



Homer City Hall
491 E. Pioneer Avenue
Homer, Alaska 99603
www.cityofhomer-ak.gov

City of Homer Agenda

**City Council Regular Meeting
Monday, September 27, 2021 at 6:00 PM
In Person at City Hall Cowles Council Chambers
By Zoom Webinar**

<https://cityofhomer.zoom.us/j/205093973?pwd=UmhJWEZ3ZVdvdDkxZ3NtbldlNINXQT09>

Or Dial: +1 669 900 6833 or +1 253 215 8782 or Toll Free 877 853 5247 or 888 788 0099

Webinar ID: 205 093 973 Passcode: 610853

CALL TO ORDER, PLEDGE OF ALLEGIANCE

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- [a.](#) Homer City Council Unapproved Regular Meeting Minutes for September 13, 2021. City Clerk. Recommend adoption.
- [b.](#) Memorandum 21-165 from Deputy City Clerk Re: Liquor License Transfer for Grace Ridge Brewing. Recommend approval.
- [c.](#) Memorandum 21-166 from City Clerk Re: Confirmation of Election Judges for the City of Homer Regular Election October 5, 2021. Recommend approval.
- [d.](#) Ordinance 21-59, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Passenger Vessel Tax Program 2021 Grant from the State of Alaska for \$35,445 and a Commercial Passenger Vessel Tax Pass-Through Grant from the Kenai Peninsula Borough in the Amount of \$35,445 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents, and Appropriating the Funds to the Computer Aided Dispatch Capital Project. City Manager. Recommended Dates Introduction September 27, 2021 Public Hearing and Second Reading October 11, 2021.

- e. Ordinance 21-60, An Ordinance of the City Council of Homer, Alaska, Amending the FY22/23 Capital Budget and Authorizing Expenditure of \$25,000 from the Homer Accelerated Road and Trail (HART) Program - Road Fund for the Development and Implementation of an Integrated Pest Management Plan and Authorizing a Task Order with the Homer Soil and Water Conservation District to Assist with the Work. City Manager/Public Works Director. Recommended Dates Introduction September 27, 2021, Public Hearing and Second Reading October 11, 2021.

Memorandum 21-167 from Public Works Director as backup

- f. Resolution 21-062, A Resolution of the City Council of Homer, Alaska Awarding a Contract to Antero for Asset Management Software for the Public Works Department, Authorizing the City Manager to Negotiate and Execute the Appropriate Documents, and Dedicating a Portion of the Alaska Department of Environmental Conservation Principal Forgiveness Subsidy to the Project. City Manager/Public Works Director. Recommend adoption.

Memorandum 21-168 from Public Works Director as backup

- g. Resolution 21-063, A Resolution of the City Council of Homer, Alaska Awarding a Contract to HDR Engineering, Inc. for Capital Planning Software for the Public Works Department, Authorizing the City Manager to Negotiate and Execute the Appropriate Documents, and Dedicating a Portion of the Alaska Department of the Environmental Conservation Principal Forgiveness Subsidy to the Project. City Manager/Public Works Director. Recommend adoption.

Memorandum 21-169 from Public Works Director as backup

- h. Resolution 21-064, A Resolution of the City Council of Homer, Alaska in Support of Full Funding of \$11,492,760 for the State of Alaska Municipal Harbor Grant Program in the FY 2023 State Capital Budget. City Manager/Port Director. Recommend adoption.

VISITORS

- a. COVID-19 Agency Update Derotha Ferraro, South Peninsula Hospital Director of Public Relations & Marketing and Lorne Carroll, State of Alaska Public Health Nurse III (10 minutes)

ANNOUNCEMENTS / PRESENTATIONS / REPORTS (5 Minute limit per report)

- a. Committee of the Whole Report
- b. Mayor's Report
- c. Borough Report
- d. Planning Commission
- e. Economic Development Advisory Commission

- f. Parks Art Recreation and Culture Advisory Commission
- g. Port and Harbor Advisory Commission
- h. Cook Inlet Regional Citizens Advisory Council Director's Written Report

PUBLIC HEARING(S)

- a. Ordinance 21-52, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget by Appropriating \$147,900 from the Port and Harbor Reserves for the Purpose of Float Repair. City Manager/Port Director. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-154 from Port Director as backup.

- b. Ordinance 21-53, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 10.04, General Port and Harbor Provisions to Add Section 10.04.105, Use of Port and Harbor Dumpsters, Amending Homer City Code 1.16.040, Fine Schedule, and Funding Relevant Signage. Aderhold. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021.

Memorandum 21-155 from City Manager as backup.

- c. Ordinance 21-54, An Ordinance of the City Council of Homer, Alaska, Amending the 2022 Budget by Appropriating Funds in the Amount of \$60,000 from the General Fund Fund Balance for the Purpose of Supporting COVID-19 Mitigation and Response. City Manager. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-156 from City Manager as backup

- d. Ordinance 21-55, An Ordinance of the City Council of Homer, Alaska Amending Accepting American Rescue Plan Act (ARPA) Funds to the General Fund as Revenue Replacement. City Manager/Finance Director. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-157 from Finance Director as backup

- e. Ordinance 21-56, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a New Legislative Grant for the Approved Re-Appropriation of Remaining Funds from Previous Grant #15-DC-061 in the Amount of \$35,234.19 for the Purpose of Harbor Fire Cart Replacement and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

- f. Ordinance 21-57, An Ordinance of the City Council of Homer, Alaska, Authorizing the Conveyance of 601 Square Feet of City Property, Kenai Peninsula Borough Parcel ID# 17302201, for an Easement to the Alaska Department of Transportation and Public

Facility AKDOT/PF to Support Sterling Highway Improvements and Accepting \$1,000 as Just Compensation for Acquisition of the Easement. City Manager/Public Works Director. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-158 from Public Works Director as backup

- [g.](#) Ordinance 21-58, An Ordinance of the City Council of Homer, Alaska, Amending the FY2022 Capital budget by Appropriating \$75,000 from the HERC CARMA Fund for Professional Services for a Public Process and Feasibility Study of a New Multi-Use Center. City Manager. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-159 from City Manager as backup

ORDINANCE(S)

CITY MANAGER'S REPORT

- [a.](#) City Manager's Report

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

- [a.](#) Resolution 21-065, A Resolution of the City Council of Homer, Alaska Requesting that the Alaska Department of Transportation and Public Facilities, as part of their Kachemak Drive Pavement Preservation Project, Include Accommodations for Non-Motorized Users, and Evaluate a Future Project to Create Safe and Sustainable Pedestrian Amenities along Kachemak Drive. Smith/Aderhold.
- [b.](#) Resolution 21-066, A Resolution of the City Council of Homer, Alaska Adopting the Water and Sewer Utility Financial Plan and Rate Setting Policies and Utility Financial Plan, Version 2021-01.

Memorandum 21-170 from Public Works Director as backup

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

COMMENTS OF THE CITY CLERK

COMMENTS OF THE CITY MANAGER

COMMENTS OF THE MAYOR

COMMENTS OF THE CITY COUNCIL

ADJOURNMENT

Next Regular Meeting is Monday, October 11, 2021 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom webinar.

Session 21-23 a Regular Meeting of the Homer City Council was called to order on September 13, 2021 by Mayor Ken Castner at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ADERHOLD, DAVIS, LORD, SMITH, VENUTI

ABSENT: COUNCILMEMBER HANSEN CAVASOS (EXCUSED)

STAFF: CITY MANAGER DUMOUCHEL
DEPUTY CITY CLERK KRAUSE
DEPUTY CITY CELRK TUSSEY
PORT DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR KEISER
CITY PLANNER ABBOUD
DEPUTY CITY PLANNER ENGBRETSSEN
PERSONNEL DIRECTOR BROWNING
FINANCE DIRECTOR WALTON
LIBRARY DIRECTOR BERRY
RECREATION MANAGER ILLG
SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
IT MANAGER POOLOS
COMPTROLLER DELUMEAU

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

Mayor Castner noted the supplemental packet item **NEW BUSINESS** Memorandum 21-153 from City Clerk re: Motions filed by Appellant Frank Griswold related to the Appeal of CUP20-15 and Zoning Permit 1020-782 Public comment received.

LORD/ADERHOLD MOVED TO APPROVE THE AGENDA

There was no discussion.

VOTE. NON OBJECTION. UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Janie Leask, city resident, commented in support of Ordinance 21-58 and Resolution 21-059 in regards to having a Multi-use facility noting the value of having a community recreation facility to provide social connectedness, and the past work that was conducted on a community

recreation including ways the facility could pay for itself by increased user fees and expanded use of the facility. She further expressed her fear of the city demolishing the current facility and not having concrete plans in place for a new community recreational facility.

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- a. Homer City Council Unapproved Special Meeting Minutes for August 2, 2021, August 23, 2021 and August 30, 2021 and Regular Meeting Minutes for August 23, 2021. City Clerk. Recommend adoption.
- b. Memorandum 21-151 from Mayor re: Student Representative Appointments to the Library Advisory Board; Parks, Art Recreation & Culture Advisory Commission and the Port & Harbor Advisory Commission. Recommend approval.
- c. Ordinance 21-52, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget by Appropriating \$147,900 from the Port and Harbor Reserves for the Purpose of Float Repair. City Manager/Port Director. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-154 from Port Director as backup.

- d. Ordinance 21-53, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 10.04, General Port and Harbor Provisions to Add Section 10.04.105, Use of Port and Harbor Dumpsters, Amending Homer City Code 1.16.040, Fine Schedule, and Funding Relevant Signage. Aderhold. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021.

Memorandum 21-155 from City Manager as backup.

- e. Ordinance 21-54, An Ordinance of the City Council of Homer, Alaska, Amending the 2022 Budget by Appropriating Funds in the Amount of \$60,000 from the General Fund Fund Balance for the Purpose of Supporting COVID-19 Mitigation and Response. City Manager. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-156 from City Manager as backup

- f. Ordinance 21-55, An Ordinance of the City Council of Homer, Alaska Amending Accepting American Rescue Plan Act (ARPA) Funds to the General Fund as Revenue

Replacement. City Manager/Finance Director. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-157 from Finance Director as backup

- g. Ordinance 21-56, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a New Legislative Grant for the Approved Re-Appropriation of Remaining Funds from Previous Grant #15-DC-061 in the Amount of \$35,234.19 for the Purpose of Harbor Fire Cart Replacement and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021
- h. Ordinance 21-57, An Ordinance of the City Council of Homer, Alaska, Authorizing the Conveyance of 601 Square Feet of City Property, Kenai Peninsula Borough Parcel ID# 17302201, for an Easement to the Alaska Department of Transportation and Public Facility AKDOT/PF to Support Sterling Highway Improvements and Accepting \$1,000 as Just Compensation for Acquisition of the Easement. City Manager/Public Works Director. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-158 from Public Works Director as backup

- i. Resolution 21-058, A Resolution of the City council of Homer, Alaska, Amending the City fee Schedule under Camping, City Clerk's, Homer Police Department, Planning and Zoning and Public Works Fees. City Clerk. Recommend approval.

Memorandum 21- 160 from Deputy City Clerk II as backup.

- j. Resolution 21-060, A Resolution of the City Council of Homer, Alaska, Awarding Pier One Theatre a 5 year Lease with No Options for Renewal, a Portion of Tract 1-A, Fishing Hole Sub. No. 2, with an Annual Base rent of \$1.00 and Authorizing the City Manager to Move Forward with Lease Negotiations and Execute the Appropriate Documents. City Manager. Recommend approval.

Memorandum 21-162 from Port Director as backup

- k. Resolution 21-061, A Resolution of City Council of Homer, Alaska Approving Amendment One to the Employment Agreement between Robert J Dumouchel II and the City of Homer and Authorizing the Mayor and Personnel Director to Execute the Appropriate Documents. Mayor/City Council. Recommend approval.

Deputy City Clerk Krause read the consent agenda with recommendations.

LORD/ADERHOLD MOVED TO ADOPT THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE. NON OBJECTION. UNANIMOUS CONSENT

Motion carried.

VISITORS

- a. COVID-19 Agency Update Derotha Ferraro, South Peninsula Hospital Director of Public Relations & Marketing and Lorne Carroll, State of Alaska Public Health Nurse III (10 minutes)

Lorne Carroll, State of Alaska Public Health Nurse III, reported on the comparisons to the nation with the number of COVID cases and hospitalizations, deaths related to vaccination and unvaccinated folks for a recent timeframe that's directly related to COVID 19 Delta Variant. He provided a chart showing the percentages, noting the 2% increase from last week case numbers and number of deaths. Mr. Carroll reported that the percentage of positive tests is approximately 9.3% as of September 12, 2021. These numbers are comparable to the nation. He additionally reported that in Alaska there are 210 persons hospitalized with COVID 19 and 33 of those are on ventilators. Currently 21.5% of all hospitalizations are related to COVID 19. The healthcare system is overwhelmed. Mr. Carroll noted that 63% of the residents in Homer are vaccinated and 58% of the Kenai Peninsula and those numbers are inching up. Mr. Carroll responded that those who were infected only gains about 90 days and they are seeing persons who have been infected three times. The vaccinations efforts started in the beginning of the year and it has been found that the immunity wans over time and that makes the communities more susceptible to vaccination and they are seeing more cases now because of the Delta Variant which then leads to higher chances of mutations.

Derotha Ferraro, South Peninsula Hospital (SPH) Director of Public Relations & Marketing, reported SPH presented information on the number of tests performed were 983 with 109 positive results. This results in 11% positivity rate. There were 27 outpatient monoclonal antibody infusions up 5 from the previous week. There were nine patients in the emergency room which typically they see 115-120 visits. She reported that there has been a steady number of hospitalizations 4 per week and they gave out 81 vaccines last week. In the last few days Mr. Ferraro reported that they performed 242 tests which resulted in 26 positive results and gave 35 vaccines. Long Term Care is open but restricted to designated visitors by appointment. The testing Clinic on Bartlett remains open 9:00 a.m. to 5:00 p.m. for vaccines and 9:00 a.m. to 6:00 p.m. for testing. Tuesdays and Fridays they have all three vaccines available and every other day they offer the third dose to those who are immune compromised. She reported that they expect to perform boosters soon. Ms. Ferraro then noted that the hospital has construction happening to add negative pressure rooms. This is not adding additional rooms but making more rooms negative pressure and they are expanding into the back area of the COVID testing and vaccine clinic so they are doing some remodeling for the monoclonal infusions. She then

commented briefly on the mandates issued by the White House on vaccinations required for health care workers and this will affect hospital, in her last report this just affected nursing home workers but now it applies to all who work in the health industry. She noted that there was a request by the Governor for assistance with staff for hospitals, increase in shipments of monoclonal antibody treatments, expanding to allow pharmacists to administer those, South Peninsula Hospital has 53 vacancies. South Peninsula is not a hospital that patients would be transferred to, she stated that the hospitals that were shown as closed on the materials that Mr. Carroll presented those hospitals are working hard collectively to find the right level of care for the patients. As far as the capacity of South Peninsula they have not run out of beds, they have just been short staffed and is based on the level of care that the patient requires. She acknowledged that there seem to be longer stays but did not have specific information related to the length of stays. Ms. Ferraro commented that the contact tracing is a hybrid model and persons are encouraged to conduct their own contacting. The information from the State is a little behind in updating the numbers.

b. Kenai Peninsula Economic Development District, Tim Dillon, Executive Director

Mr. Dillon provided information and a presentation on the services and work that the KPEDD provides. He conveyed information on how the KPEDD operates, facilities they own and the various districts around the state and the nation. The KPEDD provides services to persons who are looking to start a business, add to a business or sell a business. They also assist in workforce development. Over the last year KPEDD has developed a comprehensive economic development strategy. They perform this every five years with annual adjustments. This is a tool to use for financial goals that the city may have, such as a grant or large project. KPEDD's overarching theme is quality of life and they concentrate on five major areas to promote: Technology and Communication – Expand broadband access across the Borough; Workforce and Human Capital – Industry partnerships and vo-tech to attract, retain and train a qualified workforce; Infrastructure and Land Use – Industry focused infrastructure and resiliency in transportation, infrastructure, mitigation and responsible use of lands; Business Climate and Entrepreneurship – Outreach, education and information sharing with government support of businesses; and Regional Partnerships – Coordinate with industries, municipalities, communities and non-profits. Mr. Dillon then showed a short video promoting the KPEDD and MEP Manufacturing Solutions services. This video will be showing on the Alaska channel in Anchorage and Girdwood to target those persons going through Anchorage for the businesses and visitors to whet their appetite to come to the Peninsula. He then announced the Education/Career Fair on September 21st in Soldotna and the Industry Outlook Forum on January 6, 2022. This event is expected to be available in a hybrid format, online and in person.

ANNOUNCEMENTS / PRESENTATIONS / REPORTS (5 Minute limit per report)

a. Committee of the Whole Report

Councilmember Lord reported on the Committee of the Whole where Council discussed Memorandum 21-152 regarding the Letter to the Community on COVID mitigation, and discussion with Tim Dillon on his presentation along with input from Karin Marks, Chair of the Economic Development Advisory Commission on economic development and ETA grant funding possibility for a new multi-use facility.

b. Mayor's Report

Mayor Castner reported that he is working with Mr. Dillon and others around the state on the concept of tightening up port connections, loosely referring to the project as the Seabelt and accessing the KPEDD as their connection point. He also commented on his appointment of three student representatives

c. Borough Report

Kenai Peninsula Borough Assembly Member Lane Chesley reported on two upcoming matters before the assembly: one to approve the purchase of Dr. Boling's building on Pioneer Avenue and changes at the Solid Waste Transfer Facility. He noted that he is still in discussions with the Solid Waste Director on keeping Sunday hours of operation year round.

d. Library Advisory Board

Kate Finn, Boardmember, provided a report on the Library Advisory Board (LAB) and Friends of the Homer Library are collaborating on a user friendly, consistent policy for both sets of donors as both donor funds are managed through the Homer Foundation. The LAB also took a broad overlook of the city budget process; the ongoing issue of filling vacant positions on the LAB for both regular board members and student representatives; the self-checkout stations are operational and there are three locations within the library; a new print management software is being installed that will allow Library patrons to queue up their print job from anywhere not inside the Library and then be able to come in and print it out. Ms. Finn reminded everyone about the Book and Plant Sale on September 23-24, 2021 and the upcoming solicitation for the Rotating Art Exhibit which the RFP will be issued shortly for art to be displayed starting in January 2022. She then noted the availability of continuing classes on Technology every first and third Saturdays.

e. Planning Commission

A written Planning Commission Report for September 1, 2021 was provided in the packet.

f. Port and Harbor Advisory Commission

Crisi Matthews, Commissioner noted that she provided a written report for the packet but wanted to highlight the following: the end cap float repairs are being done, there have been a

large number of boats coming to the harbor, up to 750 per day in July and encouraged the Council and Mayor to continue to work on the Harbor expansion project and keeping it high priority, finally they have received and reviewed the Spit Parking Study and from that the July revenue from 2020 was \$7500 and this July was \$23,000 so they are looking at doing another pay parking lot to bring further revenue in to the enterprise and they are looking at different ways to bring more revenue to support the maintenance of the harbor and make it fiscally sound so that when it is forwarded we intend to show that we can maintain what infrastructure we already have before expansion.

PUBLIC HEARING(S)

- a. Ordinance 21-50, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 2.58 Boards and Commissions Regarding Teleconferencing, Attendance, Vacancies, Recording Clerk, Staff Reports and Recommendations, and Rules of Order. City Clerk. Introduction August 23, 2021 Public Hearing and Second Reading September 13, 2021

Memorandum 21-145 from City Clerk as backup

Ordinance 21-50(S), An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 2.58 Boards and Commissions Regarding Teleconferencing, Attendance, Vacancies, Recording Clerk, Staff Reports and Recommendations, and Rules of Order **and 2.72.040 Planning Commission Terms of Commission Members.** City Clerk.

Memorandum 21-163 from Deputy City Clerk as backup.

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 21-50 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

LORD/ADERHOLD MOVED TO SUBSTITUTE ORDINANCE 21-50(S) FOR ORDINANCE 21-50.

Councilmember Lord thanked the Commissions for all the input they provided and the Clerks for incorporating that into the substitute.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Castner asked if there was any further discussion on the motion as amended.

LORD/ADERHOLD MOVED TO ADD THE WORD “OR” AFTER THE SEMI-COLON ON LINE 103.

There was no discussion.

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

Motion carried.

LORD/ADERHOLD MOVED TO ADD THE WORD “OR” AFTER THE SEMI-COLON ON LINE 199

There was no discussion.

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

Motion carried.

Deputy City Clerk Tussey provided clarification, in response to Councilmember Aderhold’s question, that Section 2, Lines 93 – 107 addressed the Commissions and Board and Section 3 referred to the Planning Commission since they are separated in Homer City Code.

Deputy City Clerk Krause provided clarification that the ordinance did not address standing committees indicating that there would be no restrictions to the ADA Compliance Committee to participate by teleconference in response to Councilmember Aderhold.

Mayor Castner commented that he worked with City Clerk Jacobsen on expanding and allowing teleconferencing for all the advisory bodies and getting them all on the same page and this includes participation by Zoom too.

Deputy City Clerk Tussey provided additional clarification for Councilmember Aderhold, noting that in section 2 item “d”, line 146, it does state that while “in person” is the preferred method of attendance, teleconference can be for good cause and that it includes but is not limited to, absences required for work related events, family emergencies, medical events or other good cause and the Clerk’s Office feels strongly that a global pandemic is good cause. While section 2 item, “g” does not apply at this time under emergency declaration order, we can operate under section 2, item “d” of the code.

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

Motion carried.

- b. Ordinance 21-51, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapters 6.16 Fee for Police Protection Services, 8.08 Itinerant Merchant, 8.11 Mobile Food Vendors, 11.20 Streets, Sidewalks, Driveway Construction, 13.12 Earthwork, 18.28 Tidelands, 19.08 Campgrounds, and 19.12 Excavation of Homer Spit Beach to Remove Fees and Replace with Reference to the City of Homer Fee Schedule, and Strike Outdated Language. City Clerk. Introduction August 23, 2021 Public Hearing and Second Reading September 13, 2021

Memorandum 21-146 from City Clerk as backup

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 21-51 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- a. Ordinance 21-58, An Ordinance of the City Council of Homer, Alaska, Amending the FY2022 Capital budget by Appropriating \$75,000 from the HERC CARMA Fund for Professional Services for a Public Process and Feasibility Study of a New Multi-Use Center. City Manager. Introduction September 13, 2021 Public Hearing and Second Reading September 27, 2021

Memorandum 21-159 from City Manager as backup

Mayor Castner introduced Ordinance 21-58 by reading of the title.

LORD/ADERHOLD MOVED TO INTRODUCE ORDINANCE 21-58 BY READING OF TITLE ONLY.

A brief discussion on the council discussion on the ordinance during the Committee of the Whole elicited support from Council, and appreciation was expressed for the presentation from Tim Dillon and public comments received and that past comments will be honored and maintained and there will be a transparent process.

Mayor Castner noted that the Council will be having a Worksession on this and he would appreciate seeing a timeline, reminding everyone of the previous studies and information that was gathered on the HERC

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

a. City Manager's Report

City Manager Dumouchel reported that the launch of the City Newsletter was a success and extended his appreciation for Executive Administrative Assistant Drais for her championing that project. He encouraged signing up on the city website or contacting Ms. Drais to get added to the list. Included as an attachment is the first issue of the newsletter. He then reported that earlier Monday, September 13th he participated, along with City Planner Abboud, in a strategic planning meeting with the Kenai Peninsula Homelessness Coalition and they will be meeting again in two weeks. He then spoke to the graph reflecting taxable sales within the city during the second quarter of 2021; it really shows the impact of the pandemic year and the strength of the comeback with an increase of \$1,000,000.

City Manager Dumouchel facilitated brief questions and answers on amending the budget to accommodate for reserve needs stating that he would like to wait until end of the year beginning of 2022 to get the information from the Borough before making any changes. He then noted that if the trend is followed with regard to the sales tax revenues, they will be way beyond the forecasted amounts for the fiscal year. City Manager Dumouchel then acknowledged the time frame for mid-year budget review with the changes in the fiscal year and a biennial budget, this would fall at the beginning of the year now. He responded to Mayor Castner that they should be receiving the 2020 Audit soon. City Manager Dumouchel reported that the Mass Casualty Emergency Response Drill was conducted and organized by the Department of Transportation and that event is required on a specific timeline but due to COVID there was a delay in performing the exercise. He noted that there were a lot of agencies involved but there were several called away due to various emergencies during that time period and Guardian came in with a helicopter at that time.

Councilmember Aderhold expressed her appreciation for the safety training that the Police Department provided to City staff and encouraged other City departments to get the same training. She then noted that homelessness issue has been on her mind and is glad to see the city is involved in trying to address it from a municipal standpoint.

Councilmember Smith requested information on the city protocol for a homeless person occupying public space.

City Manager Dumouchel was requesting Chief Robl to attend the next Committee of the Whole to speak to the Council regarding traffic and he can add that subject to his list to address.

PENDING BUSINESS

NEW BUSINESS

- a. Memorandum 21-152 from Councilmember Aderhold re: Letter to the Community regarding COVID 19 Mitigation Measures

LORD/ADERHOLD MOVED TO APPROVE MEMORANDUM 21-152 AND DISTRIBUTE THE COUNCIL'S LETTER TO THE COMMUNITY.

ADERHOLD/LORD MOVED TO AMEND THE LETTER TO REMOVE THE WORDS "CONSIDER GETTING" AND REPLACE WITH THE WORD "GET" ON LINE 14; ADD THE PHRASE "OR PUBLIC HEALTH DEPARTMENT FOR PROFESSIONAL ADVICE" ON LINE 16; REPLACE HOMER CITY COUNCIL WITH "KEN CASTNER, MAYOR" AND ADD A SIGNATURE LINE ON LINE 26; ADD THE FOLLOWING ATTACHMENTS: COVID RISK ANALYSIS AND CITY OF HOMER MITIGATIONS STANDARDS ON LINE 29.

There was no discussion.

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

Motion carried.

There was a brief discussion of adding a phone number that the public can call for additional information noting that they discontinued the COVID Call-in Line and removed staff from those duties. It was noted that City Manager's Office could be tasked to field these calls.

ADERHOLD/VENUTI MOVED TO AMEND THE LETTER TO REFLECT THE CITY MANAGERS OFFICE CONTACT PHONE AND EXTENSION OF 2222.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- b. Memorandum 21-153 from City Clerk re: Motions Filed by Appellant Frank Griswold related to the Appeal of CUP20-15 and Zoning Permit 1020-782

Mayor Castner introduced the Memorandum and requested a motion.

LORD/ADERHOLD MOVED TO POSTPONE MEMORANDUM 21-153 TO A DATE TO BE DETERMINED WHEN THE COUNCIL CAN CONVENE AS THE BOARD OF ADJUSTMENT TO ADDRESS THIS MATTER.

Discussion ensued on determining a date to meet as the Board of Adjustment. Council established Monday, September 20, 2021 at 4:00 p.m. for a Special Meeting after confirming that proper notice of the meeting could be met.

Council additionally scheduled a Worksession on HERC Campus Redevelopment –Foundations and Futures on Monday, September 20, 2021 at 5:00 p.m. to follow the Special Meeting.

LORD/ADERHOLD MOVED TO AMEND THE MOTION TO A DATE CERTAIN OF MONDAY, SEPTEMBER 20, 2021 AT 4:00 P.M.

There was no further discussion.

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

Motion carried.

There was no further discussion.

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

Motion carried.

RESOLUTIONS

- a. Resolution 21-59, A Resolution of the Homer City Council Adopting the 2022-2027 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2023. Mayor/City Council.

Memorandum 21-161 from Special Projects and Communications Coordinator as backup

Mayor Castner introduced the item and requested a motion.

LORD/ADERHOLD MOVED TO ADOPT RESOLUTION 21-59 BY READING OF TITLE ONLY.

LORD/ADERHOLD MOVED TO AMEND THE MOTION TO REMOVE THE TRUCK LOADING FACILITY UPGRADES AT FISH DOCK, BEACH ACCESS FROM MAIN STREET, JACK GIST PARK IMPROVEMENTS, PHASE 3 AND KAREN HORNADAY PARK IMPROVEMENTS, PHASE 4 PROJECTS FROM THE CIP.

There was no discussion.

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

Motion carried.

LORD/ADERHOLD MOVED TO AMEND THE MOTION TO INCLUDE THE FOLLOWING CITY OF HOMER PROJECTS: BEN WALTERS LANE SIDEWALK, HOMER SPIT CAMPGROUND RENOVATIONS, SECURITY CAMERA SYSTEM FOR WEST SIDE OF HOMER HARBOR AND THE STEEL GRID REPAIR PROJECT IN THE MID-RANGE SECTION OF THE 2022-2027 CIP.

There was no discussion.

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

Motion carried.

LORD/ADERHOLD MOVED TO AMEND THE MOTION TO INCLUDE THE FOLLOWING STATE OF ALASKA PROJECTS: EAST HILL ROAD BIKE PATH, WEST HILL ROAD BIKE PATH AND HOMER SPIT EROSION MITIGATION PROJECTS AND THE SPARC FLOORING REPLACEMENT PROJECTS INTO THE OTHER ORGANIZATION SECTION OF THE 2022-2027 CIP.

There was no discussion.

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

Motion carried.

LORD/VENUTI MOVED TO ADOPT THE CITY COUNCIL'S PRIORITIZED LIST OF FIVE LEGISLATIVE REQUEST PROJECTS AS:

1. PORT OF HOMER NEW LARGE VESSEL HARBOR
2. MULTI-USE COMMUNITY CENTER
3. SLOPE STABILITY PROJECT
4. HOMER BARGE MOORING AND LARGE VESSEL HAUL OUT FACILITY
5. HOMER SPIT COASTAL EROSION MITIGATION

There was no discussion.

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

Motion carried.

LORD/VENUTI MOVED TO ESTABLISH THAT THE TOP TWO PROJECTS OF THAT LIST PORT OF HOMER NEW LARGE VESSEL HARBOR AND MULTI-USE COMMUNITY CENTER AS THE CITY'S FEDERAL PRIORITY PROJECTS.

There was no discussion.

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

Motion carried.

There was a brief discussion on selection of projects for the prioritized listing and while projects may not have been selected they are still included in the plan and they may receive funding from other sources.

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

Motion carried.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

COMMENTS OF THE CITY CLERK

Deputy City Clerk Krause thanked the Mayor and Council and apologized for overlooking the motions required for the adoption of the Capital Improvement Plan.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel had no comments.

COMMENTS OF THE MAYOR

Mayor Castner commented on plowing through the agenda without a break.

COMMENTS OF THE CITY COUNCIL

Councilmember Lord commented that it feels like fall and appreciated the continued effort to meeting using this platform.

Councilmember Venuti thanked Mayor Castner for the student appointments to the Commissions and hearing their names and thinking about them as future leaders for their community or whatever community they choose to live in because of their experience in Homer. She announced the upcoming Candidate Forum on Thursday, September 16, 2021 at Land's End, limited seating and will be broadcast live on KBBI and the Chamber's website, [www. HomerAlaska.org](http://www.HomerAlaska.org). There are five candidate running for Council. She then advocated for getting vaccinated by visiting their doctor or SVT where they offer a sliding scale, if you have questions go to your local health center; wearing masks at all times and keeping our social distance. We need to get over this before the holidays. She expressed her appreciation of the

efforts of the IT department, the cameras never picked up the City Manager or Councilmember Smith but the sound was wonderful and this meeting was the smoothest by far. She expressed her appreciation for everyone and enjoy the fall weather.

Councilmember Aderhold commented that there was one additional opportunity to hear the Candidates, there will be a Coffee Table program by KBBI at 9:00 a.m. on Wednesday, September 15, 2021 and the Homer News will be having profiles and Question and Answers of the Candidates in upcoming editions of the paper. Fall is definitely here, it's wonderful I love the smell of fall and we are nearing the equinox and that means it's getting darker. She cautioned everyone to watch out for the kids and pedestrians and bicyclists that will be out in the dark, encouraged drivers to please use their headlights and keep aware of pedestrians and cyclists, noting some of them may be children.

Councilmember Davis commented that this has been exciting after all the hard work over the years that has gone into the planning and thinking about the HERC that there is another possibility of federal funds to actually do something about it and he expressed that he was happy to be able to be a small part of it and appreciated the City Manager's willingness to jump right in and go full steam ahead on the possibility, since timing will be of the essence.

Councilmember Smith commented regarding government usually is not so nimble that this was really very refreshing to actually proceed in a somewhat expedited way on this project. He then expressed his frustration having had one child home for one week due to close contact and his other child is on her second round and school has only been open for five weeks so he was relieved that the school district and even Homer came around and understood that because of the mitigation plans there will be some type of continuity to keep the kids in school. He hates wearing masks but understands it plays a part in helping keep things moving. He then reminded everyone that absentee voting begins soon and people can even vote by mail so you really don't have to wait until October 5th to file in City Hall. He encouraged everyone to get out and vote and make their voice heard. Councilmember Smith then commented on the September 11th anniversary and how it affected his family and the country's involvement in foreign lands and the unintended consequences that come from that and that it was really sobering. He expressed how grateful he was to live in a great country but acknowledged that it sometimes comes with some baggage that they do not consider at the time. The inhumanity that exists in some groups to justify their actions is far reaching and he hopes that one can look inward and consider what we are willing to do individually that might have unintentional consequences and to just reconsider how one proceeds through life. He stated that he did not want to end on a gloomy note but there are some horrific things that happened in this world and it is sad.

