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

City of Homer
Agenda

City Council Regular Meeting
Monday, January 10, 2022 at 6:00 PM
In Person at City Hall Cowles Council Chambers and by Zoom Webinar
https://cityofhomer.zoom.us/j/205093973?pwd=UmhJWEZ3ZVdvbDkxZ3Ntbld1NlNXQT09
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 Special and Regular Meeting Minutes of December 13, 2021. City Clerk. Recommend adoption.

b. Memorandum 22 001 from Mayor Castner Re: Term Expiration Update for Library Advisory Board Student Representative. Recommend approval.

c. Memorandum 22 002 from Deputy City Clerk Re: Liquor License Renewals for Finn's and Little Mermaid. Recommend approval.

d. Memorandum 22 003 from Deputy City Clerk Re: Standard Marijuana Cultivation License Renewal for Alaska Loven It, LLC and Marijuana Product Manufacturing Facility License Renewal for Cosmic Seaweed, LLC. Recommend approval.

e. Memorandum 22 004 from City Clerk Re: Travel Reimbursement for Mayor Castner's Attendance at the Kenai Peninsula Borough City Mayor's Meeting in Soldotna, Alaska and the Kenai Peninsula Economic Development District Industry Outlook Forum in Kenai, Alaska on January 5 and 6, 2022. Recommend approval.

f. Ordinance 22 01, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Authorizing the Expenditure of $62,000 from the Land Fund to Acquire Two Parcels of Land and Drainage Easements Across Two Additional Parcels within the Bridge Creek Watershed Protection District and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. Erickson/Aderhold. Recommended dates Introduction January 10, 2022, Public Hearing and Second Reading January 24, 2022.

Memorandum 22 005 from Deputy City Planner & Special Projects Coordinator as backup

g. Ordinance 22 02, An Ordinance of the City Council of Homer, Alaska Amending Title 21.55.090(a)(1) Required Number of Parking Spaces to Change the Parking Requirements for Detached One Bedroom or Efficiency Dwelling Units. Planning Commission. Recommended Dates Introduction January 10, 2022, Public Hearing and Second Reading January 24, 2022.

Memorandum 22 006 from City Planner as backup.

h. Ordinance 22 03, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Authorizing the Expenditure of an Amount not to Exceed $45,000 from the Homer Accelerated Water and Sewer Program Fund to Reimburse a Private Developer for the Design and Construction of the Pennock Street Water Main Gap. City Manager/Public Works Director. Recommended dates Introduction January 10, 2022, Public Hearing and Second Reading January 24, 2022.

Memorandum 22 007 from Public Works Director as backup.

i. Ordinance 22 04, An Ordinance of the City Council of Homer, Alaska Amending the FY 2022 Capital Budget by Appropriating $350,000 from the Homer Accelerated Roads and Trails (HART) Road Fund for the Purchase of a new Grader. City Manager/Public Works Director. Recommended Dates Introduction January 10, 2022, Public Hearing and Second Reading January 24, 2022.

Memorandum 22 008 from Public Works Director as backup.

j. Ordinance 22 05, An Ordinance of the City Council of Homer, Alaska Amending the FY 2022 Capital Budget by Appropriating $60,000 from the Homer Accelerated Roads and Trails (HART) Road Fund for the Purchase of a new F550, 2 Ton 4x4 Truck. City Manager/Public Works Director. Recommended Dates Introduction January 10, 2022, Public Hearing and Second Reading January 24, 2022.

Memorandum 22 009 from Public Works Director as backup.

k. Resolution 22 001, A Resolution of the City Council of Homer, Alaska Confirming the City Manager's Appointment of Melissa Jacobsen as Acting City Manager for Calendar Year 2022. City Manager. Recommend adoption.

l. Resolution 22 002, A Resolution of the City Council of Homer, Alaska Confirming the Appointment of Elizabeth Walton as Treasurer and Jenna DeLumeau as Deputy Treasurer for Calendar Year 2022. City Manager. Recommend adoption.

m. Resolution 22 003, A Resolution of the City Council of Homer, Alaska Designating Signatories of City Accounts and Superseding any Previous Resolutions so Designating. City Manager/Finance Director. Recommend adoption.

n. Resolution 22 004, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Alder Lane Water Main Construction Project to Scott's Plumbing of Kodiak, Alaska in the Amount of $269,930 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum 22 009 from Public Works Director as backup.

o. Resolution 22 005, A Resolution of the City Council of Homer, Alaska Correcting the Final Assessment Roll Adopted by Resolution 21 078, Confirming the Corrected Assessment Roll, Establishing Delinquency, Penalty, and Interest Provisions for the Seawall Improvement Special Assessment District for Armor Toe Improvements, and Superseding Resolution 21 078. City Clerk. Recommend adoption.

Memorandum 22 011 from City Clerk as backup.

p. Resolution 22 006, A Resolution of the City Council of Homer, Alaska Approving the City of Homer 2022 Land Allocation Plan. City Manager. Recommend adoption.

Memorandum 22 012 from Deputy City Planner & Special Projects Coordinator as backup.

q. Resolution 22 007, A Resolution of the City Council of Homer, Alaska Adopting an Alternative Allocation Method for the FY2022 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in the Cook Inlet Fisheries Management Area. City Manager. Recommend adoption.

Memorandum 22 013 from Port Director as backup.

r. Resolution 22 008, A Resolution of the City Council of Homer, Alaska Increasing the Membership of the American with Disabilities Act (ADA) Compliance Committee from Five to Seven Members. Aderhold. Recommend adoption.

Memorandum 22 014 from ADA Compliance Committee as backup.

VISITORS

a. Homer Chamber of Commerce Marketing Update Brad Anderson, Executive Director (10 Minutes)

b. Prince William Sound and Cook Inlet Regional Citizens Advisory Councils Report on Alaska Department of Environmental Conservation's Proposed Changes for Oil Spill Prevention & Response Regulations Robert Archibald and Carla Stanley (10 Minutes)

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

a. Worksession Report

b. Committee of the Whole Report

c. Mayor's Report

d. Borough Report

e. Planning Commission

f. Economic Development Advisory Commission

PUBLIC HEARING(S)

a. Ordinance 21 68, An Ordinance of the City Council of Homer, Alaska Appropriating $25,000 from the General Fund for Fiscal Year 2022 to Fund Part of the Homer Business Advisor Position for the Alaska Small Business Development Center and Authorizing the City Manager to Negotiate and Execute Appropriate Documents. Venuti/Erickson. Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21 206 from Economic Development Advisory Commission as backup

b. Ordinance 21 69, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Appropriating $70,485 from the Homer Accelerated Water and Sewer Program (HAWSP) Fund for Installation of a Water Main Extension as part of the Alaska Department of Transportation and Public Facilities Repaving Project. City Manager/Public Works Director. Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21 207 from Public Works Director as backup

c. Ordinance 21 70, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 15.10.010 to Include Oscar Munson Subdivision Lot 34 in the Ocean Drive Loop Special Service District. City Manager/Public Works Director. Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21 208 from Public Works Director as backup

d. Ordinance 21 71, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Appropriating an Additional $138,399 from the Homer Accelerated Water and Sewer Program (HAWSP) Fund to Complete the Tasmania Court Water and Sewer Improvement Projects. City Manager/Public Works Director. Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21 216 from Public Works Director as backup

e. Ordinance 21 72, An Ordinance of the City Council of Homer, Alaska Appropriating $3,400 from the Land Fund to Acquire Tax Foreclosed Property from the Kenai Peninsula Borough and Retaining the Property for the Public Purpose of Determining the Special Assessment Liens and Creating a Clear Title to the Property, and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager. Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21 209 from Deputy City Planner as backup

f. Ordinance 21 73, An Ordinance of the City Council of Homer, Alaska Accepting a Healthy and Equitable Community Grant from the State of Alaska Department of Health and Social Services (DHSS) and Authorizing the City Manager to Negotiate and Execute and a Memorandum of Agreement with DHSS and a Sub Grant Award of the Funds to South Peninsula Hospital to help Maintain Free Community Access to COVID 19 Testing and Vaccines and to Initiate a Community Health Needs Assessment. City Manager. Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21 210 from Special Projects and Communications Coordinator as backup

ORDINANCE(S)

a. Ordinance 22 06, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Authorizing the Expenditure of an Additional $80,476.50 from the Homer Accelerated Water and Sewer Program Fund to Complete the Alder Lane Water Improvement Project. City Manager/Public Works Director. Recommended Dates Introduction January 10, 2022, Public Hearing and Second Reading January 24, 2022.

Memorandum 22 010 from Public Works Director as backup.

CITY MANAGER'S REPORT

a. City Manager's Report

PENDING BUSINESS

a. Ordinance 21 63(S 2), An Ordinance of the City Council of Homer, Alaska Settling the Current and Future Distributions of Income and Debt in the Natural Gas Distribution Special Assessment Bond Sinking Fund. Mayor/City Manager. Introduction October 11, 2021 Public Hearing and Second Reading October 25, 2021 Postponed to November 8, 2021 and December 13, 2021.

Ordinance 21 63(S 3), An Ordinance of the City Council of Homer, Alaska ~~Settling the Current and Future Distributions~~ **Directing Disposition** of ~~Income and Debt~~ **Amounts Held** in the Natural Gas Distribution Special Assessment Bond Sinking Fund, and

~~Accepting and Appropriating Future Free Main Allowance Refunds~~ **Related Matters.** Mayor/City Manager.

Memorandum 21 200 from City Manager as backup
Memorandum 21 191 from City Manager as backup
Memorandum 21 187 from Finance Director as backup

b. Resolution 21 073, A Resolution of the City Council of Homer, Alaska Updating the City of Homer Gift, Donation, and Art Policies, Procedures, and Guidelines to add a section on Murals, and Amend Language and Processes.

Memorandum 22 016 from City Clerk as backup
Memorandum 21 175 from City Clerk as backup

NEW BUSINESS

a. Memorandum 22 015 from City Clerk Re: Travel Authorization for Mayor and Councilmembers to attend the AML Winter Legislative Conference held February 16 18, 2022 in Juneau, Alaska.

RESOLUTIONS

a. Resolution 22 009, A Resolution of the City Council of Homer, Alaska Providing Input into the Alaska Department of Environmental Conservation on Proposed Changes to the Regulations on Oil Discharge Prevention and Contingency Plans. Aderhold.

b. Resolution 22 010, A Resolution of the City Council of Homer, Alaska Appreciating and Commending the Delegates of the 2021 Conference of Young Alaskans and Recognizing the Resolutions they Passed. Aderhold.

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, January 24, 2022 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.

Session 21-31 a Special Meeting of the Homer City Council was called to order on December 13, 2021 by Mayor Ken Castner at 4:00 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, ERICKSON, HANSEN-CAVASOS, LORD

ABSENT: COUNCILMEMBER VENUTI (excused)

STAFF: CITY CLERK JACOBSEN
ATTORNEY BRANDT-ERICHSEN

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

Mayor Castner announced the laydown information requested by Appellant Frank Griswold, including Preliminary Matters, laydown materials from the November 8th special meeting, also Appellants motion for sanctions & default judgement dated April 4, 2021, Appellants Motion to Strike New Evidence dated July 26, 2021, and August 4, 2021 Planning Commission Minutes.

ADERHOLD/LORD MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

PENDING BUSINESS

Mayor Castner announced the Board of Adjustment (BOA) is meeting to take up Appellant Frank Griswold's Motion for Leave to Supplement Points on Appeal to address the Planning Commissions Dismissal of Appeal by Frank Griswold and the Recommendation by the Planning Commission to Dismiss the Appeal of Conditional Use Permit 20-15 for the Reconstruction of a Restaurant Building at 106 W. Bunnell Avenue. He advised that each party may provide oral argument for 15 minutes total on the topics. The appellant may reserve time to rebut following the appellee's oral arguments and opened the floor to Mr. Griswold.

Mr. Griswold requested the Board address his preliminary matters before he begins his argument.

It was noted that there are two items on the agenda for consideration and question was raised whether it's appropriate to take up additional matters. Advice was requested from Attorney Brandt-Erichsen who summarized the matters. Mayor Castner interjected with questions for Mr. Griswold. Mayor Castner asked him to elaborate on why the Board wouldn't have the ability to have a Council of its choosing, in reference to preliminary matter 1.

Mr. Griswold responded his concern relates to the Mayor's comment regarding the BOA's representation and his reference to a Chinese curtain on August 2nd. If the attorney for the BOA is in a separate law firm than the City's attorney, JDO, and if they aren't sharing files or in any way affiliated with JDO, then there wouldn't be any need for that. Mr. Griswold requested clarification as to under what circumstances Attorney Brandt-Erichsen was hired for this matter. There was discussion confirming Attorney Brandt-Erichsen is not affiliated with JDO, and was hired by the City Manager to serve as counsel to the BOA.

Mayor Castner requested Attorney Brandt-Erichsen comment regarding the second preliminary matter of the BOA's failure to address Mr. Griswold's motion for sanctions and default judgement. Attorney Brandt-Erichsen responded regarding the April 8th motion, he is unsure what relief is being requested regarding this matter or how it fits in. The motion came in after the BOA issued their decision in March and he's not certain what the BOA role would be in addressing the request after the matter was remanded back to the Planning Commission.

Mr. Griswold explained the role he intended was for the BOA to provide guidance to the Commission that they were going down a rabbit hole and considering this new evidence was trickling in by ex parte communication between Mr. Abboud and the applicant. If there's new evidence or a change in circumstance that has to come before the BOA, then the BOA has the option of remanding it back to the commission for taking evidence. The only thing the Commission was authorized to address was ownership and conflicts of interest. The new evidence or change of circumstance was inappropriate for them to address. They were supposed to respond to the remand, and they delayed it until Mr. Abboud got the applicant to withdraw it. It should have come to the BOA for direction regarding the new evidence.

Mayor Castner commented unless and if the new information is the withdrawal of the application, which is alluded to in the third preliminary matter, than it's a legal question whether it's an interrupting event that stops everything. He thinks what the BOA decided is that when the application was withdrawn, there was no harm, other than the process harm that's been indicated.

Mr. Griswold raised the issue again regarding his motion for sanctions and default judgement in that it was never addressed by the BOA.

Mayor Castner asked for a motion to place Mr. Griswold's motion for sanctions and default judgement in abeyance until you've (the BOA) reached your final determination.

ADERHOLD/LORD SO MOVED

There was no discussion.

At request of the Mayor, Attorney Brandt-Erichsen confirmed this action should be fine procedurally.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

Mayor Castner acknowledged the third preliminary matter regarding the mootness issue and suggested it's something that isn't properly before the BOA now because it hasn't been presented in a procedurally correct manner.

Mr. Griswold explained that in the motion it indicates the BOA has already made up their mind regarding mootness, so it's no longer an impartial adjudicatory body. Under city rules, if the matter can't be postponed to a time when there is an impartial board, then all would be allowed to participate, and there's a provision in the code that an alternative option is to use a hearing officer. A hearing officer wasn't his initial choice to hear this appeal, but in light of the fact that the BOA has indicated in writing they believe it is a moot point due the lack of an active permit application, that's very difficult to overcome. This body is supposed to be impartial and not render a decision before hearing the evidence.

Mayor Castner asked Mr. Griswold if it would be preferred for the BOA to adjourn and assign this matter to a hearing officer. Mr. Griswold responded he didn't think there is another proper option. He questioned at what point does the hearing officer take over, it's very muddy when one body starts something and another takes over.

Mayor Castner asked for confirmation. Mr. Griswold said he chose the BOA and up and until the time they revealed this strong bias on the issue now before them, that's not acceptable to him.

Mayor Castner asked for a motion to adjourn the BOA and turn the matter over to a hearing officer.

ADERHOLD/LORD MOVED TO ADJOURN THE BOA HEARING AND REMAND ALL THE ACTIONS TO A HEARING OFFICER UNDER HOMER CITY CODE.

There was brief discussion with Attorney Brandt-Erichsen regarding the wording of the action.

ADERHOLD/LORD MOVED TO AMEND THE MOTION TO REFER THE ISSUES BEFORE THE BOARD OF ADJUSTMENT TO A HEARING OFFICER FOR A DECISION AND THAT THIS IS MADE AT THE REQUEST AND CONSENT OF MR. GRISWOLD.

Mayor Castner opened the floor to Attorney Holmquist to comment.

Attorney Holmquist expressed the City's position regarding Mr. Griswold's request is that there really is no reason to refer it to a hearing officer. What Mr. Griswold claims to be a form of bias appears to the City to be a factual finding that was determined at a prior meeting by the BOA. It's been 7 or 8 months since the applicant withdrew her application and the City would prefer to have this decided tonight by the BOA. But if the BOA prefers to refer it to a hearing officer the City won't object.

Mayor Castner responded he felt Mr. Griswold was correct regarding initial concerns by the BOA regarding ownership and representation of ownership, and that never got sifted out along the way. He thinks allowing the BOA to move this along to someone who can look at it with fresh eyes is probably in the best interest of the City.

Boardmember Aderhold noted for the record she doesn't believe there is any bias on her part. Whether the BOA continues work on this or it goes to a hearing officer, it won't be finished tonight because there isn't time.

Boardmember Lord echoed the feeling of impartiality she feels she's continued to bring to the table. In terms of the mootness of the application, they're working with independent legal counsel and that's the best she has to go off of. In terms of concepts of a factual finding, there is no permit on the table, it was withdrawn. She believes motives behind whomever to that action are outside their jurisdiction. If she's getting legal advice that there is no permit to be batting around, she has a difficult time figuring out the BOA is supposed to adjudicate something that doesn't exist. She's not interested in impugning people's motives as to why or why not the permit is on the ground. She's comfortable with a hearing officer, however she does think, as Mr. Holmquist noted, it's a factual finding.

Mr. Griswold commented the BOA shouldn't even know that there is no longer a permit. None of that evidence was legitimately presented.

VOTE (motion to amend): YES: ERICKSON, ADERHOLD, LORD, DAVIS, HANSEN-CAVASOS

Motion carried.

There was no further discussion on the main motion as amended.

VOTE (main motion as amended): YES: ADERHOLD, HANSEN-CAVASOS, LORD, ERICKSON, DAVIS

Motion carried.

a. Consideration of Motion for Leave to Supplement Points on Appeal to Address Planning Commission's Dismissal of Appeal by Frank Griswold, Appellant

Memorandum 21-201 from City Clerk as backup

b. Recommendation by the Planning Commission to Dismiss the Appeal of Conditional Use Permit (CUP) 20-15 for the Reconstruction of a Restaurant Building at 106 W. Bunnell Avenue, Homer, Alaska based on the Applicant's Withdrawal of their CUP Application.

Memorandum 21-202 from City Clerk as backup

NEW BUSINESS

COMMENTS OF THE AUDIENCE

Mr. Griswold commented he'd like to know the status of the Planning Commission's August 4th decision and what is the extent of their future involvement. By the BOA going to a hearing officer, does that also mean they are no longer involved and it would be solely a hearing officer decision that would be appealed to the superior court.

ADJOURN

There being no further business to come before the Council as Board of Adjustment Mayor Castner adjourned the meeting at 4:37 P.M. The next Regular Meeting is Monday, January 10, 2022 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.

_____

Melissa Jacobsen, MMC, City Clerk

Approved: _____

Session 21-32 a Regular Meeting of the Homer City Council was called to order on December 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, ERICKSON, HANSEN-CAVASOS, LORD, VENUTI

STAFF: CITY MANAGER DUMOUCHEL
CITY CLERK JACOBSEN
FINANCE DIRECTOR WALTON
PORT DIRECTOR HAWKINS
LIBRARY DIRECTOR BERRY
PUBLIC WORKS DIRECTOR KEISER
CITY ATTORNEY GATTI
ATTORNEY CARTLEDGE

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

Mayor Castner announced the supplemental items: **CONSENT AGENDA** Ordinance 21-73, An Ordinance of the City Council of Homer, Alaska Accepting a Healthy and Equitable Community Grant from the State of Alaska Department of Health and Social Services (DHSS) and Authorizing the City Manager to Negotiate and Execute and a Memorandum of Agreement with DHSS and a Sub-Grant Award of the Funds to South Peninsula Hospital to help Maintain Free Community Access to COVID-19 Testing and Vaccines and to Initiate a Community Health Needs Assessment. City Manager. Memorandum of Agreement from State of Alaska Department of Health and Social Services, Division of Public Health; **ANNOUNCEMENTS PRESENTATIONS AND REPORTS** Library Advisory Board written report and AML Reports; **PENDING BUSINESS** Ordinance 21-63(S), An Ordinance of the City Council of Homer, Alaska Settling the Current and Future Distributions of Income and Debt in the Natural Gas Distribution Special Assessment Bond Sinking Fund. City Manager/Mayor. Written public comments; **RESOLUTIONS** Resolution 21-091, A Resolution of the City Council of Homer, Alaska Directing the City Attorney to File an Amicus Brief in the United Cook Inlet Drift Association and Cook Inlet Fishermen's Fund v National Marine Fisheries Service and National Oceanic and Atmospheric Administration, Et Al., 3:21-cv-00255-JMK Litigation. Mayor/Aderhold. Written public comment

ADERHOLD/LORD 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

Rick Vann, non-resident and property owner in the Bunnell Ave/Charles Way Special Assessment District, commented in opposition to Resolution 21-057(S) and (S-2) and the benefitted area methodology. He and his wife purchased their property 17 or 18 years ago and they could have legally added water and sewer through spaghetti lines at a reasonable rate, but put in septic and water tanks. The assessment is over $1000 a month for the next ten years for a service they don't need.

Heath Smith, city resident, commented regarding Resolution 21-057(S) and (S-2). When Council amended titles 14 and 17 one thing he fought hard for as our default deal was the equal shares method because he thinks it's the fairest way to go. Different people will have different opinions about it, but he didn't agree with benefitted area because a lot of small lots can push a majority of the burden onto a few lots. Every property gets the same sewer hookup and water spigot, benefitted area can be addressed through property tax on improvements to a property.

Adrienne Sweeny, city resident, commented in opposition to Resolution 21-057(S) and (S-2) and the benefitted area methodology, and shared regarding her family's bad experiences with special assessment districts in the City.

Connie Vann, non-resident and property owner in the Bunnell Ave/Charles Way Special Assessment District, commented in opposition to Resolution 21-057(S) and (S-2) and the benefitted area methodology. Since the Bishops Beach property, owned by the city, is public property, it doesn't fit into the scope of assessment of private property for its use. The city should treat the utility upgrade for Bishops Beach as it would any other needed capital improvement in the city, and the SAD for the other properties could be connected to the City's provided mains. The projects could happen at the same time to save costs and other sources of funding may be available for the main project development.

Cassidy Cameron, Kenai Peninsula Economic Development District (KPEDD) Programs Coordinator, commented regarding the upcoming KPEDD 2022 Industry Outlook Forum. She shared that the US Secretary of Commerce announced there were 60 finalists for the US Economic Development Administration Build Back Better regional challenge, KPEDD partnered with a coalition of other coastal Alaskan communities as the Southeast Conference, and they were chosen as one of the finalists and will compete for phase 2 funding.

Roberta Highland, city resident, commented in support of Resolution 21-091. As a member of the Kachemak Bay Conservation Society, she commented in opposition of HB52 unless the matters are split so the two land matters would stand alone separately, or have HB52

withdrawn from the session to allow time to come to a solutions without the pressure of HB52 progressing through the legislature.

Tad Revelle Russell, non-resident, commented in support of Resolution 21-091 and shared regarding the economic benefits of his Homer based commercial fishing business, and detrimental impacts of closure of the EEZ to commercial fishermen in the upper Cook Inlet Drift Fishery.

Matt Johnson, non-resident and property owner in the Bunnell Ave/Charles Way Special Assessment District, commented in opposition to Resolution 21-057(S) and (S-2) and the benefitted area methodology. He read his written comments explaining he and his sister co-own two properties, one vacant and on with a small cabin that have water and wastewater holding tanks. They were willing to shoulder their share of the project cost under the per parcel method to benefit the neighborhood, but were shocked by the 500% cost increase to their property with the change to the benefitted area methodology, while the other properties costs were reduced. His written comments were included in the packet.

Jay Farmwald, non-resident, commented regarding the City's opportunity to acquire lots owned by him and three friends in the Bridge Creek Watershed, that's addressed in the City Manager's report.

Penelope Haas, board member of the Kachemak Bay Conservation Society, commented in support of Resolution 21-091. She also shared regarding the Kachemak Bay Conservation Societies strong opposition to HB52, and history on the Tutka Bay Lagoon Hatchery and negative impacts of HB52.

Robert Ruffner, representing the Alaska Salmon Alliance, commented in support of Resolution 21-091. He shared regarding impacts of the EEZ closure to the fishery and community, and the need to be prepared to file the amicus brief, and let the attorneys look at the matters and address them through the court system.

Cristan San Roman, commented regarding HB52 and how it relates negatively to the China Poot Dipnet Fishery, which is an important fishery for personal use, and sockeye egg take.

Bruce Friend, city resident, commented in opposition of HB52 and in support of commercial fishermen and commercial fish processors.

Alan Parks, city resident, commented in support of Resolution 21-091 and in opposition to HB52 noting inaccuracies in Representative Vance's justification for the bill.

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 and Regular Meeting Minutes of November 8, 2021. City Clerk. Recommend adoption.

b. Memorandum 21-203 from Mayor Castner re: Re-appointment of Karin Marks to the Kenai Peninsula Economic Development District Board. Recommend approval.

c. Memorandum 21-204 from Deputy City Clerk Re: Liquor License Renewal for The Alibi, Kharacters, Down East Saloon, and The Broken Oar. Recommend approval.

d. Memorandum 21-205 from Deputy City Clerk Re: Retail Marijuana Store License Renewal for Cosmic Seaweed. Recommend approval.

e. Ordinance 21-68, An Ordinance of the City Council of Homer, Alaska Appropriating $25,000 from the General Fund for Fiscal Year 2022 to Fund Part of the Homer Business Advisor Position for the Alaska Small Business Development Center and Authorizing the City Manager to Negotiate and Execute Appropriate Documents. Venuti/Erickson. Recommended dates Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

   Memorandum 21-206 from Economic Development Advisory Commission as backup

f. Ordinance 21-69, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Appropriating $70,485 from the Homer Accelerated Water and Sewer Program (HAWSP) Fund for Installation of a Water Main Extension as part of the Alaska Department of Transportation and Public Facilities Repaving Project. City Manager/Public Works Director. Recommended dates Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

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h. Ordinance 21-71, An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Appropriating an Additional $138,399 from the Homer Accelerated

Water and Sewer Program (HAWSP) Fund to Complete the Tasmania Court Water and Sewer Improvement Projects. City Manager/Public Works Director. Recommended dates Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21-216 from Public Works Director as backup

i. Ordinance 21-72, An Ordinance of the City Council of Homer, Alaska Appropriating $3,400 from the Land Fund to Acquire Tax Foreclosed Property from the Kenai Peninsula Borough and Retaining the Property for the Public Purpose of Determining the Special Assessment Liens and Creating a Clear Title to the Property, and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager. Recommended dates Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21-209 from Deputy City Planner as backup

j. Ordinance 21-73, An Ordinance of the City Council of Homer, Alaska Accepting a Healthy and Equitable Community Grant from the State of Alaska Department of Health and Social Services (DHSS) and Authorizing the City Manager to Negotiate and Execute and a Memorandum of Agreement with DHSS and a Sub-Grant Award of the Funds to South Peninsula Hospital to help Maintain Free Community Access to COVID-19 Testing and Vaccines and to Initiate a Community Health Needs Assessment. City Manager. Recommended dates Introduction December 13, 2021 Public Hearing and Second Reading January 10, 2022.

Memorandum 21-210 from Special Projects and Communications Coordinator as backup

k. Resolution 21-083, A Resolution of the City Council of Homer, Alaska Establishing the 2022 Regular Meeting Schedule for City Council, Economic Development Advisory Commission, Library Advisory Board, Parks Art Recreation and Culture Advisory Commission, Planning Commission, Port and Harbor Advisory Commission, and Americans with Disabilities Act Compliance Committee. City Clerk. Recommend adoption.

Memorandum 21-211 from Deputy City Clerk as backup

l. Resolution 21-084 A Resolution of the City Council of Homer, Alaska Amending the Economic Development Advisory Commission Bylaws Regarding Teleconferencing, Attendance, Vacancies, City Staff Roles, and Rules of Order for Boards and Commissions by amending articles titled Name and Authorization, Membership, Meetings, Bylaw Amendments; adding articles titled City Staff Roles and General Operating Procedures;

and removing the article titled Teleconferencing. City Clerk/Economic Development Advisory Commission. Recommend adoption.

Memorandum 21-212 from Deputy City Clerk as backup

m. Resolution 21-085, A Resolution of the City Council of Homer, Alaska Amending the Library Advisory Board Bylaws Regarding Meeting Schedule, Membership, Teleconferencing, Attendance, Vacancies, City Staff Roles, and Rules of Order for Boards and Commissions by amending articles titled Membership, Meetings, Bylaw Amendments; adding articles titled City Staff Roles and General Operating Procedures; and removing the article titled Teleconferencing. City Clerk/Library Advisory Board. Recommend adoption.

Memorandum 21-213 from Library Advisory Board as backup

n. Resolution 21-086, A Resolution of the City Council of Homer, Alaska Amending the Parks Art Recreation and Culture Advisory Commission (PARCAC) Bylaws Regarding Teleconferencing, Attendance, Vacancies, City Staff Roles, and Rules of Order for Boards and Commissions by amending articles titled Purpose, Membership, Officers, Meetings, Bylaw Amendments; adding articles titled City Staff Roles and General Operating Procedures; and removing the article titled Teleconferencing. City Clerk/PARCAC. Recommend adoption.

Memorandum 21-214 from Parks Art Recreation & Cultural Advisory Commission as backup

o. Resolution 21-087, A Resolution of the City Council of Homer, Alaska Approving a Contract for Lobbying Services with J&H Consulting of Juneau, Alaska for a Term of One Year Commencing on December 15, 2021 and Ending December 15, 2022 in the Amount of $42,000 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager. Recommend adoption.

p. Resolution 21-088, A Resolution of the City Council of Homer, Alaska Approving a Contract Amendment with Homer Animal Services, LLC with a 5% Increase for Calendar Year 2022 and 3% Increase for Calendar Year 2023 for Homer Animal Shelter Operation and Management and Authorizes the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Police Chief. Recommend adoption.

Memorandum 21-215 from City Manager as backup

q. Resolution 21-089, A Resolution of the City Council of Homer, Alaska Awarding a Contract for the Tasmania Court Water and Sewer Main Construction Projects to East Road Services, Inc. of Homer, Alaska in the Amount of $688,094 and Authorizing the City

Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum 21-216 from Public Works Director as backup

r. Resolution 21-090, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Operation and Maintenance of the Port & Harbor Fish Grinder Facility to the Alaskan Fish Factory of Homer, Alaska in the Amount of $38 per man-hour and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Recommend adoption.

Memorandum 21-217 from Port Director as backup

City Clerk Jacobsen read the consent agenda and recommendations.

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

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

a. Legislative Update - Representative Sarah Vance (10 Minutes)

Representative Sarah Vance reported the next regular session begins January 18, 2022 and one of her and her team's big priorities is a long term comprehensive fiscal plan. They hope there will be movement on the bi-partisan/bi-cameral fiscal policy work group that did work this past summer there are a lot of fiscal matters that need to be addressed. She also reported regarding her support of a full PFD and the Governors 50/50 split proposal, and she wants to hear from constituents in our district on where they stand on the issue because ultimately she will do the will of the district. Her capital priority is Homer's Deep Water Dock Port and has been following and advocating for it and for federal infrastructure funds to get the ball rolling. She shared regarding the No Patient Left Alone Act and also the status of HB52 that expands the park by adding three parcels and carving out the Tutka Bay Lagoon and hatchery to cure a legal land disposal issue.

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

Public Health Nurse Lorne Carroll reviewed the States COVID-19 dashboard regarding daily case counts, and state trends. He shared that the Kenai Peninsula Borough remains in high status of case counts, and also reported on cases, deaths, and hospitalizations for our area, as well as vaccination status. Mr. Carroll reported on the Omicron variant and noted Alaska had its first confirmed case in Anchorage.

SPH Public Information Officer Derotha Ferraro touched on SHP weekly COVID-19 and Delta variant information regarding new admissions, ER visits, monoclonal anti-body infusions, and positivity rates. She shared holiday hours for the testing and vaccine clinic and the availability of at home COVID-19 test kits.

c. Alaska Small Business Development Center Homer Business Advisor – Cliff Cochran, Kenai Peninsula Center Director (10 minutes)

Kenai Peninsula Center Director Cliff Cochran presented to Council regarding the Alaska Small Business Development Center (SBDC) and the services they provide. He shared a breakdown of the hours and topics of advising shared at the Homer office to date in 2021, a success story of their work with Salmon Sisters, trends of positive levels of new client satisfaction, history of results of SBD's work in Homer both with and without an advisor, and the significant increase of services and capital infusion into the local economy with a local advisor. Mr. Cochran also reviewed the budget SBDC budget for the peninsula and for Homer specifically.

d. Cook Inlet Aquaculture Association (CIAA) Report – Dan Miotke, City of Homer Representative (10 minutes)

Dan Miotke, Dean Day, and Andy Wizik reported to Council. Mr. Wizik, a biologist with CIAA, provided a presentation on invasive species the association is working to keep out of our area including Northern Pike not native to Southcentral Alaska and can cause native fish populations to decline; and Elodea, an aquatic invasive plant species that reproduces rapidly, can survive under ice, and float long distances downstream where it can establish new colonies.

Dean Day, CIAA Executive Director, and Dan Miotke, Homer's representative to CIAA, commented to Council in response to questions on finances of the CIAA.

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

a. Committee of the Whole Report

Councilmember Aderhold reported Council met at 4:00 p.m. for a special meeting as board of adjustment and referred the appeal that was before them to a hearing officer. At Committee of the Whole at 5:00 p.m. Council confirmed they take final actions on advisory body bylaw amendments and touched briefly on the ordinance regarding SBDC funding. For the remainder

of their time they heard from the Finance Director regarding the natural gas fund and Ordinance 21-63(S) and (S-2).

b. Mayor's Report

Mayor Castner reported at AML and the Alaska Conference of Mayors meetings several Mayors and Managers of coastal communities and created a Coastal Coalition. The Coalition had their first meeting last week and discussed the Alaska Marine Highway System, ports and harbors, federal fisheries, travel and tourism, shipping expenses, and water and sewer concerns. He and Councilmember Aderhold attended the Borough Assembly meeting regarding the ordinance on appointment of Borough Planning Commission members. They adopted a 14 member Planning Commission and each City gets to appoint their representative, and each Assembly district gets a representative. Lastly he reported the Mayors of the cities in the Borough are meeting January 5th to discuss common purpose things in the Borough.

c. Borough Report

Kenai Peninsula Borough Assembly Member Lane Chesley added to the Mayor's comments that the Borough will take responsibility for advertising for all Planning Commission seats. He reported that the Assembly voted down having an Assembly meeting in Homer in September.

d. Library Advisory Board

Library Advisory Board Chair Kate Finn provided a written report in the supplemental packet.

e. Planning Commission

Planning Commission Chair Scott Smith provided a written report in the packet.

f. Economic Development Advisory Commission

i. Memorandum from Economic Development Advisory Commission Re: Year in Review

Economic Development Advisory Commission Chair Karin Marks reported at their November meeting they approved their 2021/2022 strategic plan and she reviewed near term through long term goals. The Commission provided memo in Council's packet that addresses the Commission's accomplishments for this year. She announced at their meeting tomorrow there will be a presentation of the final draft of the Wayfinding and Streetscape Plan, and invited all to listen in.

g. Parks Art Recreation and Culture Advisory Commission

i. Memorandum from Parks Art Recreation & Culture Advisory Commission Re: Kachemak City Funding Request

h. Port and Harbor Advisory Commission

i. Alaska Municipal League Annual Conference Travel Reports

Written reports were provided from Councilmembers that attended.

j. Prince William Sound Regional Citizens Advisory Council Written Report

PUBLIC HEARING(S)

a. Ordinance 21-67, An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating Grants from the Institute of Museum and Library Services in the Amount of $25,091 for Purchase and Installation of Little Libraries and Wi-Fi Upgrades at the Library. City Manager/Library Director. Introduction November 4, 2021 Public Hearing and Second Reading December 13, 2021.

Memorandum 21-196 from Library Director as backup

Mayor Castner opened the public hearing.

Heath Smith, city resident, thinks this is a great idea but expressed concern about associated costs with starting new programs, and how the programs will be funded going forward.

ADERHOLD/LORD MOVED TO ADOPT ORDINANCE 21-67 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

At the request of Council Library Director Berry explained in the past the library has partnered with various community organizations, as an example the Rotary Club has maintained the little library at the airport. It's definitely something worth exploring.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

a. City Manager's Report

City Manager Dumouchel reported regarding the strong sales tax start for FY22. He noted a page has been created on the website addressing matters discussed at their recent HERC planning worksession and also the survey is up. He addressed the information regarding an opportunity to purchase property and easements in the Bridge Creek Watershed.

In response to questions, City Manager Dumouchel explained he's working toward scheduling strategic planning and retreat with Council in March, and mid-biennium budget conversations to start in January.

Council comments included having paper copies of the HERC survey available at locations for citizens who don't have computers, questions about what's included on the survey, and sending the link out to Councilmembers and Commissioners.

Councilmember Aderhold congratulated City Manager Dumouchel for his appointment to the Alaska Municipal Management Association Board and Deputy City Clerk Krause for her appointment to the Alaska Association of Municipal Clerks Board.

PENDING BUSINESS

a. Ordinance 21-63(S), An Ordinance of the City Council of Homer, Alaska Settling the Current and Future Distributions of Income and Debt in the Natural Gas Distribution Special Assessment Bond Sinking Fund. Mayor/City Manager. Introduction October 11, 2021 Public Hearing and Second Reading October 25, 2021 Postponed to November 8, 2021 and December 13, 2021.

   Ordinance 21-63(S-2), An Ordinance of the City Council of Homer, Alaska Settling the Current and Future Distributions of Income and Debt in the Natural Gas Distribution Special Assessment Bond Sinking Fund. Mayor/City Manager.

   Memorandum 21-200 from City Manager as backup
   Memorandum 21-191 from City Manager as backup
   Memorandum 21-187 from Finance Director as backup

Mayor Castner announced there is a motion on the floor from the November 8th meeting by Lord/Aderhold to adopt Ordinance 21-63(S) by reading of title only for second and final reading.

ADERHOLD/LORD MOVED TO SUBSTITUTE ORDINANCE 21-63(S-2) FOR 21-63(S)

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

LORD/ADERHOLD MOVED TO AMEND ORDINANCE 21-63(S-2) TO STRIKE SECTION 3 AND ON LINES 63 AND 64 AFTER THE CITY COUNCIL STRIKE THE REST OF LINE 63 AND 64 REPLACE WITH WILL DETERMINE WHEN ACCOUNT 175 HAS A POSITIVE BALANCE, THE BEST APPROPRIATION FOR THOSE FUNDS.

Councilmember Lord explained sections 1 and 2 explain all the special assessments coming in and all free main allowance funds are accepted and appropriated into the sinking fund 175 and that seems like good housekeeping. Section 3 say all the moneys will be transferred to the general fund every year, and she's not comfortable with that. She thinks there needs to be more conversation on what the best utilization of these funds are and feels like they lie with the ratepayers in the future. The second part of the amendment words it so Council will figure out what to do with the money later.

Councilmember Erickson shared that section 3 is important and thinks line 82 could be amended to address the funds being appropriated and having the deadline for the money to be moved and track what's going on.

Councilmember Aderhold questioned if this gives enough of a triggering mechanism for the City to take necessary steps to appropriate the funds and come back to council with an action.

Suggestions were provided and discussed regarding language for section 3 and triggering action.

City Manager Dumouchel requested a brief recess to prepare a proposed amendment for consideration.

Mayor Castner called for a 5 minute recess at 9:20 p.m. and called the meeting back to order at 9:25 p.m.

City Manager Dumouchel commented after discussion with the City Attorney he recommends postponing the matter and he'll bring back an S-3 version on January 10th.

VOTE (amendment): NO: VENUTI, ERICKSON, ADERHOLD, LORD, DAVIS, HANSEN-CAVASOS

Motion failed.

LORD/VENUTI MOVED TO POSTPONE TO JANUARY 10TH.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

b. Resolution 21-057(S), A Resolution of the City Council of Homer, Alaska Acknowledging the Sufficiency of the Bunnell Avenue/Charles Way Water and Sewer Improvement Special Assessment District and Approving the Improvement Plan, Estimated Cost of Improvement and Assessment Methodology. City Manager/Public Works Director.

Resolution 21-057(S-2), A Resolution of the City Council of Homer, Alaska Acknowledging the Sufficiency of the Bunnell Avenue/Charles Way Water and Sewer Improvement Special Assessment District and Approving the Improvement Plan, Estimated Cost of Improvement and Assessment Methodology. City Manager/Public Works Director.

Memorandum 21-218 from Public Works Director as backup
Memorandum 21-190 from Public Works Director as backup
Memorandum 21-148 from Public Works Director as backup

Mayor Castner announced there is a motion on the floor from August 23 to adopt Resolution 21-057(S) by reading of title only.

ADERHOLD/LORD MOVED TO SUBSTITUTE RESOLUTION 21-075(S-2) FOR 21-075(S).

There was no discussion.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

At the request of Council, Public Works Director Keiser reviewed the scope of the project, touched on changes to date, explained she's requesting postponement to allow time to work on different ideas for a better compromise for the neighborhood, and answered questions from Mayor and Council.

ADERHOLD/LORD MOVED TO POSTPONE TO THE SECOND MEETING IN JANUARY.

It was noted that would be the January 24, 2022 regular meeting.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

NEW BUSINESS

RESOLUTIONS

a. Resolution 21-091, A Resolution of the City Council of Homer, Alaska Directing the City Attorney to File an Amicus Brief in the United Cook Inlet Drift Association and Cook Inlet Fishermen's Fund v National Marine Fisheries Service and National Oceanic and Atmospheric Administration, Et Al., 3:21-cv-00255-JMK Litigation. Mayor/Aderhold.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 21-091 BY READING OF TITLE ONLY.

At the request of the Council, Attorney Gatti explained an amicus brief includes research and identifying issues to present, working with City Manager, Mayor, and Council on other back ground issues that they might include in an argument. Typically a motion for leave would be filed to file the amicus brief with the court and the brief would be included along with the motion for leave to file the brief. This a fairly complicated case that's gone on for a long time so there will be a fair amount of research, analysis, and drafting needed to file a thorough and authoritative amicus brief.

Mayor Castner noted the City of Kenai is taking the matter up tomorrow, and Seward will be also.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

COMMENTS OF THE AUDIENCE

Heath Smith, city resident, thanked Public Works Director for her work. When he was elected in one of his first meetings with the City Manager at the time was that he feels it's important that when City is wrong, they own it, make it right, and move on. They'll look good in the eyes of the residents when they do so. That being said we don't make everyone happy all the time, it's up to Council to direct the attorneys to resolve those matters.

Alan Parks, city resident, commented what they heard tonight regarding HB52 is what's been playing out with the Kachemak Bay State Park Citizen Advisory Board meetings for years. He thinks it would be good for someone to have a meaningful public round table on the issue.

Nancy Hillstrand commented regarding the Tutka Bay Hatchery but the connection was poor and most of her comments were inaudible.

Bruce Friend, city resident, thanked Council for asking the right questions and attempting to inform themselves in the situation with the CIAA Board Members tonight. He thinks their financial condition and viability could be dived into further. He encouraged them to consider some of the action CIAA has taken in the recent past regarding illegal net pins in greater Tutka Bay, and the invasive species information provided tonight.

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti said it was a pleasure to be here tonight. He appreciates Council working hard in the public's interest to make the best decisions based on the best facts they can marshal to evaluate. To the extent that he and the firm can help them, please reach out. He wished everyone a great holiday.

Attorney Cartledge commented they had great meetings with staff today and she was able to get information she needed for work she's doing related to a certificate for Public Works and an ordinance that will be coming forth soon.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen commented regarding a current opening on the Library Advisory Board and for Student Representative on the Economic Development Advisory Commission, and noted upcoming openings on the Port and Harbor Advisory Commission.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel had no comments.

COMMENTS OF THE MAYOR

Mayor Castner noted an earlier comment from Councilmember Venuti, it's so important for people to participate in local government. We had a lot of participation tonight and tonight it showed that this is a city that listens, appreciates and process public comment, and reacts to public comments. He thanked Council for their long attention tonight.

COMMENTS OF THE CITY COUNCIL

Councilmember Lord thanked everyone who testified tonight in person and in writing. It's great to hear what people think about and are impacted by different things going on. Big thanks to Public Works and to all the people in private snow removal and snow management business, and all the folks driving safely and managing their own properties to navigate all the snow we've had. It's almost Solstice, Merry Christmas, and happy holidays to everyone.

Councilmember Hansen-Cavasos commented it was a great meeting and she'll see everyone next time. She wished all a Merry Christmas.

Councilmember Aderhold thanked everyone for their work doing snow removal recently. She shared about participating virtually in Lunch with a Councilmember today. The main topic was the large vessel harbor and people commented about their environmental concerns and cultural impact. She's been thinking about the communities in the Midwest that have been

impacted by tornadoes and what it would be like to be an elected official in one of those communities, her heart goes out to them. Happy Holidays to everyone.

Councilmember Venuti also thanked all the snow plow guys and gals for their work. She encouraged people to get vaccinated to help protect themselves, friends, and family. She also noted the tornadoes in Kentucky and encouraged people to heed emergency warnings when they hear them. She wished everyone Happy Holidays.

Councilmember Erickson commented about the beautiful sunny day. She encouraged younger folks to help their older neighbors with all this snow, and also to be careful around the snow berms. She acknowledge all the city departments that worked hard for us this year and wished everyone Merry Christmas.

Councilmember Davis wished everyone Happy Holidays.

ADJOURN

There being no further business to come before Council Mayor Castner adjourned the meeting at 10:08 p.m. The next Regular Meeting is Monday, January 10, 2022 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.

_____

Melissa Jacobsen, MMC, City Clerk

Approved:_____

City of Homer
www.cityofhomer-ak.gov

Office of the Mayor
491 East Pioneer Avenue
Homer, Alaska 99603
mayor@ci.homer.ak.us
(p) 907-235-3130
(f) 907-235-3143

Memorandum 21-001

TO: HOMER CITY COUNCIL

FROM: MAYOR CASTNER

DATE: DECEMBER 8, 2021

SUBJECT: TERM EXPIRATION UPDATE FOR LIBRARY ADVISORY BOARD STUDENT REPRESENTATIVE

Bristol Johnson was appointed to the Library Advisory Board as Student Representative via Memorandum 21 151 with a term expiration of May 2022. Since then, the LAB has amended their bylaws to no longer have a 1 year term limit, therefore the student representative term now expires with graduation from high school.

Recommendation

Confirm the revised Student Representative term expiration of Bristol Johnson to the Library Advisory Board to expire with graduation from high school.

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 22-002

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: RENEE KRAUSE, MMC, DEPUTY CITY CLERK

DATE: DECEMBER 28, 2021

SUBJECT: LIQUOR LICENSE RENEWALS FOR FINN'S AND LITTLE MERMAID

The City Clerk's Office has been notified by the AMCO Board of Liquor License Permit Renewals for the following within the City of Homer:

License Type:	Restaurant Eating Place
License #:	3210
DBA Name:	Little Mermaid
Service Location:	162 W Pioneer Avenue, Homer, AK 99603
Licensee:	Voglco, LLC
Contact Person:	Mary Vogl

License Type:	Restaurant/Eating Place Seasonal
License #:	4164
DBA Name:	Finn's
Service Location:	4287 Homer Spit Road Unit #8 Homer, AK 99603
Licensee:	Finn's LLC
Contact Person:	Sasha H Raupp

RECOMMENDATION: Voice non objection and approval for the Liquor License Renewal Applications. Fiscal Note: Revenues.

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development
ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

December 21, 2021

City of Homer
Kenai Peninsula Borough
Via Email: clerk@cityofhomer-ak.gov; mjacobsen@ci.homer.ak.us;mjenkins@kpb.us; jvanhoose@kpb.us; maldridge@kpb.us; ncarver@kpb.us; slopez@kpb.us jblankenship@kpb.us; cjackinsky@kpb.us

Re: Notice of 2022/2023 Liquor License Renewal Application

License Type:	Restaurant/Eating Place	**License Number:**	3210
Licensee:	Voglco LLC		
Doing Business As:	Little Mermaid		

We have received a completed renewal 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 written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Glen Klinkhart, Director
amco.localgovernmentonly@alaska.gov

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

3210

FORM CONTROL

XXXX

ISSUED
12/21/2021
ABC BOARD

LIQUOR LICENSE
2022 - 2023
TEMPORARY

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating

LICENSE FEE: $600.00

1130

CITY / BOROUGH: Homer
Kenai Peninsula Borough

D/B/A: Little Mermaid
162 W Pioneer Avenue

Mail Address:
Voglco LLC
PO Box 3350
Homer, AK 99603

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

[ ] Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

3210

FORM CONTROL

XXXX

ISSUED
12/21/2021
ABC BOARD

LIQUOR LICENSE
2022 - 2023
TEMPORARY

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating

LICENSE FEE: $600.00

CITY / BOROUGH: Homer
Kenai Peninsula Borough

D/B/A:
Little Mermaid
162 W Pioneer Avenue

Mailing Address:
Voglco LLC
PO Box 3350
Homer, AK 99603

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

[ ] Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

COPY

DIRECTOR

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)

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-17: 2022/2023 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable **$500.00** late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540,3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

Establishment Contact Information

Licensee (Owner):	VOGLco LLC	**License #:**	3210
License Type:	Restaurant | Eating Place		
Doing Business As:	Little Mermaid		
Premises Address:	162 W. Pioneer Ave		
Local Governing Body:	Homer City		
Community Council:	~~Homer~~ N/A		

If your mailing address has changed, write the NEW address below:

Mailing Address:					
City:		**State:**		**ZIP:**	

Section 1 – Licensee Contact Information

Contact Licensee: The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.
This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	MARY VOGL	**Contact Phone:**	907-435-7142
Contact Email:	Kathyvogl@yahoo.com		

Optional: If you wish for AMCO staff to communicate with **anyone other than the Contact Licensee** about your license, list them below:

Name of Contact:		**Contact Phone:**	
Contact Email:			

Name of Contact:		**Contact Phone:**	
Contact Email:			

Name of Contact:		**Contact Phone:**	
Contact Email:			

AMCO
NOV 8 2021

Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 2 – Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.
https://www.commerce.alaska.gov/cbp/main/search/entities

Alaska CBPL Entity #:	10112776

READ BEFORE PROCEEDING: Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of $48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The **only exception** to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.

- **Corporations** of ***any*** type *including non-profit* must list ONLY the following:
  - All shareholders who own 10% or more stock in the corporation
  - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- **Limited Liability Corporations**, of ***any*** type must list ONLY the following:
  - All Members with an ownership interest of 10% or more
  - All Managers (of the LLC, not the DBA) regardless of percentage owned
- **Partnerships** of ***any*** type, *including Limited Partnerships* must list ONLY the following:
  - Each Partner with an interest of 10% or more
  - All General Partners regardless of percentage owned

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You **must** list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:	Evan Vogl				
Title(s):	member	Phone:	9074357142	% Owned:	50
Mailing Address:	PO Box 3350				
City:	Homer	State:	AK	ZIP:	99603

Name of Official:	Mary Vogl				
Title(s):	member	Phone:	9074357142	% Owned:	50
Mailing Address:	PO Box 3350				
City:	Homer	State:	AK	ZIP:	99603

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 3 – Sole Proprietor Ownership Information

Corporations, LLC's and Partnerships of ALL kinds should skip this section.

READ BEFORE PROCEEDING: Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of $48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

Section 4 – License Operation

Check ONE BOX for EACH CALENDAR YEAR that best describes how this liquor license was operated:

	2020	2021
1. The license was **regularly operated continuously** throughout each year. (Year-round)	☒	☒
2. The license was **only operated during a specific season** each year. (Seasonal) *If your operation dates have changed, list them below:* _____ to _____	☐	☐
3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year. *A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.*	☐	☐
4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendar years. *A complete Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.*	☐	☐

If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.

Section 5 – Violations and Convictions

	Yes	No
Have ANY Notices of Violation been issued for this license **OR** has ANY person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?	☐	☒

If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)

If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.

AMCO
NOV 8 3 2021

Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 6 – Certifications

As an applicant for a liquor license renewal, 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, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- **I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.**
- I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity 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.

Signature of licensee

Mary K Vogt
Printed name of licensee

AMBER ANDERSON My Commission Expires NOTARY PUBLIC May 6, 2023 STATE OF ALASKA

Signature of Notary Public

Notary Public in and for the State of: AK

My commission expires: 5-6-23

Subscribed and sworn to before me this 19th day of Nov, 2021.

Restaurant/Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit
Recreational Site applications must include a completed Recreational Site Statement
Tourism applications must include a completed Tourism Statement
Wholesale applications must include a completed AB-25: Supplier Certification
Common Carrier applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

FOR OFFICE USE ONLY

License Fee:	$ 600.00	Application Fee:	$ 300.00	Misc. Fee:	$
Total Fees Due:					$ 900.00

AMCO
NOV 19 2021

Department of Commerce, Community, and Economic Development
CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database Download / Corporations / Entity Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Voglco LLC

Entity Type: Limited Liability Company

Entity #: 10112776

Status: Good Standing

AK Formed Date: 8/29/2019

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2023

Entity Mailing Address: P.O. BOX 3350, HOMER, AK 99603-3350

Entity Physical Address: 65065 ILIAMNA DR, HOMER, AK 99603-3350

Registered Agent

Agent Name: Mary Vogl

Registered Mailing Address: P.O. BOX 3350, HOMER, AK 99603-3350

Registered Physical Address: 65065 ILIAMNA DR, HOMER, AK 99603-3350

Officials

☐ Show Former

AK Entity #	Name	Titles	Owned
	Evan Vogl	Member	50.00
	Mary Vogl	Member	50.00

Filed Documents

Date Filed	Type	Filing	Certificate
8/29/2019	Creation Filing	Click to View	Click to View
8/29/2019	Initial Report	Click to View	
10/13/2020	Biennial Report	Click to View	

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Department of Commerce, Community, and Economic Development

DIVISION OF CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database Download / Business License / License #2093233

LICENSE DETAILS

Print Business License

License #: 2093233

Business Name: Little Mermaid

Status: Active

Issue Date: 10/03/2019

Expiration Date: 12/31/2023

Mailing Address: P.O Box 3350
Homer, AK 99603

Physical Address: 162 W. Pioneer Ave.
Homer, AK 99603

Owners

Voglco LLC

Activities

Line of Business	NAICS	Professional License #
72 - Accommodation and Food Services	722110 - FULL-SERVICE RESTAURANTS	

Endorsements

No Endorsements Found

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

No Lapses on record for the last 4 years.

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development
ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

December 20, 2021

Kenai Peninsula Borough
Via Email: mjenkins@kpb.us; jvanhoose@kpb.us; sness@kpb.us; cjackinsky@kpb.us; maldridge@kpb.us; ncarver@kpb.us; slopez@kpb.us; jblankenship@kpb.us; clerk@cityofhomer-ak.gov; mjacobsen@ci.homer.ak.us;

Re: Notice of 2022/2023 Liquor License Renewal Application

License Type:	Restaurant Eating Place	**License Number:**	4164
Licensee:	Finn's LLC		
Doing Business As:	Finn's		

We have received a completed renewal 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 written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Glen Klinkhart, Director
amco.localgovernmentonly@alaska.gov

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

4164

FORM CONTROL

XXXX

ISSUED
12/20/2021
ABC BOARD

LIQUOR LICENSE
2022 - 2023
TEMPORARY

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

4/1 - 9/30

TYPE OF LICENSE: Restaurant/Eating

LICENSE FEE: $300.00

1132

CITY / BOROUGH: Homer
Kenai Peninsula Borough

D/B/A: Finn's
4287 Homer Spit Road, Unit #8

Mail Address:
Finn's, LLC
PO Box 1435
Homer, AK 99603

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

[ ] Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

4164

FORM CONTROL

XXXX

ISSUED
12/20
/2021 ABC
BOARD

LIQUOR LICENSE
2022 - 2023
TEMPORARY

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

4/1 - 9/30

TYPE OF LICENSE: Restaurant/Eating

LICENSE FEE: $300.00

CITY / BOROUGH: Homer
Kenai Peninsula Borough

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

[ ] Special restriction - see reverse side

D/B/A:
Finn's
4287 Homer Spit Road, Unit #8

Mailing Address:
Finn's, LLC
PO Box 1435
Homer, AK 99603

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

COPY

DIRECTOR

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)

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

2022-2023 Master Checklist: Renewal License Application

Doing Business As:	Finn's	**License Number:**	4164
License Type:	Restaurant/Eating Place-Seasonal		
Examiner:	Colleen Button	**Transaction #:**	100305946

Document	Received	Completed	Notes
AB-17: Renewal Application	11/22	12/20/21	
App and License Fees	11/22	12/17/22	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit	11/22	12/20/21	
COI / COC / 5 Star / FAA Cert			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	

	Yes	No	N/A
CBPL Entity Printout included?	☒	☐	☐
Business License Copy included?	☒	☐	☐
Background(s) Completed & Date: _____	☐	☐	☒

Special Consideration: N/A **Board Meeting Date:** 1/18/22

LGB Sent Date: 12/20 **LGB Deadline Date:** _____

LGB 1 Name: City of Homer **LGB 2 Name:** Kenai Peninsula Borough

☐ Waive ☐ Protest ☐ Lapsed ☐ Waive ☐ Protest ☐ Lapsed

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-17: 2022/2023 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable **$500.00** late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540,3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

Establishment Contact Information

Licensee (Owner):	Finn's LLC	**License #:**	4164
License Type:	Restaurant / Eating Place Seasonal		
Doing Business As:	Finn's		
Premises Address:	4287 Homer Spit Road, Unit # 8		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		
Community Council:	None		

If your mailing address has changed, write the NEW address below:

Mailing Address:	PO Box 1435				
City:	Homer	**State:**	Alaska	**ZIP:**	99603

Section 1 – Licensee Contact Information

Contact Licensee: The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.
This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	Sasha M. Raupp	**Contact Phone:**	503 347 2450
Contact Email:	Sasharaupp@yahoo.com		

Optional: If you wish for AMCO staff to communicate with **anyone other than the Contact Licensee** about your license, list them below:

Name of Contact:	Bjorn Larson	**Contact Phone:**	503 454 6561
Contact Email:	larsonbjorn@yahoo.com		

Name of Contact:		**Contact Phone:**	
Contact Email:			

Name of Contact:		**Contact Phone:**	
Contact Email:			

Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 2 – Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.
https://www.commerce.alaska.gov/cbp/main/search/entities

Alaska CBPL Entity #:	740880

READ BEFORE PROCEEDING: Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of $48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The **only exception** to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.

