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9/9/19

CITY OF HOMER
HOMER, ALASKA

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ORDINANCE 19-19(S)(A)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING HOMER CITY CODE TITLE 14.08, "WATER RULES AND REGULATIONS" TO ADD HCC 14.08.015, "WATER SERVICE AREA" AND PERMITTING THE CITY TO PROVIDE WATER SERVICE OUTSIDE THE CITY OF HOMER SO LONG AS THE PROPERTY SERVED IS ADJACENT TO A WATER MAIN INSTALLED TO SERVE CITY PROPERTY AND SUCH SERVICE IS REQUIRED BY LAW OR AUTHORIZED BY ORDINANCE AND REQUIRING A COUNCIL APPROVED AGREEMENT REGULATING USE, OPERATION, INSTALLATION, AND MAINTENANCE OF WATER SERVICE ON THE PROPERTY.

WHEREAS, It is in the interest of the City of Homer ("City") to prioritize providing City-owned utilities to City residents and taxpayers; and

WHEREAS, The City has no authority to regulate the development or zoning of real property outside the City's boundaries; and

WHEREAS, Properties outside City limits do not contribute to the costs of maintaining and providing City-owned public utilities through property tax, public utility assessments or, in the case of businesses, sales tax; and

WHEREAS, For these reasons the water service area of the City should not be expanded outside City limits without careful and deliberate consideration by City Council via ordinance or as otherwise required by law.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends Homer City Code 14.08, "Water Rules and Regulations" by adding a new section HCC 14.08.015 entitled "Water Service Area":

14.08.015 Water Service Area

- a. Except as otherwise required by law, the City may only extend **permit connection to** City-owned water service outside City boundaries when the extension **service** is requested by the governing body of the outside jurisdiction via ordinance and the

42 extension is approved by Council via ordinance and in full compliance with this Section.
43 The ordinance approved by Council must:

- 44
- 45 1. Identify the location of the property or properties to be serviced;
- 46 2. Identify and incorporate by reference any applicable agreements between the
- 47 City and the jurisdiction in which the property is or properties are located;
- 48 3. Identify essential terms and conditions of the agreement that must be included
- 49 in any agreement between the property owner, the City, and/or the jurisdiction
- 50 in which the property is or properties are located;
- 51 4. Specify the cost of ~~extending~~ **providing** water service to the identified property
- 52 and the required cost allocation method **of any costs and fees associated with**
- 53 **connecting to the water main, including costs associated with the original**
- 54 **main extension**, for the property or properties;
- 55 5. Affirm that the cost allocation method and the amount paid by the property
- 56 owner and/or the jurisdiction where the property is located includes the full
- 57 costs and fees of the extension and does not disadvantage property owners
- 58 within the City; and
- 59 6. Affirm ~~the extension of~~ **permitting connection to** water services under this
- 60 section is lawful, in the City's best interest, and in furtherance of public health
- 61 and welfare within the City.
- 62

63 b. ~~Notwithstanding the other provisions of this Section~~ **Unless otherwise required by**
64 **law**, after **[insert effective date of this ordinance]**, the City-owned Water System may
65 only be ~~extended~~ **permitted** to properties outside City boundaries adjacent to a water
66 main that serves property within the City.

67

68 c. ~~If an outside jurisdiction agrees to undertake, in whole or part, any financial,~~
69 ~~managerial or operational role in the extension, operation or use of the Water System,~~
70 ~~this agreement must be approved by Council via resolution.~~

71

72 d. Before **connection to** City-owned water service may be ~~extended~~ **permitted** outside its
73 borders under this Section, Council must approve an Extraterritorial Water System
74 Agreement between the City and the owner of extraterritorial property receiving City-
75 owned water service.

76

77 e. The essential terms of the Extraterritorial Water System Agreement must:

- 78
- 79 1. Identify the location of the property, the intended and existing use of the
- 80 property, and the reason for requesting the extension of **connection to the** City-
- 81 owned property **water main** to the property;

- 82 2. Specify ~~the amount of the extension~~, the cost allocation of any costs and fees
83 associated with ~~the extension~~ **connecting to the water main, including costs**
84 **associated with the original main extension** and the specific terms of any
85 payment method for the property;
86 3. Incorporate all City laws, policies, and procedures governing the ~~extension~~
87 **connection**, installation, operation, and maintenance of the City-owned Water
88 System;
89 4. Incorporate any applicable agreements between the City and the jurisdiction in
90 which the property is located; and
91 5. Require the property owner to consent to and confirm that the City has full
92 authority to regulate any use of the property that has or may have an impact on
93 the City-owned Water System.

94
95 f. **Connection to the City** ~~water~~ may not be extended outside City limits until the City
96 amends its certificate of public convenience and necessity to include the ~~extended~~
97 **permitted** service area, if required by state law.

98
99 g. Except as provided in this title or upon approval granted by Council via ordinance and
100 permitted by law, ~~persons~~ **water customers** outside City limits will be treated the same
101 as ~~persons~~ **water customers** inside City limits with regard to permitting fees and water
102 rates.

103
104 Section 2. This ordinance shall take effect upon its adoption by the Homer City Council.

105
106 Section 3. This ordinance is of a permanent and general character and shall be included
107 in Homer City Code.

108
109 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of _____, 2019.

110
111
112 CITY OF HOMER

113
114
115 _____
116 KEN CASTNER, MAYOR

117
118 ATTEST:

119
120
121 _____
122 MELISSA JACOBSEN, MMC, CITY CLERK
123

124 Introduction:
125 Public Hearing:
126 Second Reading:
127 Effective Date:
128
129 YES:
130 NO:
131 ABSTAIN:
132 ABSENT:
133
134 Reviewed and approved as to form:
135
136 _____
137 Katie Koester, City Manager
138
139 Date: _____

Holly Wells, City Attorney

Date: _____