task Force incorporate those recommendations into the draft presentation.

RECOMMENDATION

Make a Motion to Approve the Memorandum and Presentation as presented or amended and Forward to Council for Approval.

TO: MAYOR WYTHE & HOMER CITY COUNCIL

FROM: WATER & SEWER RATE TASK FORCE

DATE: MARCH , 2013

RE: PROPOSED WATER & SEWER RATES AND ADDITIONAL RECOMMENDATIONS

BACKGROUND

Attached is the Water & Sewer Rate Task Force's ("the Task Force") recommendations regarding the rate-setting model for the City of Homer Water & Sewer services. The Task Force was established in accordance with the provisions of Resolution 12-027(A), consisting of five City of Homer residents (Ken Castner, Bob Howard, Sharon Minsch, Lloyd Moore and Terry Yager) and two City Council members (Barbara Howard and Beth Wythe), appointed by Mayor James Hornaday through Memorandum 12-0S6. Subsequent to the original appointments, community member Terry Yager submitted his resignation from the Task Force and the seat remained unfilled for the duration of the review process. Also, following the October elections, Beth Wythe was authorized to continue on the Task Force through Resolution 12-094 following her election as Mayor. Barbara Howard resigned from the Task Force in November and was replaced by Council Member Beau Burgess through Memorandum 12-161(A). Copies of all Resolutions and Memoranda are included in the appendix of this report as supporting documentation.

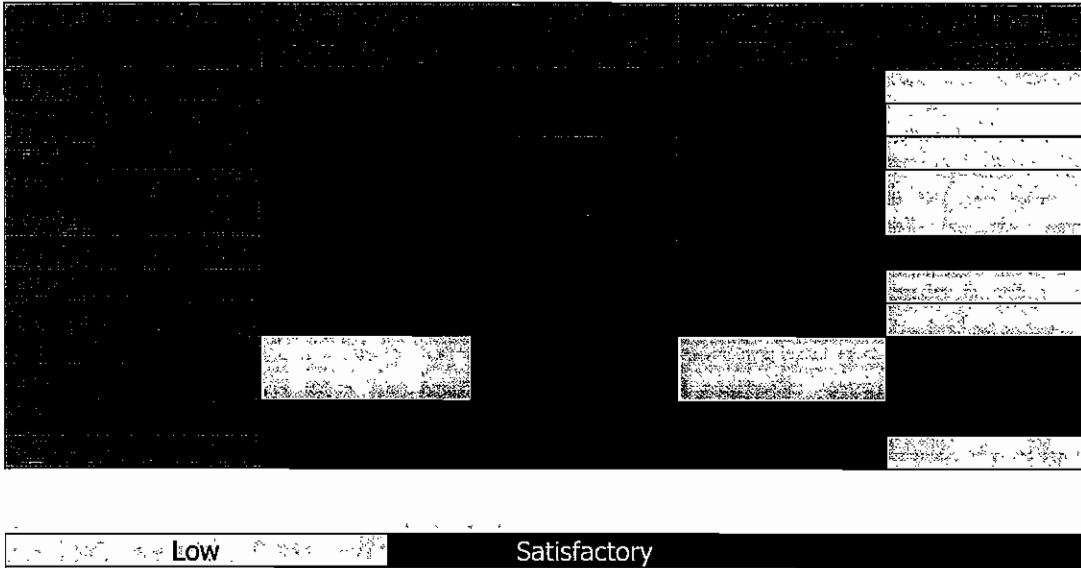
Following the establishment of the Task Force the initial meeting was held May 9, 2012. At this meeting the Task Force established the framework for a meeting schedule for meeting the first and third Tuesday of each month with the first Tuesday being a work session and the third Tuesday being a regular meeting. All work sessions and meetings were scheduled in the conference room. The schedule was adjusted from time-to-time to accommodate holidays and scheduling conflicts for members of the Task Force.

The initial meetings of the Task Force were primarily focused on determining the types and sources of information that would be required to allow the Task Force to more fully understand rate making concepts and the nature of the City of Homer's current rate design. This process included:

- Reviewing the 1991 Water and Wastewater Utilities Rate Study conducted by KPMG Peat Marwick.
- Reviewing the 1997 Utility Rate Study prepared by Montgomery Watson. Task Force Members Castner and Moore were participants in that rate study as well and were able to provide valuable insight into the resulting rate model which was successfully used by the City until recent history.
- Reviewing budget documents from several prior years, as well as more current information included in the proposed 2013 budget.
- Reviewing the areas served by the Water & Sewer Enterprise and discussions related to potential users that have a disproportionate impact on the existing infrastructure. These include the requirements of the system specific to providing fire hydrant services, commercial building sprinkler services, and the expense of delivering water and returning sewage to the Spitt.
- The requirements for certified staff and the staffing plan for the water and sewer treatment plants were reviewed, as was the allocation of other staff services to the Water & Sewer Enterprise.
- The loss of large volumes of treated water as a result of dead-ended lines.
- Rates from other nearby communities were reviewed and the reasons for the difference in operating costs as well as coming impacts for new regulations on these systems as compared to the Homer system were discussed.
- User data was reviewed to develop a sense of the "average" user, and again to develop a better understanding of the disproportionate users.