- **Corporations** of ***any*** type *including non-profit* must list ONLY the following:
  - All shareholders who own 10% or more stock in the corporation
  - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- **Limited Liability Corporations**, of ***any*** type must list ONLY the following:
  - All Members with an ownership interest of 10% or more
  - All Managers (of the LLC, not the DBA) regardless of percentage owned
- **Partnerships** of ***any*** type, *including Limited Partnerships* must list ONLY the following:
  - Each Partner with an interest of 10% or more
  - All General Partners regardless of percentage owned

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You **must** list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:	Sasha Rapp				
Title(s):	Member	Phone:	503 347 2950	% Owned:	50
Mailing Address:	3132 SE 31st Ave				
City:	Portland	State:	OR	ZIP:	97202

Name of Official:	Bjorn Larson				
Title(s):	Member	Phone:	503 454 6561	% Owned:	50
Mailing Address:	PO Box 1435				
City:	Homer	State:	AK	ZIP:	99603

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

AMCO
NOV 2 4 2021

Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 3 – Sole Proprietor Ownership Information

Corporations, LLC's and Partnerships of ALL kinds should skip this section.

READ BEFORE PROCEEDING: Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of $48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.

This individual is an: ☐ Applicant ☐ Affiliate

Name:			**Contact Phone:**		
Mailing Address:					
City:		**State:**		**ZIP:**	
Email:					

This individual is an: ☐ Applicant ☐ Affiliate

Name:			**Contact Phone:**		
Mailing Address:					
City:		**State:**		**ZIP:**	
Email:					

Section 4 – License Operation

Check ONE BOX for EACH CALENDAR YEAR that best describes how this liquor license was operated:

	2020	2021
1. The license was **regularly operated continuously** throughout each year. (Year-round)	☐	☐
2. The license was **only operated during a specific season** each year. (Seasonal) *If your operation dates have changed, list them below:* _____ to _____	☒	☒
3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year. *A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.*	☐	☐
4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendaryears. *A complete Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.*	☐	☐

If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.

Section 5 – Violations and Convictions

	Yes	No
Have ANY Notices of Violation been issued for this license **OR** has ANY person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?	☐	☒

If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)

If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.

Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 6 – Certifications

As an applicant for a liquor license renewal, 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, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- **I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.**
- I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity 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.

Sasha H Rapp
Signature of licensee

Sasha H Rapp
Printed name of licensee

BRIAN M LASALLE
Signature of Notary Public

Notary Public in and for the State of: OREGON

My commission expires: 12/01/2023

Subscribed and sworn to before me this 17TH day of NOVEMBER, 2021.

OFFICIAL STAMP
BRIAN M LASALLE
NOTARY PUBLIC - OREGON
COMMISSION NO. 994236
MY COMMISSION EXPIRES DECEMBER 01, 2023

Restaurant/Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit
Recreational Site applications must include a completed Recreational Site Statement
Tourism applications must include a completed Tourism Statement
Wholesale applications must include a completed AB-25: Supplier Certification
Common Carrier applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

FOR OFFICE USE ONLY

License Fee:	$ 300	**Application Fee:**	$ 300.00	**Misc. Fee:**	$
		Total Fees Due:			$ 600

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-33: 2022/2023 Restaurant Receipts Affidavit

What is this form?

A restaurant or eating place licensee must file a complete copy of this form along with its 2022/2023 license renewal application, in order to provide evidence to the Alcoholic Beverage Control Board that this licensed restaurant's receipts from the sale of food upon the licensed premises constitute no less than 50% of the gross receipts (food + alcohol sales) of the licensed premises for each calendar year in 2020 and 2021, as required by AS 04.11.100(e). This form is confidential.

This form must be completed and submitted with Form AB-17 to AMCO's main office before a license renewal application may be reviewed.

Section 1 – Establishment Information

This form is being submitted for the following license:

Licensee:	Finn's LLC /	**License #:**	4164
License Type:	Restaurant / Eating Place Seasonal		
Doing Business As:	Finn's		
Premises Address:	4287 Homer Spit Road, Unit #8		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		

Section 2 – Gross Receipts for 2019 and 2020

Please fill out the following information carefully, contact AMCO staff if you have questions regarding this form. **Enter the dollar amounts of the food and gross (food + alcohol) receipts on the licensed premises, and calculate the percentage of gross revenue that**

[redacted]

Sasha H Raupp
Signature of licensee

Sasha H Raupp
Printed name of licensee

OFFICIAL STAMP
BRIAN M LASALLE
NOTARY PUBLIC - OREGON
COMMISSION NO. 994236
MY COMMISSION EXPIRES DECEMBER 01, 2023

Signature of Notary Public

My commission expires: 12/01/2023

Subscribed and sworn to before me this 17TH day of NOVEMBER, 2021.

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	FINNS, LLC

Entity Type: Limited Liability Company

Entity #: 74088D

Status: Good Standing

AK Formed Date: 8/30/2001

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2023

Entity Mailing Address: PO BOX 1435, HOMER, AK 99603

Entity Physical Address: 4287 HOMER SPIT RD. UNIT 8, HOMER, AK 99603

Registered Agent

Agent Name: Bjorn Larson

Registered Mailing Address: PO BOX 1435, HOMER, AK 99603

Registered Physical Address: 196 W CHARLES WAY, HOMER, AK 99603

Officials

☐Show Former

AK Entity #	Name	Titles	Owned
	BJORN LARSON	Member	50.00
	SASHA RAUPP	Member	50.00

Filed Documents

Date Filed	Type	Filing	Certificate
8/30/2001	Creation Filing		
9/06/2001	Biennial Report		
5/09/2003	Initial Report	Click to View	
2/18/2007	Biennial Report	Click to View	
2/18/2007	Biennial Report	Click to View	
2/18/2007	Biennial Report	Click to View	
11/21/2011	Biennial Report	Click to View	
11/21/2011	Biennial Report	Click to View	
3/12/2013	Biennial Report	Click to View	
4/22/2013	Agent Change	Click to View	
4/03/2015	Biennial Report	Click to View	
11/30/2016	Biennial Report	Click to View	
5/22/2019	Biennial Report	Click to View	

License Detail

LICENSE DETAILS

Print Business License

License #: 988163

Business Name: FINN'S, LLC

Status: Active

Issue Date: 04/11/2013

Expiration Date: 12/31/2021

Mailing Address: PO BOX 1435
HOMER, AK 99603

Physical Address: 4287 Homer Spit Road
CANNERY ROW BOARDWALK UNIT 8
Homer, AK 99603

Owners

FINNS, LLC

Activities

Line of Business	NAICS	Professional License #
72 - Accommodation and Food Services	722211 - LIMITED-SERVICE RESTAURANTS	

Endorsements

No Endorsements Found

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

No Lapses on record for the last 4 years.

Close License Detail **Print Friendly Version**

City of Homer
www.cityofhomer-ak.gov

Police Department
625 Grubstake Avenue
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 II

FROM: MARK ROBL, POLICE CHIEF

CC: LISA LINEGAR, COMMUNICATIONS SUPERVISOR

DATE: DECEMBER 27, 2021

SUBJECT: LIQUOR LICENSE RENEWAL FOR LITTLE MERMAID AND FINN'S NO OBJECTION

The Homer Police Department has no objection to the Liquor License Renewal Applications within the City of Homer for the following business:

License Type:	Restaurant Eating Place
License #:	3210
DBA Name:	Little Mermaid
Service Location:	162 W Pioneer Avenue, Homer, AK 99603
Licensee:	Voglco, LLC
Contact Person:	Mary Vogl

License Type:	Restaurant/Eating Place Seasonal
License #:	4164
DBA Name:	Finn's
Service Location:	4287 Homer Spit Road Unit #8 Homer, AK 99603
Licensee:	Finn's LLC
Contact Person:	Sasha H Raupp

Office of the Borough Clerk
144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

12/22/2021

Sent via email: clerk@ci.homer.ak.us

Homer City Hall
City of Homer Clerk

RE: Non-Objection of Application

Licensee/Applicant	:	Voglco, LLC
Business Name	:	Little Mermaid
License Type	:	Restaurant/Eating Places
License Location	:	162 W. Pioneer Avenue, Homer, AK 99603, City of Homer
License No.	:	3210
Application Type	:	Renewal

Dear Ms. Jacobsen,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

cc: kathyvogl@yahoo.com; clerk@ci.homer.ak.us; JVanHoose@kpb.us; MJenkins@kpb.us

Office of the Borough Clerk
144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

12/21/2021

Sent via email: clerk@ci.homer.ak.us

Homer City Hall
City of Homer Clerk

RE: Non-Objection of Application

Licensee/Applicant	:	Finns, LLC
Business Name	:	Finn's, LLC
License Type	:	Restaurant/Eating Places - Seasonal
License Location	:	4287 Homer Spit Road, Unit #8, City of Homer
License No.	:	4164
Application Type	:	Renewal
[PreviousText]		

Dear Ms. Jacobsen,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

cc: sasharaupp@yahoo.com; JVanHoose@kpb.us; MJenkins@kpb.us

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 22-003

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: RENEE KRAUSE, MMC, DEPUTY CITY CLERK

DATE: JANUARY 5, 2022

SUBJECT: STANDARD MARIJUANA CULTIVATION FACILITY LICENSE RENEWAL FOR ALASKA LOVEN IT, LLC AND MARIJUANA PRODUCT MANUFACTURING FACILITY LICENSE RENEWAL FOR COSMIC SEAWEED, LLC

We have been notified by the Alcohol Marijuana Control Office of an application for a renewal of a standard marijuana cultivation facility license in the City of Homer for the following:

Type:	Standard Marijuana Cultivation Facility
Lic #:	12833
DBA Name:	Wildflower Farms
Service Location:	2908 Kachemak Drive, Homer, Alaska
Licensee:	Alaska Loven It, LLC
Designated Licensee:	Janiese Stevens
Mailing Address:	P.O. Box 1571, Homer, AK 99603

We have been notified by the Alcohol Marijuana Control Office of an application for a renewal of a marijuana manufacturing product facility license in the City of Homer for the following:

Type:	Marijuana Product Manufacturing Facility
Lic #:	19728
DBA Name:	Cosmic SeaWeed, LLC
Service Location:	262 Charles Way, Homer, AK 99603
Licensee:	Cosmic SeaWeed, LLC
Designated Licensee:	Christina Logan
Mailing Address:	262 Charles Way, Homer, AK 99603

RECOMMENDATION: Voice non objection and approval for the renewals of standard marijuana cultivation and marijuana product manufacturing facility licenses.

Fiscal Note: Revenues.

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

December 13, 2021

City of Homer, Kenai Peninsula Borough
Attn: Johni Blankenship, Melissa Jacobsen, City Clerk
VIA Email: clerk@cityofhomer-ak.gov ; jblankenship@kpb.us
CC: micheleturner@kpb.us
sness@kpb.us
mjenkins@kpb.us
MAldridge@kpb.us
slopez@kpb.us
ncarver@kpb.us
JVanHoose@kpb.us

License Number:	19728
License Type:	Marijuana Product Manufacturing Facility
Licensee:	Cosmic SeaWeed, LLC
Doing Business As:	COSMIC SEAWEED, LLC
Physical Address:	262 Charles Way Homer, AK 99603
Designated Licensee:	Christina Logan
Phone Number:	907-982-0513
Email Address:	chrisloganrn@hotmail.com

☒ **License Renewal Application** ☐ **Endorsement Renewal Application**

AMCO has received a complete renewal application and/or endorsement renewal application for a marijuana establishment within your jurisdiction. This notice is required under 3 AAC 306.035(c)(2). Application documents will be sent to you separately via ZendTo.

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.060 states that the board will uphold a local government protest and deny an application for a marijuana establishment license unless the board finds that a protest by a local government is arbitrary, capricious, and unreasonable. If the protest is a "conditional protest" as defined in 3 AAC 306.060(d)(2) and the application otherwise meets all the criteria set forth by the regulations, the Marijuana Control Board may approve the license renewal, but require the applicant to show to the board's satisfaction that the requirements of the local government have been met before the director issues the license.

At the May 15, 2017, Marijuana Control Board meeting, the board delegated to me the authority to approve renewal applications with no protests, objections, or notices of violation. However, if a timely protest or objection is filed for this application, or if any notices of violation have been issued for this

license, the board will consider the application. In those situations, a temporary license will be issued pending board consideration.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Sincerely,

Glen Klinkhart, Director
907-269-0350

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

December 6, 2021

City of Homer
Attn: Melissa Jacobsen, City Clerk
VIA Email: clerk@cityofhomer-ak.gov
CC: micheleturner@kpb.us
sness@kpb.us
mjenkins@kpb.us
maldridge@kpb.us
slopez@kpb.us
ncarver@kpb.us
jvanhoose@kpb.us

License Number:	12833
License Type:	Standard Marijuana Cultivation Facility
Licensee:	Alaska Loven It, LLC
Doing Business As:	Wildflower Farms
Physical Address:	2908 Kachemak Drive Homer, AK 99603
Designated Licensee:	Janiese Stevens
Phone Number:	907-486-1792
Email Address:	jstevens@ak.net

☒ **License Renewal Application** ☐ **Endorsement Renewal Application**

AMCO has received a complete renewal application and/or endorsement renewal application for a marijuana establishment within your jurisdiction. This notice is required under 3 AAC 306.035(c)(2). Application documents will be sent to you separately via ZendTo.

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.060 states that the board will uphold a local government protest and deny an application for a marijuana establishment license unless the board finds that a protest by a local government is arbitrary, capricious, and unreasonable. If the protest is a "conditional protest" as defined in 3 AAC 306.060(d)(2) and the application otherwise meets all the criteria set forth by the regulations, the Marijuana Control Board may approve the license renewal, but require the applicant to show to the board's satisfaction that the requirements of the local government have been met before the director issues the license.

At the May 15, 2017, Marijuana Control Board meeting, the board delegated to me the authority to approve renewal applications with no protests, objections, or notices of violation. However, if a timely protest or objection is filed for this application, or if any notices of violation have been issued for this license, the board will consider the application. In those situations, a temporary license will be issued pending board consideration.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Sincerely,

Glen Klinkhart, Director

License Number: 12833
License Status: Active-Operating
License Type: Standard Marijuana Cultivation Facility
Doing Bu ine A ALASKA LOVEN IT, LLC
Business License Number: 1052906
Designated Licensee: Janiese Stevens
Email Address: jstevens@ak.net
Local Government Homer
Local Government 2: Kenai Peninsula Borough
Community Council:
Latitude, Longitude: 59.645021, -151.461600
Phy ical Addre 2908 Kachemak Drive
Homer, AK 99603
UNITED STATES

Licensee #1

Type: Entity
Alaska Entity Number: 10056827
Alaska Entity Name: Alaska Loven It, LLC
Phone Number: 907-942-5899
Email Address: jstevens@ak.net
Mailing Address: PO Box 1571
Homer, AK 99603
UNITED STATES

Entity Official #1

Type: Individual
Name: Dan Coglianese
SSN: [redacted]
Date of Birth [redacted]
Phone Number: 907-942-5899
Email Address: alaskacitysupply@gmail.com
Mailing Address: PO Box 1571
Homer, AK 99603
UNITED STATES

Entity Official #2

Type: Individual
Name Janie e Steven
SSN: [redacted]
Date of Birth: [redacted]
Phone Number: 907-486-1792
Email Addre j teven @ak net
Mailing Address: 326 Neva Way
Kodiak, AK 99615
UNITED STATES

Entity Official #3

Type: Entity
Ala ka Entity Number 10100965
Alaska Entity Name: Hibernation Holding Company, L LC
Phone Number: 907-942-5618
Email Address: jstevens@ak.net
Mailing Address: 2705 Millbay Road
Suite 205
Kodiak, AK 99615
UNITED STATES

Entity Official #4

Type: Individual
Name: Kim Perkins
SSN: [redacted]
Date of Birth: [redacted]
Phone Number: 907-942-5618
Email Address: fvphantom@gmail.com
Mailing Address: 1365 Sawmill Cir
Kodiak, AK 99615
UNITED STATES

Entity Official #5

Type: Individual
Name: Erik Fellows
SSN: [redacted]
Date of Birth: [redacted]
Phone Number: 907-942-5618
Email Address: alaskavalkyrie@gmail.com
Mailing Address: PO Box 1065
Homer, AK 99603
UNITED STATES

Entity Official #6		Entity Official #7	
Type:	Individual	**Type:**	Individual
Name	Louie Rocheleau	**Name**	George Kirk
SSN:	[redacted]	**SSN:**	[redacted]
Date of Birth:	[redacted]	**Date of Birth:**	[redacted]
Phone Number:	907-942-5618	**Phone Number:**	907-942-5618
Email Addre	rockkodiak@gmail com	**Email Addre**	fvphantom@gmail com
Mailing Address:	PO Box 8593 Kodiak, AK 99615 UNITED STATES	**Mailing Address:**	PO Box 2796 Kodiak, AK 99615 UNITED STATES

Note: *No affiliates entered for this license.*

LIMITED LIABILITY COMPANY

OPERATING AGREEMENT OF
HIBERNATION HOLDING
COMPANY, LLC
an Alaska limited liability company

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT (this "Agreement") is entered into to be effective as of April 1, 2019 (the "Effective Date"), by and among each of the Members listed on **Exhibit A** and executing this Agreement, or a counterpart thereof, and the Manager, of HIBERNATION HOLDING COMPANY, LLC, an Alaska limited liability company (the "Company'').

Section I - Formation; Name and Office; Purpose

1.1. *Formation*. Pursuant to the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995, as amended (the "Act"), the parties have formed an Alaska limited liability company effective upon the filing of the Articles of Organization of this Company (the "Articles") with the State of Alaska Department of Commerce, Community, and Economic Development. The parties have executed this Agreement to serve as the "Operating Agreement" of the Company, as that term is defined in A.S. section 10.50.095, and, subject to any applicable restrictions set forth in the Act, the business and affairs of the Company, and the relationships of the parties to one another, shall be operated in accordance with and governed by the terms and conditions set forth in this Agreement. By executing this Agreement, the Members certify that those executing this Agreement constitute all of the Members of the Company at the time of its formation. The parties agree to execute all amendments of the Articles, and do all filing, publication, and other acts as may be appropriate from time to time hereafter to comply with the requirements of the Act.

1.2. *Name and Known Place of Business*. The Company shall be conducted under the name of HIBERNATION HOLDING COMPANY, LLC and the known place of business of the Company shall be at 158 Alimaq Dr., Kodiak, Alaska 99615, or such other place as the Manager may from time to time determine.

1.3. *Purpose*. The purpose and business of this Company shall be: (a) to own (as the sole Member) Alaska Lovin It, LLC, an Alaska limited liability company, and operate a commercial marijuana cultivation facility ("ALI"); (b) to own (as the sole Member) Three Sisters, LLC, an Alaska limited liability company, and operate a commercial marijuana retail facility ("Wild Flower"); and (c) any other lawful purpose as may be determined by the Members. The Company shall have the power to do any and all acts and things necessary, appropriate, or incidental in furtherance of such purpose as authorized by the Marijuana Control Board of Alaska (the "MCBA"), as promulgated under AS 17.38 *et seq*., and 3 AAC 306.015 *et seq.*, as they may be amended, expanded or modified from time to time (collectively, the "AK Marijuana Governance"), the terms and provisions of which are incorporated herein by this reference. If any provision of this Agreement is or later becomes in violation of AK Marijuana Governance or if the federal government takes any position inconsistent with those positions regarding the enforcement of federal law on marijuana in Alaska then it shall, without any further action of the Members, be automatically amended to the minimum extent necessary to comply with such AK Marijuana Governance and such new federal government position.

1.4 *Treatment as a Partnership*. It is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a partnership for federal income tax purposes, but that the Company shall not be operated or treated as a partnership for purposes of the federal Bankruptcy Code. It is the intent for the membership that taxation may be done in a manner consistent with guidance from tax professional adviser, which may be different than treatment as a partnership.

Section II - Definitions

Unless otherwise defined in this Agreement, the following terms set forth in this Agreement shall have the meanings set forth in this Section II:

"Act" means the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995, as amended from time to time (or any corresponding provisions of succeeding law).

"Affiliate" means, with respect to any Member, any Person: (i) who is a member of the Member's or Member's Family; (ii) which owns more than ten percent (10%) of the voting or economic interests in the Member; (iii) in which the Member owns more than ten percent (10%) of the voting or economic interests; or (iv) in which more than ten percent (10%) of the voting or economic interests are owned by a Person who has a relationship with the Member described in clause (i), (ii), or (iii) above.

"*ALI Property*" means that certain real property leased by the Company under the ALI Lease, as defined below.

"Capital Contribution" means the total amount of cash and the fair market value of any other assets contributed (or deemed contributed under Regulation Section 1.704- 1(b)(2)(iv)(d)) to the Company by a Member, net of liabilities secured by the contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code. Capital contributions are to be repaid prior to any issuances of dividends or profit draws from members.

"Cash Flow" means all cash funds derived from operations of the Company (including interest received on reserves), without reduction for any noncash charges, but less cash funds used to pay current operating expenses and to pay or establish reasonable reserves for future expenses, debt payments, capital improvements, and replacements as determined by the Members. Cash Flow shall be increased by the reduction of any reserve previously established.

"*Cause*" in context of a Member's expulsion for Cause under this Agreement, means, without limiting at common law the generality of such word, that such Member: (i) has been has been convicted of a disqualifying crime identified in AS 17.38.200(i) and/or 3AAC306.010(d); (ii) has committed an act of fraud or dishonesty with respect to the Company or the business operations thereof; (iii) has engaged in misconduct that seriously injures the Company's or its subsidiaries' good will and is injurious to the Company; (iv) has willfully and persistently committed a material breach of this Agreement; (v) has engaged conduct constituting larceny, fraud, or theft; (vi) has been guilty of wrongful conduct that adversely and materially affects the business or affairs of the Company; or (vii) in the case of any Member, or any Person holding a "direct or indirect financial interest," in such Member, such Person or Member becomes disqualified from participating in an Alaska recreational marijuana business in any capacity, or takes any action that is in violation of any Alaska statute or regulation that would result in the revocation or termination of the Company's Licenses on an ongoing basis, including without limitation, revocation, rejection, suspension, denial, or cancellation, as finally determined by the MCBA, or other Alaska court or administrative agency with proper jurisdiction and authority on the issue. Such determination of Cause must be made in good faith by the Manager and be approved by the Members by Major Decision Special Majority, excluding the vote and Interest of the Member being expelled for Cause.

"Event of Withdrawal" means those events and circumstances listed in Section 10.50.220 and 10.50.225 of the Act provided, however, that following an Event of Withdrawal described in Section 10.50.220 and 10.50.225(4) of the Act the Member shall remain a Member until it ceases to exist as a legal

entity.

"Family" means a Person's spouse, lineal ancestor, or descendant by birth or adoption, sibling, and trust for the benefit of such Person or any of the foregoing.

"Fiscal Year" or "Annual Period" means the fiscal year of the Company, as determined under Section V.

"Interest" means a Member's share of the Profits and Losses (and specially allocated items of income, gain, and deduction) of, and the right to receive distributions from, the Company.

"Involuntary Transfer" shall include, without limitation, any Transfer of a Member's Interest pursuant to any order of any court relating to any petition for divorce, legal separation, marital dissolution, or annulment, or any guardianship, conservatorship, or other protective proceeding.

"*Landlord*" means that certain individual or entity which is the "landlord" or "lessor" under: (i) that certain commercial real estate lease for the ALI marijuana cultivation facility located at the ALI Property (the "ALI Lease"); and (ii) that certain commercial real estate lease for the Three Sisters retail marijuana store located at the Three Sisters Property (the "Three Sisters Lease").

"*Licenses*" means collectively the marijuana cultivation facility license of ALI, No. 12833 (the "ALI License") and the retail marijuana store license of Three Sisters, No. 19445 (the "Three Sisters License").

"*Manager*" shall have the meaning set forth under Section V.

"*Major Decision*". For purposes of this Agreement, "Major Decision" means a decision by the Company to:

(i) admit one or more additional or substitute Members;

(ii) transfer all or substantially all of the assets of the Company;

(iii) merge or convert the Company into any other entity;

(iv) dissolve the Company;

(v) cause the Company to seek protection from creditors under federal or state bankruptcy or insolvency laws;

(vi) take any action, excluding regulatory compliance filings, operating plan change submission so MCBA known as MJ15 or Premises Diagram Changes knowN as MJ15, with respect to either the ALI License or the Three Sisters License;

(vii) take any material action with respect to either the ALI Property or the Three Sisters Property, or take any action to alter or engage in either the ALI Lease or the Three Sisters Lease;

(viii) purchase, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in or with any real property, wherever situated;

(ix) sell, convey, mortgage, pledge, create a security interest in, lease, exchange, transfer and otherwise dispose of all or any part of any Company asset other than in the ordinary course;

(x) make guarantees, incur liabilities, borrow money, issue notes or secure any of the obligations of the Company by mortgage or pledge of any assets of the Company;

(xi) approve any transaction involving an actual or potential conflict of interest between a Member or a Manager and the Company, including the approval of any Member Loan;

(xii) make any capital expenditure in any single transaction in excess of Twenty-Five Thousand Dollars ($25,000), except in cases of emergency (as determined by the Manager in good faith) where immediate action is needed to maintain or resume business operations in the ordinary course, or reoccurring payments in excess of Five Thousand Dollars ($5,000), per month;

(xiii) make any capital call or require any additional Capital Contribution; or

(xiv) vote any shares or interests in other entities in which Company holds an interest;

(xv) approval of the Annual Operating Budget, as defined under Section VI, below.

(xvi) make any amendment to this Operating Agreement.

The Members agree that Major Decisions can only be made by a Major Decision Special Majority vote.

"Major Decision Special Majority" shall mean consent of seventy-five (75%) percent of the Members' Percentage Interest. For the avoidance of doubt, if a Major Decision does not receive approval by a Major Decision Special Majority vote, the Major Decision shall not be approved, and no Manager or Member of the Company shall have the ability or authority to take action with respect to such Major Decision on behalf of the Company. If a Member is also a Landlord (as defined above), such Member shall have no right to vote on any matter coming before the Members concerning the ALI Lease, the ALI Property, the Three Sisters Lease, or the Three Sisters Property, and such Member's vote and Percentage Interest shall be excluded from such vote.

"*Majority of the Members*" means a vote of the Members holding not less than 51% of the Percentage Interests held by all Members.

"Member" means each Person signing this Agreement as a member and any Person who subsequently is admitted as a member of the Company in accordance with Section VI of this Agreement and agrees in writing to be bound to the terms and conditions of this Agreement.

"*Member Loan*" means a loan made by a Member to the Company for the benefit of the Company.

"Percentage Interest" means, as to a Member, the percentage set forth after the Member's name on **Exhibit A**, as amended from time to time.

"Person" means and includes an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

"Property" means all real and personal property (including cash) acquired by the Company, and

any improvements thereto.

"*Three Sisters Property*" means that certain real property and leased by the Company under the Three Sisters Lease.

"Transfer" means, when used as a noun, any voluntary or involuntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means voluntarily or involuntarily to sell, hypothecate, pledge, assign, or otherwise transfer.

Section III - Capital Contributions

3.1. *Capital Contributions*.

3.1.1. *Initial Capital Contributions*. Upon the execution of this Agreement, the Members have or shall make contributions to the capital of the Company as set forth in **Exhibit A** attached hereto and by this reference made a part hereof.

3.1.2. *Additional Capital Contributions*. No Member shall be required to contribute any additional capital to the Company without a unanimous consent, and no Member shall have any personal liability for any obligation of the Company.

3.2. *Withdrawal or Return of Capital Contributions*. Except as specifically provided in this Agreement, no Member shall have the right to withdraw or reduce the Capital Contributions he or she makes to the Company. Upon dissolution of the Company or liquidation of his or her interest in the Company, each Member shall look solely to the assets of the Company for return of his or her Capital Contributions and, if the Company's property remaining after the payment or discharge of the debts, obligations, and liabilities of the Company is insufficient to return the Capital contributions of each Member, no Member shall have any recourse against the Company or any Member except for gross negligence, malfeasance, bad faith, or fraud.

3.3. *Form of Return of Capital*. Under circumstances requiring a return of any Capital Contributions, no Member shall have the right to receive property other than cash except as may be specifically provided herein.

3.4. *In the Event of Member Loans*. All Member Loans made pursuant to this Agreement and approved by a Major Decision Special Majority shall bear interest at the prime rate of interest as reported by *the Wall Street Journal - Western Edition,* shall be unsecured, and shall be repaid in full out of available funds of the Company before any distribution may be made to any Member. If more than one Member has made a Member Loan, repayment shall be made to each Member in proportion to the amount of principal each has advanced.

Section IV - Distributions

4.1. *Distributions*. Except as otherwise provided in this Agreement, distributions shall be made to the Members at such times and in such amounts as determined by the Manager. Distributions will be made to Members *pro rata*, in proportion to their Percentage Interests, after capital contributions have been repaid.

4.2. *General*.

4.2.1. *Form of Distribution*. In connection with any distribution, no Member shall have the right to receive Property other than cash except as may be specifically provided herein. If any assets of the Company are distributed in kind to the Members, those assets shall be valued on the basis of their fair market value, and any Member entitled to any interest in those assets shall receive that interest as a tenant-in-common with all other Members so entitled. Unless the Members otherwise agree by a vote of the Majority of the Members, the fair market value of the assets shall be determined by an independent appraiser who shall be selected by the Manager.

4.2.2. *Withholding*. All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state, or local tax law shall be treated as amounts actually distributed to the affected Members for all purposes under this Agreement.

4.2.3. *Varying Interests; Distributions in Respect to Transferred Interests*. If any Interest is Transferred in compliance with the provisions of this Agreement, all distributions on or before the date of such Transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making distributions, and allocating Profits, Losses, and other items of income, gain, loss, and deduction pursuant to **Exhibit B** hereof, the Company shall recognize the Transfer not later than the end of the calendar month during which it is given notice of such, provided that if the Company does not receive a notice stating the date such Interest was Transferred and such other information as it may reasonably require within thirty (30) days after the end of the Fiscal Year during which the Transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the Person who, according to the books and records of the Company, on the last day of the Fiscal Year during which the Transfer occurs, was the owner of the Interest. Neither the Company nor any Member shall incur any liability for making allocations and distributions in accordance with the provisions of this Section, whether or not any Member or the Company has knowledge of any Transfer of ownership of Interest.

Section V - Management

5.1. *Management*. Subject to the rights under the Act or the provisions of this Agreement to approve certain actions, the business and affairs of the Company shall be managed exclusively by its Manager. The exact number of Managers of the Company shall be one (1) until amended in accordance with this Agreement. The Members shall vote and select a Manager that will direct, manage, and control the business of the Company to the best of their ability and, subject only to those restrictions set forth in the Act or this Agreement, shall have full and complete authority, power, and discretion to make any and all decisions and to do any and all things which the Manager deem appropriate to accomplish the business and objectives of the Company, other than those decisions requiring a Major Decision Special Majority or a vote of the Members as required by the Act. Manager(s) shall be elected and removed by a vote of the Majority of the Members, and an election or removal of Manager may be held at any time, by call of the majority percentage ownership, by providing proper written notice at least 14 days prior to election or removal. Any vacancy occurring in the position of Manager (whether caused by resignation, death, or otherwise) may be filled by the vote of the Majority of the Members. Each Member agrees not to incur any liability on behalf of the other Members or otherwise enter into any transaction or do anything which will subject the other Members to any liability, except in all instances as contemplated hereby.

5.2. *Certain Management Powers of the Manager*. Without limiting the generality of Section 5.1, and subject to all Major Decisions, the Manager shall have power and authority on behalf of the Company:

5.2.1. To manage the day-to-day business operations of the Company in accordance with this Agreement, the rules and regulations promulgated by the MCBA, and the AK Marijuana Guidance;

5.2.2. In the ordinary course of business, to acquire property from and sell property to any person as the Manager may determine;

5.2.3. Use credit facilities and borrow money for the Company from banks, other lending institutions, the Interest Holders, or Affiliates of the Interest Holders, on such terms as approved by the Manager, and in connection therewith, to hypothecate, encumber, and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt or other obligation shall be contracted or liability incurred by or on behalf of the Company by the Member;

5.2.4. To purchase liability and other insurance to protect the Company's property and business;

5.2.5. Except for any Major Decision, to execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes, and other negotiable instruments, mortgages, or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage, or disposition of the Company's property, assignments, bills of sale, leases, partnership agreements, and any other instruments or documents necessary, in the opinion of the Manager, to accomplish the purposes of the Company;

5.2.6. To employ accountants, legal counsel, managing agents, or other experts to perform services for the Company and compensate them from Company funds;

5.2.7. Except for any Major Decision, to enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Manger may approve;

5.2.8. To do and perform all other acts as may be necessary or appropriate to accomplish the purposes of the Company; and

5.2.9. To take such other actions as do not expressly require the consent of any Members under this Agreement.

A Manager may act by a duly authorized attorney-in-fact. Unless authorized to do so by this Agreement, no Member, agent, or employee of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable for any purpose.

5.3. *Duties of the Manager*. The Manager shall have all duties as set forth in the Act, including, without limitation, those duties set forth under AS § 10.50.135, as amended. Subject to AS § 10.50.140, a Manager shall not be required to manage the Company as the Manager's sole and exclusive function and the Manager may engage in other business and investment activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, solely by virtue of this Agreement or its relationship to a Member or the Company, to share or participate in any such other investments or activities of the Members or to the income or proceeds derived therefrom. Manager shall not have any obligation to disclose any such other investments or activities to the Members unless it actually or potentially adversely affects the business or property of the Company.

5.4. *Compensation and Expenses*. The Company may enter into management or employment contracts with one or more Member or Members or Persons Affiliated with the Member as approved by a

Major Decision Special Majority.

5.5. *Books and Records*. At the expense of the Company, the Manager shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of transactions with respect to the conduct of the Company's business. The books and records shall be maintained in accordance with the Act and sound accounting practices and kept at the Company's known place of business and such other location or locations as the Manager shall from time to time determine. At a minimum the Company shall keep at its known place of business the following records:

5.5.1. A current list of the full name and last known business, residence, or mailing address of each Member;

5.5.2. A copy of the initial Articles and all amendments thereto and restatements thereof;

5.5.3. Copies of the Company's federal, state, and local income tax returns and reports, if *any*, for the three most recent fiscal years;

5.5.4. Copies of this Agreement and all amendments hereto or restatements hereof, including any prior operating agreements no longer in effect;

5.5.5. Copies of any documents relating to a Member's obligation to contribute cash, property, or services to the Company;

5.5.6. Copies of any financial statements of the Company for the three (3) most recent fiscal years; and

5.5.7. Copies of minutes of all meetings of the Members and all written consents obtained from Members for actions taken by Members without a meeting.

5.6. *Financial Accounting/Member Access to Books and Records*. In addition to the Annual Operating Budget, the Manager shall prepare and make available a financial accounting of the Company no less than once every sixty (60) days. Within three (3) calendar days following written notice, which may be submitted in writing, via facsimile or electronic mail, each Member shall have the right, during normal business hours, to inspect and copy, at the Member's expense, the Company's books and records.

5.7. *Reports*. Within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was a Member at any time during the Fiscal Year a complete accounting of the affairs of the Company for the Fiscal Year then ended. In addition, within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was a Member at any time during the Fiscal Year, the tax information concerning the Company which is necessary for preparing the Member's income tax returns for that year. At the request of any Member, and at the Member's expense, the Members shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member.

5.8. *Title to Company Property*.

5.8.1. Except as provided in Section 5.8.2, all real and personal property acquired by the Company shall be acquired and held by the Company in its name.

5.8.2. Ten (10) days after giving notice, the Manager may direct that legal title to all or any portion of the Company's property be acquired or held in a name other than the Company's name.

Without limiting the foregoing, the Manager may cause title to be acquired and held any one Member's name or in the names of trustees, nominees, or straw parties for the Company. It is expressly understood and agreed that the manner of holding title to the Company's property (or any part thereof) is solely for the convenience of the Company and all of that property shall be treated as Company property. The notice to be given to the Members under this section shall identify the asset or assets to be titled outside of the Company name, the Person in whom legal title is intended to vest, and the reason for the proposed transaction. If any Member provides written notice of an objection to the transaction before the expiration of the ten (10) day period, the transaction shall not be consummated except upon approval of a Majority of the Members.

Section VI - Members

6.1. *Members.* The names and addresses of the Members, their initial Capital Contributions, and Percentage Interest, are set forth on **Exhibit A**, as amended from time to time. No Person shall become a Member unless and until they: (a) execute this Agreement (or a counterpart signature page to the Agreement); (b) tender to the Company the consideration for their Percentage Interest; (c) are approved as a Member by a Major Decision Special Majority; and (d) are approved as a Member of the Company by the MCBA in accordance with all AK Marijuana Governance, as applicable.

6.2. *Meetings*. Unless otherwise prescribed by the Act, meetings of the Members may be called, for any purpose or purposes, by a Majority of the Members.

6.3. *Place of Meetings*. Whoever calls the meeting may designate any place, either within or outside the State of Alaska, as the place of meeting for any meeting of the Members.

6.4. *Notice of Meetings*. Except as provided in this Agreement, written notice stating the date, time, and place of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, electronic mail, facsimile, or overnight or next-day delivery services by or at the direction of the person or persons calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the Member at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or fax number, if any, for the respective Member which has been supplied by such Member to the Company and identified as such Member's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the Member at his or her address as it appears on the books of the Company. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) days. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

6.5. *Meeting of All Members*. If all of the Members shall meet at any time and place, including by conference telephone call, either within or outside of the State of Alaska, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

6.6. *Record Date*. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to

vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless notice of the adjourned meeting is required to be given pursuant to Section 6.3.

6.7. *Quorum*. A Majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. Business may be conducted once a quorum is present.

6.8. *Voting Rights of Members*. Members shall be entitled to vote on any matter submitted to a vote. If all of an Interest is transferred to an assignee who does not become a Member, the Member from whom the Interest is transferred shall no longer be entitled to vote. No withdrawn Member shall be entitled to vote nor shall such Member's Interest be considered outstanding for any purpose pertaining to meetings or voting.

6.9. *Manner of Acting*. Unless otherwise provided in the Act, the Articles, or this Agreement, the affirmative vote of a Majority of the Members at a meeting at which a quorum is present shall be the act of the Members.

6.10. *Proxies*. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of its exercise. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

6.11. *Action by Members without a Meeting*. Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, circulated to all the Members with an explanation of the background and reasons for the proposed action, signed by that percentage or number of the Members required to take or approve the action. Any such written consent shall be delivered to the Members of the Company for inclusion in the minutes or for filing with the Company records. Action taken by written consent under this Section shall be effective on the date the required percentage or number of the Members have signed and delivered the consent to all Members, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the written consent is circulated to the Members.

6.12. *Telephonic Communication*. Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person, except where the Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called or convened.

6.13. *Waiver of Notice*. When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

6.14. *Budget*. The Manager shall, within ninety (90) days of the complete execution of this Agreement, and on or before December 15 in each calendar year thereafter, deliver to the Members for approval by a Major Decision Special Majority, an estimated annual operating budget for the Company for the next calendar year (the "Annual Operating Budget") which shall set forth an estimate, on a monthly basis, of Company revenue and expenses, together with an explanation of anticipated changes to any charges, rates, expenses and positions, non-wage cost increases, the proposed methodology and formula employed by the Manager, and all other factors differing from the then-current calendar year. The Annual

Operating Budget shall be accompanied by a narrative description of operating objectives and assumptions. If the Members do not approve of an Annual Operating Budget in total, it shall do so, to the extent practicable, on a line item basis. The Manager and the Members shall cooperate to resolve disputed items, provided if a part of, or the total, Annual Operating Budget is not approved by the Members by a Major Decision Special Majority within thirty (30) days of the Manager's transmission of such Annual Operating Budget to the Members, the Manager shall operate under the expired Annual Operating Budget, on a line-item basis, until a new Annual Operating Budget is approved. The Manager shall obtain the prior written approval of a Major Decision Special Majority for any Company expenditure which will, or is reasonably expected to, result in a material variation to the Annual Operating Budget for the applicable calendar year or is materially outside the scope of any item set forth on the Annual Operating Budget.

Section VII - Transfers and Withdrawals

7.1. *Transfers*. Except as otherwise provided in this Section VII no Member may, voluntarily or involuntarily, Transfer all, or any portion of, a Member's Interest without the prior written consent of a Major Decision Special Majority, which consent may be withheld in the Members' sole and absolute discretion. In addition, such Transfer must receive the express written approval of the MCBA, or other Alaska court or administrative agency with proper jurisdiction and authority on the issue, after filing any and all necessary forms for such transfer in compliance with AK Marijuana Governance. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship of the Members. The Transfer of any Interest in violation of the prohibitions contained in this Section VII shall be deemed invalid, null, and void, and of no force or effect. Any Person to whom any Interest is attempted to be transferred in violation of this Section shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive allocations or distributions from the Company, or have any other membership rights in or with respect to the Interest.

7.2. *Deemed Transfer*. In addition to the foregoing, each of the following shall be deemed a "Transfer" and shall be subject to Section 7.1:

7.2.1. *Involuntary Transfer*. Any Involuntary Transfer;

7.2.2. *Bankruptcy and Related Events*. Filing of a voluntary petition in bankruptcy or involuntary petition in bankruptcy by an Member pursuant to Chapters 7, 11 or 13 of the U.S. Bankruptcy Code, unless such a petition is denied or dismissed within thirty (30) days after filing in the case of a voluntary petition or within ninety (90) days after filing in the case of an involuntary petition; the entry of an order of relief in bankruptcy of an Member; the assignment by an Member of all or a portion of their Interests for the benefit of creditors; the appointment of a receiver or trustee for an Member's property; or the attachment of an Interest which is not released within thirty (30) days;

7.2.3 *Attachment and Security Interest*. Any portion of an Interest of a Member becomes subject to any attachment, levy, execution or other judicial seizure, or any lien, encumbrance or security interest;

7.2.4. *Voluntary Withdrawal*. A Member voluntarily withdraws by giving all Members thirty (30) days' prior written notice, and a Majority of the remaining Members approves such voluntary withdrawal;

7.2.5. *Involuntary Withdrawal*. An Event of Withdrawal occurs, as defined in this Agreement;

7.2.6. *Death*. Upon the transfer of any portion of an Interest in the Company as a result of death, whether to any heir, devisee, beneficiary, third-party, person, trust or estate;

7.2.7. *Breach of Lease*. Any Member who is also a Landlord materially breaches the terms of the ALI Lease or the Three Sisters Lease, as determined by the remaining Members of the Company in good faith; or

7.2.8. *Expulsion*. Any Member is expelled from the Company for Cause.

7.3. *Transfer*. Upon the Transfer or deemed Transfer of any portion of an Interest under Section 7.2, the holder of such Interest shall become an "assignee". in accordance with this Agreement and the Act, with no voting rights, notice rights, rights to information, or other rights as a Member of any kind.

7.4. *Option of Company*. Upon the Transfer or deemed Transfer of any portion of an Interest under Section 7.2:

7.4.1. *Perpetual Option*. The Company shall automatically have the perpetual option to purchase and redeem all or any portion of the Interest in the manner as provided for in Section 7.4. In the event the Company exercises its option to purchase the Interest pursuant to Section 7.4.2, the Company shall, within ninety (90) days, distribute to the Member whose Interest is being purchased (the "Transferring Holder"), or such holder's estate, the net taxable income allocable to such Transferring Holder's Interest for the portion of the taxable year prior to the transfer date, if any.

7.4.2. *Exercise of Option; Notice*. In the event the Company wishes to exercise its option pursuant to Section 7.4.1, the Company shall deliver to the Transferring Holder written notification ("Notice"), by email to the Transferring Holder's email address, certified mail, or personal delivery, of its intention to so exercise its option to purchase and redeem the Transferring Holder's Interest. The value of such Transferring Holder's Interest shall be determined in accordance with Section 7.4.3 and **Exhibit C**, and shall be distributed in accordance with Section 7.4.4.

7.4.3. *Valuation of Interest*.

7.4.3.1. *Purchase of Transferring Holder's Interest*. Unless otherwise agreed between the Company and the Transferring Holder, for purposes of determining the purchase price to be paid for a Transferring Holder's Interest, it is hereby agreed that a Transferring Holder's Interest shall be purchased and redeemed for an amount equal to the Purchase Price, as defined below, based on the Transferring Holder's Percentage Interest in the Company, subject to standard discounts for lack of marketability and lack of control, if applicable. Upon delivery of the Subordinated Promissory Note (as defined below) to the Transferring Holder, the Transferring Holder's Interest shall have been redeemed by the Company pursuant hereto, without any further action by the Transferring Holder, the Company or any other Member.

7.4.4 *Purchase Price*. The Purchase Price of a Transferring Holder's Interest shall be as follows:

7.4.4.1. Where the redemption of a Transferring Holder's Interest is due to a Transfer event described in Section 7.2.1 through 7.2.6, then the Purchase Price shall be either: (a) the fair market value of the Company as mutually agreed upon by the Company and the Transferring Holder (or such Transferring Holder's representative) in good faith, multiplied by the Transferring Holder's Percentage Interest, subject to

standard discounts for lack of marketability and lack of control, if applicable; or (b) if no agreement can be reached, the fair market value of the Company (as determined by an Appraiser, selected pursuant to **Exhibit C**), multiplied by the Transferring Holder's Percentage Interest, subject to standard discounts for lack of marketability and lack of control, if applicable; or

7.4.4.2. Where the redemption of a Transferring Holder's Interest is due to a Transferring Holder's Transfer event under Section 7.2.7 or 7.2.8, then the Purchase Price shall be the fair market value of the Transferring Holder's Percentage Interest as determined in accordance with the provisions of Section 7.4.4.1, above, less fifty percent (50%) of such fair market value; provided, however, that such amount shall then be less (and off set by) the aggregate amount of damages, liabilities, losses or other expenses incurred by the Company due to such Transferring Holder's actions constituting Cause or such Transferring Holder's breach, as applicable, and including fees and legal expenses incurred in the purchase of such Transferring Holder's Interest.

7.5. *Terms of Payment*. Unless otherwise mutually agreed in writing by the Company and the Transferring Holder, after the Purchase Price has been established in accordance with Section 7.4.3, as applicable, the Company shall pay the Purchase Price, together with the principal amount of any loan outstanding to the Transferring Holder, or such Transferring Holder's estate, whose interest is being purchased, as follows: the value of the Transferring Holder's Interest shall be paid with a minimum of twenty percent (20%) down within thirty (30) days of the date the Purchase Price is established in accordance with Section 7.4.3, and the balance of eighty percent (80%) shall be made payable pursuant to an unsecured Subordinated Promissory Note, made by the Company in favor of the Transferring Holder, payable over sixty (60) months, beginning the first day of the first month following the down payment. In no event shall there by any prepayment penalty in the event the Company wishes to pay the amount due hereunder prior to the expiration of the term of the Subordinated Promissory Note. In each instance, interest shall be computed and paid on the balance owing at the prime rate charged by the Company's banking institution. The promissory notes described herein shall be expressly subordinated to all senior debt, pre-existing or hereafter existing debt to financial institutions or lessors in connection with commercial loans, credit arrangements, equipment financings, leases or similar transactions. If the Company is sold (whether via change in control or otherwise) or liquidated following the purchase of a Transferring Holder's Interest, the installment obligation shall be immediately due and owing.

7.6. *Transferee Not a Member*. The attempted Transfer or assignment of a Member's Interest shall not result in any transferee or assignee becoming a Member of the Company, unless the transferee or assignee is admitted as a Member pursuant to this Agreement, and the transferee or assignee shall only be entitled to receive, to the extent transferred, the share of distributions, including distributions representing the return of contributions, and the allocation of Profits and Losses (and other items of income, gain, or deduction), to which the Member would have otherwise been entitled with respect to the Member's Interest. The transferee or assignee shall have no rights as a Member or any other right to participate in the management of the business and affairs of the Company or any right to become a Member unless admitted by a Major Decision Special Majority.

7.7. *Substitute Members*. Notwithstanding any provision of this Agreement to the contrary, an assignee of a Member may only be admitted as a substitute Member upon the written consent of a Major Decision Special Majority, which consent may be withheld in the Members' sole and absolute discretion.

7.8. *Additional Members*. The Company shall not issue additional Interests after the date of formation of the Company without the written consent or approval of a Major Decision Special Majority, which consent may be withheld in the Members' sole and absolute discretion.

7.9. *Expenses*. Expenses of the Company or of any Member occasioned by transfers of Interests shall be reimbursed to the Company or Member, as the case may be, by the transferee.

Section VIII - Dissolution and Termination

8.1. *Dissolution*.

8.1.1. *Events of Dissolution*. The Company will be dissolved upon the occurrence of any of the following events:

8.1.1.1. Upon the written consent of a Major Decision Special Majority;

8.1.1.2. Upon the entry of a decree of dissolution under Section 10.50.405 of the Act or an administrative dissolution under Section 10.50.408 of the Act;

8.1.1.3. Upon the sale or other disposition of all or substantially all of the Company's assets and receipt by the Company of the proceeds therefrom; or

8.1.1.4. Upon the occurrence of an Event of Withdrawal of the last remaining Member unless within ninety (90) days all assignees of Interests in the Company consent in writing to admit at least one member to continue the business of the company.

8.2. *Continuation.* An Event of Withdrawal with respect to a Member shall not cause dissolution, and the Company shall automatically continue following such an Event of Withdrawal.

8.3. *Distributions and Other Matters*. The Company shall not terminate until its affairs have been wound up and its assets distributed as provided herein. Promptly upon the dissolution of the Company, the Members shall cause to be executed and filed a Notice of Winding Up with the Alaska Department of Commerce, Community, and Economic Development, and will liquidate the assets of the Company and apply and distribute the proceeds of such liquidation, or distribute the Company's assets in kind, as follows and in the following order:

8.3.1. *Ordinary Debts*. To payment of the debts and liabilities of the Company, including debts owed to Members, in the order of priority provided by law; provided that the Company shall first pay, to the extent permitted by law, liabilities with respect to which any Member is or may be personally liable;

8.3.2. *Reserves and Distributions*. To the setting up of such reserves as the Members may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the Company business;

8.3.3. *Remainder*. The balance of the proceeds shall be distributed to the Members in accordance with the positive balance in their Capital Accounts, determined as though all of the Company assets were sold for cash at their fair market value as of the date of distribution. Any such distributions shall be made in accordance with the timing requirements of Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

8.4. *Deficit Capital Accounts*. Notwithstanding anything to the contrary in this Agreement, if any Member's Capital Account has a deficit balance (taking into account all contributions, distributions, and allocations for the year in which a liquidation occurs), the Member shall not be obligated to make any contribution to the capital of the Company and the negative balance of such Member's Capital Account shall not be considered a debt owed by the Member to the Company or to any other person for any purpose

whatsoever.

8.5. *Rights of Members—Distributions of Property*. Except as otherwise provided in this Agreement, each Member shall look solely to the assets of the Company for the return of his or her Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company. No Member shall have priority over any other Member for the return of his or her Capital Contributions, distributions, or allocations.

8.6. *Articles of Termination*. When all the assets of the Company have been distributed as provided herein, the Members shall cause to be executed and filed Articles of Termination as required by the Act.

Section IX - Other Interests of a Member

Any Member may engage in or possess interests in other business ventures of every nature and description, independently or with others. Neither the Company nor any Member shall have any right to any independent ventures of any other Member or to the income or profits derived therefrom. The fact that an Member, a member of his or her Family, or an Affiliate is employed by, or owns, or is otherwise directly or indirectly interested in or connected with, any person, firm, or corporation employed or retained by the Company to render or perform services, including without limitation, management, contracting, mortgage placement, financing, brokerage, or other services, or from whom the Company may buy property or merchandise, borrow money, arrange financing, or place securities, or may lease real property to or from the Company, shall not prohibit the Company from entering into contracts with or employing that person, firm, or corporation or otherwise dealing with him or it, and neither the Company nor any of the Members as such shall have any rights in or to any income or Profits derived therefrom.

Section X - Indemnity

10.1. *Indemnity Rights*. The Company shall indemnify, defend and hold harmless each Member who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of his or her actions as an Member or by reason of his or her acts while serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, and against judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, provided that the acts of such Member were not committed with gross negligence or willful misconduct, and, with respect to any criminal action or proceeding, such Member had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or its equivalent, shall not, in and of itself, create a presumption that the Member acted with gross negligence or willful misconduct, or with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

10.2. *Notice and Defense*. Any Member who is or may be entitled to indemnification shall give timely written notice to the Company, the Members that a claim has been or is about to be made against him or her, shall permit the Company to defend him or her through legal counsel of its own choosing, and shall cooperate with the Company in defending against the claim. The Member shall have the sole power and authority to determine the terms and conditions of any settlement of the claim.

10.3. *Other Sources*. The indemnification provided for herein shall apply only in the event, and to the extent that, the person is not entitled to indemnification, or other payment, from any other source

(including insurance), and the Company's indemnity obligations hereunder shall be in excess of any indemnification or other payment provided by such other source.

10.4. *Survival.* The indemnification provided for herein shall continue as to a person who has ceased to be a Member and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section XI - Miscellaneous

11.1. *Notices*. Any notice, demand, offer, or other communication which any person is required or may desire to give to any other person shall be delivered in person or by United States mail, electronic mail, facsimile, or overnight or next-day delivery service. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the person at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or facsimile number, if any, for the person which has been supplied by such person and identified as such person's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the person at his or her address as it appears on the books of the Company.

11.2. *Bank Accounts*. All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Manager shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

11.3. *Severability*. The parties intend that this Agreement be enforced to the greatest extent permitted by applicable law. Therefore, if any provision of this Agreement, on its face or as applied to any person or circumstance, is or becomes unenforceable to any extent, the remainder of this Agreement and the application of that provision to other persons or circumstances, or to any other extent, will not be impaired.

11.4. *Governing Law; Parties in Interest; Attorneys' Fees*. This Agreement will be governed by and construed according to the laws of the State of Alaska without regard to conflicts of law principles and will bind and inure to the benefit of the heirs, successors, assigns, and personal representatives of the parties. Unless otherwise agreed, if any litigation or other dispute resolution proceeding is commenced between parties to this Agreement to enforce or determine the rights or responsibilities of such parties, the prevailing party or parties in any such proceeding will be entitled to receive, in addition to such other relief as may be granted, its reasonable attorneys' fees, expenses and costs incurred preparing for and participating in such proceeding.

11.5. *Execution in Counterparts*. This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

11.6. *Titles and Captions*. All article, section, or paragraph titles or captions contained in this Agreement are for convenience only and are not deemed part of the context thereof.

11.7. *Pronouns and Plurals*. All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require.

11.8. *Waiver; Waiver of Action for Partition*. No right or obligation under this Agreement will be deemed to have been waived unless evidenced by a writing signed by the party against whom the waiver is asserted, or its duly authorized representative. Any waiver will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance in any other instance, in any other respect, or at any other time. Each of the Members irrevocably waives any right that he or she may have to maintain any action for partition with respect to any of the Company Property.

11.9. *Entire Agreement*. This Agreement and all Exhibits attached hereto collectively contains the entire understanding between the parties, and supersedes any prior understandings and agreements between or among them with respect to the subject matter hereof.

Estoppel Certificate. Each Member shall, within ten (10) days after written request by any Member or the Members, deliver to the requesting Person a certificate stating, to the Member's knowledge, that: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified except by any instrument or instruments identified in the certificate; and (c) there is no default hereunder by the requesting Person, or if there is a default, the nature and extent thereof.

Section XII – Arbitration

If the parties are unable to resolve any dispute arising out of this Agreement either during or after its term informally, including the question as to whether any particular matter is arbitrable, the parties agree to submit the matter to binding arbitration. In the event the parties have not agreed upon an arbitrator within twenty (20) days after either party has demanded arbitration, either party may file a demand for arbitration with an Alaska regional office of the American Arbitration Association ("AAA") and a single arbitrator shall be appointed in accordance with the then existing Commercial Arbitration Rules of the AAA. At all times during arbitration, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to insure that this purpose is pre-served. The dispute between the parties shall be submitted for determination within sixty (60) days after the arbitrator has been selected. The decision of the arbitrator shall be rendered within thirty (30) days after the conclusion of the arbitration hearing. The decision of the arbitrator shall be in writing and shall specify the factual and legal basis for the decision. Upon stipulation of the parties, or upon a showing of good cause by either party, the arbitrator may lengthen or shorten the time periods set forth herein for conducting the hearing or for rendering a decision. The decision of the arbitrator shall be final and binding upon the parties. Judgment to enforce the decision of the arbitrator, whether for legal or equitable relief, may be entered in any court having jurisdiction thereof, and the parties hereto expressly and irrevocably consent to the jurisdiction of the Alaska Courts for such purpose. The arbitrator shall conduct all proceedings pursuant to the then existing Commercial Arbitration Rules of the AAA, to the extent such rules are not inconsistent with the provisions of this Article III. The AAA Uniform Rules of Procedure shall not apply to any arbitration proceeding relating to the subject matter or terms of the documents. In the event a dispute is submitted to arbitration pursuant to this Section, the prevailing party shall be entitled to the payment of its reasonable attorneys' fees and costs, as determined by the arbitrator. Each of the parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

Section XIII - Agreement of Spouses of Members

By executing the Spousal Consent to this Agreement, attached hereto as **Exhibit D**, the spouse of each Member acknowledges and consents to the terms and conditions of this Agreement and agrees, for himself or herself and for the community of himself and herself and the Member, to be bound hereby. Each

spouse of an Member, for himself or herself and the community of which he or she is a member, hereby irrevocably appoints the Member as attorney-in-fact with an irrevocable proxy coupled with an Interest to vote on any matter to come before the Members or to agree to and execute any amendments of this Agreement without further consent or acknowledgment of the spouse and to execute proxies, instruments, or documents in the spouse's name as may be required to effect the same. This power of attorney is intended to be durable and shall not be affected by disability of the spouse.