Mayor Castner issued a reminder regarding the Special Meeting at 4:00 p.m. on Monday, September 20th and that would be a public meeting followed by the Worksession at 5:00 p.m. on the HERC and Ordinance 21-58. He then noted that the IT Manager has stated that if a

speaker would like to have the camera find them they will need to pull their masks down when speaking. That will allow those attending by Zoom to see who is speaking.

ADJOURNMENT

There being no further business to come before Council Mayor Castner adjourned the meeting at 8:37 p.m. The next Regular Meeting is Monday, September 27, 2021 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom webinar.

Renee Krause, MMC, Deputy City Clerk

Approved: _____



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 21-165

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
FROM: RENEE KRAUSE, MMC, DEPUTY CITY CLERK
DATE: SEPTEMBER 21, 2021
SUBJECT: LIQUOR LICENSE TRANSFER GRACE RIDGE BREWING

The City Clerk's Office has been notified by the AMCO Board of a Transfer of Ownership Application of Liquor License Permit for Transfer of Ownership and or location of existing license within the City of Homer, for the following:

Type:	Transfer of ownership and/or location of existing license
License #:	5433
DBA Name:	Grace Ridge Brewing
Service Location:	3388 B Street Homer, AK 99603
Owner:	Grace Ridge Brewing, Inc.
Mailing Address:	3388 B Street, Homer, AK 99603
Transfer to:	Grace Ridge Brewing
Service Location:	870 Smoky Bay Way Homer, AK 99603
Owner:	Grace Ridge Brewing, Inc.
Mailing Address:	870 Smoky Bay Way, Homer, AK 99603

RECOMMENDATION: Voice non objection and approval for the transfer of liquor license ownership and or location application.

Fiscal Note: Revenues.



City of Homer

www.cityofhomer-ak.gov

Police Department

4060 Heath Street
Homer, Alaska 99603

police@cityofhomer-ak.gov

(p) 907-235-3150

(f) 907-235-3151/ 907-226-3009

Memorandum

TO: RENEE KRAUSE, MMC, DEPUTY CITY CLERK
CC: LISA LINEGAR, COMMUNICATIONS SUPERVISOR
FROM: RYAN BROWNING – POLICE LIEUTENANT
DATE: SEPTEMBER 21, 2021
SUBJECT: LIQUOR LICENSE TRANSFER FOR GRACE RIDGE BREWING

The Police Department does not have any objections to the transfer of liquor license for the following:

Type:	Transfer of ownership and/or location of existing license
License #:	5433
DBA Name:	Grace Ridge Brewing
Service Location:	3388 B Street Homer, AK 99603
Owner:	Grace Ridge Brewing, Inc.
Mailing Address:	3388 B Street, Homer, AK 99603
Transfer to:	Grace Ridge Brewing
Service Location:	870 Smoky Bay Way Homer, AK 99603
Owner:	Grace Ridge Brewing, Inc.
Mailing Address:	870 Smoky Bay Way, Homer, AK 99603



September 23, 2021

City of Homer
Attn: City Clerk
Via Email: clerk@cityofhomer-ak.gov
Cc: MJacobsen@ci.homer.ak.us

License Type:	Brewery	License Number:	5433
Licensee:	Grace Ridge Brewing, Inc.		
Doing Business As:	Grace Ridge Brewing		
Premises Address:	870 Smoky Bay Way Homer		

- New Application**
 Transfer of Ownership Application
 Transfer of Location Application
 Transfer of Controlling Interest Application

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

AS 04.11.491 – AS 04.11.509 provide that the board will deny a license application if the board finds that the license is prohibited under as a result of an election conducted under AS 04.11.507.

AS 04.11.420 provides that the board will not issue a license when a local governing body protests an application on the grounds that the applicant’s proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the alcohol establishment, unless the local government has approved a variance from the local ordinance.

Sincerely,

Glen Klinkhart, Director
amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

What is this form?

This transfer license application form is required for all individuals or entities seeking to apply for the transfer of ownership and/or location of an existing liquor license. Applicants should review Title 04 of Alaska Statutes and Chapter 304 of the Alaska Administrative Code. All fields of this form must be completed, per AS 04.11.260, AS 04.11.280, AS 04.11.290, and 3 AAC 304.105.

This form must be completed and submitted to AMCO's main office, along with all other required forms and documents, before any license application will be considered complete.

Section 1 - Transferor Information

Enter information for the *current* licensee and licensed establishment.

Licensee:	GRACE RIDGE BREWING, INC.		License #:	5433	
License Type:	BREWERY		Statutory Reference:	AS 04.11.130	
Doing Business As:	GRACE RIDGE BREWING				
Premises Address:	3388 B ST.				
City:	HOMER	State:	ALASKA	ZIP:	99603
Local Governing Body:	HOMER CITY COUNCIL				

Transfer Type:

- Regular transfer
- Transfer with security interest
- Involuntary retransfer

OFFICE USE ONLY			
Complete Date:	9/10/21	Transaction #:	FP Fee - 100230796
Board Meeting Date:	11/2/21	License Years:	100090965 2020/2021
Issue Date:		BRE:	



Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 2 – Transferee Information

Enter information for the *new* applicant and/or location seeking to be licensed.

Licensee:	GRACE RIDGE BREWING, INC.			
Doing Business As:	GRACE RIDGE BREWING			
Premises Address:	870 Smoky Bay Way			
City:	HOMER	State:	ALASKA	ZIP: 99603
Community Council:	HOMER CITY COUNCIL			

Mailing Address:	870 Smoky Bay Way			
City:	HOMER	State:	ALASKA	ZIP: 99603

Designated Licensee:	DONALD STEAD		
Contact Phone:	907.399.5222	Business Phone:	907.435-0601
Contact Email:	GRACERIDGEBREWING@GMAIL.COM		

Seasonal License? Yes No If "Yes", write your six-month operating period: _____

Section 3 – Premises Information

Premises to be licensed is:

- an existing facility a new building a proposed building

The next two questions must be completed by beverage dispensary (including tourism) and package store applicants only:

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the outer boundaries of the nearest school grounds? Include the unit of measurement in your answer.

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the public entrance of the nearest church building? Include the unit of measurement in your answer.



Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 4 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 5. If more space is needed, please attach a separate sheet with the required information. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate

Name:				
Address:				
City:	State:	ZIP:		

This individual is an: applicant affiliate

Name:				
Address:				
City:	State:	ZIP:		

Section 5 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 6. If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more of the stock in the corporation*, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

Entity Official:	DONALD P. STEAD			
Title(s):	CEO/PRESIDENT	Phone:	907-399-5222	% Owned: 80
Address:	1401 CAUDLELIGHT CT			
City:	HOMER	State:	ALASKA	ZIP: 99603



Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Entity Official:	SHERRY A. STEAD				
Title(s):	VICE PRESIDENT	Phone:	907-399-5200	% Owned:	5
Address:	1401 CANDLELIGHT CT.				
City:	HOMER	State:	ALASKA	ZIP:	99603

Entity Official:	MEAGAN STEAD				
Title(s):	SECRETARY	Phone:	925-698-7204	% Owned:	5
Address:	76205 N. GROSSCUP RD.				
City:	WEST RICHLAND	State:	WASHINGTON	ZIP:	99353

Entity Official:	SCOTT M. STEAD				
Title(s):	EXECUTIVE DIRECTOR	Phone:	907-756-3710	% Owned:	5
Address:	4940 TUNDRA ROSE RD.				
City:	HOMER	State:	ALASKA	ZIP:	99603

This subsection must be completed by any applicant that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC) and have a registered agent who is an individual resident of the state of Alaska.

DOC Entity #:	10028849	AK Formed Date:	16 APRIL 2015	Home State:	ALASKA
Registered Agent:	DON STEAD	Agent's Phone:	907.399.5222		
Agent's Mailing Address:	1401 CANDLELIGHT CT.				
City:	HOMER	State:	ALASKA	ZIP:	99603

Residency of Agent:

Yes No

Is your corporation or LLC's registered agent an individual resident of the state of Alaska?



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
alcohol.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 6 – Other Licenses

Ownership and financial interest in other alcoholic beverage businesses:

Yes No

Does any representative or owner named as a transferee in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?

If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

Section 7 – Authorization

Communication with AMCO staff:

Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
alcohol.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 8 - Transferor Certifications

Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

I declare under penalty of perjury that the undersigned represents a controlling interest of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) have examined this application, approve of the transfer of this license, and find the information on this application to be true, correct, and complete.

Donald P Stead
Signature of transferor

DONALD P STEAD
Printed name of transferor

Subscribed and sworn to before me this 8 day of July, 2021.



Virginia D. Wise
Signature of Notary Public

Notary Public in and for the State of Alaska

My commission expires: 06-01-2025

Signature of transferor

Printed name of transferor

Subscribed and sworn to before me this _____ day of _____, 20____.

Signature of Notary Public

Notary Public in and for the State of _____.

My commission expires: _____



Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
alcohol.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board
Form AB-01: Transfer License Application

Section 9 – Transferee Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

PS

I certify that all proposed licensees have been listed with the Division of Corporations.

PS

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

PS

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 304.465.

PS

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

PS

As an applicant for a liquor license, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete.

Donald P. Stead
 Signature of transferee

DONALD P. STEAD
 Printed name

Subscribed and sworn to before me this 8th day of July, 2021.



Virginia D. Wise
 Signature of Notary Public

Notary Public in and for the State of Alaska

My commission expires: 06/01/2025



Alaska Alcoholic Beverage Control Board

Form AB-02: Premises Diagram

What is this form?

A detailed diagram of the proposed licensed premises is required for all liquor license applications, per AS 04.11.260 and 3 AAC 304.185. Your diagram must include dimensions and must show all entrances and boundaries of the premises, walls, bars, fixtures, and areas of storage, service, consumption, and manufacturing. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex.

The second page of this form is not required. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form. The first page must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

This form must be completed and submitted to AMCO's main office before any license application will be considered complete.

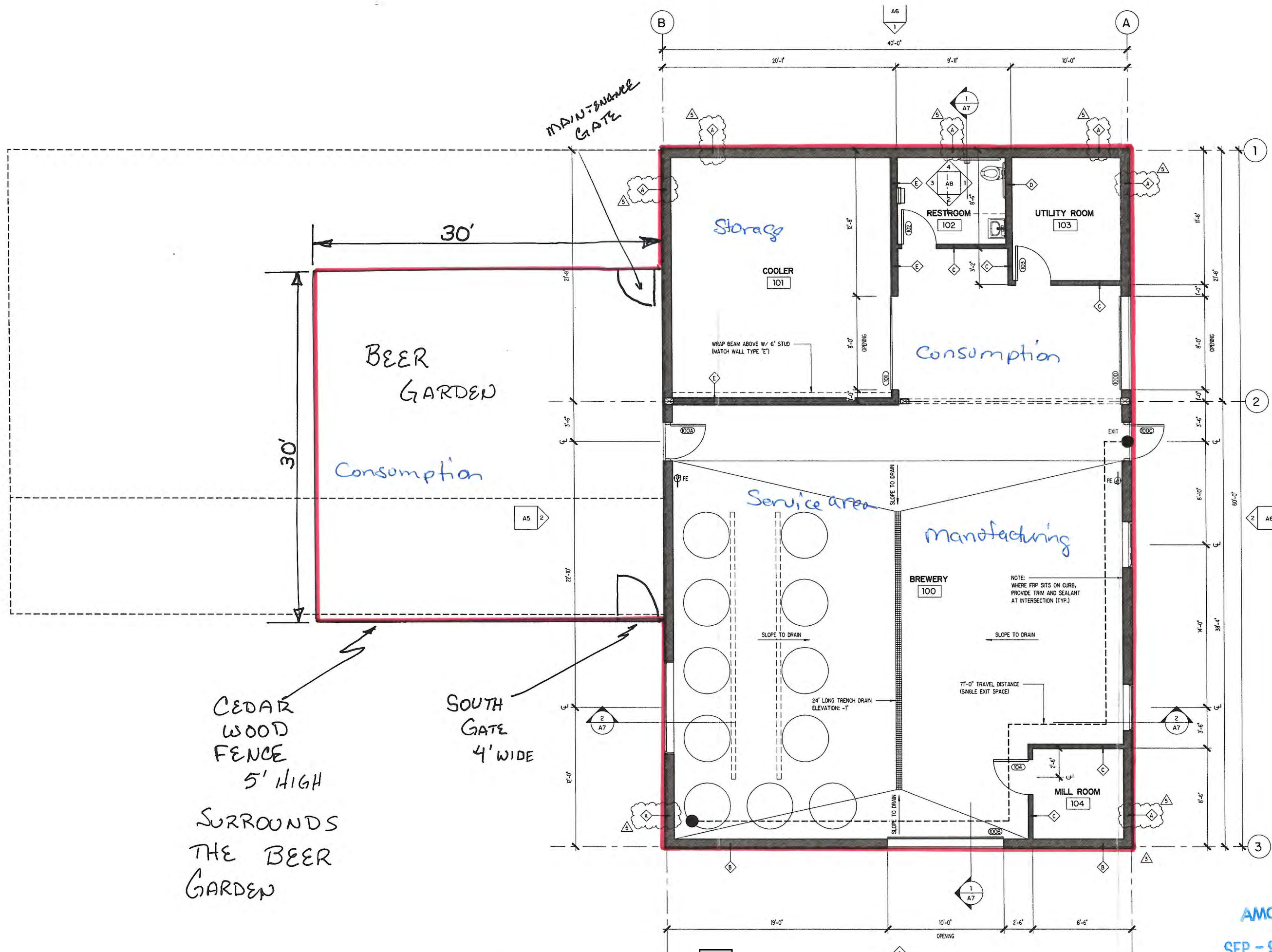
Yes No

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form.

Section 1 - Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	GRACE RIDGE BREWING INC	License Number:	5433		
License Type:	BREWERY				
Doing Business As:	GRACE RIDGE BREWING				
Premises Address:	870 Smoky BAY WAY				
City:	HOMER	State:	AK	ZIP:	99603



REVISIONS

1	12.22.2020	REVISION A
2	1.20.2021	REVISION B
3	3.22.2021	REVISION C
4	5.27.2021	REVISION D
5	6.17.2021	REVISION E

LEGEND

FE	2A10BC FIRE EXTINGUISHER
----	--------------------------

SINGLE FLOOR

CEDAR WOOD FENCE 5' HIGH SURROUNDS THE BEER GARDEN

SOUTH GATE 4' WIDE

1 FIRST FLOOR PLAN
SCALE: 1/4" = 1'-0"



GRACE RIDGE BREWERY
870 SMOKY BAY WAY
HOMER, ALASKA
JOB NO. 2K20014

61 NORTHARCHITECTS
3400 SPENARD ROAD SUITE 12
ANCHORAGE, ALASKA 99503
PH. 907-274-4446

AMCO
SEP - 9 2021

DATE: 12.18.2020
FIRST FLOOR PLAN
A2

REVISIONS

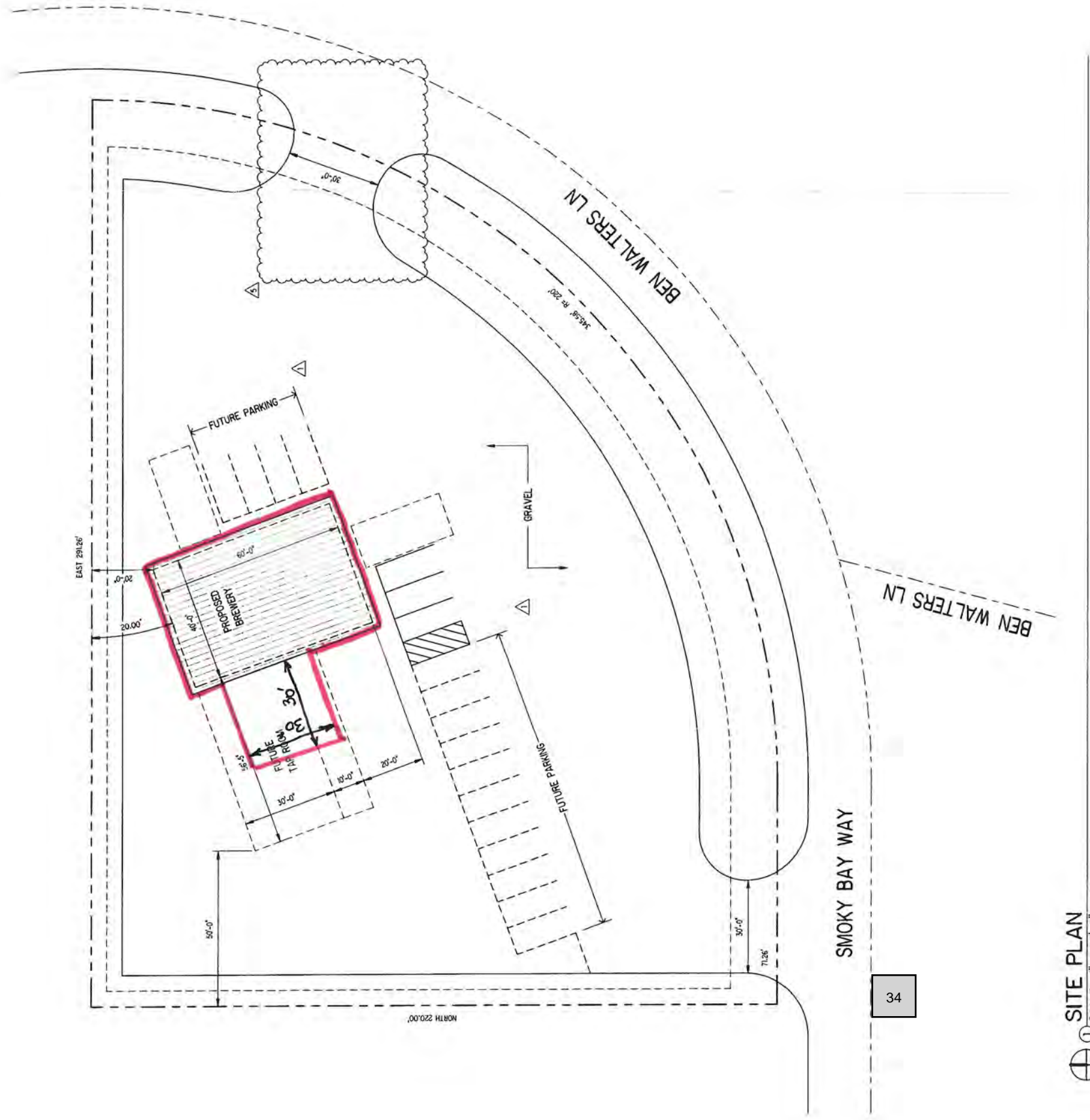
△	12.22.2020	REVISION A
△	1.20.2021	REVISION B
△	3.22.2021	REVISION C
△	5.27.2021	REVISION D
△	6.17.2021	REVISION E



GRACE RIDGE BREWERY
 870 SMOKY BAY WAY
 HOMER, ALASKA
 JOB NO. 2K20014

61 NORTHARCHITECTS
 3400 SPENARD ROAD SUITE 12
 ANCHORAGE, ALASKA 99503
 PH. 907-274-4446

DATE: 12.18.2020
 SITE PLAN
G1



34

⊕ **SITE PLAN**
 ① SCALE: 1" = 20'-0"



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 21-166

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: SEPTEMBER 22, 2021

SUBJECT: CONFIRMATION OF ELECTION JUDGES FOR THE CITY OF HOMER REGULAR ELECTION
OCTOBER 5, 2021

Pursuant to Homer City Code Sections 4.20.010 and 4.35.010 the Election Judges are approved by City Council and the Canvass Board is confirmed by the City Council. Election Central Judges and Absentee Voting Officials are appointed by the City Clerk and require no approval or confirmation of the City Council.

Homer No. 1	Homer No. 2	Canvass Board
Maryann Lyda, Chair	Pamela Brodie, Chair	Maryann Lyda
Kate Finn	Karen Full	Louise Gross-Hall
Louise Gross-Hall	Tressa Hidden Friend	
Karen Newell	Joan Smith	
Karen Smith	Kent Smith	
Suzanne Erikson	Elizabeth Wolf	

Recommendation

Confirm the appointment of the Canvass Board and approve the appointment of the Election Judges for the October 5, 2021 City of Homer Regular Election.

Fiscal Note: Election Judges 50% of wages and employer's share of FICA for all election official working at polling locations within city's jurisdiction per MOA with Kenai Peninsula Borough approved by Resolution 21-049.
Canvass board \$25/hr. 2-4 hours or until done.

Account: 100.0102.5101-5107

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-59

An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Passenger Vessel Tax Program 2021 Grant from the State of Alaska for \$35,445 and a Commercial Passenger Vessel Tax Pass-Through Grant from the Kenai Peninsula Borough in the Amount of \$35,445 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents, and Appropriating the Funds to the Computer Aided Dispatch Capital Project.

Sponsor: City Manager

1. City Council Regular Meeting September 27, 2021 Introduction

**CITY OF HOMER
HOMER, ALASKA**

City Manager

ORDINANCE 21-59

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, ACCEPTING AND APPROPRIATING A COMMERCIAL PASSENGER VESSEL TAX PROGRAM 2021 GRANT FROM THE STATE OF ALASKA FOR \$35,445 AND A COMMERCIAL PASSENGER VESSEL TAX PROGRAM 2021 PASS-THROUGH GRANT FROM THE KENAI PENINSULA BOROUGH IN THE AMOUNT OF \$35,445 AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE APPROPRIATE DOCUMENTS, AND APPROPRIATING THE FUNDS TO THE COMPUTER AIDED DISPATCH CAPITAL PROJECT.

WHEREAS, Over the years, the City of Homer has received revenues commensurate with local cruise ship landings from the State of Alaska and the Kenai Peninsula Borough under the Commercial Vessel Passenger Tax (CVPT) Program; and

WHEREAS, In the absence of cruise ship travel in 2021 due to the novel coronavirus pandemic, the State of Alaska has made CVPT Program funds available to qualifying jurisdictions using American Rescue Plan Act (ARPA) funds; and

WHEREAS, The State of Alaska has awarded the City of Homer \$35,445 in 2021 CVPT revenues via a federal pass-through of ARPA funds; and

WHEREAS, The Kenai Peninsula Borough intends to appropriate funds and authorize an additional \$35,445 in CVPT revenues via a federal pass-through of ARPA funds; and

WHEREAS, Use of the 2021 CVPT Program funds must adhere to the ARPA guidance; and

WHEREAS, ARPA eligible use guidelines allows the City of Homer to accept the funds as revenue replacement and to utilize them to support a pay-go project; and

WHEREAS, The City has identified the Computer Aided Dispatch capital project as an eligible pay-go project for the funds; and

WHEREAS, The Computer Aided Dispatch capital project has been authorized and approved by Homer City Council through the FY22-23 capital budget process.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-60

An Ordinance of the City Council of Homer, Alaska, Amending the FY22/23 Capital Budget and Authorizing Expenditure of \$25,000 from the Homer Accelerated Road and Trail (HART) Program - Road Fund for the Development and Implementation of an Integrated Pest Management Plan and Authorizing a Task Order with the Homer Soil and Water Conservation District to Assist with the Work.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting September 27, 2021 Introduction

Memorandum 21-167 from Public Works Director as backup

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/
4 Public Works Director

5 **ORDINANCE 21-60**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY22/23 CAPITAL BUDGET AND AUTHORIZING
9 EXPENDITURE OF \$25,000 FROM THE HOMER ACCELERATED
10 ROAD AND TRAIL (HART) ROAD FUND FOR THE DEVELOPMENT
11 AND IMPLEMENTATION OF AN INTEGRATED PEST MANAGEMENT
12 PLAN AND AUTHORIZING A TASK ORDER WITH THE HOMER SOIL
13 AND WATER CONSERVATION DISTRICT TO ASSIST WITH THE
14 WORK.

15
16 WHEREAS, One of the goals of the Public Works Department is to adopt practices in its
17 operations and maintenance work that support environmental sustainability; and

18
19 WHEREAS, The City issued a Term Contract to the Homer Soil & Water Conservation
20 District (District) to help accomplish this; and

21
22 WHEREAS, The District coordinates the Kenai Peninsula Cooperative Invasive Species
23 Management Area (KP-CISMA), a partnership of state, federal, nonprofit, tribal and local
24 governments that collaborate on invasive species management and priorities for the region;
25 and

26 WHEREAS, The District has recommended the City develop an Integrated Pest
27 Management Plan (Plan), which would be based on the KP-CISMA strategic plans and
28 recommendations to ensure alignment with the latest research and effective management
29 strategies; and

30
31 WHEREAS, The District has submitted a proposal to develop such a plan at the
32 estimated cost of \$7,821; and

33
34 WHEREAS, Once the Plan is developed, the City would engage in follow up activities,
35 including, but not limited to:

- 36 a. Developing education materials and conduct training to help people understand
37 how to control invasive species; which could be shared with contractors,
38 developers and others interested in managing invasive species.
39 b. Implementing the strategies recommended in the plan to control invasive species
40 on City-owned ROW and properties.
41

42 WHEREAS, The Public Works Department recommends creating a Small Works Pest
43 Management Program to fund the development of the Plan as well as educational materials,
44 training and implementation strategies; and

45
46 WHEREAS, The City Council adopted Resolution 17-038, on April 24, 2017, amending the
47 Homer Accelerated Roads and Trails Program (HART) Policy Manual; and

48
49 WHEREAS, The HART Policy Manual establishes criteria to be used for determining
50 which projects qualify for HART-Roads funding; and

51
52 WHEREAS, As most of the invasive species related to City-owned property are within
53 City road rights-of-way, the criteria, which would be met by the Small Works Pest Management
54 Program, include:

- 55
 - Corrects deficiencies of existing systems
 - Reduces maintenance costs
- 56

57 WHEREAS, The HART-Roads Fund has sufficient capital to fund a Small Works Pest
58 Management Program.

59
60 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

61
62 Section 1. The City of Homer’s FY22/23 Capital Budget is hereby amended by
63 appropriating \$25,000 from the HART-Roads Fund for a Small Works Pest Management
64 Program, which would cover the development of an Integrated Pest Management Plan,
65 training and two years of implementation.

66

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
160-XXXX	HART Roads	\$25,000

67
68
69

70 Section 2. The City Manager is authorized to negotiate and execute a Task Order with the
71 Homer Soil & Water Conservation District to help with the work.

72
73 Section 3. This is a budget amendment ordinance, is not permanent in nature, and shall
74 not be codified.

75
76 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 11th day of October, 2021.

77
78 CITY OF HOMER
79
80 _____
81 KEN CASTNER, MAYOR
82

83 ATTEST:

84

85 _____

86 MELISSA JACOBSEN, MMC, CITY CLERK

87

88

89 YES:

90 NO:

91 ABSTAIN:

92 ABSENT:

93

94 First Reading:

95 Public Hearing:

96 Second Reading:

97 Effective Date:



MEMORANDUM 21-167

To: Mayor Castner and Homer City Council
Through: Rob Dumouchel, City Manager
From: Janette Keiser, PE, Public Works Director
Date: September 8, 2021
Subject: Small Works Integrated Pest Management Program

Issue:

The purpose of this memo is to request funds for a Small Works Integrated Pest Management Program, which would support the development of an Integrated Pest Management Strategic Plan as well as training and implementation of means and methods to mitigate the spread of invasive plants and other organisms.

Background:

One of the goals of the Public Works Department is to adopt practices in our operations and maintenance work that support environmental sustainability. We have partnered with the Homer Soil & Water Conservation District to understand how we can do this, by issuing a Term Contract to the District covering multiple scopes of work. For example, the District is currently helping the Department with research related to drainage and erosion. The District coordinates the Kenai Peninsula Cooperative Invasive Species Management Area (KP-CISMA), a partnership of state, federal, nonprofit, tribal and local governments that collaborate on invasive species management and priorities for the region. The District has recommended that the City develop an Integrated Pest Management Plan, which would be based on the KP-CISMA strategic plans and recommendations to ensure alignment with the latest research and effective management strategies.

The District has submitted a proposal to develop such a plan at the estimated cost of \$7,821. Once the Plan is developed, we would engage in follow up activities:

- a. Develop education materials and conduct training to help people understand how to control invasive species, which could be shared with contractors, developers and others interested in managing invasive species.
- b. Implement the strategies recommended in the plan to control invasive species on City-owned ROW and properties.

Funding:

Most of the issues the City faces related to invasive species involve City rights-of-way and thus, the HART Road Fund is an appropriate source of funding for the Small Works Pest Management Program.

The City Council adopted Resolution 17-038, on April 24, 2017, amending the Homer Accelerated Roads and Trails Program (HART) Policy Manual. The HART Policy Manual establishes criteria to be used for determining which projects qualify for HART-Roads funding. The criteria, which would be met by the Small Works Pest Management Program, include:

- Corrects deficiencies of existing systems; that is, the Program will reduce the proliferation of invasive species in road ROWs
- Reduces maintenance costs; that is, the Program's education and training elements will mean less money for remediation

The HART-Roads Fund has sufficient capital to fund a Small Works Pest Management Program. The current projected balance at the end of FY 23 is \$4,342,136.

Recommendation: We recommend establishing a Small Works Pest Management Program and authorizing \$25,000, from the HART Roads Fund to fund the development of the plan, training and two years of implementation.

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager
4 Public Works Director

5 **RESOLUTION 21-062**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AWARDING A CONTRACT TO ANTERO FOR ASSET MANAGEMENT
9 SOFTWARE FOR THE PUBLIC WORKS DEPARTMENT,
10 AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE
11 THE APPROPRIATE DOCUMENTS, AND DEDICATING A PORTION
12 OF THE ALASKA DEPARTMENT OF ENVIRONMENTAL
13 CONSERVATION PRINCIPAL FORGIVENESS SUBSIDY TO THE
14 PROJECT.

15
16 WHEREAS, The Public Works Department needs to upgrade its obsolete Computerized
17 Maintenance Management System (CMMS) with new software for the purpose of more
18 effectively tracking and monitoring preventive maintenance on most Public Works assets, such
19 as heavy equipment, other rolling stock and mechanical/electrical equipment; and
20

21 WHEREAS, The acquisition of new CMMS software was approved in the FY 22 Capital
22 Budget; and
23

24 WHEREAS, A comprehensive CMMS includes two components, Asset Management
25 software and Capital Planning software; and
26

27 WHEREAS, After researching the options in a competitive process, the Department has
28 selected Antero as the lowest priced responsive, responsible provider, over the long term, of
29 Asset Management software; and
30

31 WHEREAS, Antero's quote for Asset Management software is \$10,690 for the upfront
32 acquisition and an annual subscription fee, in 2021 dollars, is \$2,124 for eight users; and
33

34 WHEREAS, The Alaska Department of Environmental Conservation (ADEC) recently
35 notified us that the City will be awarded a \$75,000 Principal Forgiveness Subsidy for
36 Sustainable Infrastructure Planning Projects (SIPP); and
37

38 WHEREAS, The CMMS software project is a qualifying project; and

39 WHEREAS, This award is not final until written notification is received by the firm from
40 the City of Homer.
41

42 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the
43 contract for Asset Management Software to Antero, dedicates a portion of the ADEC Principal

44 Forgiveness Subsidy to this procurement and authorizes the City Manager to negotiate and
45 execute the appropriate documents.

46
47 PASSED AND ADOPTED by the Homer City Council this 27th day of September, 2021.

48
49 CITY OF HOMER

50
51
52 _____
53 KEN CASTNER, MAYOR

54 ATTEST:

55
56 _____
57 MELISSA JACOBSEN, MMC, CITY CLERK

58
59 Fiscal note: \$10,690 initially and \$2,124 annual subscription fee



City of Homer

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Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907-235-3170

(f) 907-235-3145

Memorandum 21-168

TO: Mayor Castner and Homer City Council
Through: Robert Dumouchel, City Manager
FROM: Janette Keiser, PE, Public Works Director
DATE: September 13, 2021
SUBJECT: CMMS Software Part I – Asset Management

Summary: The purpose of this memorandum is to request authorization to award a contract to acquire the Asset Management component of a Computerized Maintenance Management System (CMMS) for Public Works. A CMMS is software designed to track and monitor preventive maintenance of most Public Works assets, such as heavy equipment and rolling stock as well as mechanical and electrical equipment. The upgrade of CMMS software was approved in the FY 22 Capital Budget.

Part 1 of the CMMS software is the Asset Management component, which tracks the condition of individual pieces of rolling stock as well as individual pieces of electrical/mechanical equipment. This is the subject procurement.