- Staff provided an overview of both the water system from treatment to return, and the sewer treatment from return to treatment.
- Fire protection expenses.

Following the collection and review of this volume of information the Task Force considered a variety of ratemaking formulas with consideration for fairness and consumer satisfaction.



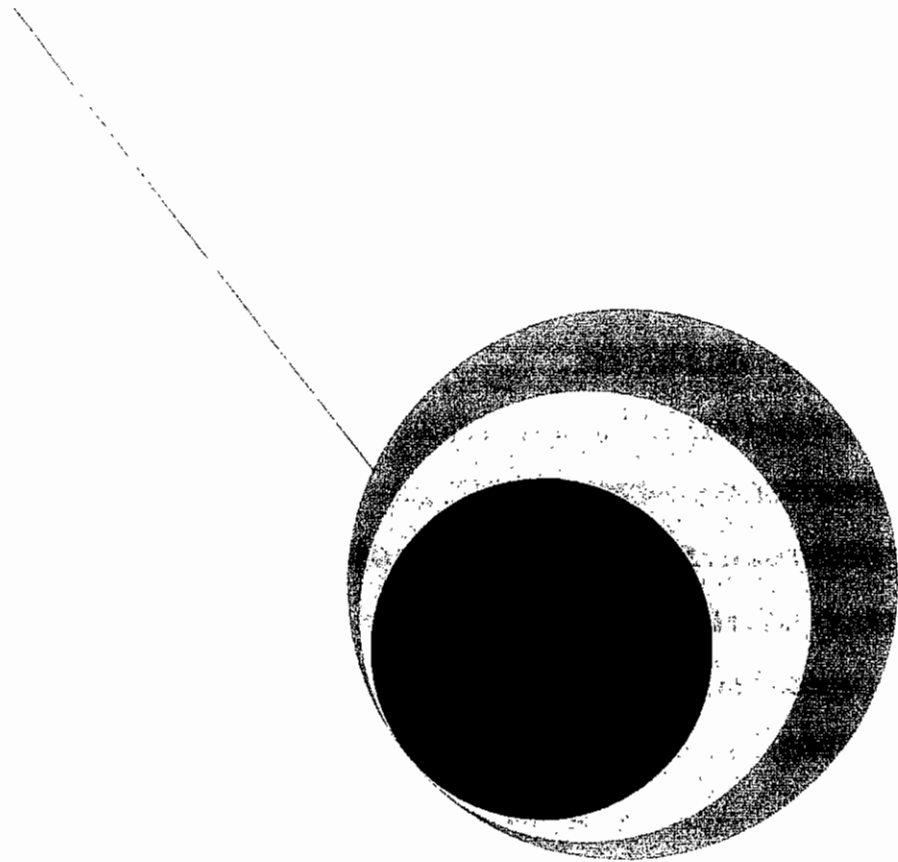
Upon considering the various rate design options, the Task Force determined that focusing its energy on designing a commodity based rate structure that took into consideration expenses that were not directly related to the delivery of service to consumers, such as system size due to fire hydrants, bringing water to the Spit, **(improve list)** _____, and also considered extraordinary expenses on the sewer side (BOD?) _____.

The recommendations of this report are based on these presumptions and result in the Water & Sewer Enterprise collecting the needed funds, but distributing the expense for the system more equitably based on a cost-causer, cost-payer foundation.

Respectfully submitted,

HOMER WATER & SEWER TASK FORCE

Chair: Mayor Wythe
 Vice Chair: Beauregard Burgess
 Current Members: Ken Castner, Robert Howard, Sharon Minch, and Lloyd Moore



**Water & Sewer Rate Task Force
Rate Review Recommendation Report – Draft**

Fair and equitable distribution of system expenses based on cost-causer.

This document contains a review of findings of the 2012 Water & Sewer Task Force and a recommendation for a commodity based rate structure.