Section XIV – Representation -

The parties all acknowledge that the JDW, LLC ("Firm" and/or "Counsel"), prepared this Agreement in conjunction with Members personal counsels, but that currently the Firm only represents Member Janiese Stevens. In the event the Company desires to engage the Firm to represent the Company and its subsidiaries in the near future, all members agree and have been advised of the following:

The Firm representation of the Company, its subsidiaries, and Janise Stevens (a Member / Manager) in their respective individual capacities creates conflicts of interests;

The Members hereby are advised by the Firm that conflicts may exist among the Company, the subsidiaries, and/or Members' and/or Managers individual interests;

The Members hereby are advised by Counsel to seek the advice of independent counsel;

The Members are afforded and encouraged to seek the advice of independent counsel;

The Members have received no representations from Counsel or Firm about this Agreement, including without limitation, the tax consequences of this Agreement;

The Members are hereby advised by Counsel that this Agreement may have tax consequences;

The Members hereby are advised by Counsel to seek the advice of independent tax counsel; and

The Members have had the opportunity to seek the advice of independent tax counsel.

The Members hereby agree and understand that if the Company and its subsidiaries engage the Firm as counsel, then the Members will need to consent to the Firm's joint representation of the Company, its subsidiaries, and Janise Stevens (a Member / Manager) and are greatly encouraged to seek independent legal counsel prior to waiving said conflicts, consistent with Alaska's RPC 1.13(g), RPC 1.6 and RPC 1.7.

Signature page follows.

IN WITNESS WHEREOF, the Members and the Manager have executed this Operating Agreement, effective as of the date first set forth above.

X _____

Janiese Stevens

X _____

Dan Coglianese

X George Kirk 2-9-2019

George Kirk

X _____

Eric Fellows

IN WITNESS WHEREOF, the Members and the Manager have executed this Operating Agreement, effective as of the date first set forth above.

X

Janiese Stevens

X

Dan Coglianese

X

George Kirk

X

Robert Erik Fellows

IN WITNESS WHEREOF, the Members and the Manager have executed this Operating Agreement, effective as of the date first set forth above.

X _____

Janiese Stevens

X _____

Dan Coglianese

X _____

George Kirk

X _____

Eric Fellows

IN WITNESS WHEREOF, the Members and the Manager have executed this Operating Agreement, effective as of the date first set forth above.

X _____

Janiese Stevens

X _____

Dan Coglianese

X _____

George Kirk

X _____

Robert Erik Fellows

EXHIBIT A

Members, Capital Contributions, and Interest

	Full Required Contribution	Paid Contribution	Total Remaining	Percentage Ownership
Janiese Stevens				30%
Dan Coglianese				30%
George Kirk				20%
Eric Fellows	$		$	20%
TOTALS:				100%

Retail Remaining Budget

**Sensitive financial information has been redacted from this Exhibit A by JDW for MCB submission.

EXHIBIT B

Tax Matters

1. *Definitions*. The capitalized words and phrases used in this **Exhibit B** shall have the following meanings:

1.1. *"Adjusted Book Value"* means with respect to Company Property, the Property's Initial Book Value with the adjustments required under this Agreement.

1.2. *"Adjusted Capital Account Deficit"* means, with respect to any Member, the deficit balance, if any, in the Member's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

1.2.1. the Capital Account shall be increased by the amounts which the Member is obligated to restore under this Agreement or is deemed obligated to restore pursuant to Regulation Sections 1.704-2(g)(1) and (i)(5) (i.e., the Member's share of Minimum Gain and Member Minimum Gain); and

1.2.2. the Capital Account shall be decreased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

This definition of Adjusted Capital Account Deficit is intended to comply with Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with that Regulation.

1.3. "*Capital Account*" means the account maintained by the Company for each Member in accordance with the following provisions:

1.3.1. A Member's Capital Account shall be credited with the amount of money contributed by the Member to the Company; the fair market value of the Property contributed by the Member to the Company (net of liabilities secured by such contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code); the Member's allocable share of Profit and items of income and gain; and the amount of Company liabilities that are assumed by the Member under Regulation Section 1.704-1(b)(2)(iv)(c);

1.3.2. A Member's Capital Account shall be debited with the amount of money distributed to the Member; the fair market value of any Company property distributed to the Member (net of liabilities secured by such distributed Property that the Member is considered to assume or take subject to under Section 752 of the Code); the Member's allocable share of Loss and items of deduction; and the amount of the Member's liabilities that are assumed by the Company under Regulation Section 1.704-1(b)(2)(iv)(c);

1.3.3. If Company Property is distributed to a Member, the Capital Accounts of all Members shall be adjusted as if the distributed Property had been sold in a taxable disposition for the gross fair market value of such Property on the date of distribution (taking into account Section 7701 of the Code) and the Profit or Loss from such disposition allocated to the Members as provided in this **Exhibit B**.

1.3.4. If money or other Property (other than a *de minimis* amount) is (a) contributed to the Company by a new or existing Member in exchange for an interest in the Company; or (b) distributed by the Company to a retiring or continuing Member as consideration for an interest in the Company; then,

if the Members deem such an adjustment to be necessary to reflect the economic interests of the Members, the Book Value of the Company's Property shall be adjusted to equal its gross fair market value on such date (taking into account Section 7701(g) of the Code) and the Capital Accounts of all Members shall be adjusted in the same manner as if all the Company Property had been sold in a taxable disposition for such amount on such date and the Profit or Loss allocated to the Members as provided in this **Exhibit B**.

1.3.5. To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the Book Value of the Company's Property and the Capital Account of the Members shall be adjusted in a manner consistent with the manner in which the Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.

1.3.6. If any Interest is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the transferred Interest. It is intended that the Capital Accounts of all Members shall be maintained in compliance with the provisions of Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts or the Adjusted Book Value of Company Property shall be interpreted and applied in a manner consistent with that Section of the Regulations.

1.4. *"Code"* means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

1.5. *"Company Minimum Gain"* has the meaning set forth in Regulation Section 1.704-2(b)(2) for "partnership minimum gain."

1.6. *"Initial Book Value"* means, with respect to Property contributed to the Company by a Member, the Property's fair market value at the time of contribution and, with respect to all other Property, the Property's adjusted basis for federal income tax purposes at the time of acquisition.

1.7. *"Member Nonrecourse Debt"* has the meaning set forth in Section 1.704- 2(b)(4) of the Treasury Regulations for "partner nonrecourse debt."

1.8. *"Member Nonrecourse Debt Minimum Gain"* has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse debt minimum gain."

1.9. *"Member Nonrecourse Deductions"* has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse deductions."

1.10. *"Nonrecourse Deductions"* has the meaning set forth in Regulation Section 1.704-2(b)(1). The amount of Nonrecourse Deductions shall be determined according to the provisions of Regulation Section 1.704-2(c).

1.11. *"Nonrecourse Liability"* has the meaning set forth in Regulation Section 1.704-2(b)(3).

1.12. *"Profit" and "Loss"* means, for each Fiscal Year of the Company (or other period for which Profit or Loss must be computed), the Company's taxable income or loss determined in accordance with Code Section 703(a), with the following adjustments:

1.12.1. All items of income, gain, loss, deduction, or credit required to be stated separately

pursuant to Code Section 703(a)(1) shall be included in computing taxable income or loss;

1.12.2. Any tax-exempt income of the Company, not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.12.3. Any expenditures of the Company described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.12.4. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the Adjusted Book Value of the Property disposed of rather than the adjusted basis of the property for federal income tax purposes;

1.12.5. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then in lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, the depreciation, amortization (or other cost recovery deduction) shall be an amount that bears the same ratio to the Adjusted Book Value of such Property as depreciation, amortization (or other cost recovery deduction) computed for federal income tax purposes for such period bears to the adjusted tax basis of such Property. If the Property has a zero adjusted tax basis, the depreciation, amortization (or other cost recovery deduction) of such Property shall be determined under any reasonable method selected by the Company; and

1.12.6. Any items that are specially allocated pursuant to Sections 2.3 and 2.4 hereof shall not be taken into account in computing Profit or Loss.

1.13. "Treasury Regulations" or "Regulations" means the income tax regulations, including any temporary regulations, promulgated under the Code as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

2. *Allocations*. After making any special allocations contained in Section 2.5, remaining Profits and Losses shall be allocated for any Fiscal Year in the following manner:

2.1. *Profits*.

2.1.1. First, Profits shall be allocated among the Members in proportion to the cumulative Losses previously allocated to the Member under Section 2.2.3 until the cumulative Profits allocated to each Member under this subparagraph equal the cumulative Losses previously allocated to each Member under Section 2.2.3;

2.1.2. Second, Profits shall be allocated proportionately among the Members until the cumulative Profits allocated to each Member under this subparagraph equal the cumulative Priority Return each Member has received through the end of the Fiscal Year plus Losses, if any, allocated to the Member under Section 2.2.2; and

2.1.3. Third, Profits shall be allocated to the Members in accordance with their Percentage Interests.

2.2. *Losses*.

2.2.1. First, Losses shall be allocated to the Members in proportion to the cumulative Profits previously allocated to the Members under Section 2.1.3 until the cumulative Losses allocated pursuant to this subparagraph to each Member are equal to the cumulative Profits previously allocated to each Member under Section 2.1.3.

2.2.2. Second, Losses shall be allocated to the Members in proportion to the cumulative Profits previously allocated to the Members under Section 2.1.2 until the cumulative Losses allocated pursuant to this subparagraph to each Member are equal to the cumulative Profits previously allocated to each Member under Section 2.1.2; and

2.2.3. Third, Losses shall be allocated to the Members in accordance with their Percentage Interests.

2.3. *Loss Limitations*.

2.3.1. *Adjusted Capital Account Deficit*. No Losses shall be allocated to any Member pursuant to Section 2.1 if the allocation causes the Member to have an Adjusted Capital Account Deficit or increases the Member's Capital Account Deficit. All Losses in excess of the limitations set forth in this Subsection shall be allocated to the other Members in accordance with the other Members' Percentage Interests until all Members are subject to the limitation of this Subsection, and thereafter, in accordance with the Members' interest in the Company as determined by the Members. If any Losses are allocated to an Member because of this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Members pro rata based on Losses allocated to them pursuant to this Subsection until each Member has been allocated an amount of Profits pursuant to this Subsection equal to the Losses previously allocated to that Member under this Subsection.

2.3.2. *Cash Method Limitation*. If the Company is on the cash method of accounting and more than 35% of the Company's Losses in any year would be allocable to Members who are limited entrepreneurs (within the meaning of § 464(e)(2) of the Code), then except as otherwise provided in Section 2.2.1, the Losses in excess of 35% otherwise allocable to those Members shall be specially allocated among the other Members in the ratio that each shares in Losses. If any Losses are allocated to a Member under this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Members pro rata based on Losses allocated to them pursuant to this Subsection until each Member has been allocated an amount of Profits pursuant to this Subsection in the current and previous Fiscal Years equal to the Losses allocated to that Member pursuant to this Subsection in previous Fiscal Years.

2.4. *Section 704(c) Allocations*.

2.4.1. *Contributed Property*. In accordance with Code Section 704(c) and the Regulations thereunder, as well as Regulation Section 1.704-1(b)(2)(iv)(d)(3), income, gain, loss, and deduction with respect to any property contributed (or deemed contributed) to the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of the property to the Company for federal income tax purposes and its fair market value at the date of contribution (or deemed contribution).

2.4.2. *Adjustments to Book Value*. If the Adjusted Book Value of any Company asset is adjusted as provided in clause (iv) of the definition of Capital Account, subsequent allocations of income, gain, loss, and deduction with respect to the asset shall, solely for tax purposes, take account of any variation between the adjusted basis of the asset for federal income tax purposes and its adjusted book value in the

manner as provided under Code Section 704(c) and the Regulations thereunder.

2.5. *Regulatory Allocations*. The following allocations shall be made in the following order:

2.5.1. *Company Minimum Gain Chargeback*. Except as set forth in Regulation Section 1.704-2(f)(2), (3), (4), and (5), if during any Fiscal Year there is a net decrease in Company Minimum Gain, each Member, prior to any other allocation pursuant to this Section IV, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, succeeding taxable years) in an amount equal to that Member's share of the net decrease of Company Minimum Gain, computed in accordance with Regulation Section 1.704-2(g)(2). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Nonrecourse Liabilities to the extent of the Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the taxable year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

2.5.2. *Member Nonrecourse Debt Minimum Gain Chargeback*. Except as set forth in Regulation Section 1.704-2(i)(4), if during any Fiscal Year there is a net decrease in Member Nonrecourse Debt Minimum Gain, each Member with a share of that Member Nonrecourse Debt Minimum Gain (determined under Regulation Section 1.704-2(i)(5)) as of the beginning of the Fiscal Year shall be specially allocated items of income and gain for such Fiscal Year (and, if necessary, succeeding Fiscal Years) in an amount equal to that Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain, computed in accordance with Regulation Section 1.704-2(i)(4). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Member Nonrecourse Debt to the extent of the Member Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the Fiscal Year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(i)(4).

2.5.3. *Qualified Income Offset*. If a Member unexpectedly receives an adjustment, allocation, or distribution described in Regulation Section 1.704- 1(b)(2)(ii)(d)(4), (5), or (6), then to the extent required under Regulations Section 1.704- 1(b)(2)(d), such Member shall be allocated items of income and gain of the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain for that Fiscal Year) before any other allocation is made of Company items for that Fiscal Year, in the amount and in proportions required to eliminate the Member's Adjusted Capital Account Deficit as quickly as possible. This Subsection is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).

2.5.4. *Nonrecourse Deductions*. Nonrecourse Deductions for a Fiscal Year or other period shall be allocated among the Members in proportion to their Percentage Interests.

2.5.5. *Member Nonrecourse Deductions*. Any Member Nonrecourse Deduction for any Fiscal Year or other period attributable to a Member Nonrecourse Liability shall be allocated to the Member who bears the risk of loss for the Member Nonrecourse Debt in accordance with Regulation Section 1.704-2(i).

2.5.6. *Regulatory Allocations*. The allocations contained in Section 2.5 are contained herein to comply with the Regulations under Section 704(b) of the Code. In allocating other items of Profit or Loss, the allocations contained in Section 2.5 shall be taken into account so that to the maximum extent

possible the net amount of Profit or Loss allocated to each Member will be equal to the amount that would have been allocated to each Member if the allocations contained in Section 2.4 had not been made.

2.6. *Varying Interests; Allocations in Respect to Transferred Interests*. Profits, Losses, and other items shall be calculated on a monthly, daily, or other basis permitted under Code Section 706 and the Regulations. If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, profits, losses, each item thereof, and all other items attributable to such Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Company.

2.7. *Tax Matters Partner*. The Manager shall be the Company's tax matters partner ("Tax Matters Partner") unless the Members designate a different Person to serve in this capacity. The Tax Matters Partner shall have all powers and responsibilities provided in Code Section 6221, et seq. The Tax Matters Partner shall keep all Members informed of all notices from government taxing authorities which may come to the attention of the Tax Matters Partner. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Tax Matters Partner in performing those duties. The Company shall be responsible for any costs incurred by any Member with respect to a tax audit or tax-related administrative or judicial proceeding against the Member. The Tax Matters Partner shall not compromise any dispute with the Internal Revenue Service without the approval of the Members.

2.8. *Returns and Other Elections*. The Manager shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business.

2.9. *Annual Accounting Period*. The annual accounting period of the Company shall be its Fiscal Year. The Company's Fiscal Year shall be selected by the Manager, subject to the requirements and limitations of the Code.

2.10. *Knowledge*. The Members acknowledge that they understand the economic and income tax consequences of the allocations and distributions under this Agreement and agree to be bound by the provisions of this **Exhibit B** in reporting their taxable income and loss from the Company.

2.11. *Amendment*. The Manager is hereby authorized, upon the advice of the Company's tax counsel, to amend this **Exhibit B** to comply with the Code and the Regulations promulgated under Code Section 704(b); provided, however, that no amendment shall materially affect the distributions to an Member without the Member's prior written consent.

EXHIBIT C

Formula For Determining an Appraiser to Determine the Purchase Price Of A Transferring Holder's Interest Pursuant To Section VII

When required pursuant to Section VII of this Agreement, the value of an Interest will be determined by a valuation professional accredited in business valuation by the AICPA or American Society of Appraisers ("Appraiser"). Such Appraiser shall be jointly selected by the Company and the Transferring Holder within fifteen (15) days after Manager's and the other Members' actual knowledge of the Transferring Holder's Transfer. The cost of the Appraiser shall be borne equally by the Company and the Transferring Holder. If a mutually satisfactory Appraiser cannot be selected, then the Company and the Transferring Holder each shall select and pay for its own Appraiser and the two Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, they shall jointly select a third Appraiser to value the Transferring Holder's Interest. The cost of the third Appraiser shall be borne equally by the Company and the Transferring Holder. The three Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, then the middle of the three appraisals shall be used as the valuation. The standard of value shall be fair market value.

If applicable, each party shall appoint its Appraiser within seven (7) days after the parties determine they cannot agree on a single Appraiser. The two Appraisers appointed shall select a third Appraiser within seven (7) days after they determine they cannot agree on a single valuation. The Appraisers shall be instructed to provide their valuations within thirty (30) days after their appointment.

EXHIBIT D

SPOUSAL CONSENT

I, James Stevens, being the spouse of Janice Stevens hereby acknowledge that I have read and agree and consent to all of the terms and conditions of the foregoing Limited Liability Company Operating Agreement ("Agreement"). I understand that said Agreement may affect certain rights that I may have in the equity of Hibernation Holdings Company, LLC (the "Company"), held of record by my spouse, and that in the event of my spouse's death or the dissolution of our marriage or in certain other events, my spouse, the Company or the other members of the Company, as the case may be, may have the option under said Agreement to purchase from me any portion of the Interest in which I may have a marital property Interest, notwithstanding the provisions of any will, property settlement agreement, court order or decree of dissolution of marriage to the contrary.

Dated: 2/12/19

Signature

James Stevens

Print Name

EXHIBIT D

SPOUSAL CONSENT

I, Ratchanee Cogliarese, being the spouse of Daniel Cogliarese, hereby acknowledge that I have read and agree and consent to all of the terms and conditions of the foregoing Limited Liability Company Operating Agreement ("Agreement"). I understand that said Agreement may affect certain rights that I may have in the equity of Hibernation Holdings Company, LLC (the "Company"), held of record by my spouse, and that in the event of my spouse's death or the dissolution of our marriage or in certain other events, my spouse, the Company or the other members of the Company, as the case may be, may have the option under said Agreement to purchase from me any portion of the Interest in which I may have a marital property Interest, notwithstanding the provisions of any will, property settlement agreement, court order or decree of dissolution of marriage to the contrary.

Dated: 2-14-2019

Ratchanee Cogliarese
Signature

Ratchanee Cogliarese
Print Name

EXHIBIT D

SPOUSAL CONSENT

I, Lisa M Fellows, being the spouse of Robert Erik Fellows, hereby acknowledge that I have read and agree and consent to all of the terms and conditions of the foregoing Limited Liability Company Operating Agreement ("Agreement"). I understand that said Agreement may affect certain rights that I may have in the equity of Hibernation Holdings Company, LLC (the "Company"), held of record by my spouse, and that in the event of my spouse's death or the dissolution of our marriage or in certain other events, my spouse, the Company or the other members of the Company, as the case may be, may have the option under said Agreement to purchase from me any portion of the Interest in which I may have a marital property Interest, notwithstanding the provisions of any will, property settlement agreement, court order or decree of dissolution of marriage to the contrary.

Dated: 9/11/19

Signature

Lisa M. Fellows

Print Name

Alaska Entity #10056827

State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Alaska Loven It, LLC

IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective **April 20, 2017**.

Chris Hladick
Commissioner

AK Entity #: 10056827
Date Filed: 04/20/2017
State of Alaska, DCCED

THE STATE
of ALASKA

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: *corporations@alaska.gov*
Website: *Corporations.Alaska.gov*

FOR DIVISION USE ONLY

Articles of Organization

Domestic Limited Liability Company

Web-4/20/2017 5:48:45 PM

1 - Entity Name

Legal Name: Alaska Loven It, LLC

2 - Purpose

Cultivation

3 - NAICS Code

111998 - ALL OTHER MISCELLANEOUS CROP FARMING

4 - Registered Agent

Name: Dan Coglianese
Mailing Address: PO Box 1571, Homer, AK 99603
Physical Address: 2908 Kachemak Drive, Homer, AK 99603

5 - Entity Addresses

Mailing Address: PO Box 1571, Homer, AK 99603
Physical Address: 2908 Kachemak Drive, Homer, AK 99603

6 - Management

The limited liability company is managed by its members.

7 - Officials

Name	Address	% Owned	Titles
Dan Coglianese			Organizer

Name of person completing this online application

I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Official(s) listed above to act on behalf of this entity.

Name: Dan Coglianese

AK Entity #: 10056827
Date Filed: 12/28/2020
State of Alaska, DCCED

FOR DIVISION USE ONLY

THE STATE of ALASKA

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: corporations.alaska.gov

Domestic Limited Liability Company

2021 Biennial Report

For the period ending December 31, 2020

Web-12/28/2020 2:21:20 PM

Due Date: This report along with its fees are due by January 2, 2021

Fees: If postmarked before February 2, 2021, the fee is $100.00.
If postmarked on or after February 2, 2021 then this report is delinquent and the fee is $137.50.

Entity Name: Alaska Loven It, LLC

Entity Number: 10056827

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: 326 NEVA WAY, KODIAK, AK 99615

Mailing Address: PO BOX 8593, KODIAK, AK 99615

Registered Agent information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.

Name: Janiese Stevens

Physical Address: 326 NEVA WAY, KODIAK, AK 99615

Mailing Address: PO BOX 8593, KODIAK, AK 99615

Officials: The following is a complete list of officials who will be on record as a result of this filing.

- **Provide all officials and required information. Use only the titles provided.**
- **Mandatory Members:** this entity must have at least one (1) Member. A Member must own a %. In addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
- **Manager:** If the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Full Legal Name	Complete Mailing Address	% Owned	Member
Janiese Stevens	PO BOX 8593, KODIAK, AK 99615	50.00	X
Dan Coglianese	PO BOX 1571, HOMER, AK 99603	50.00	X

f necessary, attach a list of additional officers on a separate 8 5 X 11 sheet of paper

Purpose: Cultivation

NAICS Code: 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with

the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: Janiese Stevens

AK Entity #: 10056827
Date Filed: 02/22/2021
State of Alaska, DCCED

THE STATE of ALASKA
Department of Commerce, Community and Economic Development
Division of Corporations, Business and Professional Licensing

100018867

COR

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Juneau
FEB 22 2021
CBPL
CC25CC

Corporations Section
State Office Building, 333 Willoughby Avenue, 9th Floor
PO Box 110806, Juneau, AK 99811-0806
Phone: (907) 465-2550 · Fax: (907) 465-2974
Email: *corporations@alaska.gov*
Website: *Corporations.Alaska.Gov*

Notice of Change of Officials

Domestic Limited Liability Company (AS 10.50)

- This Notice of Change of Officials form is only for Domestic Limited Liability Companies and is used to report changes between biennial reporting periods in: members, managers, and percentage of interest held.
- This Notice of Change of Officials will not be filed if the entity's biennial report is not current. To verify the entity's biennial report due date, go online to *www.Corporations.Alaska.Gov* and select *Search Corporations Database*
- Standard processing time for complete and correct filings submitted to this office is approximately 10-15 business days. All filings are reviewed in the date order they are received.
- The information you submit is a public record and will be posted on the State's website.

1. Important: AS 10.50.765

Each Domestic Limited Liability Company is required to notify this office when there is a change of officials. — *AS 10.50.765*

Failure to meet this requirement may result in involuntary dissolution of the entity's authority to transact business in the State of Alaska.

The Domestic Limited Liability Company is to keep and make available the records of the official(s) changes. — *AS 10.50.860-.870*

2. Fee: ☒ $25 Nonrefundable Filing Fee (CORF) 3 AAC 16.065(b)

Mail this form and the non-refundable $25 filing fee in U.S. dollars to the letterhead address. Make the check or money order payable to the State of Alaska, or use the attached credit card payment form.

3. Entity Information: AS 10.50.765

Entity Name: Alaska Loven It, LLC

Alaska Entity Number: 10056827

K3067924

4. REMOVE from Record: AS 10.50.765(b)

The following officials (members and, if applicable, managers) will be completely removed from the record as a result of this filing:

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Juneau
FEB 22 2021

Name: Janiese Stevens

Name: Dan Coglianese

Name:

Name: CBPL

If an official is not being removed from record, then list them in Item #5 below (with their current information).

5. ALL Current Officials: AS 10.50.765(b)

The following is a complete list of ALL remaining and new officials who will be on record as a result of this filing.

- An LLC must have at least one member who owns a % of the LLC. — *AS 10.50.155(b)*
- Must provide all members who own 5% or more of the LLC. — *AS 10.50.765 (b)*
- Members must own a % of the LLC. A member may be a manager if the LLC is manager managed.
- An LLC may be managed by a manager if provided in Articles of Organization. A manager may be a member if the manager also owns a % of the LLC. — *AS 10.50.075(5) and AS 10.50.110(b)*

- **List ALL officials and their current information to be on record.**
- Manager will only be accepted if the entity is manager-managed per the articles.
- **BOLD fields are required.**

FULL LEGAL NAME	COMPLETE MAILING ADDRESS	% OWNED	MEMBER	Manager
Hibernation Holding Company	2705 Millbay Road, Suite 205, Kodiak, AK 99615	100	x	

→ If necessary, use the following supplement page and include all information required above in Item #5.

6. Required Signature: AS 10.50.840

The Notice of Change of Officials must be signed by: a member (AS 10.50.840(a)(2)); or a manager if manager managed (AS 10.50.840(a)(1)); or an attorney-in-fact (AS 10.50.840(c)). Persons who sign documents filed with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor.

Signature: J Stevens Date: 2/18/21

Printed Name: Janiese Stevens, Managing Member of Hiberation Holding Company

Title of Authorized Signer: ☒ Member ☐ Manager ☐ Attorney-in-fact

If signing on behalf of a member or manager which is an entity, then identify the signer's relationship and signing authority with the member entity. For example: John Smith, President of XYZ Inc. the sole member of ABC LLC.

Notice of Change of Officials SUPPLEMENT

If used, this supplement must be returned with Form 08-491

RECEIVED
Juneau
FEB 22 2021
CBPL

Entity Name: Alaska Loven It, LLC

Alaska Entity Number: 10056827

4. REMOVE from Record (continued from Page 2): AS 10.50.765(b)

The following officials (members and, if applicable, managers) will be completely removed from the record as a result of this filing:

Name: _____ Name: _____

Name: _____ Name: _____

If an official is not being removed from record, then list them in Item #5 below (with their current information).

5. ALL Current Officials (continued from Page 2): AS 10.50.765(b)

The following is a complete list of ALL remaining and new officials who will be on record as a result of this filing.

- An LLC must have at least one member who owns a % of the LLC. — *AS 10.50.155(b)*
- Must provide all members who own 5% or more of the LLC. — *AS 10.50.765 (b)*
- Members must own a % of the LLC. A member may be a manager if the LLC is manager managed.
- An LLC may be managed by a manager if provided in Articles of Organization. A manager may be a member if the manager also owns a % of the LLC. — *AS 10.50.075(5) and AS 10.50.110(b)*

- **List ALL officials and their current information to be on record.**
- Manager will only be accepted if the entity is manager-managed per the articles.
- **BOLD fields are required.**

FULL LEGAL NAME	COMPLETE MAILING ADDRESS	% OWNED	MEMBER	Manager

If necessary to complete Items #4 and #5, make copies of this SUPPLEMENT page.

LIMITED LIABILITY COMPANY OPERATING AGREEMENT
OF
ALASKA LOVEN IT, LLC

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT (this "**Agreement**") is made and entered into effective as of April 20, 2017, by and among the Persons whose signatures appear on the signature page hereof.

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Agreement shall have the meanings (unless otherwise expressly provided herein) as set forth in *Exhibit A*.

ARTICLE 2

FORMATION OF COMPANY

2.1. **Formation.** The Company was formed on April 20, 2017 when the Articles of Organization were executed and filed with the office of the Department of Commerce, Community, and Economic Development of the State of Alaska in accordance with and pursuant to the Act.

2.2. **Name.** The name of the Company is "**Alaska Loven It, LLC**".

2.3. **Principal Place of Business.** The principal place of business of the Company shall be at:

Mailing Address: PO Box 8593, Kodiak, AK 99615
Physical Address: 326 Neva Way, Kodiak, AK 99615.

The Company may locate its places of business at any other place or places as the Members may from time to time deem advisable.

2.4. **Registered Office and Registered Agent.** The Company's initial registered agent and the address of its initial registered office in the State of Alaska are as follows:

Name	Address
Janiese Stevens	Mailing Address: PO Box 8593, Kodiak, AK 99615 Physical Address: 326 Neva Way, Kodiak, AK 99615

The registered office and registered agent may be changed by the Members from time to time by filing an amendment to the Articles of Organization.

2.5. **Term.** The term of the Company shall be perpetual, until the Company is dissolved in accordance with either ARTICLE 13 or the Act.

ARTICLE 3

BUSINESS OF COMPANY

3.1. **Business.** The business of the Company shall be:

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3.1.1. Growing and selling marijuana and activities related thereto pursuant to a State of Alaska License (the "License");

3.1.2. To carry on any lawful business or activity approved by a Majority Interest which may be conducted by a limited liability company organized under the Act; and

3.1.3. To exercise all other powers necessary to or reasonably connected with the Company's business which may be legally exercised by limited liability companies under the Act.

ARTICLE 4

NAMES AND ADDRESSES OF MEMBERS

The names and addresses of the Members are set forth on attached *Exhibit B*, as amended or restated from time to time.

ARTICLE 5

MEMBERS' RIGHTS AND DUTIES

5.1. **Management.** Subject to ARTICLE 3 and Section 6.3 and except as otherwise expressly provided in this Agreement, the business and affairs of the Company shall be managed by the Members. Except as otherwise expressly provided in this Agreement, the Members shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business. Without limiting the generality of the foregoing, the Members shall have power and authority, on behalf of the Company (the "**Included Powers**"):

5.1.1. To acquire property from any Person as the Members may determine, and the fact that a Member is an Affiliate of such Person shall not prohibit the Members from dealing with that Person;

5.1.2. To borrow money from financial institutions, the Members, or Affiliates of the Members on such terms as the Members deem appropriate, and in connection therewith, to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums;

5.1.3. To purchase liability and other insurance to protect the Company's property and business;

5.1.4. Except as provided herein, to acquire, improve, manage, charter, operate, sell, transfer, exchange, encumber, pledge or dispose of any real or personal property of the Company;

5.1.5. To invest Company funds temporarily in time deposits, short-term governmental obligations, commercial paper or other short-term investments;

5.1.6. To execute instruments and documents, including without limitation, checks, drafts, notes and other negotiable instruments, mortgages or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage or disposition of the Company's property, assignments, bills of sale, leases, partnership agreements, operating agreements of other limited liability companies, and any other instruments or documents necessary to the business of the Company;

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5.1.7. To employ accountants, legal counsel, managing agents and/or other professionals to perform services for the Company and to compensate them from Company funds;

5.1.8. To enter into any and all other agreements with any other Person for any purpose, in such form as the Members may approve;

5.1.9. From time to time open bank accounts in the name of the Company, and the Members shall be the sole signatory thereon, unless the Members determine otherwise; and

5.1.10. To do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business.

Unless authorized to do so by this Agreement no employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose.

5.2. **Reimbursement.** The Members shall be reimbursed by the Company for reasonable out-of-pocket expenses incurred by the Members in connection with the Company's business, including without limitation expenses incurred in the organization of the Company and the placement of the Membership Interests.

5.3. **Limitation on Liability; Indemnification.** Neither the Members nor any Affiliate of the Members shall be liable, responsible or accountable in damages or otherwise to the Company or the Members for any act or omission by any such Person performed in good faith pursuant to the authority granted to such Person by this Agreement or in accordance with its provisions, and in a manner reasonably believed by such Person to be within the scope of the authority granted to such Person and in the best interest of the Company; provided that such act or omission did not constitute fraud, misconduct, bad faith or gross negligence. The Company shall indemnify and hold harmless the Members, and each director, officer, partner, employee or agent thereof, against any liability, loss, damage, cost or expense incurred by them on behalf of the Company or in furtherance of the Company's interests without relieving any such Person of liability for fraud, misconduct, bad faith or negligence. No Member shall have any personal liability with respect to the satisfaction of any required indemnification of the above-mentioned Persons.

Any indemnification required to be made by the Company shall be made promptly following the fixing of the liability, loss, damage, cost or expense incurred or suffered by a final judgment of any court, settlement, contract or otherwise. In addition, the Company may advance funds to a Person claiming indemnification under this Section for legal expenses and other costs incurred as a result of a legal action brought against such Person only if (i) the legal action relates to the performance of duties or services by the Person on behalf of the Company, (ii) the legal action is initiated by a party other than a Member, and (iii) such Person undertakes to repay the advanced funds to the Company if it is determined that such Person is not entitled to indemnification pursuant to the terms of this Agreement.

ARTICLE 6

RIGHTS AND OBLIGATIONS OF UNIT HOLDERS

6.1. **Limitation of Liability.** Each Unit Holder's liability shall be limited as set forth in this Agreement and the Act.

6.2. **Liability for Company Obligations.** Unit Holders shall not be personally liable for any debts, obligations or liabilities of the Company beyond their respective initial Capital Contributions

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and any obligation of the Unit Holders under Section 8.2 to make additional Capital Contributions, except as otherwise provided by law.

6.3. **Member's Approval Required:**

6.3.1. **Approval of Sale of All Assets.** The Company shall not sell, exchange, or otherwise dispose of all, or substantially all, of its assets except in the ordinary course of business without the affirmative vote of the holders of a Majority Interest.

6.3.2. **Termination of Activities.** The Company shall not terminate its activities without the affirmative vote of the holders of a Majority Interest.

6.3.3. **Change of Purpose.** The Company shall not change its purpose without the affirmative vote of the holders of a Majority Interest.

6.4. **Inspection of Records.**

6.4.1. **Inspection of Required Records**. Upon fourteen days written demand made in a record received by the Company, each Member shall have the right to inspect and copy, at such Member's expense during ordinary business hours, the records required to be maintained by the Company pursuant to Section 11.5. The Company may redact any records to protect information specified in Section 6.4.2 unless the Member meets the requirements of Section 6.4.2.

6.4.2. **Inspection of Additional Records**. During ordinary business hours and at a reasonable location specified by the Company, a Member may inspect and copy the following records of the Company if the Member seeks the records for a purpose reasonably related to the Member's interest in the Company; the Member makes a written demand in a record received by the Company, describing with reasonable particularity the records sought and the purpose for seeking the records; and the records sought are directly connected to the Member's purpose:

6.4.2.1. A current and a past list, setting forth the full name and last known mailing address of each member and manager, if any;

6.4.2.2. Excerpts from any meeting of the managers or members, and records of limited liability company action approved by the members or manager without a meeting; and

6.4.2.3. Accounting records of the limited liability company.

6.4.3. **Response to Request for Additional Records**. Within fourteen days after receiving a demand pursuant to Section 6.4.2, the Company will in writing inform the Member that made the demand: what records the Company will provide in response to the demand; when and where the Company will provide the records; and if the Company declines to provide any demanded records, the Company's reasons for declining.

6.4.4. **Rights of Disassociated Unit Holders**. A person dissociated as a Member may inspect and copy the records set forth in Section 11.5 during ordinary business hours in the limited liability company's principal office if the records pertain to the period during which the person was a Member; the person seeks the records in good faith; and the person meets the requirements of Section 6.4.2. Company must respond to a demand made pursuant to this Section in the same manner as provided in Section 6.4.3.

6.4.5. **Confidentiality Agreement**. The Company may require any Member who requests to review the type of records set forth in Section 6.4.2 to sign a confidentiality agreement prior to viewing those records.

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6.4.6. **Restrictions on Access Reasonable**. The Members acknowledge and agree that the provisions of this section do not unreasonably restrict a Member's access to the records of the Company. The Company may impose reasonable restrictions on the use of records and information obtained under Section 6.4.

6.5. **No Priority on Return of Capital.** Except as expressly provided in ARTICLE 9, no Unit Holder shall have priority over any other Unit Holder, either as to the return of Capital Contributions or as to Net Profits, Net Losses, or Distributions; provided, that this Section 6.5 shall not apply to loans made by a Member to the Company.

6.6. **Withdrawal of Unit Holder.** Except as expressly permitted in this Agreement, no Unit Holder shall voluntarily resign or otherwise withdraw as a Unit Holder. Except as otherwise expressly provided herein or approved by a Majority Interest held by Remaining Members, a resigning or withdrawing Member shall become an Economic Interest Owner. The remedy for breach of this Section 6.6 shall be monetary damages (and not specific performance), which may be offset against Distributions to which such Person would otherwise be entitled.

ARTICLE 7

MEETINGS OF MEMBERS

7.1. **Annual Meeting.** Annual meetings are not required, but are strongly recommended. The annual meeting of the Members may be held in the month of November, or at such other time as shall be determined by the Members.

7.2. **Special Meetings.** Special meetings of the Members, for any purpose or purposes, may be called by the Members holding at least ten percent of the Membership Units. The purpose of a Special Meeting shall be stated in the Notice.

7.3. **Place of Meetings.** The Members may designate any place, either within or outside the State of Alaska, as the place of meeting for any meeting of the Members. If no designation is made, or if a special meeting is called, the place of meeting shall be the principal place of business of the Company specified in ARTICLE 2.

7.4. **Notice of Meeting.** Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered to each Member entitled to vote at such meeting not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the Members calling the meeting. If mailed, such notice shall be deemed to be delivered two calendar days after being deposited in the United States Mail, addressed to the Member, with postage thereon prepaid.

7.5. **Record Date.** For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any Distribution, the date on which notice of the meeting is mailed or the date on which the resolution declaring such Distribution is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof.

7.6. **Quorum.** A Majority Interest represented in person or by proxy shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, a Majority Interest may adjourn the meeting from time to time for a period not to exceed sixty days without further

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notice. However, if the adjournment is for more than sixty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Membership Units whose absence would cause less than a quorum.

7.7. **Manner of Acting.** If a quorum is present, the affirmative vote of a Majority Interest shall constitute an act of the Members, unless the vote of a greater or lesser percentage is required by this Agreement.

7.8. **Proxies.** At all meetings of Members a Member may vote in person or by proxy executed in writing by the Member. Such proxy shall be filed with the Members before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

7.9. **Action by Members Without a Meeting.** Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, executed by Members entitled to vote thereon and delivered to the Members for inclusion in the Company's minutes. Action taken without a meeting is effective when all Members entitled to vote thereon have signed such consents, unless such consents specify a different effective date.

7.10. **Waiver of Notice.** When any notice is required to be given to a Member, a waiver thereof in writing signed by the Member entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

7.11. **Telephone Meetings.** Members may participate in a meeting of the Members by means of a conference telephone or similar communications equipment that enables all persons participating in the meeting to hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

ARTICLE 8

CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

8.1. **Members' Initial Capital Contributions.** Each Member shall contribute such amount as is set forth in attached *Exhibit B* as such Member's share of the Members' initial Capital Contribution.

8.2. **Additional Contributions.** Each Unit Holder shall be required to make such additional Capital Contributions as shall be determined by the Members from time to time. Written notice consistent with this Agreement shall be given to all Unit Holders. Nothing contained in this Section 8.2 is or shall be deemed to be for the benefit of any Person other than the Unit Holders and the Company, and no such Person shall under any circumstances have any right to compel any actions or payments by the Unit Holders.

8.2.1. **Failure to Make a Capital Contribution.** If a Unit Holder (the "**Non-Contributing Unit Holder**") fails to make a Capital Contribution required pursuant to Section 8.2 on or before thirty days following the receipt of a notice of required contribution given by the Members and such Capital Contribution is made on the Non-Contributing Unit Holder's behalf by

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the Contributing Unit Holders, the contributing Members by Majority Interest may at their option exercise any of the remedies set forth in Section 8.2.1.1 below.

8.2.1.1. **Remedies.** The following remedies are available for exercise by the Contributing Members:

8.2.1.1.1. **Treat Contribution as a Loan.** Each of the Contributing Members may elect to treat the Unit Holders' share of the Non-Contributing Unit Holder's contribution made pursuant to Section 8.2.1 as a loan to the Non-contributing Unit Holder, which loan shall bear interest at a per annum rate equal to the lesser of (i) the US Prime Rate as announced by the Borrowing Benchmarks Section of the Wall Street Journal, which rate is the base rate on corporate loans posted by at least 70% of the 10 largest US Banks, or successor publication, plus Two Percent, or (ii) the maximum rate allowed by applicable law. The principal amount of such loan plus accrued interest shall be due on demand and shall be paid out of the next Distribution that would have otherwise been made to the Non-Contributing Unit Holder.

8.2.1.1.2. **Reduction of Non-Contributing Unit Holder's Units.** Each of the Contributing Members may elect to reduce the Units of the Non-Contributing Unit Holder and increase the Contributing Unit Holders' Units. The amount of the adjustment shall be calculated in proportion to the change in the Unit Holders' balances in their respective Capital Accounts.

8.2.1.1.3. **Lawsuit.** The Contributing Members may choose to commence a lawsuit in a court of competent jurisdiction to enforce the contribution.

8.2.1.2. **Election of Remedies.** To the extent that the remedies are not cumulative or do not result in unjust enrichment, the Contributing Members may elect more than one of the above-named remedies.

8.3. **Capital Accounts.**

8.3.1. **Establishment and Maintenance.** A separate Capital Account will be maintained for each Unit Holder throughout the term of the Company in accordance with the rules of Regulation Section 1.704-1(b)(2)(iv).

8.3.2. **Compliance with Regulations.** The manner in which Capital Accounts are to be maintained pursuant to this Section 8.3 is intended to comply with the requirements of Code Section 704(b) and the Regulations promulgated thereunder. If in the opinion of the Company's tax professionals the manner in which Capital Accounts are to be maintained pursuant to the preceding provisions of this Section 8.3 should be modified in order to comply with Code Section 704(b) and the Regulations thereunder, then notwithstanding anything to the contrary contained in the preceding provisions of this Section 8.3, the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Unit Holders.

8.3.3. **Withdrawal or Reduction of Unit Holders' Contributions to Capital.** A Unit Holder shall not receive out of the Company's property any part of the Unit Holder's Capital Contribution until all liabilities of the Company, except liabilities to Unit Holders on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to

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pay them. A Unit Holder, irrespective of the nature of the Unit Holder's Capital Contribution, has only the right to demand and receive cash in return for the Unit Holder's Capital Contribution.

ARTICLE 9

ALLOCATIONS OF NET PROFITS AND LOSSES

9.1. **Allocation of Net Profit and Loss - In General.**

9.1.1. **Allocation of Net Profit and Loss -- In General.** After giving effect to the special allocations set forth in Section 9.1.2, Net Profit or Net Loss for any fiscal year of the LLC shall be allocated among the Unit Holders in accordance with their respective Units.

9.1.2. **Special Allocations.** The following special allocations shall be made for any fiscal year of the LLC in the following order:

9.1.2.1. **Minimum Gain Chargeback.** If there is a net decrease in LLC Minimum Gain (as defined in Regulation Sections 1.704-2(b) and 1.704(d)) during any LLC fiscal year, each Unit Holder shall be specifically allocated items of LLC income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Unit Holder's share of the net decrease in LLC Minimum Gain, determined in accordance with Regulation Sections 1.704-2(f) and 1.704-2(g) (2). The items to be so allocated, and the manner in which those items are to be allocated among the Unit Holder's, shall be determined in accordance with Regulation Sections 1.704-2(f) (6) and 1.704-2(j) (2). This Section 9.1.1 is intended to satisfy the Minimum Gain chargeback requirement in Regulation Section 1.704-2(f) and shall be interpreted and applied accordingly.

9.1.2.2. **Unit Holder Minimum Gain Chargeback.** If there is a net decrease in Unit Holder Minimum Gain during any LLC fiscal year, each partner who has a share of that Unit Holder Minimum Gain, determined in accordance with Regulation Section 1.704-2(i) (5), shall be specifically allocated items of LLC income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Unit Holder's share of the net decrease in Unit Holder Minimum Gain, determined in accordance with Regulation Sections 1.704-2(i)(4) and 1.704-2(i)(5). The items to be so allocated, and the manner in which those items are to be allocated among the Unit Holders, shall be determined in accordance with Regulation Sections 1.704-2(i) (4) and 1.704-2(j) (2). This Section 9.1.2.2 is intended to satisfy the Minimum Gain chargeback required in Regulation Section 1.704-2(i)(4) and shall be interpreted and applied accordingly.

9.1.2.3. **Qualified Income Offset.** If any Unit Holder unexpectedly receives any adjustments, allocations, or Distributions described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), that reduces such Unit Holder's Capital Account balance below zero, items of LLC income and gain shall be specifically allocated to such Unit Holder in an amount and in a manner sufficient to eliminate as quickly as possible, to the extent required by Regulation Section 1.704-1(2)(ii)(d), the such deficit Capital Account of the Unit Holder (which deficit Capital Account shall be determined as if all other allocations provided for in this Section 9.1.2.3 have been tentatively made as if this Section 9.1.2.3 were not in this Agreement). This Section 9.1.2.3 is intended to satisfy the qualified income offset required in Regulation Section 1.704-1(b)(2)(ii) and shall be interpreted and applied accordingly.

9.1.2.4. **Nonrecourse Deductions.** The amount of nonrecourse Deductions (as defined in Regulation Section 1.704-2(b)(1) shall for the LLC be determined pursuant to Regulation

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Section 1.704-2(c). Nonrecourse Deductions shall be allocated among the Unit Holders in accordance with their respective Units.

9.1.2.5. **Unit Holder Nonrecourse Deductions.** Any Unit Holder Nonrecourse Deductions (as defined in Regulation Section 1.704-2(b)(1) and (2) shall be specially allocated among the Unit Holders in accordance with Regulation Section 1.704-2(i).

9.1.3. **Other Allocation Rules.**

9.1.3.1. **General.** Except as otherwise provided in this Agreement, all items of LLC income, gain, loss, deduction, and any other allocations not otherwise provided for shall be allocated among the Unit Holders in the same proportions as they share Net Profits or Net Losses, as the case may be, for the year.

9.1.3.2. **Allocation of Recapture Items.** In making any allocation among the Unit Holders of income or gain from the sale or other disposition of a LLC asset, the ordinary income portion, if any, of such income and gain resulting from the recapture of cost recovery or other deductions shall be allocated among those Unit Holders who were previously allocated the cost recovery deductions or other deductions resulting in the recapture items, in proportion to the amount of such cost recovery deductions or other deductions previously allocated to them.

9.1.3.3. **Allocations in Connection with Varying Interest.** If, during a LLC fiscal year, there is (i) a permitted transfer of a LLC Interest under this Agreement during a LLC fiscal year or (ii) the admission of a Member or additional Members, Net Profit, Net Loss, each item thereof, and all other Tax Items of the LLC for such period shall be allocated among the Unit Holders by taking into account their varying interests during such fiscal year in accordance with Code Section 706(d) and using any conventions permitted by Law and selected by the Members.

9.1.3.4. **Items Specially Allocated.** Notwithstanding any other provision of this ARTICLE 9, any items that are specially allocated pursuant to Section 9.1 shall not be taken into account in computing Net Profit or Net Loss.

9.2. **Computation of Net Profit or Loss.** The Net Profit or Net Loss of the Company, for each fiscal year or other period, shall be an amount equal to the Company's taxable income or loss for such period, determined in accordance with Code Section 703(a) (and, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1), including income and gain exempt from federal income tax, shall be included in taxable income or loss).

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ARTICLE 10

DISTRIBUTIONS

10.1. **Cash Distributions.**

10.1.1. **Nonliquidating Distributions.** Distributions of Distributable Cash, other than Distributions in liquidation shall be made to the Unit Holders upon a vote of a Majority Interest. The Members shall in any case endeavor to distribute at least enough Distributable Cash to allow each of the Unit Holders to make their required tax contributions from the Distributions (the "Tax Distributions"). Provided however, except for any Tax Distributions, any Unit Holder loans to the Company, including additional capital contributions pursuant Section 8.2, will be repaid in full prior to any Distributions to the Unit Holders.

10.1.2. **Distributions in Liquidation.** Notwithstanding Section 10.1.1, Distributions in liquidation of the Company shall be made to each Unit Holder in the manner set forth in 13.4.

10.2. **Distributions in Kind.** Non-cash assets, if any, shall be distributed in a manner that reflects how cash proceeds from the sale of such assets for fair market value would have been distributed (after any unrealized gain or loss attributable to such non-cash assets has been allocated among the Unit Holders in accordance with ARTICLE 9).

10.3. **Withholding; Amounts Withheld Treated as Distributions.** The Members are authorized to withhold from Distributions, or with respect to allocations or payments, to Unit Holders and to pay over to the appropriate federal, state, or local governmental authority any amounts required to be withheld pursuant to the Code or provisions of applicable state or local law. All amounts withheld pursuant to the preceding sentence in connection with any payment, Distribution, or allocation to any Unit Holder shall be treated as amounts distributed to such Unit Holder for all purposes of this Agreement.

10.4. **Limitation Upon Distributions.** No Distribution shall be declared and paid unless, after the Distribution is made, the assets of the Company are in excess of all liabilities of the Company, except liabilities to Unit Holders on account of their contributions.

ARTICLE 11

ACCOUNTING, BOOKS, AND RECORDS

11.1. **Accounting Principles.** The Company's books and records shall be kept, and its income tax returns prepared, under such permissible method of accounting, consistently applied, as the Members determine is in the best interest of the Company and its Unit Holders.

11.2. **Interest on and Return of Capital Contributions.** No Unit Holder shall be entitled to interest on the Unit Holder's Capital Contribution or to return of the Unit Holder's Capital Contribution, except as otherwise specifically provided for herein.

11.3. **Loans to Company.** Nothing in this Agreement shall prevent any Unit Holder from making secured or unsecured loans to the Company.

11.4. **Accounting Period.** The Company's accounting period shall be the calendar year.

11.5. **Records, Audits and Reports.** At the expense of the Company, the Members shall maintain records and accounts of all operations and expenditures of the Company. At a minimum the Company shall keep at its principal place of business the following records:

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11.5.1. A copy of its Articles of Organization and all amendments thereto;

11.5.2. A copy of any limited liability company agreement made in a record and any amendments made in a record to a limited liability company agreement;

11.5.3. Unless contained in its Articles of Organization, a statement in a record of:

11.5.3.1. The amount of cash and a description and statement of the agreed value of the other benefits contributed and agreed to be contributed by each member;

11.5.3.2. The times at which or events on the happening of which any additional contributions agreed to be made by each member are to be made;

11.5.3.3. Any right of any member to receive distributions which include a return of all or any part of the member's contribution; and

11.5.3.4. Any events upon the happening of which the limited liability company is to be dissolved and its activities wound up;

11.5.4. A copy of the limited liability company's federal, state, and local tax returns and reports, if any, for the three most recent years;

11.5.5. A copy of any financial statements of the limited liability company for the three most recent years;

11.5.6. A copy of any record made by the limited liability company during the past three years of any consent given by or vote taken of any member pursuant to this chapter or the limited liability company agreement;

11.5.7. A copy of the three most recent Biennial Reports delivered by the limited liability company to the Department of Commerce, Community, and Economic Development of the State of Alaska. ;

11.5.8. A copy of any filed articles of conversion or merger; and

11.5.9. A copy of any certificate of dissolution or certificate of revocation of dissolution.

11.5.10. A copy of the License.

11.6. **Tax Matters Member.**

11.6.1. **Designation.** Janiese Stevens shall be the "**Tax Matters Partner**" of the Company for purposes of Code Section 6221 *et seq*. and corresponding provisions of any state or local tax law.

11.6.2. **Expenses of Tax Matters Partner; Indemnification.** The Company shall indemnify and reimburse the Tax Matters Partner for all reasonable expenses, including legal and accounting fees, claims, liabilities, losses, and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Unit Holders attributable to the Company. The payment of all such expenses shall be made before any Distributions are made to Unit Holders (and such expenses shall be taken into consideration for purposes of determining Distributable Cash) or any discretionary Reserves are set aside by any Members. Neither the Tax Matters Partner nor any Unit Holder shall have any obligation to provide funds for such purpose.

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11.6.3. **Limitation on Liability; Indemnification.** Neither the Tax Matters Partner nor any Affiliate of the Tax Matters Partner shall be liable, responsible or accountable in damages or otherwise to the Company or the Unit Holders for any act or omission by any such Person performed in good faith pursuant to the authority granted to such Person by this Agreement or in accordance with its provisions, and in a manner reasonably believed by such Person to be within the scope of the authority granted to such Person and in the best interest of the Company; provided that such act or omission did not constitute fraud, misconduct, bad faith or gross negligence. The Company shall indemnify and hold harmless the Tax Matters Partner, and each director, officer, partner, employee or agent thereof, against any liability, loss, damage, cost or expense incurred by them on behalf of the Company or in furtherance of the Company's interests without relieving any such Person of liability for fraud, misconduct, bad faith or gross negligence. No Unit Holder shall have any personal liability with respect to the satisfaction of any required indemnification of the above mentioned Persons.

Any indemnification required to be made by the Company shall be made promptly following the fixing of the liability, loss, damage, cost or expense incurred or suffered by a final judgment of any court, settlement, contract or otherwise. In addition, the Company may advance funds to a Person claiming indemnification under this Section for legal expenses and other costs incurred as a result of a legal action brought against such Person only if (i) the legal action relates to the performance of duties or services by the Person on behalf of the Company, (ii) the legal action is initiated by a party other than a Unit Holder, and (iii) such Person undertakes to repay the advanced funds to the Company if it is determined that such Person is not entitled to indemnification pursuant to the terms of this Agreement.

11.7. **Returns and Other Elections.** The Members shall cause the preparation and timely filing of all tax and information returns required to be filed by the Company pursuant to the Code and all other tax and information returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, shall be furnished to the Unit Holders within a reasonable time after the end of the Company's fiscal year. Except as otherwise expressly provided to the contrary in this Agreement and except as determined by a vote of a Majority Interest, all elections permitted to be made by the Company under federal or state laws shall be made by the Tax Matters Partner.

ARTICLE 12

TRANSFERABILITY, BEQUEATHS, AND GIFTS

12.1. **Transfers In General.** Except as otherwise expressly provided in this Agreement, a Unit Holder shall not have the right to Transfer all or any part of his or her Units. Each Unit Holder hereby acknowledges the reasonableness of the restrictions on Transfer of Units imposed by this Agreement in view of the Company's purposes and the relationship of the Unit Holders. Accordingly, the restrictions on Transfer contained herein shall be specifically enforceable.

12.2. **Transfers to Immediate Family of Unit Holders.** Unit Holders may freely transfer their Units including full voting rights, if any, to their lineal descendants, or trust or other entity established for the sole benefit of Unit Holder, spouse, or lineal descendants. Unit Holders who are trusts may freely transfer their Units, including full voting rights, if any, to their beneficiaries.

12.3. **Transfers to Other Unit Holders.** Unit Holders may freely transfer their Units including full voting rights, if any, to any other Unit Holder.

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12.4. **Transfer to Janiese's Relation.** Unit Holder, Janiese Stevens may Transfer Units to her cousin's wife, Sinia Maile.

12.5. **Transfer to Entity.** A Unit Holder may Transfer his or her Units to a wholly-owned entity.

12.6. **Compliance with License**. All Transfers, including any Transfer that is permitted pursuant to this Agreement, that would invalidate or impair the License or its use is null and void. Prior to any Transfer, the LLC must receive confirmation from either the State authority or agency administering the License or the attorney for the Company, that a purported Transfer will not invalidate or impair the License or its use. The parties to a Transfer permitted pursuant to this Agreement will timely and in good faith take such actions and execute and deliver such documents to maintain the License in full force and effect.

12.7. **Transfer Not in Compliance.** Transfer of any Units in violation of this Agreement shall be void. The Units, which are the subject matter of such void Transfer shall, immediately upon discovery of the Transfer by the Members, become subject to purchase by the Remaining Members on the terms and conditions set forth in this Agreement. In such event, the period set out below within which the Remaining Members would have the right to acquire the Transferred Units shall measure from the date upon which the Members discover the Transfer.

12.8. **Termination of a Unit Holder.**

12.8.1. **Termination.** A Unit Holder shall be a "**Terminated Unit Holder**" in the event of any of the following:

12.8.1.1. **Entity Dissolution.** If the Unit Holder is an entity, involuntary dissolution, under the laws governing said entity unless cured within thirty days of receipt of notice from the Remaining Members or voluntary dissolution of the entity. A trust shall not constitute an entity for purposes of this Section 12.8.1.1; or

12.8.1.2. **Trust.** If a Unit Holder is a trust, termination of the trust and/or any distribution of the Units owned by the trust to a beneficiary other than the trustor, the surviving spouse of the trustor, or a lineal descendant of the trustor.

12.8.1.3. **Bankruptcy of a Unit Holder.** The filing of a voluntary or involuntary petition with respect to a Unit Holder under the Federal Bankruptcy Code or comparable state law (if such proceeding is not terminated within thirty days of filing), or the making of an assignment for the benefit of a Unit Holder's creditors, or the insolvency of a Unit Holder; or

12.8.1.4. **Involuntary Transfer.** Any Transfer or encumbrance of any Units owned by a Unit Holder other than as permitted by this Agreement as a result of insolvency of the Unit Holder or otherwise.

12.8.2. **Notice**. The Terminated Unit Holder shall immediately upon the occurrence of any event enumerated in Section 12.8.1 provide notice to the Remaining Members of the occurrence of such event.

12.8.3. **Management Authority.** The existence of a Terminated Unit Holder shall not dissolve or terminate the LLC. Its business shall continue without interruption. The Terminated Unit Holder who was a Member shall be deemed to have delegated to the Remaining Members, the Terminated Unit Holder's entire right and interest to participate in the management of the

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LLC, and thenceforth all decisions and actions concerning the LLC shall be made and taken by the Remaining Members alone on behalf of the LLC.

12.8.4. **Remaining Members' Options.** The Remaining Members shall have the option to purchase, all, but not less than all, of the Units of the Terminated Unit Holder. The Purchase Price for the Units purchased pursuant to this Section 12.8.4 shall be established in accordance with Section 12.12.5 below.