Part 2 of the CMMS software is the Capital Planning component, which takes that information and predicts which systems are likely to experience failure and thus, need focused repair and replacement. This is addressed in a separate memorandum.

The AK Department of Environmental Conservation recently notified us that the City will be awarded a \$75,000 Principal Forgiveness Subsidy for Sustainable Infrastructure Planning Projects (SIPP). The CMMS Software Project is a qualifying project.

Background: There are two facets to CMMS software. One focuses on asset management; that is, helping utilities track and monitor preventative maintenance requirements of their assets. The other focuses on helping utilities (a) predict the likelihood of failure of systems and (b) plan for repair and replacement before failure occurs. This memo focuses purely on the asset management side. Capital planning will be addressed in a separate memorandum.

Public Works' currently has two asset management software programs. One is used by the water and sewer treatment plants, called Antero. The other, called MP2, is used by the Operators, Building Maintenance and the water distribution and sewer collection systems. Both programs track preventative maintenance, which needs to be performed on the assets catalogued in the programs, and alerts staff when maintenance needs to be performed. Both programs are outdated and ill-suited to meet our needs. For example, the developer of MP2, Infor, has discontinued support, meaning that MP2 will no longer be updated and we will no longer be able to receive any technical assistance from Infor. Also, in order to get the most effectiveness from our asset management software, we need to consolidate all of Public Works' functions into one program. This is particularly important for the functions related to the water/sewer utilities.

The Research: Staff reviewed five different asset management software programs that could potentially replace MP2, including: EAM, Asset Essentials, Cartegraph, E-maint and Antero. These programs were evaluated both in terms of the functionality and price. We found that while there were some differences in the functionality of asset management software, the differences tend----- to be small. There are dramatic differences in pricing structures. A summary of our findings are listed here:

- a. **Asset Essentials** is part of a suite of products offered by Dude Solutions. It has all of the functionality we need for preventative maintenance. However, it also had functionality we do not need, such as integration with ArcGIS mapping software, and we don't want to pay for. Asset Essential's initial annual subscription cost is \$7,500, with escalation of 10-15% per year.
- b. **EAM** was the program created by Infor to replace MP2. EAM's user interface is quite polished. Every element on the main dashboard screen was drillable and the layout of the interface was very customizable, both making it easy and efficient for users to access all of the information that they would need. That being said, we are not recommending EAM because supporting software required to run EAM is high. EAM does not have a cloud-based option and running it on a local server would require purchasing a specialized and proprietary program called Microsoft SQL, which would likely cost upwards of \$30,000. Further, EAM would have a startup cost of \$19,000 and an annual subscription fee starting at \$3,800.
- c. **Cartegraph** had a lot of functionality we don't want to pay for. Depending on the modules that we wanted to get, startup costs for Cartegraph would be between \$21,000 and \$24,000 and the first-year annual subscription would be at least \$6,500.
- d. **Emaint** has a few features we do not need, but most of the feature are things we would use. For its price, Emaint also has a lot of reporting functionality. The startup cost would be \$6,000 and the annual support would start at \$4,200 coming to a total of \$10,200 for the first year, for 3 users.
- e. **Antero**, our existing asset management program, has the least functionality but still serves our purpose. Antero's developer, Allmax, described Antero as a program focused mostly towards preventative maintenance, without a lot of embellishment like some of the other products. Our water and sewer treatment plant operators have been using an older version of Antero for a long time and are satisfied with its performance. The reporting functions in our older version are minimal and clunky, but Allmax said the reporting functions have improved dramatically. The biggest advantage of Antero was its price. The total first year price would be \$10,690 and the subscription fee would start at \$2,124, for up to eight users.

Product	Initial Fee	Annual Subscription
Asset Essentials		\$7,500 +10%-15% escalation
EAM	\$49,000	\$3,800+
Cartegraph	\$21,000-\$24,000	\$6,500+
Emaint	\$6,000	\$4,200 for 3 users
Antero	\$10,690	\$2,124 for 8 users

Conclusion: The differences in annual subscription fees, over time, are a key primary differentiator between the products. For example, while Asset Essentials has no initial fee, the annual subscription fee is \$5,376 more than the subscription fee for the Antero product, which offsets Antero's \$10,600 initial fee in two years. With this in mind, the lowest responsive, responsible solution for Asset Management software, considering both functionality and cost, is Antero.

Recommendation: That the City Council do the following:

- (1) Award a purchase order to Antero for Asset Management software for the Public Works Department.
- (2) Dedicate a portion of the ADEC Principal Forgiveness Subsidy to this project.



March 9, 2021,

Jan Keiser, PE
Director of Public Works
City of Homer
JKeiser@ci.homer.ak.us

Subject: City of Homer, Ports & Harbor Term Contract – Task Order 7 Proposal:
Asset Management Planning

Dear Jan:

HDR Engineering, Inc. (HDR) is pleased to submit this proposal to assist the City of Homer (City) with the development of an asset management program that is simple to use and will help the City to quantify and prioritize capital needs.

This work will be contracted as Task Order No. 7 under our Term Contract for Engineering Services dated May 8, 2017 and extended December 20, 2019 to April 17, 2022. Our proposed scope, schedule, and fee are presented below.

Scope of Services

Task 1 – Data Collection and Review:

Task 1.1 - Data Transfer and Asset Identification:

HDR will coordinate with the City to implement transfer of data for HDR’s use in preparing analyses for this project.

HDR will identify water and wastewater system assets at the asset class level (e.g. blower system, pump stations, etc.) by reviewing previously published plans and existing databases, and collating institutional knowledge for source water, treatment facilities, the potable water pipe network, the wastewater collection pipe network, pumping facilities, and wastewater treatment and disposal components.

Task 1.2 – Asset Registry Development

The water and wastewater system assets list will be developed at the “Asset Class” level from data in the City’s Water and Wastewater Hydraulic Models, GIS, and Anterro and MP2 data, and through discussions with City staff. HDR assumes that the City’s data are current, valid, and structured as needed for HDR to conduct work without significant modification by HDR. The primary data source(s) for each registry entry will be documented to provide for data continuity.

The water and wastewater system asset list will also include equipment numbers and/or names easily recognizable to staff that correspond to what nomenclature is on the field equipment/tag. If the data received from the City does not consist of a unified tagging system for drawings, supervisory control and data acquisition (SCADA) screens, and tags on equipment, HDR will offer recommendations for the

City to develop a list of equipment numbers/names that is consistent with those on the SCADA screens and in the process and instrumentation diagrams (P&IDs).

HDR will research and evaluate data that documents the installation dates and desired retirement dates for identified assets. Installation and age-based retirement dates will be assigned at the Asset Class level. Data evaluation will be a desktop exercise.

This task includes one project review meeting with City staff to review the draft asset registry. It is assumed that the review meeting will be accomplished via a conference call.

***Deliverables for Task 1:** An asset registry of treatment facility systems, pump stations, and distribution/collection system assets (delivered at Asset Class level in Excel spreadsheet format).*

Task 2 – Infrastructure Condition Assessments:

Condition assessments can be categorized in five levels of detail associated with the analysis of a facility’s equipment; these levels are listed and described in the table below.

Levels of Condition Assessment

Level	Description
1	Review of age and expected life
2	Field assessment (standard review)
3	Performance testing
4	Non-destructive testing
5	Forensic testing (destructive testing)

Level 1 and Level 2 assessments can be performed by trained in-house engineering, operations, and/or maintenance staff. Level 3 through 5 assessments generally require specialized technical expertise.

HDR will leverage the road map developed by members of HDR’s asset management group for integrating the condition assessment into capital planning efforts with the goal of creating a sustainable and holistic condition assessment program. This repeatable methodology will incorporate indirect condition information such as desktop analysis, as well as field inspection and advanced assessments. HDR proposes to train and assist City staff with conducting Level 1 and Level 2 condition assessments on water and wastewater system assets through the following tasks:

Task 2.1 – Condition Assessment Training and Site Visit

HDR will perform a one-day site visit to Homer to train staff on a normalized condition assessment methodology. The intent of this subtask is to develop a methodology for City staff to easily perform asset condition assessments and enable City staff to conduct these assessments (Level 1 and Level 2 per the table above). The site visit will additionally include assessment of key selected assets as part of the training but will not include condition assessment of all sites and facilities. The site visit will be coordinated in advance with City staff, with arrangements made by City personnel to visit City facilities during the visit.

HDR assumes that access to selected facilities will be provided by City personnel for the purposes of the training assessment. This task assumes HDR Senior Process Engineer, John Koch, and Staff Engineer, Eric Packer, will travel to Homer to provide the training and visit the facilities. This task includes travel

expenses for the meeting and assumes the trip will be accomplished in one day, without an overnight stay. Additional labor and expenses incurred due to travel delays outside of HDR's control will be billed as additional services. It is assumed that COVID testing/quarantine time requirements will not be applicable for this trip. Additional labor and travel expenses incurred due to COVID requirements at the time of travel will be billed as additional services.

***Deliverables for Task 2.1:** Condition assessment program methodology (Excel spreadsheet)*

Task 2.2 - Gather Asset Condition Information

Once the condition assessment methodology has been developed and the condition assessment of water and wastewater system assets has been completed by City staff, HDR will gather and compile asset condition data. HDR will integrate work order data from Anterrio/MP2 with condition assessment data where applicable. HDR assumes that the City will furnish these data sets or other applicable condition information collected for water and wastewater system assets.

***Deliverables for Task 2.2:** Updated Asset Registry (developed in Task 1) with Task 2 Condition Assessment data (delivered at Asset Class level in Excel spreadsheet format).*

Task 3 – Create Asset Management Process:

HDR will define the methodologies used to generate asset likelihood of failure, consequence of failure, risk of asset failure, and then assess the water and wastewater system assets and generate recommendations based on those assessments. This information will be developed through the following tasks:

Task 3.1 - Assess and Document Asset Criticality

HDR will develop a methodology for assessing the water and wastewater system asset criticality that relates to consequence of failure to be used in the asset risk assessment. This methodology will be developed in consultation with City staff based on level of service and other factors identified by City staff and supported by available data. Once the methodology is developed and documented, the assets will be evaluated using the criticality methodology. City staff will review the results for accuracy and provide one list of comments which will be addressed by HDR.

***Deliverables for Task 3.1:** Asset Criticality Methodology and Scoring (Excel spreadsheet).*

Task 3.2 – Review, Document, and Assess Asset Risks

HDR will perform a risk assessment after both the criticality and condition assessment of the water and wastewater system assets is performed. The risk assessment will create an association from condition to likelihood of failure (LoF), and from criticality to consequence of failure (CoF). LoF and CoF factors will allow development of risk scores. This framework will allow the City to compare risk assessments across multiple asset classes in the future. The results of the risk assessment will provide a series of high-risk issues to be reviewed for potential solutions.

***Deliverables for Task 3.2:** Likelihood of failure (LoF) scores, Consequence of failure (CoF) scores, Risk Methodology and Scoring (Excel spreadsheet).*

Task 3.3 – Prepare Recommendations for Water and Wastewater System Assets

HDR will collate the deficiencies identified through the risk analysis and develop a list of recommendations. This list will include 1) recommended priority projects identified in a 0- to 5-year priority project list 2) recommendations for further detailed condition assessment (level 3-5 assessment) where needed, and 3) recommendations for periodic future condition assessment. This prioritization will incorporate both the size of the issue being addressed and order-of-magnitude cost needed to resolve the issue.

Deliverables for Task 3.3: Compiled issues and recommendations, developed prioritization methodology, and list of priority project recommendations (delivered in Excel spreadsheet format).

Task 3.4 – Asset Management Review Workshops

HDR will host two (2) asset management review workshops with City staff. HDR will prepare materials and participate in asset management workshops including a Preliminary Assessment Management Workshop and a Final Asset Management Workshop.

The Preliminary Asset Management (AM) Workshop will be a presentation of the findings from condition assessment, and draft assignments of likelihood of failure (LoF) and consequence of failure (CoF) for each. The Preliminary AM Workshop will seek to achieve consensus among stakeholders for LoF and CoF factors assigned to assets.

The Final Asset Management Workshop HDR will present the risk methodology developed for scoring and the levels of risk computed for the water and wastewater system assets. HDR will present the results of the project prioritization and compiled issues and recommendations.

It is assumed that up to two HDR staff will attend each of the asset management workshops via webinar/teleconference. It is assumed each workshop will last up to three hours.

Deliverables for Task 3.4: A PowerPoint presentation will be developed and presented for each AM workshop.

Task 4 – Project Management:

This subtask includes the overall management of the project including coordination of staff and maintaining the project budget and schedule. These activities include submittal of status reports and invoices on a monthly basis, scheduling staff, coordinating the quality control/assurance effort, participation in project meetings, and preparation of contract amendments.

ADDITIONAL NOTES AND ASSUMPTIONS

1. It is assumed that the final project deliverable will be an Excel spreadsheet that incorporates the results of the asset registry, condition assessment, criticality assessment, risk methodology and calculations, and project prioritization. It is anticipated that this spreadsheet will be updated with each task through the course of the project. This spreadsheet will be editable for City use in the future. If the City would like a larger summary document, HDR can provide an Asset Management Plan as Additional Services.

ADDITIONAL SERVICES

HDR will provide other services in response to a written request for additional services from the City of Homer Project Manager. HDR is not authorized to complete work on any additional service task without authorization from the City. If the City determines that additional task items will be required, HDR will provide a scope and fee proposal to complete the requested work. These services may include:

Task 5 – Draft and Final Asset Management Plan Documents

At the request of the City, HDR can provide a separate Asset Management Plan document that collates and summarizes the preceding relevant intermediate work products into a standalone planning document that is formatted similarly to other recent master planning documents prepared by the City.

Task 6 – Business Case Evaluations (BCEs)

At the request of the Owner, HDR can provide Business Case Evaluations (BCEs) to provide more economic detail and justification for the priority projects identified in the risk analysis.

Task 7 – Risk and Resilience Assessment

At the request of the Owner, HDR can leverage the work conducted as part of this Asset Management project to conduct an EPA Risk and Resilience assessment (mandated by Section 2013 of America’s Water Infrastructure Act of 2018).

SCHEDULE

HDR proposes to complete the site visit/training within 45 days of receipt of data specified in Task 1. HDR proposes to complete the project within 90 days of receipt of condition assessment data.

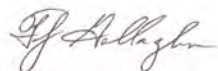
FEE

HDR proposes a time and expenses fee of \$42,623 for the above scope of services. A detailed fee estimate spreadsheet is attached. Invoices will be submitted monthly.

Ryan Moyers will be the HDR project manager for this work and the lead project engineer will be Eric Packer, EIT. Please do not hesitate to call Ryan at (907) 644-2160 or Eric at (907) 644-2196 if you have questions.

Thank you for this opportunity.

Sincerely,
HDR Engineering, Inc.



Tim Gallagher
Vice President

	Role Name EBS Resource Code 2021 est Rate	HDR Labor				HDR Labor	Other Costs		Markup 10%	Total Costs	Total Services
		QA/QC	PM/Sr. Eng	EIT Sanitary- 1	Admin/Tech Edit		Travel	Repro/			
		J. Koch	R. Moyers	E. Packer	C. Hall		Expenses	Misc Expenses			
		PJM410	PJM200	EC1100	FIN220						
Basic Services											
1	Data Collection and Review										
1.1	Data Transfer and Asset Identification		4	16		\$2,621		\$0	\$0	\$2,621	
1.2	Asset Registry Development		8	40		\$6,133		\$0	\$0	\$6,133	
Task 1 Total		0	12	56	0	\$8,754	\$0	\$0	\$0	\$8,754	
2	Infrastructure Condition Assessments										
2.1	Condition Assessment Training and Site Visit	24		12		\$8,544	\$2,500	\$250	\$2,750	\$11,294	
2.2	Compile Asset Condition Information	2	4	24		\$4,112			\$0	\$4,112	
Task 2 Total		26	4	36	0	\$12,656	\$2,500	\$0	\$250	\$15,406	
3	Create Asset Management Process								\$0		
3.1	Assess and Document Asset Criticality	2	8	16		\$4,064			\$0	\$4,064	
3.2	Review, Document, and Assess Asset Risks	2	8	16		\$4,064			\$0	\$4,064	
3.3	Prepare Recommendations for Water and Wastewater System Assets	2	8	16		\$4,064			\$0	\$4,064	
3.4	Asset Management Review Workshops		6	12		\$2,597			\$0	\$2,597	
Task 3 Total		6	30	60	0	\$14,789	\$0	\$0	\$0	\$14,789	
4	Task Management										
4.1	Monthly accounting, invoicing, administrations		12		6	\$3,253			\$0	\$3,253	
4.2	QA/QC program administration		2			\$421			\$0	\$421	
Task 4 Total		0	14	0	6	\$3,674	\$0	\$0	\$0	\$3,674	
Basic Services Total		32	60	152	6	\$39,873	\$2,500	\$0	\$250	\$42,623	
Additional Services*											
5	Draft and Final Asset Management Plan Documents										
6	Business Case Evaluations (BCEs)										
7	Risk and Resilience Assessment										
Additional Services Total											
Project Total		32	60	152	6	\$39,873	\$2,500	\$0	\$2,750	\$42,623	

* HDR shall provide a scope and fee proposal to complete Additional Services in response to a written request for services from the City Project Manager.

** Rates based on multiplier with yearly escalation

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager
4 Public Works Director

5 **RESOLUTION 21-063**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AWARDED A CONTRACT TO HDR ENGINEERING, INC. FOR
9 CAPITAL PLANNING SOFTWARE FOR THE PUBLIC WORKS
10 DEPARTMENT, AUTHORIZING THE CITY MANAGER TO NEGOTIATE
11 AND EXECUTE THE APPROPRIATE DOCUMENTS, AND DEDICATING
12 A PORTION OF THE ALASKA DEPARTMENT OF ENVIRONMENTAL
13 CONSERVATION PRINCIPAL FORGIVENESS SUBSIDY TO THE
14 PROJECT.

15
16 WHEREAS, The Public Works Department needs to upgrade its obsolete Computerized
17 Maintenance Management System (CMMS) with new software for the purpose of more
18 effectively tracking and monitoring preventive maintenance on most Public Works assets, such
19 as heavy equipment, other rolling stock and mechanical/electrical equipment; and
20

21 WHEREAS, The acquisition of new CMMS software was approved in the FY22 Capital
22 Budget; and
23

24 WHEREAS, A comprehensive CMMS includes two components, Asset Management
25 software and Capital Planning software; and
26

27 WHEREAS, After researching the options in a competitive process, the Department has
28 selected HDR Engineering, Inc. (HDR) as the lowest priced responsive, responsible provider,
29 over the long term, of Capital Planning software; and
30

31 WHEREAS, HDR proposes to develop customized Capital Planning software for the not
32 to exceed cost of \$42,623; and
33

34 WHEREAS, The Alaska Department of Environmental Conservation (ADEC) recently
35 notified us that the City will be awarded a \$75,000 Principal Forgiveness Subsidy for
36 Sustainable Infrastructure Planning Projects (SIPP); and
37

38 WHEREAS, The CMMS software project is a qualifying project; and

39 WHEREAS, This award is not final until written notification is received by the firm from
40 the City of Homer.
41

42 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards the
43 contract for Capital Planning Software to HDR Engineering, Inc. through a task order to their

44 existing term contract, dedicates a portion of the ADEC Principal Forgiveness Subsidy to this
45 procurement and authorizes the City Manager to negotiate and execute the appropriate
46 documents.

47

48 PASSED AND ADOPTED by the Homer City Council this 27th day of September, 2021.

49

50

CITY OF HOMER

51

52

53

KEN CASTNER, MAYOR

54

55 ATTEST:

56

57

58 MELISSA JACOBSEN, MMC, CITY CLERK

59

60 Fiscal note: \$42,623



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907-235-3170

(f) 907-235-3145

Memorandum 21-169

TO: Mayor Castner and Homer City Council
Through: Robert Dumouchel, City Manager
FROM: Janette Keiser, PE, Public Works Director
DATE: September 13, 2021
SUBJECT: CMMS Software Part 2 - Capital Planning

Summary: The purpose of this memorandum is to request authorization to award a contract to acquire the Capital Planning component of a Computerized Maintenance Management System (CMMS) software for Public Works. A CMMS is software designed to track and monitor preventive maintenance of most Public Works assets, such as heavy equipment and rolling stock as well as mechanical and electrical equipment. The upgrade of CMMS software was approved in the FY 22 Capital Budget.

Part 1 of the CMMS software is the Asset Management component, which tracks the condition of individual pieces of rolling stock as well as individual pieces of electrical/mechanical equipment. This is addressed in a separate memorandum.

Part 2 of the CMMS software is the Capital Planning component, which takes that information and predicts which systems are likely to experience failure and thus, need focused repair and replacement. This is the subject procurement.

The AK Department of Environmental Conservation recently notified us that the City will be awarded a \$75,000 Principal Forgiveness Subsidy for Sustainable Infrastructure Planning Projects (SIPP). The CMMS Software Project is a qualifying project.

Background: Asset Management software tracks preventative maintenance of equipment by individual pieces of equipment. Capital Planning software allows utilities to monitor the health of their equipment and other assets by systems, not just the condition of individual pieces of equipment. For example, the blowers are two individual pieces of equipment at the Waste Water Treatment Plant (WWTP). Asset Management software tracks these blowers as individual pieces of equipment. The "aeration system" includes these blowers as well as the network of piping, electrical lines and other assets, which are part of the aeration process. Capital Planning software monitors the aeration system, as well as the other electrical/mechanical systems in the waste water process, as systems.

Monitoring the health of systems enables a utility to make more effective data-based decisions about when to repair or replace the systems. For example, a capital planning program provides a data-driven means of determining whether it would more cost effective to continue repairing a particular asset than to replace it.

Capital Planning software predicts the likelihood systems will fail and helps utilities plan for repair and replacement before failure occurs.

We identified three software programs, which were designed for this type of predictive capital planning: Capital Predictor, Cartegraph and a custom program offered by HDR Engineering, Inc. Here is a summary of their features and benefits:

a. **Capital Predictor** is a dedicated capital planning program developed by Dude Solutions and designed to run alongside their CMMS program, Asset Essentials. Capital Predictor's functionality was exactly what we were looking for. It uses maintenance cost data, collected through Asset Essentials, to predict future maintenance costs. This would enable us to predict when future maintenance costs would likely exceed the cost of replacing the equipment and reduce the likelihood of failure. Capital Predictor also features a funding prioritization system, in which a single report identifies the best way to spend a particular budget.

However, Capital Predictor is expensive, costing \$15,000 for the initial implementation and training and \$7,495 for the annual subscription fee. Plus, the typical escalation for annual subscription fees is 10-15% per year so after 10 years of using the software, the subscription fee would be significantly more than \$7,495.

b. **Cartegraph** functions as both a CMMS program for processing work orders and equipment cataloguing as well as a capital planning program. The capital planning portion of Cartegraph is called Scenario Builder, which has the ability to predict future expenses, like Capital Predictor, and significant capabilities for project management. Cartegraph does not have the ability to create condition reports on larger systems within the utility's treatment plants. Further, Cartegraph is expensive, costing \$21,000 - \$24,000 for the initial training and implementation and the annual subscription fee starting at \$6,500.

c. **Customized software by HDR Engineering, Inc. (HDR).** While we were researching the off-the-shelf options, we had the occasion to talk with Eric Packer, an engineer with HDR who is working with us on the Utility Financial Policies. Eric told us about work he had done with the Eagle River waste water treatment plant, owned by the Municipality of Anchorage. They were facing the same issue Homer is facing – how to get the information they needed to make data-based decisions about repairs and replacements. After researching their options, much as we did, they decided to get the simplest asset management software they could find and then, commission HDR to write a customized program to address their particular needs for capital planning. We asked HDR to submit a proposal for doing something similar for Homer. The proposal describes how they would develop methodologies to determine (a) the likelihood of failure (LOF) and (b) the consequence of failure (COF) for each asset, and electrical/mechanical system, in the City's water/sewer utilities.

The product would be an Excel spreadsheet with an aggregate risk matrix for each asset based on the likelihood and consequence of failure for that asset. HDR's product would address Homer's particular needs. While the up-front cost is higher, the long term cost would be less than the off-the shelf options because there would be no on-going, annual subscription fee. We already have a Term Contract with HDR Engineering. We would issue a Task Order for this work.

Here is a summary of the costs:

Product	Initial Cost	Annual Subscription Fee
Capital Predictor	\$15,000	\$7,495 +10-15% escalation
Cartegraph	\$21,000-\$24,000	\$6,500+
Custom product by HDR	\$42,623	none

Conclusion: The differences in annual subscription fees, over time, are a key, primary differentiator between the products. For example, while Capital Predictor’s initial cost is \$27,623 less than the HDR’s customized product that difference gets eaten up by Capital Predictor’s annual subscription fee in 4 years and every year thereafter. A customized solution guarantees that we get the functionality we need, which is suited to our particular purposes, and saves money in subscription fees over the long term. With this in mind, the lowest responsive, responsible solution for Capital Planning software, considering both functionality and cost over the long term, is the customized option, provided by HDR.

Recommendation: That the City Council do the following:

- (1) Award a Task Order to HDR Engineering, Inc. to produce customized Capital Planning software for the Public Works Department for the Not-to-Exceed cost of \$42,623.
- (2) Dedicate a portion of the ADEC Principal Forgiveness Subsidy to this project.

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/Port Director

4 **RESOLUTION 21-064**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, IN
7 SUPPORT OF FULL FUNDING OF \$11,492,760 FOR THE STATE OF
8 ALASKA MUNICIPAL HARBOR FACILITY GRANT PROGRAM IN THE
9 FY 2023 STATE CAPITAL BUDGET.

10
11 WHEREAS, The majority of the public boat harbors in Alaska where constructed by the
12 State during the 1960s and 1970s; and

13
14 WHEREAS, These harbor facilities represent critical transportation links and are the
15 transportation hubs for waterfront commerce and economic development in Alaskan coastal
16 communities; and

17
18 WHEREAS, These harbor facilities are ports of refuge and areas of protection for ocean-
19 going vessels and fishermen throughout the State of Alaska, especially in coastal Alaskan
20 communities; and

21
22 WHEREAS, The State of Alaska over the past nearly 30 years has transferred ownership
23 of most of these State-owned harbors, many of which had infrastructure at or near the end of
24 their service life at the time of transfer, to local municipalities; and

25
26 WHEREAS, The municipalities took over this important responsibility even though they
27 knew that these same harbor facilities were in poor condition at the time of transfer due to the
28 state's failure to keep up with deferred maintenance; and

29
30 WHEREAS, Consequently, when local municipal harbormasters formulated their annual
31 harbor facility budgets, they inherited a major financial burden that their local municipal
32 governments could not afford; and

33
34 WHEREAS, In response to this financial burden, the Governor and the Alaska Legislature
35 passed legislation in 2006, supported by the Alaska Association of Harbormasters and Port
36 Administrators, to create the Municipal Harbor Facility Grant program(AS 29.60.800); and

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38 WHEREAS, The Department of Transportation and Public Facilities utilizes a beneficial
39 administrative process to review, score and rank applicants to the Municipal Harbor Facility
40 Grant Program, since state funds may be limited; and

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42 WHEREAS, For each harbor facility grant application, these municipalities have
43 committed to invest 100% of the design and permitting costs and 50% of the construction cost;
44 and

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WHEREAS, The municipalities of the City of Valdez, City and Yakutat, City & Borough of Juneau, City & Borough of Sitka, City of Homer, City of Edna Bay, Aleutians East Borough/City of Sand Point, and the Municipality of Anchorage have committed to contribute \$11,492,760 in local match funding for FY2023 towards harbor projects of significant importance locally as required in the Harbor Facility Grant Program; and

WHEREAS, Completion of these harbor facility projects is all dependent on the 50% match from the State of Alaska’s Municipal Harbor Facility Grant Program; and

WHEREAS, During the last fifteen years the Municipal Harbor Facility Grant Program has only been fully funded twice; and

WHEREAS, A survey conducted by the Alaska Municipal league of Alaska’s ports found that the backlog of projects necessary to repair and replace former State-owned harbors has increased to over \$500,000,000; and

WHEREAS, Over the past five years municipal harbors have submitted \$70 million in capital project match requests, representing over \$116 million in shovel-ready capital projects that have received only \$20 million in funding through the Municipal Harbor Facility Grant program with zero funding in FY21 and half of the requested funding in FY 22.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, urges full funding in the amount of \$11,492,760 by the Governor and the Alaska Legislature for the State of Alaska’s Municipal Harbor Facility Grant Program in the FY 2023 State Capital budget in order to ensure enhanced safety and economic prosperity among Alaskan coastal communities.

PASSED AND ADOPTED by the Homer City Council this 27th day of September, 2021.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: N/A



Update from the Board of Directors Cook Inlet Regional Citizens Advisory Council

Carla Stanley, representing the City of Homer

The Cook Inlet Regional Citizens Advisory Council Annual and Board of Directors meeting was held virtually on September 10th, 2021. Remote meetings continue as a precaution to protect the health and safety of CIRCAC Directors and staff.

Representatives from the Alaska Department of Environmental Conservation (ADEC) gave an update on the department's regulatory review begun in 2020. This scoping project has been billed as a streamlining of Article 4 of state administrative code pertaining to oil discharge prevention and contingency plans (ODPCP). Since the start of this process, CIRCAC has maintained that any changes to this section of code should only improve standards for contingency plan requirements and in no way diminish them. ADEC staff assured the CIRCAC Board of Directors that a full public process will begin this year with a 90-day public comment period scheduled following the release of the full package of proposed regulatory changes on November 1st. We look forward to reviewing these proposed changes and working with the Department to ensure adequate regulatory oversight of Cook Inlet's oil transportation and storage operations.

Hilcorp reported that they have completed work replacing a portion (approximately 4,000 feet) of the subsea pipeline from the Monopod platform to shore. Hilcorp also reported they have begun initial engineering and permitting portion of the project to replace both 8.5-mile sections of subsea pipelines serving the Middle Ground Shoals platforms. The Pipeline and Hazardous Materials Safety Administration (PHMSA) ordered the affected segment of pipeline be replaced following the discovery of a natural gas leak in the pipeline in April of 2021. Hilcorp made the decision to replace both segments; replacement pipe has been ordered and work is expected to begin in late May of 2022. Hilcorp staff also fielded questions regarding the company's extensive inventory of legacy assets in Cook Inlet, namely, unused drilling platforms at or near the end of their designed lifespans. The company says that it's exploring a number of options to address those assets while working through a list of legacy Cook Inlet wells that can be plugged.

The CIRCAC Board of Directors also recognized CIRCAC Director of Science and Research Susan Saupe by adopting a resolution recognizing her recent Legacy Award from the Pacific States/British Columbia Oil Spill Task Force. We are proud to support staff who are recognized by their peers for excellence in their field and commitment to the mission of CIRCAC.

Finally, the Board formally met CIRCAC's newest staff members – Accounting and Grants Manager Cassandra Johnson who joined the team in June and Candice Elias, who will begin this month as our new Administrative Assistant. Welcome aboard!

Our next meeting is scheduled for December and its location will be determined at a later date.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-52

An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget by Appropriating \$147,900 from the Port and Harbor Reserves for the Purpose of Float Repair.

Sponsor: City Manager/Port Director

1. City Council Regular Meeting September 13, 2021 Introduction

Memorandum 21-154 from Port Director as backup
Homer T Head Rehabilitation Proposal

2. City Council Regular Meeting September 27, 2021 Public Hearing and Second Reading

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/
4 Port Director

5 **ORDINANCE 21-52**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY 2022 CAPITAL BUDGET BY APPROPRIATING
9 \$147,900 FROM THE PORT AND HARBOR RESERVES FOR THE
10 PURPOSE OF FLOAT REPAIR.

11
12 WHEREAS, The “K” thru “Q” floats located in the Homer Harbor, built in 1986, are now
13 currently 5 years past their engineered life expectancy; and

14
15 WHEREAS, While most of the length of the finger floats are still in usable shape, the
16 endcaps have racked and twisted over time to a point that they are no longer safe for use and
17 will need to be condemned if not repaired; and

18
19 WHEREAS, Condemning and removing the unsafe float portions would lead to a
20 revenue loss of \$64,000 per annum for each year beyond 2022; and

21
22 WHEREAS, The last float end caps lasted for 30+ years and generated revenue from
23 these areas will outweigh the cost of repair in approximately 2 and a half years, making repair
24 the economic decision; and

25
26 WHEREAS, The City reached out to Bellingham Marine, who was responsible for the
27 design and construction of the floats in 1986 and who still hold our original engineering plans;
28 and

29
30 WHEREAS, Bellingham Marine has detailed and extensive knowledge of how they are
31 engineered, how best to tie the repairs into the existing structure and they are uniquely
32 qualified to have the materials milled and treated to exact specifications; and

33
34 WHEREAS, The City has received a quote for the repair from Bellingham Marine in the
35 amount of \$123,250 for materials and construction of the floats, and \$176,500 for labor and
36 installation of the repairs; and

37
38 WHEREAS, The City chooses to accept the \$123,250 portion of the bid for the materials
39 and onsite technical representative support for the re-construction of floats with an added
40 20% contingency for a total cost of \$147,900, and to reject the bid portion for the installation
41 cost of \$176,500 and instead use Port Maintenance staff for in house installation; and
42

43 WHEREAS, The Port and Harbor Advisory Commission reviewed the proposed float
44 repair plan at their August 25, 2021 meeting and made a motion supporting the repair of floats
45 “K” thru “Q” and recommending that City Council approve the appropriation of funds from the
46 port reserves for the materials and construction of the replacement float portions through
47 Bellingham Marine.