Contributing Task Force Members:

Beauregard Burgess, Ken Castner, Barbara Howard, Robert Howard, Sharon Minsch, Lloyd Moore, Terry Yager, Beth Wythe

(DATE SUBMITTED TO COUNCIL) MARCH , 2013

TABLE OF CONTENTS

INTRODUCTION:5

CURRENT RATE STRUCTURE:5

FAIR AND EQUITABLE RATES:.....5

SYSTEM REQUIREMENTS:6

DISPROPORTIONATE IMPACTS:6

OPTIONS FOR DISTRIBUTING COSTS TO CAUSERS:.....6

CRITERIA FOR EVALUATING THE SOLUTIONS:6

OTHER CONSIDERATIONS:6

CONCLUSIONS:6

WORKS CITED**Error! Bookmark not defined.**

INTRODUCTION:

(This section will provide an explanation of what lead to the development of the Task Force. What our commission was and briefly what the recommendation is.)

The City Council approved the creation of a Task Force after numerous public comments and complaints on the increase in the fees related to the Water & Sewer Rates effective with the approval of Resolution 11-94(S)

The Water & Sewer Rate Task Force resolved to try and reach decisions that were not colored by sentiment or popularity. The City Council will be the final decider of any rate changes, and political decisions should be left to elected officials.

CURRENT RATE STRUCTURE:

This section will review what the billing system is currently and the resulting rates using three categories (residential, small volume commercial, and large volume commercial), etc.

The Task Force believes that a gallon of water or a gallon of waste should be of an equal base cost to all users, and when a class or location of users is found to be more costly, a surcharge is added.

Public Works states that the City's water system is designed to primarily handle the fire protection needs of the City. The current City contribution to the annual water budget does not meet the attributed costs that should be recovered through "hydrant rents".

The Task Force believes the service charge should reflect the actual cost of customer billing, banking and accounting.

FAIR AND EQUITABLE RATES:

This section will provide discussion on what makes a fair and equitable rate design.

The Task Force established that there were costs associated that were derived from the population in general (fire protection, City owned buildings, public rest rooms, fish cleaning stations and support of other services that use water in their day-to-day activities). Those costs should be borne by the City through its general fund.

General Fund tariffs should be the same as any other user.

There is an inherent fairness in charging all customers hooked into the system(s) the same rate for an indistinct commodity. A gallon of water is the same no matter what its use.

A uniform rate provides leads to easy and automatic rate changes as the calculations are simple and transparent.

Fairness also requires that users that demand service beyond the normal, or create additional costs, be charged for those expectations and/or costs. Two examples of the former would be the small surcharge placed on those buildings with un-metered fire protection service lines and multi-unit complexes using a single meter. Two examples of the latter would be the additional cost of treating "hot" (high BOD) sewage and the costs of maintaining and powering the sewer lift stations.

SYSTEM REQUIREMENTS:

This section will provide an overview of why the system is sized the way it is and the resulting financial impact to the consumers.

DISPROPORTIONATE IMPACTS:

This section will review wasted water, the cost of sewage return due to lift stations, and BOD impacts.

OPTIONS FOR DISTRIBUTING COSTS TO CAUSERS:

This section will discuss the proposed reallocation of costs. The user fees proposed, the reallocation of expense to fire hydrants, etc.

CRITERIA FOR EVALUATING THE SOLUTIONS:

This section will discuss how we arrived at the use of a commodities based rate structure.

OTHER CONSIDERATIONS:

This section can include other items that we wanted to educate the community on. (staffing certification requirements, EPA regulation changes, etc.)

In establishing these new rates, the Task Force accepted the costs that had been promulgated by the City Administration and approved by the City Council.

Eighty percent of the combined budgets are costs necessary for the treatment and delivery of water for the City and its customers, together with the cost of collection and treatment of the produced effluent. The remainder is the allocated cost of administrative service.

The decision as to the size and appropriateness of that allocation, and the decision to use City employees to provide those services, rests with the City Council.

CONCLUSIONS:

This will be our recommendations list and supporting statements. Remember we need to include such things as "it is proposed that the rate model, if adopted, be managed without consideration of political influence and public out-cry", etc.

Excerpts from minutes:

5-22-12

"Some items to consider when determining rates and can be included in their recommendation and can be discussed later in their agendas:

- demand fee*
- leakage*
- theft*
- costs allocation*
- inspection of meters*

Establishing a permanent Water & Sewer Board that is advisory to the Council.

Recommendation may include hiring a qualified consultant to review the system to see where savings can be implemented

6/19/12

- the recommendation to council focusing on the requirements of the system not political influences ensued.