12.8.5. **Exercise of Option.** The Remaining Members may exercise the option to purchase the Units of the Terminated Unit Holder by delivering written notice thereof (the "**Exercise Notice**") to the Terminated Unit Holder within sixty days after receipt of notice required by Section 12.8.2 from the Terminated Unit Holder. If the Terminated Unit Holder fails to provide the notice required by Section 12.8.2, the Remaining Members shall provide the Exercise Notice within sixty days after the Remaining Members receive actual knowledge of the occurrence of an event enumerated in Section 12.8.1. Failure to give the Exercise Notice within the required period shall be deemed to be a decision not to exercise the option, and shall terminate the Remaining Members' option rights.

12.9. **Mandatory Buy/Sell.**

12.9.1. **Offer to Sell.** At any time, for any reason a Unit Holder (the "**Offering Unit Holder**") may offer to sell all of the Offering Unit Holder's Units to the other Members for a specified price per Unit payable on terms specified in the offer ("**Offer to Sell**"). The Offer to Sell shall be made by delivering notice thereof to all Members and depositing ten percent of the requested Purchase Price with a licensed escrow company as a security deposit. The Offer to Sell must allow at least sixty days, but not more than ninety days, to respond.

12.9.2. **Extent of Purchasers' Rights.** Each Member shall have the right to purchase that Member's pro rata share, of all, but not less than all, of the Offering Unit Holder's Units at the price per Unit and on the terms as specified in the Offer to Sell. Provided, however, if any Member does not purchase that Member's pro rata share, the other Members shall have the opportunity to purchase the remaining Units pursuant to the general terms set forth in Section 12.12 below.

12.9.3. **Acceptance of Offer.** The Purchasing Members shall exercise the right by giving written notice to the Offering Unit Holder and the other Members, within the time period stated in the Offer to Sell. Failure of any Member to give notice in said manner within the required time period shall be deemed to be a decision not to exercise the offer. If no Members either singly or collectively accept the Offer to Sell, the Members shall be deemed to have made a binding irrevocable offer to sell all of the Members' Units to the Offering Unit Holder for a price equal to the per Unit price in the Offer to Sell multiplied by the number of Units being offered, and upon the same terms and conditions. The Offering Unit Holder shall accept the second offer and the closing of the transaction shall be concluded within thirty days after the expiration of the initial offer period.

12.9.4. **Payment of Purchase Price.** The Purchase Price shall be payable in accordance with the specific terms and conditions of the Offer to Sell. At the time of such payment, the Purchasing Members and Offering Unit Holder shall execute and deliver all documents necessary to evidence the Transfer of the Units as the other party(ies) may reasonably request.

12.10. **Death of Member – Sale by Heirs.**

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12.10.1. **Procedure.** In the event of the death of a Unit Holder, it is understood that the Remaining Members shall be free to carry on the business of this LLC, subject to the following conditions.

12.10.2. **Heirs to Inherit.** The deceased Unit Holder's heirs may inherit all Units owned by the deceased Unit Holder and all rights accompanying those Units. As used herein, the term "heirs" is limited to the persons set forth in Sections 12.2and 12.4.

12.11. **Purchase Option in the Event of Purported Spousal Transfer.** In the event of a purported Spousal Transfer to a Unit Holder's Spouse (but excluding the transfer of said Spouse's community property interest in said Units to a Spouse), the Unit Holder shall give to the LLC and the Remaining Members, within the thirty days after the purported Spousal Transfer a notice of Transfer of Units. The Remaining Members may together or separately purchase in proportion to their Membership Interests the Units subject to this paragraph. Upon the exercise of the Remaining Members option to purchase, the Spouse shall sell the Units covered by this paragraph to the Remaining Members, on the terms and conditions stated in this Agreement.

12.12. **General Terms.** Any purchase and sale required by this Agreement may, at the option of the parties to the purchase and sale, be made upon such terms and at such rate of interest as may be agreed between the parties. In the absence of a mutual agreement, the purchase and sale shall be on the following terms and conditions:

12.12.1. **Members Rights to Participate.** In any situation under this Agreement in which there is more than one Remaining Member and the Remaining Members are provided an offer to purchase or sell an interest pursuant to this Agreement, all of the Remaining Members may purchase or sell (as the case may be) the offered Units in proportion to their Membership Interests, calculated without regard to the Transferring Unit Holder's Units. If one of the Remaining Members fails to purchase (or sell) that Remaining Member's full share, the balance may be purchased (or sold) by the other Remaining Members in proportion to their Membership Interests calculated without regard to the non-purchasing Member's Membership Interests.

12.12.2. **Hold Harmless.** In all cases in which any Member or Members elect to buy the LLC interest of a Selling Unit Holder, the Purchasing Members shall make reasonable provisions to hold the Selling Unit Holder harmless from any personal guarantees and personal liabilities of the Selling Unit Holder which were incurred in connection with the LLC, in compliance with the LLC Agreement, and otherwise in compliance with law. The Selling Unit Holder may immediately upon sale terminate all personal guarantees of LLC obligations.

12.12.3. **Income Prior to Closing.** The Selling Unit Holder shall be entitled to that Unit Holder's pro rata share of income through the date of closing unless otherwise specified in the offer.

12.12.4. **Fair Market Value.** The Fair Market Value of the LLC shall be determined as follows:

12.12.4.1. **Agreed-to-Value.** For thirty days after any event, which requires the establishment of the Fair Market Value of the LLC, the Remaining Members and the Transferring Unit Holder, or the Unit Holder's agent or authorized representative, shall attempt in good faith to reach an agreement concerning the Fair Market Value.

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12.12.4.2. **Board of Valuation.** If no Fair Market Value has been agreed to within the thirty day period referred to above, then the Fair Market Value shall be established by the FMV Appraiser.

12.12.5. **Purchase Price**. The Transferring Unit Holder, agent, or authorized representative, and the Purchasing Members, as a group, shall each appoint, at their own cost, a Qualified Appraiser within fifteen days. If only one Qualified Appraiser is so appointed within this 15-day period, that single appointed Qualified Appraiser shall serve as the FMV Appraiser and shall unilaterally establish the Fair Market Value by issuing an opinion in writing. In the event more than one Qualified Appraiser is appointed, the appointed Qualified Appraisers shall together appoint a third Qualified Appraiser who shall serve as the FMV Appraiser and shall establish the Fair Market Value. The appointment of a Qualified Appraiser shall be made by a written instrument delivered to the other party. The FMV Appraiser shall take into account such generally accepted factors for valuation of a limited liability company as the FMV Appraiser may deem appropriate. The cash proceeds of any life insurance policy received as the result of the death of a Unit Holder shall not be included as an LLC asset for purposes of valuating the LLC. Within sixty days of selection of the FMV Appraiser, the FMV Appraiser shall report in writing on the Fair Market Value. The date of this report shall be deemed the date of establishment of the Fair Market Value. The cost of the FMV Appraiser shall be paid by the LLC. The cost of each Qualified Appraiser who is not a FMV Appraiser shall be paid by the party who selected that Qualified Appraiser. Once the Fair Market Value of the LLC has been determined by the FMV Appraiser, the value of the Transferring Unit Holder's Units shall be determined by dividing the Fair Market Value by the number of Units outstanding to reach the "**Per Unit FMV**". The Per Unit FMV shall be then multiplied by the number of Units held by the Transferring Unit Holder to reach the "**Total Unit FMV**". The FMV Appraiser shall then determine the appropriate minority or transferability discounts (the "**Discounts**"). In the event that the FMV Appraiser lacks expertise in determining discounts, a discount appraiser shall be selected using the same methodology as the selection of the FMV Appraiser. The cost of the discount analysis shall be paid by the Company. The Discounts are then applied to the Total Unit FMV to reach the "**Purchase Price**".

12.12.6. **Terms and Note.** There will be a down payment of twenty percent of the Purchase Price paid on Closing (the "**Down Payment**"). The balance of the Purchase Price shall be evidenced by a promissory note, which shall provide that upon default of any payment of interest or principal, the full amount of the note shall become due and payable immediately, and the Transferring Unit Holder shall be entitled to costs and reasonable attorney's fees ("**Promissory Note**"). The Promissory Note shall also permit the Purchasing Members to prepay the principal in full or in part at any time. The remaining balance on the Promissory Note shall be paid in equal annual payments of principal, plus interest on the declining principal balance at an annual rate equal to the US Prime Rate as announced by the Borrowing Benchmarks Section of the Wall Street Journal, which rate is the base rate on corporate loans posted by at least 70% of the ten largest US Banks, or successor publication, plus one percent, amortized over five years, to be made commencing three hundred sixty-five days following the down payment. If any of the Purchasing Members is not an individual, the Promissory Note shall be guaranteed by the principals of that Purchasing Member. The declining balance will be secured by the Company assets.

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12.12.7. **Cash Payment**. The Purchasing Members shall, in their sole and unfettered discretion, always have the option to pay the Purchase Price in cash at Closing.

12.12.8. **Closing.** Subject to the terms and conditions of this Agreement, the Transfer will be completed at a closing (the "**Closing**"). The Closing shall occur within thirty days of the date that the FMV Appraiser transmits or delivers the Purchase Price to the Transferring Unit Holder and the Purchasing Members, or in the event that this Transfer is one in which the Purchase Price is determined without the use of Section 12.12.5, once all conditions precedent have been met, any party to the Transfer may give the other party(ies) written notice of a Closing date, which is not less than sixty days and not more than ninety days thereafter. At Closing, the Selling Unit Holder or his/her/its agent shall deliver to the Purchasing Members an unconditional assignment of the Selling Unit Holder's Units and the Purchasing Members shall deliver to the Selling Unit Holder the Down Payment and Promissory Note. Each party shall pay its own attorneys' fees. All other transactional costs shall be equally divided by the parties.

ARTICLE 13

DISSOLUTION AND TERMINATION

13.1. **Dissolution.** The Company shall be dissolved upon the occurrence of any of the following events:

13.1.1. upon the expiration of any term specified in this Agreement or in the Articles of Organization; or

13.1.2. by the written agreement of Majority Interest.

13.2. **Effect of Bankruptcy, Death, or Incompetency of Unit Holder.** The bankruptcy, death, dissolution, liquidation, termination, or adjudication of incompetency of a Unit Holder shall not cause the termination or dissolution of the Company and the business of the Company shall continue. Upon any such occurrence, the trustee, receiver, executor, administrator, committee, guardian, or conservator of such Unit Holder shall have all the rights of such Unit Holder for the purpose of settling or managing the Unit Holder's estate or property. The transfer by such trustee, receiver, executor, administrator, committee, guardian, or conservator of any Units shall be subject to all of the restrictions, hereunder to which such transfer would have been subject if such transfer had been made by such bankrupt, deceased, dissolved, liquidated, terminated, or incompetent Unit Holder.

13.3. **Allocation of Net Profit and Loss in Liquidation.** The allocation of Net Profit, Net Loss, and other items of the Company following the date of dissolution, including but not limited to gain or loss upon the sale of all or substantially all of the Company's assets, shall be determined in accordance with the provisions of ARTICLE 9 and shall be credited or charged to the Capital Accounts of the Unit Holders in the same manner as Net Profit, Net Loss, and other items of the Company would have been credited or charged if there were no dissolution and liquidation.

13.4. **Winding Up, Liquidation and Distribution of Assets.** Upon dissolution, the Members shall immediately proceed to wind up the affairs of the Company. The Members shall sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Members may determine to distribute any assets to the Unit Holders in kind) and shall apply the proceeds of such sale and the remaining Company assets in the following order of priority:

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13.4.1. First, to repay all outstanding debts and liabilities of the LLC other than loans made by Unit Holders to the LLC;

13.4.2. Next, to pay the interest due on any loans made by the Unit Holders to the LLC;

13.4.3. Next, to repay the principal of such loans;

13.4.4. Next, to set up any Reserves, which the Members reasonably deem necessary for contingent, unmatured, and unforeseen liabilities or obligations of the LLC;

13.4.5. Next, to the Unit Holders having positive Capital Account balances, to each such Unit Holder in the proportion that the Unit Holder's positive Capital Account balance bears to the positive Capital Account balances of all such Unit Holders until all such proceeds have been distributed or all Unit Holders' Capital Account balances have been reduced to zero, whichever occurs first; and

13.4.6. Finally, remaining proceeds shall be distributed among the Unit Holders, to each in proportion to the Percentage Interest.

13.5. **Reserves.** Any remaining Reserves retained under subparagraph 13.4.4 shall be distributed to the Unit Holders, at such time as the Members determine their retention is no longer necessary, in the same manner as they would have been distributed had they not been retained.

13.6. **No Obligation to Restore Negative Capital Account Balance on Liquidation.** Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g), if any Unit Holder has a negative Capital Account balance (after giving effect to all Contributions, Distributions, allocations, and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Unit Holder shall have no obligation to make any Capital Contribution to the Company, and the negative balance of such Unit Holder's Capital Account shall not be considered a debt owed by such Unit Holder to the Company or to any other Person for any purpose whatsoever. (See Section 8.2.)

13.7. **Termination.** Except as provided herein, the Members shall comply with the Act or any other applicable law when winding up the affairs of the Company and making the final Distribution of its assets. Upon completion of the winding up, liquidation, and Distribution of the assets, the Company shall be deemed terminated.

13.8. **Certificate of Cancellation.** When all debts, liabilities, and obligations have been paid and discharged or adequate provisions have been made therefore and all of the remaining property and assets have been distributed to the Unit Holders, the Members shall file a certificate of cancellation as required by the Act. Upon filing the certificate of cancellation, the existence of the Company shall cease, except as otherwise provided in the Act.

13.9. **Return of Contribution Nonrecourse to Other Unit Holders.** Except as provided by law or as expressly provided in this Agreement, upon dissolution each Unit Holder shall look solely to the assets of the Company for the return of the Unit Holder's Capital Contribution. If the property remaining after the payment or discharge of liabilities of the Company is insufficient to return the contributions of Unit Holders, no Unit Holder shall have recourse against any other Unit Holder.

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ARTICLE 14

INDEPENDENT ACTIVITIES OF MEMBERS

Any Member may engage in or possess an interest in other business ventures of every nature and description, independently or with others, including but not limited to, the ownership, financing, management, employment by, lending to or otherwise participating in businesses which are similar to the business of the Company, and neither the Company nor any of the Unit Holders shall have any right by virtue of this Agreement in and to such independent ventures or to the income or profits therefrom. Provided however, no Member shall violate the Member's implied contractual duty of good faith and fair dealing.

ARTICLE 15

SPOUSAL INTEREST

To the extent that any Units of the LLC issued to a Unit Holder represent the community property of the Unit Holder and spouse, they shall remain such community property regardless of the fact that the Units covered by this Agreement may at some time list the name of the Unit Holder only as a Unit Holder. Any Units of the LLC now held as the separate property of the Unit Holder shall remain the separate property of that Unit Holder as long as title to said Units shall remain in the name of that Unit Holder alone. Notwithstanding the foregoing, for purposes of this Agreement and voting rights, the LLC and other Unit Holders recognize only the participation of the named Unit Holder.

ARTICLE 16

MISCELLANEOUS PROVISIONS

16.1. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Alaska, except its conflict of laws provisions.

16.2. **Amendments.** This Agreement may not be amended except by the unanimous written agreement of all of the Members. The terms and provisions of this Agreement constitute the entire agreement between the parties and supersede and replace all prior agreements between the parties hereto. There are no collateral agreements or representations or warranties other than as expressly set forth or referred to in this Agreement.

16.3. **Construction.** Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa. To the extent that there is any inconsistency between this Agreement and the Act, this Agreement shall control.

16.4. **Subchapter S Election**.

16.4.1. **Actions Revoking S Status.** If the Company has elected to be taxed as a Sub-Chapter S Corporation, the Members shall refrain from taking any action, which would cause the Company to lose its status as an S corporation, unless the Members unanimously agree to such action. Any transfer of Units that would cause the Company to lose its status, as an S corporation, will be void and have no effect.

16.4.2. **Mandatory Dividends.** If the Company has elected to be taxed as a Sub-Chapter S Corporation, the Company will make minimum distributions to the Unit Holders in an amount necessary to cover the Unit Holders' tax liabilities for their pro-rata shares of the Company's

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income to be reported on their individual income tax returns calculated based on the income tax liability of the Unit Holder in the highest tax bracket.

16.4.3. **Termination of Taxable Year in the Event of the Sale and Purchase of all of a Unit Holder's Units.** All of the Unit Holders shall make a special election under the Internal Revenue Code, to effectively close the books of the Company on the date.

16.5. **Headings.** The headings in this Agreement are inserted for convenience only and shall not affect the interpretations of this Agreement.

16.6. **Waivers.** The failure of any Person to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

16.7. **Rights and Remedies Cumulative.** The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

16.8. **Severability.** If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

16.9. **Heirs, Successors and Assigns.** Each of the covenants, terms, provisions, and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors, and assigns.

16.10. **Creditors And Third Parties.** None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company or third parties.

16.11. **Voting**. All votes, of every kind, should be determined based on the terms of this Agreement.

16.12. **Counterparts/Electronic Signatures.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. This Agreement and any amendments hereto, to the extent delivered by means of a facsimile machine or Internet mail in portable document format or similar format (any such delivery, an "Electronic Delivery"), shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

16.13. **Investment Representation.** The Units have not been registered under the Securities Act of 1933, the Securities Act of Alaska or any other state securities laws (collectively, the "**Securities Acts**") because the Company is issuing the Units in reliance upon the exemptions from the registration requirements of the Securities Acts, and the Company is relying upon the fact that the Units are to be held by each Unit Holder for investment.

Accordingly, each Unit Holder hereby confirms that the Units have been acquired for such Unit Holder's own account, for investment and not with a view to the resale or distribution thereof and may not be offered or sold to anyone unless there is an effective registration or other

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qualification relating thereto under all applicable Securities Acts or unless Unit Holder delivers to the Company an opinion of counsel, satisfactory to the Company, that such registration or other qualification is not required. The Unit Holders understand that the Company is under no obligation to register the Units or to assist any Unit Holder in complying with any exemption from registration under the Securities Acts.

16.14. **Notice**. Except as otherwise provided herein, written notice required to be given under the terms of this Agreement shall be delivered either personally or by mail to the Unit Holder at the address listed on Exhibit B hereto, as updated from time to time on the books of the Company, or if to the Company to the then current registered agent. If mailed, such notice shall be deemed to be delivered three business days after being deposited in the United States Mail, addressed to the Unit Holder, with postage thereon prepaid.

16.15. **Disputes; Deadlock in Voting**. If there is a dispute between the Members concerning the interpretation or implementation of this Agreement or a deadlock in voting with respect to any Material Decision which cannot be resolved by participation of all Members, or if there are other irreconcilable differences between the Members, the Members shall resolve the dispute in accordance with the dispute resolution provisions set forth in Section 16.16 below. Subject to the provision of the Act regarding judicial dissolution, initiating a dispute resolution process and prosecuting the same to conclusion, sale, award, or judgment shall not be an event of dissolution or grounds for any kind of accounting, liquidation, or distribution of assets.

16.16. **Dispute Resolution.** The Members shall attempt to resolve all disputes arising out of this Agreement in accordance with this Section. Upon the written request of a Member the dispute shall be submitted to a court of competent subject matter jurisdiction located in Kodiak or Anchorage, Alaska.

16.17. **Attorney Fees.** In the event that any action or proceeding (at law or in equity) shall be commenced by any party hereto for any breach of the agreement or to enforce any provision hereof, the prevailing party or parties shall be entitled to recover from the other party or parties all reasonable attorney's fees and other costs in connection therewith (including all appeals).

ARTICLE 17

REPRESENTATION

IN DRAFTING THIS AGREEMENT TREN WICKSTROM OF MULLAVEY, PROUT, GRENLEY & FOE, LLP, HAS REPRESENTED THE COMPANY, AND NOT THE INDIVIDUAL MEMBERS. EACH OF THE MEMBERS MUST SEEK THEIR OWN SEPARATE INDEPENDENT LEGAL ADVICE, AS WELL AS INDEPENDENT TAX ADVICE REGARDING THIS AGREEMENT AND ALL MATTERS PERTAINING TO THE LLC .

[***Signatures on Following Page***]

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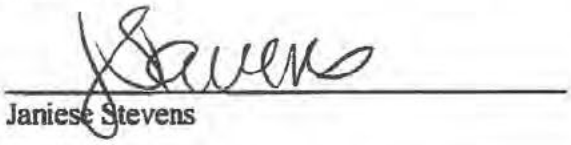
Executed by the undersigned Members effective as of the date first above written.

MEMBERS:



Janiese Stevens

Dan Coglianese

Spousal Consent

The undersigned Spouses hereby consent to and agree to be bound by the terms of this Agreement; including, without limitation, the transferability provisions contained in ARTICLE 12.

_____

[spouse of Janiese Stevens]

_____

[spouse of Dan Coglianese]

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Executed by the undersigned Members effective as of the date first above written.

MEMBERS:

_____

Janiese Stevens

_____

Dan Coglianese

Spousal Consent

The undersigned Spouses hereby consent to and agree to be bound by the terms of this Agreement; including, without limitation, the transferability provisions contained in ARTICLE 12.

_____

[spouse of Janiese Stevens]

_____

[spouse of Dan Coglianese]

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INDEX

LIMITED LIABILITY COMPANY AGREEMENT

Accounting, Books, and Records 10

Allocations of Net Profits and Losses 8

Business of Company 1

Contributions to the Company and Capital Accounts 6

Definitions 1

Dissolution and Termination 17

Distributions 10

Formation of Company 1

Independent Activities of Members 19

Meetings of Members 5

Members' Rights and Duties 2

Miscellaneous Provisions 19

Names and Addresses of Members 2

Representation 21

Rights and Obligations of Unit Holders 3

Spousal Interest 19

Transferability 12

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EXHIBIT A

DEFINITIONS

The following terms used in this Agreement shall have the following meanings (unless otherwise expressly provided herein):

"**Act**" means the Alaska Limited Liability Company Act, as may be revised or amended from time to time (AS 10.50 et seq.).

"**Affiliate**" means any related or associated Entity as well as any Entity with common owners.

"**Agreement**" means this Limited Liability Operating Agreement.

"**Articles of Organization**" means the articles of formation pursuant to which the Company was formed, as originally filed with the Department of Commerce, Community, and Economic Development of the State of Alaska on April 20, 2017, and as amended from time to time.

"**Capital Account**" means the capital account established and maintained for each Unit Holder pursuant to Section 8.3.

"**Capital Contribution**" means the total amount of money and the fair market value of property (net of liabilities secured by such property that the LLC is considered to assume or take subject to under Code Section 752) actually contributed to the LLC by each Unit Holder pursuant to the terms of this Agreement. Any reference to the Capital Contribution of a Unit Holder shall include the Capital Contribution made by a predecessor holder of the interest of the Unit Holder.

"**Closing**" shall have the meaning given to it in Section 12.12.8.

"**Code**" means the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

"**Company**" means **Alaska Loven It, LLC**.

"**Contributing Members**" means those Members who are Contributing Unit Holders.

"**Contributing Unit Holder**" means a Unit Holder who makes a Capital Contribution as required pursuant to Section 8.2.

"**Discounts**" shall have the meaning given to it in Section 12.12.5.

"**Distributable Cash**" means all cash received by the Company, less the sum of the following to the extent paid or set aside by the Company: (i) all principal and interest payments on indebtedness of the Company and other sums paid or payable to lenders; (ii) all cash expenditures incurred incident to the normal operation of the Company's business; and (iii) Reserves.

"**Distribution**" means the transfer of money or property by the Company to one or more Unit Holders without separate consideration.

"**Down Payment**" shall have the meaning given to it in Section 12.12.5.

"**Economic Interest**" means a Unit Holder's share of Net Profits, Net Losses, and other Tax Items of the Company and Distributions of the Company's assets pursuant to this Agreement and

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the Act, but shall not include any right to participate in the management or affairs of the Company, right to the books and records of the Company, or the right to vote on, consent to, or otherwise participate in any decision of the Members.

"**Economic Interest Owner**" means the owner of an Economic Interest who is not a Member.

"**Entity**" means any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association or any other organization that is not a natural Person.

"**Exercise Notice**" shall have the meaning given to it in Section 12.8.5.

"**Fair Market Value**" shall mean the amount at which the Company would change hands between a willing buyer and a willing seller neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.

"**FMV Appraiser**" shall mean the individual charged in Section 12.12.5 with determine the Fair Market Value.

"**Included Powers**" shall have the meaning given to it in Section 5.1.

. "**LLC**" means **Alaska Loven It, LLC**.

"**Majority Interest**" means, at any time, more than fifty percent of the then outstanding Membership Units entitled to vote.

"**Material Decision**" means any decision which if unmade could lead to the occurrence of irreparable injury to the Company or the continued irreparable injury to the Company, and/or any decision which if unmade could lead to the business and affairs of the Company no longer being able to be conducted to the advantage of the Unit Holders generally.

"**Member**" means each Person who executes a counterpart of this Agreement as a Member and each Person who may hereafter become a Member.

"**Membership Interest**" means a Member's total interest as a member of the Company, including that Member's share of the Company's Net Profits, Net Losses, Distributable Cash, or other Distributions, its right to the extent provided in the Act, to inspect the books and records of the Company and its right, to the extent specifically provided in this Agreement, to participate in the business, affairs, and management of the Company and to vote or grant consent with respect to matters coming before the Company.

"**Membership Unit**" is a Unit that has equity, voting rights, and profits.

"**Net Losses**" shall have the meaning ascribed to it in Section 9.1.

"**Net Profits**" shall have the meaning ascribed to it in Section 9.1.

"**Non-Contributing Unit Holder**" shall have the meaning given to it in Section 8.2.1.

"**Offering Unit Holder**" shall have the meaning given to it in Section 12.9.1.

"**Offer to Sell**" shall have the meaning given to it in Section 12.9.1.

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"**Percentage Interest**" means with respect to any Unit Holder the percentage determined based upon the ratio that the number of Units held by such Unit Holder bears to the total number of outstanding Units.

"**Per Unit FMV**" shall have the meaning given to it in Section 12.12.5.

"**Person**" means any individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such where the context so permits.

"**Purchase Price**" shall have the meaning given to it in Section 12.12.5.

"**Purchasing Members**" shall mean each Member who desires to purchase and/or purchases the Units of a Selling Unit Holder.

"**Qualified Appraiser**" means someone who is a professional appraiser or Certified Public Accountant who is qualified by experience and ability to appraise the value of the Limited Liability Company.

"**Regulations**" includes proposed, temporary and final Treasury regulations promulgated under the Code and the corresponding Sections of any regulations subsequently issued that amend or supersede such regulations.

"**Remaining Members**" means those Member(s) who remain, or will remain, Members after the Selling Unit Holder who was a Member has ceased being a Member.

"**Reserves**" means, with respect to any fiscal period, funds set aside or amounts allocated during such period to be held for working capital and to pay taxes, insurance, debt service, or other costs or expenses incident to the ownership or operation of the Company's business. Reserves shall be maintained in amounts deemed sufficient by the Members from time to time.

"**Securities Act**" shall have the meaning given to it in Section 16.13.

"**Selling Unit Holder**" means any Unit Holder, or the survivors or legal representative of any deceased or disabled Unit Holder, who is selling Units.

"**Spousal Transfer**" means any transfer of Units to a Spouse who is not a Unit Holder, including but not limited to a transfer pursuant to a Decree of Dissolution, Property Settlement Agreement, Separation Agreement, or other marital transfer/domestic LLC or division of property in contemplation of a dissolution or marital separation.

"**Spouse**" means a spouse, a state registered domestic partner (as the term is defined in Alaska law), or participant in a committed intimate relationship.

"**Terminated Unit Holder**" shall have the meaning given to it in Section 12.8.1.

"**Total Unit FMV**" shall have the meaning given to it in Section 12.12.5.

"**Transfer**" means to sell, assign, exchange, gift, dispose of, bequeath, or otherwise transfer, purport to transfer, or attempt to transfer with or without consideration whether or not by operation of law.

"**Transferring Unit Holder**" means any Unit Holder who ceases being a Unit Holder, or who has ceased to be a Unit Holder for any reason.

"**Unit Holder**" means a Member or an Economic Interest Owner.

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"**Units**" means the Company ownership interest issued to any Member under this Agreement as reflected in attached *Exhibit B*, as amended from time to time or any Company interest owned by an Economic Interest Owner.

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EXHIBIT B

MEMBERS/UNITS/MEMBERSHIP INTEREST/CAPITAL CONTRIBUTIONS TO ALASKA LOVEN IT, LLC

Name of Initial Member	Number of Units/ Membership Interest	Capital Investment
Janiese Stevens PO Box 8593 Kodiak, AK 99615	1,500/50%	cash
Dan Coglianese PO Box 1571 Homer, AK 99603	1,500/50%	cash

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JOINDER AGREEMENT
Alaska Loven It, LLC

THIS JOINDER AGREEMENT TO AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of **Alaska Loven It**, LLC (this "Agreement") is executed and delivered this 20 day of October 2020 by Hibernation Holding Company, LLC. The purpose of this Agreement is to make clear that pending MCB approval, Hibernation Holding Company, LLC will become as 100% member of **Alaska Loven It, LLC**, is bound and agrees to all terms in the Operating Agreement of **Alaska Loven It, LLC**, as amended from time to time, by and among the Members of the Company as defined therein (the "Operating Agreement").

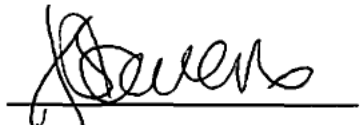
WHEREAS, in connection with the assumption of the Member's Interest, Hibernation Holding Company, LLC must, among other things, become a party to the Operating Agreement;

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Hibernation Holding Company, LLC hereby acknowledges and agrees to Join the Alaska Loven It Operating Agreement as of the date first written above and thus subject to all terms and conditions of the Operating Agreement applicable to each Member of the Company.

IN WITNESS WHEREOF, the undersigned has executed this Agreement on the day and year first set forth above.

ACCEPTED:



BY: Hibernation Holding Company, LLC

Janiese Stevens – Its Managing Member

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Hibernation Holding Company, LLC

Entity Type: Limited Liability Company

Entity #: 10100965

Status: Good Standing

AK Formed Date: 2/27/2019

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2023

Entity Mailing Address: 2705 MILLBAY RD STE 205, KODIAK, AK 99615

Entity Physical Address: 158 ALIMAQ DR, KODIAK, AK 99615

Registered Agent

Agent Name: Jana Weltzin

Registered Mailing Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Registered Physical Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Officials

☐ Show Former

AK Entity #	Name	Titles	Owned
	Dan Coglianese	Member	21.50
	Erik Fellows	Member	14.25
	George Kirk	Member	14.25

AK Entity #	Name	Titles	Owned
	Janiese Stevens	Manager, Member	21.50
	Kim Perkins	Member	14.25
	Louis Rocheleau	Member	14.25

Filed Documents

Date Filed	Type	Filing	Certificate
2/27/2019	Creation Filing	Click to View	Click to View
5/13/2019	Initial Report	Click to View	
6/04/2019	Agent Change	Click to View	
11/02/2020	Biennial Report	Click to View	
3/17/2021	Change of Officials	Click to View	

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ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Hibernation Holding Company, LLC

Entity Type: Limited Liability Company

Entity #: 10100965

Status: Good Standing

AK Formed Date: 2/27/2019

Duration/Expiration: Perpetual

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Entity Physical Address: 158 ALIMAQ DR, KODIAK, AK 99615

Registered Agent

Agent Name: Jana Weltzin

Registered Mailing Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Registered Physical Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Officials

☐ Show Former

AK Entity #	Name	Titles	Owned
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	George Kirk	Member	14.25

AK Entity #	Name	Titles	Owned
	Janiese Stevens	Manager, Member	21.50
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	Louis Rocheleau	Member	14.25

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3/17/2021	Change of Officials	Click to View	

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COMMERCIAL LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is entered into this 23rd Day of October, 2017

Between Alaska Loven It LLC ("Tenant")
and
Kachemak Properties LLC ("Landlord"),
an Alaska Limited Liability Company Landlord and Tenant agree as follows:

1. LEASE SUMMARY.

a. Leased Premises. The leased commercial real estate (the "Premises") are outlined on the site plan attached as Exhibit A, located on the land legally described on attached Exhibit B., and is commonly known as a portion of property located at 2908 Kachemak Dr. Homer AK 99603. The building(s) ("Buildings"), the land upon which it is situated, all other improvements located on such land, and all common areas appurtenant to the Buildings as set forth on the site plan are referred to as the "Property".

b. Lease Commencement Date. The Lease is binding upon execution of this Lease but is to have commenced retroactively on the date Tenant first took leasehold control of the Premises after the date title to the Property was conveyed to Landlord, about (the "Commencement Date").

c. Lease Termination Date. The Lease shall terminate at midnight on 11/23/2022 (the "Termination Date"), and thereafter continue on a month to month basis until cancelled.

d. Monthly Rent. The monthly rent shall be $ 10,000.00 . Rent shall be payable at Landlord's address shown in Section 1.g. below, or such other place designated in writing by Landlord.

e. Security Deposit. There is no security deposit.

f. Permitted Use. The Premises shall be used only for the purposes of propagating, cultivating, harvesting, preparing, curing, packaging, storing, and labeling marijuana (as permitted in **3 AAC 306.405 of AMCO regulations)** and for no other purpose without the prior written consent of Landlord.

g. Notice and Payment Addresses:

Landlord: 266 East Bayview Ave., Homer, AK 99603

Tenant: P.O. Box 1571, Homer, AK 99603

2. PREMISES. Landlord leases to Tenant, and Tenant leases from Landlord the Premises upon the terms specified in this Lease.

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STATE OF ALASKA

3. TERM.

a. Commencement Date. The Lease shall commence on the date specified in Section 1.b.

b. Tenant Obligations. Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises and the condition of all mechanical, electrical, and other systems on the Premises. By signing this Lease, Tenant acknowledges that it has had adequate opportunity to investigate the Premises, acknowledges responsibility for making any corrections, alterations and repairs to the Premises, and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.

4. RENT. Tenant shall pay Landlord without demand, deduction or offset, in lawful money of the United States, the monthly rental stated in Section 1.d. in advance on or before the first day of each month during the Lease Term beginning on the Commencement Date, and any other additional payments due to Landlord (hereafter the "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease term shall be prorated.

If any sums payable by Tenant to Landlord under this Lease are not received by the fifth (5th) day of each month, Tenant shall pay Landlord in addition to the amount due, for the cost of collecting and handling such late payment, an amount equal to the greater of $50 or five percent (5%) of the delinquent amount. In addition, all delinquent sums payable by Tenant to Landlord and not paid within five days of the due date shall, at Landlord's option, bear interest at the rate of twelve percent (12%) per annum, or the highest rate of interest allowable by law, whichever is less. Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.

Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims.

5. SECURITY DEPOSIT. There is no security deposit.

6. USES. The Premises shall be used only for the use(s) specified in Section 1.f. above (the "Permitted Use"), and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance.

7. COMPLIANCE WITH LAWS. Tenant shall not cause or permit the Premises to be used in any way that violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, to the best of Landlord's knowledge, with the exception of any Tenant's Work, the Premises comply with all laws in existence as of the Commencement Date. Tenant shall be responsible for complying with all laws, now in existence or that may be hereafter implemented, applicable to the Premises, such as requirements by the Americans with Disabilities Act. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of Tenant's particular use, such as modifications required by the Americans

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ALCOHOL MARIJUANA CONTROL

With Disabilities Act as a result of Tenant opening the Premises to the public as a place of public accommodation. If the enactment or enforcement of any law, ordinance regulation, or code during the Lease term requires any changes to the Premises during the Lease term, the Tenant shall perform all such changes at its expense if the changes are required due to the nature of Tenant's activities at the Premises, or to alterations that Tenant seeks to make to the Premises; otherwise, Landlord shall perform all such changes at its expense.

8. OPERATING COSTS. Tenant shall pay all of the Operating Costs of the Premises, other than real property taxes and casualty insurance, which shall be paid by the Landlord.

As used herein, "Operating Costs" paid by the Tenant shall mean all costs of operating, maintaining, and repairing the Premises and the Buildings determined in accordance with generally accepted accounting principles, and including without limitation the following: electricity and all other utility charges; janitorial and all other cleaning services; refuse and trash removal; refurbishing and repainting; carpet replacement; heating, ventilation and pest control; lighting systems, fire detection, landscape and driving surfaces maintenance; management (fees and/or personnel costs); amortization (in accordance with generally accepted accounting principles) of capital improvements as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by Landlord).

9. UTILITIES AND SERVICES. Tenant shall pay, at Tenant's sole expense, all utilities and other services that Tenant requires with respect to the Premises.

10. PERSONAL PROPERTY TAXES. Tenant shall pay all taxes, assessments, liens, and license fees ("Taxes") levied, assessed, or imposed by any authority having the direct or indirect power to tax or assess any such Taxes, by reason of Tenant's use of the Premises, and all Taxes on Tenant's personal property located on the Premises.

11. ALTERATIONS. Tenant may make alterations, additions, or improvements to the Premises, with the prior written consent of Landlord, which consent shall not be unreasonably withheld. The term "Alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures, which may be performed without damaging existing improvements or the structural integrity of the Premises, and Landlord's consent shall not be required for Tenant's installation of those items. Tenant shall complete all Alterations at Tenant's expense in compliance with all applicable laws and in accordance with plans and specifications approved by Landlord, and using contractors approved by Landlord. Landlord shall be deemed the owner of all Alterations except for those which Landlord requires to be removed at the end of the Lease term. Tenant shall remove all Alterations at the end of the Lease term unless Landlord conditioned its consent upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration. Tenant shall immediately repair any damage to the Premises caused by removal of Alterations.

Proper permits must be obtained prior to the commencement of any Alterations. A

licensed, bonded contractor, who the Landlord has pre-approved, must perform any permitted Alterations. Any subcontractors working on Alterations must also be licensed and bonded, and pre-approved by the Landlord.

12. REPAIRS AND MAINTENANCE. Tenant shall, at its sole expense, maintain the Premises in good condition and promptly make all repairs and replacements, whether structural or non-structural, necessary to keep the Premises safe and in good condition, including all utilities, driving access surfaces, and other systems serving the Premises. Landlord shall maintain and repair the Buildings structure, foundation, exterior walls, and roof. If Tenant fails to maintain or repair the Premises, Landlord may enter the Premises and perform such repair or maintenance on behalf of Tenant. In such case, Tenant shall be obligated to pay to Landlord immediately upon receipt of demand for payment, as additional Rent, all costs incurred by Landlord. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the acts of Landlord or its agents, employees, contractors, or invitees therein. Tenant shall be responsible for maintaining the driving access surfaces and parking lot in good condition, the cost of which shall be at the Tenant's sole cost and expense.

Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.

13. ACCESS AND RIGHT OF ENTRY. After at least 48 hours reasonable notice from Landlord (except in cases of emergency, where no notice is required), Tenant shall permit Landlord and its agents, employees, and contractors to enter the Premises at all reasonable times to make repairs, alterations, improvements, or inspections. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within 180 days prior to the expiration or sooner termination of the Lease term.

14. DESTRUCTION.

a. Damage and Repair. If the Premises or the portion of the Property necessary for Tenant's occupancy are partially damaged but not rendered untenantable, by fire or other insured casualty, then Landlord shall diligently restore the Premises and the portion of the Property necessary for Tenant's occupancy and this Lease shall not terminate; provided, however, Tenant may terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event. The Premises or the portion of the Property necessary for Tenant's occupancy shall not be deemed untenantable if less than twenty-five percent (25%) of each of those areas are damaged. Notwithstanding the foregoing, Landlord shall have no obligation to restore the Premises or the portion of the Property necessary for Tenant's occupancy if insurance proceeds are not available to pay the entire cost of such restoration. If insurance proceeds are available to Landlord but are not sufficient to pay the entire cost of restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

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If the Premises, the portion of the Property necessary for Tenant's occupancy, or 50% or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenantable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Tenant's occupancy to their previous condition; provided, however, if such casualty event occurs during the last 6 months of the Lease term (after considering any option to extend the term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within 60 days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises or the portion of the Property necessary for Tenant's occupancy untenantable, Landlord fails to notify Tenant of its election to restore those areas, or if Landlord is unable to restore those areas within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease.

b. If Landlord restores the Premises or the Property under this Section 16(a), Landlord shall proceed with reasonable diligence to complete the work, and the base Rent shall be abated in the same proportion as the untenantable portion of the Premises bears to the whole Premises, provided that there shall be a rent abatement only if the damage or destruction of the Premises or the Property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's officers, contractors, licensees, agents, servants, employees, guests, invitees or visitors. Provided, Landlord complies with its obligations under this Section, no damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Premises or the Property. Landlord will not carry insurance of any kind for the protection of Tenant or on Tenant's furniture or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord shall not be obligated to repair any damage thereto or replace the same unless the damage is caused by Landlord's negligence.

15. INSURANCE.

a. Liability Insurance. During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord as an additional insured, and shall insure Tenant's activities and those of Tenant's employees, officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors with respect to the Premises against loss, damage, or liability for personal injury or death or loss or damage to property with a combined single limit of not less than $1,000,000, and a deductible of not more than $5,000. The insurance will be primary and non-contributory with any liability insurance carried by Landlord.

b. Tenant Insurance. During the Lease term, Tenant shall pay for and maintain replacement cost fire and extended coverage insurance, with vandalism and malicious mischief, sprinkler leakage and earthquake endorsements, in an amount sufficient to cover not less than 100% of the full replacement cost, as the same may exist from time to time, of all of Tenant's personal property, fixtures, equipment and tenant improvements.

c. Miscellaneous. Insurance required under this Section shall be with companies rated A-V or better in Best's Insurance Guide, and which are authorized to transact business in the State

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of Alaska. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage, except after thirty (30) days' prior written notice to Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies or certificates of the insurance policies required by this Section. In no event shall the limit of such policies be considered as limiting the liability of Tenant under this Lease.

d. Landlord Insurance. Landlord shall carry special form extended coverage fire insurance of the building shell and core in the amount of their full replacement value, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate.

e. Waiver of Subrogation. Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by insurance required to be carried by each of them. Each party shall provide notice to the insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such policies or to the extent of liabilities exceeding the limits of such policies.

16. INDEMNIFICATION. Tenant shall defend, indemnify, and hold Landlord harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, arising from any negligent or wrongful act or omission of Tenant or Tenant's officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors on or around the Premises as a result of any act, omission, or negligence of Tenant, or Tenant's officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors, or arising from any breach of this Lease by Tenant.

17. ASSIGNMENT AND SUBLETTING. Tenant shall not assign, sublet, mortgage, encumber, or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer.

If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change(s) in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.

As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases, and assumption instruments. Landlord shall approve all agreements for Tenant's rent, assignment or sublease of any part of

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STATE OF ALASKA

OCT 25 2017

the Premises.

18. LIENS. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, upon request of Landlord, at Tenant's expense, immediately furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien(s).

19. DEFAULT. The following occurrences shall each be deemed an Event of Default by Tenant:

a. **Failure To Pay.** Tenant fails to pay any sum, including Rent, due under this Lease following five (5) days written notice from Landlord of the failure to pay.

b. Vacation/Abandonment. Tenant vacates the Premises (defined as an absence for at least 15 consecutive days without prior notice to Landlord), or Tenant abandons the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.

c. Insolvency. Tenant becomes insolvent, voluntarily or involuntarily bankrupt, or a receiver, assignee, or other liquidating officer is appointed for Tenant's business, provided that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within 30 days after its institution or commencement.

d. Levy or Execution. Tenant's interest in this Lease or the Premises, or any part thereof, is taken by execution or other process of law directed against Tenant, or is taken upon or subjected to any attachment by any creditor of Tenant, if such attachment is not discharged within 15 days after being levied.

e. Other Non-Monetary Defaults. Tenant breaches any agreement, term, or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section, and the breach continues for a period of 30 days after notice by Landlord to Tenant of the breach.

f. Failure to Take Possession. Tenant fails to take possession of the Premises on the Commencement Date.

20. REMEDIES. Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

a. Termination of Lease. Landlord may terminate Tenant's interest under the Lease, but

no act by Landlord other than written notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less the net proceeds, if any, of any re-letting of the Premises by Landlord subsequent to the termination, after deducting all Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described in Section 20.b.

b. Re-Entry and Reletting. Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions, as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a written notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the rent and other sums which would be payable under this Lease if repossession had not occurred, plus the net proceeds, if any, after reletting the Premises, after deducting Landlord's Reletting Expenses. "Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including without limitation, all repossession costs, brokerage commissions, attorneys' fees, remodeling and repair costs, costs for removing and storing Tenant's property and equipment, and tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

c. Waiver of Redemption Rights. Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term, as it may have been extended.

d. Nonpayment of Additional Rent. All costs which Tenant agrees to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of

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Rent, and Landlord shall have all the rights herein provided for in case of nonpayment of Rent.

e. **Failure to Remove Property.** If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. The Landlord may not take possession of or remove marijuana from the premises, and AMCO notified no later than 24 hours in this event. Marijuana can only be sold by regulated businesses and Landlord by law will not be permitted to sell marijuana to the public or remove from the property unless directed by AMCO. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any property (to exclude marijuana as it is regulated by law) sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.

21. MORTGAGE SUBORDINATION AND ATTORNMENT. This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord, which is now existing or hereafter placed upon the Premises, including any advances, interest, modifications, renewals, replacements, or extensions ("Landlord's Mortgage"), provided the holder of any Landlord's Mortgage or any person(s) acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage shall elect to continue this Lease in full force and effect. Tenant shall attorn to the holder of any Landlord's Mortgage or any person(s) acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided such person(s) assume the obligations of Landlord under this Lease. Tenant shall promptly and in no event later than fifteen (15) days after request execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section are conditioned on the holder of each Landlord's Mortgage and each person acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncured Event of Default exists.

22. NON-WAIVER. Landlord's waiver of any breach of any term contained in this Lease shall not be deemed to be a waiver of the same term for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any breach by Tenant preceding such acceptance.

23. HOLDOVER. If Tenant shall, without the written consent of Landlord, hold over after the expiration or termination of the Term, such tenancy shall be deemed to be on a month-to-month

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basis and may be terminated according to Alaska law.

24. NOTICES. All notices under this Lease shall be in writing and effective (i) when delivered in person, (ii) three (3) days after being sent by registered or certified mail to Landlord or Tenant, as the case may be, at the Notice Addresses set forth in Section 1(h); or (iii) upon confirmed transmission by facsimile to such persons at the facsimile numbers set forth in Section 1(h) or such other addresses/facsimile numbers as may from time to time be designated by such parties in writing.

25. COSTS AND ATTORNEYS' FEES. If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such suit, in mediation or arbitration, at trial and on appeal.

26. ESTOPPEL CERTIFICATES. Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge. and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the date the Lease term commenced and the date it expires; (ii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iii) that this Lease is in full force and effect and has not been assigned, modified, supplemented, or amended in any way; (iv) that this Lease represents the entire agreement between the parties; (v) that all conditions under this Lease to be performed by Landlord have been satisfied; (vi) that there are no existing claims, defenses, or offsets that the Tenant has against the enforcement of this Lease by Landlord; (vii) that no Rent has been paid more than one month in advance; and (viii) that no security has been deposited with Landlord (or, if so, the amount thereof). Any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fail to respond within ten (10) days of receipt by Tenant of a written request by Landlord as herein provided, Tenant shall be deemed to have given such certificate as above provided without modification and shall be deemed to have admitted the accuracy of any information supplied by Landlord to a prospective purchaser or mortgagee.

27. TRANSFER OF LANDLORD'S INTEREST. This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for security purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, except for any retained security deposit or prepaid rent, and Tenant shall attorn to the transferee.

28. RIGHT TO PERFORM. If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease. Tenant shall, on demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this

OCT 25 2017
ALCOHOL MARIJUA
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Section as in the case of default by Tenant in the payment of Rent.

29. QUIET ENJOYMENT. So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under Landlord, or by the holders of any Landlord's Mortgage or any successor thereto.

30. RIGHT OF ENTRY. Landlord and its agents, employees and contractors shall have the right to enter the Premises at reasonable times with forty-eight (48) hours notice for inspection, to make repairs, alterations, and improvements, to show the Premises to prospective purchasers and, within six (6) months prior to the expiration of the Lease term, to show the Premises to prospective tenants.

31. GENERAL.

a. Heirs and Assigns. This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.

b. Brokers' Fees. Tenant represents and warrants to Landlord that it has not engaged any broker, finder, or other person, who would be entitled to any commission or fees for the negotiation, execution, or delivery of this Lease other than as disclosed elsewhere in this Lease. Tenant shall indemnify and hold Landlord harmless against any loss, cost, liability, or expense incurred by Landlord as a result of any claim asserted by any such broker, finder, or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. This subparagraph shall not apply to brokers with whom Landlord has an express written brokerage agreement.

c. Entire Agreement. This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understanding pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified, or added to except in writing signed by Landlord and Tenant.

d. Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.

e. Force Majeure. Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.

f. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Alaskaa.

g. Submission of Lease Form Not an Offer. One party's submission of this Lease to

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the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both Landlord and Tenant.

h. No Light, Air or View Easement. Tenant has not been granted an easement or other right for light, air or view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Building shall in no way affect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.

i. Authority of Parties. Any individual signing this Lease on behalf of an entity represents and warrants to the other that such individual has authority to do so and, upon such individual's execution, that this Lease shall be binding upon and enforceable against the party on behalf of whom such individual is signing.

32. EXHIBITS AND RIDERS. The following exhibits and riders are made a part of this Lease. Any riders shall be effective only upon being initialed by the parties and attached to the Lease. Capitalized terms used in the Riders have the meanings given to them in the Lease.

Exhibit A. Site Plan
Exhibit B. Legal Description

33. AGENCY DISCLOSURE. At the signing of this Lease the neither party was represented by an agent.

IN WITNESS WHEREOF this Lease has been executed the date and year first above written.

LANDLORD:

Katherine B. Sellers

TENANT:

By: _____

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STATE OF ALASKA

STATE OF ALASKA)
) ss.
COUNTY OF Kenai Peninsula)

I certify that I know or have satisfactory evidence that Daniel Coglianese, Owner of Alaska Loven It LLC, is the person who appeared before me and said person acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: October 23, 2017

BRITTANY M. WILLIAMS NOTARY PUBLIC MY COMMISSION EXPIRES August 4, 2020 STATE OF ALASKA

Printed Name: Brittany M. Williams
NOTARY PUBLIC in and for the
State of Alaska, residing at
88 Sterling Hwy Homer Alaska
My Commission expires: 08/04/2020
Brittany M. Williams

STATE OF ALASKA)
) ss.
COUNTY OF Kenai Peninsula)

I certify that I know or have satisfactory evidence that Latrina Fellows is the person who appeared before me and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument as the member of Kachemak Properties LLC and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: October 23, 2017

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BRITTANY M. WILLIAMS NOTARY PUBLIC MY COMMISSION EXPIRES August 4, 2020 STATE OF ALASKA

Printed Name: Brittany M. Williams
NOTARY PUBLIC in and for the State
of Alaska, residing at 88 Sterling Hwy Homer Alaska
My Commission expires: 08/04/2020
Brittany M. Williams

EXHIBIT A.

SITE PLAN

The Premises consist of the 20' x 30' office building and 50' x 100' shop building, and ingress and egress thereto, located on the Site Plan attached hereto.

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STATE OF ALASKA

EXHIBIT B. – LEGAL

DESCRIPTION

T 6S R 13W SEC 22 Seward Meridian HM 0850130 LAMPERT LAKE SUB NO 2 LOT 2A

Kenai Peninsula Borough
State of Alaska.

Tax Parcel Number 17936023

AMCO recevied 11/30/2021

November 30, 2021

Alcohol and Marijuana Control Office

550 W 7th Ave Suite 1600

Anchorage, AK 99501

RE: Wildflower Farms standard Cultivation 12833 written explanation NOV

Dear Sir or Madam,

This letter is in in reference to Wildflower Farms, Standard Cultivation license 12833 NOV violations. Wildflower Farms is located in Homer, Alaska and I personally live on Kodiak. The logistics of getting cash to Anchorage once a month is logistically challenging in addition to the fact Wildflower Farms was struggling financially in the early operations of our license.

We have been diligently paying taxes each month and do not have any installment agreements or significantly delinquent taxes.

Thank you for your attention to this matter.

Sincerely,

Janiese Stevens

Notice of Violation

Email

(3AAC 306.805)
This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 9/28/20

License #/Type: 12833 Standard Cultivation

Designated Licensee: Janiese Stevens

AMCO Case#:

DBA: Alaska Loven It, LLC

Premises Address: 2908 Kachemak Drive Homer, AK 99603

Mailing Address: PO Box 1571 Homer, AK 99603

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 8/24/2020, Alaska Loven It LLC, 12833, Standard Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date:

Notice of Violation

Email

(3AAC 306.805)
This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 9/28/20

License #/Type: 12833 Standard Cultivation

Designated Licensee: Janiese Stevens

AMCO Case#:

DBA: Alaska Loven It, LLC

Premises Address: 2908 Kachemak Drive Homer, AK 99603

Mailing Address: PO Box 1571 Homer, AK 99603

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 7/29/2020, Alaska Loven It LLC, 12833, Standard Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date:

Notice of Violation

Email

(3AAC 306.805)
This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 11/23/20

License #/Type: 12833 Standard Cultivation

Designated Licensee: Janiese Stevens

AMCO Case#:

DBA: Alaska Loven It, LLC

Premises Address: 2908 Kachemak Drive Homer, AK 99603

Mailing Address: PO Box 1571 Homer, AK 99603

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 11/18/20, Alaska Loven It LLC, 12833, Standard Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

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IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date:

Notice of Violation

Email

(3AAC 306.805)
This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 12/28/20

License #/Type: 12833 Standard Cultivation

Designated Licensee: Janiese Stevens

AMCO Case#:

DBA: ALASKA LOVEN IT, LLC

Premises Address: 2908 Kachemak Drive Homer, AK 99603

Mailing Address: PO Box 1571 Homer, AK 99603

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 12/23/2020, Alaska Loven It LLC, 12833, Standard Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

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550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date:

Notice of Violation

Email

(3AAC 306.805)
This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 3/23/21

License #/Type: 12833 Standard Cultivation

Designated Licensee: Janiese Stevens

AMCO Case#:

DBA: ALASKA LOVEN IT, LLC

Premises Address: 2908 Kachemak Drive Homer, AK 99603

Mailing Address: PO Box 1571 Homer, AK 99603

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 3/17/2021, Alaska Loven It LLC, 12833, Standard Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

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***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

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ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date:

AMCO received 11/30/2021

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

Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application

Licensee:	Alaska Loven II, LLC	License Number:	12833		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Wildflower Farms				
Premises Address:	2908 Kachemak Drive				
City:	Homer	State:	Alaska	ZIP:	99603

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Robert Erik Fellows
Title:	Member of Hibernation Holding Company, LLC

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:	Initials
I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.	
I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.	
I certify that a notice of violation has not been issued to this license between July 1, 2020 and June 30, 2021.	

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:	Initials
I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b)	

AMCO received 11/30/2021

Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

Section 4 – Certifications & Waiver

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

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

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

I, Erik Fellows, hereby waive my confidentiality rights under AS 43.05.230(a) and authorize the State of Alaska, Department of Revenue to disclose any and all tax information regarding this marijuana license to the Alcohol and Marijuana Control Office (AMCO) upon formal request as part of any official investigation as long as I hold, solely, or together with other parties, this marijuana license.

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee

Robert Erik Fellows

Printed name of licensee

KERRY THOMPSON My Commission Expires NOTARY PUBLIC May 12, 2025 STATE OF ALASKA

Notary Public in and for the State of Alaska

My commission expires: 5/12/2025

Subscribed and sworn to before me this 7th day of June 2021.

AMCO received 11/30/2021

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

Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Alaska Loven It, LLC	License Number:	12833		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Wildflower Farms				
Premises Address:	2908 Kachemak Drive				
City:	Homer	State:	Alaska	ZIP:	99603

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	George Kirk
Title:	Member of Hibernation Holding Company, LLC

Section 3 – Violations & Charges

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

	Initials
I certify that I have not been convicted of any criminal charge in the previous two calendar years.	GK
I certify that I have not committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.	GK
I certify that a notice of violation has not been issued to this license between July 1, 2020 and June 30, 2021.	

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

	Initials
I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).	GK

Alaska Marijuana Control Board

AMCO received 11/30/2021

Form MJ-20: Renewal Application Certifications

Section 4 – Certifications & Waiver

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

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued. gk

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application. gk

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state. gk

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board. gk

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees. gk

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board. gk

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

I, George Kirk _____, hereby waive my confidentiality rights under AS 43.05.230(a) and authorize the State of Alaska, Department of Revenue to disclose any and all tax information regarding this marijuana license to the Alcohol and Marijuana Control Office (AMCO) upon formal request as part of any official investigation as long as I hold, solely, or together with other parties, this marijuana license. gk

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

George Kirk
Signature of licensee

Notary Public in and for the State of Alaska

George Kirk
Printed name of licensee

My commission expires: 07/16/2021

Subscribed and sworn to before me this 1st day of June, 2021.

EMIROS P. VALENZUELA NOTARY PUBLIC STATE OF ALASKA

AMCO received 11/30/2021

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

Alaska Marijuana Control Board

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What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Alaska Loven It, LLC	**License Number:**	12833		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Wildflower Farms				
Premises Address:	2908 Kachemak Drive				
City:	Homer	**State:**	Alaska	**ZIP:**	99603

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Janiese Stevens
Title:	Managing Member of Hibernation Holding Company, LLC

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements: Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years. JS

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years. JS

I certify that a notice of violation has **not** been issued to this license between July 1, 2020 and June 30, 2021.

Sign your initials to the following statement only if you are unable to certify one or more of the above statements: Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

Alaska Marijuana Control Board AMCO received 11/30/2021

Form MJ-20: Renewal Application Certifications

Section 4 – Certifications & Waiver

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

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

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

I, Janiese Stevens, hereby waive my confidentiality rights under AS 43.05.230(a) and authorize the State of Alaska, Department of Revenue to disclose any and all tax information regarding this marijuana license to the Alcohol and Marijuana Control Office (AMCO) upon formal request as part of any official investigation as long as I hold, solely, or together with other parties, this marijuana license.