48
49 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

50
51 Section 1: The FY 2022 Capital budget is hereby amended by appropriating funds in the
52 amount of \$147,900.00 from the Port & Harbor Reserve Fund for the purpose of float repair, as
53 follows:

54

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
55 600-0380	56 Float repair for end caps K thru Q	57 \$ 147,900

58 Section 2: This is a budget amendment ordinance, is not permanent in nature, and shall
59 not be codified.

60
61 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of September, 2021.

62
63 CITY OF HOMER

64
65 _____
66 KEN CASTNER, MAYOR

67 ATTEST:

68
69 _____
70 MELISSA JACOBSEN, MMC, CITY CLERK

71
72 YES:

73 NO:

74 ABSTAIN:

75 ABSENT:

76
77 First Reading:

78 Public Hearing:

79 Second Reading:

80 Effective Date:

81



City of Homer

www.cityofhomer-ak.gov

Port and Harbor

4311 Freight Dock Road
Homer, AK 99603

port@cityofhomer-ak.gov

(p) 907-235-3160

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Memorandum 21-154

TO: HOMER CITY COUNCIL

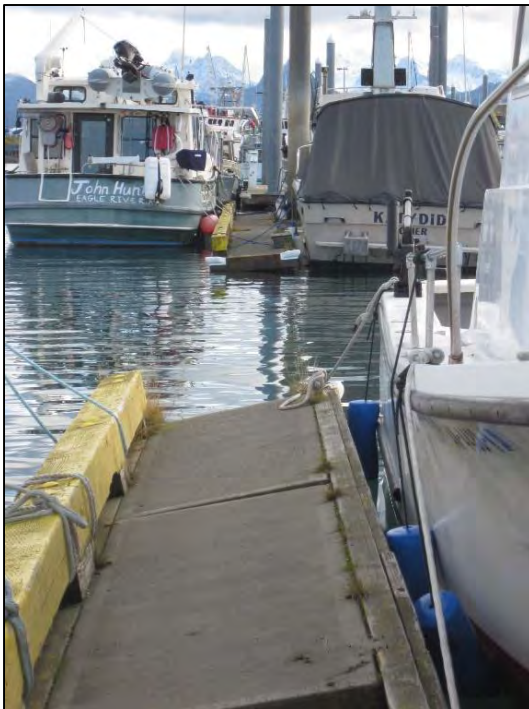
THRU: ROB DUMOUCHEL, CITY MANAGER

FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER

DATE: AUGUST 30, 2021

SUBJECT: FLOAT REPAIRS FOR "K" THRU "Q" ENDCAPS

The end caps of finger floats "K" through "Q" were built in 1986 and are currently 5 years past their engineered life expectancy. Remarkably, most of the length of the floats are still in usable shape even at this age. But the end caps, over time, have racked to a level of permanent twist and damage that will shortly take it beyond safe limits and will force the harbor to close access to those sections and condemn them. Causes for the twisting damage of the end caps down the middle fairway come from several factors, the age of the floats themselves, the strain caused by rafting multiple vessels out on the transient bullrail, and the high wake events caused by fast incoming vessels traveling to the Load and Launch Ramp have all added greater force loads to the floats than they were engineered for. Those forces over time add up.



The end caps of these finger floats are designated as transient moorage that provided mooring space for 3,276 vessel night stays in the year of 2020. The number of vessel nights is broken out by finger float and listed below:

“K” – 542 nights	“L” – 462 nights	“M” – 572 nights
“N” – 539 nights	“P” – 602 nights	“Q” – 559 nights

You may notice that the number of vessel night stays for 2020 on these endcaps, in all cases, is above the 365 nights in a given year, this is because this is highly utilized space and boats are often rafted 2 or more abreast in the summertime. If these endcaps aren’t repaired, the Port has to condemn the space and we will lose the ability to accommodate the transient vessel fleet in those areas. Those 3,276 vessel night stays will either have to be shifted to other areas as far as possible, putting even more strain on the remaining usable floats, or boats will have to be turned away. We will also lose the 12 reserved stalls currently leased to tenants that are part of those end caps. Lost revenue for the reserved stalls will average \$24,000 annually for each year we are unable to repair the floats. Transient moorage, due to its flexible nature and rate structure is a bit harder to pin down, but a conservative estimate, looking at use statistics, would be around \$40,016 annually. It holds the physical and rate structure potential to be triple that.

Bellingham Marine is the provider and builder of the Homer Harbor’s “K”-“Q” floats from 1986. Luckily, they are still in business, and they have our original plans, so a seamless repair and rebuild of the endcaps is possible without having to replace the whole finger floats. A quote from the company for this proposed job was received on August 4th. The quote is broken down into two main portions:

End Caps on Floats

- \$123,250.00 (material supplies) + Supervisor for 2 weeks (10 days)
- \$176,500.00 (installation) includes 4 man crew from Bellingham Marine for 6 weeks
- TOTAL: \$299,750.00

Per the Bid, the Port would be responsible for providing all equipment for offloading and handling of materials, a small work barge and or boat for material storage and handling, a crane to lift the triangle frame with pile hoop over any pile, and other lay down yard/restroom facilities as needed. The Port has its own team of knowledgeable maintenance personnel that have the capability to assist in the rehabilitation effort. It would mean dedicating staff time to this large project until completion, and shifting other tasks, but the cost savings of using our own personnel would be significant. We are proposing to accept ONLY the \$123,250.00 portion of the quote for materials, supplies, and the fabrication/shipping of the replacement float end caps. Further, on a project like this we would usually add a contingency of 20% to plan for fluctuations in build material costs, shipping changes, and other yet unknown factors. A 20% contingency would make the total amount allocated for this project \$147,900.

The Port and Harbor Advisory Commission reviewed this proposed project at their August 25th meeting and made a motion to support the repair of floats “K” thru “Q” and recommended that City Council approve the appropriation of funds from the port reserves for the materials and construction of the replacement float portions through Bellingham Marine.

Sole source justifications

Bellingham Marine is the company responsible for the original design and construction of the floats. They have detailed and extensive knowledge of how they’re engineered and how best to tie the repairs into the existing structure. They are uniquely qualified to have the materials milled and treated to exact specifications. Additionally, they have developed special techniques and tools over the years to do this kind of rehab.

It’s important to keep in mind that the bulk of the cost in the quote portion that the Port went with is in materials. I know of no other contractor that could perform this kind of repair without themselves going to Bellingham Marine for the materials and assistance with the construction portion of the float replacements. This means that the only portion of the quote that holds the possibility of being put out to bid would be the labor and installation, but this is also the area that, as mentioned above, the Port can achieve significant savings by calling on the knowledge and experience of our own skilled maintenance staff which would be our preferred cost saving option.

Condemning vs. Repair

Condemning the floats would lose revenue continually for every future year after 2022. The choice to repair the floats, even using the lowest revenue numbers that can be generated from this space at \$64,000 per annum, would mean that it would take about 2 and a half years to reimburse the repair. Given that the last float endcaps lasted for 30+ years before needed replacement, we anticipate being able to continue to use and collect revenue from the repaired endcaps for well past the next 2 and a half years. Repairing, instead of condemning and thereby losing these endcap floats seems to be the economic choice.

RECOMMENDATION

Support of repairing Floats “K” thru “Q” and recommended City Council approval of the appropriation of funds from the Port Reserves for the materials and construction of the replacement float portions through Bellingham Marine.

Attached: Bellingham Marine Unifloat Supply Proposal
Ordinance to Appropriate Funds for Float Repairs



Bellingham Marine Industries, Inc.

5500 Nordic Way
Ferndale, WA 98248

(360) 380-2142
FAX (360) 384-8134
www.bellingham-marine.com

Unifloat® Supply Proposal

August 4, 2021

Attention: Aaron Glidden
Port Maintenance Supervisor
City of Homer

Re: T head repairs

Thank you for the opportunity to present our quotation for the T Head repairs for docks P,Q,M,N,K, and L. The purpose of this written proposal is to present our offer to perform the work identified in this proposal.

Summary of work includes supply of materials with optional installation. Materials consist of wood walers, triangle frames, connection rods, cleats, and bull rail bolts. Owner support for offloading and handling of materials, staging areas, facilities, work barge and boat required. Technical representative included for two weeks for supply only option.

FOB Homer Alaska – Freight is good Homer Alaska for owner offloading.

Leadtime – Current lead time for materials is up to 16 weeks. BMI to coordinate with owner on delivery and installation dates.

Prices quoted herein are contingent upon BMI's receipt and review of all published plans, specifications, addenda, and/or other reports issued in reference to the Project.

Our quoted price for material supply is One Hundred Twenty-Three Thousand Two Hundred Fifty Dollars **(\$123,250.00) exclusive** of **sales/use** tax.

Our quoted price for material installation is One Hundred Seventy-Six Thousand Five Hundred Dollars **(\$176,500.00) exclusive** of **sales/use** tax.

EXTENDED TOTAL FOR SUPPLY AND INSTALLATION = \$299,750.00

Prices quoted herein are contingent upon Seller's receipt and review of all published plans, specifications and addenda issued in reference to the project.

1. The following items are included in our supply proposal:

- 1.1 2 each 4" x 12" walers on the outside of each 70' T head dock fabricated prior to treatment
- 1.2 1 each 3.125" x 7.5" glu lam waler on the inside of each 30' T head finger fabricated prior to treatment
- 1.3 3 each 12" heavy duty cleats and attachment hardware per 30' finger
- 1.4 2 each galvanized steel triangle frames per T head

Initials _____ / _____
Buyer BMI

- 1.5 Rub board on outside and inside walers
 - 1.6 New galvanized thru rods to match existing quantities and locations on each 30' T head finger as well as through the walkway at the triangle frame locations
 - 1.7 New galvanized economy bolts for bull rail to match existing quantities and locations
 - 1.8 New end boards on each 30' T head finger
 - 1.9 Additional AC clips at the end of the main walk and finger connection to help strengthen the connection.
 - 1.10 Reuse of inserts/embedded bolts at the end of the walkway
 - 1.11 All material to be fabricated according to original BMI shop drawings, owner to verify all fabrication and quantities prior to procurement.
 - 1.12 2 weeks (10 days) onsite technical support to aid owners' installation crew
 - 1.13 Shop Drawings
 - 1.14 **LOADING AND SECURING ON OUR TRUCKS WITH FREIGHT ALLOWANCE TO Homer Alaska. ALL PARTS SHIPPED LOOSE; CONTRACTOR MUST COMPLETE ASSEMBLY.** In the event actual shipping destination exceed this allowance, such additional costs will be charged to the Buyer. All materials will be inspected by the Buyer's representative upon delivery and representative will be required to certify that materials are complete and free of defects. Claims for material defects, loss or shortages discovered after inspection shall be for the Buyer's account. Buyer's failure to inspect materials upon delivery shall constitute a waiver of claims for material defects, loss or shortages.
2. All items and quantities not specifically included in Section 1 above are specifically excluded from this proposal. Excluded items include, but are not limited to, the following:
- 2.1 **ELECTRICAL** – BMI will coordinate and provide any required chase ways through float system, all electrical equipment, transformers, pedestals, wiring, fasteners etc. to be supplied by others
 - 2.2 **MECHANICAL** –no provisions for mechanical system, all J hangers, sewer hydrant, pipe, pump out system, pedestals, all material supplied by others
 - 2.3 **UTILITY VERIFICATION** – Owner to verify all utility chase way and install locations
 - 2.4 **ANY UPLAND WORK**
 - 2.5 **OFFLOADING, HANDLING, INSTALLATION, OR ANY OTHER ONSITE LABOR.** Owner will be responsible for all float-to-float connections, finger to walkway connections, utilities, etc.
 - 2.6 **PEDESTRIAN GANGWAY RAMPS OR PIERS.**
 - 2.7 **BULL RAILS.**
 - 2.8 **LIGHT POLES OR FIXTURES**
 - 2.9 **LOCKER BOXES.**
 - 2.10 **SALES TAX.**
 - 2.11 **PERMITS AND LICENSES.**
 - 2.12 **UTILITY HANGERS AND RISERS**
 - 2.13 **SOILS TESTING OR ENGINEERING.**
 - 2.14 **PILE DESIGN AND PILE SUPPLY**
 - 2.15 **PROJECT ENGINEERING**
 - 2.16 **ALL TIMBER** to be west coast Douglas fir #1 and better fabricated prior to treatment and treated to .6ACZA
 - 2.17 **ALL HARDWARE** to be A307 hot dip galvanized

Initials _____ / _____
 Buyer BMI

2.18 ANY AND ALL OUTSIDE TESTING (BMI is a Precast/Prestressed Concrete Institute (PCI) Certified Supplier and performs all Quality Control Testing In-House)

3. OPTIONAL INSTALLATION CLARIFICATIONS

- 3.1 BMI will provide a 4-man crew and a supervisor to perform the installation of the supplied materials. BMI believes the installation crew will be onsite for 6 weeks.
- 3.2 Owner to provide all equipment for offloading and handling of materials, small work barge and or boat for material storage and handling. Crane or device to lift triangle frame wit pile hoop over pile. Lay down yard and restroom facilities. Boats must be out of slips.
- 3.3 Owner to provide all material disposal
- 3.4 BMI to level the docks as much as possible prior to final tightening
- 3.5 Owner to provide any replacement bull rail
- 3.6 BMI will include builders' risk and USL&H insurance
- 3.7 BMI to pay local prevailing wage rates as applicable

4. Other provisions:

- 4.1 DESIGN CRITERIA: Bellingham Marine ("BMI" or "Seller") has based its proposal upon design criteria furnished by Buyer, which includes site conditions relative to wind and wave exposure. If this design criteria is incorrect, BMI will be entitled to an adjustment in the contract amount, time for completion, or both. Unless otherwise provided herein, the Unifloat® system described above will be for a maximum one-foot wave environment.
- 4.2 CONCEALED OR UNKNOWN CONDITIONS: In preparing this proposal, BMI has assumed there are no concealed conditions (subsurface or otherwise) or unknown physical conditions which will adversely impact BMI's performance of the work. If such conditions are encountered, BMI will be entitled to an adjustment in the contract amount, time for completion, or both.
- 4.3 SHIPMENT: Will occur at a mutually agreed upon schedule after receipt of approved shop drawings, based on our current production schedule. Production cannot commence prior to receipt of approved shop drawings. In the event of any project delay caused by Buyer which is greater than thirty (30) days, Buyer shall pay BMI for all work completed and stored. Storage fees will accrue at the rate of 1.5% of the price quoted above, per month, commencing on the 31st day of delay.
- 4.4 PRICE VALIDITY: Prices are valid for firm orders placed within a period of thirty (30) days after quotation and are subject to reconfirmation thereafter.
- 4.5 PAYMENT TERMS: 20% Deposit. Net cash ten (10) days from receipt of invoice. Method of payment to be approved by BMI's credit department prior to start of production. Interest will be charged on past due accounts at 18% per annum, or at the highest non-usurious commercial rate allowable by state law or provided by state statute, whichever is less. If BMI is required to employ an attorney to collect any amount due as a result of the default of Buyer, the Buyer shall pay all costs of collection, including reasonable attorney's fees and court costs.

Payment is not subject to retention.

Prior to commencement of project, Buyer shall provide evidence of financing satisfactory to BMI. It is BMI's standard credit policy to send our customers notices compliant with state or federal laws about rights to lien property or bonds in the event of non-payment. This is a routine notice and is not a reflection on your credit worthiness.

Initials _____ / _____
Buyer BMI

- 4.6 ASSESSMENTS & ADJUSTMENTS. Any present or future taxes or any other government charges now or hereafter imposed by existing or future laws in connection with the transfer, use, ownership, or possession of any of the facility which BMI is required to collect and/or pay are in addition to the Contract Sum and will be charged to the Client accordingly.
- 4.7 ENGINEERING/CODES/RESPONSIBILITY: BMI does not warrant any components to meet specific local building ordinances or codes. It is the responsibility of the Buyer to secure necessary governmental approvals. Buyer hereby indemnifies BMI against any and all loss, damage, liability, claims, demands or causes of action arising out of or connected in any way with any act or omission on the part of the Buyer, or with inadequate, improper or erroneous design, plans, specifications, engineering, or information furnished BMI by Buyer including, without limitation, liability for patent or trade secret infringement claims.
- 4.8 BACK CHARGES: Back charges for corrective work performed by Buyer or its representative will not be honored without BMI's prior written acceptance. BMI at all times retains the right to perform corrective work on its own behalf.
- 4.9 WARRANTY: Contractor warrants that the individual aluminum modules will be free of defects in materials and workmanship for a period of five (5) years from date of shipment, and that all other dock components (including, but not limited to, walers, weldments, filler slabs, hardware, and fiberglass components) will be free of defects in materials and workmanship for a period of one (1) year from the date of shipment. If within the warranty period the materials are found to be defective, the Owner must provide written notice of such defects within ten (10) days from the date the defects are discovered. Owner's sole and exclusive remedy for defective materials and workmanship is limited to the repair or replacement of the defective item by Contractor. Contractor is not liable for consequential or incidental damages resulting from such defects. Contractor hereby disclaims any and all implied warranties, including but not limited to warranties of merchantability or fitness for a particular purpose.

The Unifloat® system is intended to be free-floating and located in protected installations such as those that exist behind a permanent fixed breakwater or floating concrete wave attenuator furnished by BMI. Specifically excluded from this warranty is disrepair, loss, liability, deterioration, or other damage to the Unifloat® system or its component parts and equipment as a result of any of the following: (i) conditions exceeding the Design Criteria; (ii) an anchoring system which fails to meet the minimum design working load capacity requirements identified in BMI's shop drawings; (iii) piles that are out of plumb; (iv) the expansion and contraction of surrounding ice; (v) contact with moving ice and other floating debris; (vi) abuse, misuse, accident, neglect, grounding, or improper or insufficient maintenance (including failure to keep pile free of ice); (vii) damage to the Unifloat® system or its component parts during installation when not installed by BMI; or (viii) repair or alteration by any person not authorized by BMI.

In the event any bonds are provided for this project, the bonded duration of this warranty shall be one (1) year.

- 4.10 INDEMNIFICATION: The Buyer shall assume all liability, including but not limited to liability for injury to person or property, economic loss, and business interruption, for claims arising from the actual use of any equipment, products, or materials furnished by BMI, and agrees to indemnify and hold harmless BMI from any and all claims, demands, actions, or suits arising from the use of such products, materials, or equipment, including reasonable attorney's fees and costs.

Initials _____ / _____
 Buyer BMI

Notwithstanding anything herein to the contrary, BMI's cumulative liability to Buyer will under no circumstances exceed the total amount paid to BMI. In any case BMI WILL NOT BE RESPONSIBLE FOR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND INCLUDING, BUT NOT LIMITED TO, LOSS OF USE, LOST RENTS, AND RENTAL OF REPLACEMENT OR TEMPORARY FACILITIES, OR FOR LOSS, DAMAGES, OR EXPENSE DIRECTLY, OR INDIRECTLY, ARISING FROM THE USE OF ANY PRODUCTS OR ANY INABILITY TO USE THEM, EITHER SEPARATELY OR IN COMBINATION WITH ANY OTHER EQUIPMENT OR MATERIAL OR FROM ANY OTHER CAUSE.

- 4.11 CAUTION: Float systems are unstable when placed in water prior to assembly in their final intended configuration. Modules or subassemblies should be handled with care during installation and should never be stood or walked upon prior to finished assembly.
- 4.12 POWER CENTERS: Power centers and pedestals included in this proposal contain twist lock and/or pin and sleeve outlets designed for shore power only and are only to be used in conjunction with a "UL-Marine" listed shore power cord.
- 4.13 WARNING: BMI has been notified by its wood preservers that the chemicals used in the wood treatment process are known to cause cancer.
- 4.14 CLAIMS Definition: A claim is a demand or assertion by one of the parties seeking, as a matter of right, adjustment or interpretation of contract terms, payment or money, extension of time or other relief with respect to the terms of the contract. The term "Claim" also includes other disputes and matters in question between the Buyer and Seller arising out of or relating to the contract including, but not limited to, Claims against officers, directors, employees or consultants of a party for matters arising out of or relating to the Work under the contract. Claims must be made by written notice. The responsibility to substantiate a Claim shall rest with the party making the Claim.

Time Limits on Claims. Claims by either party must be made within twenty-one (21) days after occurrence of the event giving rise to such Claim or within twenty-one (21) days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Claims must be made by written notice. An additional Claim made after the initial Claim has been resolved by Change Order will not be considered unless submitted in a timely manner.

4.15 DISPUTES

Arbitration. Controversies, disputes or claims in an amount up to and including \$250,000 arising out of, in connection with, or in relation to the interpretation, performance or breach of this Proposal, including any claim based on contract, tort, or statute shall be referred to final and binding arbitration administered by and in accordance with the then existing Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon any arbitration award may be entered by any state or federal court having jurisdiction thereof. The prevailing party in any such arbitration shall be entitled to an award of reasonable attorney's fees and costs. Arbitration shall be heard and determined by a single arbitrator, the location of the arbitration hearings shall be San Francisco, California, USA.

In the event a dispute between the parties is referred to arbitration, as soon as practical after selection of the arbitrator, the arbitrator or his/her designated representative shall determine a reasonable estimate of anticipated fees and costs of the arbitrator and render a statement to each party setting forth that party's pro rata share of said fees and costs. Thereafter, each shall, within ten (10) days of receipt of said statement, deposit said sum with the arbitrator. Failure of any party to make such a deposit shall result in the forfeiture by the non-depositing party of the right to prosecute or defend the claim which is the subject of the arbitration, which shall not otherwise serve to abate, stay or suspend the arbitration proceedings.

Unless otherwise agreed in writing or otherwise provided herein, the Seller shall carry on the Work and maintain its progress during any dispute resolution proceedings, and the Buyer shall continue to make payments to the Seller in accordance with the contract documents.

Initials _____ / _____
Buyer BMI

Litigation. Controversies, disputes, or claims in excess of \$250,000 arising out of, in connection with, or in relation to the interpretation, performance or breach of this Proposal, including any claim based on contract, tort, or statute shall be resolved in a court of competent jurisdiction in the venue agreed to herein. The presiding judge shall determine which is the prevailing party and shall include in the award that party's reasonable attorneys' fees and costs. The laws and venue of proceedings shall be the place of the Project.

Mediation. In the case of either arbitration or litigation, the parties agree that mediation shall be a condition precedent to any arbitration hearings or trial. The parties hereby stipulate that the arbitrator or judge shall include in any scheduling order deadlines for: (a) the appointment of a mediator; and (b) the mediation. In the event the parties are unable to agree on a mediator by the required deadline, the arbitrator or judge shall appoint a mediator. The arbitrator or judge may, at their discretion, ask for input from the parties with respect to the appointment of a mediator. The location of the mediation shall be established by the mediator.

4.16 Notwithstanding any other provision of this Proposal, the Seller and the Buyer waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Proposal. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with this Proposal and/or to any claims or disputes arising out of or related to this Proposal.

4.17 ENTIRE CONTRACT: When accepted by Buyer, this Proposal shall constitute the entire agreement between the parties. Its terms shall be controlling in the event same are inconsistent with any plans, specifications, bid invitation, purchase order, subcontract, or other instrument furnished by Buyer.

Acceptance of any offer made by BMI is expressly limited to the exact terms contained in this proposal and any attempt to alter or omit any of such terms shall be deemed an acceptance of the offer, except that any altered or omitted terms shall not be binding on BMI unless BMI has specifically agreed to such altered terms in writing.

We hope this proposal contains sufficient detail to permit your fullest evaluation. Please feel free to contact us at any time for further information.

Sincerely,

Bellingham Marine Industries, Inc.

____:____

Approved: _____

Project Address:

Project Owner Information:

Initials _____ / _____
Buyer BMI

Address

Legal Name of Owner

Address

Address

City, State, Zip

City, State, Zip

Delay in BMI's receipt of the above information may delay the product delivery schedule.

A signed copy of this quotation will serve as acceptance and agreement by the Buyer to purchase the materials and/or services described herein.

Dated: _____ By: _____

(printed name and title)

Initials _____ / _____
Buyer BMI

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-53

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 10.04 General Port and Harbor Provisions to Add Section 10.04.105, Use of Port and Harbor Dumpsters, Amending Homer City Code 1.16.040, Fine Schedule, and Funding Relevant Signage.

Sponsor: Aderhold

1. City Council Regular Meeting September 13, 2021 Introduction
Memorandum 21-155 from Port Director as backup
2. City Council Regular Meeting September 27, 2021 Public Hearing and Second Reading

**CITY OF HOMER
HOMER, ALASKA**

Aderhold

ORDINANCE 21-53

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
AMENDING HOMER CITY CODE CHAPTER 10.04 GENERAL PORT
AND HARBOR PROVISIONS TO ADD SECTION 10.04.105 USE OF
PORT & HARBOR DUMPSTERS, AMENDING HOMER CITY CODE
1.16.040 FINE SCHEDULE, AND FUNDING RELEVANT SIGNAGE.

WHEREAS, The Port & Harbor Enterprise provides dumpsters for use by vessels moored
in the Port & Harbor; and

WHEREAS, The dumpsters provided by the Enterprise are frequently misused by those
disposing of household, business, and camping waste; and

WHEREAS, The dumping of solid waste not related to moored vessels in the Port &
Harbor creates additional costs which are borne by the Enterprise despite providing no benefit
to the Enterprise; and

WHEREAS, This amendment to Homer City Code will make it clear that non-Port &
Harbor-related dumping is not allowed in Port & Harbor dumpsters; and

WHEREAS, Noncompliance with the amendment to Homer City Code will be paired with
a mechanism for enforcement via fines; and

WHEREAS, Appropriate signage will help communicate the amendment to Homer City
Code.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code Chapter 10.04 General Port and Harbor Provisions shall be
amended to add section 10.04.105 as follows:

Chapter 10.04
GENERAL PORT AND HARBOR PROVISIONS¹

Sections:

- 10.04.010 Short title.
- 10.04.020 Scope – Administrative powers.
- 10.04.030 Definitions.
- 10.04.035 Homer port and harbor tariff.

- 43 10.04.040 Harbormaster – Powers and duties.
- 44 10.04.050 Rule and regulation establishment authority.
- 45 10.04.055 Fees.
- 46 10.04.060 Revenues – Use of.
- 47 10.04.080 City docks – Other closure.
- 48 10.04.085 Use of load and launch ramp.
- 49 10.04.090 Underway requirement.
- 50 10.04.100 Vehicles and other wheeled conveyances.
- 51 **10.04.105 Use of port and harbor dumpsters.**
- 52 10.04.110 Violation – Penalty.
- 53 10.04.115 Appeal from port and harbor citation issued pursuant to HCC Titles 7 and 10.
- 54 10.04.120 Impounded vessel procedure.
- 55 10.04.130 Nuisances declared – Removal.
- 56 10.04.132 Nuisances – Abatement procedure.
- 57 10.04.134 Nuisances – Post-removal hearing.
- 58 10.04.135 Nuisances – Form of demand for hearing – Hearing officer.
- 59 10.04.138 Interference with impoundment prohibited.
- 60 10.04.139 Lien on impounded or nuisance vessel.
- 61 10.04.140 Annual review required.
- 62 10.04.150 Required equipment.

63
64 10.04.010 Short title.
65 This title shall constitute the Port and Harbor Code of the City and may be cited as such.

66
67 10.04.020 Scope – Administrative powers.
68 This title and the Homer port and harbor tariff shall be deemed an exercise of the powers of
69 the City for the protection, safeguarding, and orderly moorage and control of boats, and for
70 the protection and general welfare of the public and all of its provisions shall be liberally
71 construed for the accomplishment of the purpose. The City, through its properly appointed
72 representatives, shall have the authority to board any vessel utilizing the harbor or port
73 facilities for the purpose of enforcing this title and the Homer port and harbor tariff.

74
75 10.04.030 Definitions.
76 Unless otherwise provided in this title or required by the context, definitions set forth in the
77 Homer port and harbor tariff shall apply to this title.

78
79 10.04.035 Homer port and harbor tariff.
80 The rates, charges, rules and regulations for wharfage, terminal storage, demurrage and other
81 terminal services and privileges are set forth in the Homer port and harbor tariff and as filed
82 with the Federal Maritime Commission. Subject to the requirements of HCC 10.04.055, the
83 Homer port and harbor tariff may be amended from time to time by resolution of the City
84 Council.

85 10.04.040 Harbormaster – Powers and duties.

86 A Harbormaster, who shall have police powers, shall be appointed in the same manner as other
87 City employees. The Harbormaster shall be assigned to enforce the provisions of this title and
88 the Homer port and harbor tariff, maintain an accurate log of the registration data of all boats
89 using Homer harbor facilities, showing the date of occupancy of berthing facilities, issue
90 citations and impound vehicles, vessels, gear or equipment for violations of this title, and
91 collect or arrange for the collection of the established fees. The Harbormaster is granted the
92 power and authority from time to time, as circumstances require, but without any obligation
93 to do so, and without any obligation or liability on his part, or that of the City for his failure to
94 do so, to replace defective mooring lines, to pump vessels which are in a dangerous condition
95 for lack thereof, and to move any boat for the purpose of protecting such boat from fire or from
96 other hazard or for the protection of other vessels or property therefrom. Whenever the
97 Harbormaster shall perform or cause to be performed any of the actions authorized in this title
98 or other emergency actions, after having given notice of the immediate need therefor, or
99 having attempted to give such notice within the time limits prescribed by the exigencies of the
100 situation, a fee as prescribed in the Homer port and harbor tariff shall be assessed the vessel
101 owner or operator. [Ord. 95-18(S), 1995; Ord. 88-2,
102 1988].

103
104 10.04.050 Rule and regulation establishment authority.

105 The City Manager is empowered and authorized to establish additional rules and regulations
106 governing the use of the Homer harbor, assignment of stalls, and the general conduct in,
107 around and on harbor facilities and parking areas. Such rules and regulations shall become
108 effective upon approval by the City Council. The Council may provide for a different effective
109 date. The City Manager shall print and make available to the public copies of regulations
110 adopted pursuant to this section. [Ord. 95-18(S), 1995; Ord. 88-2, 1988].

111
112 10.04.055 Fees.

113 a. Fees for the approved use of Homer harbor facilities and services as set forth in the Homer
114 port and harbor tariff may be changed by City Council resolution; provided, that a public
115 hearing is held prior to approval of the resolution; and provided further, that any such change
116 is effective only after the change is filed with the Federal Maritime Commission as an
117 amendment to the Homer port and harbor tariff.

118
119 b. The Harbormaster may negotiate special fees and charges with a vessel owner or operator
120 where the owner or operator requires an exceptional volume of, or unique or unusual, services
121 or facilities, and it is in the best interest of the City to enter into special arrangements. In such
122 event, the Harbormaster shall inform the City Manager of such special, negotiated
123 arrangements. [Ord. 95-18(S), 1995; Ord. 91-13(S) § 1, 1991; Ord. 88-2, 1988].

124
125 10.04.060 Revenues – Use of.

126 All revenues from the Homer harbor shall be expended for the maintenance, operation and
127 improvement of the Homer harbor in accordance with generally accepted accounting
128 principles. Revenues from the Homer boat harbor shall be expended solely for the furtherance
129 of financial stability and self-sufficiency of the Homer harbor. [Ord. 95-18(S), 1995; Ord. 92-22,
130 1992; Ord. 88-2, 1988].

131

132 10.04.080 City docks – Other closure.

133 The City, through its City Manager or other duly constituted agent, may prohibit the use of any
134 wharves and docking facilities owned or controlled by the City at any time when closing the
135 facilities is required to protect and preserve the public welfare and safety. [Ord. 95-18(S), 1995;
136 Ord. 88-2, 1988].

137

138 10.04.085 Use of load and launch ramp.

139 a. Terms and conditions for use of the small boat harbor load and launch ramp are provided in
140 the Homer port and harbor tariff as amended from time to time.

141

142 b. No person who is obligated to pay a fee for using the small boat harbor load and launch
143 ramp may use the small boat harbor load and launch ramp without first paying the fee
144 prescribed for its use.

145

146 c. A person who is obligated to pay a fee for using the small boat harbor load and launch ramp
147 must make the ticket verifying payment available upon request, or display the seasonal permit
148 on the port side of the permit holder’s vessel. [Ord. 16-11 § 2, 2016].

149

150 10.04.090 Underway requirement.

151 On at least two days in each calendar year, separated by at least 60 days, a vessel moored in
152 the Homer harbor shall depart under its own power from the Homer harbor and travel beyond
153 the one-quarter-mile turning basin of the Pioneer and Deep Water Docks before returning
154 under the vessel’s own power to the Homer harbor. The moorage charge for a vessel that fails
155 to comply with this requirement shall be increased by 50 percent commencing at the time the
156 vessel fails to comply and continuing during the period of noncompliance.