References and Resources

Rate Setting for Small Water Systems, Texas Cooperative Extension Service, Texas A & M University System
Excerpt from Basic Guide to Water Rates, www.lwua.gov.ph/water_rates_08/rates_two.html
Chart Table 2-1 Annual Funds Required – Unknown Source
Anchorage Water & Sewer Rates 2012 www.awwu.biz/website/Customer_Service/water_tariff13-2.htm
Intergovernmental Agreement for Kachemak /Homer Wastewater System Between Kachemak City and City of Homer, dated August 10, 1988
KPMG Peat Marwick, Water and Wastewater Utilities Rate Study, February 11, 1991
Montgomery Watson, Utility Rate Study, August 11, 1997
City of Homer 2000 Rate Model Matrix – Water & Sewer
2008 Rates Analysis Water & Sewer Enterprise Fund
City of Kenai Water & Sewer Rate Study Prepared by Kurt Playstead, CH2M HILL, February 7, 2011
M54: Developing Rates for Small Systems, The American Water Works Association, Copyright 2004
City of Soldotna Water & Sewer Rate Study Prepared by HDR Engineering (No date)

APPENDIX

We need to include the resolutions and memorandums and any the documents that support our recommendation.

Resolution 12-027(A), Establishing a Water & Sewer Rate Task Force
Resolution 11-094(S), Maintaining the City of Homer Fee Schedule at the Current Rates and Amending Customer Classifications in the Water & Sewer Rate Schedules
Ordinance 11-43, Amending HCC 14.08.037, Water Meters Regarding Number of Meters Per Lot
Resolution 11-062(A) Maintaining the City of Homer Fee Schedule Under Water and Sewer Fees.
Resolution 04-94(S)(A), Amending Homer Fee Schedule Regarding Water Rates
Resolution 04-95, Amending Homer Fee Schedule Regarding Sewer Rates
Excerpt from City Council Minutes regarding Resolution 04-94(S) & Resolution 04-95
Resolution 05-121(A), Amending the City of Homer Fee Schedule Regarding Water Rates
Resolution 05-122, Amending the City of Homer Fee Schedule Regarding Sewer Rates

Information Provided by Finance Department

City of Homer Year End 2011 Utility Special Revenue Fund
2011 Balance Sheet
Classifications & Average Monthly Usage for 2011
Actual Random Sample Invoices depicting various gallonage used for comparison
Depreciation Reserves Requirements
2012 Operating Budget Water & Sewer
Staff time to produce Invoice
How Budget Numbers are calculated
Year to Date figures Water & Sewer June 2012
Year to Date figures Water & Sewer August 2012
City of Homer 2012 Operating Budget Fund 200 – Water & Sewer Special Revenue Fund
Fund 400 - Water Fund Administration, Fund 400 Water & Fund 500 Sewer Fund Revenues

Information Provided by Public Works

How Fire Protection Affects the Water System – Public Works
Spit Water Overhead & Maintenance Costs
Flushing Fire Hydrants & Water Mains
2011 Average Water Usage By Classification
Water Treatment Plant Flows in Millions of Gallons
Maps Indicating Lift Station Locations and Areas Served
Number of Gallons of Water delivered to the spit Annually
Approximate Amounts returned to Water Treatment Plant
Meter Sizes & Number of Each Size
Gallonage in the Harbor

WATER & SEWER RATE TASK FORCE

Second Public
Hearing

November 14, 2012

7:00 PM - 8:00 PM

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.**



The Assignment

- Established by Resolution 12-027(A),
Tasked with reviewing the existing rates
and rate structure
 - Provide proposed rates for 2013
 - Provide written report to City Council no
later than June 25, 2013



How Did the Task Force Prepare

- ❖ Reviewed a variety of data
 - ❖ The last rate study - 1997
 - ❖ Reviewed the Current Rate Structure as Established by Resolution 11-094(S)
 - ❖ Compared Rate Structures from Other Cities
- ❖ Determined what knowledge was required in order to make an informed recommendation
 - ❖ Consulted Manuals, Documents and information supplied by Staff
- ❖ Considered previous changes and determine the reasons supporting those changes



Why is our system so expensive

- The number one question on everyone's mind
 - Contributing factors :
 - Regulatory Compliance & Staffing
 - Expenses besides usage
 - Lack of System Density
 - Unconnected properties
 - Cost of treating water and waste
 - Flushing water
 - Water lost on docks
 - Seasonal users
 - Fire Hydrants