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee

Janiese Stevens
Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: 07/14/2021

Subscribed and sworn to before me this 2nd day of June, 20 21.

EMIROS P. VALENZUELA NOTARY PUBLIC STATE OF ALASKA

AMCO received 11/30/2021

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

Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Alaska Loven It, LLC	**License Number:**	12833		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Wildflower Farms				
Premises Address:	2908 Kachemak Drive				
City:	Homer	**State:**	Alaska	**ZIP:**	99603

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Kim Perkins
Title:	Member of Hibernation Holding Company, LLC

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:	Initials
I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.	KP
I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.	KP
I certify that a notice of violation has **not** been issued to this license between July 1, 2020 and June 30, 2021.	

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:	Initials
I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).	

AMCO received 11/30/2021

Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

Section 4 – Certifications & Waiver

Read each line below, and then sign your initials in the box to the right of each statement:	Initials
I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.	KP
I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ 20a) along with this application.	KP
I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.	KP
I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.	KP
I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.	KP
I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.	KP
I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.	KP
I, Kim Perkins, hereby waive my confidentiality rights under AS 43.05.230(a) and authorize the State of Alaska, Department of Revenue to disclose any and all tax information regarding this marijuana license to the Alcohol and Marijuana Control Office (AMCO) upon formal request as part of any official investigation as long as I hold, solely, or together with other parties, this marijuana license.	KP

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee

Kim Perkins

Printed name of licensee

JESSE D. HURLESS NOTARY PUBLIC My Comm. Exp. July 19, 2023 STATE OF ALASKA

Notary Public in and for the State of Alaska

My commission expires: July 19, 2023

Subscribed and sworn to before me this 1st day of June, 2021.

AMCO received 11/30/2021

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

Alaska Marijuana Control Board

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This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Alaska Loven It, LLC	**License Number:**	12833		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Wildflower Farms				
Premises Address:	2908 Kachemak Drive				
City:	Homer	**State:**	Alaska	**ZIP:**	99603

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Louis Rocheleau
Title:	Member of Hibernation Holding Company, LLC

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:	Initials
I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.	LR
I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.	LR
I certify that a notice of violation has **not** been issued to this license between July 1, 2020 and June 30, 2021.	

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:	Initials
I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).	LR

Alaska Marijuana Control Board

AMCO received 11/30/2021

Form MJ-20: Renewal Application Certifications

Section 4 – Certifications & Waiver

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

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued. LR

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application. LR

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state. LR

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board. LR

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees. LR

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board. LR

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

I, Louis Rocheleau, hereby waive my confidentiality rights under AS 43.05.230(a) and authorize the State of Alaska, Department of Revenue to disclose any and all tax information regarding this marijuana license to the Alcohol and Marijuana Control Office (AMCO) upon formal request as part of any official investigation as long as I hold, solely, or together with other parties, this marijuana license. LR

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee

Notary Public in and for the State of Alaska

Louis Rocheleau

Printed name of licensee

My commission expires: April 1, 2025

Subscribed and sworn to before me this 22 day of June, 2021.

NOTARY PUBLIC
IMELDA RODRIGUEZ
STATE OF ALASKA
My Commission Expires April 1, 2025

Office of the Borough Clerk
144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

December 15, 2021

Sent via email: clerk@ci.homer.ak.us

City of Homer Clerk
Homer City Hall

RE: Renewal Application for Marijuana Product Manufacturing Facility

Business Name	:	Cosmic SeaWeed, LLC
License Location	:	Homer/262 Charles Way, Homer, AK 99603
License No.	:	19728

Dear Ms. Jacobsen,

This serves to advise that the Kenai Peninsula Borough (KPB) has reviewed the above referenced application and has no objection to the issuance of the license.

Should you have any questions, or need additional information, please don't hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

cc: cosmicseaweed@gmail.com

City of Homer
www.cityofhomer-ak.gov

Police Department
625 Grubstake Avenue
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

FROM: MARK ROBL, POLICE CHIEF

DATE: 12/14/2021

SUBJECT: MARIJUANA PRODUCT MANUFACTURING FACILITY LICENSE RENEWAL FOR COSMIC SEAWEED, LLC

Type:	Marijuana Product Manufacturing Facility
Lic #:	19728
DBA Name:	Cosmic SeaWeed, LLC
Service Location:	262 Charles Way, Homer, AK 99603
Licensee:	Cosmic SeaWeed, LLC
Designated Licensee:	Christina Logan
Mailing Address:	272 Charles Way, Homer, AK 99603

No objection. Homer Police Department has no objection to the renewal application for the marijuana manufacturing license in the City of Homer.

City of Homer
www.cityofhomer-ak.gov

Police Department
625 Grubstake Avenue
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

FROM: MARK ROBL, POLICE CHIEF

DATE: 12/14/2021

SUBJECT: MARIJUANA STANDARD CULTIVATION RENEWAL LICENSE FOR ALASKA LOVEN IT, LLC

Type: Marijuana Standard Cultivation License
License #: 12833
DBA Name: Wildflower Farms
Service Location: 2908 Kachemak Drive, Homer, AK 99603
Licensee: Alaska Loven It, LLC
Designated Licensee: Janiese Stevens
Mailing Address: PO Box 1571, Homer, AK 99603

No objection. Homer Police Department has no objection to the renewal application for the marijuana standard cultivation license in the City of Homer.

City of Homer
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

MEMORANDUM

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
THROUGH: ROB DUMOUCHEL, CITY MANAGER
FROM: RICK ABBOUD, AICP, CITY PLANNER
DATE: December 20, 2021
SUBJECT: ALASKA LOVEN IT, LLC STANDARD MARIJUANA CULTIVATION FACILITY LICENSE RENEWAL

I have received and reviewed the renewal application for Alaska Loven It marijuana cultivation facility, License number 12833, located at 2908 Kachemak Drive, Homer, AK.

I have no objection to the application on zoning related issues.

City of Homer
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

MEMORANDUM

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
THROUGH: ROB DUMOUCHEL, CITY MANAGER
FROM: RICK ABBOUD, AICP, CITY PLANNER
DATE: DECEMBER 20, 2021
SUBJECT: COSMIC SEAWEED, LLC MARIJUANA MANUFACTURING FACILITY LICENSE RENEWAL

I have received and reviewed the renewal application for Cosmic Seaweed, LLC for a marijuana manufacturing facility, License number 19728, located at 262 Charles Way, Homer, AK.

I have no objection to the renewal application on zoning related issues.

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 22-004

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: JANUARY 5, 2022

SUBJECT: TRAVEL REIMBURSEMENT FOR MAYOR CASTNER'S ATTENDANCE AT THE KENAI PENINSULA BOROUGH CITY MAYOR'S MEETING IN SOLDOTNA, ALASKA AND THE KENAI PENINSULA ECONOMIC DEVELOPMENT DISTRICT (KPEDD) INDUSTRY FORUM IN KENAI, ALASKA, JANUARY 5 AND 6, 2022

Mayor Castner traveled to a Kenai Peninsula Borough City Mayor's meeting in Soldotna on January 5, 2022 and the KPEDD Industry Outlook Forum on January 6, 2022 in Kenai, and is requesting reimbursement.

Cost estimates for travel included round trip mileage from Homer to Soldotna, to Kenai, and back to Homer at 58.5 cents per mile, and one night's lodging at $99. Per diem is $58.00 per day, for three meals.

Funds are available for this reimbursement in the Mayor and Council's travel and subsistence accounts.

RECOMMENDATION:
Approve reimbursement for Mayor Castner's travel to the Kenai Peninsula Borough City Mayor's meeting in Soldotna on January 5, 2022 and the KPEDD Industry Outlook Forum on January 6, 2022 in Kenai.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-01

An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Authorizing the Expenditure of $62,000 from the Land Fund to Acquire Two Parcels of Land and Drainage Easements Across Two Additional Parcels within the Bridge Creek Watershed Protection District and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents.

Sponsor: Erickson/Aderhold

1. City Council Regular Meeting January 10, 2022 Introduction

   Memorandum 22 005 from Deputy City Planner & Special Projects Coordinator as backup

CITY OF HOMER
HOMER, ALASKA

Erickson/Aderhold

ORDINANCE 22-01

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY22 CAPITAL BUDGET AND AUTHORIZING THE EXPENDITURE OF $62,000 FROM THE LAND FUND TO ACQUIRE TWO PARCELS OF LAND AND DRAINAGE EASEMENTS ACROSS TWO ADDITIONAL PARCELS WITHIN THE BRIDGE CREEK WATERSHED PROTECTION DISTRICT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, Four property owners in the Bridge Creek Watershed Protection District (BCWPD) have approached the City with a proposal to sell two lots to the City, and selling a drainage easement across two additional properties; and

WHEREAS, Acquiring these lands and drainage easements will allow the city to protect over 2,000 linear feet of an important tributary to Bridge Creek; and

WHEREAS, Land acquisition within the watershed has been a long term goal in the Capital Improvement Plan; and

WHEREAS, The current balance of the Land Fund is approximately $240,000 and are available for purchase of the easements and properties.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The FY 22 capital budget is hereby amended by appropriating funds from the Land Fund account in the amount of $62,000 for the purpose of purchasing two parcels and drainage easements on two other properties

Expenditure:

Account No.	Description	Amount
150 0392	Land Fund	$62,000

Section 2. The City Manager is authorized to sign the appropriate documents for the acquisition of drainage easements on Kenai Peninsula Borough Parcel 17370007 T 6S R 13W SEC 4 SEWARD MERIDIAN HM 0880054 BRIDGE CREEK COOPERATIVE SUB NO 2 LOT 4A, and Parcel 17370008, T 6S R 13W SEC 4 SEWARD MERIDIAN HM 0810005 BRIDGE CREEK COOPERATIVE SUB LOT 3.

Section 3. The City Manager is authorized to sign the appropriate documents for the acquisition of drainage easements on Kenai Peninsula Borough Parcel 17370004 T 6S R 13W SEC 4 SEWARD MERIDIAN HM 0810005 BRIDGE CREEK COOPERATIVE SUB LOT 7 and Parcel 1737003 T 6S R 13W SEC 4 SEWARD MERIDIAN HM 0810005 BRIDGE CREEK COOPERATIVE SUB LOT 8.

Section 4. This is a budget amendment ordinance, is temporary in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____day of _____, 2022.

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
www.cityofhomer-ak.gov
491 East Pioneer Avenue
Homer, Alaska 99603
(p) 907-235-8121
(f) 907-235-3140

Memorandum 22-005

TO: Mayor Castner and Homer City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Julie Engebretsen, Deputy City Planner and Special Projects Coordinator

DATE: January 3, 2022

SUBJECT: Ordinance 22 xx Bridge Creek Watershed land and easement purchase

Synopsis

Four property owners have approached the city about their lands in the Bridge Creek Watershed. Two lots are offered for sale (7 & 8 below) and two lots would have drainage easements granted to the City (3 & 4A below). City staff is working with our contracted realtor to make purchase offers contingent on Council approval of the ordinance. The two land purchases would increase city land ownership by just over 9.3 acres in the watershed.

Additionally, surveyor services under a term contract have been initiated to draw up the drainage easements. The easements would be 50 feet wide, centered on the Bridge Creek tributary. The easement length is just shy of 1200 linear feet of creek bed.

In total the land and easement acquisitions are not expected to exceed $62,000. The Land Fund has an approximate balance of $240,000.

(The Planning Department's mapping software is undergoing maintenance. Hopefully a map will be available by the Council meeting, otherwise it will be presented for the public hearing.)
Rough Area Map:

Attachments

Kenai Peninsula Borough tax assessment values, lots 7 and 8

Kenai Peninsula Borough

Jan 3 2022 7:51PM

Assessing Department
144 N. Binkley Street
Soldotna AK 99669

General Information

KUNTZ KARL J
PO BOX 31846
BELLINGHAM, WA 98228-3846

Property ID	17370004
Address	40957 FARMWALD CIR
Document / Book Page	190 /460
Acreage	4.3700

Owners

Property ID	Display Name	Address
17370004	KUNTZ KARL J	PO BOX 31846

Legal Description

Description
T 6S R 13W SEC 4 Seward Meridian HM 0810005 BRIDGE CREEK COOPERATIVE SUB LOT 7

Value History

Year	Reason	Assessed		
		Land	Structures	Total
2021	Main Roll Certification	$15,200	$0	**$15,200**
2020	Main Roll Certification	$15,200	$0	**$15,200**
2019	Main Roll Certification	$15,700	$0	**$15,700**
2018	Main Roll Certification	$15,700	$0	**$15,700**
2017	Main Roll Certification	$37,400	$0	**$37,400**
2016	Main Roll Certification	$16,300	$0	**$16,300**
2015	Main Roll Certification	$16,300	$0	**$16,300**
2014	Main Roll Certification	$16,300	$0	**$16,300**
2013	Main Roll Certification	$16,300	$0	**$16,300**
2012	Main Roll Certification	$16,300	$0	**$16,300**
2011	Main Roll Certification	$17,000	$0	**$17,000**
2010	Main Roll Certification	$17,000	$0	**$17,000**
2009	Main Roll Certification	$17,000	$0	**$17,000**
2008	Main Roll Certification	$16,100	$0	**$16,100**
2007	Main Roll Certification	$12,400	$0	**$12,400**
2006	Main Roll Certification	$12,400	$0	**$12,400**
2005	Main Roll Certification	$12,400	$0	**$12,400**
2004	Main Roll Certification	$12,500	$0	**$12,500**
2003	Main Roll Certification	$12,500	$0	**$12,500**
2002	Main Roll Certification	$12,500	$0	**$12,500**
2001	Main Roll Certification	$12,500	$0	**$12,500**

Land Details

Primary Use	Land Type	Acres	Eff Frontage	Eff Depth	Asd Value
	Residential Rural/Res T	4.3700	0.00	0.00	$15,200

Jan 3 2022 7:52PM

Kenai Peninsula Borough

Assessing Department
144 N. Binkley Street
Soldotna AK 99669

General Information

RUE-CLAUSON REVOCABLE FAMILY TRUST
31 SERPENTINE AVE
SEQUIM, WA 98382-8916

Property ID	17370003
Address	
Document / Book Page	20160036790
Acreage	4.9600

Owners

Property ID	Display Name	Address
17370003	RUE-CLAUSON REVOCABLE FAMILY TRUST	31 SERPENTINE AVE

Legal Description

Description
T 6S R 13W SEC 4 Seward Meridian HM 0810005 BRIDGE CREEK COOPERATIVE SUB LOT 8

Value History

Year	Reason	Assessed		
		Land	Structures	Total
2021	Main Roll Certification	$15,600	$0	**$15,600**
2020	Main Roll Certification	$15,600	$0	**$15,600**
2019	Main Roll Certification	$16,100	$0	**$16,100**
2018	Main Roll Certification	$16,100	$0	**$16,100**
2017	Main Roll Certification	$38,300	$0	**$38,300**
2016	Main Roll Certification	$16,300	$0	**$16,300**
2015	Main Roll Certification	$16,300	$0	**$16,300**
2014	Main Roll Certification	$16,300	$0	**$16,300**
2013	Main Roll Certification	$16,300	$0	**$16,300**
2012	Main Roll Certification	$16,300	$0	**$16,300**
2011	Main Roll Certification	$18,400	$0	**$18,400**
2010	Main Roll Certification	$18,400	$0	**$18,400**
2009	Main Roll Certification	$18,400	$0	**$18,400**
2008	Main Roll Certification	$17,400	$0	**$17,400**
2007	Main Roll Certification	$13,400	$0	**$13,400**
2006	Main Roll Certification	$13,400	$0	**$13,400**
2005	Main Roll Certification	$13,400	$0	**$13,400**
2004	Main Roll Certification	$12,600	$0	**$12,600**
2003	Main Roll Certification	$12,600	$0	**$12,600**
2002	Main Roll Certification	$12,600	$0	**$12,600**
2001	Main Roll Certification	$12,600	$0	**$12,600**

Land Details

Primary Use	Land Type	Acres	Eff Frontage	Eff Depth	Asd Value
	Residential Rural/Res T	4.9600	0.00	0.00	$15,600

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-02

An Ordinance of the City Council of Homer, Alaska Amending Title 21.55.090(a)(1) Required Number of Parking Spaces to Change the Parking Requirements for Detached One Bedroom or Efficiency Dwelling Units.

Sponsor: Planning Commission

1. City Council Regular Meeting January 10, 2022 Introduction

   Memorandum 22 006 from City Planner as backup

CITY OF HOMER
HOMER, ALASKA

Planning Commission

ORDINANCE 22-02

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING TITLE 21.55.090(a)(1) REQUIRED NUMBER OF PARKING SPACES TO CHANGE THE PARKING REQUIREMENTS FOR DETACHED ONE BEDROOM OR EFFICIENCY DWELLING UNITS.

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 1 states, "Guide Homer's growth with a focus on increasing the supply and diversity of housing, protecting community character, encouraging infill, and helping minimize global impacts including limiting greenhouse gas emissions;" and

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 1 Objective C states "Maintain high quality residential neighborhoods, promote housing choice by supporting a variety of dwelling options;" and

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 3 Objective A States: Create a clear, coordinated regulatory framework that guides development; and

WHEREAS, Adopting parking code requirements are uniform by dwelling type and building configuration results in more clear city code and better guide for development.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 21.55.090(a)(1), is hereby amended to read as follows:

Use	Parking Spaces Required
1. Dwellings.	Two per dwelling unit, or one per efficiency or one-bedroom dwelling **when more than one dwelling unit is located on a parcel** ~~unit in a multifamily dwelling~~. **Detached efficiency or one bedroom dwelling units shall provide an additional 1 guest parking space per four dwelling units.** One per senior housing unit. A required parking space may be in a garage or carport if the structure is at least 12 feet wide, 20 feet long and eight feet high.

Section 2 or the last section. This Ordinance is of a permanent and general character. and shall be included in the City Code.

The last section might read

Section 2.This ordinance is a non code ordinance and is of a permanent nature.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____day of _____, 2022.

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
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

Memorandum 22-006 *(PL21-01)*

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
FROM: RICK ABBOUD, AICP, CITY PLANNER
DATE: DECEMBER 20, 2021
SUBJECT: PARKING REQUIRMENTS FOR MORE THAN A SINGLE ONE-BEDROOM AND/OR EFFICIENCY DWELLING

While working on permitting a worker housing development that included multiple structures supporting one-bedroom and efficiency dwellings on a single lot, we found that the code was inconsistent in regards to the parking requirements for efficiency units based on how they were provisioned. Units found in multi-family structures (3 or more dwellings) or a senior housing unit require one space per dwelling unit. If more than one dwelling unit was provisioned on a lot that consisted of a single unit in a structure and/or in duplexes, they would be required to provide two spaces per unit.

The proposed ordinance provides an option that would require less parking when multi-units are located one lot when utilizing detached dwellings or duplexes to support one-bedroom or efficiency units. The Commission recommends requiring one parking space per unit, plus one guest space per four detached efficiency or one bed-room units. I believe that this will help developments that will not need additional parking and may be applied to possible future affordable housing scenarios where multiple detached efficiency units may be proposed.

The proposal was an agenda item in four meetings of the Commission, with the last meeting of November 3rd being a public hearing. At the public hearing, the Commission passed a recommendation to adopt the ordinance with unanimous consent of the six commissioners present.

Recommendation – The Planning Commission recommends that the City Council adopt the proposed ordinance.

Attachments:
Proposed ordinance
Staff reports and corresponding meeting minutes

CITY OF HOMER
HOMER, ALASKA

Planning Commission

ORDINANCE 21-XX

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING TITLE 21.55.090(a)(1) REQUIRED NUMBER OF PARKING SPACES TO CHANGE THE PARKING REQUIREMENTS FOR DETACHED ONE BEDROOM OR EFFICIENCY DWELLING UNITS.

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 1 states, "Guide Homer's growth with a focus on increasing the supply and diversity of housing, protecting community character, encouraging infill, and helping minimize global impacts including limiting greenhouse gas emissions;" and

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 1 Objective C states "Maintain high quality residential neighborhoods, promote housing choice by supporting a variety of dwelling options;" and

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 3 Objective A States: Create a clear, coordinated regulatory framework that guides development; and

WHEREAS, Adopting parking code requirements are uniform by dwelling type and building configuration results in more clear city code and better guide for development.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 21.55.090(a)(1), is hereby amended to read as follows:

Use	Parking Spaces Required
1. Dwellings.	Two per dwelling unit, or one per efficiency or one-bedroom dwelling **when more than one dwelling unit is located on a parcel** ~~unit in a multifamily dwelling~~. **Detached efficiency or one bedroom dwelling units shall provide an additional 1 guest parking space per four dwelling units.** One per senior housing unit. A required parking space may be in a garage or carport if the structure is at least 12 feet wide, 20 feet long and eight feet high.

Section 2 or the last section. This Ordinance is of a permanent and general character. and shall be included in the City Code.

The last section might read

Section 2.This ordinance is a non-code ordinance and is of a permanent nature.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____day of _____, 2021.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Hearing:
Second Reading:
Effective Date:

Reviewed and Approved as to form and content:

_____	_____
Rob Dumouchel, City Manager	Michael Gatti, City Attorney
Date: _____	Date: _____

City of Homer
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

Staff Report PL 21-45

TO:	Homer Planning Commission
THROUGH:	Rick Abboud, City Planner
FROM:	Julie Engebretsen, Deputy City Planner
DATE:	August 4, 2021
SUBJECT:	Parking Code

Introduction

The parking code was revised in 2009, via ordinance 09 12(A). It was a major overhaul! The number of required parking spaces was reduced, and parking dimensions were made smaller. Overall, the regulations have worked for our community, are 'right sized' for businesses in a community of our size, and are in line with industry averages. The one area where the parking code could use further amendment is in relation to dwelling units. Our standards are high for multifamily dwellings and for small detached units like cabins.

Analysis

Homer tends to have a development pattern of several small cabins on a lot, with two required parking spaces each. If the efficiency units were in one large building, only one parking space is required. Staff would like to review the current code with the Commission, and reduce or equalize the parking requirements for studio and one bedroom apartments in a larger building and detached accessory cabins.

Example: a multifamily dwelling in City Code means one building with three or more dwelling units. A duplex is a building with two units. Code for parking spaces only allows for a reduction for multifamily (3 more) units. In Homer, we don't see a lot of multifamily construction. Individual cabins are more common, as small as 500 square feet, yet code still requires two parking spaces.

HCC 21.55.090 (1)

Use	Parking Spaces Required
1. Dwellings.	Two per dwelling unit, or one per efficiency or one-bedroom dwelling unit in a multifamily dwelling. One per senior housing unit. A required parking space may be in a garage or carport if the structure is at least 12 feet wide, 20 feet long and eight feet high.

Revised language: Two per dwelling unit, or one per efficiency or one bedroom unit when more than one dwelling unit is located on a parcel.

Staff Recommendation: Amend the parking code so that the primary dwelling on the property still has two required parking spaces, but subsequent studio or one bedroom attached or detached dwelling units have only one required parking space. If the Commission is in agreement, staff will draft an ordinance and schedule a public hearing.

D. Staff Report 21 45, Parking Code

Chair Smith introduced the item by reading of the title and invited City Planner Abboud to provide his report.

City Planner Abboud reported that the number of parking spaces is higher than the standards used in other communities. Especially for multi-family dwellings and small detached units like cabins. If the efficiency units are in one building on one spot is required but if there are several small cabins on one lot each is required to have two parking spaces. They would like to amend City Code to adjust the requirement to one space for small 500 square foot cabins or efficiencies.

Chair Smith inquired about how or where visitors would park and how would that be configured.

City Planner Abboud responded that staff could work on that and bring it back before the commission. He further acknowledged that there was no parking on city streets, possibly working on off-site parking, the likelihood of someone not having a vehicle especially living in the center of town.

HIGHLAND/VENUTI MOVE TO ADOPT STAFF REPORT 21 45 AND AMEND HOMER CITY CODE 21.55.090 (1) TO ALLOW TWO PARKING SPACES PER DWELLING UNIT OR ONE PARKIN SPACE PER EFFICIENCY OR ONE BEDROOM UNIT WHEN MORE THAN ONE DWELLING UNIT IS LOCATED ON A PARCEL

Discussion on parking for visitors if there is no dedicated parking on site; this applies only to efficiency/studio units. Evaluation of a formula where a maximum is established and then additional spaces are required; if project is in the center of town the likelihood that the occupant would have a car or have many visitors is unlikely but to require parking that will not be used is a waste of real estate.

VOTE. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

City of Homer
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

Staff Report PL 21-50

TO: Homer Planning Commission
THROUGH: Rick Abboud, City Planner
FROM: Julie Engebretsen, Deputy City Planner
DATE: August 18, 2021
SUBJECT: Parking Code Amendments

Introduction

At the last meeting, Staff Report 21 45 introduced the Commission to the idea of equalizing the parking requirements for studio or one bedroom dwelling units. The Commission passed a motion in support of the change but had some questions about guest parking. Prior to scheduling a hearing, staff would like to address those concerns.

Commission voted to approve the bold and underlined text below. (A public hearing is the next step).

Use	Parking Spaces Required
1. Dwellings.	Two per dwelling unit, or one per efficiency or one-bedroom dwelling **when more than one dwelling unit is located on a parcel** ~~unit in a multifamily dwelling~~. One per senior housing unit. A required parking space may be in a garage or carport if the structure is at least 12 feet wide, 20 feet long and eight feet high.

Analysis

The parking code had major amendments in 2009, which allowed studio units in multifamily buildings to have 1 parking space. Over the past decade, this has allowed new construction to reduce the number of spaces with no complaints or issues reported to our department. The building/owner could decide to build more parking, depending on the type of tenant/use anticipated. Examples of permitted projects are provided on the following page.

I researched a few codes in regard to guest parking. I found that if additional guest parking is required, there is usually less required parking per dwelling unit. The guest parking is then added to the overall site. The end results are very similar to the proposed code amendment. If the Commission wishes to add guest parking as a requirement, staff recommends one guest

space per four dwelling units. An example of parking and guest parking requirements from Anacortes WA, is attached.

Kirkland WA: guest parking of an additional 10 % is required. See table

Spaces required:

1.2 per studio unit.

1.3 per 1 bedroom unit.

1.6 per 2 bedroom unit.
1.8 per 3 or more bedroom unit.

Anacortes WA: Generally one guest space per four dwelling units. See attachements.

Staff Recommendation

1. By motion, decide if a guest parking requirement should be added to code. Staff recommends one space per four units if the Commission wants to require additional guest parking. (Staff does not recommend requiring guest parking).
2. Move to public hearing.

Attachments

Homer Parking Examples
Anacortes, WA parking code Excerpt
Staff Report 21 45

Parking Examples from Permitted Homer Projects

Apartments	Units	Required Parking	HCC new code	Kirkland Total Parking	Anacortes Total Parking
One bedroom	2	2			
Two bedroom	2	4			
Three Bedroom	2	4			
Total	6	**10**		**10**	**10**
Roominghouse	Units	Parking			
Main house	1	2			
Roominghouse	5	5			
Total	6	**7** (built 20+)		**8**	**12**
Cabins	Units	Parking	New code		
One bedroom	4	8	4		
Duplex	2	4	4		
Total	6	**12**	**8**	**9**	**11**
Efficiency	Units	Parking	New code		
Duplex (1 bdr)	4	8	4		
Triplex (1 bdr)	3	3	3		
Total	7	**11**	**7**	**9**	**9**

Anacortes, WA, parking code excerpt

Off-street parking spaces required.

Use	Minimum Parking Spaces Required	Maximum Parking Spaces Allowed
RESIDENTIAL		
Household Living, as listed below		
Single-family	2 per unit	
Single-family, small lot	1 per unit	
Accessory dwelling unit	See AMC 19.47.030(C)(8) (3 spaces)	
Cottage housing	1.5 per unit	
Duplex or triplex	Same as multifamily (based on number of bedrooms)	
Townhouse	Same as multifamily (based on number of bedrooms)	
Multifamily dwelling, one bedroom or studio	1.0 per unit	1.5 per unit
Multifamily dwelling, two bedrooms	1.4 per unit	2 per unit
Multifamily dwelling, three or more bedrooms	1.6 per unit	2.5 per unit

Table 19.64.030(B)

Minimum guest parking spaces required by housing type.

Housing Type	Minimum guest parking ratio
Single-Family	1 per 2 units
Cottage	1 per 4 units
Duplex or Triplex	1 per 4 units
Townhouse	1 per 4 units
Multifamily	1 per 8 units; 1 per 10 units if the multifamily use parking is provided entirely by structured parking; Where units average less than 700 square feet, 1 per 4,000 sq. ft. of net leasable floor area.

B. Staff Report 21-50, Ordinance 21-XX amending on-site parking requirements for one-bedroom dwellings

Chair Smith introduced the item by reading of the title and invited the City Planner to provide the report.

City Planner Abboud provided a summary of Staff Report 21-50 and addressed comments on the following:

- Number of parking stalls per efficiency or studio
- Having parking for guests
- Establishing one guest parking stall per four parking stalls for efficiencies for a total of 5 parking stalls. Ex. Eight efficiencies would require 2 guest parking stalls.

City Planner Abboud stated he will prepare for a public hearing on this item.

City of Homer
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

Staff Report PL 21-62

TO:	Homer Planning Commission
THROUGH:	Rick Abboud, City Planner
FROM:	Julie Engebretsen, Deputy City Planner and Special Projects Coordinator
DATE:	October 20, 2021
SUBJECT:	Parking requirements for one bedroom dwelling units

Introduction

Staff brought forward this topic to the Commission in August. The goal was to equalize the parking requirements for residential dwelling units. Under current code, less parking is required for one bedroom or efficiency units in a multifamily (3 units or more) building. But detached cabins are required two spaces per unit. The Commission frequently comments about wanting more greenspace on properties, and small scale land owners would like to avoid the expense of building and maintaining unused parking. "Right sizing" Homer parking requirements for all dwellings, regardless of building configuration, would help keep greenspace, and avoid constructing unnecessary parking spaces.

Analysis

Staff has reviewed the minutes from the Commission's discussions. Staff has incorporated guest parking requirements for detached one bedroom or efficiency units (OB/EU) dwelling units as directed by the Commission. This guest parking requirement does NOT include multifamily dwellings like apartments. There is no evidence to suggest that our current parking regulations should be increased from the current standards for apartment buildings.

Staff Recommendation

Review the draft ordinance. Make any amendments by motion. Once amendments are complete, staff will schedule a public hearing.

Attachments

Draft Ordinance

CITY OF HOMER
HOMER, ALASKA

Planning Commission

ORDINANCE 21-XX

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING TITLE 21.55.090(a)(1) REQUIRED NUMBER OF PARKING SPACES TO CHANGE THE PARKING REQUIREMENTS FOR DETACHED ONE BEDROOM OR EFFICIENCY DWELLING UITS.

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 1 states, "Guide Homer's growth with a focus on increasing the supply and diversity of housing, protecting community character, encouraging infill, and helping minimize global impacts including limiting greenhouse gas emissions;" and

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 1 Objective C states "Maintain high quality residential neighborhoods, promote housing choice by supporting a variety of dwelling options;" and

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 3 Objective A States: Create a clear, coordinated regulatory framework that guides development; and

WHEREAS, Adopting parking code requirements are uniform by dwelling type and building configuration results in more clear city code and better guide for development.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 21.55.090(a)(1), is hereby amended to read as follows:

Use	Parking Spaces Required
1. Dwellings.	Two per dwelling unit, or one per efficiency or one-bedroom dwelling **when more than one dwelling unit is located on a parcel** ~~unit in a multifamily dwelling~~. **Detached efficiency or one bedroom dwelling units shall provide an additional 1 guest parking space per four dwelling units.** One per senior housing unit. A required parking space may be in a garage or carport if the structure is at least 12 feet wide, 20 feet long and eight feet high.

Section 2 or the last section. This Ordinance is of a permanent and general character. and shall be included in the City Code.

The last section might read

Section 2.This ordinance is a non-code ordinance and is of a permanent nature.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____day of _____, 2021.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Hearing:
Second Reading:
Effective Date:

Reviewed and Approved as to form and content:

_____	_____
Rob Dumouchel, City Manager	Michael Gatti, City Attorney
Date: _____	Date: _____

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Commissioner Venuti was admitted back to the meeting.

PLAT CONSIDERATION

PENDING BUSINESS

A. Staff Report 21-62, Parking Requirements for One Bedroom Dwelling Units

City Planner Abboud reviewed his staff report that was included in the packet. There were no questions from the Commission.

BENTZ/VENUTI MOVED TO RECOMMEND ADOPTION OF THE DRAFT ORDINANCE AMENDING HOMER CITY CODE 21.55.090A1 AND FORWARD TO PUBLIC HEARING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

A. Staff Report 21-63, Motion to Dismiss and Motion for Leave to Supplement Points on Appeal of CUP 20-15 Submitted by Frank Griswold

There was discussion regarding process and in attempt to determine the meaning of Leave to Supplement Points of appeal.

HIGHLAND/BENTZ MOVED THAT THE PLANNING COMMISSION DENIES TAKING UP THE MOTION FOR RECONSIDERATION AND THE MOTION FOR LEAVE TO SUPPLEMENT POINTS ON APPEAL OF CUP 20-15 SUBMITTED BY APPELLANT GRISWOLD AND THAT THE PLANNING COMMISSION RECOMMENDS THE BOARD OF ADJUSTMENT DISMISS THE APPEAL OF CUP 20-15 DUE TO THE FACT THAT THE APPLICANT HAS WITHDRAWN THEIR CONDITIONAL USE PERMIT APPLICATION AND THEREFORE THE PERMIT NO LONGER EXISTS.

Commissioner Highland referenced the information on page 79 of the packet which notes that HCC 21.93 does not authorize a party to supplement or modify points on appeal, and that the motion is moot because the appeal was dismissed. She questioned if the Commission isn't supposed to act on this, then why was it in their packet. She personally agrees with the

City of Homer
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

Staff Report PL 21-66

TO:	Homer Planning Commission
THROUGH:	Rick Abboud, City Planner
FROM:	Julie Engebretsen, Deputy City Planner and Special Projects Coordinator
DATE:	November 3, 2021
SUBJECT:	Amending Onsite Parking Requirements for Detached One Bedroom or Efficiency Dwelling Units

Introduction

This ordinance amends the parking code to reduce the parking requires for detached one bedroom or efficiency units, when more than one dwelling unit is present on a lot. Current code requires two spaces for each of these units. The Commission frequently comments about wanting more greenspace on properties, and small scale land owners would like to avoid the expense of building and maintaining unused parking. "Right sizing" Homer parking requirements for all dwellings, regardless of building configuration, would help keep greenspace, and avoid constructing unnecessary parking spaces.

Planning Staff review per 21.95.040

21.95.040 Planning Department review of code amendment. The Planning Department shall evaluate each amendment to this title that is initiated in accordance with HCC 21.95.010 and qualified under HCC 21.95.030, and may recommend approval of the amendment only if it finds that the amendment:

a. Is consistent with the comprehensive plan and will further specific goals and objectives of the plan.

Staff response: 2018 Comprehensive Plan Chapter 4 Goal 1 states, "Guide Homer's growth with a focus on increasing the supply and diversity of housing, protecting community character, encouraging infill, and helping minimize global impacts including limiting greenhouse gas emissions," Chapter 4 Goal 1 Objective C states "Maintain high quality residential neighborhoods, promote housing choice by supporting a variety of dwelling options;" and Chapter 4 Goal 3 Objective A States: Create a clear, coordinated regulatory framework that guides development.

This amendment encourages infill development by reducing the parking requirement and thus the land area needed to build detached one bedroom and efficiency units. This amendment is consistent with the Comprehensive Plan.

b. Will be reasonable to implement and enforce.

This amendment will be reasonable to implement and enforce because staff reviews parking requirements and parking spaces provided on every relevant development application. No additional review or enforcement will be required by this code change.

c. Will promote the present and future public health, safety and welfare.

This amendment promotes health, safety and welfare by reducing required parking for efficiency and one bedroom units, increasing the area that may remain as greenspace.

d. Is consistent with the intent and wording of the other provisions of this title.

This amendment is consistent with the intent, wording and purpose of HCC Title 21.

Staff Recommendation: Conduct a public hearing and send a recommendation to the City Council.

Attachments

1. Draft Ordinance

CITY OF HOMER
HOMER, ALASKA

Planning Commission

ORDINANCE 21-XX

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING TITLE 21.55.090(a)(1) REQUIRED NUMBER OF PARKING SPACES TO CHANGE THE PARKING REQUIREMENTS FOR DETACHED ONE BEDROOM OR EFFICIENCY DWELLING UNITS.

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 1 states, "Guide Homer's growth with a focus on increasing the supply and diversity of housing, protecting community character, encouraging infill, and helping minimize global impacts including limiting greenhouse gas emissions;" and

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 1 Objective C states "Maintain high quality residential neighborhoods, promote housing choice by supporting a variety of dwelling options;" and

WHEREAS, The 2018 Comprehensive Plan Chapter 4 Goal 3 Objective A States: Create a clear, coordinated regulatory framework that guides development; and

WHEREAS, Adopting parking code requirements are uniform by dwelling type and building configuration results in more clear city code and better guide for development.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 21.55.090(a)(1), is hereby amended to read as follows:

Use	Parking Spaces Required
1. Dwellings.	Two per dwelling unit, or one per efficiency or one-bedroom dwelling **when more than one dwelling unit is located on a parcel** ~~unit in a multifamily dwelling~~. **Detached efficiency or one bedroom dwelling units shall provide an additional 1 guest parking space per four dwelling units.** One per senior housing unit. A required parking space may be in a garage or carport if the structure is at least 12 feet wide, 20 feet long and eight feet high.

Section 2 or the last section. This Ordinance is of a permanent and general character. and shall be included in the City Code.

The last section might read

Section 2.This ordinance is a non-code ordinance and is of a permanent nature.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____day of _____, 2021.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Hearing:
Second Reading:
Effective Date:

Reviewed and Approved as to form and content:

_____	_____
Rob Dumouchel, City Manager	Michael Gatti, City Attorney
Date: _____	Date: _____

PUBLIC HEARINGS

A. Staff Report 21-66, Draft Ordinance 21-xx, Amending Onsite Parking Requirements for Detached One Bedroom or Efficiency Dwelling Units.

City Planner Abboud provided a review of Staff Report 21-66 to the Commission.

There was no applicant.

Chair Smith opened the Public Hearing and having no public present in the audience or attending via Zoom he closed the Public Hearing and opened the floor to questions from the Commission.

There was no questions from the Commission.

VENUTI/BENTZ MOVED TO ADOPT STAFF REPORT 21-66 AND FORWARD DRAFT ORDINANCE TO AMEND PARKING REQUIREMENTS FOR DETACHED ONE BEDROOM AND EFFICIENCY DWELLING UNITS.

There was a brief discussion regarding clarification that by adopting the Staff Report the Commission will be recommending that the draft ordinance be forwarded to City Council for Public Hearing and approval.

Deputy City Clerk Krause confirmed that would be the action needed from the Commission.

VOTE: NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-03

An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Authorizing the Expenditure of an Amount not to Exceed $45,000 from the Homer Accelerated Water and Sewer Program Fund to Reimburse a Private Developer for the Design and Construction of the Pennock Street Water Main Gap.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting January 10, 2022 Introduction

   Memorandum 22 007 from Public Works Director as backup

CITY OF HOMER
HOMER, ALASKA

City Manager
Public Works Director

ORDINANCE 22-03

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY22 CAPITAL BUDGET AND AUTHORIZING THE EXPENDITURE OF AN AMOUNT NOT TO EXCEED $45,000 FROM THE HOMER ACCELERATED WATER AND SEWER PROGRAM FUND TO REIMBURSE A PRIVATE DEVELOPER FOR THE DESIGN AND CONSTRUCTION OF THE PENNOCK STREET WATER MAIN GAP.

WHEREAS, William Briske of Palmer, Alaska, will be, as part of his development on Pennock Street, extending the City water main to serve the his new lots, and;

WHEREAS, The new water main extension will stop 92 feet short of the existing water main at Virginia Lynn Way, creating, the Pennock Street water main "Gap"; and

WHEREAS, It is in the best interests of the City's Water Utility to have a "looped" system, as much as possible to facilitate better water quality and system reliability; and

WHEREAS, Mr. Briske is willing to include the design and construction of the "Gap" in his private development project if the City reimburses him for the costs, which are estimated to be $35,000; and

WHEREAS, The HAWSP Fund is the appropriate funding vehicle for this expenditure because it is about upgrading the capacity of the water distribution system, rather than repairing or replacing an existing appurtenance; and

WHEREAS, The balance of the HAWSP Fund at the end of FY22 is expected to be $2,352,321.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 2022 Capital Budget and authorizes the expenditure of an amount not to exceed $45,000 from the Homer Accelerated Water and Sewer Program Fund to Reimburse a Private Developer for the Design and Construction of the Pennock Street Water Main Gap as follows

Account	Description	Amount
	Pennock Water Main Gap	$45,000

Section 2. This 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 _____, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Reading:
Second Reading:
Effective Date:

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 22-077

TO: Mayor Castner and Homer City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Janette Keiser, Director of Public Works

DATE: December 20, 2021

SUBJECT: Pennock Street Water "Gap"

Issue: The purpose of this Memorandum is to request funding to design and construct a short water main extension that will fill the Pennock Street "Gap".

Background

William Briske of Palmer, Alaska, will be, as part of his development on Pennock Street, extending the City water main to serve the his new lots. This new water main extension will stop 92 feet short of the existing water main at Virginia Lynn Way. This is the Pennock Street "Gap".

It is in the best interests of the City's Water Utility to have a "looped" system, as much as possible. Looping the system facilitates better water quality and system reliability. For example, when the most recent water main break occurred, because the water line was sufficiently connected to the rest of the distribution system, we were able to isolate the broken section and keep water flowing in other sections. Only one customer was adversely affected.

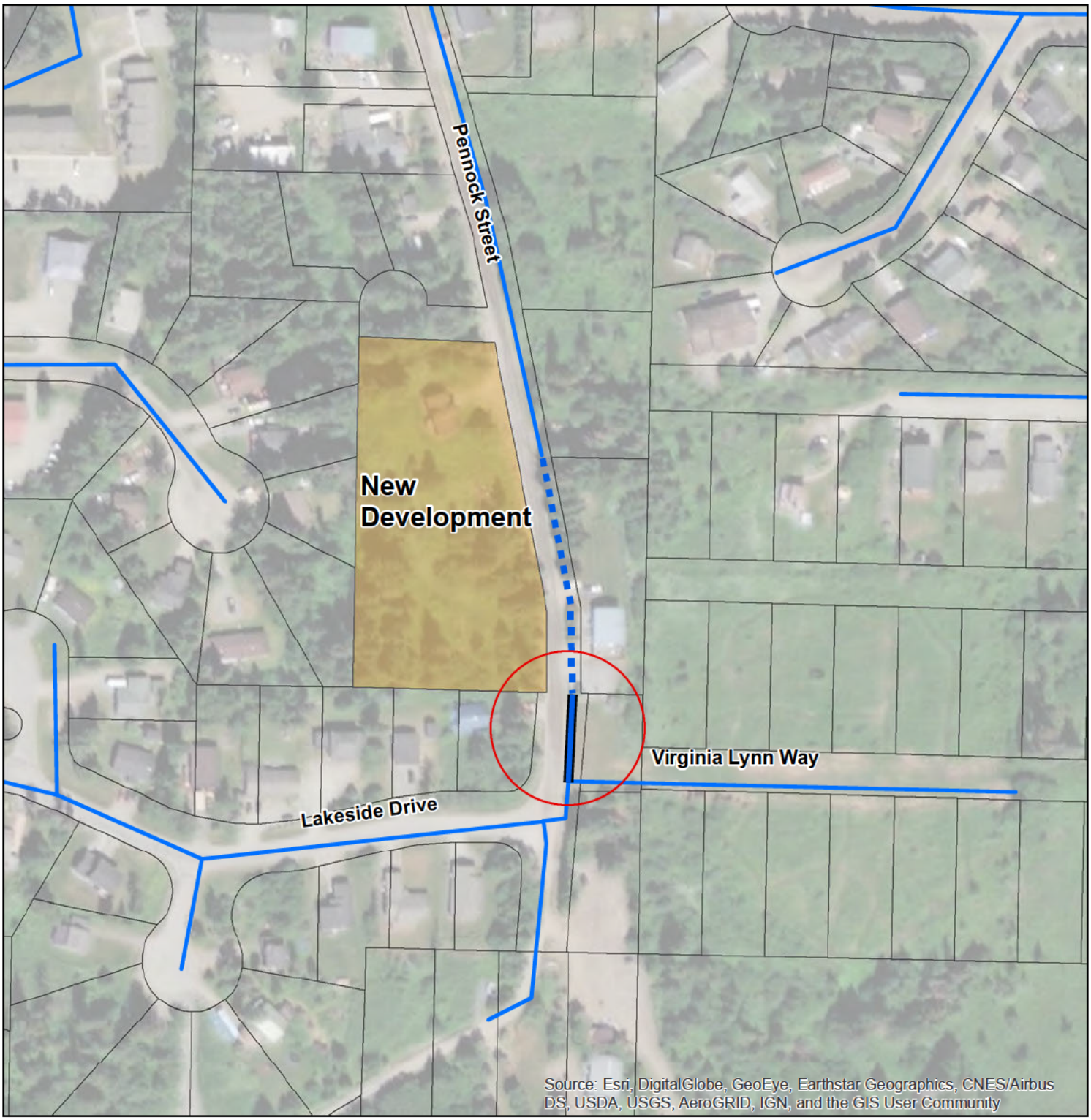
Mr. Briske is willing to include the design and construction of the "gap" in his project if the City reimburses him for the costs. The estimated costs are $45,000.

I. Funding

The HAWSP Fund is the appropriate funding vehicle for this expenditure because it is about upgrading the capacity of the water distribution system, rather than repairing or replacing an existing appurtenance. The balance of the HAWSP Fund at the end of FY22 is expected to be $2,352,321.

II. Recommendations

That the City Council authorize the expenditure of $45,000 for the design and construction of the Pennock Street "Gap" from the HAWSP Fund.



Legend

- Existing Water Main
- Planned Main Extension
- Proposed Closure

Coordinate System NAD 1983 StatePlane Alaska 4 FIPS 5004 Feet
Projection Transverse Mercator
Datum North American 1983
False Easting 1,640,416.6667
False Northing 0.0000
Central Meridian -150.0000
Scale Factor 0.9999
Latitude Of Origin 54.0000
Units Foot US

Pennock Street Water Main Gap Closure Site Map

N

200 100 0 200 Feet

206

CITY OF HOMER ALASKA

DEPT. OF PUBLIC WORKS
December 17, 2021

Disclaimer:
It is expressly understood the City of Homer, its council, board, departments, employees and agents are not responsible for any errors or omissions contained herein, or deductions, interpretations or conclusions drawn therefrom.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-04

An Ordinance of the City Council of Homer, Alaska Amending the FY 2022 Capital Budget by Appropriating $350,000 from the Homer Accelerated Roads and Trails (HART) Road Fund for the Purchase of a new Grader.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting January 10, 2022 Introduction

   Memorandum 22 008 from Public Works Director as backup

CITY OF HOMER
HOMER, ALASKA

City Manager/
Public Works Director

ORDINANCE 22-04

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING THE FY 2022 CAPITAL BUDGET BY APPROPRIATING $350,000 FROM HOMER ACCELERATED ROADS AND TRAILS (HART) ROADS FUND FOR THE PURCHASE OF A NEW GRADER.

WHEREAS, The City's 1994 Champion Grader (E164) transmission recently failed leaving the Public Works Department with only two graders for snow plowing; and

WHEREAS, The Road Financial Plan calls for the purchase of a new grader in FY 24 and another one in FY 25, however the procurement schedule for these graders needs to be accelerated because it takes so long to get them; that is, according to industry, if the City ordered a grader tomorrow, it could take over a year or more to arrive; and

WHEREAS, The Homer Accelerated Roads and Trails Program ("HART") Manual allows HART funds to be used for equipment acquisition; and

WHEREAS, The Ending Balance of the HART Road Fund is projected to be $4,342,136 at the end of FY 23; and

WHEREAS, The last grader cost $315,340.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 2022 Capital Budget by appropriating $350,000 from the Homer Accelerated Road and Trails Road Program for the purchase of a new grader.

Account	Description	Amount
	Purchase of new grader	$350,000

Section 2. This 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 _____, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Reading:
Second Reading:
Effective Date:

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 22-008

TO: Mayor Castner and Homer City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Janette Keiser, Director of Public Works

DATE: December 29, 2021

SUBJECT: Grader Woes

Issue: The purpose of this Memorandum is to recommend that the City Council authorize the acquisition of a new road grader.

Background

I. Situation

Public Works has three road graders, all of which are old and well worn and heavily used for road maintenance in the summer and snow plowing in the winter. The transmission in our 1994 Champion Grader (E164) blew out two weeks ago, leaving us with only two graders, just as we were awaiting an active snow event to unfold. It takes 12 14 hours to clear the City's roads with three graders. With only two graders, we would be unable to maintain acceptable levels of service.

Short Term Repair Solution. We searched for a way to repair or replace the transmission on the 1994 Champion grader. At least two third party specialized mechanic shops told us they would not try to repair the transmission, because it was obsolete; they would not be able to find parts for it. After an international search, we located a re built transmission in Quebec, which would fit the Champion. Cost to procure the transmission and ship it to Homer is $30,118. The unit will arrive in two three weeks and it will take about a week to fit it into the grader. We were not able to get competitive bids for this procurement because there was no competition; no other sources of suitable transmissions are available.

Emergency Grader Rental. While we were working on a way to repair the 1994 Champion grader, we looked for a rental grader. We learned East Road Services had a grader they weren't using for their own snow removal operations. We picked up the grader, brought it to the Public Works yard, and were able to use it the next day, as it began snowing. Again, we were not able to get competitive bids for this equipment rental because there was no competition; no other sources of suitable equipment were available. This was not a good long term solution because the grader wasn't equipped with snow removal attachments, was costly, and East Road Services would need it back when their construction season began.

Shortly after we made arrangements to buy the re built transmission and rent the grader, one of our other old graders went out of commission, leaving us in dire straits with one working fleet grader and one rental grader.

2021 Grader Purchase. We were authorized to purchase a new grader in FY 21 Capital Budget, to replace our 1986 CAT grader (E150). We ordered the machine in February 2021, at the cost of $315,430, and thankfully, it arrived last week, nine months after we ordered it. This gives us two working fleet graders and the rental grader.

Recommended 2022 Grader Purchase. Fixing our old graders buys time, but we need a longer term solution. The Road Financial Plan calls for the purchase of a new grader in FY 24 and another one in FY 25. We recommend accelerating the procurement schedule for these graders, because it takes so long to get them. We're being told that if we order a grader tomorrow, it could take over a year or more to arrive.

II. Funding

The City Council, on April 24, 2017, passed Resolution 17 038, which adopted the Homer Accelerated Roads and Trails Program ("HART") Manual. The HART Manual allows HART funds to be used for equipment acquisition. The purchase price of the last grader we bought was $315,340 and we can expect some inflation when buy the next one. The Ending Balance of the HART Road Fund is projected to be $4,342,136 at the end of FY 23. We will re calibrate the Road Financial Plan to account for the accelerated equipment purchases.

III. Recommendations.

We recommend that the City Council authorize the expenditure of $350,000 from the HART Road Fund to purchase a new grader. We will then surplus one of the older graders, depending on which one is in better mechanical condition.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-05

An Ordinance of the City Council of Homer, Alaska Amending the FY 2022 Capital Budget by Appropriating $60,000 from the Homer Accelerated Roads and Trails (HART) Road Fund for the Purchase of a new F550, 2 Ton 4x4 Truck.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting January 10, 2022 Introduction

   Memorandum 22 009 from Public Works Director as backup

CITY OF HOMER
HOMER, ALASKA

City Manager/
Public Works Director

ORDINANCE 22-05

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING THE FY 2022 CAPITAL BUDGET BY APPROPRIATING $60,000 FROM HOMER ACCELERATED ROADS AND TRAILS (HART) ROADS FUND FOR THE PURCHASE OF A NEW F550, 2 TON 4x4 TRUCK.

WHEREAS, Public Works sands the tarmac and parking lot at the airport; and

WHEREAS, The sanding truck, E116, a 2006 F350 Ford, is dedicated to this purpose because it is equipped with an attachment that is designed to screen out larger gravel particles, which could damage aircraft engines, per FAA regulations; and

WHEREAS, The FY 21 Capital Budget authorized the replacement of E116, for the purchase price of $60,000; and

WHEREAS, Public Works ordered the replacement truck in February and the order has not yet hit the manufacturing floor; and

WHEREAS, On Dec 14, 2021, the frame on E116 irreparably broke, taking E116 out of service; and

WHEREAS, While Public Works is re purposing another truck, E134, a 2003 F550, 2 ton 4X4, also old and well worn, to serve as the airport sanding truck, and

WHEREAS, The City's aging maintenance fleet is wearing out faster than expected and replacements need to expedite the order replacement trucks because of the long lead time; and

WHEREAS, The City Council, on April 24, 2017, passed Resolution 17 038 adopting the Homer Accelerated Roads and Trails Program ("HART") Manual, which allows HART funds to be used for equipment acquisition for road maintenance; and

WHEREAS, The Ending Balance of the HART Road Fund is projected to be $4,342,136 at the end of FY23; and

WHEREAS, The last truck was budgeted at $50,000.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 2022 Capital Budget by appropriating $60,000 from the Homer Accelerated Road and Trails Road Program for the purchase of a new F550 2 ton 4X4.

Account	Description	Amount
	Purchase of new F550 2 ton 4X4 truck	$60,000

Section 2. This 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 _____, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Reading:
Second Reading:
Effective Date:

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 22-009

TO: Mayor Castner and Homer City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Janette Keiser, Director of Public Works

DATE: December 15, 2021

SUBJECT: Sanding Truck Woes

Issue: The purpose of this Memorandum is to address the acquisition of a sanding truck.

Background

I. Situation

Public Works sands the tarmac and parking lot at the airport. The sanding truck that does this is dedicated to this purpose because it has a sanding attachment, which is designed to screen out larger gravel particles that could damage aircraft engines, per FAA regulations.

The FY 21 Capital Budget authorized the replacement of this truck, E116, a 2006 F350 Ford, for the purchase price of $60,000. We ordered the truck in February and last we heard, our order has not yet hit the manufacturing floor! We have no idea when our new truck will arrive. Meanwhile, on Dec 14, 2021, the frame on E116 irreparably broke. While we may be able to weld it back together for light duty, it is no longer safe to use as a sanding truck, carrying the heavy load such work involves. We are re purposing another truck, E134, a 2003 F550, 2 ton 4 X 4, also old and well worn, to serve as the airport sanding truck. The fact is our aging fleet if wearing out faster than we anticipated. We need to expedite the purchase of replacements truck, because they take so long to get.

II. Funding

The City Council, on April 24, 2017, passed Resolution 17 038, which adopted the Homer Accelerated Roads and Trails Program ("HART") Manual. The HART Manual allows HART funds to be used for the purchase of equipment for roads and trails maintenance. The purchase price of the last truck we ordered was about $50,000 and we can expect some inflation when buy the next one. The Ending Balance of the HART Road Fund is projected to be $4,342,136 at the end of FY 23. We will re calibrate the Road Financial Plan to account for the accelerated equipment purchases.

III. Recommendation. We recommend that the City Council authorize the expenditure of $60,000 from the HART Road Fund to purchase a new F550 2 ton 4X4 truck. When the new truck arrives, we will surplus one of our other trucks, depending on condition.

CITY OF HOMER
HOMER, ALASKA

City Manager

RESOLUTION 22-001

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA CONFIRMING THE CITY MANAGER'S APPOINTMENT OF MELISSA JACOBSEN AS THE ACTING CITY MANAGER FOR CALENDAR YEAR 2022.

WHEREAS, Homer City Code 1.20.010(b) states that the City Manager shall annually appoint an Acting City Manager, subject to the City Council confirmation which is revocable at any time, by the Council; and

WHEREAS, Pursuant to Homer City Code Section 1.20.010(b) the Acting City Manager shall assume the duties and powers of the City Manager in their absence; and

WHEREAS, Reviews of City emergency plans related the COVID 19 pandemic have highlighted a need for an order of succession beyond the Acting City Manager appointment required by Homer City Code 1.20.010(b).

NOW, THEREFORE, BE IT RESOLVED by the Homer City Council that Melissa Jacobsen is hereby appointed by City Manager Rob Dumouchel and confirmed by the Homer City Council to serve as Acting City Manager in the City Manager's absence for the Calendar Year 2022.

BE IT FURTHER RESOLVED that if both the City Manager and the Acting City Manager are not available for duty, the role of Acting City Manager will be held by the next available department head from the list below (ranked by tenure with the City of Homer):

1. Police Chief Mark Robl
2. Harbormaster Brian Hawkins
3. Finance Director Elizabeth Walton
4. Fire Chief Mark Kirko
5. Public Works Director Jan Keiser

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 10 day of January 2022.

CITY OF HOMER

_____

KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A

CITY OF HOMER
HOMER, ALASKA

City Manager

RESOLUTION 22-002

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA CONFIRMING THE APPOINTMENT OF ELIZABETH WALTON AS TREASURER AND JENNA DE LUMEAU AS DEPUTY TREASURER FOR CALENDAR YEAR 2022.

WHEREAS, Homer City Code §1.34.010 states that the Treasure and Deputy Treasurer shall be appointed by and serve at the pleasure of the City Manager, that the Treasurer and Deputy Treasurer shall be confirmed by the Council annually during the first meeting in January and whenever the appointment becomes vacant or whenever the City Manager deems it appropriate to change the appointment; and

WHEREAS, Pursuant to HCC §1.34.010, City Manager Robert Dumouchel hereby provides notice of Elizabeth Walton as Treasurer and Jenna de Lumeau as Deputy Treasurer for the Calendar year 2022.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska confirms the appointment of Elizabeth Walton as Treasurer and Jenna de Lumeau as Deputy Treasurer for the Calendar Year 2022.

PASSED AND ADOPTED by the Homer City Council this 10 day of January, 2022.

CITY OF HOMER

_____

KEN CASTNER, MAYOR

ATTEST:

_____

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: NA

CITY OF HOMER
HOMER, ALASKA

City Manager/Finance Director

RESOLUTION 22-003

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, DESIGNATING SIGNATORIES OF CITY ACCOUNTS AND SUPERSEDING ANY PREVIOUS RESOLUTIONS SO DESIGNATING.