157

158 10.04.100 Vehicles and other wheeled conveyances.

159 a. No person other than an employee of the City or other person acting on City business shall
160 drive a vehicle upon trails in the harbor area that are designated for pedestrian or bicycle use
161 except in case of emergency. Parking or leaving boats, trailers and/or other vehicles and
162 equipment related thereto by the public shall be limited to specific areas designated for such
163 use.

164

165 b. Hauling out boats on skids is prohibited unless approved in advance by the Harbormaster.

166

167 **10.04.105 Use of Port & Harbor dumpsters**

168 **a. Dumpsters provided at Port & Harbor facilities are for Port & Harbor related use only.**

169
170 **b. The dumping of non-Port & Harbor related waste, such as household waste or**
171 **construction waste, in Port & Harbor dumpsters is prohibited.**

172
173 10.04.110 Violation – Penalty.
174 Except as provided in HCC 1.16.040 and 7.04.030, any violation of the provisions contained in
175 this title or regulations adopted pursuant to this title shall be unlawful and punishable as
176 provided in HCC 1.16.010.

177
178 10.04.115 Appeal from port and harbor citation issued pursuant to HCC Titles 7 and 10.
179 a. A person who has been issued a citation for a violation of HCC Title 7 or 10 by the City of
180 Homer Harbormaster, or their designee, may appeal that action to the hearing officer
181 designated by the City Manager by completing an administrative hearing request form and
182 delivering the form to the Homer City Clerk’s office no later than 30 days after the issuance of
183 the citation.

184
185 b. The hearing officer shall schedule an appeal hearing for the next available hearing date after
186 the date of delivery of the administrative hearing request form to the City Clerk’s office.

187
188 c. The appeal hearing shall be conducted informally and may be governed by such rules and
189 procedures as the hearing officer may establish, except that:
190 1. Each party has the right to be represented by counsel.
191 2. Each party may present witnesses and evidence.
192 3. Each party and witnesses may appear in person or by telephone.
193 4. Each party may confront and question witnesses.
194 5. The individual receiving the citation may testify in their own defense.
195 6. Each party may subpoena witnesses.
196 7. The hearing shall be open to the public.
197 8. An electronic recording shall be made of the hearing.

198
199 d. The hearing officer may exercise independent judgment as to the weight of evidence
200 supporting or refuting the notice of violation or impoundment, and may exercise independent
201 judgment on legal issues raised by the parties.

202
203 e. No later than 30 days following the hearing the hearing officer shall issue a written decision
204 including findings of fact and conclusions of law. Such findings must be reasonably specific so
205 as to provide interested persons and, where appropriate, reviewing authorities, a clear and
206 precise understanding of the reasons for the decision entered. The decision, findings of fact,
207 and conclusions of law shall be forwarded to all parties to the appeal. A final appealable
208 decision must indicate that it is a final order and that a party disputing the decision has 30 days
209 to appeal.

~~Strike-out~~ is deleted language, **bold underline** is new language

210 f. A final decision issued under subsection (e) of this section may be appealed to the Superior
211 Court within 30 days after the date the decision was issued. For the purposes of this section the
212 date of issuance is the date upon which the decision was mailed or delivered to the parties.

213

214 10.04.120 Impounded vessel procedure.

215 a. At least 10 days prior to impounding any vessel, the City shall cause to be posted on the
216 vessel, in the Harbormaster's office, the City Clerk's office and on the bulletin board at the
217 entrance of the United States Post Office notice of such action to be taken by the City. A copy
218 of the notice shall be mailed by certified mail, return receipt requested, to the owner or
219 operator of the vessel at his last known address, which address shall be the same as that
220 furnished in accordance with the regulations of this tariff. The notice shall contain the name
221 and/or number of the vessel, the name and address, if known, of the owner or operator and
222 the location of the vessel.

223

224 b. As to any vessel proposed for impoundment, an owner or operator of the vessel has the right
225 to a pre-impoundment administrative hearing to determine whether there is probable cause
226 to impound the vessel if such person files a written demand, on forms so provided for such a
227 hearing, with the City within 10 days after such person has learned such vessel will be
228 impounded or within 10 days after the return of mail receipt of the notice required by
229 subsection (a) of this section, whichever occurs first.

230

231 c. A hearing shall be conducted before a hearing officer designated by the City Manager within
232 48 hours of receipt of written demand therefor from the person seeking the hearing unless the
233 person waives the right to a speedy hearing. Saturdays, Sundays and City holidays are to be
234 excluded from the calculation of the 48-hour period. The hearing officer shall be someone
235 other than the persons who will direct the impounding and storage of the vessel. The sole issue
236 before the hearing officer shall be whether there is probable cause to impound the vessel in
237 question. "Probable cause to impound" shall mean such a state of facts as would lead a person
238 of ordinary care and prudence to believe that there was a breach of Federal, local or municipal
239 law or regulations, or any agreement entered into pursuant thereto, rendering the vessel
240 subject to impoundment. The hearing officer shall conduct the hearing in an informal manner
241 and shall not be bound by technical rules of evidence. The person demanding the hearing shall
242 carry the burden of establishing that such person has the right to possession of the vessel. The
243 Harbormaster shall carry the burden of establishing that there is probable cause to impound
244 the vessel in question. At the conclusion of the hearing, the hearing officer shall prepare a
245 written decision. A copy of such decision and reasons therefor shall be provided to the person
246 demanding the hearing and the owner of the vessel if such owner is not the person requesting
247 the hearing. The hearing officer's decision in no way affects any criminal proceeding
248 connection with the impound in question and any criminal charges involved in such
249 proceeding may only be challenged in the appropriate court. The decision of the hearing officer
250 is final and may only be appealed to the Superior Court. Failure of the owner or operator to

251 request or attend a scheduled pre-impoundment hearing shall be deemed a waiver of the right
252 of such hearing.

253
254 d. The hearing officer shall only determine that as to the vessel in question either that there is
255 probable cause to impound the vessel or that there is no such probable cause. In the event that
256 the hearing officer determines that there is no probable cause, the hearing officer shall prepare
257 and date a certificate of no probable cause, copies of which shall be given to the owner or
258 operator and to the Harbormaster. Upon receipt of such certificate of probable cause, the
259 Harbormaster may proceed with impoundment and disposition of the vessel by removal, sale
260 or destruction as authorized by this title.

261
262 e. Any vessel impounded shall be held by the City for a period of not less than 30 days during
263 which the City shall publish in a newspaper of general circulation in the City a notice describing
264 the vessel in general terms, the name and/or number, if any, the name and address of the
265 owner, or operator, if known, or if not known shall so state the location of the vessel and the
266 intention of the City to sell the same at public auction, on a day and at a place and time certain,
267 not less than 10 days prior to the sale, for cash to the highest and best bidder. At any time prior
268 to the auction, the owner or operator may redeem the vessel by cash payment of all City
269 charges against the vessel.

270
271 f. The minimum acceptable bid shall be a sum equal to the City's charges against the vessel.
272 The proceeds of the sale shall be first applied to the cost of sale, then to accrued stall license
273 fees and charges, service fees, storage charges, attorney fees and costs, and other expenses
274 provided for in this title, and the balance, if any, shall be held in trust by the City for the owner
275 of the vessel to claim; and if not claimed within one year, the balance shall be deposited into
276 the small boat harbor facilities fund. Upon the sale being made, the City shall make and deliver
277 its bill of sale, without warranty, conveying the vessel to the buyer.

278 g. If at the public sale there are no bidders for the vessel, the City may destroy, sell at private
279 sale or otherwise dispose of the vessel. The disposition is to be made without liability of the
280 City, its employees or agents to the owner, master or any lien holder of the vessel.

281
282 10.04.130 Nuisances declared – Removal.

283 a. For the purposes of this title and in the interest of the greatest use of the facilities of the
284 Homer harbor and the municipal waters by the general public, vessels in the Homer harbor
285 and elsewhere on the municipal waters that are illegally moored, cause an obstruction to
286 navigation, or that are abandoned or derelicts or unfit or unseaworthy or which are maintained
287 in such manner as to make them liable to sinking for lack of being pumped or other
288 maintenance, or which are unsafe or which are maintained in a manner as to constitute a fire
289 hazard, and sunken vessels and vessels in imminent danger of sinking, are declared to be
290 nuisances and subject to abatement and removal from the Homer harbor or other municipal
291 waters by the City or its agents, without liability of the City for any damage done by virtue of
292 the removal or for any of its consequences.

Strike-out is deleted language, **bold underline** is new language

293 b. Refuse of all kinds or any other obstructions or debris are declared to be public nuisances,
294 and it shall be unlawful for any person to place, or cause to be placed, any public nuisance in
295 the Homer harbor or in the municipal waters, or on the shores thereof. Nets, gear, and other
296 material left on any float or dock for more than 12 hours are hereby declared a public nuisance.
297 Any person causing or permitting the nuisances to be placed as aforesaid shall remove the
298 same and upon his failure to do so, the same may be removed or caused to be removed by the
299 Harbormaster. When the Harbormaster has authorized such nuisances to be removed or
300 stored commercially, all costs of such commercial removal or storage shall be paid by and
301 recoverable from the person creating the nuisances and shall not excuse the person
302 responsible therefor from prosecution hereunder. Any nuisance under this subsection may be
303 impounded, disposed of by destruction, private or public sale, or by any other means deemed
304 reasonable by the Harbormaster. Such disposition is to be made without liability of the City,
305 its employees or agents to the owner, master or any lien holder of the nuisance.

306
307 c. Upon the Harbormaster's written determination that a nuisance described in subsection (a)
308 of this section exists that constitutes a clear and present danger to the public health, safety or
309 general welfare, the nuisance may be summarily abated by the Harbormaster according to
310 HCC 10.04.132 without prior notice.

311 d. Vessels declared a nuisance under subsection (a) of this section that do not constitute a clear
312 and present danger to the public health, safety and general welfare may be moved,
313 impounded, or disposed of according to the procedure provided in HCC 10.04.120.

314
315 10.04.132 Nuisances – Abatement procedure.

316 a. Unless otherwise provided, the procedure set forth in this section shall apply whenever a
317 vessel has been impounded or removed or a nuisance vessel abated pursuant to HCC
318 10.04.130(a) or otherwise, and the pre-impoundment administrative hearing procedures of
319 HCC 10.04.120 were not followed.

320
321 b. An impoundment is effective when a written order of impoundment is placed on a vessel. An
322 order of impoundment shall identify the vessel, state the reasons for impoundment, and be
323 dated and signed by the Harbormaster or his authorized designee. An impounded vessel may
324 be immediately towed or otherwise removed upon the order of the Harbormaster. Nothing in
325 this subsection shall be construed to prevent the City from using alternatives to impoundment,
326 including without limitation removal or other means to abate a nuisance.

327
328 c. When action is taken to impound, remove, or otherwise abate a nuisance vessel, notice of
329 such action shall be placed on the vessel if possible, and within six hours a copy of the notice
330 shall be personally delivered or placed in the U.S. mail addressed to the owner of the vessel.
331 The notice shall include the following substantive provisions:

332

333 ATTENTION: The vessel _____ has been impounded/removed/abated by the City of
334 Homer harbormaster as a public nuisance for the following reasons:
335 _____

336 As the owner of the vessel you have the following options (those that apply are checked):

337 ___ The vessel has been impounded and you may recover possession of the vessel by paying
338 to the person having custody of the vessel the towing, storage, and other charges that may
339 have accrued. The vessel is at the following location:

340 _____
341 ___ The vessel has been removed and you may recover possession of the vessel at the
342 following _____ location:
343 _____

344 ___ The vessel has been destroyed. You may direct any inquiries to the City of Homer
345 harbormaster.

346 ___ The following action has been taken, and any option you may have is described below:
347 _____

348 If you believe the vessel was improperly impounded, removed, or otherwise abated, you may:
349 (i) In the case of an impoundment, recover possession of the vessel by paying any towing,
350 storage, or other charges that have accrued, and you may claim a refund or reimbursement by
351 filing a demand (on a form provided by the city) for an administrative hearing before a hearing
352 officer as to whether the harbormaster had a sufficient factual and legal basis to impound the
353 vessel; or

354 (ii) In the case of an impoundment, you may demand return of the vessel without paying the
355 towing, storage, or other charges by filing a demand (on a form provided by the city) for an
356 administrative hearing before a hearing officer as to whether the harbormaster had a sufficient
357 factual and legal basis to impound the vessel; or

358 (iii) You may in any other case file a demand (on a form provided by the city) for an
359 administrative hearing before a hearing officer as to whether the harbormaster had a sufficient
360 factual and legal basis to impound, remove, or abate the vessel.

361 To be entitled to such a hearing, your written demand must be filed with the City Clerk (a)
362 within 5 workdays after you learned that your vessel was impounded, removed, or otherwise
363 abated or (b) within 15 workdays after the City mailed notice to the vessel owner of the action
364 taken, whichever is earlier. If you fail to make a timely request for a hearing you will lose all
365 right to challenge the sufficiency of the basis for the action taken.

366 If timely requested, the hearing must be held within 48 hours after the filing of your written
367 demand, not including, Saturdays, Sundays, and city holidays, unless you waive your right to
368 a speedy hearing. A determination that there was an insufficient factual or legal basis for the
369 action taken will require the release of the vessel to the owner without payment of the towing,
370 storage, or other accrued charges, or it will entitle the owner to a refund or reimbursement if
371 the charges were already paid.

372 A hearing may be demanded by filing the appropriate form with the City Clerk at Homer City
373 Hall between 8:00 a.m. and 5:00 p.m. on any day other than Saturday, Sunday and city
374 holidays.

~~Strike-out~~ is deleted language, **bold underline** is new language

- 375 10.04.134 Nuisances – Post-removal hearing.
376 a. If demand is timely made, the owner or person entitled to possession of the vessel is entitled
377 to an administrative hearing to determine whether there was a sufficient factual and legal
378 basis for the action to impound, remove, or otherwise abate the vessel. To be entitled to such
379 a hearing, a written demand must be filed with the City Clerk (1) within five workdays after the
380 owner or other person entitled to possession learned that the vessel was impounded,
381 removed, or otherwise abated, or (2) within 15 workdays after the City mailed the notice
382 required by HCC 10.04.132(c) to the vessel owner, whichever is earlier. If no timely request for
383 a hearing is made, the factual and legal basis for the action taken will be conclusively deemed
384 sufficient for all purposes.
385
386 b. The hearing will be held within 48 hours after the filing of a written demand, not including
387 Saturdays, Sundays and City holidays, unless the person demanding the hearing waives a
388 speedy hearing.
389
390 c. The hearing officer shall not be bound by formal rules of evidence. A copy of the
391 Harbormaster’s written determination that a public nuisance exists will constitute prima facie
392 proof of a sufficient factual and legal basis for the action. The burden will be on the vessel
393 owner to prove by a preponderance of the evidence that there was not sufficient factual or
394 legal basis for impounding, removing, or otherwise abating the vessel.
395
396 d. At the conclusion of the hearing, the hearing officer shall prepare a written decision,
397 including the reasons for the decision. A copy of such decision shall be provided to the person
398 demanding the hearing and the owner of the vessel. The hearing officer’s decision in no way
399 affects any criminal charges that may be pending. The decision of the hearing officer is final
400 and may only be appealed to the Superior Court.
401
402 e. A determination by the hearing officer that there was not a sufficient factual or legal basis
403 for the action taken will require the release of the vessel to the owner or other person entitled
404 to possession without payment of the towing, storage, or the accrued charges, or will entitle
405 the person to a refund or reimbursement by the City if the charges have already been paid. If
406 the hearing officer determines there was a sufficient factual and legal basis for the action
407 taken, the Harbormaster may proceed to dispose of the vessel by sale according to HCC
408 10.04.120(e) through (g), or the Harbormaster may destroy or otherwise dispose of the vessel
409 without sale if he makes a good faith determination that the value of the vessel does not
410 exceed the costs of towing, storage, sale, and other harbor charges accrued against the vessel.
411
412 10.04.135 Nuisances – Form of demand for hearing – Hearing officer.
413 a. The City Clerk shall prepare and make available a form of demand for a hearing pursuant to
414 HCC 10.04.134. Upon receipt of a demand for a hearing the City Clerk shall immediately forward
415 the demand to the City Manager or his designee, who shall schedule an administrative hearing
416 and notify all parties.

~~Strike-out~~ is deleted language, **bold underline** is new language

417 b. The City Manager shall appoint a hearing officer to conduct hearings pursuant to HCC
418 10.04.134. No person with the authority to impound, remove, or otherwise abate a nuisance
419 vessel shall be eligible to serve as a hearing officer.

420
421 10.04.138 Interference with impoundment prohibited.

422 a. Unless authorized by the Harbormaster, it is unlawful for any person to remove an
423 impoundment order from a vessel upon which it has been posted.

424 b. Unless authorized by the Harbormaster, it is unlawful for any person to move a vessel after
425 it has been posted with an impoundment order.

426 c. It is unlawful for any person to interfere with the Harbormaster or any other person under
427 the Harbormaster's authority engaged in the impound, removal, or abatement of a vessel or
428 public nuisance.

429
430 10.04.139 Lien on impounded or nuisance vessel.

431 The City shall have a lien on any vessel impounded or abated as a nuisance under this title for
432 charges for towing, storage, costs of abatement, costs of sale, attorney fees, any other charges
433 incurred in connection with the impoundment or abatement, and charges for harbor services,
434 including, without limitation, moorage, dockage, stall rental, utilities, and other services
435 provided to or for the benefit of the vessel.

436
437 10.04.140 Annual review required.
438 An annual review shall be required of all port and harbor rates. Such annual review shall be
439 part of preparation of the port, and charges and harbor fiscal operating budgets.

440
441 10.04.150 Required equipment.
442 All watercraft or vessels shall carry the equipment required by any applicable United States
443 laws or regulations as now or hereafter amended, and shall be numbered or designated in
444 accordance with any applicable United States laws or regulations as now or hereafter
445 amended. In the absence of extenuating circumstances, failure of any boat or vessel within the
446 Homer harbor to comply with applicable United States laws or regulations shall be in violation
447 of this title.

448
449 Section 2. Homer City Code 1.16.040 is hereby amended as follows:

450
451 1.16.040 Disposition of scheduled offenses – Fine schedule.

452 Citations for offenses listed in this section may be disposed of as provided in AS 12.25.195
453 through 12.25.230, without a court appearance, upon payment of the fine amounts listed
454 below, plus the State surcharge required by AS 12.55.039 and 29.25.074. Fines must be paid to
455 the court. The Rules of Minor Offense Procedure in the Alaska Rules of Court apply to all
456 offenses listed below. Citations charging these offenses must meet the requirements of Minor
457 Offense Rule 3. If a person charged with one of these offenses appears in court and is found
458 guilty, the penalty imposed for the offense may not exceed the scheduled fine amount plus any

459 surcharge required to be imposed by AS 12.55.039 and 29.25.074. If an offense is not listed on
 460 a fine schedule, the defendant must appear in court to answer the charges.
 461
 462

CODE SECTION	DESCRIPTION OF OFFENSE	FINE
HCC 5.08.020	Transporting unsecured load of garbage, trash or other materials in vehicle	\$300.00
HCC 5.20.020	Open burning, permit required	\$300.00
HCC 5.20.030	Trash burning – Approved container required	\$300.00
HCC 5.20.050	Handling or storing explosives	\$300.00
HCC 5.24.030	Fireworks – Sale prohibited	\$300.00
HCC 5.24.040	Fireworks – Use prohibited	\$300.00
HCC 5.38.010	Feeding or baiting certain birds (first offense)	\$50.00
HCC 5.38.010	Feeding or baiting certain birds (second and subsequent offenses)	\$200.00
HCC 5.42.030	Single-use plastic carryout bags prohibited	\$50.00 per day
HCC 8.08.020	Itinerant or transient merchant – License required	\$300.00
HCC 8.08.080	Itinerant or transient merchant – Exhibition of license	\$300.00
HCC 8.08.100	Itinerant or transient merchant – Use of streets and other public places	\$300.00
HCC 8.11.030	Mobile food service – License required	\$300.00
HCC 8.11.070(b)	Mobile food service – Operation near similar business at fixed location	\$300.00
HCC 8.11.070(c)	Mobile food service – Operation in City park or campground	\$300.00
HCC 8.11.070(d)	Mobile food service – Operation in congested area on Homer Spit	\$300.00
HCC 8.12.120	Public transportation vehicle – Permit required	\$300.00
HCC 8.12.200	Chauffeurs license – Required	\$300.00
HCC 8.12.250	Public transportation vehicle – Prohibited operation	\$300.00
HCC 8.12.400	Public transportation vehicle – Display of rates/fares	\$300.00
HCC 10.04.035	Going dry/causing blockage or restricted access to the barge ramp (per tide cycle)	\$150.00
HCC 10.04.035	Commercial loading at the load and launch ramp during the hours of 6:00 a.m. – 6:00 p.m. Memorial Day to Labor Day (per occurrence)	\$100.00

Strike-out is deleted language, **bold underline** is new language

CODE SECTION	DESCRIPTION OF OFFENSE	FINE
HCC 10.04.085(b)	Failure to pay fee for use of load and launch ramp (first offense)	\$100.00
HCC 10.04.085(b)	Failure to pay fee for use of load and launch ramp (second offense)	\$200.00
HCC 10.04.085(b)	Failure to pay fee for use of load and launch ramp (third and subsequent offenses)	\$300.00
<u>HCC 10.04.105</u>	<u>Unauthorized use of Port & Harbor dumpsters</u>	<u>\$300.00</u>
HCC 13.08.010	Work in City right-of-way or connecting to City utility – Permit required	\$300.00
HCC 13.08.130	Restore City right-of-way to original condition	\$300.00
HCC 13.08.140	Repair of damage to City utilities	\$300.00
HCC 14.04.050	Sewer extension or connection – Permit required	\$300.00
HCC 14.04.070	Destruction of private sewage disposal system after connection to City sewer system	\$300.00
HCC 14.04.090	Discharge of surface drainage into City sewer	\$300.00
HCC 14.08.030	Water extension or connection – Permit required	\$300.00
HCC 14.08.040	Connection to private water system – Permit required	\$300.00
HCC 14.08.105	Resale of City water – Permit required	\$300.00
HCC 18.20.015	Storing, parking or leaving abandoned or junk vehicle	\$300.00
HCC 18.20.025	Failure to remove abandoned or junk vehicle	\$300.00
HCC 19.02.020	Large special event – Permit required	\$300.00
HCC 19.04.040	Burial of human remains outside approved cemetery	\$300.00
HCC 19.04.090(a)	Monument or other memorial protruding above ground level in City cemetery	\$300.00
HCC 19.04.090(b)	Placement, alteration or removal of monument, memorial or plant without City consent	\$300.00
HCC 19.08.030(a)	Camping on City property where prohibited	\$300.00
HCC 19.08.030(b)	Camping outside designated areas	\$300.00
HCC 19.08.030(d)	Camping in closed campground	\$300.00
HCC 19.08.050	Camping in City campground – Permit required	\$300.00
HCC 19.08.060	Camping in City campground for more than 14 days	\$300.00
HCC 19.08.070(a)	Disposal of human waste on City property	\$300.00
HCC 19.08.070(c)	Erect, occupy, utilize structure on City property	\$300.00

Strike-out is deleted language, **bold underline** is new language

CODE SECTION	DESCRIPTION OF OFFENSE	FINE
HCC 19.08.070(d)	Park, leave, maintain, utilize vehicle, camper unit, or camp where prohibited	\$300.00
HCC 19.08.070(e)	Deface, destroy, alter or remove City property	\$300.00
HCC 19.08.070(f)	Dog at large in City campground	\$300.00
HCC 19.08.070(g)	Campsite in City campground left in disorderly or unsightly condition	\$300.00
HCC 19.08.080	Improper storage of garbage, refuse, other waste in City campground	\$300.00
HCC 19.12.080	Excavation or removal of gravel or fill – Permit required	\$300.00
HCC 19.12.090	Tampering with, burning or removing driftwood from storm berm	\$300.00
HCC 19.20.020	General rules	\$300.00
HCC 19.20.030	Park closure	\$150.00

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Section 3. The Council hereby amends the FY2022 Operating Budget and authorizes an expenditure of up to \$3,000 for Port & Harbor dumpster regulation changes:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
456-0830	Port and Harbor Reserves	\$3,000

Section 4. Sections 1 and 2 are of a permanent and general character and shall be included in Homer City Code.

Section 5. Section 3 is a budget amendment ordinance only, is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of September, 2021.

CITY OF HOMER

 KEN CASTNER, MAYOR

ATTEST:

 MELISSA JACOBSEN, MMC, CITY CLERK

- 488 YES:
- 489 NO:
- 490 ABSENT:
- 491 ABSTAIN:
- 492
- 493 First Reading:
- 494 Public Hearing:
- 495 Second Reading:
- 496 Effective Date:



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

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(f) 907-235-3148

Memorandum 21-155

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: July 19, 2021
SUBJECT: Port & Harbor Dumpster Usage Ordinance

The Port & Harbor Enterprise has challenges with individuals using dumpsters located on the spit as a place to dispose of solid waste from households and businesses. This has never been permitted, but it is a long running practice by many. The intent of this proposed ordinance is to discourage the practice, reduce costs to the enterprise, keep the spit and waterways clean, and give the City the ability to fine the most egregious of offenders.

Solid Waste Management Background

The City transferred its powers as they relate to garbage and solid waste disposal, acquisition, and maintenance of suitable disposal sites to the Kenai Peninsula Borough (KPB) many years ago (HCC 5.08.010). KPB maintains a transfer station in Homer located at 169 Sterling Highway. The vast majority of the types of solid waste we frequently find in Port & Harbor dumpsters can be deposited at the transfer station for free. The transfer station is open Monday through Saturday 8:00AM to 5:45PM and Sundays 12:00pm to 4:00pm. Sunday hours are currently unavailable October through April.

Port & Harbor Dumpsters

The existing Port & Harbor dumpsters (approximately 16 units) are funded in large part by vessel moorage and specifically intended for use by vessels moored in the port & harbor. The Enterprise pays approximately \$60,000 per year in solid waste disposal. We have not conducted a waste characterization study to determine what percentage of that is non-vessel-related waste; however, staff is confident that a significant amount of waste comes from households and businesses.

It is not uncommon for the dumpsters to overflow, particularly on the weekends. Individuals will leave bags of solid waste on the ground in the vicinity of a dumpster where it is vulnerable to wind, birds, rodents, etc. which can damage garbage bags and lead to solid waste entering nearby waterways.

Currently there are not specific code sections for Port & Harbor Dumpsters nor clear signage which makes it clear dumpsters on the spit are not for general use.

Please note that there are also dumpsters on the spit for Parks-related uses. These dumpsters are generally in place seasonally and are paid for by the General Fund. An existing section in Homer City Code makes it clear that these dumpster are for parks use only (HCC 19.20 (i)).

Relevant Solid Waste Sections in Homer City Code (HCC)

HCC has a number of references to solid waste disposal and illegal dumping.

- HCC Chapter 5.08 Garbage and Solid Waste Disposal: Covers the transfer of power to KPB and a provision about securing solid waste in vehicles in such a way that it will not scatter or spill onto the roadway.
- HCC Chapter 10.08 Protection of the Harbor and Waterways
 - Defines “dump” to mean the discharge, deposit, dump, spill, leak, inject, or place matter into or on any land or water so that such matter or any constituent part thereof enters the Homer harbor or any waterway.”
 - Specifically outlaws dumping trash and other materials into the Homer Harbor or any waterway.
 - Sets fines for dumping which start at \$100 and escalate to \$1000 with each act of dumping and day of dumping as separate offenses. Each individual battery dumped is its own offense.
 - Additionally, any person who dumps in the Harbor or any waterway is strictly liable for the cost of removing the prohibited matter and repairing/remediating any damage. They City may also exercise any civil remedy available under HCC 1.16.020, AS 46.03.822, or any other provision of law.
- HCC Chapter 19.20 Parks and Recreation Facilities: Specifically states that “dumpsters provided at park facilities are intended for park use only.”
- HCC Chapter 18.28 Tidelands:
 - Includes littering or dumping of waste in the definition of “waste or injury to land”
 - Waste or other injury upon City-owned tideland and contiguous submerged land is unlawful and the offending person is civilly liable for any damages caused and may also be punished in accordance with HCC 1.16.010

Notably absent is a general provision for littering. Staff recommends that the Port & Harbor dumpster ordinance be followed up by a littering ordinance in the near future.

Proposed Solution

While it is clear that dumping of solid waste outside of dumpsters is not legal on the spit, the restricted use of Port & Harbor dumpsters is not clearly defined in code. Staff believes that it should be specifically stated in code that dumpsters are for port & harbor use similar to the provision for park dumpsters in Chapter 19.20.

The proposed ordinance creates a new section which makes it clear port & harbor dumpsters are limited to use by moorage paying vessels, and creates a mechanism to penalize offenders. The ultimate goal isn't to spend much time enforcing the ordinance, we just want to deter the current unauthorized use. The ordinance also sets aside \$3000 in Port & Harbor Reserve funds for signage.

Alternatives

The following alternative concepts have been discussed briefly by Council but without resolution:

1. Allow households and businesses to use Enterprise dumpsters to dispose of solid waste with supplemental funding from KPB.
2. Encourage KPB to keep the transfer station open on Sundays year-round to avoid gaps in availability.

Staff is not supportive of encouraging the use of Enterprise dumpsters by the public for non-Port & Harbor purposes. It creates extra expense, extra work, and is likely to create attractive nuisances around popular dumpsters which are likely to overflow and cause environmental concerns. While funds from KPB would be welcome relief to the Enterprise budget, the increased dumping is likely not worth the financial contribution.

On the other hand, staff is extremely supportive of KPB directing funds to itself to keep the transfer station open on Sundays all year. It removes a barrier to disposal for folks who want to do their trash run on a Sunday. This change by KPB would be an excellent complement to the proposed ordinance.

Staff Recommendation: Introduce the proposed Port & Harbor dumpster ordinance on Sept 13th and adopt it at the Sept 27th meeting. Continue to lobby KPB to extend Sunday service on a year round basis.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-54

An Ordinance of the City Council of Homer, Alaska, Amending the 2022 Budget by Appropriating Funds in the Amount of \$60,000 from the General Fund Fund Balance for the Purpose of Supporting COVID-19 Mitigation and Response.

Sponsor: City Manager

1. City Council Regular Meeting September 13, 2021 Introduction
Memorandum 21-156 from City Manager as backup
2. City Council Regular Meeting September 27, 2021 Public Hearing and Second Reading

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4
5 **ORDINANCE 21-54**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY 2022 BUDGET BY APPROPRIATING FUNDS IN
9 THE AMOUNT OF \$60,000 FROM THE GENERAL FUND FUND
10 BALANCE FOR THE PURPOSE OF SUPPORTING COVID-19
11 MITIGATION AND RESPONSE.
12

13 WHEREAS, The City’s Local Health Emergency declaration for COVID-19 expired in June
14 2021; and

15
16 WHEREAS, The spread of COVID-19 continues, fueled by what is known as the delta
17 variant; and

18
19 WHEREAS, The U.S. Food and Drug Administration is expected to recommend all
20 Americans already fully vaccinated with an mRNA vaccine receive a booster dose; and

21
22 WHEREAS, The City intends to partner with South Peninsula Hospital to host a COVID-
23 19 Booster Program; and

24
25 WHEREAS, There is an expectation that unforeseen developments related to COVID-19
26 will likely create costs not accounted for in the City’s operating budget.
27

28 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

29
30 Section 1. The FY 2022 budget is hereby amended by appropriating funds in the amount
31 of \$60,000 for the purpose of COVID-19 mitigation and response.
32

33 Revenue:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
100-0350-5990	General Fund Fund Balance	\$60,000

36
37 Expenditure:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
157-0936-5200	COVID-19 Mitigation	\$60,000

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

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ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 27th day of September, 2021.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Introduction:
Public Hearing:
Second Reading:
Effective Date:

Yes:
No:
Abstain:
Absent:



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
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(f) 907-235-3148

Memorandum 21-156

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: September 7, 2021
SUBJECT: COVID-19 Booster Program

It is anticipated that the U.S. Food and Drug Administration (FDA) will be authorizing and recommending that all Americans already fully vaccinated with an mRNA vaccine (i.e., Pfizer or Moderna) receive a booster dose.

South Peninsula Hospital (SPH) is beginning to prepare for implementation of a booster shot program and reached out to the City to discuss a partnership. On August 23rd their CEO, along with key COVID mitigation staff, met with Special Projects Coordinator Jenny Carroll and requested City logistical support for anticipated booster shot distribution. Because we are no longer working under a declared emergency, a new agreement between the parties has been developed.

The vision is to host a series of vaccine PODs, similar to those conducted earlier in the year to distribute the two-series doses of vaccines to the public. As before, SPH would be responsible for the healthcare-related elements of the PODs. The City would be responsible for coordinating planning, logistics, and communications.