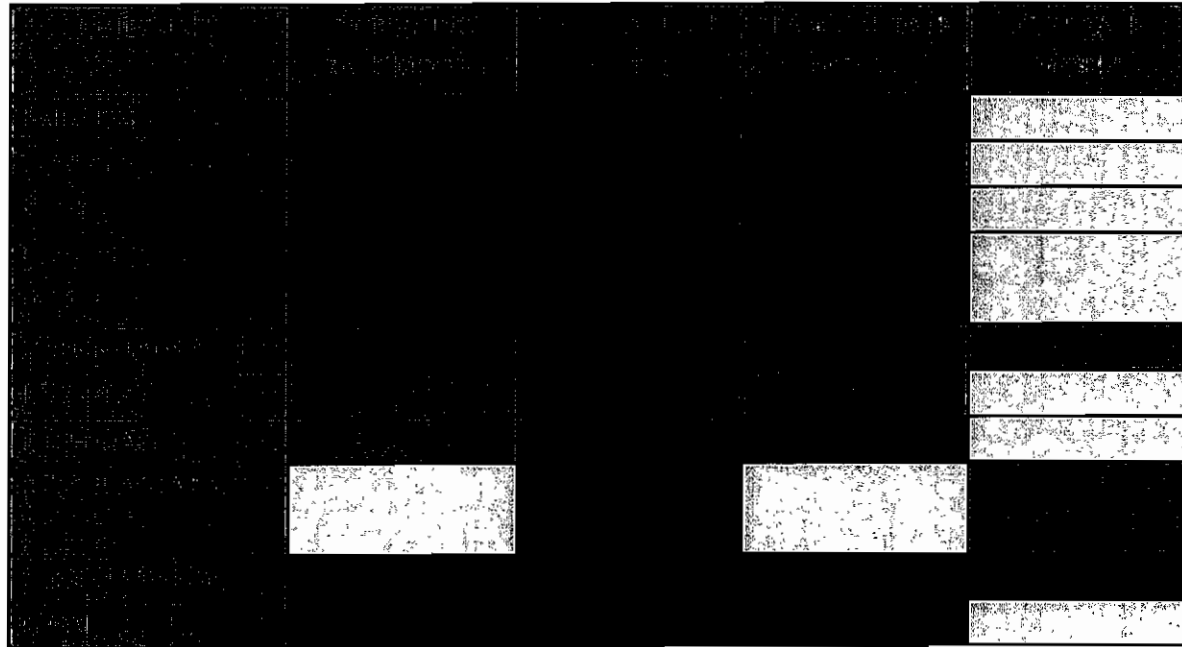


Rates Comparison





Considered Rate Design Options



Low





City of Homer Water and Sewer Rate Study Draft Rate Model
 Version 1 Equal Commodity Charge plus Small Service Fee

Assumptions:

- 1 Hydrant Rents =
- 2 Commodity Reduction due to
- 3 Historic Metered Sales 136,000,000
- 4 Adjusted Sales Projection
- 5 Total Revenue Requirements 1,624,471
- 6 Total Revenue Requirements 1,473,602
- 7 Total Services (meters) = 1,500
- 8 Total Customers (billings) =
- 9 Total Revenue Requirements 324,000
- 10 Spit Differential =
- 11 Sprinkler Differential =
- 12 Commercial Differential =
 Monthly Demand Fee =

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
	0.01194	18	0.0108



Equal Community Charge
Low Service Fee

Total Water and
Sewer

Monthly Bill

1 to 150	25.36
151 to 300	41.53
301 to 450	55.27
451 to 600	66.45
601 to 750	77.07
751 to 900	89.37
901 to 1050	102.49
1051 to 1200	123.40
1201 to 1350	169.46
Top 10%	985.46

Points in Favor:

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

Points Against:

- Case 1 No Hydrant Rents
- Case 2 Reduced Sales through conservation
- 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)





City of Homer Water and Sewer Rate Study Draft Rate Model
 Version 1.1 Case 1 using Equal Commodity Rate Approach
 with Hydrant Rents Paid by General Fund)

Assumptions:

- 1 Hydrant Rents = 178,647
- Commodity Reduction due to
- 2 Conservation =
- Historic Metered Sales
- 3 Projection (gallons) = 136,000,000
- Adjusted Sales Projection
- 4 (gallons) =
- Total Revenue Requirements for
- 5 Commodity = 1,445,824
- Total Revenue Requirements for
- 6 Disposal = 1,473,602
- 7 Total Services (meters) = 1,500
- 8 Total Customers (billings) =
- Total Revenue Requirements for
- 9 Service = 324,000
- 10 Spit Differential =
- 11 Sprinkler Differential =
- 12 Commercial Differential =
- Monthly Demand Fee =

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
	0.01063	18	0.0108



[REDACTED]

Low Service Fee, Hydrant
Rents Covered by General
Fund

Total Water and Sewer	Monthly Bill
1 to 150	24.93
151 to 300	40.17
301 to 450	53.12
451 to 600	63.66
601 to 750	73.66
751 to 900	85.25
901 to 1050	97.62
1051 to 1200	117.32
1201 to 1350	160.73
Top 10%	929.68

Points in Favor:

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

Points Against:

