

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

ORDINANCE 11-02(S)(A)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING THE FY 2011 OPERATING BUDGET BY APPROPRIATING FUNDS OF \$131,335 FROM THE HARBOR RESERVE AND \$172,932 FROM THE WATER/SEWER RESERVE TO ESTABLISH A BUDGET FOR THE IMPLEMENTATION OF THE ENERGY CONSERVATION MEASURES IN THE RESPECTIVE LOCATIONS AND REQUIRE THAT THE SAVINGS FROM THESE LOCATION IMPROVEMENTS WOULD BE RETURNED TO THE RESERVE FUNDS.

WHEREAS, In March of 2010, Ordinance 10-14, the Homer City Council created a Revolving Energy Fund to provide a long term source of funding for energy efficiency projects in City facilities and that seed money for the fund be provided by transferring assets from existing depreciation reserve accounts; and

WHEREAS, In June 2010, Ordinance 10-28(S), the Homer City Council accepted and appropriated a grant of \$227,800.00 from the Alaska Energy Authority for the Energy Audits & Energy Conservation Measure Project that provided a total budget of \$542,800; and

WHEREAS, Siemens Industry, Inc. was selected (through the RFP process) as the most qualified firm to complete this energy use evaluation/conservation measure implementation project and began work in September 2010; and

WHEREAS, Siemens has completed the facility evaluations and has identified projects totaling \$795,191 that have reasonable payback timeframes and would reduce annual energy costs by \$99,179 (See Memorandum 11-007(S) prepared by Public Works); and

WHEREAS, An additional \$304,267 would be necessary to complete the recommended energy efficiency improvements not provided for by the available grant or revolving loan funding; and

WHEREAS, The additional funds needed are for sewer and harbor infrastructure energy conservation measures and the Water/Sewer and Harbor Reserves have the funds to complete these projects.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 2011 Operating Budget by appropriating funds of \$131,335 from the Harbor Reserve and \$172,932 from the Water/Sewer Reserve for the purpose of completing the Energy Audits & Energy Conservation Measure Project and establishes the budget for the project in the amount of \$847,067 requiring that the savings from the location improvements be returned to the Reserve Funds.

Expenditures:

<u>Acct #</u>	<u>Description</u>	<u>Amount</u>
151-718	AEA Grant	\$ 227,800
620-375	Energy Revolving Loan Fund	\$ 315,000
456-380	Harbor Reserve Account	\$ 131,335
256-378	Water/Sewer Reserve Account	<u>\$ 172,932</u>
		\$ 847,067

Section 2. This is a budget amendment ordinance, is temporary in nature, and shall not be codified.


ENACTED BY THE HOMER CITY COUNCIL this 15 day of February, 2011.

CITY OF HOMER



JAMES C. HORNADAY, MAYOR

ATTEST:

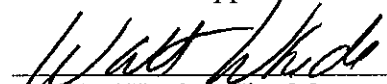


JO JOHNSON, CMC, CITY CLERK

YES: 4
NO:
ABSTAIN: 0
ABSENT: 0

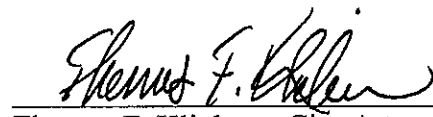
First reading: 1/10/11
Public hearing: 1/24/11
Second reading: 2/15/11
Effective date: 2/16/11

Reviewed and approved as to form:



Walt E. Wrede, City Manager

Date: 2/24/11



Thomas F. Klinkner, City Attorney

Date: 3-1-11

Fiscal Note: Fiscal information included in body of Ordinance.