Related to this new agreement with SPH to assist in launching a COVID-19 Booster Program, is a request to appropriate funds from the General Fund to support COVID mitigation activities for the next year. I am requesting \$60,000 to support POD staffing, future pop up vaccination and/or testing events, supplies (i.e., signage, parts/batteries for electronic reader boards, masks, etc.), and contracting for communications support. Whenever possible, staff will use State or Federal COVID grant funds first before using City funds.

Staff Recommendation: Introduce Ordinance funding FY22 COVID mitigation program on September 13th and adopt on September 27th.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-55

An Ordinance of the City Council of Homer, Alaska Amending Accepting American Rescue Plan Act (ARPA) Funds to the General Fund as Revenue Replacement

Sponsor: City Manager/Finance Director

1. City Council Regular Meeting September 13, 2021 Introduction
Memorandum 21-157 from Finance Director as backup
2. City Council Regular Meeting September 27, 2021 Public Hearing and Second Reading

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/
4 Finance Director

5 **ORDINANCE 21-55**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
8 ACCEPTING AMERICAN RESCUE PLAN ACT (ARPA) FUNDS TO THE
9 GENERAL FUND AS REVENUE REPLACEMENT.

10
11 WHEREAS, The American Rescue Plan Act (ARPA) made COVID relief funds available to
12 local governments for uses to include revenue replacement; and

13
14 WHEREAS, City Council approved Resolution 21-046 to accept funds from the Alaska
15 department of Commerce, Community and Economic Development; and

16
17 WHEREAS, City Staff submitted the required documents to the State of Alaska; and

18
19 WHEREAS, The City of Homer has been awarded \$1,429,524.87 to be paid in two
20 tranches, one year apart; and

21
22 WHEREAS, After an analysis by Porter & Allison, it was determined that the City
23 qualified for revenue replacement exceeding the amount of ARPA funds awarded; and

24
25 WHEREAS, The first tranche of \$714,762.44 has now been disbursed to the City of
26 Homer.

27
28 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

29
30 Section 1. The Homer City Council hereby appropriates the ARPA funding in the
31 amount of \$714,762.44 into the General Fund as revenue replacement.

32
33

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
119-0375	ARPA Funding	\$714,762.44

34
35
36 Section 2. This is a budget amendment ordinance, is temporary in nature, and shall not
37 be codified.

38
39 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of September, 2021.
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CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSENT:

ABSTAIN:

First Reading:

Public Hearing:

Second Reading:

Effective Date:



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum 21-157

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 8, 2021
SUBJECT: ARPA Funding

The purpose of this memo is to provide Council with additional information regarding the American Rescue Plan Act (ARPA) funding that the City of Homer is to receive.

Background:

In 2021, the Federal Government passed the American Rescue Plan Act (ARPA). The City of Homer is to receive \$1,429,524.87 in two tranches one year apart. The City will receive this funding as a pass through from the State of Alaska.

The eligible timeframe for expenditures in March 3, 2021 through December 21, 2024. The costs must be incurred by December 31, 2024 and fully expended by December 31, 2026.

Eligible Uses:

1. To respond to the COVID-19 public health emergency or its negative economic impacts;
2. To respond to the workers performing essential work during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employees that have eligible workers who performed essential work;
3. For provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency. Use of funds for government services must be forward looking for costs incurred by the recipient after March 3, 2021; and
4. To make necessary investments in water, sewer, or broadband infrastructure. Can cover costs incurred for eligible projects planned or started prior to March 3, 2021, provided that the project costs covered by the SLFRF award funds were incurred after March 3, 2021.

5. Funds can be used for administering the SLFRF program, including direct and indirect costs, costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements.
6. Funds can be used for a reasonable, proportionate share of the costs of audits required by the Single Audit Act.
7. Certain employees' wages, salaries and covered benefits are an eligible use of funds.

Ineligible Uses:

1. Deposits to pension fund;
2. Offset a reduction in net tax revenue caused by the recipient's change in law, regulation, or administrative interpretation;
3. Non-Federal match where prohibited
4. Service debt, satisfy a judgment or settlement, or contribute to a "rainy day" fund.

Professional Consultation:

In July, we met with Porter and Allison (P&A) to discuss the possibility of utilizing the ARPA funding as revenue replacement. P&A was also consulted for the calculation of the total revenue reduction amount. Upon completion of that calculation it was determined that the loss in revenue exceeded the amount of ARPA funds to be awarded to the City. Therefore, the City of Homer is eligible to fully utilize the ARPA funding as revenue replacement.

Recommendation:

Pass Ordinance 21-55 appropriating the first tranche of \$714,762.44 into the General Fund as revenue replacement.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-56

An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a New Legislative Grant for the Approved Re-Appropriation of Remaining Funds from Previous Grant #15-DC-061 in the Amount of \$35,234.19 for the Purpose of Harbor Fire Cart Replacement and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. City Council Regular Meeting September 13, 2021 Introduction

State Re-Appropriation Request
Signatory Authority Form

2. City Council Regular Meeting September 27, 2021 Public Hearing and Second Reading

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4 **ORDINANCE 21-56**

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6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 ACCEPTING AND APPROPRIATING A NEW DESIGNATED
8 LEGISLATIVE GRANT FOR THE APPROVED RE-APPROPRIATION OF
9 REMAINING FUNDS FROM PREVIOUS GRANT #15-DC-061 IN THE
10 AMOUNT OF \$35,234.19 FOR THE PURPOSE OF HARBOR FIRE
11 CART REPLACEMENT AND AUTHORIZING THE CITY MANAGER TO
12 EXECUTE THE APPROPRIATE DOCUMENTS.

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14 WHEREAS, The State of Alaska approved designated legislative grant #15-DC-061 to the
15 City of Homer for the Homer Sheet Pile Loading Dock project in 2014 (Ord 14-44(S)); and

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17 WHEREAS, Remaining funds after project completion in June of 2020 were \$35,234.19;
18 and

19
20 WHEREAS, The State of Alaska Legislature has approved the re-appropriation of those
21 remaining funds in the amount of \$35,234.19 into a new designated legislative grant, per A.S.
22 37.05.315 (Grants to Municipalities), granted to the City of Homer for the purpose of harbor fire
23 cart replacement; and

24
25 WHEREAS, It is in the City's best interest to accept and appropriate the grant for needed,
26 city budget approved, infrastructure improvements.

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28 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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30 Section 1. The Homer City Council hereby accepts and appropriates a designated
31 legislative grant from the State of Alaska for FY2022 in the amount of \$35,234.19 as follows:

<u>Revenue Account</u>	<u>Description</u>	<u>Amount</u>
456-0830	Alaska Designated Legislative Grant	\$35,234.19

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36 Section 2. The City Manager is authorized to execute the appropriate documents.

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38 Section 3. This is a budget amendment ordinance, is temporary in nature, and shall not
39 be codified.

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41 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of September, 2021.

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CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:



City of Homer State Re-appropriation Request:

Harbor Fire Cart Replacement

The City of Homer requests a re-appropriation of State Legislative Grant funds to replace two Harbor Fire Carts, essential equipment for fire protection in Homer's Port & Harbor, protecting valuable port infrastructure and providing a vital service to the maritime community when disaster strikes.

Homer's Volunteer Fire Department provides first response marine fire protection to \$107.5 million in public infrastructure including the Deep Water Dock, the Pioneer Dock, a fish offloading dock, barge haul out facilities, load and launch ramps and nearly 1,000 slips for marine vessels from 20 feet to 110 feet in length. They also protect hundreds of millions of dollars more in private property with all of the vessels and boats moored in the harbor.

Tidal fluctuations ranging up to 26 feet at maximum tides requires that firefighting resources are staged with the floating docks, rather than shore based. Harbor Fire Carts are specialized equipment uniquely capable of filling this need. They are compact, powerful, motorized fire apparatus containing firefighting equipment required for full service response: a 20-gallon AFFF foam tank, a high capacity CET portable pump able to deliver sea water and/or the AFFF foam to two attack lines simultaneously, a set of irons for forcible entry and LED scene lighting. Standard operating procedures require that harbor officers stage at least 2 working Fire Carts at every fire for safety.

Seven fire carts are located strategically throughout the 2.5 miles of harbor floats. Each is stored in a heated and insulated shed accessible only to the trained Harbor Officers and deployed when there is a fire or threat of a fire in port infrastructure or on a moored vessel. On many occasions this fast response apparatus has saved vessels and prevented the devastating and costly spread of fire in the small boat harbor.

This project seeks to replace two of the fire carts which are presently over 30 years old. Aggressive and ongoing repairs have allowed these apparatus to function well beyond their 20-year service life. However, the two needing replacement have begun failing due to the harsh marine environment and age.

This is a high priority Capital project for the City of Homer.

Project Total Cost:	\$50,000 (\$25,000 per cart)
State Re-appropriation:	\$35,234
City of Homer Match	\$14,766

Project Contact: Jenny Carroll, Special Projects Coordinator
jcarroll@ci.homer.ak.us
907-435-3101

Time line for completion 2022:

1st and 2nd Quarter (Jan-June 2022)- Purchase and shipping of all needed supplies

3rd Quarter (July-Sept 2022)- Completion of rebuild/replacement of Fire Suppression Cart #5

4th Quarter (Oct- Dec. 2022)- Completion of rebuild/replacement of Fire Suppression Cart #6

Budget Summary:

Note: The main budget items for each fire cart replacement are listed below. Shipping and import fees, as well as the misc. parts line item of “Hoses, nozzles, gated wye” are best approximations and subject to changing conditions.

Per Fire Suppression Cart:

- Tohatsu fire pump: \$17704.85
- Tracked carrier: \$4625.00
- Hoses, nozzles, gated wye: \$4201.30
- Shipping/import fees: \$1437.55
- Misc. parts: \$500

- Total per cart: \$28,468.70

- **Project total = \$56,937.40**

Note: The City’s matching portion, as well as any cost of material fluctuations above the anticipated, will be covered by the approved budget request for the 2022-2023 City Budget. The Fire Cart rebuild #5 has an approved appropriation from the Port Reserves of \$30,000 to be used in the rebuild and replacement of this needed infrastructure. (see attached)

DESIGNATED LEGISLATIVE GRANT SIGNATORY AUTHORITY FORM

Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs

Please clearly print, submit ORIGINAL form, and submit an updated form annually or whenever changes are made to the information below.

Grantee Name:	Date:
Regular Election Held (if applicable):	Telephone Number:
Grantee Contact Name:	Fax Number:
Address:	E-mail Address:
City, State, Zip Code:	Federal Tax ID #:
Indicate reporting frequency: <input type="checkbox"/> Monthly Reporting <input type="checkbox"/> Quarterly Reporting	

Use this section to designate individuals other than the Chief Administrator to sign the following documents:

Grant Agreements and Amendments:	Financial/Progress Reports and Advance Requests:
Printed Name:	Printed Name:
Title:	Title:
Signature:	Signature:
Printed Name:	Printed Name:
Title:	Title:
Signature:	Signature:

This signatory authority is conveyed by _____, the Chief
(Name)

Administrator of _____, this _____ day of _____, 20____
(Grantee Name)

Signature

Printed Name/Title

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**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

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ORDINANCE 21-57

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AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE CONVEYANCE OF 601 SQUARE FEET OF CITY PROPERTY, KENAI PENINSULA BOROUGH PARCEL ID# 17302201, FOR AN EASEMENT TO THE ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITY (AKDOT/PF) TO SUPPORT STERLING HIGHWAY IMPROVEMENTS AND ACCEPTING \$1,000 AS JUST COMPENSATION FOR ACQUISITION OF THE EASEMENT.

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WHEREAS, The AKDOT/PF is reconstructing portions of the Sterling Highway between Anchor Point and Baycrest Hill; and

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WHEREAS, According to the project proponents, the project *“will include new roadway pavement, additional shoulder width, the addition of passing lanes/climbing lanes, replacement of bridges and culverts, and stabilization of streambeds to restore the structural integrity, increase safety, reduce congestion and improve traffic efficiency through the corridor”*; and

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WHEREAS, The City owns a 33-acre parcel with the legal description T 6S R 14W SEC 9 SEWARD MERIDIAN HM SE1/4 SE1/4 EXCLUDING THE W1/2 SW1/4 SE1/4 SE1/4, KPB Tax Id# 173022001, located at mile post 168 on the Sterling Highway; and

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WHEREAS, The AKDOT/PF requires an easement, comprising 601 square feet of this parcel, and identified as Parcel E-16C and has offered \$1000 as just compensation for the acquisition of the easement; and

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WHEREAS, Granting this easement will not impede the City’s current or future uses of the parcel.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Conveyance of 601 square feet of property with the legal description T 6S R 14W SEC 9 SEWARD MERIDIAN HM SE1/4 SE1/4 EXCLUDING THE W1/2 SW1/4 SE1/4 SE1/4, KPB Tax Id# 173022001, located at mile post 168 on the Sterling Highway is hereby authorized to be negotiated and executed by the City Manager.

Section 2. Compensation in the amount of \$1000 shall be allocated to the City of Homer Land Reserves Fund as follows:

Revenue:	<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	150-0392	Sterling Highway Property Conveyance	\$1000

Section 3. This is a budget ordinance, is temporary in nature and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of September, 2021.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSENT:

ABSTAIN:

First Reading:

Public Hearing:

Second Reading:

Effective Date:



City of Homer

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Public Works

3575 Heath Street

Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907-235-3170

(f) 907-235-3145

MEMORANDUM 21-158

To: Mayor Castner and Homer City Council

Through: Rob Dumouchel, City Manager

From: Janette Keiser, PE, Public Works Director

Date: August 26, 2021

Subject: Easement related to Alaska Department of Transportation & Public Facility's (AKDOT/PF) Sterling Highway MP 157-169 Project

Issue: The purpose of this memorandum is to recommend conveying an easement to the AK DOT/PF's Sterling Highway project, between MP 157-169.

Background: The AK DOT/PF is reconstructing portions of the Sterling Highway between Anchor Point and Baycrest Hill. According to the project proponents, the project *"will include new roadway pavement, additional shoulder width, the addition of passing lanes/climbing lanes, replacement of bridges and culverts, and stabilization of streambeds to restore the structural integrity, increase safety, reduce congestion and improve traffic efficiency through the corridor."*

The City owns a 33-acre parcel, located at MP 168 on the Sterling Highway. The AK DOT/PF requires an easement, comprising 601 square feet of this parcel, and identified as Parcel E-16C. The agency has offered \$1000 as Just Compensation for the acquisition of the easement.

We have reviewed the agency's request and determined that granting this easement will not impede the City's current or future uses of the parcel.

Recommendation:

City Council authorize the City Manager to execute documents related to the conveyance of Parcel E-16C to the AK DOT/PF.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-57

An Ordinance of the City Council of Homer, Alaska, Authorizing the Conveyance of 601 Square Feet of City Property, Kenai Peninsula Borough Parcel ID 17302201, for an Easement to the Alaska Department of Transportation and Public Facility AKDOT/PF to Support Sterling Highway Improvements and Accepting \$1,000 as Just Compensation for Acquisition of the Easement.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting September 13, 2021 Introduction

Memorandum 21-158 from Public Works Director as backup
2. City Council Regular Meeting September 27, 2021 Public Hearing and Second Reading

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-58

An Ordinance of the City Council of Homer, Alaska, Amending the FY2022 Capital budget by Appropriating \$75,000 from the HERC CARMA Fund for Professional Services for a Public Process and Feasibility Study of a New Multi-Use Center.

Sponsor: City Manager

1. City Council Regular Meeting September 13, 2021 Introduction
Memorandum 21-159 from the City Manager as backup.
2. City Council Worksession September 20, 2021 Worksession
3. City Council Regular Meeting September 27, 2021 Public Hearing and Second Reading

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

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5 **ORDINANCE 21-58**

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7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY 2022 CAPITAL BUDGET BY APPROPRIATING
9 \$75,000 FROM THE HERC CARMA FUND FOR PROFESSIONAL
10 SERVICES FOR A PUBLIC PROCESS AND FEASIBILITY STUDY OF A
11 NEW MULTI-USE CENTER.

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13 WHEREAS, The Homer Education Recreation Complex (HERC) Task Force completed its
14 work in January, 2019; and

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16 WHEREAS, The HERC demolition/Community Recreation Center was identified as a
17 Council-Initiated 2020 Priority; and

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19 WHEREAS, Demolition cost for the two structures on the site has been estimated; and

20
21 WHEREAS, The COVID-19 pandemic paused work on many city priorities; and

22
23 WHEREAS, The City and Council are now able to refocus efforts on large projects to
24 benefit the City; and

25
26 WHEREAS, Due to federal funding there is a near term opportunity to apply for grants
27 to cover the demolition of the existing structures and fund a design-build process for a new
28 multi-use facility; and

29
30 WHEREAS, To apply for funds the City and its residents need to clarify what kinds of
31 public and private activities should take place in a new facility, and how the facility will cover
32 operations and maintenance expenses after construction; and

33
34 WHEREAS, Hiring a consultant to work through a public process with citizens and to
35 create a long term business plan is needed if the City is going to apply for funding, and to
36 support the facility long term if the project is constructed.

37
38 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

39
40 Section 1. The Homer City Council hereby amends the FY 2022 Capital Budget by
41 appropriating \$75,000 from the HERC CARMA FUND for professional services.

	<u>Account</u>	<u>Description</u>	<u>Amount</u>
44			
45	156-0396	HERC CARMA FUND	\$75,000
46			

47 Section 2. This is a budget amendment ordinance only, is not permanent in nature, and
48 shall not be codified.

49
50 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 27th day of September, 2021.

51
52 CITY OF HOMER

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55 _____
56 KEN CASTNER, MAYOR

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60 ATTEST:

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62 _____
63 MELISSA JACOBSEN, MMC, CITY CLERK

64
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66 YES:

67 NO:

68 ABSTAIN:

69 ABSENT:

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71 First Reading:

72 Public Reading:

73 Second Reading:

74 Effective Date:



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

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Homer, Alaska 99603

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(f) 907-235-3148

Memorandum 21-159

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: September 3, 2021
SUBJECT: HERC Planning Funding

The redevelopment of the HERC campus has been a high priority for the City for some time now. Momentum on the project was lost with the outbreak of the COVID-19 pandemic in 2020. Council and Administration have both been actively working to get the HERC project back underway.

The ordinance to be introduced on September 13th which appropriates \$75,000 from the HERC CARMA fund for professional services for public process and feasibility of a new multi-use center, is a big first step towards developing the project and moving it forward.

Originally, I intended to have a work session first, and then to bring forward a funding opportunity. Potential funding from the Economic Development Administration (EDA) through the American Rescue Plan Act has altered the timeline. On September 1st I met with Tim Dillon of the Kenai Peninsula Economic Development District (KPEDD) and Shirley Kelly who is the top EDA official in Alaska. During that conversation it became apparent that the HERC's redevelopment could be a very competitive project for a travel, tourism & outdoor recreation grant program. I would like to accelerate the process with the help of a consultant.

Staff will still be hosting a HERC work session on September 27th. We hope to get this ordinance adopted that evening so that we can launch an RFP for professional services shortly thereafter and award a contract by the end of October.

Staff Recommendation: Introduce ordinance on September 13th, adopt on September 27th.



City of Homer

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Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

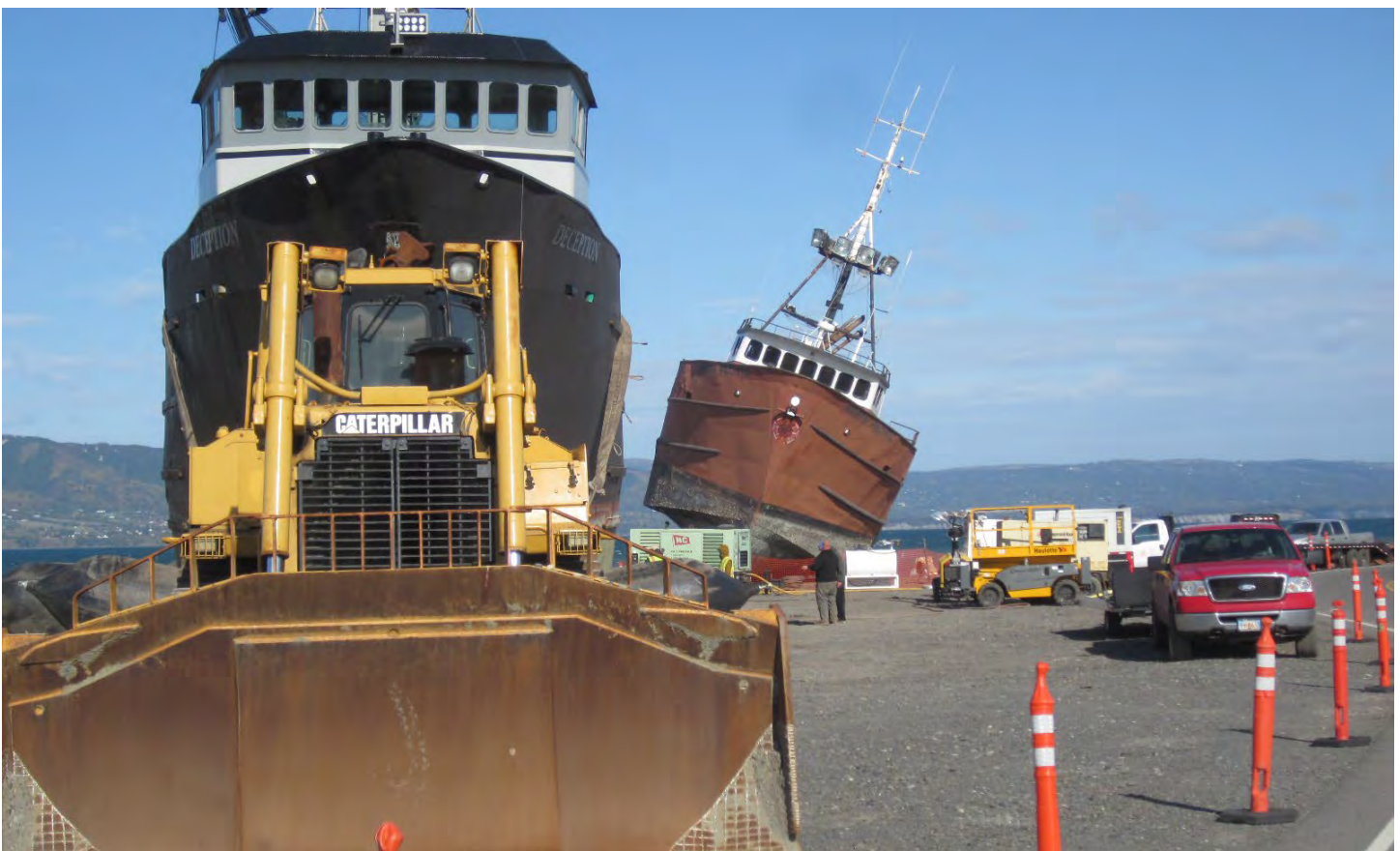
(f) 907-235-3148

Memorandum

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: September 21, 2021
SUBJECT: City Manager's Report for September 27, 2021 Council Meeting

Large Vessel Haul Out Update

Visitors to the spit are likely to have noticed that there is a lot of activity in the large vessel haul out area. At this time the Hallo Bay, Kona Kai, Deception, Summer Bay and North Pacific have been hauled out. While most of the vessels are out of the water for maintenance purposes, the North Pacific is slated to be dismantled beginning in October.



ADA Van Accessible Parking Spots Paved

The Harbor's gravel parking lots have had designated ADA parking spots for years to ensure that harbor users with limited mobility have close access to the harbor ramps. The ideal configuration for an accessible parking space is to be on even, stable, firm, and slip resistant surfaces. Paving these parking spaces was a goal

identified in the 2019 ADA Transition Plan and Council approved ADA CARMA funds to complete the job. Dutch Boy Landscaping & Paving prepared and paved the ADA parking spots this month, and now we can ensure safer access to the harbor for all.



Radio System Upgrades

ProComm Alaska visited Homer from September 7th to 14th and carried out work to upgrade the City's radio communications. They installed new equipment at the Skyline tower, set up a new repeater at the Port, and fine-tuned new handheld and vehicle-mounted radios. The upgrades have already significantly expanded the range of Port transmissions; during testing, staff were able to reach the Seldovia harbormaster and contact a ship in the bay using a handheld radio. Further testing and modifications will be needed, but we hope to integrate Fire and Police communications into the Alaska Land Mobile Radio (ALMR) system before long.

Skatepark Update

The materials for the two halfpipes have arrived and are in storage at Public Works. The location of the two elements has been surveyed out in the turf and flagged and painted. Parks put site preparation and halfpipe construction out to bid, but had no interested parties. Instead, Public Works staff will handle the construction internally. Gravel is being donated by Dibble Creek and will be delivered the week of the 20th. City operators will be ready to move forward with site preparation when weather and staff availability line up to make it work.

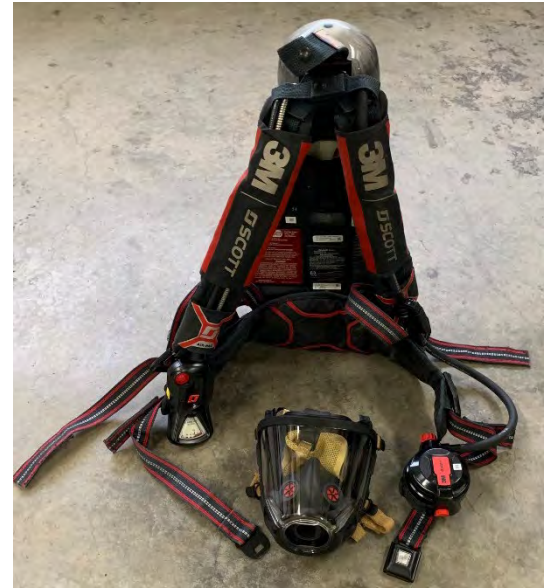
Firefighting Class Starting Soon – This is a Great Time to Become a Volunteer!

The Homer Volunteer Fire Department is recruiting volunteers and is offering a Firefighter 1 class this fall. The class runs from October 18, 2021 to February 5, 2022. Completing the class equips participants for both State and National FF1 certification and to be an effective part of the HVFD team. Volunteers make up 75% of Homer's fire department and are essential for effective response to the over 650 calls HVFD gets annually. Getting involved with a volunteer fire department is an incredibly rewarding way to make a positive contribution to your community. No prior experience or certifications are necessary, just a motivation to help your fellow residents and your community. If you are interested, call HVFD at 235-3155 or drop by, meet the crew and pick up an application. Staff is more than happy to answer any questions you may have. Information is also on the City's website at <https://www.cityofhomer-ak.gov/fire/hvfd-recruiting-new-volunteers-and-offers-firefighter-1-training>.

Volunteer Fire Department SCBA Units

In May, Council approved Ordinance 21-25 to fund the replacement of the Volunteer Fire Department's Self Contained Breathing Apparatus – a very critical safety system for staff and volunteers. Chief Kirko has provided the following update:

The Department took delivery of our new Self Contained Breathing Apparatus (SCBA). The crews have been training with them and they will be placed into service on September 28th. SCBA are used during times that we are required to work in an IDLH atmosphere. IDLH stands for immediately dangerous to life or health. Firefighters often work in this type of atmosphere and must have the SCBA to keep them safe and provide them the means to work in those conditions. The SCBA meet the new NFPA-1404 respiratory standards and NFPA-1500 Occupational Safety and Health standards for firefighting.



These new units will have a useful life span of 15 years and have features that will provide the firefighters safer operations under the new design. They are constructed more ergonomically to reduce the pressure and fatigue on the lower back of the user, higher temp face shields provide the user a higher degree of safety during times of use in superheated areas, Bluetooth communications have been added to the face piece for enhanced ability to clearly communicate via handheld radios with command staff and other users.

Art in the Library Program is Open for Submissions

The Art in the Library program is accepting submissions for display in the fireplace lounge area. The deadline is officially September 30th, but may be extended if there is still space available in the calendar. Full details of the program can be found on the website of the Friends of Homer Library at: <https://friendsofthehomerpubliclibrary.wildapricot.org/Art-in-the-Library>

Duffy Bench Project

Recently, City staff from the Library and Building Maintenance met with stakeholders from the Duffy Memorial Bench project. The project is on track for installation on the library grounds during the month of October.



FY21 Financial Report

Attached to this report is an overview of FY21 provided by Finance Director Walton.

Personnel Updates

Police Department: *The Homer Police Department is welcoming two new dispatchers. Charles Benson joined the HPD crew on September 20th. Emily Larson's first day of duty will be on October 5th. These folks are replacing two dispatchers who resigned in the last four months. Best wishes for their future with the City of Homer. – Chief Robl*

Public Works: Our friend and longtime coworker Paul McBride recently passed away. Paul was a very well-liked and familiar face throughout our City's facilities. His passing is a big loss for our City, and a personal loss to many friends and family. Services will be held for Paul at Homer Independent Baptist Church on Saturday, October 9th at 1PM.

Enclosures:

1. FY2021 2nd Quarter (End of Fiscal Year) Financials with Memo



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 23, 2021
SUBJECT: FY2021 2nd Quarter (End of Fiscal Year) Financials

This memo will provide additional information related to the FY2021 2nd Quarter Financial Report. This report is also representative of the end of the fiscal year 2021 which ran from January 1, 2021 to June 30, 2021.

Report Basics:

The purpose of these reports is to provide a budget versus actual comparison for City Council and at the same time illustrating the operating revenues and expenditures each fund has experienced within a given time period.

Therefore, it is important to remember that these reports are not all inclusive and do not represent all financial activity of the City. The focus is to report on those revenues and expenditures that present themselves as operating and are included in our budget.

Financial Background Information:

City Council passed three key pieces of legislation in 2020 which had a major impact on FY21: (1) Resolution 20-112 to change the City's fiscal year; (2) Resolution 20-119 to truncate the fiscal year for 2021 to a six month period (January 1, 2021 to June 30, 2021); and (3) Ordinance 20-93(A) to amend the FY21 budget to account for the six month period. The passage of Ordinance 20-93(A) balanced the budget by drawing on each fund's respective operating fund balance.

General Fund:

Preliminary estimates show the General Fund experiencing a roughly \$2.7 million operating deficit for FY21. The primary driver of this deficit is the passage of ORD 20-93(A), as Council balanced the FY21 budget by drawing roughly \$3.4 million from the General Fund Fund Balance.

Revenue forecasts were very conservative and most sources met budget expectations.

Credit should be given to the various general fund departments for paying close attention to their budgets and keeping the overall spending in line with budgeted expenditures.

Water and Sewer Fund:

Preliminary estimates show the Water and Sewer Fund experiencing a roughly \$50k operating surplus for FY21. The primary driver of this surplus is a decent reduction in budgeted expenditures (\$300k).

Credit should be given to the Water/Sewer team for monitoring expenditures and working hard to keep costs at or under budget.

Port and Harbor Fund:

Preliminary estimates show the Port and Harbor Fund experiencing just shy of a \$162k operating deficit for FY21. The primary driver of this deficit is the passage of ORD 20-93(A), as Council balanced the FY21 budget by drawing roughly \$349k from the Harbor Operating Fund Balance. The large over spend for Administration is associated with the harbor bond payment. This is a booking discrepancy and has been addressed in a non-operating journal entry.

Credit should be given to those employees at the Harbor for working diligently to keep spending within the bounds of the budget.

Quarterly General Fund
Expenditure Report
For Quarter Ended June 30, 2021

	Amended FY21 Budget	Actual As of 6/30/21	Budget Remaining	% Budget Used
Revenues				
Property Taxes	\$ 123,353	\$ 143,861	\$ 20,508	116.63%
Sales and Use Taxes	1,825,253	2,295,852	470,599	125.78%
Permits and Licenses	23,914	23,381	(533)	97.77%
Fines and Forfeitures	5,201	3,886	(1,315)	74.72%
Use of Money	37,360	(10,129)	(47,489)	-27.11%
Intergovernmental	247,480	241,344	(6,136)	97.52%
Charges for Services	308,347	89,398	(218,949)	28.99%
Other Revenues	-	76,970	76,970	100%
Airport	93,814	85,959	(7,855)	91.63%
Operating Transfers	303,634	303,634	(0)	100.00%
Total Revenues	\$ 2,968,355	\$ 3,254,155	\$ 285,800	109.63%
Expenditures & Transfers				
Administration	\$ 588,196	\$ 523,945	\$ 64,251	89.08%
Clerks	411,740	407,632	4,108	99.00%
Planning	190,819	178,308	12,512	93.44%
Library	440,824	401,801	39,023	91.15%
Finance	442,099	367,604	74,495	83.15%
Fire	643,362	584,756	58,606	90.89%
Police	1,760,588	1,735,978	24,610	98.60%
Public Works	1,484,377	1,323,975	160,402	89.19%
Airport	128,820	111,262	17,558	86.37%
City Hall, HERC	92,728	74,173	18,555	79.99%
Non-Departmental	94,000	94,000	-	100.00%
Total Operating Expenditures	\$ 6,277,554	\$ 5,803,433	\$ 474,120	92.45%
Transfer to Other Funds				
Leave Cash Out	\$ 58,222	\$ 58,222	\$ -	100%
Debt Repayment	-	-	-	-
Energy	21,718	21,718	-	100%
Adjusting Entries	-	-	-	0%
Total Transfer to Other Funds	\$ 79,940	\$ 79,940	\$ -	100%
Total Transfer to Reserves	\$ 58,142	\$ 58,142	\$ -	100%
Total Expenditures & Transfers	\$ 6,415,635	\$ 5,941,515	\$ 474,120	92.61%
Net Revenues Over (Under) Expenditures	\$ (3,447,280) \$ (2,687,360)			

Note: The deficit was expected, per ORD 20-93(A).