- Case 2 Reduced Sales through conservation
- 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)





City of Homer Water and Sewer Rate Study Draft Model
 Version 1.1 (Case 1 using Equal Commodity Rate with Hydrant Rents
 Paid by the General Fund, Conservation Adjustment

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	Spit Differential =	24,480
11	Sprinkler Differential =	
12	Commercial Differential =	
13	Monthly Demand Fee =	

Sloan = Line 5/Line 3 = Commodity Rate (\$/gal)

Sloan = Line 8/Line 6/12 = Monthly Service Fee

Sloan = Line 6/Line 3

All			Sewer
Customers	Water Rate	Service Fee	Rate
	0.01201	18	0.0122

Water	Total Revenue:	
	Commodity	1,633,781
	Service	324,000
	Total:	1,957,781





Fee Conservation Consideration

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

Points
Against:

Cost-causers subsidized by others
Case 3 (Spit water)

Cost-causers subsidized by others
Case 4 (Sprinkler water)

Cost-causers subsidized by others
Case 5 (Spit sewer)

Cost-causers subsidized by others (Heavy
Case 6 Commercial sewer)



City of Homer Water and Sewer Rate Study Draft Rate Model
Version 1.1 (Case 1 using Equal Commodity Rate with Hydrant Rents

Paid by General Fund)

Assumptions:

1 Hydrant Rents =	178,647
2 Commodity Reduction due to Conservation =	
3 Historic Metered Sales Projection (gallons) =	
4 Adjusted Sales Projection (gallons) =	
5 Total Revenue Requirements for Commodity =	1,607,824
6 Total Revenue Requirements for Disposal =	1,635,602
7 Total Services (meters) =	1,500
8 Total Customers (billings) =	
9 Total Revenue Requirements for Service =	
10 Spit Differential =	
11 Sprinkler Differential =	
12 Commercial Differential =	
13 Monthly Demand Fee =	

Flat Rate = (Sum Line 5 + Line 6)/Line 7/12 months

All Customers One Bill for Water and Sewer
180.19





Flat Rate Model

Points in Favor:

A) Simple

Points Against:

Cost-causers subsidized by others

Discourages conservation

Multi-fold increase to residential users





Proposed Water Rates



City of Homer Water and Sewer Rate Study Draft Rate Model
Version 1 - Working Feb - FIRST FINAL for 2nd Public Hearing

Updated February 5, 2012 by Task Force

Water Rates

Revenue Assumptions (dollars):		Source:	
1	Total Water Revenue Requirements (2014)=	1,890,265	Annual Budget
2	Deduct 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 =	92,290	Bulk Sales
8	Adjusted Revenue Requirements =	1,297,672	Calculated
9	Usage Assumptions (gallons):		
10	Metered Sales Projection (gallons) =	125,000,000	Prior Year
**11	6.5% Commodity Reduction due to Conservation =	8,125,000	Number to be tested
12	Adjusted Sales Projection (gallons) =	116,875,000	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
		0.0111	17.55
	Bulk Water =	.015/gallon	Rounded up to \$18
	** Changes to Rates following Public Hearing		





Proposed Sewer Rates

City of Homer Water and Sewer Rate Study Draft Rate Model			
Updated February 5, 2013 by Task Force			
Sewer Rates		Version 12 - Working Febuary	FIRST FINAL - Second Public Hear
Revenue Assumptions (dollars):		Source:	
1	2014 Total Revenue Requirement=	1,680,279	Annual Budget
**2	Sewer Differential (.86*84% of Lift Stations) =	156,447	All Lift Station Users
**3	High BOD Generator Sewage Differential (\$10/mo) =	5,760	New Fee
4	Customer Fee from KC/Tennants (\$5/mo) =	53,160	Reduced Fee
7	Kachemak City Fees (less pumping) =	81,270	Prior Year
8	Dumping Station Fees	10,500	Prior Year
9	Summer Metered Gallons (Septic Reduction) =	(400.00)	From Accounting
10	Adjusted Revenue Requirements=	1,373,542	
Usage Assumptions (gallons):			
11	Discharge Sales Projection (gross metered) =	125,000,000	Water Sales
**12	6.5% Commodity Reduction due to Conservation =	(8,125,000)	
13	Metered Spit w/o entering Treatment Line=	(9,150,000)	
14	Adjusted Discharge Sales Projection =	107,725,000	
Informational:			
15	Spit Sewer Discharge (gallons)=	7,225,000	Prior Year
16	Lift Station Costs=	181,915	Annual Budget
17	Single Connection Multi-Tenant Units=	886	Prior Year
18	Public Facilities Contribution =	46,918	Annual Budget
**19	High BOD Generator Sewage (gallons) =	48	From Page 2
20	Dumping Station Fees =	10,500	Annual Budget

Sewer Rates

21	All Customers - Sewer Base Rate /gal	0.013
**	Lift Station Zones - Sewer Rate /gal	
22		0.023
	Differential for High BOD Rate:	
23		0.0013
** Changes to Rates following Public Hearing		
	High BOD Users	
	Restaurants	24
	Hotels w/ Rest & Hosp	4
	Clubs, Seniors, Schools	12
	Laundromats	3
	Car Wash	2
	Service Stations	3
	Total High BOD	48

WHAT DO THESE NEW RATES MEAN TO ME?