WHEREAS, It has been determined that it will be beneficial to have two additional city staff members designated as signatories on city accounts.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, that the designated signatories, January 10, 2022 are as follows with the number of signatories defined:

On the regular Wells Fargo Bank Alaska checking account #016030109 that the following are the designated signatories for this account, with dual signatures required for checks over $5,000; on the investment accounts with Alaska Municipal League, First National Bank, Raymond James Investments, Wells Fargo Bank Alaska, and other institutions, and for Department of Administration Grants and other grants, one of the following authorized signatories or the dual electronic authorization system is required for all transactions:

KEN CASTNER, MAYOR
ROBERT DUMOUCHEL, CITY MANAGER
DONNA ADERHOLD, MAYOR PRO TEMPORE
MELISSA JACOBSEN, ACTING CITY MANAGER/CITY CLERK
ELIZABETH WALTON, FINANCE DIRECTOR/TREASURER
ANDREA BROWNING, PERSONNEL DIRECTOR
JENNIFER CARROLL, SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 10 day of January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A

CITY OF HOMER
HOMER, ALASKA

City Manager
Public Works Director

RESOLUTION 21-004

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA AWARDING A CONTRACT FOR THE ALDER LANE WATER MAIN CONSTRUCTION PROJECT TO SCOTT'S PLUMBING & HEATING, INC. OF KODIAK, ALASKA IN THE AMOUNT OF $269,930 AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, In accordance with the Procurement Policy the Invitation to Bid was advertised in accordance with Homer City Code; and

WHEREAS, Bids were due December 14 and two bids were received; and

WHEREAS, Scott's Plumbing & Heating, Inc. of Kodiak, Alaska was found to be the lowest responsive and responsible bidder; and

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

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby awards the contract for the Alder Lane Water Main Extension Project to Scott's Plumbing & Heating, Inc. of Kodiak, Alaska in the amount of $269,930, and authorizes the City Manager to negotiate and execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 10 day of January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: 215 0007 $269,930

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 22-009

To: Mayor Castner and Homer City Council

Through: Rob Dumouchel, City Manager

From: Janette Keiser, PE, Public Works Director

Date: December 15, 2021

Subject: **Award of Construction Contract for Alder Lane Water Main Extension Project**

Issue: The purpose of this memorandum is to recommend award of a construction contract to Scott's Plumbing & Heating.

Background: On December 7, bids were received for the above referenced projects. Competitive bidding was completed in accordance with the City's procurement regulations and the bid results were as follows:

a. Engineer's Estimate $240,881
b. Scott's Plumbing & Heating $269,930
c. East Road Services, Inc. $288,330

We reviewed the experience and qualifications of Scott's Heating & Plumbing, Inc. and find the firm has the experience and resources to satisfactorily complete the work. In particular, we found:

- **Company History**: Scott's Plumbing & Heating, Inc., is a second generation family company, which has been in business for 22 years, starting with plumbing services and then, expanding to heavy civil construction. Steven Pillans, the founder's son, has been working with his dad's company since he was very young and has been running jobs for the past ten years. Steven has been instrumental in growing the company and expanding its presence in government contracting. The company has successfully completed projects for the City of Cordova, City of Kodiak, and the U.S. Coast Guard as well as a variety of commercial and industrial clients.

- **Capacity for HDPE pipe installation:** Installing HDPE pipe is one of the company's core competencies. It has three of its own HDPE pipe fusion machines and certified HDPE installers on the crew. The company has successfully completed HDPE water pipe projects in Kodiak, Gambell, Cordova, and Unalaska.

Budget: **Water**

Council Appropriation		$ 253,193
Costs to date:		
• Design Survey	$ 2,520.00	
• Design	$ 7,123.00	
• HDPE Pipe Materials	$ 43,300.50	
Total Expended to Date		$ 52,943.50
Remaining Appropriation		$200,249.50
Projected Cost to Complete:		
• Construction Bid	$ 269,930	
• Estimated Inspection Costs	$ 10,795	
Total Cost to Complete		$ 280,725.00
Appropriation Required to Complete Project		$ 80,475.50

Total Project Cost =

- Total Project Cost ($52,943.50 $280,725) $333,668.50
- Less: ADEC Loan Subsidy [2] $112,229.00
- Net Cost to Design/Construct water main ext. $221,439.50

Property Owner Share	75% of $221,439.50	$ 166,079.62
City Share	25% of $217,134.50	$ 55,359.87

Authorized loan amount = $253,193 [3]

Findings:

1. There are sufficient funds in the authorized ADEC Loan amounts to cover the property owner financing. ($253,193 covers $166,079.62).
2. We need $80,492.50 in additional Council appropriations to cover the Total Project Cost. ($333,685.50 $253,193.00)
3. The Benefitted Area method of computing the assessments was adopted for the Water Project. The assessments were projected to range from $10,691 to $70,430, depending on lot size. The new projections, including the Cost to Complete and the application of the Principal Forgiveness Subsidy ranges from $9,350 to $61,597 for a decrease of about 13%.

Recommendations:

[1] Ord 20-83, dated 11-9-20, appropriated $253,193 from HAWSP Fund for Alder Lane Water Project.
[2] Principal Forgiveness Subsidy accepted by City Council in Resolution 21-023 and $112,690 apportioned to Alder Lane.

[3] Resolution 20-105, dated 10-26-2020, authorizing application of loan in the amount of $253,193 for Alder Lane Water Project.

1. That the City Council pass a resolution awarding the construction contract for the Alder Lane Water Main Extension Projects to Scott's Plumbing & Heating in the amount of $269,930 and authorize the City Manager to execute all appropriate documents necessary to complete this project.

2. That the City Council pass legislation increasing the appropriation for the Alder Lane Water Main Extension Project in the amount of $80,476.50.

CITY OF HOMER
HOMER, ALASKA

City Clerk

RESOLUTION 22-005

A RESOLUTION OF THE HOMER CITY COUNCIL CORRECTING THE FINAL ASSESSMENT ROLL ADOPTED BY RESOLUTION 21 078, CONFIRMING THE CORRECTED ASSESSMENT ROLL, ESTABLISHING DATES FOR PAYMENT OF SPECIAL ASSESSMENTS AND ESTABLISHING DELINQUENCY, PENALTY, AND INTEREST PROVISIONS FOR THE SEAWALL IMPROVEMENT SPECIAL ASSESSMENT DISTRICT FOR ARMOR ROCK TOE IMPROVEMENTS, AND SUPERSEDING RESOLUTION 21 078.

WHEREAS, On November 8, 2021 Homer City Council adopted Resolution 21 078 which confirmed the final assessment roll for the Seawall Improvement Special Assessment District for Armor Rock Toe Improvements, and established delinquency, penalty, and interest provisions for the district; and

WHEREAS, It was realized that the final assessment roll included as attachment A to Resolution 21 078 did not reflect the credit for armor rock purchased by the Renner's in their assessment and in the assessments to the remaining property owners; and

WHEREAS, In compliance with Homer City Code Chapter 17, Improvement Districts, the Homer City Council created a Seawall Improvement Special Assessment District on July 1, 2020 via Resolution 20 062, for armor rock toe improvement with the benefitted property owners assuming 100% of the cost of the improvements based on linear footage of benefitted property; and

WHEREAS, Then Notice of Public Hearing and Notice of Right to Object dated October 8, 2021 was mailed to property owners in the district advising that written objections must be filed with the City Clerk no later than October 25, 2021; and

A public hearing was held on October 25, 2021 to hear objections to the formation of such district; and

WHEREAS, The Seawall Improvement Special Assessment District improvements were completed and accepted by Public Works for City maintenance; and

WHEREAS, The final assessment roll as presented by the City Clerk and reviewed and corrected where necessary and attached hereto as Attachment A, is hereby confirmed as the official assessment roll for the Seawall Improvement Special Assessment District and the Mayor and Clerk shall be directed to sign same; and

WHEREAS, This resolution supersedes Resolution 21 078 and its final assessment roll included as attachment A.

NOW, THEREFORE, BE IT RESOLVED that on or before 5:00 p.m. on May 1, 2022 all assessments in the Seawall Improvement Special Assessment District shall become due and payable in full. All assessments not paid in full by this date shall be considered delinquent and in default and shall have added a penalty the rate of ten and one half percent (10.5%) per annum until paid. The principle amount of the assessment shall also draw interest at a rate of one and one half percent (1.5%) per annum for the seawall assessment until paid. Should default occur, the City of Homer will institute a civil action for a foreclosure of the assessment lien. Foreclosure shall be against all property on which assessments are in default. All costs including collection and legal fees resulting from such action, shall be added and incorporated into the assessed amount due plus interest and penalties and shall be reimbursed from the proceeds of foreclosure sale of the assessed real property.

BE IT FURTHER RESOLVED that an optional thirty (30) year payment plan for the seawall assessments is offered whereby the assessments may be paid in equal yearly installments plus interest of one and one half percent (1.5%) per annum on the unpaid balance of the assessment. The first such installment shall be due and payable without interest on or before 5:00 p.m. March 1, 2022 and each installment thereafter shall be due on or before March 1, of each year, plus interest on the unpaid balance of the assessment. If any annual installment payment is not received when due, the entire outstanding principle amount of the assessment shall be in default and shall be immediately due and payable. The entire outstanding assessment principle (including the annual installment) shall have added a penalty of ten and one half percent (10.5%) on the outstanding principle. The principle shall draw an additional interest at the rate of ten and one half percent (10.5%) per annum until paid. Should default occur, the City will institute civil action for foreclosure of the assessment lien. Foreclosure shall be against all property on which assessments are in default. All costs including collection and legal fees resulting from such action shall be added and incorporated into the assessed amount due plus interest and penalties, and shall be reimbursed from the proceeds of foreclosure sale of the assessed real property.

PASSED AND ADOPTED by the Homer City Council on this 10 day of January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Total design and construction project costs are $ 780,118.57; 100% of this cost (plus a 5% City administration fee).

Corrected FINAL ASSESSMENT ROLL - Attachment A to Resolution 22-005

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **November 4, 2021**

TOTAL PROJECT: **$780,118.57**

Districts shall be assessed based on direct wall frontage of each. TOTAL SHARE: **$780,118.57**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	PROPERTY OWNER SHARE OF ASSESSMENT & DIRECT WALL LINEAR FOOTAGE (LF)
A	NEWBY REVOCABLE TRUST P.O. BOX 1124 HOMER, AK 99603-1124	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 35 & 36 KPB # 17718019	$460,900	~~$88,649.84~~ **$89,966.72**– 200 LF
B	SZAJKOWSKI COMMUNITY PROPERTY TRUST 869 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 37 KPB # 17718016	$488,500	~~$44,324.92~~**$44,983.36**– 100 LF
		CITY OF HOMER		~~$13,297.48~~ **$13,495.01**– 30 LF
C	HUEPER, MARILYN & PAUL 895 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 38 KPB #17717701	$595,300	~~$48,757.41~~ **$49,481.70**– 110 LF
D	2016 NORMAN W SCHUMACHER REVOCABLE TRUST 917 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 39 KPB #17717702	$182,600	~~$49,643.91~~ **$50,381.36**– 112 LF
E	IRWIN, PATRICK L, SARNS-IRWIN KATHLEEN 939 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 40 KPB #17717703	$129,000	~~$44,324.92~~**$44,983.36**– 100 LF
F	GREEN MAN TRUST 425 G STREET, STE 650 ANCHORAGE, AK 99501-2160	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 41 KPB #17717704	$46,900	~~$44,324.92~~**$44,983.36**– 100 LF
G	PFEFFER MARK E. REVOCABLE TRUST 425 G STREET STE 210 ANCHORAGE, AK 99501	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 42 KPB #17717705	$33,900	~~$44,324.92~~**$44,983.36**– 100 LF

Corrected FINAL ASSESSMENT ROLL - Attachment A to Resolution 22-005

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **November 4, 2021**

TOTAL PROJECT: **$780,118.57**

Districts shall be assessed based on direct wall frontage of each. TOTAL SHARE: **$780,118.57**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	PROPERTY OWNER SHARE OF ASSESSMENT & DIRECT WALL LINEAR FOOTAGE (LF)
H	CITY OF HOMER 491 E. PIONEER AVE HOMER, AK 99603	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 43 KPB #17717706	$2,100	~~$44,324.92~~**$44,983.36**– 100 LF
I	CITY OF HOMER 491 E. PIONEER AVE HOMER, AK 99603	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 44 KPB #17717707	$2,600	~~$44,324.92~~**$58,478.37**– 130 LF
		CITY OF HOMER		~~$26,594.95 – 60 LF~~ ~~$39,223.84~~**$40,485.02**– **90 LF**
J	JUMP CHARLENE A PO BOX 2714 HOMER AK 99603-2714	T 6S R 13W SEC 20 & 29 Seward Meridian HM 0850114 OSCAR MUNSON SUB NO 18 LOT 45-A KPB # 17717904	$259,500	~~$44,324.92~~**$44,983.36**– 100 LF
K	GOODE LARRY JACK LIVING TRUST BOURGEOIS SUNNY DEE 41751 E HILL RD # 2 HOMER AK 99603-9314	T 6S R 13W SEC 20 & 29 Seward Meridian HM 0850114 OSCAR MUNSON SUB NO 18 LOT 45B KPB # 17717903	$480,100	~~$62,054.89~~ **$62,976.70**– 140 LF
L	KING LAWRENCE A & SHARON S 6296 E MOUNTAIN VIEW AVE SELMA CA 93662-9503	T 6S R 13W SEC 21 Seward Meridian HM BEGINNING AT CORNER OF SEC 20 21 28 & 29 T HENCE N 64 DEG 10 MIN E 50.00 FT TH S 64 DEG 10 MIN E 50.00 FT TH EAST 35.00 FT TH N 0 DEG 05 MIN W 450.00 FT TH WEST 125.00 FT TH S 0 DEG 05 MIN E 450.00 FT TO THE POB KPB # 17923036	$430,500	~~$56,735.90 – 130 LF~~ ~~$55,785.02~~ **$57,578.70 – 128 LF**
M	WINNE-WILSON VICTORIA, WINNE CLARK	T 6S R 13W SEC 21 Seward Meridian HM 0860087 TAMIAN SUB LOT 1	$320,000	~~$33,243.69~~ **$33,737.52**– 75 LF

Corrected FINAL ASSESSMENT ROLL - Attachment A to Resolution 22-005

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **November 4, 2021**

TOTAL PROJECT: **$780,118.57**

Districts shall be assessed based on direct wall frontage of each. TOTAL SHARE: **$780,118.57**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	PROPERTY OWNER SHARE OF ASSESSMENT & DIRECT WALL LINEAR FOOTAGE (LF)
	PO BOX 15112 FRITZ CREEK AK 99603-6112	KPB # 17923026		
N	LAWER DAVID A & ROXANNA E 1273 BANNISTER DR ANCHORAGE AK 99508-3923	T 6S R 13W SEC 21 Seward Meridian HM 0860098 SEABREEZE SUB LOT 5 KPB # 17923028	$248,200	~~$33,243.69~~ **$33,737.52**– 75 LF
Z	RENNER MARTIN & HEATHER M 811 OCEAN DRIVE LOOP HOMER AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 34 KPB # 17718013	$470,000	~~$44,324.92~~ **$19,899.79**– 100 LF **(Reduced Assessment reflects the $23,682.25 credit authorized in Ordinance 21-71)**

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 22-011

TO:	MAYOR CASTNER AND HOMER CITY COUNCIL
FROM:	MELISSA JACOBSEN, MMC, CITY CLERK
DATE:	JANUARY 5, 2022
SUBJECT:	SEAWALL IMPROVEMENT SPECIAL ASSESSMENT DISTRICT FINAL ASSESSMENT ROLL CORRECTION

After the adoption of Resolution 21-078 and the Seawall Assessment District Final Assessment Roll it was discovered that the credit to the Renner's for their portion of armor rock had not been factored in.

A corrected final assessment roll was prepared and notice was mailed to property owners in the district.

Resolution 22-005 and attachment A reflect the corrected assessment amounts based on the credit to the Renner's.

Recommendation: Adopt Resolution 22-005 and the corrected final assessment roll.

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

December 27, 2021

Dear Property Owner:

On November 8, 2021 Homer City Council adopted Resolution 21-078 which confirmed the final assessment roll for the Seawall Improvement Special Assessment District for Armor Rock Toe Improvements, and established delinquency, penalty, and interest provisions for the district.

It was realized that the final assessment roll included as attachment A to Resolution 21-078 did not reflect the credit for armor rock purchased by the Renner's in their assessment and in the assessments to the remaining property owners.

Homer City Council will be taking action by resolution at their January 10, 2022 regular meeting to correct the final assessment roll, and a copy of the corrected final assessment roll is included with this mailing. A copy of the resolution will be included in the January 10th City Council meeting packet that will be posted on line by the end of the day, Thursday, January 5th. Copies will also be available at the City Clerk's office and the Homer Public Library.

If I can answer any questions for you, please feel free to call me at 235-3130.

Sincerely,

Melissa Jacobsen, MMC, City Clerk

CORRECTED FINAL ASSESSMENT ROLL - Attachment A to Resolution 22-0xx

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **December 27, 2021**

TOTAL PROJECT: **$780,118.57**

Districts shall be assessed based on direct wall frontage of each. TOTAL SHARE: **$780,118.57**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	PROPERTY OWNER SHARE OF ASSESSMENT & DIRECT WALL LINEAR FOOTAGE (LF)
A	NEWBY REVOCABLE TRUST P.O. BOX 1124 HOMER, AK 99603-1124	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 35 & 36 KPB # 17718019	$460,900	~~$88,649.84~~ **$89,966.72**– 200 LF
B	SZAJKOWSKI COMMUNITY PROPERTY TRUST 869 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 37 KPB # 17718016	$488,500	~~$44,324.92~~**$44,983.36**– 100 LF
		CITY OF HOMER		~~$13,297.48~~ **$13,495.01**– 30 LF
C	HUEPER, MARILYN & PAUL 895 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 38 KPB #17717701	$595,300	~~$48,757.41~~ **$49,481.70**– 110 LF
D	2016 NORMAN W SCHUMACHER REVOCABLE TRUST 917 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 39 KPB #17717702	$182,600	~~$49,643.91~~ **$50,381.36**– 112 LF
E	IRWIN, PATRICK L, SARNS-IRWIN KATHLEEN 939 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 40 KPB #17717703	$129,000	~~$44,324.92~~**$44,983.36**– 100 LF
F	GREEN MAN TRUST 425 G STREET, STE 650 ANCHORAGE, AK 99501-2160	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 41 KPB #17717704	$46,900	~~$44,324.92~~**$44,983.36**– 100 LF

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122721mj

CORRECTED FINAL ASSESSMENT ROLL - Attachment A to Resolution 22-0xx

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **December 27, 2021**

TOTAL PROJECT: **$780,118.57**

Districts shall be assessed based on direct wall frontage of each. TOTAL SHARE: **$780,118.57**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	PROPERTY OWNER SHARE OF ASSESSMENT & DIRECT WALL LINEAR FOOTAGE (LF)
G	PFEFFER MARK E. REVOCABLE TRUST 425 G STREET STE 210 ANCHORAGE, AK 99501	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 42 KPB #17717705	$33,900	~~$44,324.92~~**$44,983.36**– 100 LF
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I	CITY OF HOMER 491 E. PIONEER AVE HOMER, AK 99603	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 44 KPB #17717707	$2,600	~~$44,324.92~~**$58,478.37**– 130 LF
		CITY OF HOMER		~~$26,594.95 – 60 LF~~ ~~$39,223.84~~**$40,485.02 – 90 LF**
J	JUMP CHARLENE A PO BOX 2714 HOMER AK 99603-2714	T 6S R 13W SEC 20 & 29 Seward Meridian HM 0850114 OSCAR MUNSON SUB NO 18 LOT 45-A KPB # 17717904	$259,500	~~$44,324.92~~**$44,983.36**– 100 LF
K	GOODE LARRY JACK LIVING TRUST BOURGEOIS SUNNY DEE 41751 E HILL RD # 2 HOMER AK 99603-9314	T 6S R 13W SEC 20 & 29 Seward Meridian HM 0850114 OSCAR MUNSON SUB NO 18 LOT 45B KPB # 17717903	$480,100	~~$62,054.89~~ **$62,976.70**– 140 LF
L	KING LAWRENCE A & SHARON S 6296 E MOUNTAIN VIEW AVE SELMA CA 93662-9503	T 6S R 13W SEC 21 Seward Meridian HM BEGINNING AT CORNER OF SEC 20 21 28 & 29 T HENCE N 64 DEG 10 MIN E 50.00 FT TH S 64 DEG 10 MIN E 50.00 FT TH EAST 35.00 FT TH N 0 DEG 05 MIN W 450.00 FT TH WEST 125.00 FT TH S 0 DEG 05 MIN E 450.00 FT TO THE POB KPB # 17923036	$430,500	~~$56,735.90 – 130 LF~~ ~~$55,785.02~~ **$57,578.70 – 128 LF**

122721mj

CORRECTED FINAL ASSESSMENT ROLL - Attachment A to Resolution 22-0xx

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **December 27, 2021**

TOTAL PROJECT: **$780,118.57**

Districts shall be assessed based on direct wall frontage of each. TOTAL SHARE: **$780,118.57**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	PROPERTY OWNER SHARE OF ASSESSMENT & DIRECT WALL LINEAR FOOTAGE (LF)
M	WINNE-WILSON VICTORIA, WINNE CLARK PO BOX 15112 FRITZ CREEK AK 99603-6112	T 6S R 13W SEC 21 Seward Meridian HM 0860087 TAMIAN SUB LOT 1 KPB # 17923026	$320,000	~~$33,243.69~~ **$33,737.52**– 75 LF
N	LAWER DAVID A & ROXANNA E 1273 BANNISTER DR ANCHORAGE AK 99508-3923	T 6S R 13W SEC 21 Seward Meridian HM 0860098 SEABREEZE SUB LOT 5 KPB # 17923028	$248,200	~~$33,243.69~~ **$33,737.52**– 75 LF
Z	RENNER MARTIN & HEATHER M 811 OCEAN DRIVE LOOP HOMER AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 34 KPB # 17718013	$470,000	~~$44,324.92~~ **$19,899.79**– 100 LF **(includes $23,682.25 credit per Ordinance 21-71)**

236

122721mj

CITY OF HOMER
HOMER, ALASKA

City Clerk

RESOLUTION 21-078

A RESOLUTION OF THE HOMER CITY COUNCIL CONFIRMING THE ASSESSMENT ROLL, ESTABLISHING DATES FOR PAYMENT OF SPECIAL ASSESSMENTS AND ESTABLISHING DELINQUENCY, PENALTY, AND INTEREST PROVISIONS FOR THE SEAWALL IMPROVEMENT SPECIAL ASSESSMENT DISTRICT FOR ARMOR ROCK TOE IMPROVEMENTS.

WHEREAS, In compliance with Homer City Code Chapter 17, Improvement Districts, the Homer City Council created a Seawall Improvement Special Assessment District on July 1, 2020 via Resolution 20-062, for armor rock toe improvement with the benefitted property owners assuming 100% of the cost of the improvements based on linear footage of benefitted property; and

WHEREAS, Then Notice of Public Hearing and Notice of Right to Object dated October 8, 2021 was mailed to property owners in the district advising that written objections must be filed with the City Clerk no later than October 25, 2021; and

A public hearing was held on October 25, 2021 to hear objections to the formation of such district; and

WHEREAS, The Seawall Improvement Special Assessment District improvements were completed and accepted by Public Works for City maintenance; and

WHEREAS, The final assessment roll as presented by the City Clerk and reviewed and corrected where necessary and attached hereto as Attachment A, is hereby confirmed as the official assessment roll for the Seawall Improvement Special Assessment District and the Mayor and Clerk shall be directed to sign same.

NOW, THEREFORE, BE IT RESOLVED that on or before 5:00 p.m. on March 1, 2022 all assessments in the Seawall Improvement Special Assessment District shall become due and payable in full. All assessments not paid in full by this date shall be considered delinquent and in default and shall have added a penalty the rate of ten and one half percent (10.5%) per annum until paid. The principle amount of the assessment shall also draw interest at a rate of one and one half percent (1.5%) per annum for the seawall assessment until paid. Should default occur, the City of Homer will institute a civil action for a foreclosure of the assessment lien. Foreclosure shall be against all property on which assessments are in default. All costs including collection and legal fees resulting from such action, shall be added and incorporated into the assessed amount due plus interest and penalties and shall be reimbursed from the proceeds of foreclosure sale of the assessed real property.

BE IT FURTHER RESOLVED that an optional thirty (30) year payment plan for the seawall assessments is offered whereby the assessments may be paid in equal yearly installments plus interest of one and one half percent (1.5%) per annum on the unpaid balance of the assessment. The first such installment shall be due and payable without interest on or before 5:00 p.m. March 1, 2022 and each installment thereafter shall be due on or before March 1, of each year, plus interest on the unpaid balance of the assessment. If any annual installment payment is not received when due, the entire outstanding principle amount of the assessment shall be in default and shall be immediately due and payable. The entire outstanding assessment principle (including the annual installment) shall have added a penalty of ten and one half percent (10.5%) on the outstanding principle . The principle shall draw an additional interest at the rate of ten and one half percent (10.5%) per annum until paid. Should default occur, the City will institute civil action for foreclosure of the assessment lien. Foreclosure shall be against all property on which assessments are in default. All costs including collection and legal fees resulting from such action shall be added and incorporated into the assessed amount due plus interest and penalties, and shall be reimbursed from the proceeds of foreclosure sale of the assessed real property.

PASSED AND ADOPTED by the Homer City Council on this 8th day of November, 2021.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Total design and construction project costs are $ 780,118.57; 100% of this cost (plus a 5% City administration fee).

FINAL ASSESSMENT ROLL

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **November 4, 2021**

TOTAL PROJECT: **$780,118.57**
Districts shall be assessed based on direct wall frontage of each. TOTAL SHARE: **$780,118.57**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	PROPERTY OWNER SHARE OF ASSESSMENT & DIRECT WALL LINEAR FOOTAGE (LF)
A	NEWBY REVOCABLE TRUST P.O. BOX 1124 HOMER, AK 99603-1124	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 35 & 36 KPB # 17718019	$460,900	~~$89,927.21~~ **$88,649.84**– 200 LF
B	SZAJKOWSKI COMMUNITY PROPERTY TRUST 869 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 37 KPB # 17718016	$488,500	~~$44,963.61~~ **$44,324.92**– 100 LF
		CITY OF HOMER		~~$13,489.08~~ **$13,297.48**– 30 LF
C	HUEPER, MARILYN & PAUL 895 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 38 KPB #17717701	$595,300	~~$49,459.94~~ **$48,757.41**– 110 LF
D	2016 NORMAN W SCHUMACHER REVOCABLE TRUST 917 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 39 KPB #17717702	$182,600	~~$51,708.15~~ **$49,643.91**– 112 LF
E	IRWIN, PATRICK L, SARNS-IRWIN KATHLEEN 939 OCEAN DRIVE LOOP HOMER, AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 40 KPB #17717703	$129,000	~~$44,963.61~~ **$44,324.92**– 100 LF
F	GREEN MAN TRUST 425 G STREET, STE 650 ANCHORAGE, AK 99501-2160	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 41 KPB #17717704	$46,900	~~$44,963.61~~ **$44,324.92**– 100 LF
G	PFEFFER MARK E. REVOCABLE TRUST 425 G STREET STE 210 ANCHORAGE, AK 99501	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 42 KPB #17717705	$33,900	~~$44,963.61~~ **$44,324.92**– 100 LF

FINAL ASSESSMENT ROLL

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **November 4, 2021**

TOTAL PROJECT: **$780,118.57**
Districts shall be assessed based on direct wall frontage of each. TOTAL SHARE: **$780,118.57**

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	PROPERTY OWNER SHARE OF ASSESSMENT & DIRECT WALL LINEAR FOOTAGE (LF)
H	CITY OF HOMER 491 E. PIONEER AVE HOMER, AK 99603	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 43 KPB #17717706	$2,100	~~$44,963.61~~ **$44,324.92**– 100 LF
I	CITY OF HOMER 491 E. PIONEER AVE HOMER, AK 99603	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 44 KPB #17717707	$2,600	~~$44,963.61~~ **$57,622.39**– ~~100~~ **130** LF
		CITY OF HOMER		~~$26,978.16~~ **$26,594.95**– 60 LF
J	JUMP CHARLENE A PO BOX 2714 HOMER AK 99603-2714	T 6S R 13W SEC 20 & 29 Seward Meridian HM 0850114 OSCAR MUNSON SUB NO 18 LOT 45-A KPB # 17717904	$259,500	~~$44,963.61~~ **$44,324.92**– 100 LF
K	GOODE LARRY JACK LIVING TRUST BOURGEOIS SUNNY DEE 41751 E HILL RD # 2 HOMER AK 99603-9314	T 6S R 13W SEC 20 & 29 Seward Meridian HM 0850114 OSCAR MUNSON SUB NO 18 LOT 45B KPB # 17717903	$480,100	~~$62,949.05~~ **$62,054.89** – 140 LF
L	KING LAWRENCE A & SHARON S 6296 E MOUNTAIN VIEW AVE SELMA CA 93662-9503	T 6S R 13W SEC 21 Seward Meridian HM BEGINNING AT CORNER OF SEC 20 21 28 & 29 T HENCE N 64 DEG 10 MIN E 50.00 FT TH S 64 DEG 10 MIN E 50.00 FT TH EAST 35.00 FT TH N 0 DEG 05 MIN W 450.00 FT TH WEST 125.00 FT TH S 0 DEG 05 MIN E 450.00 FT TO THE POB KPB # 17923036	$430,500	~~$58,452.69~~ **$56,735.90**– 130 LF
M	WINNE-WILSON VICTORIA, WINNE CLARK PO BOX 15112 FRITZ CREEK AK 99603-6112	T 6S R 13W SEC 21 Seward Meridian HM 0860087 TAMIAN SUB LOT 1 KPB # 17923026	$320,000	~~$33,722.70~~ **$33,243.69**– 75 LF

FINAL ASSESSMENT ROLL

PROJECT NAME: **Seawall Improvement Special Assessment District** DATE: **November 4, 2021**

TOTAL PROJECT: **$780,118.57**
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N	LAWER DAVID A & ROXANNA E 1273 BANNISTER DR ANCHORAGE AK 99508-3923	T 6S R 13W SEC 21 Seward Meridian HM 0860098 SEABREEZE SUB LOT 5 KPB # 17923028	$248,200	~~$33,722.70~~ **$33,243.69** – 75 LF
Z	RENNER MARTIN & HEATHER M 811 OCEAN DRIVE LOOP HOMER AK 99603-7920	T 6S R 13W SEC 29 Seward Meridian HM 0003415 OSCAR MUNSON SUB LOT 34 KPB # 17718013	$470,000	~~$44,963.61~~ **$44,324.92** – 100 LF

CITY OF HOMER
HOMER, ALASKA

City Manager

RESOLUTION 22-006

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA APPROVING THE CITY OF HOMER 2022 LAND ALLOCATION PLAN.

WHEREAS, Chapter 18.08.020(c) requires the City to adopt a land allocation plan; and

WHEREAS, The Port and Harbor and Economic Development Advisory Commissions reviewed the draft Land Allocation Plan and had two recommendations as outlined in a Memorandum dated December 27, 2021 by the Deputy City Planner; and

WHEREAS, The City Council discussed the Land Allocation Plan during a work session on January 10, 2022; and

Whereas, Lot 20, Homer Spit Subdivision No. 5 is no longer desirable as a future location for a travel lift; and

Whereas, Tracts A and B, Barnett South Slope Subdivision Quiet Creek Park Unit 3 were donated to the City through the subdivision process with the intention that they be held as park lands with minimal development.

NOW, THEREFORE, BE IT RESOLVED by the Homer City Council that the City of Homer 2020 Land Allocation Plan is hereby amended as follows:

1. Designate Lot 20, Homer Spit Subdivision No. 5, for Port Use.
2. Designate Tracts A and B, Barnett South Slope Subdivision Quiet Creek Park Unit 3, as Parks.

PASSED AND ADOPTED by the Homer City Council this 10th day of January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A

City of Homer
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

Memorandum 22-012

TO: Mayor Castner and Homer City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Julie Engebretsen, Deputy City Planner

DATE: 12/27/2021

SUBJECT: Land Allocation Plan

Introduction

The Land Allocation Plan (LAP) serves two purposes; one is a code requirement regarding leases, and the other is as land management tool.

HCC 18.08.020 states in part that the city administration will have a list of properties available for lease, and that the Council can adopt preferences or restrictions on that land. In section A of the plan, Lands Available for Lease, you can find the terms that Council has set. After a work session and approval of the plan by resolution, the Administration must provide public notice of plan adoption and properties available for lease within 60 days.

The City also uses the LAP as an index of all municipal lands. Generally each parcel has its own page with acquisition history, any adopted plans, and the most recent council designation. Changes to the plan are adopted by resolution of the City Council. Staff uses the LAP and the annual Council work session to identify policy issues with municipal lands and seek direction.

As part of the annual approval process, comments are solicited from the Economic Development (EDC) and Port and Harbor (PHAC) Advisory Commissions. Both Commissions reviewed the plan in December.

Comments:

1. Neither Commission recommended changes to lands available for lease.

2. Both Commissions recommended to designate Lot 20 (page C 6) for Port Use, removing reference to a future travel lift. A lift would require expensive and extensive changes to the existing boat basin. The harbor expansion would be the time and location to plan for a travel lift, is something larger than the new Northern Enterprise's lift is desired.

3. The EDC recommended designating Tracts A and B, Barnett South Slope Subdivision Quiet Creek Park Unit 3, as parkland. These lots were deeded to the city as part of the subdivision process. (PHAC didn't comment on this as it wasn't Spit related).

The Chair of each Commission has been invited to participate in the annual work session with council.

Future Considerations

In the manager's report is a request from a leaseholder to purchase their lease lands from the City. There is a lot of history behind city ownership of various parcels. As time passes and that history is no longer common knowledge, it takes more effort to research and explain the hows and whys of city ownership. It may be worthwhile for Council to adopt a formal policy about the sale of Spit lands. If this is a direction Council would like to go, staff can work with the Port and Harbor Commission and staff and present a recommendation at a future meeting.

Staff Recommendation: Adopt the 2022 Land Allocation Plan by Resolution

Attachments:

1. Draft 2022 Land Allocation Plan
2. Memorandum and Minutes from the Economic Development and Port and Harbor Advisory Commission meetings

City of Homer
www.cityofhomer-ak.gov

Planning
491 East Pioneer Avenue
Homer, Alaska 99603
Planning@ci.homer.ak.us
(p) 907-235-3106
(f) 907-235-3118

TO: Economic Development and Port and Harbor Advisory Commissions
FROM: Julie Engebretsen, deputy City Planner and Special Projects Coordinator
DATE: December 1, 2021
SUBJECT: 2022 Draft Land Allocation Plan

Requested Action:

1. Review lands currently available for long term lease (Section A). Are there any recommended changes?
2. Review and consider changing the designation for Lot 20, on page C 6. The lot is currently reserved for a future travel lift, per Resolution 12 032.
3. Designate Tracts A and B, Barnett South Slope Subdivision Quiet Creek Park Unit 3, as parkland

Background

Homer City Code Title 18.08 regulates city property leases. Each year, the City Council reviews and passes a resolution on which lands should be available for lease. Council will have a work session with the Port and Harbor and Economic Development Advisory Commissions, tentatively in January, to discuss any changes.

Most City leasing occurs on the Spit and at the airport terminal. The Port and Harbor Commission usually provides the most detailed comments about the Spit, as they typically are most familiar with area operations and long term leases. The Port and Harbor and Economic Development Commissions provide comments by memorandum to the Council. The kinds of comments that code solicits include: which parcels should be available for lease, the lease rate, preferred length of the lease term, and any requirements, preferences or restrictions regarding use and or development.

1. Properties for Lease: Staff has no recommendations for changes

2. Lot 20, Homer Spit Road. Staff recommends removing reference to the travel lift, and retaining the land for Port purposes. Upon discussion with the Harbormaster, it would require a significant retrofit to the current boat basin to incorporate a travel lift. It may be something to include in the port expansion. For now, staff recommends removing reference to Lot 20 and designating it for port purposes.

3. Tracts A and B, "Quiet Creek" Subdivision. These were deeded to the city as part of the subdivision process. Recommend to retain these as park land, as intended by the grantor.

Tract A, has some flat area, but mostly low/wet/creek area

Tract B, connects from the High School, up the creek area, to Nelson Ave

Requested Actions:

1. Recommend any changes to lands available for long term lease.
2. Review and consider changing the designation for Lot 20, on page C 6. The lot is currently reserved for a future travel lift, per Resolution 12 032.

3. Designate Tracts A and B, Barnett South Slope Subdivision Quiet Creek Park Unit 3, as parkland

Attachments:

1. HCC 18.08.020
2. 2022 Draft Land Allocation Plan
3. Map, City lands on the Homer Spit

18.08.020 Land allocation plan – Property available for lease.

a. Unless dedicated or reserved to another purpose, all real property including tide, submerged or shore lands to which the City has a right, title and interest as owner or lessee, or to which the City may become entitled, may be leased as provided in this chapter. In the case of any conflict between this chapter and any local, State or Federal law governing the leasing of City tide and submerged lands, the law governing the leasing of City tide and submerged lands shall prevail.

b. The City administration shall maintain a list of all City-owned properties authorized for lease by Council. This list shall be adopted annually and contain the information required under this chapter. The list may be called the land allocation plan and will be made available to the public at the City Clerk's office.

c. Council shall adopt a land allocation plan that identifies:

1. City-owned property available for lease;

2. The property description, lease rate, preferred length of the lease term for each available parcel; and

3. Any requirements, preferences or restrictions regarding use and/or development.

d. Council may identify property in the land allocation plan that is subject to competitive bidding. Property subject to competitive bidding in the land allocation plan need only identify the property description in the land allocation plan but all other terms required in subsection (c) of this section shall be identified in the request for proposal for such properties.

e. Prior to the adoption of the land allocation plan, Council shall hold a work session. Commission members and City staff may provide recommendations to Council during the work session regarding City-owned property available for lease and the terms of such leases.

f. The City shall provide public notice of the adoption of the land allocation plan and the City-owned real property available for lease no more than 60 days after its adoption.

g. All uses and activities on City-owned real property available for lease are subject to all applicable local, State, and Federal laws and regulations.

h. The Council may restrict specific City-owned properties to certain uses or classes of use that serve the City's best interest. [Ord. 18-16(S)(A) § 1, 2018].

2022 Land Allocation Plan
City of Homer
DRAFT

Adopted by Resolution 22-XX

Homer Public Works

Table of Contents

Sections

A. Lands Available For Lease
B. Leased Lands
C. Port Facilities
D. City Facilities and other city lands
E. Parks, Green space, cemeteries
F. Bridge Creek Lands
G. Conservation Easement Lands

Index—City lands listed by parcel number
Appendix - Homer Harbor Map

Statement of Purpose:
Homer City Code Title 18 regulates municipal property management. Per HCC 18.08.020, the Council annually adopts a land allocation plan that identifies which properties are available for lease, the rate and referred lease terms, and any particular requirements or preferences. Once the plan is adopted by resolution, the City provides public notice of available real estate.

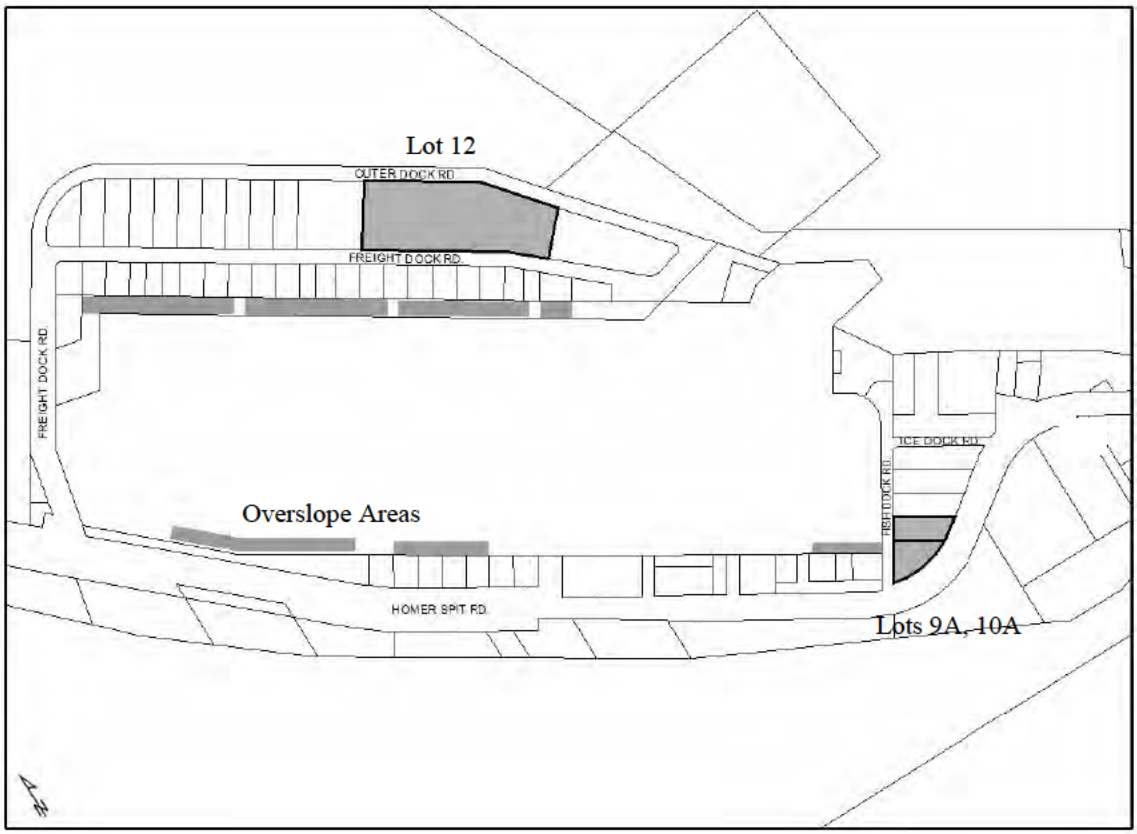
Note: Any lands not included in this document are listed in the previous version of the Land Allocation Plan, and their designations carry forward to this plan.

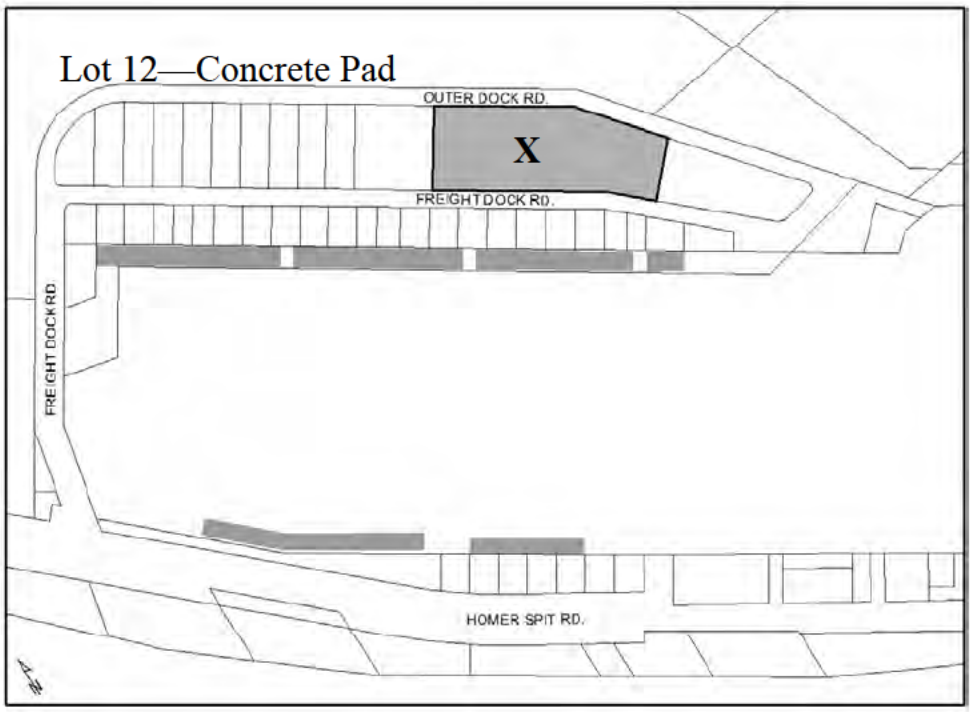
Section A
Lands available for lease

The following lots, and select areas within the Homer Airport are available for lease in 2020. Lease procedures follow the City of Homer City Code, Title 18.

The Port and Harbor Office provides information on long term leasing on the Homer Spit. The Harbor also manages short term leases and license agreements, such as vending machines, bike rentals and itinerant merchants. For more information, contact 907-235-3160.

The City Manager's Office handles airport terminal leasing. For more information, contact 907-235-8121 ext 2222.



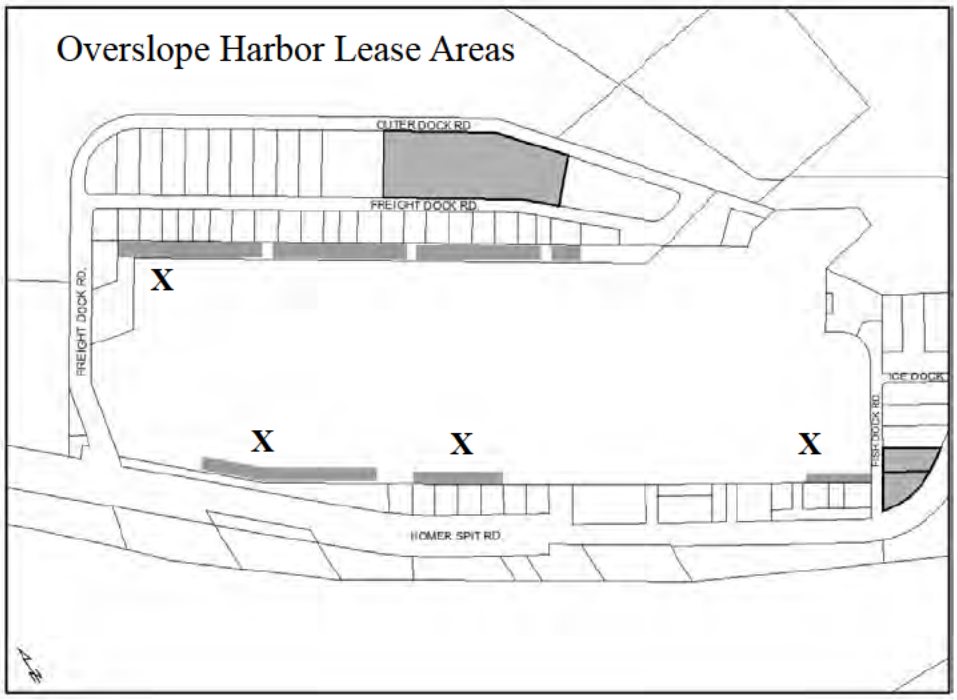


Designated Use: Lease
Acquisition History:

Area: 5 acres	**Parcel Number:** 18103220
2019 Assessed Value: $841,600 (Land: $495,600, Structure/Improvements: $346,000)	
Legal Description: Homer Spit Subdivision no 5 Lot 12	
Zoning: Marine Industrial	
Infrastructure: Water, sewer, paved road access, fenced, security lighting	**Address:** 4380 Homer Spit Road

Notes: 1 acre portion under lease per Resolution 18-084 to Alaska Scrap and Recycling, 5 year lease

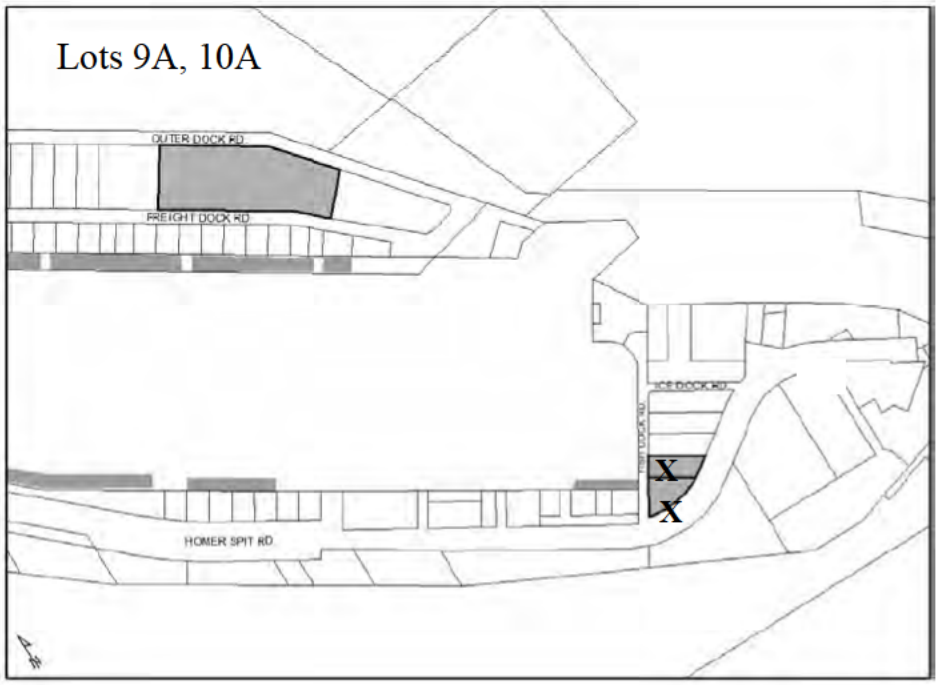
Prior to a long-term lease the site is appraised. The appraised lease rates for up-lands is approximately $0.90 per square foot, per annum. Lease rates vary; contact the Harbor Office at 907-235-3160.



Designated Use: Lease
Resolution 17-33

Area:	**Parcel Number:**
Legal Description:	
Zoning: Marine Commercial and Small Boat Harbor Overlay	
Infrastructure:	**Address:**

Prior to a long-term lease the site is appraised. The appraised lease rates for uplands is approximately $0.90 per square foot, per annum. Lease rates vary; contact the Harbor Office at 907-235-3160.



Designated Use: Lease Lands **Acquisition History:**	
Area: 1.05 acres (0.52 and 0.53 acres)	**Parcel Number:** 18103477, 78
2019 Assessed Value: Land value $325,700	
Legal Description: T 7S R 13W SEC 1 SEWARD MERIDIAN HM 2007136 HOMER SPIT REPLAT 2006 LOT 9-A and 10A	
Zoning: Marine Industrial	
Infrastructure: Water, sewer, gas, Spit Trail, paved road access	**Address:**
Prior to a long-term lease the site is appraised. The appraised lease rates for uplands is approximately $0.90 per square foot, per annum. Lease rates vary; contact the Harbor Office at 907-235-3160.	
Finance Dept. Code:	

Homer Airport Terminal

Designated Use: Airport
Acquisition History:

Available for lease

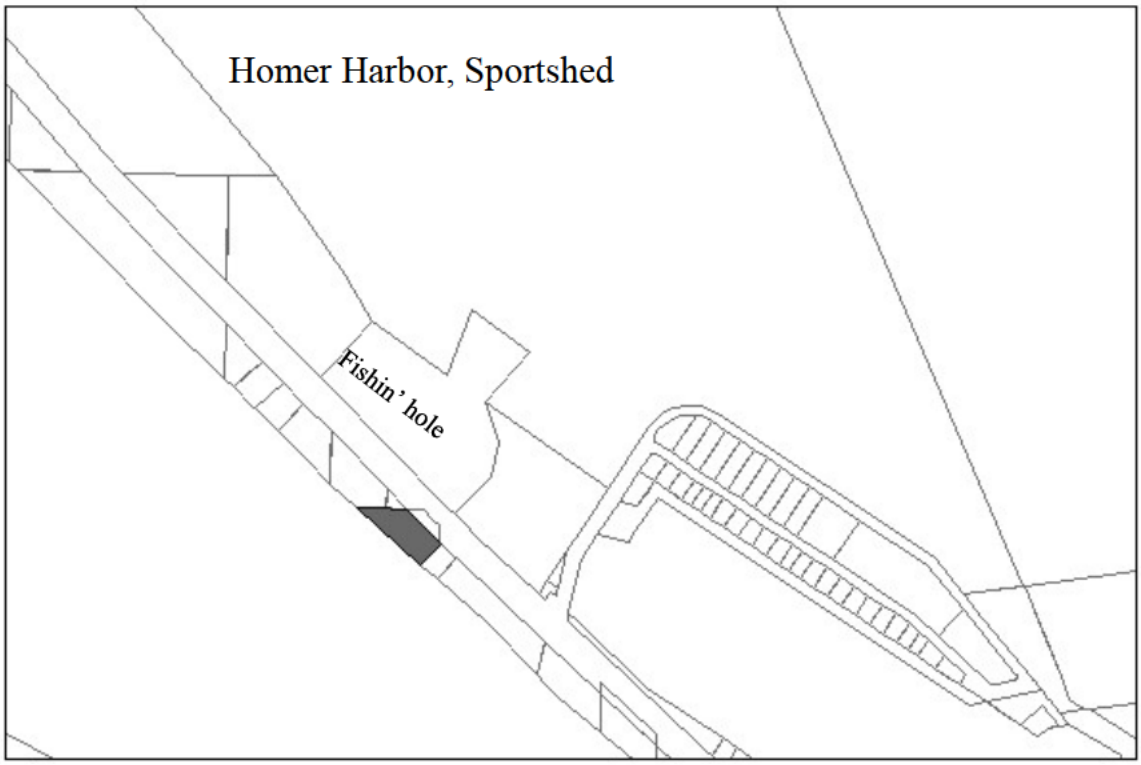
- Concession area across from baggage claim, 110 square feet, $2/psf plus concession fees plus taxes.
- Ticket Counter, office and baggage enplanement area, 700 sq ft for $2,600 per month plus taxes.
- One cargo area at the west end of the airport, 768 sq ft $2,850 per month plus taxes.

Contact the City Manager's office at 907-235-8121 ext. 2222 for more information

Finance Dept. Code:

Section B
Leased Lands

These lands are under lease. Leases are based on a current market appraisal provided by a professional appraiser. Individual lease files contain information on rents and formal agreements.



Designated Use: Leased Land
Acquisition History:

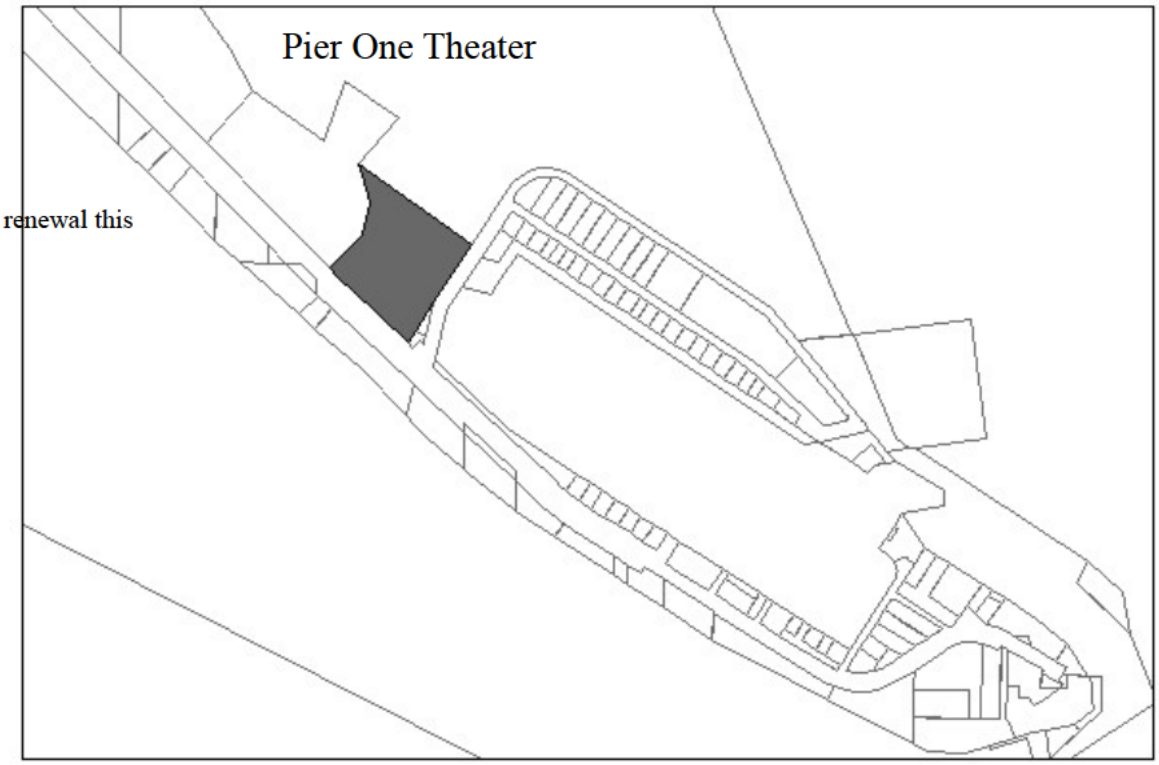
Area: 1.6 acres	**Parcel Number:**18103105, LH01
Legal Description: HM0890034 T06S R13W S35 HOMER SPIT SUB AMENDED LOT 5	
Zoning: Marine Commercial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 3815 Homer Spit Road

Lease: Resolution 20-081, leased to Homer Enterprises LLC for the remaining term of 18 years 4 months with two 5 year options.

Storm damage, fall 2014, resulted in partial collapse and removal of part of one building.
2019-2020, continued erosion and parking lot damage

Finance Dept. Code:

Up for renewal this year



Designated Use: Fishing Lagoon
Acquisition History: Ordinance 83-26. Purchase from World Seafood.