These numbers are preliminary and are subject to our annual audit.

Quarterly Water and Sewer Fund
Expenditure Report
For Quarter Ended June 30, 2021

	Amended FY21 Budget	Actual As of 6/30/21	Budget Remaining	% Budget Used
Revenues				
Water Fund	\$ 1,019,493	\$ 887,242	\$ (132,251)	87.03%
Sewer Fund	874,327	811,305	(63,023)	92.79%
Total Revenues	\$ 1,893,820	\$ 1,698,546	\$ (195,274)	89.69%
Expenditures & Transfers				
<u>Water</u>				
Administration	\$ 112,792	\$ 85,774	\$ 27,018	76.05%
Treatment Plant	334,913	256,722	78,191	76.65%
System Testing	13,700	15,267	(1,567)	111.44%
Pump Stations	44,223	34,965	9,257	79.07%
Distribution System	164,131	144,168	19,963	87.84%
Reservoir	8,883	5,581	3,303	62.82%
Meters	86,983	69,895	17,087	80.36%
Hydrants	96,050	95,190	860	99.10%
<u>Sewer</u>				
Administration	\$ 94,484	\$ 81,753	\$ 12,731	86.53%
Plant Operations	356,207	279,401	76,806	78.44%
System Testing	7,250	5,218	2,032	71.98%
Lift Stations	101,968	85,866	16,102	84.21%
Collection System	192,433	154,022	38,411	80.04%
Total Operating Expenditures	\$ 1,614,017	\$ 1,313,822	\$ 300,195	81.40%
Transfer to Other Funds				
Leave Cash Out	\$ 16,117	\$ 16,117	\$ -	100%
GF Admin Fees	303,634	303,634	-	100%
Debt Repayment	-	839	(839)	100%
Other	13,492	13,492	-	100.00%
Total Transfer to Other Funds	\$ 333,242	\$ 334,081	\$ (839)	100.25%
Transfers to Reserves				
Water	\$ -	\$ -	\$ -	0%
Sewer	-	-	-	0%
Total Transfer to Reserves	\$ -	\$ -	\$ -	0%
Total Expenditures & Transfers	\$ 1,947,259	\$ 1,647,903	\$ 299,356	84.63%
Net Revenues Over(Under) Expenditures	\$ (53,439)	\$ 50,643		

Note: The budgeted deficit was expected, per ORD 20-93(A).

These numbers are preliminary and are subject to our annual audit.

Quarterly Port and Harbor Fund
Expenditure Report
For Quarter Ended June 30, 2021

	Amended FY21 Budget	Actual As of 6/30/21	Budget Remaining	% Budget Used
Revenues				
Administration	\$ 335,672	\$ 276,495	\$ (59,177)	82.37%
Harbor	863,696	971,902	108,206	112.53%
Pioneer Dock	138,674	124,344	(14,330)	89.67%
Fish Dock	178,098	201,431	23,333	113.10%
Deep Water Dock	60,210	100,782	40,572	167.39%
Outfall Line	4,800	2,400	(2,400)	50.00%
Fish Grinder	712	1,040	328	146.14%
Load and Launch Ramp	67,868	74,855	6,987	110.29%
Total Revenues	\$ 1,649,730	\$ 1,753,250	\$ 103,520	106.27%
Expenditures & Transfers				
Administration	\$ 244,970	\$ 430,420	\$ (185,450)	175.70%
Harbor	677,470	581,591	95,880	85.85%
Pioneer Dock	50,167	42,394	7,772	84.51%
Fish Dock	267,942	239,561	28,381	89.41%
Deep Water Dock	51,788	42,229	9,559	81.54%
Outfall Line	3,975	-	3,975	0.00%
Fish Grinder	10,170	4,101	6,068	40.33%
Harbor Maintenance	195,282	171,050	24,232	87.59%
Main Dock Maintenance	19,715	16,104	3,611	81.68%
Deep Water Dock Maintenance	24,715	17,761	6,954	71.86%
Load and Launch Ramp	41,514	29,117	12,398	70.14%
Total Operating Expenditures	\$ 1,587,708	\$ 1,574,328	\$ 13,380	99.16%
Transfer to Other Funds				
Leave Cash Out	\$ 20,620	\$ 20,620	\$ -	100%
Debt Service	136,988	66,650	70,338	100%
GF Admin Fees	-	-	-	0%
Other	227,013	227,013	-	100%
Total Transfer to Other Funds	\$ 384,621	\$ 314,283	\$ 70,338	81.71%
Transfers to Reserves				
Administration	\$ -	\$ -	\$ -	-
Harbor	-	-	-	-
Pioneer Dock	-	-	-	-
Fish Dock	-	-	-	-
Deep Water Dock	-	-	-	-
Outfall Line	-	-	-	-
Fish Grinder	-	-	-	-
Load and Launch Ramp	26,354	26,354	-	100%
Total Transfer to Reserves	\$ 26,354	\$ 26,354	\$ -	100%
Total Expenditures & Transfers	\$ 1,998,683	\$ 1,914,965	\$ 83,718	95.81%
Net Revenues Over(Under) Expenditures	\$ (348,953)	\$ (161,715)		

Note: The deficit was expected, per ORD 20-93(A).

These numbers are preliminary and are subject to our annual audit.

**CITY OF HOMER
HOMER, ALASKA**

Smith/Aderhold

RESOLUTION 21-065

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, REQUESTING THAT THE ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, AS PART OF THEIR KACHEMAK DRIVE PAVEMENT PRESERVATION PROJECT, INCLUDE ACCOMMODATIONS FOR NON-MOTORIZED USERS, AND EVALUATE A FUTURE PROJECT TO CREATE SAFE AND SUSTAINABLE PEDESTRIAN AMENITIES ALONG KACHEMAK DRIVE.

WHEREAS, The City of Homer works cooperatively with the Alaska Department of Transportation and Public Facilities (ADOT&PF) on projects involving state roads within the City's boundary; and

WHEREAS, The ADOT&PF is currently designing a "1R" pavement preservation project for Kachemak Drive in Homer; and

WHEREAS, Kachemak Drive is a 35 mile per hour, narrow, winding road with essentially no shoulders, only side-slopes and drainage ditches along most of its length and is abutted by a state airport with general aviation businesses, light industrial businesses, and private homes and is used daily by motorists, bicyclists, and pedestrians; and

WHEREAS, Kachemak Drive is also used as a normal route for transit between the Sterling Highway at the base of the Homer Spit and East End Road by both motorized and non-motorized users; and

WHEREAS, Kachemak Drive is inherently unsafe for pedestrians and bicycles due to the lack of shoulders, traffic levels and design speed, frequent speeding, poor signage, and narrow lane width; and

WHEREAS, The City of Homer recently installed lighted speed indicator signs to remind drivers of their speed to encourage drivers to follow speed limits; and

WHEREAS, The City of Homer has adopted the "Homer Shares the Road" program to encourage safe habits by drivers, bicyclists, and pedestrians; and

WHEREAS, Recreational touring companies offer multi-day bicycle tours on the southern Kenai Peninsula that include routes on state and local roads in Homer; and

43 WHEREAS, Residents along Kachemak Drive and other community members have
44 frequently requested a separated trail along Kachemak Drive to connect the separated paths
45 on the Homer Spit and East End Road, thereby creating a safe walking and bicycling
46 transportation corridor for the community; and

47
48 WHEREAS, A separated non-motorized path along Kachemak Drive is compatible with
49 ADOT&PF's Alaska Statewide Active Transportation Plan adopted in July 2019; and

50
51 WHEREAS, The City of Homer's 2022-2027 Capital Improvement Plan (CIP) includes the
52 Kachemak Drive Rehabilitation/Pathway State project that compliments this resolution; and

53
54 WHEREAS, The Homer Non-Motorized Transportation and Trails Plan, part of the
55 adopted Comprehensive Plan, calls for a separated pathway along Kachemak Drive; and

56
57 WHEREAS, In 2021 the Homer City Council added East Hill and West Hill Bike Lane
58 projects to the City's 2022-2027 CIP as State projects that are consistent with the Kachemak
59 Drive request; and

60
61 WHEREAS, The Homer City Council does not want to delay current plans for the "1R"
62 pavement preservation project because of the current, extremely poor conditions of
63 Kachemak Drive; and

64
65 WHEREAS, The Homer City Council recognizes that a larger project on Kachemak Drive
66 is needed to fully address the underlying issues leading to its current poor condition and to
67 add a separated non-motorized path.

68
69 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, requests
70 that AKDOT/PF improve safety along Kachemak Drive by accommodating pedestrians and
71 bicyclists as part of its "1R" pavement preservation project through wider lanes, a minimal
72 shoulder on both sides, proper pavement markings and striping, and other sensible means.

73
74 BE IT FURTHER RESOLVED that the Homer City Council requests that ADOT&PF initiate
75 a new project along Kachemak Drive to address underlying issues and develop safe and
76 sustainable pedestrian amenities along Kachemak Drive.

77
78 PASSED AND ADOPTED by the City Council of Homer, Alaska, this 27th day of
79 September, 2021.

80
81 CITY OF HOMER

82
83 _____
84 KEN CASTNER, MAYOR

85

86

87 ATTEST:

88

89 _____

90 MELISSA JACOBSEN, MMC, CITY CLERK

91

92 Fiscal Note: N/A

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager
4 Public Works Director

5 **RESOLUTION 21-066**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
8 ADOPTING THE WATER AND SEWER UTILITY FINANCIAL AND
9 RATE SETTING POLICIES AND UTILITY FINANCIAL PLAN,
10 VERSION 2021- 01.

11
12 WHEREAS, For multiple months, the City Council has been deliberating strategies and
13 policies related to the consistent and fiscally prudent financial management of the Water and
14 Sewer Utilities; and

15
16 WHEREAS, On September 9, 2021, the City Council participated in a work session to
17 review the recommendations of the Public Works Department and the utility financial experts
18 from HDR, Inc.; and

19
20 WHEREAS, These recommendations were based on HDR's analysis of the utilities'
21 financial status, culminating in a Utility Financial Plan, which uses past expenses, looking back
22 to 2019, and assumptions about escalation, to forecast future expenses, looking forward to
23 2029, as well as identifies the revenues, which would be needed to cover those expenses; and

24
25 WHEREAS, Adopting the Policies and the Utility Financial Plan do not, by themselves,
26 establish rates for water/sewer services as establishing rates is a function of analyzing
27 expenses and revenues as part of the City Council's annual rate-setting exercise.

28
29 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, does hereby
30 adopt the Water and Sewer Utility Financial and Rate Setting Policies and Utility Financial Plan.

31
32 PASSED AND ADOPTED by the Homer City Council this 27th day of September, 2021.

33
34 CITY OF HOMER

35
36 _____
37 KEN CASTNER, MAYOR

38
39 ATTEST:

40
41 _____
42 MELISSA JACOBSEN, MMC, CITY CLERK

43
44 Fiscal Note: N/A



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907-235-3170

(f) 907-235-3145

Memorandum 21-170

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, Director of Public Works
DATE: September 14, 2021
SUBJECT: Utility Financial Policies

Issue: The City Council held a work session on September 9 2021, to review proposed Water and Sewer Utility Financial/Rate Setting Policies. The purpose of this memorandum is to recommend adoption of the policies

Background:

The City Council has been deliberating strategies and policies related to the sensible and prudent management of the finances for the Water and Sewer Utilities. On September 9, 2021, the City Council participated in a work session to review the recommendations of the Public Works Department and the utility financial experts from HDR Inc. These recommendations were based on HDR's analysis of the utilities' financial status, culminating in a Utility Financial Plan, which looks back to 2019 and looks forward to 2029. The Utility Financial Plan forecasts future expenses, based on past expense and assumptions about escalation, as well as identifies the revenues, which would be needed to cover those expenses.

Adopting the Policies and the Utility Financial Plan do not, by themselves, establish rates for water/sewer services. Establishing rates is a function of analyzing expenses and revenues. Rates are determined as the City Council engages in this analysis, as part of the rate-setting exercise, conducted on an annual basis. The Utility Financial Plan forecasts what revenues will be needed to support the predicted expenses

Recommendation:

That the City Council adopt the City of Homer Water and Sewer Financial/Rate Setting Policies, Version 21-01.

City of Homer
Water and Sewer Financial Plan
Water Revenue Requirement
Exhibit 4

	Actual	Actual	Budget	Budget	Budget	Projected					Notes	
	CY 2019	CY 2020	CY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028		FY 2029
CARMA Revenue (Input)	15.0%	0.0%	0.0%	0.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	
Revenues												
Rate Revenue - Water												
Meter Revenue	\$1,842,857	\$1,852,072	\$1,861,332	\$1,779,324	\$1,779,324	\$1,788,221	\$1,797,162	\$1,806,148	\$1,815,178	\$1,824,254	\$1,833,375	As Customer Growth
CARMA Revenue	276,429	0	0	0	0	266,899	268,233	269,574	270,922	272,277	273,638	275,006
Service Revenue	30,931	31,086	31,241	31,829	38,450	38,642	38,835	39,030	39,225	39,421	39,618	As Customer Growth
Total Rate Revenue - Water	\$2,150,217	\$1,883,157	\$1,892,573	\$1,811,153	\$2,084,673	\$2,095,096	\$2,105,571	\$2,116,099	\$2,126,680	\$2,137,313	\$2,148,000	
Miscellaneous Revenue - Water												
Penalties/Interest	\$6,855	\$579	\$6,207	\$5,065	\$2,487	\$2,499	\$2,512	\$2,524	\$2,537	\$2,550	\$2,563	As Miscellaneous Revenues
Connection Fees	17,738	17,655	17,032	17,211	16,911	16,996	17,081	17,166	17,252	17,338	17,425	As Customer Growth
Operating Grants and Contributions	38,101	0	0	0	0	0	0	0	0	0	0	As Flat
Hydrant Transfers	100,350	99,629	108,433	91,418	91,734	91,734	91,734	91,734	91,734	91,734	91,734	As Flat
Interest Income	105,161	127,748	36,968	89,573	84,500	84,500	84,500	84,500	84,500	84,500	84,500	As Flat
Total Miscellaneous Revenue - Water	\$268,205	\$245,611	\$168,640	\$203,267	\$195,632	\$195,729	\$195,826	\$195,924	\$196,023	\$196,122	\$196,221	
Total Revenue	\$2,418,422	\$2,128,768	\$2,061,213	\$2,014,420	\$2,280,305	\$2,290,825	\$2,301,398	\$2,312,024	\$2,322,703	\$2,333,435	\$2,344,221	
Expenses												
Salaries and Benefits Expenses - Water												
Salary and Wages	\$542,757	\$562,408	\$620,652	\$562,462	\$581,145	\$601,485	\$622,537	\$644,326	\$666,877	\$690,218	\$714,376	As Labor
Fringe Benefits	345,883	337,094	363,966	362,296	388,998	412,338	437,078	463,303	491,101	520,567	551,801	As Benefits - Medical
Part-time Wages	1,371	0	0	0	0	0	0	0	0	0	0	As Labor
Part-time Benefits	170	0	0	0	0	0	0	0	0	0	0	As Benefits - Other
Overtime	34,782	35,796	41,019	42,453	42,662	44,155	45,701	47,300	48,956	50,669	52,442	As Labor
Part-time Overtime	9	0	0	0	0	0	0	0	0	0	0	As Labor
Unemployment Benefits	972	0	0	0	0	0	0	0	0	0	0	As Benefits - Other
PERS Relief	38,101	0	0	0	0	0	0	0	0	0	0	As Benefits - Other
Total Salaries and Benefits - Water	\$964,045	\$935,298	\$1,025,637	\$967,211	\$1,012,805	\$1,057,978	\$1,105,316	\$1,154,929	\$1,206,934	\$1,261,454	\$1,318,619	
Maintenance and Operations Expenses - Water												
Office Supplies	(\$698)	\$1,027	\$1,750	\$1,750	\$1,750	\$1,803	\$1,857	\$1,912	\$1,970	\$2,029	\$2,090	As Materials & Supplies
Operating Supplies	151,448	89,034	126,250	133,750	133,750	137,763	141,895	146,152	150,537	155,053	159,704	As Materials & Supplies
Fuel and Lube	21,894	28,297	26,600	26,600	26,600	27,398	28,220	29,067	29,939	30,837	31,762	As Materials & Supplies
Chemicals	116,335	127,941	160,000	135,000	150,000	154,500	159,135	163,909	168,826	173,891	179,108	As Materials & Supplies
Vehicle and Boat Maintenance	472	249	500	500	500	520	541	562	585	608	633	As Equipment
Equipment Maintenance	37,423	33,571	33,550	40,350	40,350	41,964	43,643	45,388	47,204	49,092	51,056	As Equipment
Building & Grounds Maintenance	5,701	6,489	7,700	7,700	7,700	7,893	8,090	8,292	8,499	8,712	8,930	As Miscellaneous
Professional Services	54,617	59,936	47,500	65,500	77,500	80,213	83,020	85,926	88,933	92,046	95,267	As Labor
Audit Services	17,121	7,027	17,469	18,343	19,260	19,934	20,632	21,354	22,101	22,875	23,675	As Labor
Survey and Appraisal	1,100	1,150	1,200	1,200	1,200	1,242	1,285	1,330	1,377	1,425	1,475	As Labor
Communications	8,937	13,086	8,000	9,000	9,000	9,315	9,641	9,978	10,328	10,689	11,063	As Labor
Freight and Postage	70	417	500	500	500	513	525	538	552	566	580	As Miscellaneous
Electricity	175,988	201,163	219,077	190,434	209,477	216,809	224,397	232,251	240,380	248,793	257,501	As Electricity
Property Insurance	11,705	14,088	13,936	8,276	9,104	9,468	9,847	10,241	10,650	11,076	11,519	As Insurance
Auto Insurance	10,531	11,186	12,046	11,343	12,477	12,976	13,495	14,035	14,596	15,180	15,787	As Insurance
Liability Insurance	1,526	1,519	3,364	5,207	5,728	5,957	6,195	6,443	6,701	6,969	7,248	As Insurance
Testing and Analysis	12,526	16,459	17,000	17,000	17,000	17,595	18,211	18,848	19,508	20,191	20,897	As Labor
Advertising	1,083	0	750	1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	As Miscellaneous
Tools and Equipment	10,417	8,563	8,400	9,400	9,400	9,776	10,167	10,574	10,997	11,437	11,894	As Equipment
Computer Related Items	74	0	750	750	750	780	811	844	877	912	949	As Equipment
Record and Permits	150	150	250	250	250	256	263	269	276	283	290	As Miscellaneous
Membership Dues	588	944	1,000	1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	As Miscellaneous
Transportation	961	0	800	800	800	820	841	862	883	905	928	As Miscellaneous
Subsistence	419	35	350	750	750	769	788	808	828	849	870	As Miscellaneous
Credit Card Expenses	17,128	17,868	25,000	25,000	25,000	25,625	26,266	26,922	27,595	28,285	28,992	As Miscellaneous
Safety Equipment	1,793	1,331	1,700	1,900	1,900	1,976	2,055	2,137	2,223	2,312	2,404	As Equipment
Employee Training	5,783	1,051	5,200	5,200	5,200	5,382	5,570	5,765	5,967	6,176	6,392	As Labor
Bad Debt Expenses	13,455	576	12,000	12,000	12,000	12,300	12,608	12,923	13,246	13,577	13,916	As Miscellaneous

City of Homer
 Water and Sewer Financial Plan
 Water Revenue Requirement
 Exhibit 4

	Actual	Actual	Budget	Budget	Budget	Projected						Notes
	CY 2019	CY 2020	CY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
Total Maintenance and Operations Water	\$678,546	\$643,157	\$752,642	\$730,503	\$779,946	\$805,595	\$832,098	\$859,485	\$887,785	\$917,029	\$947,250	
C/O and Transfer Expenses - Water												
Transfers To	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Miscellaneous
Debt Repayment - Principal	0	0	0	0	0	0	0	0	0	0	0	As Miscellaneous
Debt Repayment - Interest	0	0	0	0	0	0	0	0	0	0	0	As Miscellaneous
GF Admin Fees	290,905	292,014	303,587	302,008	312,711	320,529	328,542	336,756	345,174	353,804	362,649	As Miscellaneous
Leave Cash Out	0	0	0	0	0	0	0	0	0	0	0	As Miscellaneous
Total Salaries and Benefits - Water	\$290,905	\$292,014	\$303,587	\$302,008	\$312,711	\$320,529	\$328,542	\$336,756	\$345,174	\$353,804	\$362,649	
Total Operations & Maintenance	\$1,933,496	\$1,870,469	\$2,081,866	\$1,999,722	\$2,105,462	\$2,184,102	\$2,265,956	\$2,351,169	\$2,439,893	\$2,532,287	\$2,628,518	
Taxes												
State Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
City Taxes	0	0	0	0	0	0	0	0	0	0	0	
Total Taxes and Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Rate Funded Capital	\$406,754	\$25,620	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2019 Depr. Exp. = \$1,034,155
Debt Service												
ADWF #409041 - Water Ext	\$158,101	\$155,954	\$153,808	\$151,662	\$149,516	\$147,370	\$145,224	\$0	\$0	\$0	\$0	Debt Schedule
ADWF #409271 - KOPPHII - Water	117,831	117,831	117,832	117,832	117,832	117,832	117,832	117,832	117,832	117,832	117,832	Debt Schedule
ADWF #409131 - Water TP	424,062	418,602	413,142	407,682	402,222	396,762	391,302	385,842	380,382	374,922	369,462	Debt Schedule
ADWF #409091 - Water Distribution	4,776	4,776	4,776	4,776	4,776	4,776	4,776	4,776	4,776	4,776	4,776	Debt Schedule
Total Debt Service	\$704,770	\$697,163	\$689,558	\$681,952	\$674,346	\$666,740	\$659,134	\$508,450	\$502,990	\$497,530	\$492,070	
Less: Debt Service Funding												
HAWSP Funding	\$704,770	\$697,163	\$689,558	\$681,952	\$674,346	\$666,740	\$659,134	\$508,450	\$502,990	\$497,530	\$492,070	
Rate Related Funding	0	0	0	0	0	0	0	0	0	0	0	
Total Less Debt Service Funding	\$704,770	\$697,163	\$689,558	\$681,952	\$674,346	\$666,740	\$659,134	\$508,450	\$502,990	\$497,530	\$492,070	
Net Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Reserve Funding												
Transfer to Water Operating	(\$6,080)	\$151,439	(\$20,653)	\$69,033	\$34,901	\$32,762	\$30,136	\$26,972	\$23,220	\$18,822	\$13,719	
Transfer to CARMA	84,252	81,240	0	0	266,899	268,233	269,574	270,922	272,277	273,638	275,006	
Transfer to HAWSP	0	0	0	0	0	0	0	0	0	0	0	
Total Reserve Funding	\$78,172	\$232,679	(\$20,653)	\$69,033	\$301,799	\$300,995	\$299,710	\$297,894	\$295,496	\$292,460	\$288,725	
Total Revenue Requirement	\$2,418,422	\$2,128,768	\$2,061,213	\$2,068,755	\$2,407,261	\$2,485,097	\$2,565,666	\$2,649,063	\$2,735,390	\$2,824,747	\$2,917,243	
Bal./(Def.) of Funds Before Added Tax	\$0	\$0	\$0	(\$54,335)	(\$126,957)	(\$194,272)	(\$264,268)	(\$337,040)	(\$412,687)	(\$491,312)	(\$573,022)	
Plus: Add'l Taxes with Rate Increase	0	0	0	0	0	0	0	0	0	0	0	
Bal./(Def.) of Funds With Added Tax	\$0	\$0	\$0	(\$54,335)	(\$126,957)	(\$194,272)	(\$264,268)	(\$337,040)	(\$412,687)	(\$491,312)	(\$573,022)	
Bal. as a % of Rate Adj. Req'd	0.0%	0.0%	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%	19.4%	23.0%	26.7%	
Proposed Rate Adjustment	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Add'l Revenue with Rate Adj.	\$0	\$0	\$0	\$54,335	\$126,957	\$194,272	\$264,268	\$337,040	\$412,687	\$491,312	\$573,022	
Bal./(Def.) After Rate Adj.	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)	\$0	(\$0)	\$0	\$0	
Additional Rate Adjustment Required	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

* 2020 proposed rate adjustment assumed to be effective for 11 months

Avg Res Customer Bill (\$14.00+ 6Kgal @ \$0.0107/gal)	\$78.20											
Customer Bill on Proposed Adj.	\$78.20	\$78.20	\$78.20	\$80.55	\$85.45	\$88.01	\$90.66	\$93.37	\$96.18	\$99.06		

City of Homer
 Water and Sewer Financial Plan
 Water Revenue Requirement
 Exhibit 4

	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>	<i>Projected</i>					<i>Notes</i>	
	<i>CY 2019</i>	<i>CY 2020</i>	<i>CY 2021</i>	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>		<i>FY 2029</i>
Bill Difference - Monthly	0.00	0.00	0.00	2.35	2.42	2.49	2.56	2.64	2.72	2.80	2.89	
CARMA - Monthly	11.73	0.00	0.00	0.00	12.44	12.82	13.20	13.60	14.01	14.43	14.86	
Cumulative Bill Difference	11.73	0.00	0.00	2.35	14.86	15.31	15.76	16.24	16.73	17.23	17.75	
Cash Reserves												
Beginning Reserve Funds	\$0	\$336,804	\$488,243	\$467,590	\$536,623	\$571,523	\$604,286	\$634,421	\$661,393	\$684,613	\$703,435	
Water Operating Fund												
Beginning Balance	\$0	\$336,804	\$488,243	\$467,590	\$536,623	\$571,523	\$604,286	\$634,421	\$661,393	\$684,613	\$703,435	
Plus: Additions	0	151,439	0	69,033	34,901	32,762	30,136	26,972	23,220	18,822	13,719	
Less: Uses of Funds	(6,080)	0	(20,653)	0	0	0	0	0	0	0	0	
Ending Balance	\$336,804	\$488,243	\$467,590	\$536,623	\$571,523	\$604,286	\$634,421	\$661,393	\$684,613	\$703,435	\$717,154	
Target : 90 Days of O&M	\$476,753	\$461,212	\$513,337	\$493,082	\$519,155	\$538,546	\$558,729	\$579,740	\$601,618	\$624,400	\$648,128	

City of Homer
Water and Sewer Financial Plan
Water Capital Improvement Plan
Exhibit 5

Year 1 - July 2020 - June 2021 Year 2 July 2021- June 2022 Year 3 July 2022- June 2023 Year 4 July 2023- June 2024 Year 5 July 2024- June 2025

CARMA-Funded Projects	CY 2019	CY 2020	CY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Future Unidentified Projects	\$406,754	\$25,620	\$0	\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
1/2 of Utility Financial Mgmt.			12,907								
Betterments on East Hill			49,000								
Raw Water Transmission Line			33,185								
Commercial Meter Replacement			80,000								
Dredge for WTP			10,000								
Million Gallon Water Tank Aeration System			172,624								
Tesoro Water Vault Upgrade			100,000								
Raw Water Line Replacement Design			202,222								
PRV Replacement West Trunk Line			25,000								
Fuel Island			7,200								
Water Share of Ocean Drive SAD				52,506							
DR 6000 uV VIS Spectrophotometer w/ RFID				9,276							
Mlox Chlorine Generator Cell Replacement				30,000							
PR Station Hatch Improvement				35,279							
Water Treatment Plant HVAC Control System Upgrade				55,955							
East Trunk FPI Mag Flow Meter				9,000							
Replacement Flow Meters at Main and Danview PR Station and East Rd Monitor				15,000							
Replacement of E-170 ToolCat				21,667							
Replacement of E-161 CAT Loader				158,333							
Replacement of E-131 W/S Truck				15,000							
Replacement of E-130 Service Truck				26,667							
Replacement of E-114 PW Truck				10,000							
PW Campus Mitigation Plan				16,667							
Computerized Maintenance Management System				23,333							
Total CARMA-Funded Projects	\$406,754	\$25,620	\$692,138	\$478,683	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Transfer to Cash Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total CARMA-Funded Projects	\$406,754	\$25,620	\$692,138	\$478,683	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

City of Homer
Water and Sewer Financial Plan
Sewer Revenue Requirement
Exhibit 6

	Actual	Actual	Budget	Budget	Budget	Projected					Notes	
	CY 2019	CY 2020	CY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028		FY 2029
CARMA Funding (Input)	15.0%	0.0%	0.0%	0.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	
Revenues												
Rate Revenue - Sewer												
Meter Revenue	\$1,721,738	\$1,635,120	\$1,755,805	\$1,731,174	\$1,731,174	\$1,739,830	\$1,748,529	\$1,757,272	\$1,766,058	\$1,774,888	\$1,783,763	As Customer Growth
CARMA Revenue	258,261	0	0	0	259,676	260,974	262,279	263,591	264,909	266,233	267,564	
Service Revenue	28,173	88,454	26,656	25,515	17,522	17,610	17,698	17,786	17,875	17,964	18,054	As Customer Growth
Total Rate Revenue - Sewer	\$2,008,172	\$1,723,574	\$1,782,461	\$1,756,689	\$2,008,372	\$2,018,414	\$2,028,506	\$2,038,649	\$2,048,842	\$2,059,086	\$2,069,381	
Miscellaneous Revenue - Sewer												
Operating Grants and Contributions	\$28,828	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Flat
RV Dump Station	6,084	5,964	6,156	5,575	5,986	6,016	6,046	6,076	6,107	6,137	6,168	As Miscellaneous Revenues
Capital Grants and Contributions	0	0	0	0	0	0	0	0	0	0	0	As Miscellaneous Revenues
Total Miscellaneous Revenue - Sewer	\$34,912	\$5,964	\$6,156	\$5,575	\$5,986	\$6,016	\$6,046	\$6,076	\$6,107	\$6,137	\$6,168	
Total Revenue	\$2,043,084	\$1,729,538	\$1,788,617	\$1,762,264	\$2,014,358	\$2,024,430	\$2,034,552	\$2,044,725	\$2,054,948	\$2,065,223	\$2,075,549	
Expenses												
Salaries and Benefits Expenses - Sewer												
Salary and Wages	\$435,882	\$478,916	\$504,076	\$470,280	\$485,601	\$502,597	\$520,188	\$538,395	\$557,238	\$576,742	\$596,928	As Labor
Fringe Benefits	274,623	279,241	293,270	295,902	317,331	336,371	356,553	377,946	400,623	424,660	450,140	As Benefits - Medical
Part-time Wages	10,739	11,003	13,550	12,842	12,945	13,398	13,867	14,352	14,855	15,375	15,913	As Labor
Part-time Benefits	1,290	1,296	1,793	1,558	1,571	1,642	1,716	1,793	1,873	1,958	2,046	As Benefits - Other
Overtime	18,860	28,023	23,254	23,434	23,434	24,254	25,103	25,982	26,891	27,832	28,806	As Labor
Part-time Overtime	574	477	0	0	0	0	0	0	0	0	0	As Labor
Unemployment Benefits	1,090	4,326	0	0	0	0	0	0	0	0	0	As Benefits - Other
PERS Relief	28,828	0	0	0	0	0	0	0	0	0	0	As Benefits - Other
Total Salaries and Benefits - Sewer	\$771,886	\$803,282	\$835,943	\$804,016	\$840,882	\$878,262	\$917,427	\$958,468	\$1,001,481	\$1,046,567	\$1,093,833	
Maintenance and Operations Expenses - Sewer												
Office Supplies	\$395	\$537	\$1,100	\$1,100	\$1,100	\$1,133	\$1,167	\$1,202	\$1,238	\$1,275	\$1,313	As Materials & Supplies
Operating Supplies	25,617	22,395	50,900	51,300	51,300	52,839	54,424	56,057	57,739	59,471	61,255	As Materials & Supplies
Fuel and Lube	25,322	28,734	25,000	25,000	25,000	25,750	26,523	27,318	28,138	28,982	29,851	As Materials & Supplies
Chemicals	52,761	52,942	55,000	55,000	55,000	56,650	58,350	60,100	61,903	63,760	65,673	As Materials & Supplies
Vehicle and Boat Maintenance	398	145	250	250	250	260	270	281	292	304	316	As Equipment
Equipment Maintenance	41,798	41,416	39,400	39,400	39,400	40,976	42,615	44,320	46,092	47,936	49,854	As Equipment
Building & Grounds Maintenance	3,685	2,875	3,800	3,800	3,800	3,895	3,992	4,092	4,194	4,299	4,407	As Miscellaneous
Professional Services	20,951	27,332	85,859	95,259	52,700	54,545	56,454	58,429	60,474	62,591	64,782	As Labor
Audit Services	17,121	6,714	17,469	18,343	19,260	19,934	20,632	21,354	22,101	22,875	23,675	As Labor
Communications	4,778	5,448	5,500	5,500	5,500	5,693	5,892	6,098	6,311	6,532	6,761	As Labor
Freight and Postage	354	272	350	500	500	513	525	538	552	566	580	As Miscellaneous
Electricity	260,135	279,496	270,069	255,627	281,190	291,032	301,218	311,760	322,672	333,966	345,654	As Electricity
Water	640	701	612	560	560	577	594	612	630	649	669	As Utilities
Sewer	532	599	522	444	444	457	471	485	500	515	530	As Utilities
Property Insurance	6,769	8,670	8,587	10,822	11,904	12,380	12,875	13,390	13,926	14,483	15,062	As Insurance
Auto Insurance	10,531	11,186	12,046	11,343	12,477	12,976	13,495	14,035	14,596	15,180	15,787	As Insurance
Liability Insurance	1,357	1,174	2,992	4,014	4,415	4,592	4,775	4,966	5,165	5,372	5,586	As Insurance
Testing and Analysis	2,012	6,900	6,500	6,500	6,500	6,728	6,963	7,207	7,459	7,720	7,990	As Labor
Advertising	0	364	1,250	1,250	1,250	1,281	1,313	1,346	1,380	1,414	1,450	As Miscellaneous
Tools and Equipment	4,681	4,397	4,800	4,800	4,800	4,992	5,192	5,399	5,615	5,840	6,074	As Equipment
Damages not covered by Insurance	0	0	0	0	0	0	0	0	0	0	0	As Miscellaneous
Record and Permits	7,920	7,920	8,075	8,075	8,075	8,277	8,484	8,696	8,913	9,136	9,365	As Miscellaneous
Membership Dues	444	300	700	700	700	718	735	754	773	792	812	As Miscellaneous
Transportation	1,193	64	1,000	1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	As Miscellaneous
Subsistence	960	833	1,000	1,000	1,000	1,025	1,051	1,077	1,104	1,131	1,160	As Miscellaneous
Credit Card Expenses	17,128	17,868	20,000	20,000	20,000	20,500	21,013	21,538	22,076	22,628	23,194	As Miscellaneous
Uniform	80	212	350	350	350	359	368	377	386	396	406	As Miscellaneous
Safety Equipment	1,318	2,515	2,650	2,650	2,650	2,756	2,866	2,981	3,100	3,224	3,353	As Equipment
Employee Training	7,997	4,348	8,000	8,000	8,000	8,280	8,570	8,870	9,180	9,501	9,834	As Labor
Bad Debt Expenses	6,254	(3,851)	2,500	2,500	2,500	2,563	2,627	2,692	2,760	2,829	2,899	As Miscellaneous