Example # 1 The vast majority of customers will fall under this rate.

The first line on your bill is the Customer Service Charge for Water:

It is a flat fee for both water and sewer \$ 18.00

The second line on your bill is for water per 100 gallons

Multiply your consumption by 1.10

Example: 40x 1.10 = \$ 44.00

The third line on your bill is the Customer Service Charge for Sewer

There is just one service fee \$ -

The fourth line on your bill is the septage per 100 gallons

Multiply your consumption by 1.30

Example: 40x 1.30 = \$ 52.00

Total for this example using 3500 gallons: \$ 114.00

So for most customers you simply multiply your metered water by \$2.40

and add the \$18 service fee

Example: 40x \$2.40 = \$96.00 then add 18 = \$114.00

Multiply that number by 7.5% for the tax \$114.00 x 0.075 = \$8.55

Add them together = \$122.55

HOW MANY GALLONS DO YOU USE EACH MONTH?

For most residential and commercial users:

If you have multiple units:**

Gallons Used:

Your Total Bill:*

Your Total Bill:*

1.100	1.300	2.400			2 unit	3 unit	4 unit	6 unit	8 unit
	1000	24.00	25.80		35.80	40.80	45.80	55.80	65.80
	2000	48.00	51.60		61.60	66.60	71.60	81.60	91.60
	3000	72.00	77.40		87.40	92.40	97.40	107.40	117.40
	4000	96.00	103.20		113.20	118.20	123.20	133.20	143.20
	5000	120.00	129.00		139.00	144.00	149.00	159.00	169.00
	6000	144.00	154.80		164.80	169.80	174.80	184.80	194.80
	7000	168.00	180.60		190.60	195.60	200.60	210.60	220.60
	8000	192.00	206.40		216.40	221.40	226.40	236.40	246.40
	10000	240.00	258.00		268.00	273.00	278.00	288.00	298.00
	12000	288.00	309.60		319.60	324.60	329.60	339.60	349.60
	15000	360.00	387.00		397.00	402.00	407.00	417.00	427.00
	20000	480.00	516.00		526.00	531.00	536.00	546.00	556.00
	30000	720.00	774.00		784.00	789.00	794.00	804.00	814.00
	40000	960.00	1032.00						
	60000	1440.00	1548.00						
	100000	2400.00	2580.00						

* City sales tax included

** Applies to both residential and commercial

Does Not Include Fire Sprinkler Fee
or BOD Monthly Fees

Reference Resources

- Rate Setting for Small Water Systems, Texas Cooperative Extension Service, Texas A & M University System
- Excerpt from Basic Guide to Water Rates, www.lwua.gov.ph/water_rates_08/rates_two.html
- Chart Table 2-1 Annual Funds Required
- Anchorage Water & Sewer Rates 2012 www.awwu.biz/website/Customer_Service/water_tariff13-2.htm
- Intergovernmental Agreement for Kachemak /Homer Wastewater System Between Kachemak City and City of Homer , dated August 10, 1988
- KPMG Peat Marwick, Water and Wastewater Utilities Rate Study, February 11, 1991
- Montgomery Watson, Utility Rate Study, August 11, 1997
- City of Homer 2000 Rate Model Matrix – Water & Sewer
- 2008 Rates Analysis Water & Sewer Enterprise Fund

Reference Resources

- City of Kenai Water & Sewer Rate Study
Prepared by Kurt Playstead, CH2M HILL,
February 7, 2011
- M54: Developing Rates for Small Systems,
American Water Works Association, Copyright
2004
- City of Soldotna Water & Sewer Rate Study
Prepared by HDR
Engineering Completed in Late 2011/Early 2012

Reference Resources

- Resolution 12-027(A), Establishing a Water & Sewer Rate Task Force
- Resolution 11-094(S), Maintaining the City of Homer Fee Schedule at the Current Rates and Amending Customer Classifications in the Water & Sewer Rate Schedules
- Ordinance 11-43, Amending HCC 14.08.037, Water Meters Regarding Number of Meters Per Lot
- Resolution 11-062(A) Maintaining the City of Homer Fee Schedule Under Water and Sewer Fees.