Area: 11.27 acres	**Parcel Number:** 18103117
Legal Description: HM0940043 T06S R13W S35 TRACT 1-A THE FISHIN HOLE SUB NO 2	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 3854 Homer Spit Road

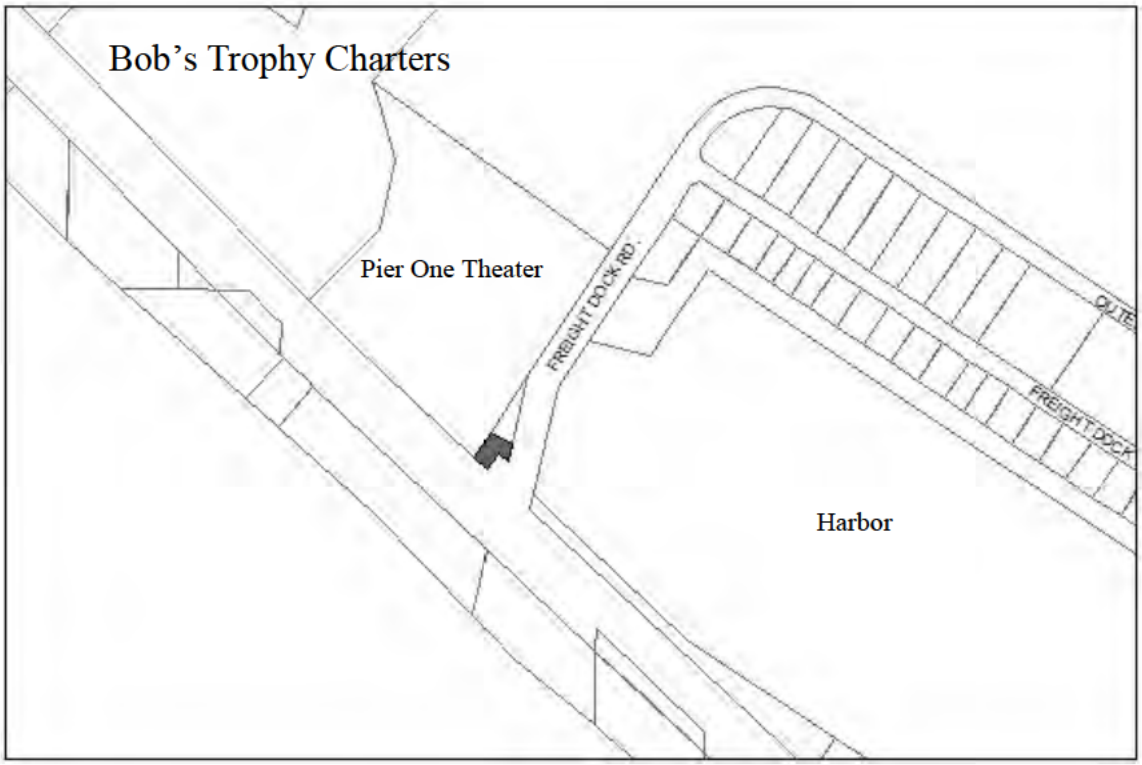
This is a large parcel that is used several ways.

- Dredge spoils dewatering and storage, winter barge haul out activity
- City RV park/campground, and access to the only public RV dump on the spit
- Pier One Theater Lease. Theater leases the building only; not the land. Resolution 89-36A.

Resolution 13-020: Designated the north east corner of the lot for use as a trailhead for the Kachemak Bay Water Trail.

Leased to: Pier One Theater, Resolution 21-060 9/13/21, 5 year lease no options

Finance Dept. Code:



Designated Use: Lease
Acquisition History: Ord 1983-26. Purchased from World Seafood

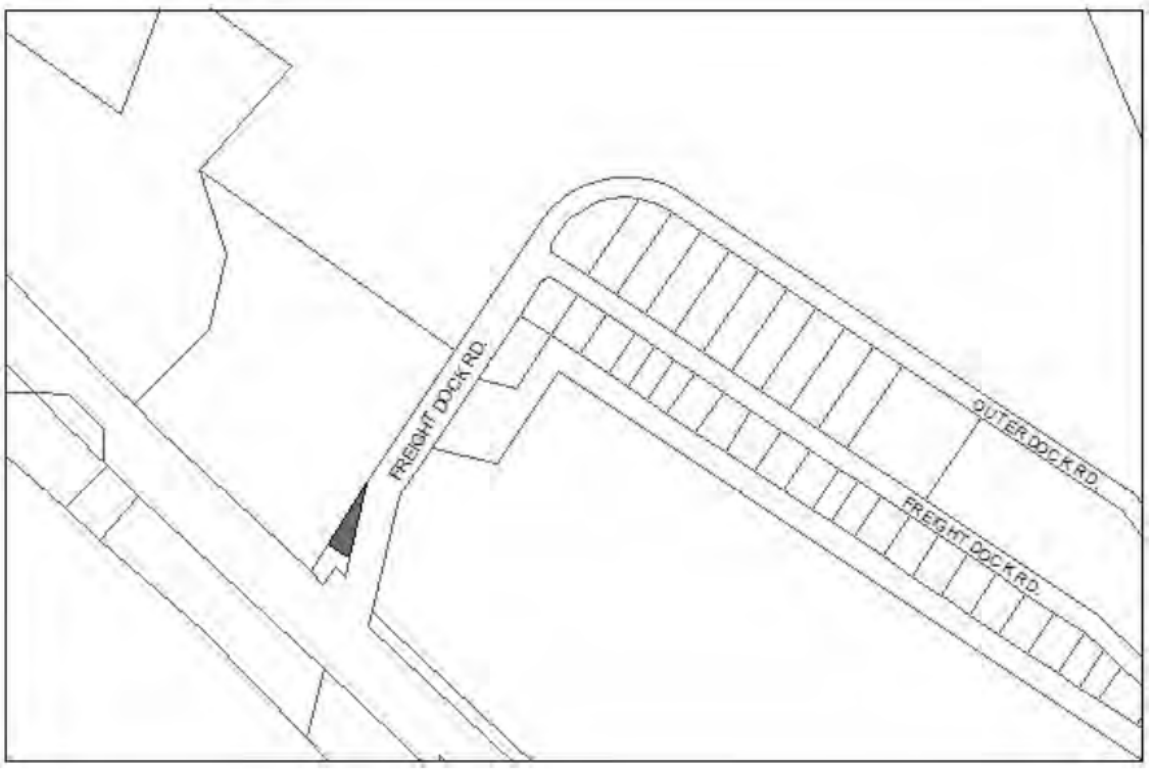
Area: 0.15 acres or 6,692 sq ft	**Parcel Number:**18103118

Legal Description: HM0940043 T06S R13W S35 TRACT 1-B THE FISHIN HOLE SUB NO 2

Zoning: Marine Commercial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 3978 Homer Spit Road

Leased: Resolution 16-116 authorized a new lease with the new owner for 20 years with two 5 year options.. Lease expires 2036.

Finance Dept. Code: 400.600.4650



Designated Use: Leased Lands
Acquisition History: Ord 83-26 purchase from World Seafood

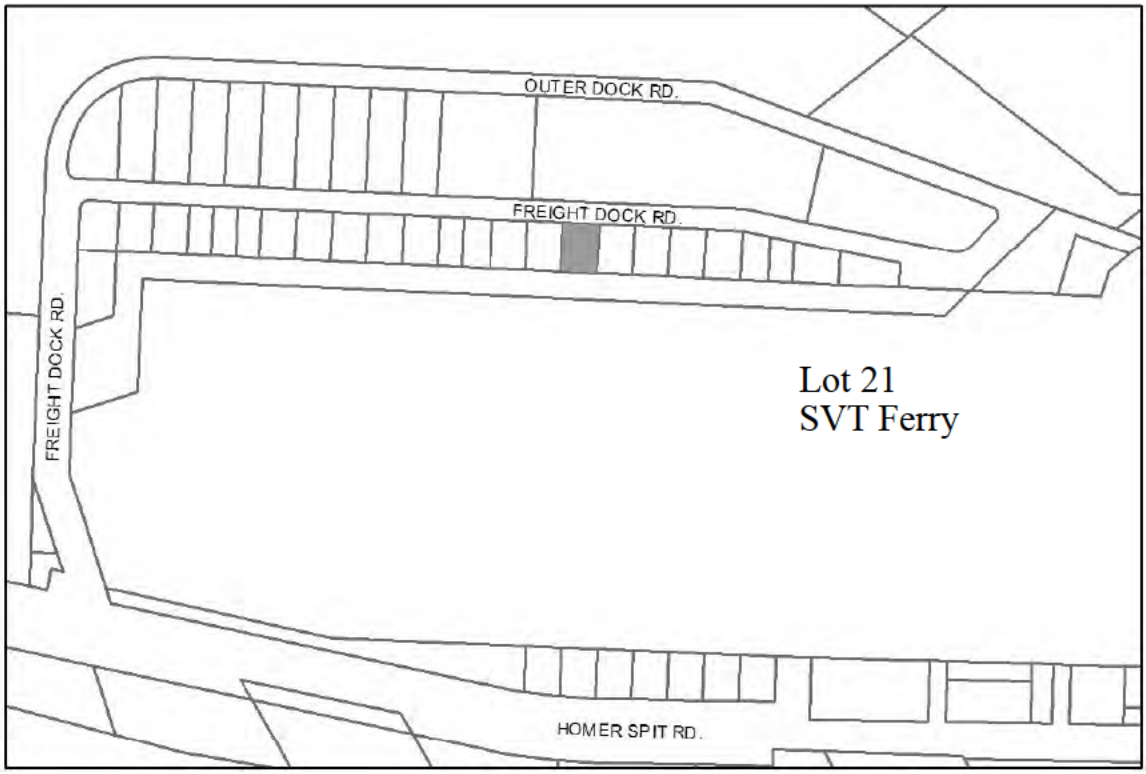
Area: 0.18 acres	**Parcel Number:** 18103119

Legal Description: HM0940043 T06S R13W S35 TRACT 1-C THE FISHIN HOLE SUB NO 2

Zoning: Marine Commercial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 1114 Freight Dock Road

Leased to: L.H. and Marcia Pierce. Sportsman Supply/RV
Expiration: April 1, 2038.

Finance Dept. Code: 400.600.4650

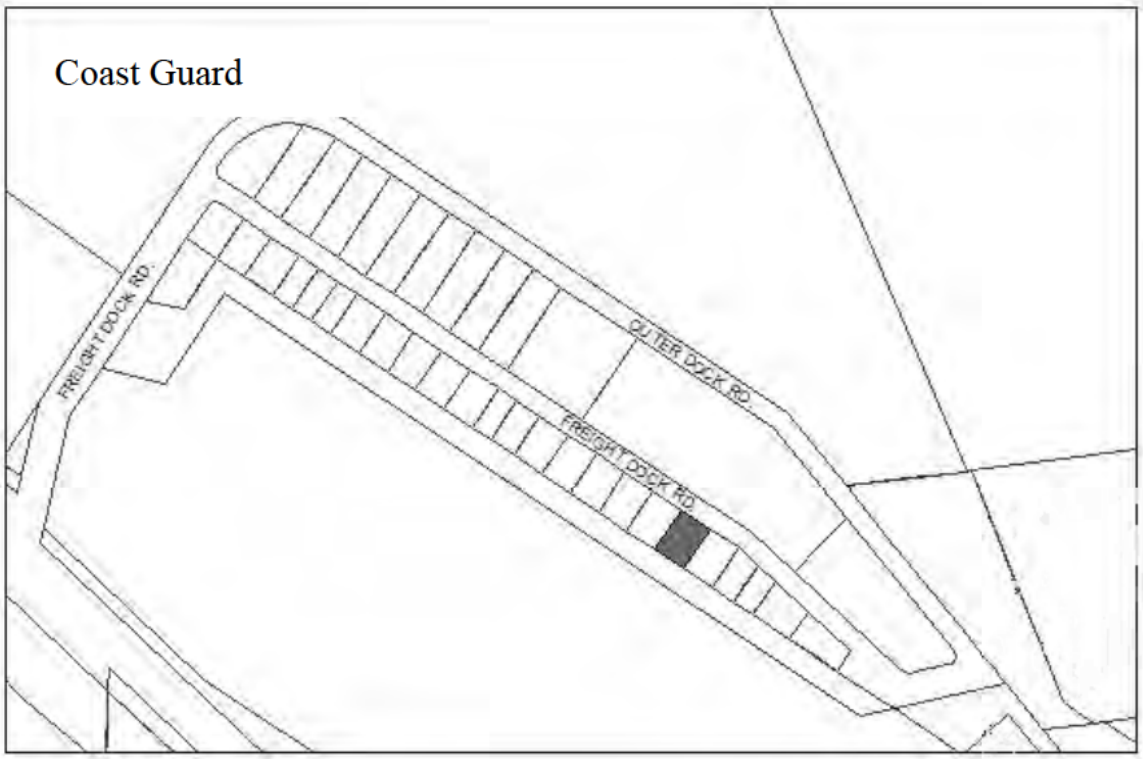


Designated Use: Leased Lands
Acquisition History:

Area: 0.32 acres	**Parcel Number:** 18103240
Legal Description: Homer Spit No 5 Lot 21	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 4323 Freight Dock Road

Leased to: Seldovia Village Tribe, for Kachemak Bay Ferry
Resolution 10-41. Expiration May 31, 2030, two 5 year options

Finance Dept. Code: 400.600.4650

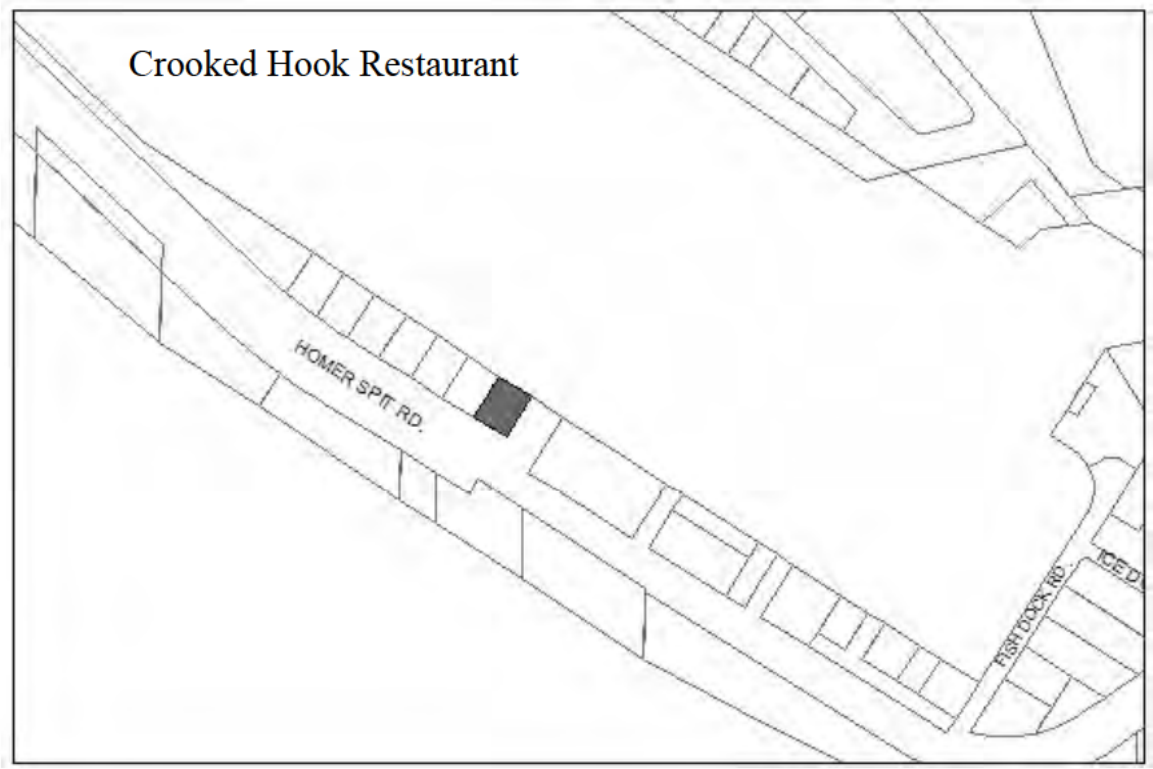


Designated Use: Leased to USCG
Acquisition History:

Area: 0.34 acres	**Parcel Number:** 18103218
Legal Description: Homer Spit Four subdivision Lot 2	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 4373 Freight Dock Rd

Leased to: USCG
Lease Renewal Options: None
Expiration: September 30, 2026

Finance Dept. Code:

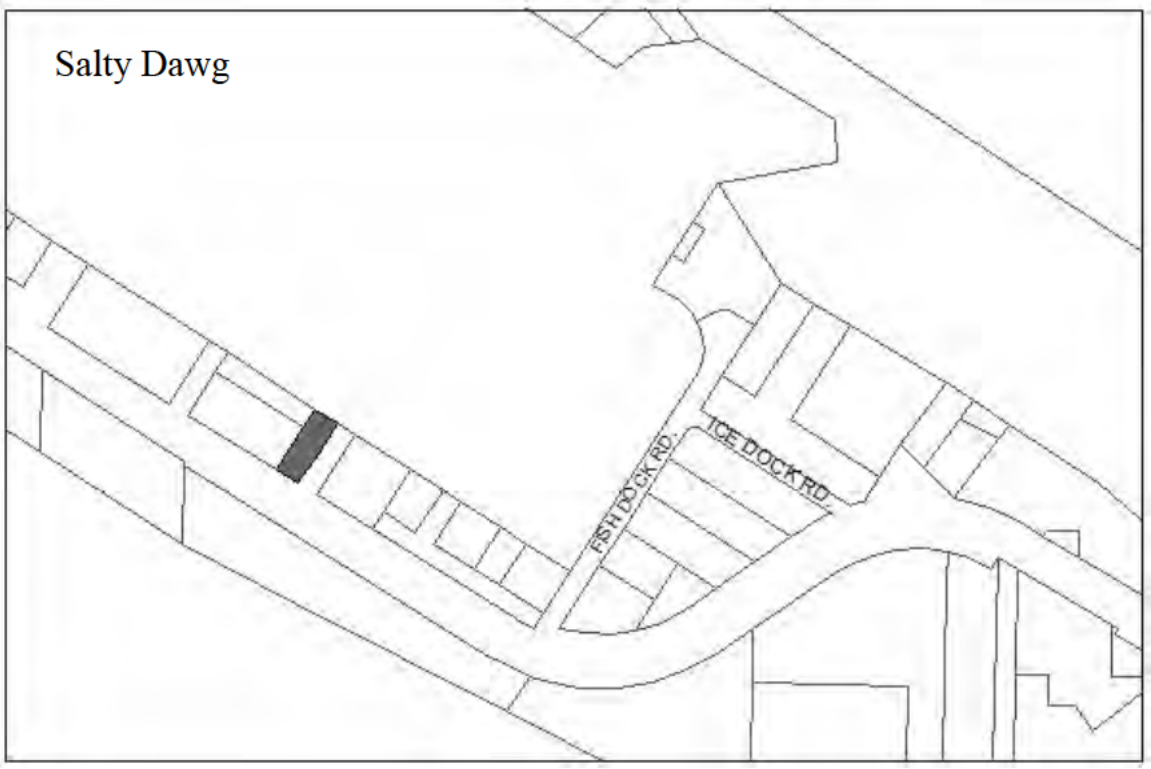


Designated Use: Leased Land
Acquisition History:

Area: 12,700 sq ft	**Parcel Number:**18103316
Legal Description: HM0890034 T07S R13W S01 HOMER SPIT SUB AMENDED LOT 19	
Zoning: Marine Commercial	**Wetlands**: None
Infrastructure: Paved road, water and sewer	**Address:** 4262 Homer Spit Road

Leased to: Harbor Bar & Grill
Expiration: Lease expires 2/1/2046, no options.

Finance Dept. Code:

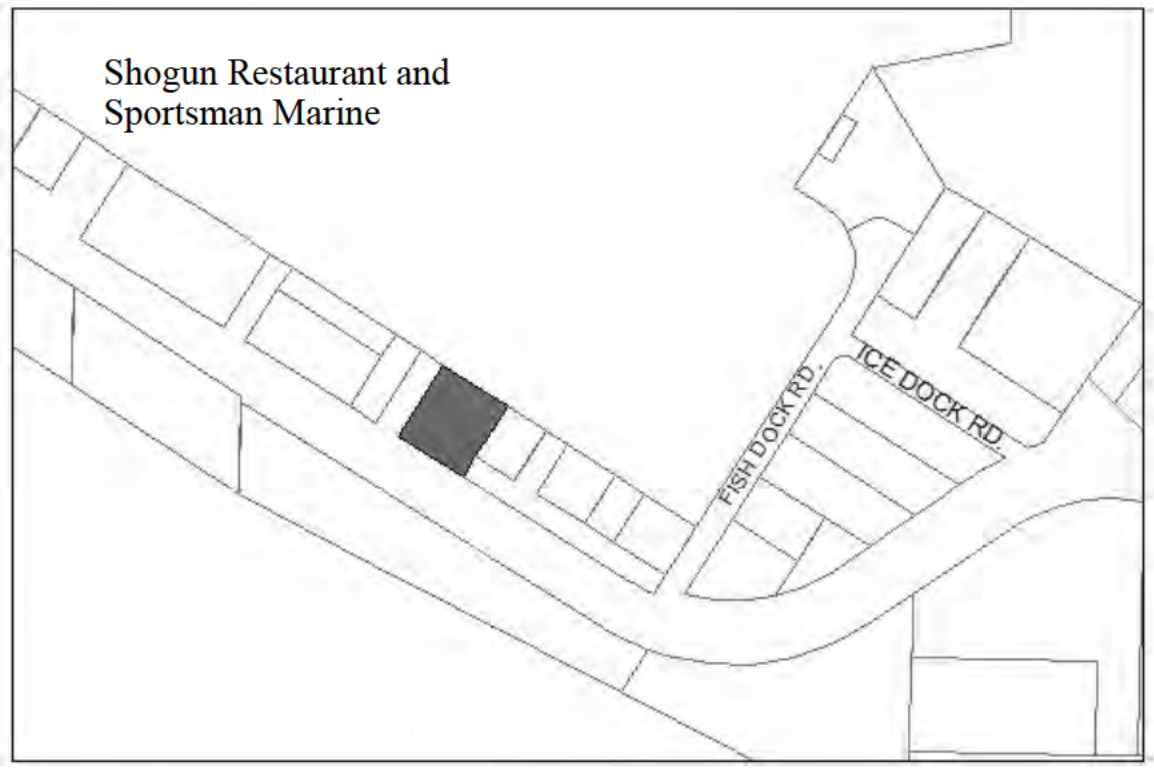


Designated Use: Leased Lands
Acquisition History:

Area: 0.23 acres	**Parcel Number:** 18103309
Legal Description: HM0890034 T07S R13W S01 HOMER SPIT SUB AMENDED LOT 30	
Zoning: Marine Commercial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 4390 Homer Spit Road

Leased to: John Warren, Salty Dawg
Expiration: 1/31/2026. No options.

Finance Dept. Code:

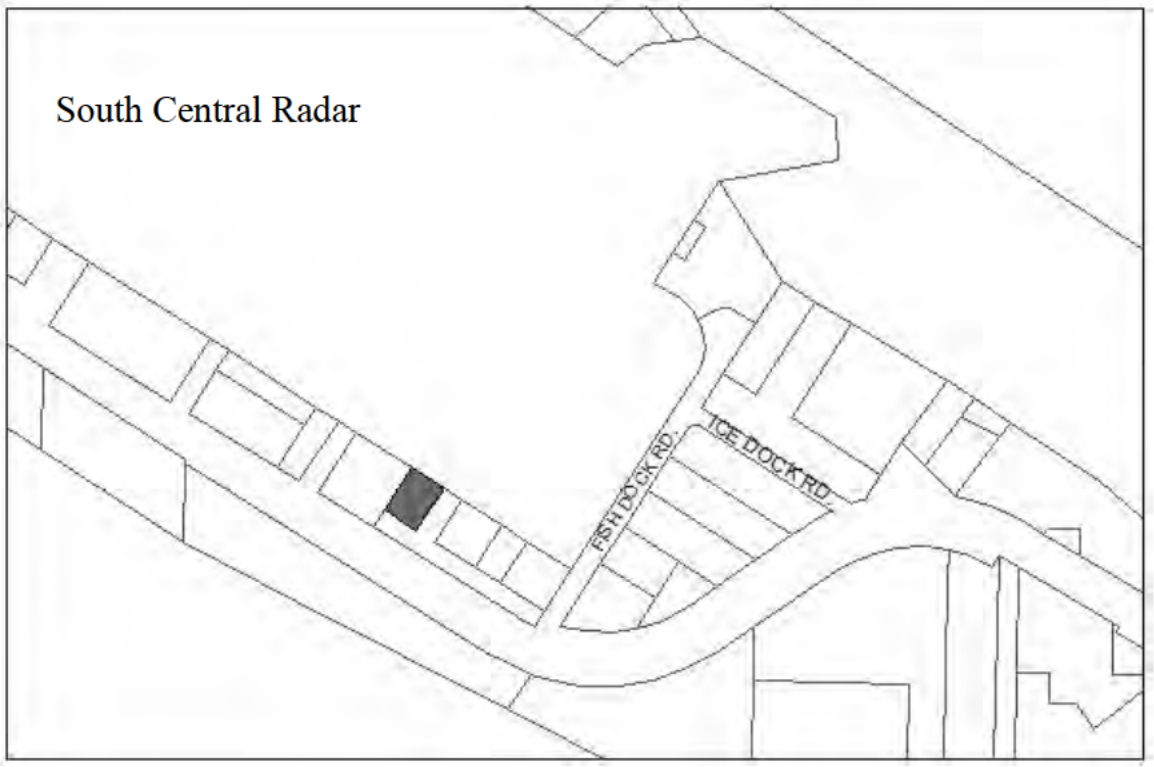


Designated Use: Leased Land
Acquisition History:

Area: 24,639 sq ft (0.57 acres)	**Parcel Number:**18103432
Legal Description: HM0890034 T07S R13W S01 HOMER SPIT AMENDED LOT 32	
Zoning: Marine Commercial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 4400 Homer Spit Road

Leased to: Shogun Restaurant and Sportsman Marine. Resolution 2019-02
Expiration: 2039 with two 5 year options.

Finance Dept. Code:

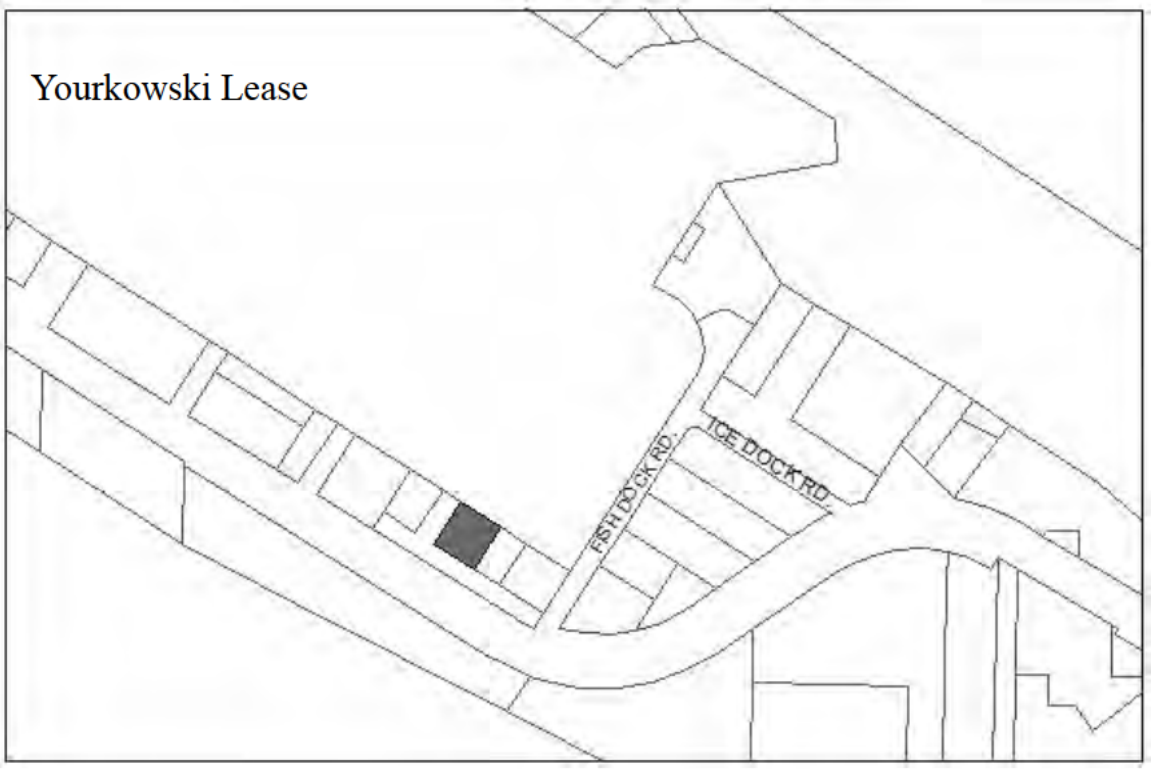


Designated Use: Leased Land
Acquisition History:

Area: 0.2 acres	**Parcel Number:** 18103431
Legal Description: HM0920050 T07S R13W S01 HOMER SPIT SUB NO TWO AMD LOT 88-1	
Zoning: Marine Commercial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 4406 Homer Spit Road

Leased to: Mark & Laura Zeiset dba South Central Radar. Resolution 2012-086(S)
Expiration: 11/1/2032, two additional 5 year renewal options

Finance Dept. Code:

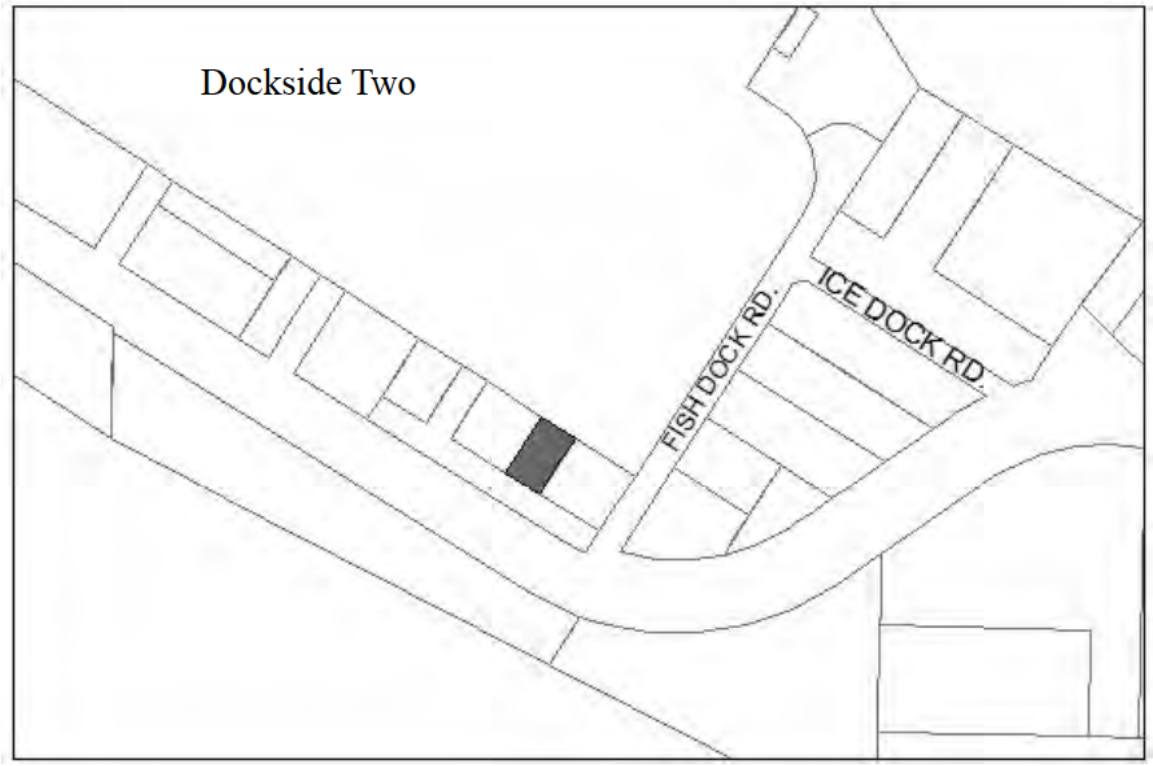


Designated Use: Leased Lands
Acquisition History:

Area: 0.29 acres	**Parcel Number:** 18103442
Legal Description: HM0920050 T07S R13W S01 HOMER SPIT SUB NO TWO AMENDED LOT 88-2	
Zoning: Marine Commercial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 4460 Homer Spit Road

Leased to: Mike Yourkowski
Lease Renewal Options: one 10 year renewal option.
Expiration: 11/30/15, plus renewal option. Leaseholder is exercising options.

Finance Dept. Code:

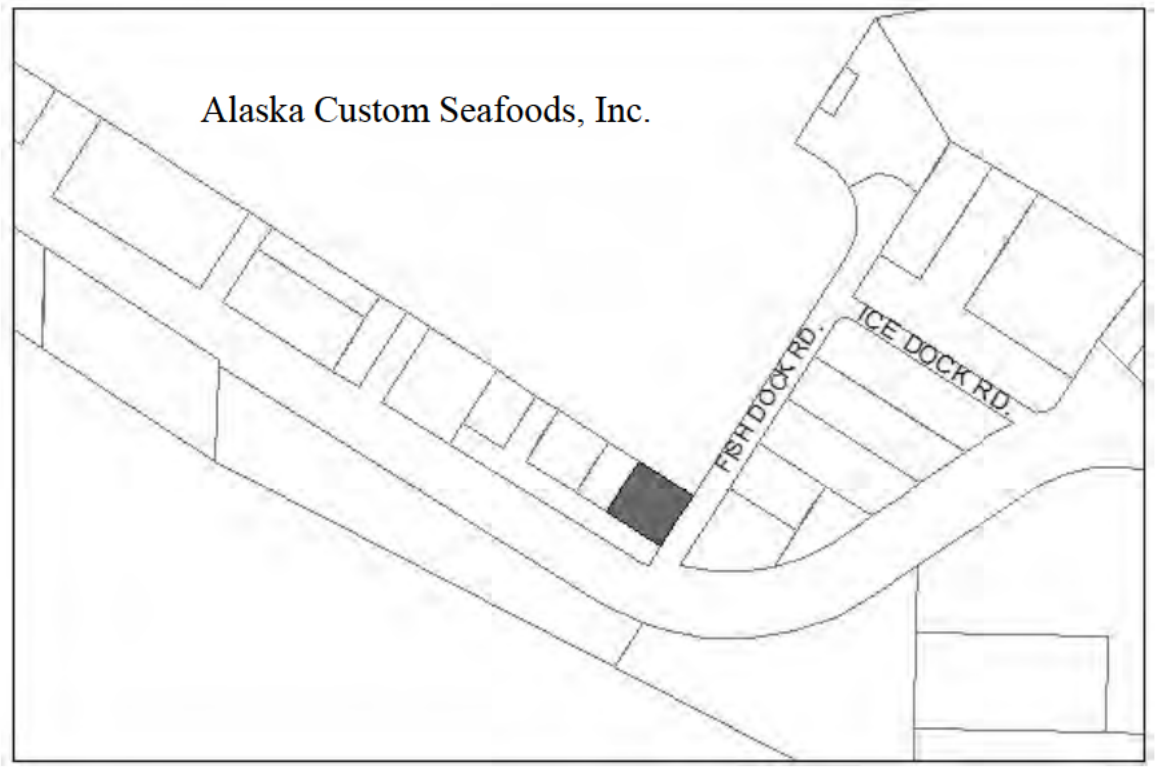


Designated Use: Leased Land
Acquisition History:

Area: 7,749 sq ft. (0.18 acres)	**Parcel Number:**18103443
Legal Description: HM0920050 T07S R13W S01 HOMER SPIT SUB NO TWO AMENDED LOT 88-3	
Zoning: Marine Commercial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 4470 Homer Spit Road

Leased to: William Sullivan dba Dockside Two dba Kachemak Bay Seafoods
Expiration: 2027, no options.

Finance Dept. Code:

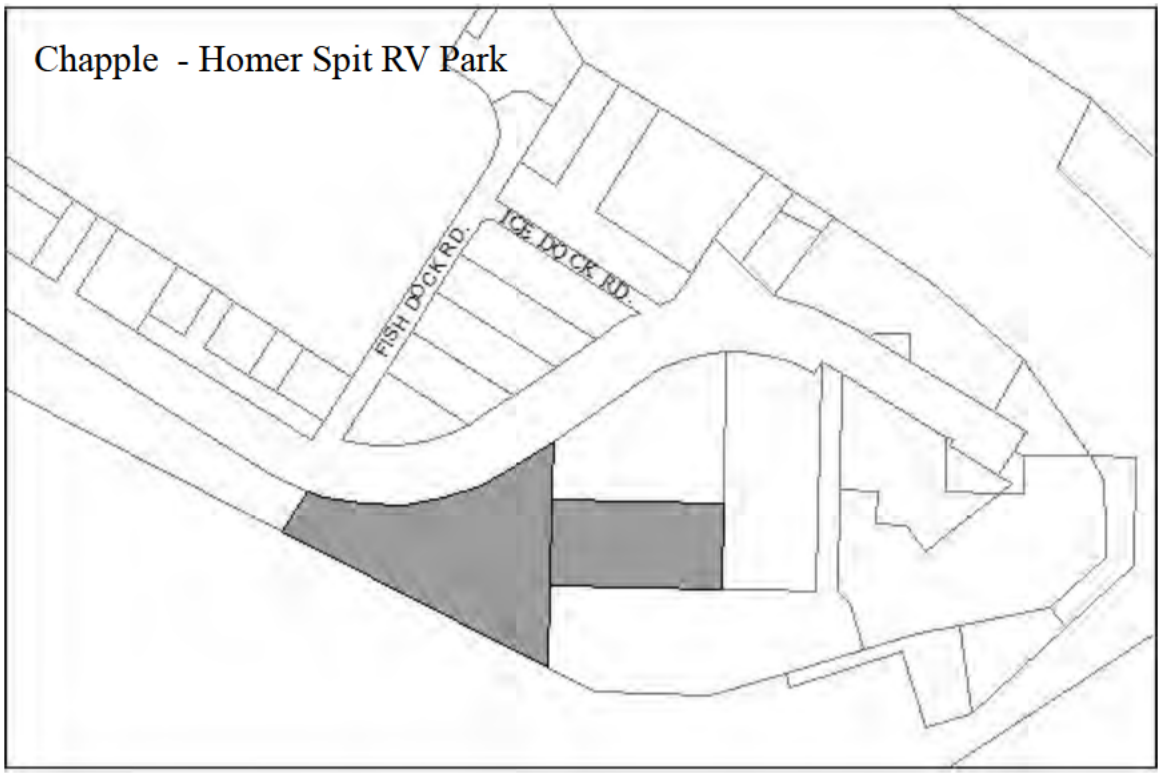


Designated Use: Leased land
Acquisition History:

Area: 0.31 acres, or 13,383 sq ft	**Parcel Number:**18103444
Legal Description: HM0920050 T07S R13W S01 HOMER SPIT SUB NO TWO AMENDED LOT 88-4	
Zoning: Marine Commercial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 4474 Homer Spit Road

Leased to: Brad Faulkner DBA Alaska Custom Seafoods, Inc. Expires 2043.

Finance Dept. Code:



Designated Use: Leased Land
Acquisition History:

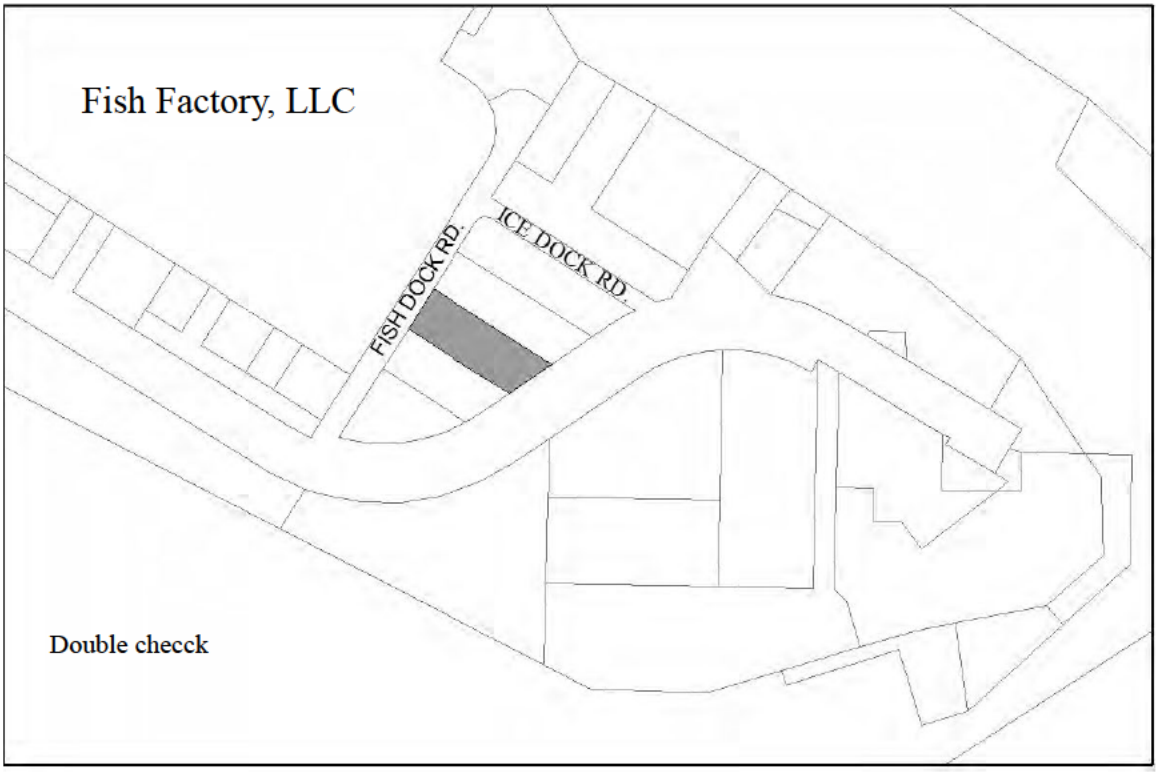
Area: 192,970 sq ft	**Parcel Number:**18103402, 03

Legal Description: HM0890034 T07S R13W S01 HOMER SPIT SUB AMENDED LOT 50. HM0890034 T07S R13W S01 HOMER SPIT SUB AMENDED LOT 49 EXCLUDING THAT PORTION AS PER LICENSE AGREEMENT 205/928.

Zoning: Marine Industrial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 4535 Homer Spit Road

Leased to: Truxton Management Inc. Homer Spit Campground. Resolution 19-069
Expiration: 12/31/2026, two addition 3 year options.

Finance Dept. Code: 400.600.4650



Designated Use: Leased Land
Acquisition History:

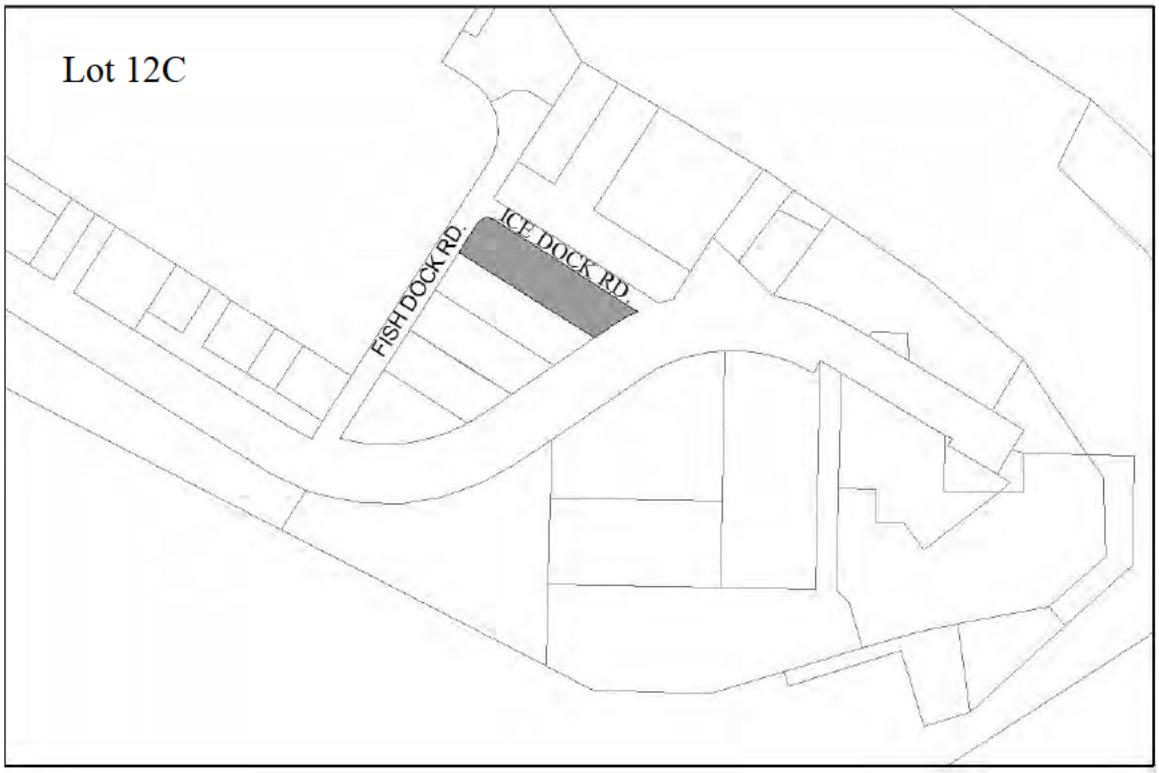
Area: 27,470 sq ft (0.63 acres)	**Parcel Number:**18103421

Legal Description: HM0900052 T07S R13W S01 CITY OF HOMER PORT INDUSTRIAL NO 3 LOT 12-A1

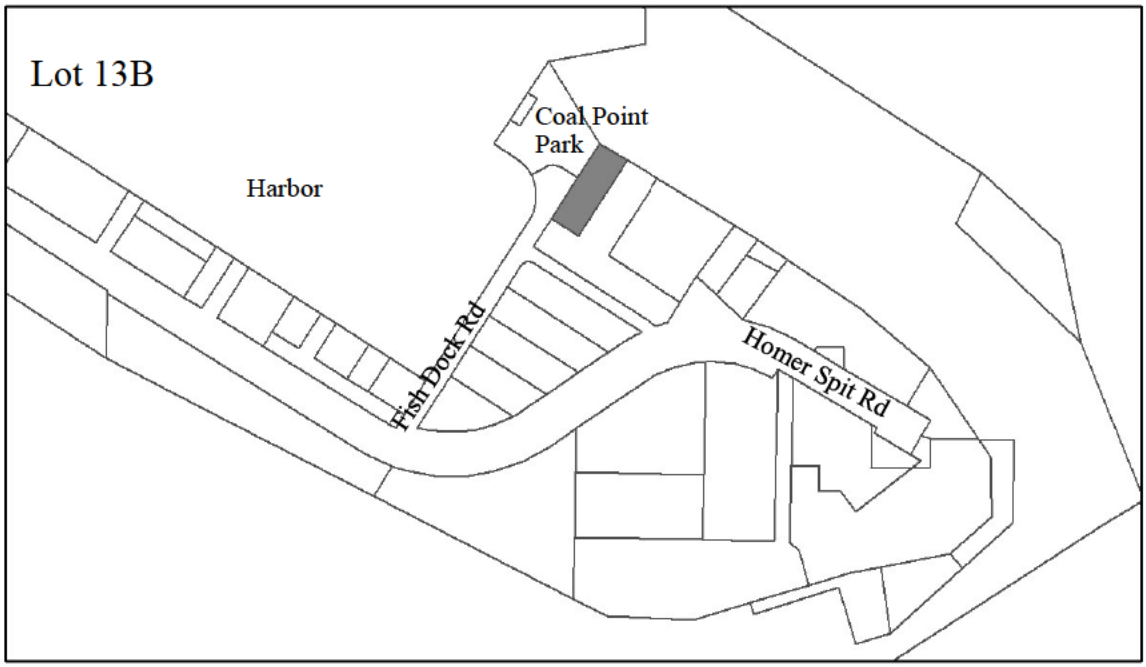
Zoning: Marine Industrial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 800 Fish Dock Road

Leased to: Fish Factory, LLC
Expiration: 12/31/2036 with two 5 year options

Finance Dept. Code:



Designated Use: Lease land **Acquisition History:**	
Area: 0.79 Acres	**Parcel Number:** 18103452
Legal Description: City of Homer Port Industrial No 2 Lot 12C	
Zoning: Marine Industrial	
Infrastructure: Water, sewer, paved road access	**Address:** 4501 Ice Dock Road
Leased to Salmon Sisters Holding LLC, 2021, 20 yr lease with two five year options.	
Finance Dept. Code:	



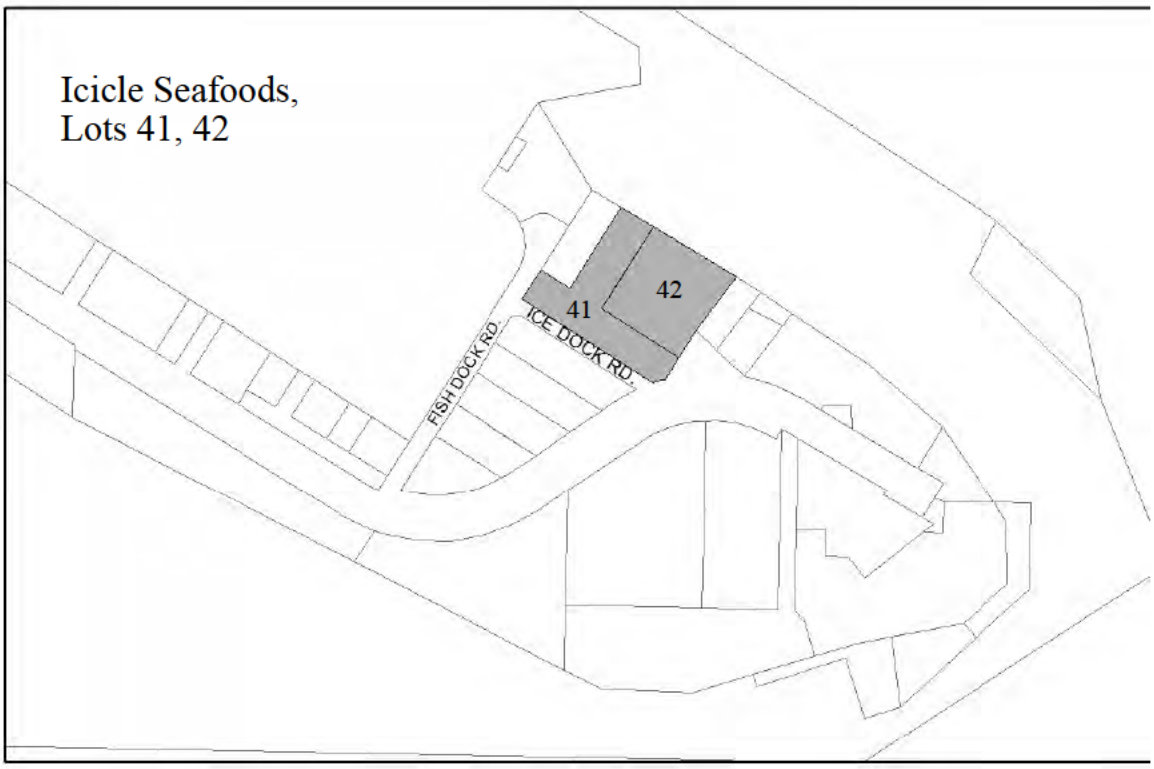
Designated Use: Lease
Acquisition History:

Area: 0.52 acres	**Parcel Number:** 18103425
Legal Description: City of Homer Port Industrial Subdivision No 2 Lot 13B	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved/gravel road access	**Address:** Fish Dock Road

Former Porpoise Room lot. Fisheries use encouraged but not required.

Copper River Seafoods

Finance Dept. Code:



Designated Use: Leased Land
Acquisition History: Lot 42, ordinance 17-41

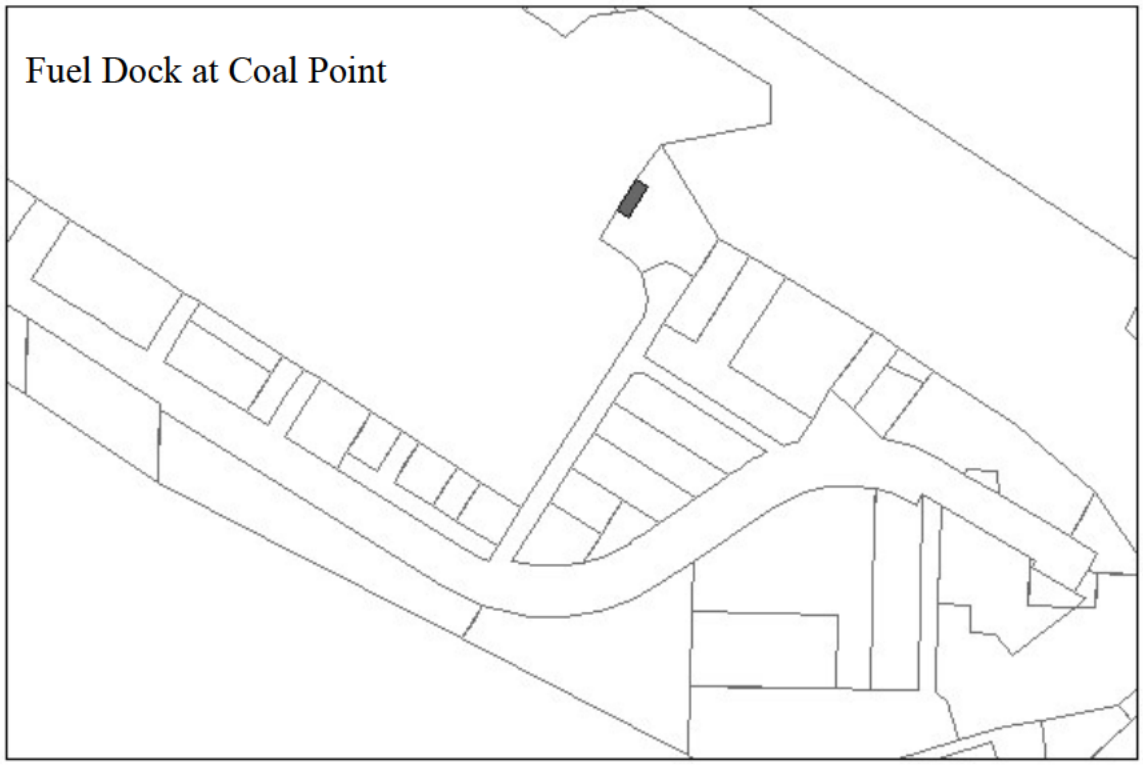
Area: 2.96 acres	**Parcel Number:** 18103419, 18103418

Legal Description: HM0890034 T07S R13W S01 HOMER SPIT SUB AMENDED ADL 18009 LOT 41 (ADL 18009) , and Lot 42

Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 842 Fish Dock Road

Leased to: Ocean Beauty Icicle, Inc
Expiration: 2039 with options. Resolution 17-008, Resolution 20-043

Finance Dept. Code:

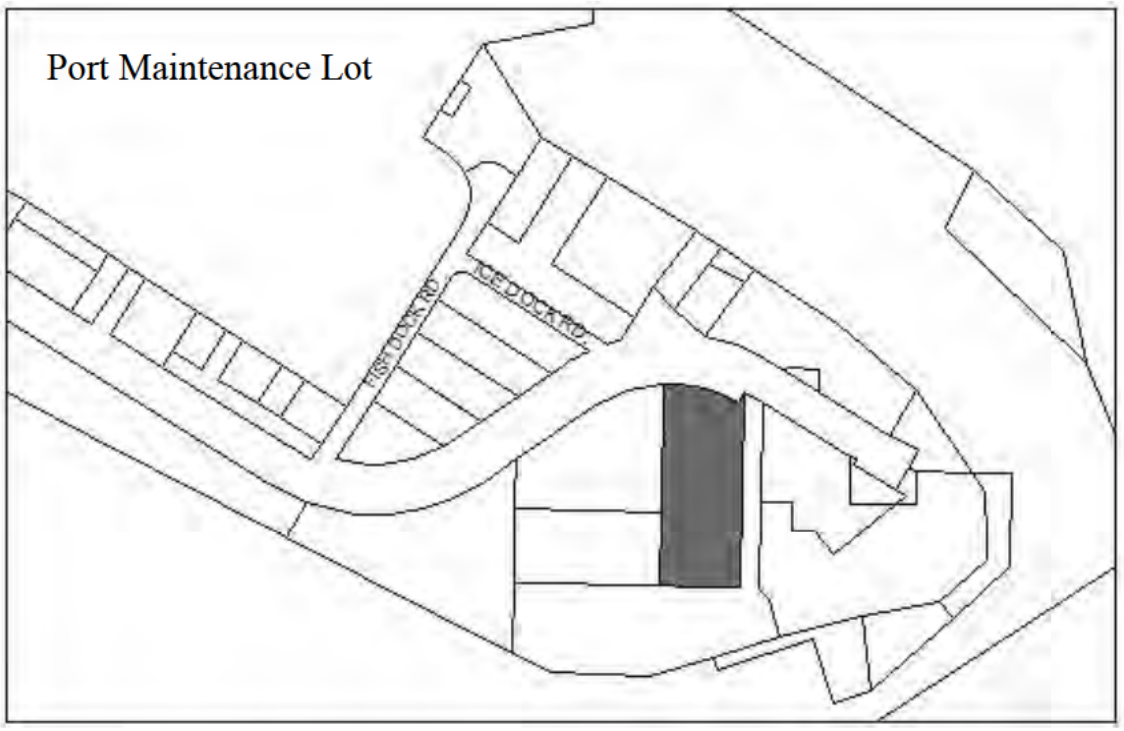


Designated Use: Leased Land
Acquisition History:

Area: 0.07 acres	**Parcel Number:**18103427
Legal Description: HM0890034 T07S R13W S01 HOMER SPIT SUB AMENDED THAT PORTION OF COAL POINT MONUMENT PARK AS PER LEASE AGREEMENT 187 @ 921	
Zoning: Marine Industrial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 843 Fish Dock Road

Leased to: Petro 49, expires 11/30/2038

Finance Dept. Code:



Designated Use: Leased Land. Also includes the Port Maintenance Shop, large water tank, and two story office structure.
Acquisition History:

Area: **2.23 acres** **(Lease is for a small portion of the lot)**	**Parcel Number:** 18103404

Legal Description: HM0890034 T07S R13W S01 HOMER SPIT SUB AMENDED LOT 48 EXCLUDING THAT PORTION AS PER LICENSE AGREEMENT 190 @ 98

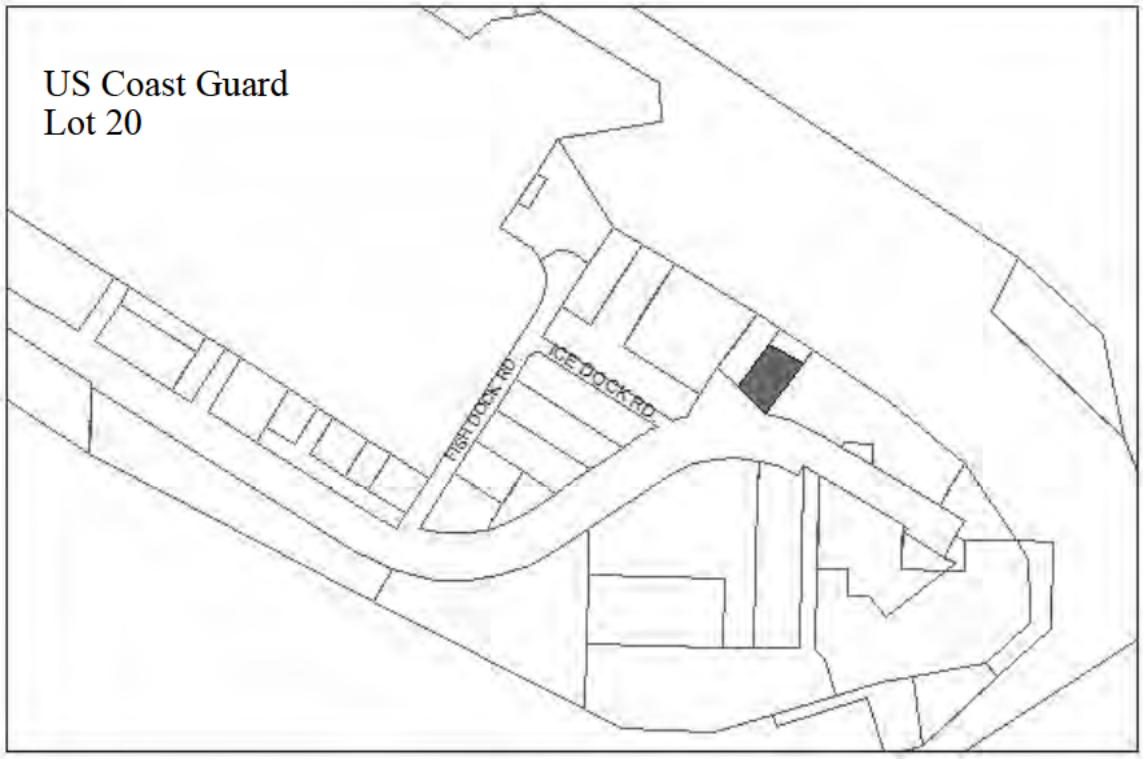
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	Address: 4667 Homer Spit Road

Leased to:
ACS MACTel lease: Expires 11/21/2033 with two additional one year options. (875 sq ft lease)

Alaska Marine Highway lease: Alaska Marine Highway System to built a warehouse to support ferry operations, summer 2011. Lease expires 2060. (16,000 sq ft leased)

The Port Maintenance Shop is on this lot, and a large water tank, and other accessory structures.