City of Homer
Water and Sewer Financial Plan
Sewer Revenue Requirement
Exhibit 6

	Actual	Actual	Budget	Budget	Budget	Projected					Notes	
	CY 2019	CY 2020	CY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028		FY 2029
Total Maintenance and Operations Sewer	\$523,132	\$532,506	\$636,281	\$635,087	\$621,625	\$642,703	\$664,503	\$687,052	\$710,375	\$734,499	\$759,452	
C/O and Transfer Expenses - Sewer												
Leave Cash Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Miscellaneous
GF Admin Fees	226,141	232,276	241,482	289,535	299,830	307,326	315,009	322,884	330,956	339,230	347,711	As Miscellaneous
Transfers To	0	0	0	0	0	0	0	0	0	0	0	As Miscellaneous
Total Salaries and Benefits - Sewer	\$226,141	\$232,276	\$241,482	\$289,535	\$299,830	\$307,326	\$315,009	\$322,884	\$330,956	\$339,230	\$347,711	
Total Operations & Maintenance	\$1,521,159	\$1,568,064	\$1,713,706	\$1,728,638	\$1,762,337	\$1,828,290	\$1,896,939	\$1,968,404	\$2,042,812	\$2,120,296	\$2,200,995	
Taxes												
State Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
City Taxes	0	0	0	0	0	0	0	0	0	0	0	
Total Taxes and Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Rate Funded Capital	\$118,039	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2019 Depr. Exp. = \$438,191
Debt Service												
ACWF #409031 - Sewer Ext	\$134,780	\$132,951	\$132,951	\$132,951	\$132,951	\$132,951	\$132,951	\$0	\$0	\$0	\$0	Debt Schedule
ACWF #409261 - KDPHII Sewer	96,300	80,490	79,480	78,470	77,460	76,450	75,440	74,430	73,420	72,410	71,400	Debt Schedule
ACWF #409081 - Sewer	67,386	66,571	65,756	64,941	64,126	63,311	62,496	61,681	60,866	60,051	59,236	Debt Schedule
ACWF #409111 - Eric Ln Sewer	12,267	12,124	11,981	11,838	11,695	11,552	11,409	11,266	11,123	10,980	10,837	Debt Schedule
ACWF #409071 - KDRPIII	14,263	12,308	12,308	12,308	12,308	12,308	12,308	12,308	12,308	12,308	12,308	Debt Schedule
Total Debt Service	\$324,996	\$304,444	\$302,476	\$300,508	\$298,540	\$296,572	\$294,604	\$159,685	\$157,717	\$155,749	\$153,781	
Less: Debt Service Funding												
HAWSP	\$324,996	\$304,444	\$302,476	\$300,508	\$298,540	\$296,572	\$294,604	\$159,685	\$157,717	\$155,749	\$153,781	
Rate Related Funding	0	0	0	0	0	0	0	0	0	0	0	
Total Less Debt Service Funding	\$324,996	\$304,444	\$302,476	\$300,508	\$298,540	\$296,572	\$294,604	\$159,685	\$157,717	\$155,749	\$153,781	
Net Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Reserve Funding												
Transfer to Sewer Operating	\$248,722	\$146,618	\$74,911	\$33,626	(\$7,655)	(\$4,282)	(\$1,130)	\$1,768	\$4,376	\$6,653	\$8,558	
Transfer to CARMA	155,164	14,856	0	0	259,676	260,974	262,279	263,591	264,909	266,233	267,564	
Transfer to HAWSP	0	0	0	0	0	0	0	0	0	0	0	
Reserve Funding	\$403,886	\$161,474	\$74,911	\$33,626	\$252,021	\$256,692	\$261,149	\$265,359	\$269,284	\$272,886	\$276,122	
Total Revenue Requirement	\$2,043,084	\$1,729,538	\$1,788,617	\$1,762,264	\$2,014,358	\$2,084,982	\$2,158,088	\$2,233,763	\$2,312,096	\$2,393,182	\$2,477,118	
Bal./((Def.) of Funds Before Added Tax	\$0	\$0	\$0	\$0	\$0	(\$60,552)	(\$123,536)	(\$189,038)	(\$257,148)	(\$327,959)	(\$401,568)	
Plus: Add'l Taxes with Rate Increase	0	0	0	0	0	0	0	0	0	0	0	
Bal./((Def.) of Funds With Added Tax	\$0	\$0	\$0	\$0	\$0	(\$60,552)	(\$123,536)	(\$189,038)	(\$257,148)	(\$327,959)	(\$401,568)	
Bal. as a % of Rate Adj. Req'd	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%	19.4%	
Proposed Rate Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Add'l Revenue with Rate Adj.	\$0	\$0	\$0	\$0	\$0	\$60,552	\$123,536	\$189,038	\$257,148	\$327,959	\$401,568	
Bal./((Def.) After Rate Adj.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	
Additional Rate Adjustment Required	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

* 2020 proposed rate adjustment assumed to be effective for 11 months

Avg Res Customer Bill (6Kgal @ \$0.0143/gal)	\$85.80											
Customer Bill on Proposed Adj.	\$85.80	\$85.80	\$85.80	\$85.80	\$85.80	\$88.37	\$91.03	\$93.76	\$96.57	\$99.47	\$102.45	
Bill Difference - Monthly	0.00	0.00	0.00	0.00	0.00	2.57	2.65	2.73	2.81	2.90	2.98	

City of Homer
Water and Sewer Financial Plan
Sewer Revenue Requirement
Exhibit 6

	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>	<i>Projected</i>					<i>Notes</i>	
	<i>CY 2019</i>	<i>CY 2020</i>	<i>CY 2021</i>	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>		<i>FY 2029</i>
CARMA - Monthly	12.87	0.00	0.00	0.00	12.87	13.26	13.65	14.06	14.49	14.92	15.37	
Cumulative Bill Difference	12.87	0.00	0.00	0.00	12.87	15.83	16.30	16.79	17.30	17.82	18.35	
Cash Reserves												
Beginning Reserve Funds	\$0	\$336,804	\$483,422	\$558,333	\$591,959	\$584,304	\$580,022	\$578,891	\$580,659	\$585,035	\$591,688	
Sewer Operating Fund												
Beginning Balance	\$0	\$336,804	\$483,422	\$558,333	\$591,959	\$584,304	\$580,022	\$578,891	\$580,659	\$585,035	\$591,688	
Plus: Additions	248,722	146,618	74,911	33,626	0	0	0	1,768	4,376	6,653	8,558	
Less: Uses of Funds	0	0	0	0	(7,655)	(4,282)	(1,130)	0	0	0	0	
Ending Balance	\$336,804	\$483,422	\$558,333	\$591,959	\$584,304	\$580,022	\$578,891	\$580,659	\$585,035	\$591,688	\$600,246	
Target : 90 Days of O&M	\$375,080	\$386,646	\$422,558	\$426,240	\$434,549	\$450,811	\$467,738	\$485,360	\$503,707	\$522,813	\$542,711	

City of Homer
 Water and Sewer Financial Plan
 Sewer Capital Improvement Plan
 Exhibit 7

Year 1 - July 2020 - June 2021 Year 2 July 2021- June 2022 Year 3 July 2022- June 2023 Year 4 July 2023- June 2024 Year 5 July 2024- June 2025

CARMA-Funded Projects	CY 2019	CY 2020	CY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Future Unidentified Projects	\$118,039	\$0	\$0	\$0	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000
1/2 of Utility Financial Mgmt.			12,907								
Engineering Beluga Lift Station			4,463								
Betterments of East Hill			49,000								
Launch Ramp Lift Station Enclosure			13,674								
Replace Deep Shaft Air Compressor			85,000								
Upgrade SCADA for 7 Lift Stations			210,900								
WWTP Digester Blowers			170,917								
Fuel Island			7,200								
Charles Street Sewer SAD - Design				55,000							
Charles Street Sewer SAD - Construction				178,561							
Influent Station Backup Pump				16,136							
Safety Hoist for Lift Station & Other Underground				10,282							
Sewer Inspection Camera				57,320							
Repair Pond Liner at Sewer Treatment Plant				25,000							
Replacement of E-170 ToolCat				21,667							
Replacement of E-161 CAT Loader				158,333							
Replacement of E-131 W/S Truck				15,000							
Replacement of E-130 Service Truck				26,667							
Replacement of E-114 PW Truck				10,000							
PW Campus Mitigation Plan				16,667							
Computerized Maintenance Management System				23,333							
Total CARMA-Funded Projects	\$118,039	\$0	\$554,061	\$613,966	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000
Transfer to Cash Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total CARMA-Funded Projects	\$118,039	\$0	\$554,061	\$613,966	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000

City of Homer
Water and Sewer Financial Plan
HAWSP Fund Projects and Balance
Exhibit 8

Year 1 - July 2020 - June 2021 Year 2 July 2021- June 2022 Year 3 July 2022- June 2023 Year 4 July 2023- June 2024 Year 5 July 2024- June 2025

HAWSP Project Funding (Direct-funding and seed-funding)	CY 2019	CY 2020	CY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Ground Water Research			\$50,000								
Betterment - Tasmania Ct Water/Sewer SAD			88,569								
Alder Lane Water Improvement - 25% City Portion			97,057								
Tasmania Court Water Main Extension - 25% City Portion			141,330								
Tasmania Court Sewer Main Extension - 25% City Portion			82,712								
Hornaday Park Restroom Replacement				300,000							
Hornaday Park W/S Line Replacement				25,000							
Bishop's Beach Restroom Replacement Design				25,000							
Bishop's Beach Restroom Replacement Construction				400,000							
Charles Street Water SAD - Design				15,000							
Charles Street Water SAD - Construction - 25% City Portion				69,536							
Ground Water Research				50,000							
Bunnell-Charles Water Main Extension - 25% City Portion					169,722						
Bunnell-Charles Sewer Main Extension - 25% City Portion					210,611						
Mission Road Water Main Extension - 25% City Portion					350,634	350,634					
Mission Road Sewer Trunk Line - 25% City Portion					248,918	248,918					
Sterling Highway Water Main Extension - 25% City Portion						62,573					
Sterling Highway Sewer Main Extension - 25% City Portion						88,580					
West Hill Road Water Trunk Line - 25% City Portion							459,181	459,181			
West Hill Road Sewer Trunk Line - 25% City Portion							489,559	489,559			
Future Water Projects - Direct Funded					50,000	50,000	25,000	25,000	580,000	597,400	615,322
Future Sewer Projects - Direct Funded					50,000	50,000	25,000	25,000	380,000	391,400	403,142
Future Water Projects - Debt Seed Funded											
Future Sewer Projects - Debt Seed Funded											
<i>Total HAWSP Direct Funding - Water Projects</i>	\$0	\$0	\$138,569	\$559,536	\$50,000	\$50,000	\$25,000	\$25,000	\$580,000	\$597,400	\$615,322
<i>Total HAWSP Direct Funding - Sewer Projects</i>			\$0	\$325,000	\$50,000	\$50,000	\$25,000	\$25,000	\$380,000	\$391,400	\$403,142
<i>Total HAWSP Debt Seed Funding - Water</i>			238,387	0	520,357	413,207	459,181	459,181	0	0	0
<i>Total HAWSP Debt Seed Funding - Sewer</i>			82,712	0	459,529	337,498	489,559	489,559	0	0	0
Total HAWSP Project Funding (Direct-funding and seed-fundi	\$0	\$0	\$459,668	\$884,536	\$1,079,886	\$850,705	\$998,740	\$998,740	\$960,000	\$988,800	\$1,018,464
Transfer to Cash Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Direct HAWSP Funding	\$0	\$0	\$459,668	\$884,536	\$1,079,886	\$850,705	\$998,740	\$998,740	\$960,000	\$988,800	\$1,018,464

HAWSP Debt-Funded Capital Loan Requests (75% of Project total, after Seed) (Matches state loan request docs)

Alder Lane Water Main Extension	\$291,172
Tasmania Court Water Main Extension	\$423,990
Tasmania Court Sewer Main Extension	\$248,136
Bunnell-Charles Water Main Extension	\$59,167

City of Homer
 Water and Sewer Financial Plan
 HAWSP Fund Projects and Balance
 Exhibit 8

Year 1 - July 2020 - June 2021 Year 2 July 2021- June 2022 Year 3 July 2022- June 2023 Year 4 July 2023- June 2024 Year 5 July 2024- June 2025

Bunnell-Charles Sewer Main Extension

\$631,834

Mission Road Water Main Extension

1,051,903

1,051,903

Mission Road Sewer Trunk Line

746,753

746,753

Sterling Highway Water Main Extension

187,719

Sterling Highway Sewer Main Extension

265,740

West Hill Road Water Trunk Line

1,377,544

1,377,544

West Hill Road Sewer Trunk Line

1,468,677

1,468,677

Total HAWSP Debt-Funded Capital Projects - Water

\$1,224,329

\$1,051,903

\$1,239,622

\$1,377,544

\$1,377,544

\$0

\$0

\$0

Total HAWSP Debt-Funded Capital Projects - Sewer

\$879,970

\$746,753

\$1,012,493

\$1,468,677

\$1,468,677

\$0

\$0

\$0

HAWSP Debt-Funded Capital, Loan Total

\$0

\$0

\$0

\$2,104,299

\$1,798,656

\$2,252,115

\$2,846,220

\$2,846,220

\$0

\$0

\$0

Input (Assessment deferment %)

30%

30%

30%

30%

30%

30%

30%

30%

30%

HAWSP FUND BALANCE

	2022	2023	2024	2025	2026	2027	2028	2029
Beginning Balance	\$2,275,476	\$2,353,970	\$2,233,105	\$2,349,453	\$2,236,662	\$2,416,012	\$2,651,027	\$2,874,762
Plus: Transfers In	0	0	0	0	0	0	0	0
Plus: Annual HAWSP Sales Tax	1,404,987	1,469,398	1,517,889	1,525,478	1,533,106	1,540,771	1,548,475	1,563,999
Plus: Interest	0	22,755	23,540	22,331	23,495	22,367	24,160	28,748
Plus: Current Assessment Collection	481,370	481,370	481,370	481,370	481,370	481,370	481,370	481,370
Plus: Future Assessment (modified by deferment %)		65,411	212,080	230,569	462,661	462,661	462,661	462,661
Less: Current Debt Payment	(992,034)	(982,460)	(972,886)	(963,312)	(953,738)	(668,135)	(660,707)	(645,851)
Less: Future Project Debt Payment		(93,444)	(302,972)	(329,384)	(660,944)	(660,944)	(660,944)	(660,944)
Less: Total Direct & Seed HAWSP Project Funding	(459,668)	(884,536)	(1,079,886)	(850,705)	(998,740)	(998,740)	(960,000)	(1,018,464)
Ending Balance	\$2,275,476	\$2,353,970	\$2,233,105	\$2,349,453	\$2,236,662	\$2,416,012	\$2,651,027	\$3,086,280

City of Homer
Water and Sewer Financial Plan
Sewer Capital Improvement Plan
Exhibit 9

	<i>Actual</i>		<i>Budget</i>								
	CY 2019	CY 2020	CY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
CARMA FUND - Water											
Beginning Balance			\$2,434,942	\$1,774,075	\$1,317,919	\$1,303,666	\$1,290,618	\$1,278,794	\$1,268,214	\$1,258,895	\$1,250,859
Plus: Annual CARMA Water Transfers In			0	0	266,899	268,233	269,574	270,922	272,277	273,638	275,006
Plus: Other Transfers in			0	0	0	0	0	0	0	0	0
Plus: Interest			31,271	22,528	18,848	18,719	18,602	18,497	18,405	18,325	18,259
Less: Uses of Funds-Capital			(692,138)	(478,683)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Ending Balance		\$2,434,942	\$1,774,075	\$1,317,919	\$1,303,666	\$1,290,618	\$1,278,794	\$1,268,214	\$1,258,895	\$1,250,859	\$1,244,124
CARMA FUND - Sewer											
Beginning Balance			\$1,836,104	\$1,294,863	\$687,706	\$729,606	\$773,237	\$818,621	\$865,784	\$914,750	\$965,543
Plus: Annual CARMA Sewer Transfers In			0	0	259,676	260,974	262,279	263,591	264,909	266,233	267,564
Plus: Other Transfers in			0	0	0	0	0	0	0	0	0
Plus: Interest			12,820	6,809	7,224	7,656	8,105	8,572	9,057	9,560	10,081
Less: Uses of Funds-Capital			(554,061)	(613,966)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)
Ending Balance		\$1,836,104	\$1,294,863	\$687,706	\$729,606	\$773,237	\$818,621	\$865,784	\$914,750	\$965,543	\$1,018,188

City of Homer Water and Sewer Water and Sewer Utility Financial/Rate Setting Policies

Introduction

Financial policies are an important tool for maintaining a financially healthy and sustainable utilities while also maintaining required and/or mandated measures. The Government Finance Officers Association (GFOA), bond rating agencies, and other industry organizations (e.g., the American Water Works Association (AWWA), the Water Environment Federation (WEF)) recommend written financial/rate setting policies to provide clear policy direction and guidance.

The establishment of written financial policies is intended to:

- Institutionalize sound financial practices
- Clarify strategic intent
- Define boundaries
- Support bond ratings
- Promote long range strategic thinking
- Manage risk
- Adhere to established best practices

Financial Policy Goals and Objectives

The goals of the City’s financial policies are to:

1. Maintain sufficient revenues for operating and capital needs,
2. Maintain sufficient reserves, and,
3. Provide rate stability. Notwithstanding (1) and (2) above, rates will be set to provide rate/revenue stability and avoid major periodic increases.

A detailed set of financial policies have been adopted to establish consistency in utility financial planning and rate setting decision-making for the City Council and City management team.

This framework provides recommendations that take into consideration the typical or median reserve levels for a “AAA” versus a “AA” rated utility. This framework will also enable the City Council to make more informed decisions in establishing the financial targets contained within the financial policies.

Review and Discussion of the City's Financial/Rate Setting Policies

The Utility Financial Plan will take into consideration the following financial policies. The financial planning period will be for a minimum of five years to determine overall trends and impacts to reserves and rates over a long-term horizon. The Utility Financial Plan is an integral component of the City's approach to effectively managing the utilities at a sustainable level to support the service levels of the community.

1. Reserve Funds

Reserve funds shall be established for the City to properly account for the City's funds, but to also provide adequate reserve levels to address the different types of funding requirements of the City. The City's reserve policies shall be as follows:

- 1.1 Operating Reserve** – The City's operating reserve is an unrestricted reserve. The minimum operating reserve shall be established at 90 Days of annual O&M expenses (approximately 25% of annual O&M for both the Water and Sewer Funds) as outlined in Exhibits 4 and 6 in the Utility Financial Planning models for water and sewer. Once the minimum operating reserves are met, excess revenues will be distributed in accordance with the Affordability Plan adopted by the City Council.
- 1.2 Capital Reserve** – The City currently has two different capital reserves for the water and sewer utilities. The first is the Homer Accelerated Water and Sewer Program (HAWSP). HAWSP is funded through a portion of the voter approved sales tax and assessments levied on benefited properties. The second is the Capital Asset Repair and Maintenance Allowance (CARMA). CARMA is funded annually through a rate surcharge equal to 15% of water and sewer costs and collected through the water and sewer rates. In general, HAWSP is intended to provide seed money to support expanded access to the City water and sewer system while CARMA is intended to support improvements, repairs, and replacements of the City's existing infrastructure, and may also be used for Capital Contingencies or Infrastructure Replacement. CARMA and HAWSP funds may be used jointly to fund a project where applicable. The development of the projection of CARMA and HAWSP funds is provided in Exhibits 8 and 9 respectively of the Utility Financial Plan.

1.2.1 Homer Accelerated Water and Sewer Program (HAWSP) – Voters in the City of Homer established the HAWSP fund to improve the Health and Welfare of the community by funding capital improvements to the City's water and sewer system. The HAWSP is funded by a voter approved dedicated sales tax, and assessments levied on benefited properties. (See HCC 9.16.010(b).) Specifically, the HAWSP Fund is built from a levy of $\frac{3}{4}$ of a percent on the retail sales tax. This tax was established by voters and can only be modified through another ballot measure. The key objectives of the HAWSP fund are as follows:

- Provide for water/sewer improvements without placing a heavy financial burden on individual property owners. (Resolution 99-53.)

- Increase the number of users to the system(s), thereby increasing revenues to the Water and Sewer Enterprise Funds. (Resolution 99-53.)
- Promote construction of additional improvements to the City water and sewer systems. (See Ordinance 99-14(S)(A).)
- Protect public health. (2016 HAWSP Policy Manual.)

The HAWSP is generally intended to provide “Seed Money” for major projects (projects that exceed \$1.1 million). The target HAWSP fund value is to be maintained at a level to provide sufficient funding for current long-term debt obligations and annual funding needs as outlined in the Utility Financial Plan. The HAWSP fund may additionally be used to pay off HAWSP-project debt, subject to City Council approval, and may furthermore be used in conjunction with CARMA for project funding, especially where an element of the project involves extension of service, expansion of capacity, or promotion of public health.

1.2.2 Capital Asset Repair and Maintenance Allowance (CARMA) – The CARMA reserve was established to fund improvements, repairs, and replacements to the City’s existing water and sewer systems. The level of CARMA funding can be adjusted by the City Council. “The amount of the CARMA funds shall be established by City Council in the biennial budget based on the projected maintenance and repair needs of the City.” (Ordinance 19-35(S)(A)). CARMA shall be funded as an element of the rates at a sufficient level to fund capital improvements as identified in the Utility Financial Plan.

The intent of the City of Homer Water and Sewer CARMA Fund is “for appropriation and expenditure for equipment replacement, fleet replacement, engineering or planning services, major maintenance of city facilities, or any other purpose as identified and recommended by the City Manager and authorized by the City Council...and to extend the life and use of taxpayer funded assets, facilities and infrastructure.” (See Ordinance 19-35(S)(A)). The Water and Sewer Utilities - which operate independently - use CARMA Funds for improvements, repairs, and replacements to the City’s existing water and sewer systems. CARMA Funds may additionally be used for capital contingencies or infrastructure replacement and can be used in conjunction with HAWSP to jointly fund a project.

- 1.3 Bond Reserve** – A bond reserve fund is a restricted reserve. A bond reserve fund shall be established, as required and in accordance with anticipated bond covenants for specified projects where the City Council intends to pursue bond funding. The minimum fund balance of the bond reserve shall be equal to bond reserve requirements set by applicable bond covenants.

2. Debt Issuance and Debt Management

The City, during the course of normal operations, may issue long-term debt to fund certain capital projects. The establishment of policies related to debt issuance and debt management are intended to minimize the overall long-term costs of the City and utilize long-term debt to the benefit of the City’s customers. Provided below are the debt issuance and debt management policies.

- 2.1 Funding of Annual Renewal and Replacement Capital Projects** – The City will not need to issue long-term debt to fund annual renewal and replacement capital projects, as it

will use rate funding, through CARMA, to properly and adequately fund the City's annual renewal and replacement capital projects. Accordingly, the minimum annual funding from rates shall be at least equal to or greater than the City's annual renewal and replacement needs as determined in the Utility Financial Plan.

2.2 Long-Term Debt as a Funding Mechanism for Capital Projects – The City can consider the use of long-term debt to fund significant non-reoccurring capital projects. The policy objective when issuing long-term debt is to minimize the financial and rate impacts of significant non-reoccurring capital projects. When structuring such long-term debt, the City shall consider the following factors as:

- Current interest rates (costs)
- Current amount of the utility's outstanding debt levels
- Consistency with the City's debt policy and overall debt level

The City shall avoid an over-reliance upon debt by considering the debt service coverage ratios of rating agencies to measure whether the City's debt to capitalization or debt to operating revenue ratios are appropriate. Specifically, the City should maintain a debt/equity ratio which is less than 50% for utility financial planning. In certain circumstances the City may need to exceed this target to fund critical infrastructure projects. In these cases, the City Council will provide guidance on the appropriate target debt/equity ratio. For each debt issuance, the City will identify the funding source for annual principal and interest payments, prior to the approval issuing the debt.

2.3 Types of Long-Term Debt – To minimize the overall costs of debt, the City shall strive, at all times, to utilize the lowest and best available cost option for issuing debt.

2.4 Bond Covenants – The City, at all times, shall adhere to and meet any bond covenants put forth by bonds issued by the City. Bond covenants are legal obligations placed upon the City. If the City is not in compliance with bond covenants, the City's management team shall inform the City Council and appropriate action will be taken.

2.5 Debt Service Coverage Ratio – At all times, the City shall meet the minimum debt service coverage (DSC) requirements associated with bond covenants. For financial planning and rate setting purposes, the City shall target a minimum DSC of 1.25 times annual debt service on all outstanding debt.

2.6 Debt Funding Through Assessment Revenues – For certain capital improvements the City may use Assessment District's to fund improvements to provide service to these areas. In these circumstances the City will establish specific criteria for each assessment to ensure the adequate repayment of the assessment to reimburse the funding of the infrastructure providing service. When structuring debt the funding sources will be identified prior to approving the Assessment District.

3. Balanced Operating Budget

3.1 Self-Supporting – The water and sewer utility shall be self-supporting, where current revenue fully funds current operating and capital expenditures on an annual basis.

3.2 Adequate Funding to Preserve System Assets – The City's assets shall be properly operated and maintained to provide for a long life. Annual operating expenditures will be budgeted and funded at a level that promotes the efficient operation of and

preservation of assets through the asset’s useful life.

- 3.3 Evaluation and Monitoring of Cost** – Costs will be monitored monthly to ensure the utility is operated in a cost effective and economically prudent manner and reported to the City Council on a quarterly basis.
- 3.4 Positive Annual Net Income** – The City shall plan for annual net income (total revenue less O&M, taxes or transfers, debt service, and capital projects funded from rates) greater than or equal to zero (positive balance of funds).
- 3.5 Strive for Rate Stability** – The City’s rates should be stable over time while generating sufficient revenue. As a part of the annual budgeting process, the City shall review the rates to confirm the adequacy of the current rates.
- 3.6 Disposition of “One-Time” Revenue** – In instances of large one-time revenues (e.g., legal settlement), if not specifically earmarked, the funds will be transferred to an appropriate reserve(s) (operating, capital, or rate stabilization).
- 3.7 Alternative Funding/Revenue Diversification** – To minimize overall rates, the City should explore alternative revenue sources such as grants and direct developer contributions.

4. Establishing Rates and Fees

The City shall establish rates utilizing industry recognized “generally accepted” rate setting methodologies. This will provide the City with consistency in their ratemaking process, while also establishing rates which are legally defensible. The City’s policies on establishing the water and sewer rates and fees, and the general methodologies to be utilized, are as follows:

4.1 Revenue Requirement Analysis

The revenue requirement analysis provides a projection of the City’s revenues and expenditures for a defined time period. The revenue requirement analysis shall provide the City Council with the information and cost-basis to determine the size and timing of any proposed rate adjustments. The City’s revenue requirement analysis methodology shall consider the following:

- 4.1.1 The revenue requirement (financial plan) analysis will be developed for a minimum projected five-year time period.
- 4.1.2 Revenue requirements will be established using the “cash basis” methodology. The “cash basis” methodology includes O&M expenses, taxes/transfer payments, debt service (P+I) and capital improvements (renewal and replacement) funded from rates. The revenue requirements may include a component for change in working capital/rate stabilization funds to manage reserve balances and mitigate rate impacts.
- 4.1.3 Costs shared across utilities shall be allocated to each utility based an equitable allocation method. These may include, but not be limited to, labor ratios, number of customers, revenues, usage etc. The allocation method should be whichever method most equitably allocates the specific cost.
- 4.1.4 Any wholesale increases imposed upon the City by a water supplier or wastewater treatment agency will be reviewed for financial/rate impacts.

4.1.5 The City's revenue requirement analysis shall fully incorporate the City's reserve, debt and budgeting policies.

4.2 Cost of Service Analysis

A cost of service analysis provides an equitable method to allocate the City's water and sewer revenue requirements to the customers utilizing the service. The City's cost of service analysis for the water utility shall use generally accepted cost of service methodologies as defined by the American Water Works Association (AWWA) and the analysis developed for the City's sewer utility shall use cost of service methodologies as defined by the Water Environment Federation (WEF). The City's water and sewer cost of service shall be developed to provide an equitable allocation of costs by taking into consideration a customer group's (e.g. residential, commercial) facility requirements and usage characteristics. The City's specific cost of service policies are as follows:

- 4.2.1 The cost of service shall be developed for a projected one-year time period or the period over which rates will be set, utilizing the revenue requirements as developed in 4.1.
- 4.2.2 The cost of service analysis shall be designed and developed to consider the unique and specific circumstances of the City's water and sewer system.
- 4.2.3 The City shall allocate costs to customer class of service based upon facility requirements and usage characteristics.
- 4.2.4 When necessary, the City may phase-in the cost of service results to transition to fully-cost based rates.

4.3 Rate Design Analysis

The development of cost-based rate designs concludes the City's rate setting process. The development of rate designs utilizes the results from the revenue requirement and cost of service analysis to establish the target level of revenues for each customer class of service (rate schedule). The City's rate design analysis is primarily focused on the structure of the rates. The City's rate design analysis policies are as follows:

- 4.3.1 The City shall utilize the results of the revenue requirement analysis and cost of service analysis in the development of final proposed rate designs.
- 4.3.2 Rates shall be designed to collect the overall target level of revenues for each customer class of service.
- 4.3.3 The City's rate designs shall be reflective of the City Council's rate design goals and objectives, while also being reflective of the greater public purpose (e.g., economic development, conservation, etc.).
- 4.3.4 The City shall take into consideration both fixed and variable costs in the development of final proposed rates. The average unit costs calculated within the cost of service analysis provides the cost-information related to fixed and variable costs.
- 4.3.4 Bill comparisons shall be developed for all proposed rate designs to illustrate the general impacts to customers across a range of consumption.
- 4.3.5 In establishing the final water and sewer rates, the City's Council may take into

consideration neighboring utility rates, but not to the financial detriment of the City.

4.4 Other Rate Setting Considerations

Provided below are other policies related to the City's rate setting process.

- 4.4.1 At a minimum, the City shall conduct a comprehensive rate study every five (5) years to update assumptions and determine financial sustainability.