Reference Resources

- Resolution 04-94(S)(A), Amending Homer Fee Schedule Regarding Water Rates
- Resolution 04-95, Amending Homer Fee Schedule Regarding Sewer Rates
- Excerpt from City Council Minutes regarding Resolution 04-94(S) & Resolution 04-95
- Resolution 05-121(A), Amending the City of Homer Fee Schedule Regarding Water Rates
- Resolution 05-122, Amending the City of Homer Fee Schedule Regarding Sewer Rates

Reference Resources

Information Provided by Finance Department

- City of Homer Year End 2011 Utility Special Revenue Fund
- 2011 Balance Sheet
- Classifications & Average Monthly Usage for 2011
- Actual Random Sample Invoices depicting various gallonage used for comparison
- Depreciation Reserves Requirements
- 2012 Operating Budget Water & Sewer
- Staff time to produce Invoice
- How Budget Numbers are calculated
- Year to Date figures Water & Sewer June 2012
- Year to Date figures Water & Sewer August 2012
- City of Homer 2012 Operating Budget
 - Fund 200 – Water & Sewer Special Revenue Fund
 - Fund 400 - Water Fund Administration
 - Fund 400 Water & Fund 500 Sewer Fund Revenues

Reference Resources

Provided by the Finance Department
continued-

- Fund 200 – 401 Water Treatment Plant
 - 402 Water Treatment Plant Testing
 - 403 water Pump Stations
 - 404 Water Distribution Systems
 - 405 Water Reservoir
 - 406 Water Meters
 - 407 Water Hydrants

Reference Resources

Information Provided by Public Works

- How Fire Protection Affects the Water System – Public Works
- Spit Water Overhead & Maintenance Costs
- Flushing Fire Hydrants & Water Mains
- 2011 Average Water Usage By Classification
- Water Treatment Plant Flows in Millions of Gallons
- Maps Indicating Lift Station Locations and Areas Served
- Number of Gallons of Water delivered to the spit Annually
- Approximate Amounts returned to Water Treatment Plant
- Meter Sizes & Number of Each Size
- Gallonage in the Harbor

Your Turn! We Want to Hear From You

- What are your thoughts?
 - Is it fair?
 - Is it reasonable?
 - What would you change?

Office of the City Clerk

Jo Johnson, CMC, City Clerk

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



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MEMORANDUM

TO: WATER AND SEWER RATE TASK FORCE

FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK

SUBJECT: SCHEDULING ADDITIONAL MEETING DATES

DATE: FEBRUARY 27, 2013

Background

Currently this meeting is the last scheduled meeting for the Water & Sewer Rate Task Force. Depending on the progress of this meeting it may be necessary to schedule one or two more meetings.

If the Task Force determines that more meetings are needed the following must be considered:

Staff has meetings scheduled on March 19, 2013 and April 2nd at 5:00 p.m., these dates follow the standard meeting schedule that has been established by this Task Force.

The Council Chambers is booked each night of those weeks respectively and has limited availability during the following weeks.

If the Task Force is still interested in getting their recommendations to Council at the first meeting in April which is April 8, 2013 the March 19th date would work at the 6:30 p.m. time slot.

Setting two additional meetings would still get this to City Council for the meeting scheduled on April 22, 2013. Allowing Council May and June for review.

RECOMMENDATION

Make a Motion to Schedule Additional Worksessions or Meetings at the appropriate time.

MEETING DATES	5/22	6/5	6/19	7/10	7/24	8/7	8/21	9/4	10/2	10/23	10/31	11/20	12/4	12/18	1/3	1/22	2/5	2/19	3/5	3/19	4/8	LEGEND	
TASKS																							
Alaska Open Meetings Act																							Task Completed
Nomenclature																							Task Ongoing
Creating a Project Time Line																							Task Ongoing
Water & Sewer 101 The Basics of the System Source to Customer																							Task Not Started
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																							
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																							Task Completed
Plugging Current Numbers into Draft Rate Model																							Task Ongoing

SUN	MON	TUES	WED	THURS	FRI	SAT
		1	2	3	4	5
6	7		9	10	11	12
13	14	15	16	17	18	19
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		
					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	29	30
31						
	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				











JANUARY

FEBRUARY

MARCH

APRIL

LEGEND

-  Public Hearing First Draft
-  Tentative Public Hearing Final Draft
-  COUNCIL MEETINGS
-  WSTF MEETINGS
-  KPB MEETING
-  TENTATIVE MEETING DATES
-  ROOM AVAILABLE
-  HOLIDAY
-  SCHEDULE CONFLICT
-  ELECTION NIGHT