Finance Dept. Code:



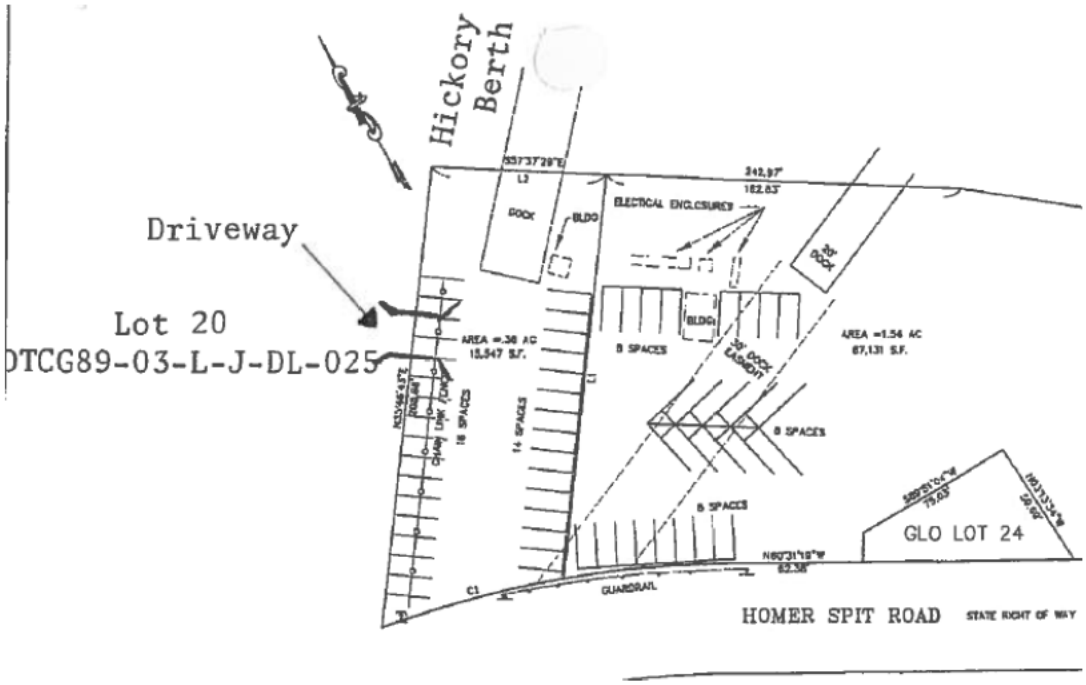
Designated Use: Lease
Acquisition History:

Area: 0.35 acres	**Parcel Number:** 18103445
Legal Description: Portion of Government Lot 20	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:** 4688 Homer Spit Road

Leased to: US Coast Guard.
Resolution 15-009 approved an additional 20 year lease.

Finance Dept. Code:

Hickory Lease

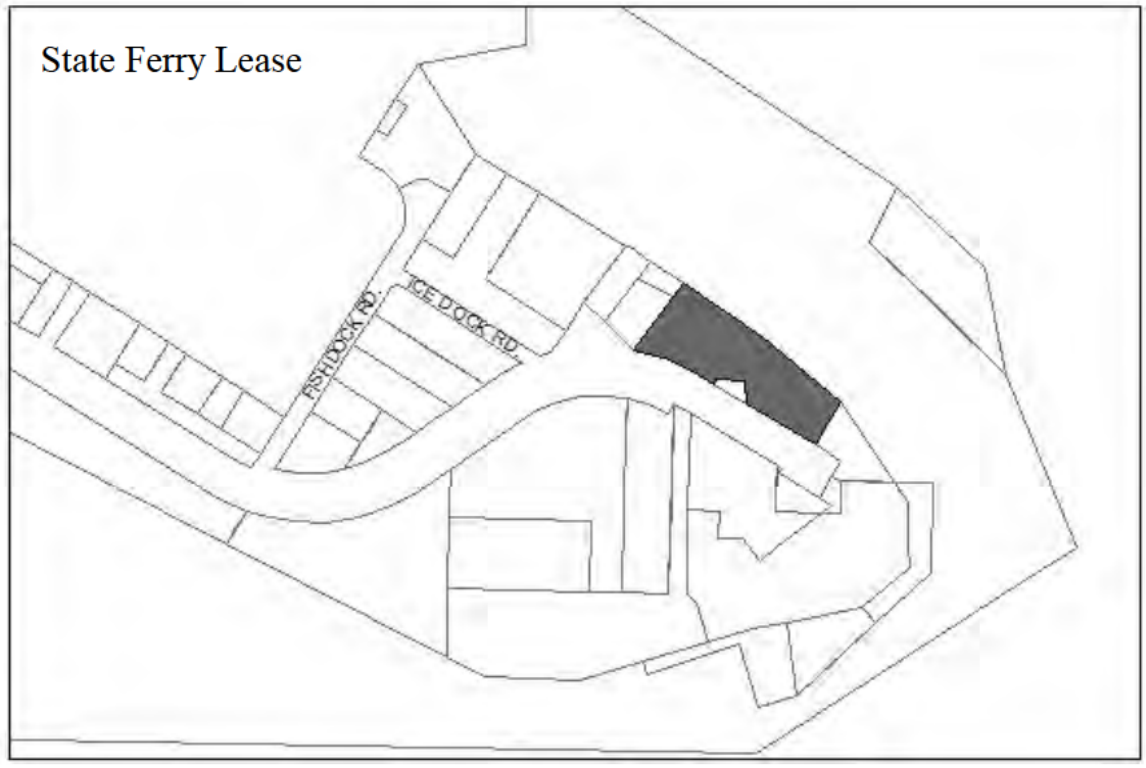


See page B-25. This lease is a portion of the Pioneer Dock.

West trestle of the Pioneer Dock, for mooring and parking on west trestle and Lot 45A.

Leased to: Coast Guard. Expiration September 30, 2022. DTCG89-03-L-J-DL-034.

Finance Dept. Code:



Designated Use: Ferry Terminal and Staging
Acquisition History: Quitclaim Deed to KPPUDIST #1 2/18/64: Orig Cert filed between KPPUD and BLM for Harbor use for 25 years on 7/29/55.

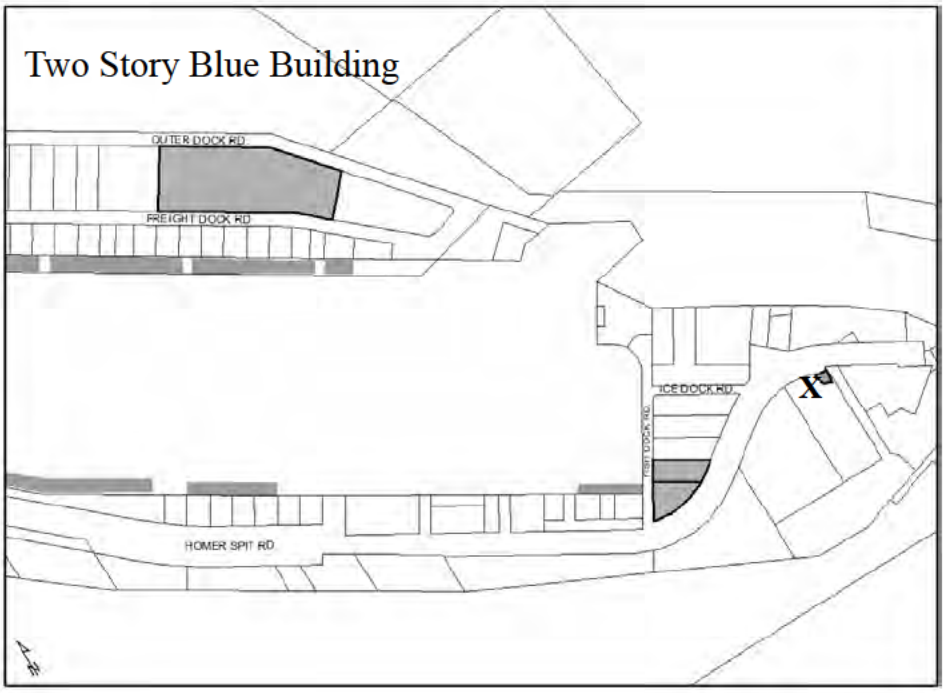
Area: 1.83 acres or 79,799 sq ft	**Parcel Number:**18103447

Legal Description: HM0930049 T07S R13W S01 HOMER SPIT SUB NO 6 VELMA'S ADDN LOT 45-A

Zoning: Marine Industrial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 4690 Homer Spit Road

Leased to: Alaska Marine Highway
Expiration: April 30, 2060
MOA on file regarding ferry terminal and city maintenance shop.

Finance Dept. Code:



Designated Use: Leased Lands

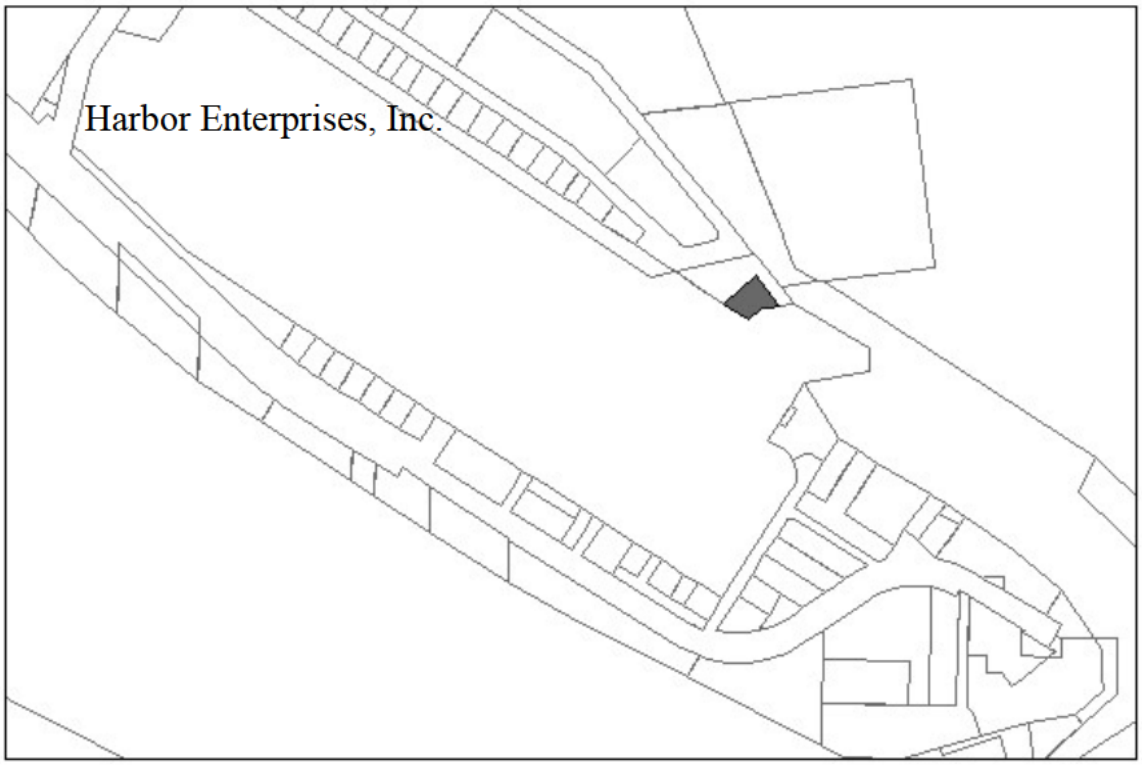
Acquisition History:

Area: 1.05 acres (0.52 and 0.53 acres)	**Parcel Number:** 18103477, 78
2019 Assessed Value: Land value $325,700	
Legal Description: T 7S R 13W SEC 1 SEWARD MERIDIAN HM 2007136 HOMER SPIT REPLAT 2006 LOT 9-A and 10A	
Zoning: Marine Industrial	
Infrastructure: Water, sewer, natural gas, paved road access	**Address:** 4667 Homer Spit Road

Leased to Homer Sea Tow, Resolution 20-036, expiration 3/31/2025

Lower level of the building contains a large water pump and is part of the city water infrastructure. That portion of the building is not available for lease.

Finance Dept. Code:

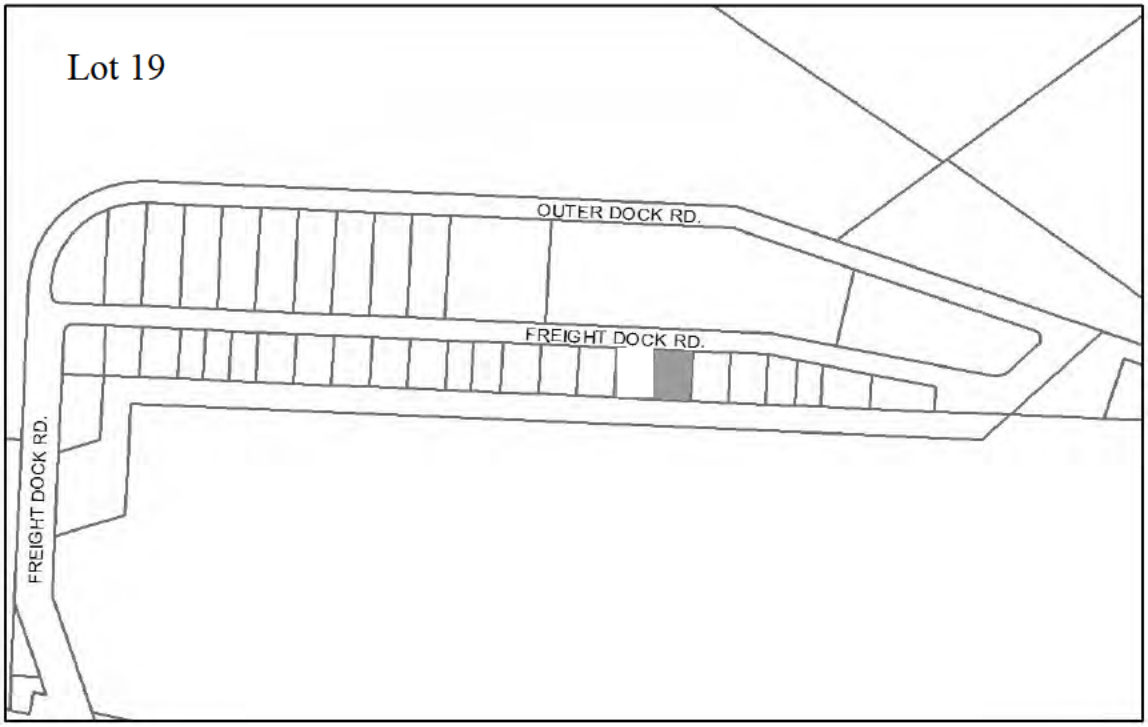


Designated Use: Leased Land (Fuel tanks for fuel dock)
Acquisition History:

Area: 20,000 sq ft (0.459 acres)	**Parcel Number:**18103260
Legal Description: HM0970072 T07S R13W S01 HOMER SPIT NO 6 8-E-1	
Zoning: Marine Industrial	**Wetlands**: None
Infrastructure: Paved road, water and sewer.	**Address:** 4607 Freight Dock Road

Leased to: Harbor Enterprises/Terminal Oil Sales
Resolution 16-031(S) 20 yr lease

Finance Dept. Code:



Designated Use: Lease (Resolution 09-33)
Acquisition History:

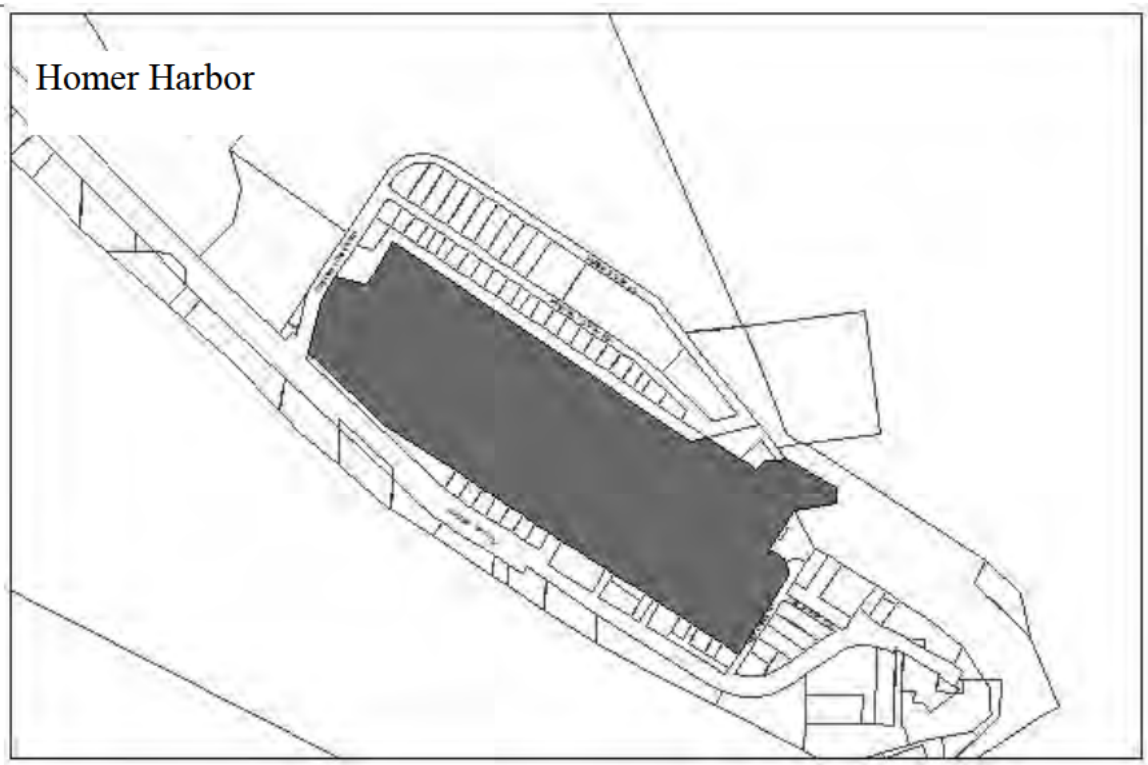
Area: 0.96 acres, 0.32 acres	**Parcel Number:** 181032 38
Legal Description: Homer Spit No 5 Lots 19	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: paved road, water and sewer	

Notes: Leased to Fortune Sea LLC, 10 year lease expires 4/30/2023

Finance Dept. Code:

Section C

Port Facilities



Designated Use: Homer Small Boat Harbor
Acquisition History: Reso 99-51 Reconveyed from ACOE

Area: 72.94	**Parcel Number**: 18103214

2019 Assessed Value: $5,782,800

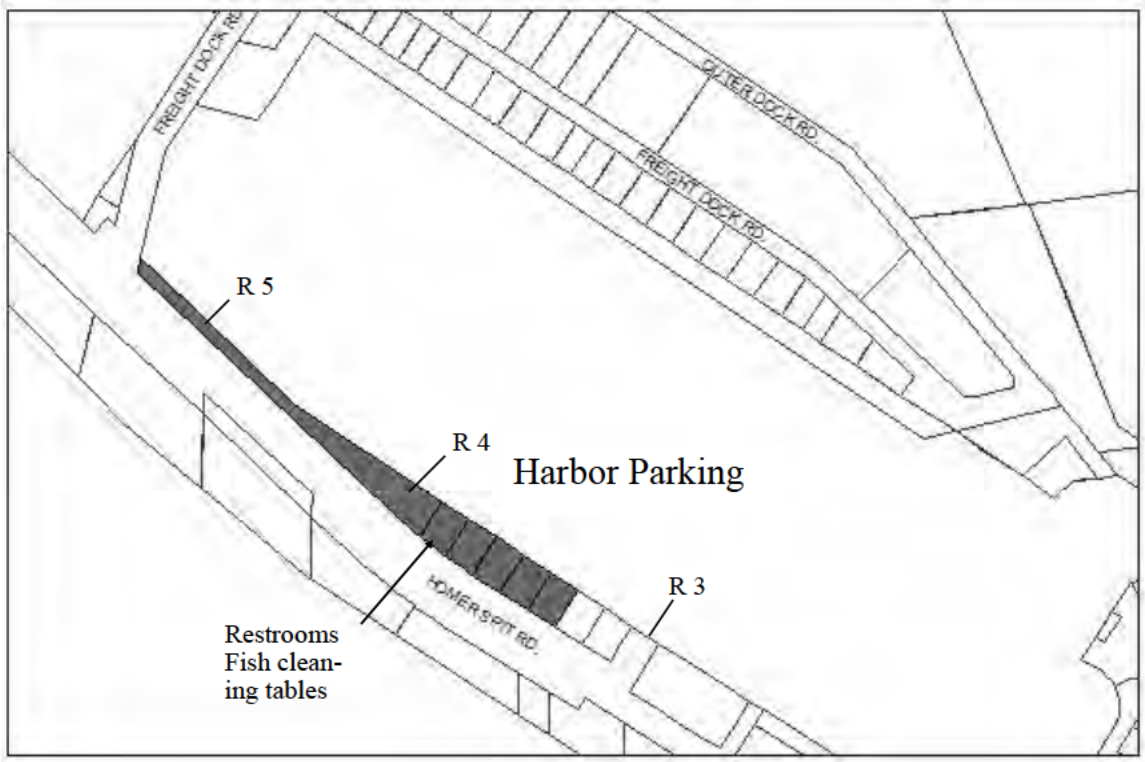
Legal Description: T 6S R 13W SEC 35 T 6S R 13W SEC 36 T 7S R 13W SEC 1 T 7S R 13W SEC 2 HM 0920050 HOMER SPIT SUB NO TWO AMENDED SMALL BOAT HARBOR SEWARD MERIDIAN

Zoning: Marine Commercial	**Wetlands:** N/A

Infrastructure: floats, road access, water and sewer

Notes:

Finance Dept. Code:



Designated Use: Parking
Acquisition History:

Area: 3.12 acres	**Parcel Number:** 181033 18-22, 24

2019 Assessed Value: $1,464,800 (Land: $1,182,200,600, Structures: $282,400)

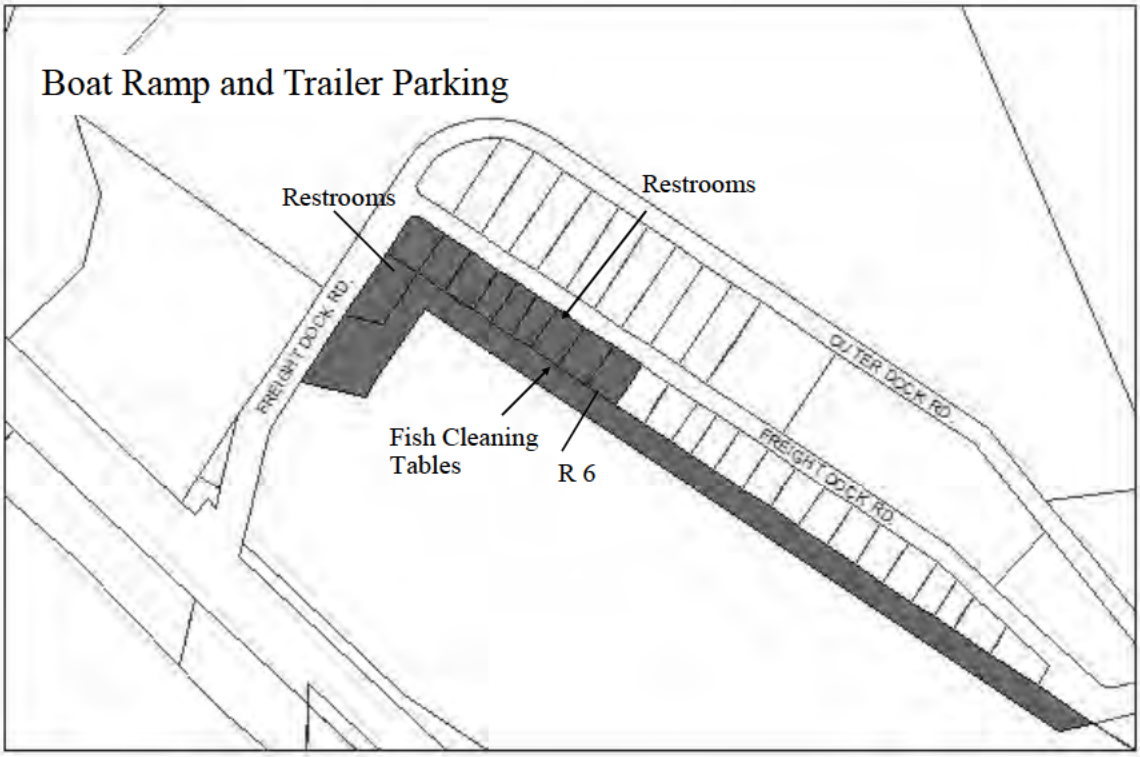
Legal Description: T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 13-17, HM 0910003 HOMER SPIT SUB NO TWO SEWARD MERIDIAN LOT 12A

Zoning: Marine Commercial	**Wetlands:** N/A

Infrastructure: Paved road, gas, Spit Trail, water and sewer, public restrooms

Notes: New restrooms at Ramp 5 constructed 2015/2016

Finance Dept. Code:



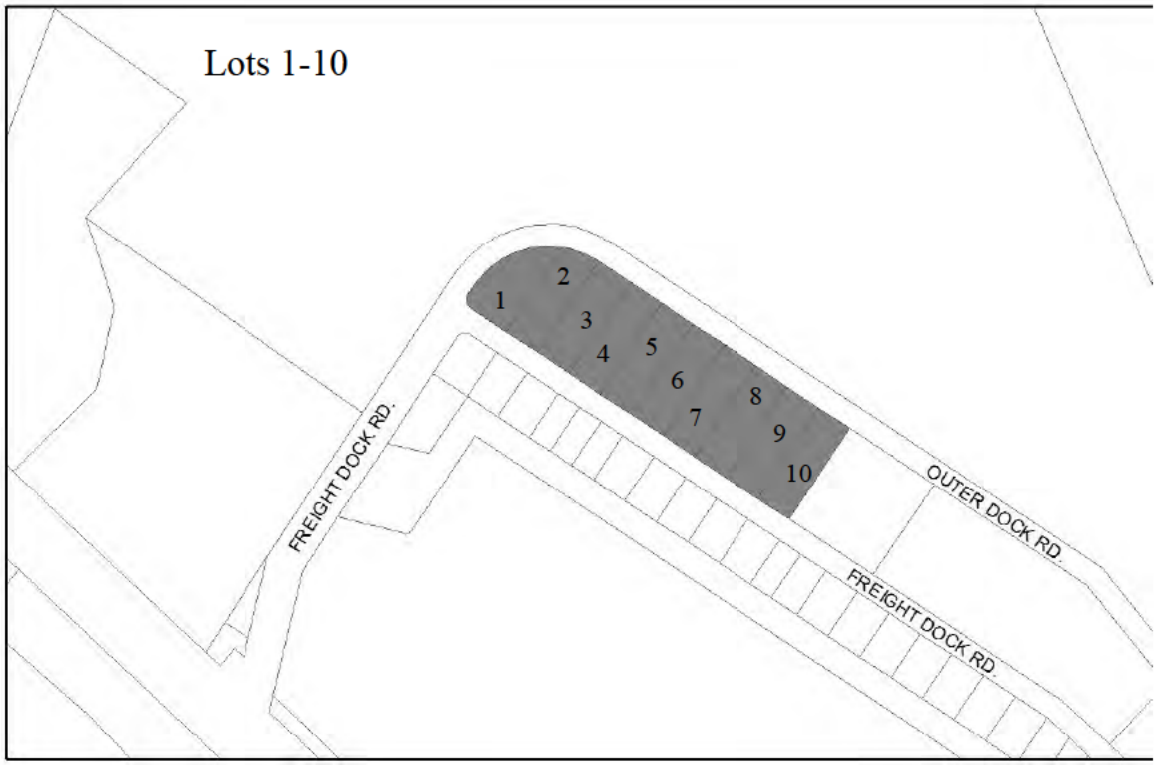
Designated Use: Boat ramp and trailer parking
Acquisition History:

Area: 8.32 acres	**Parcel Number:** 181032 47-58, 18103216
2019 Assessed Value: $2,472,900	
Legal Description: Homer Spit Sub No 5 Lots 28-37, Homer Spit Sub No 2 Amended Lot G-8	
Zoning: Marine Industrial, over slope area is Marine Commercial	**Wetlands:** N/A
Infrastructure: paved road, gas, water and sewer, public restrooms	

Notes: Includes boat launch (reconstructed in 2016), Spit Trail, boat trailer parking, two public restrooms and over slope area along the harbor.

Resolution 2007-51: Lots 14-35, RFP process should be delayed until the master parking plan and over slope development standards and issues are dealt with.

Finance Dept. Code:



Designated Use: Port Use
Acquisition History:

Area: 6.67 acres	**Parcel Number:** 181032-21,22-29, 31

2019 Assessed Value: $1,686,800

Legal Description: T 6S R 13W SEC 35 T 6S R 13W SEC 36 HM 0930012 HOMER SPIT SUB NO 5 SEWARD MERIDIAN LOTS 1-10

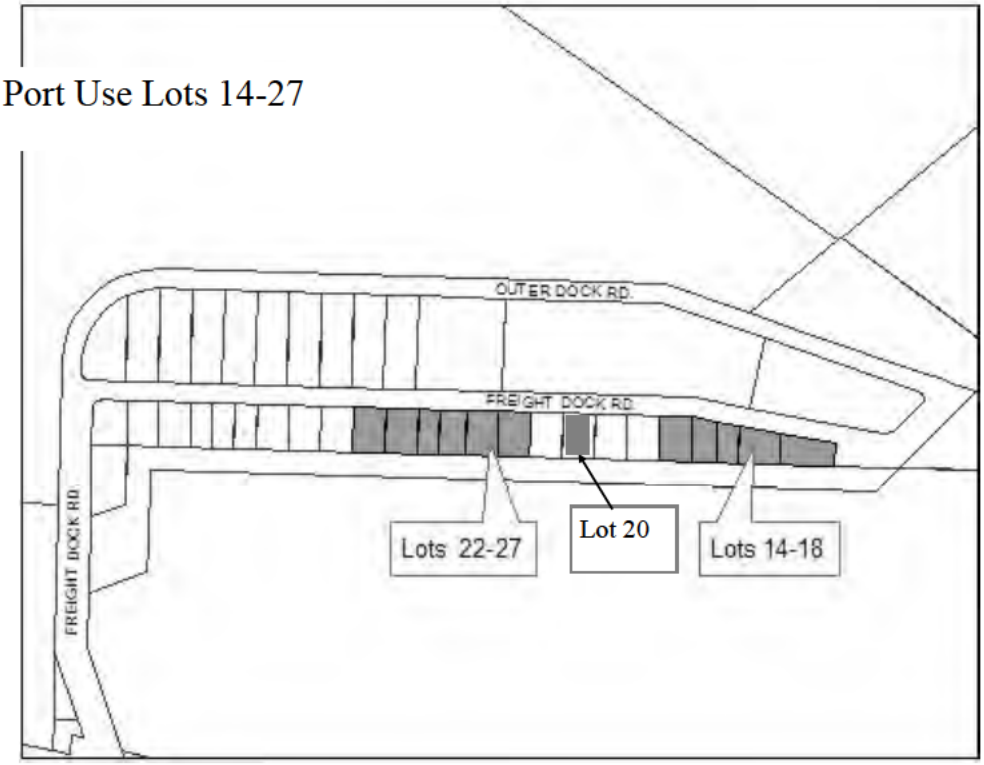
Zoning: Marine Industrial	**Wetlands:** N/A

Infrastructure: paved road, gas, water and sewer, Barge ramp

Notes:

Lots 1,2,3: Summer boat trailer parking
Resolution 14-041, Lots 9 and 10 are available for short term lease only

Finance Dept. Code:



Designated Use: Port Use
Acquisition History:

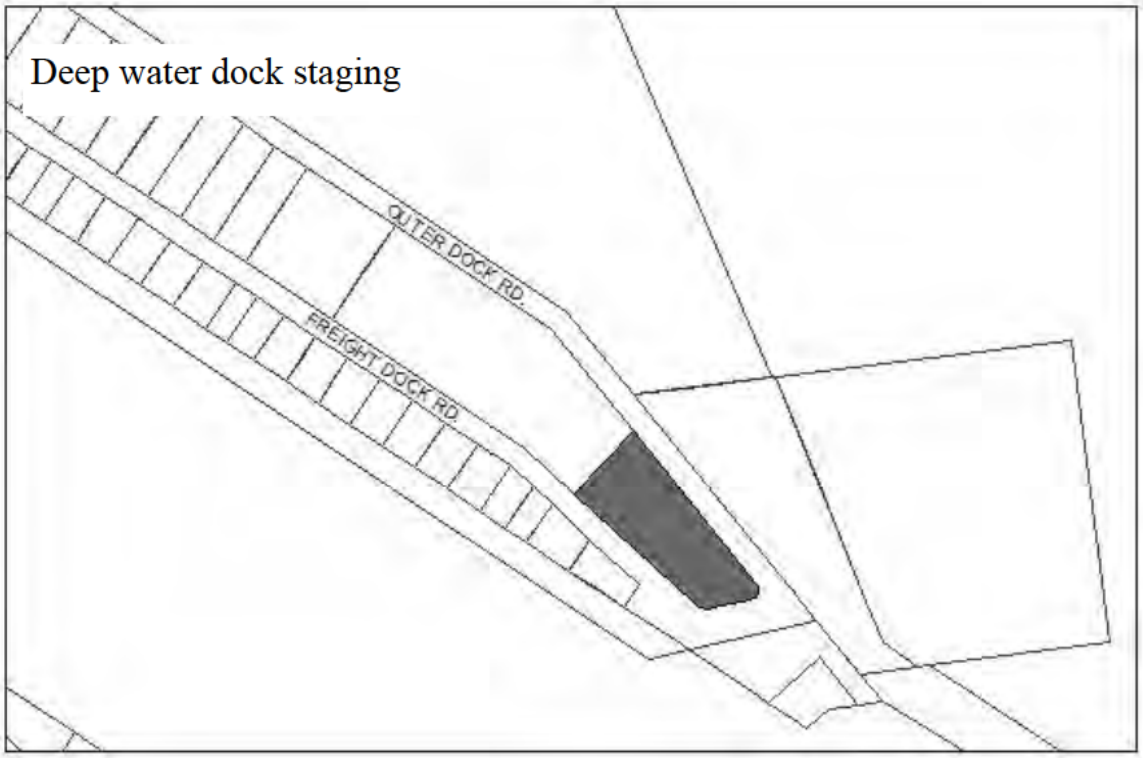
Area: 3.16 acres	**Parcel Number:** 18103233-37, 41-46
2019 Assessed Value: $3,560,200	
Legal Description: Homer Spit No 5 Lots 14-18, 22-27	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: paved road, gas, Spit Trail, water and sewer	

Notes:
Resolution 2007-51: Lots 14-35, RFP process should be delayed until the master parking plan and over slope development standards and issues are dealt with.

The harbor office completed in 2015 is on lots 22 and 23.

Lot 20 reserved for future travel lift Resolution 13-032

Finance Dept. Code:



Designated Use: Deep water dock staging
Acquisition History:

Area: 2.08 acres	**Parcel Number:** 18103232

2019 Assessed Value: $206,200

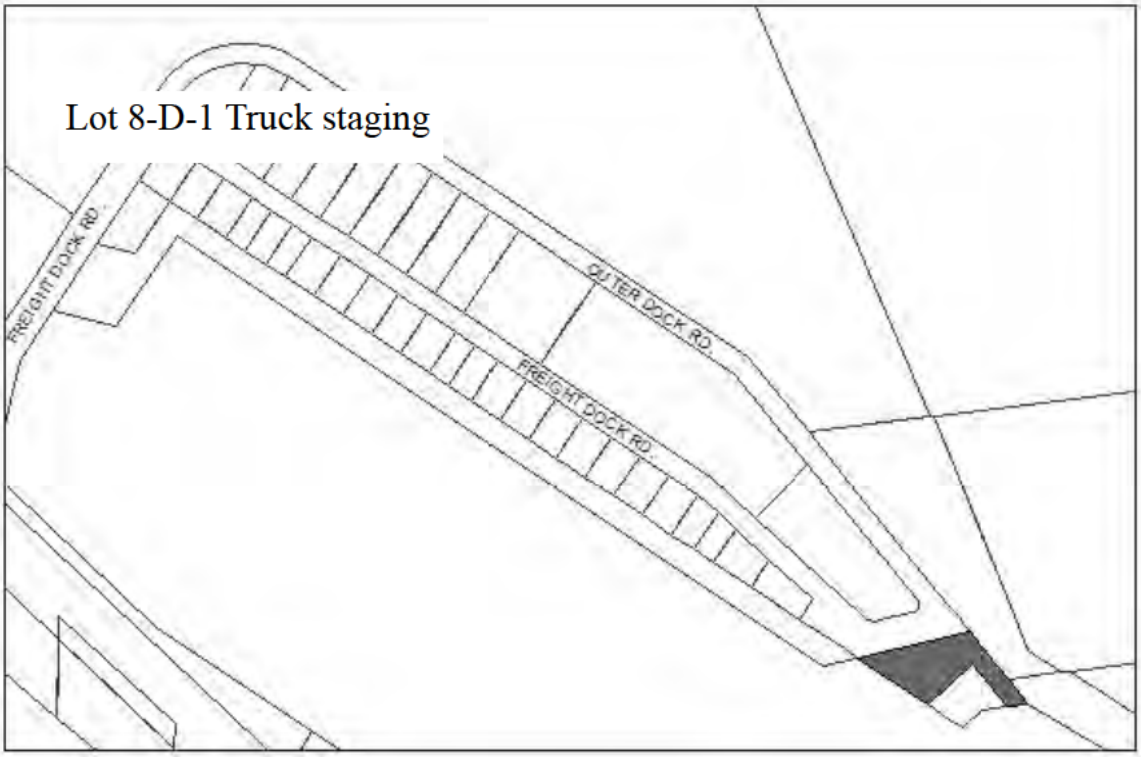
Legal Description: T 6S R 13W SEC 36 T 7S R 13W SEC 1 HM 0930012 HOMER SPIT SUB NO 5 SEWARD MERIDIAN LOT 13

Zoning: Marine Industrial	**Wetlands:** N/A

Infrastructure: paved road, gas, water and sewer

Notes:
Resolution 2007-51 Lot 13: Continue its current use as gear storage and cargo staging for Deep Water Dock cargo.

Finance Dept. Code:



Designated Use: Commercial Truck Staging
Acquisition History:

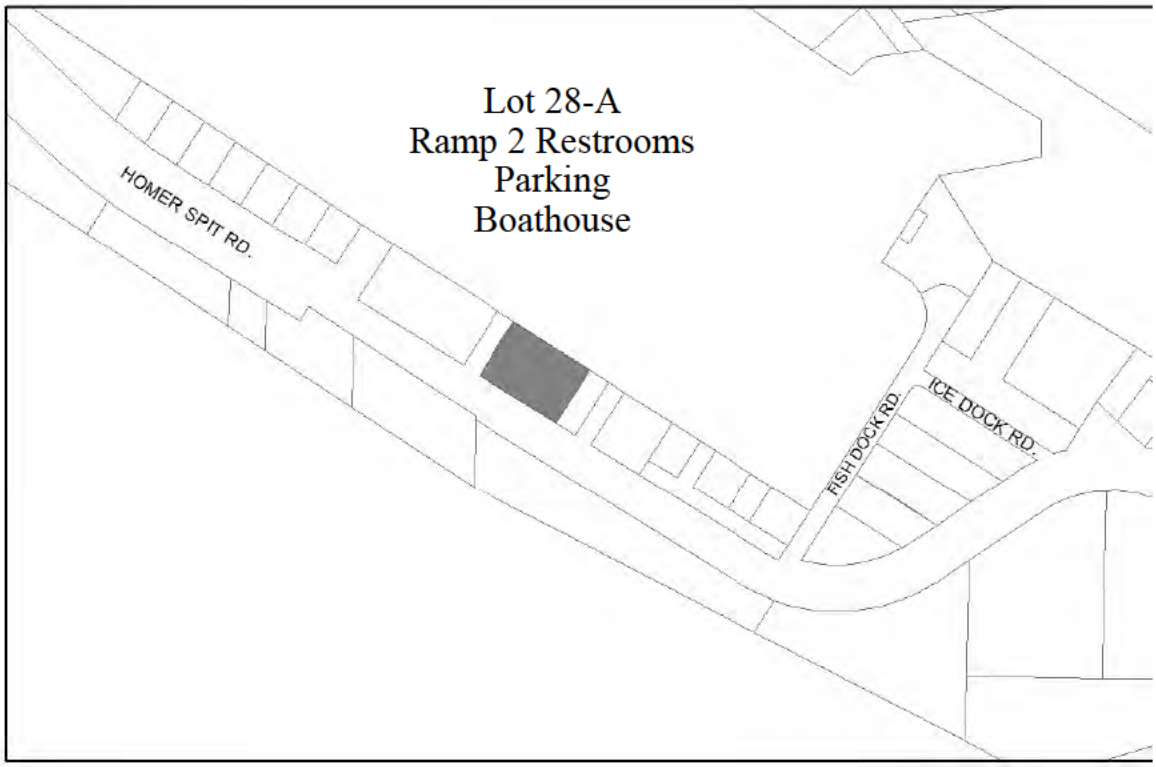
Area: 1.12 acres	**Parcel Number:** 18103259
2019 Assessed Value: $467,900	
Legal Description: T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0970072 HOMER SPIT NO 6 8-D-1	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Gravel road access, water and sewer	

Notes:

Resolution 2007-51: Lot 8D1 should be reserved for a marine related business which could include a petroleum products tank farm and a pipeline out to the (expanded) Deep Water Dock. This lot to be RFP's at the appropriate time for this type of marine support activity.

2014 construction of guard shack for Deep Water Dock, restrooms and picnic facility, completion of Spit Trail, and paved the lot for dock staging.

Finance Dept. Code:



Designated Use: Parking, restrooms and boathouse (Reso 16-043)
Acquisition History:

Area: 0.93 acres	**Parcel Number:** 18103397

2019 Assessed Value: $827,500 (Land: $177,00 Structures: $650,500)

Legal Description: Homer Spit Subdivision Amended Homer Boathouse Replat Lot 28-A

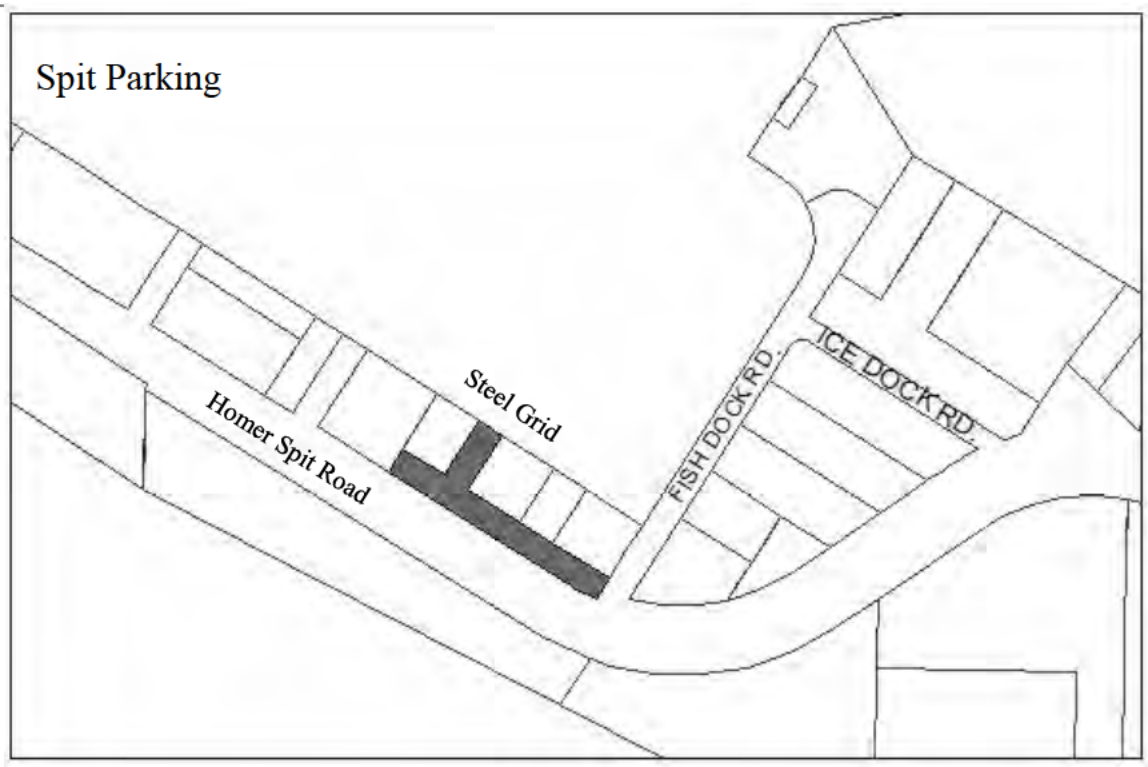
Zoning: Marine Commercial	

Infrastructure: Paved road, gas, water and sewer

Former site of Harbormaster Office.
Boat house constructed 2017/18 on a portion of the property.

Original Restrooms built in 1974. Property was part of a Land and Water Conservation Fund Grant in 1972, Project #02-00072. Land may be required to remain parkland in perpetuity. New restrooms constructed 2018-2019, LWCF agreement amended.

Finance Dept. Code:



Designated Use: Parking and Access
Acquisition History:

Area: 0.6 acres	**Parcel Number:** 18103441

2019 Assessed Value: $165,300

Legal Description: T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED PARKING AND ACCESS AREA

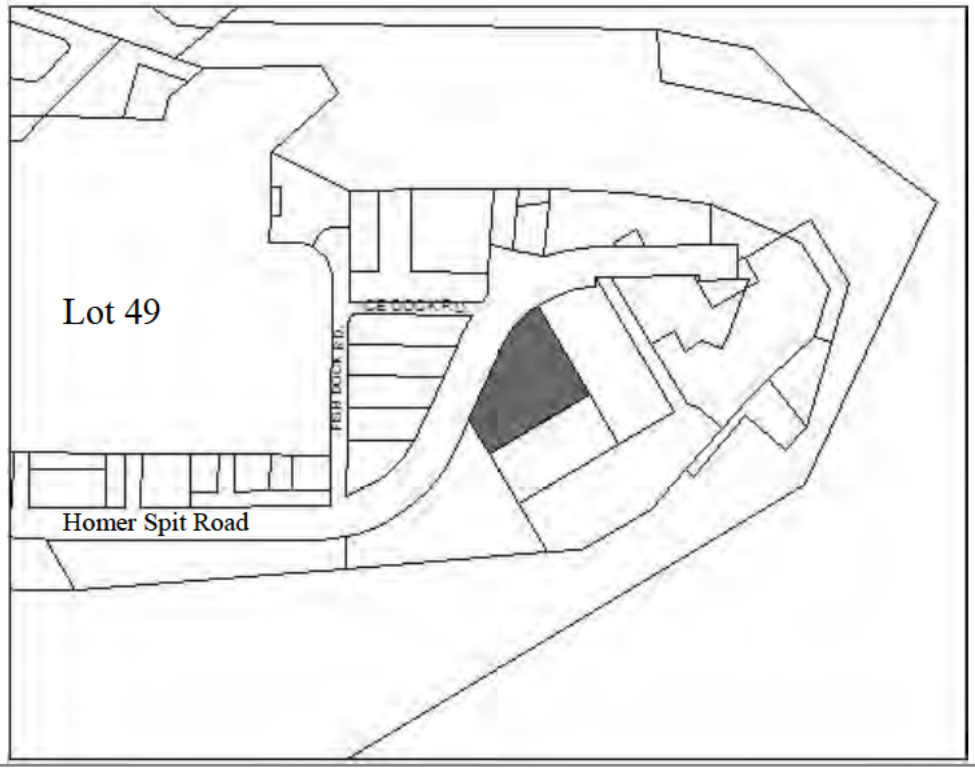
Zoning: Marine Commercial	**Wetlands:** N/A

Infrastructure: Paved road

Notes:

Provides parking for adjacent businesses, and harbor access.

Finance Dept. Code:



Designated Use: Main Dock Staging
Acquisition History:

Area: 2 acres	**Parcel Number:** 18103403

2019 Assessed Value: $346,900

Legal Description: T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 49

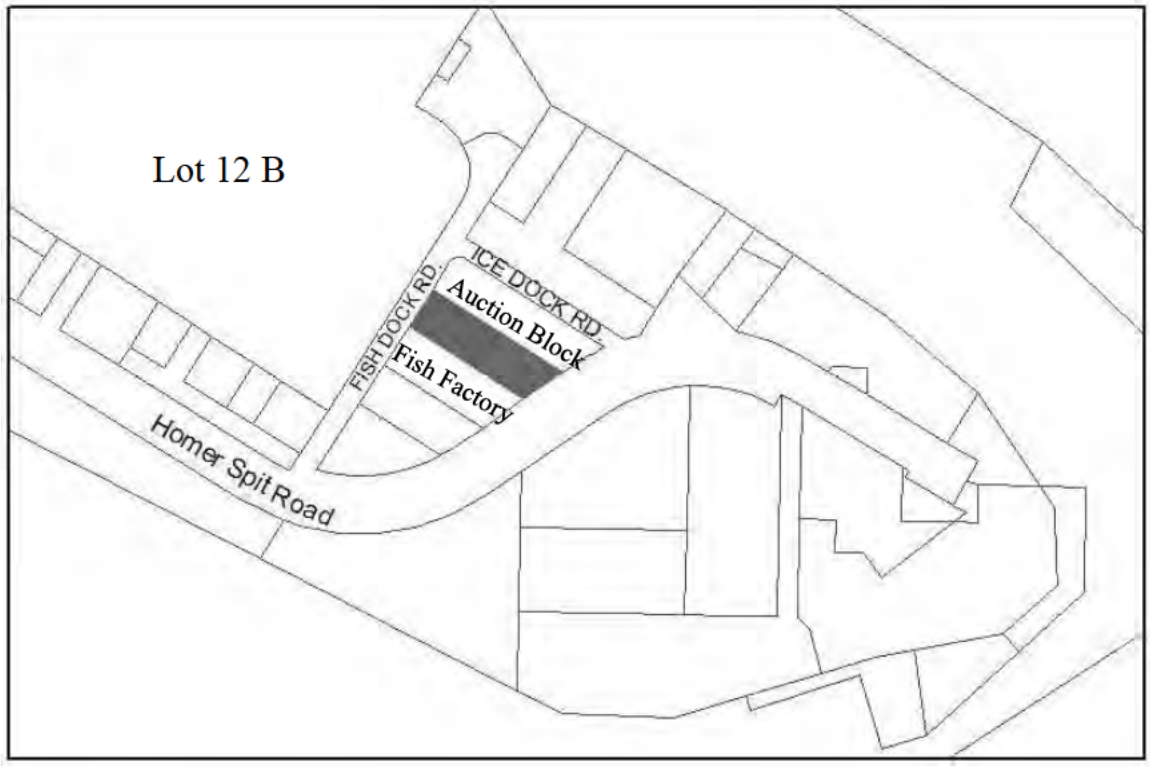
Zoning: Marine Industrial	**Wetlands:** N/A

Infrastructure: Paved road, gas, water and sewer

Notes:

Resolution 2007-51: Continue to use for dredge material dewatering.

Finance Dept. Code:



Designated Use: Leased Lands
Acquisition History:

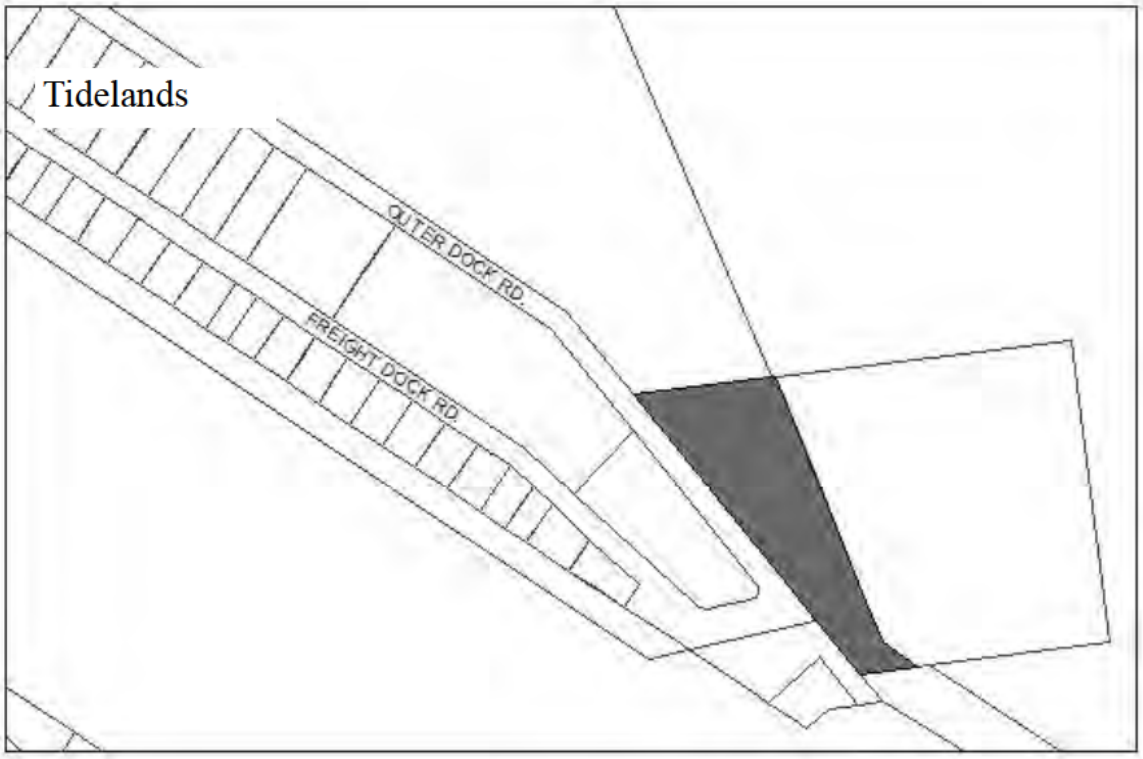
Area: 0.68 acres	**Parcel Number:** 18103451
2019 Assessed Value: $196,200	
Legal Description: City of Homer Port Industrial Subdivision No 4 Lot 12-B	
Zoning: Marine Industrial	
Infrastructure: Water, sewer, paved road access	**Address:**

Parcel has the fish grinder on it, and possibly a short term lease for storage from neighboring business. The whole parcel is not readily available for a long term lease.

Resolution 09-33: Remove Lot 12-B City of Homer Port Industrial Subdivision No 4 from lots that may be leased until the drainage issues are resolved.

Resolution 10-21: Administration is directed to address the drainage problems and usage of this lot.

Finance Dept. Code:



Designated Use: Tidelands
Acquisition History:

Area: 4.19 acres	**Parcel Number:** 18103213

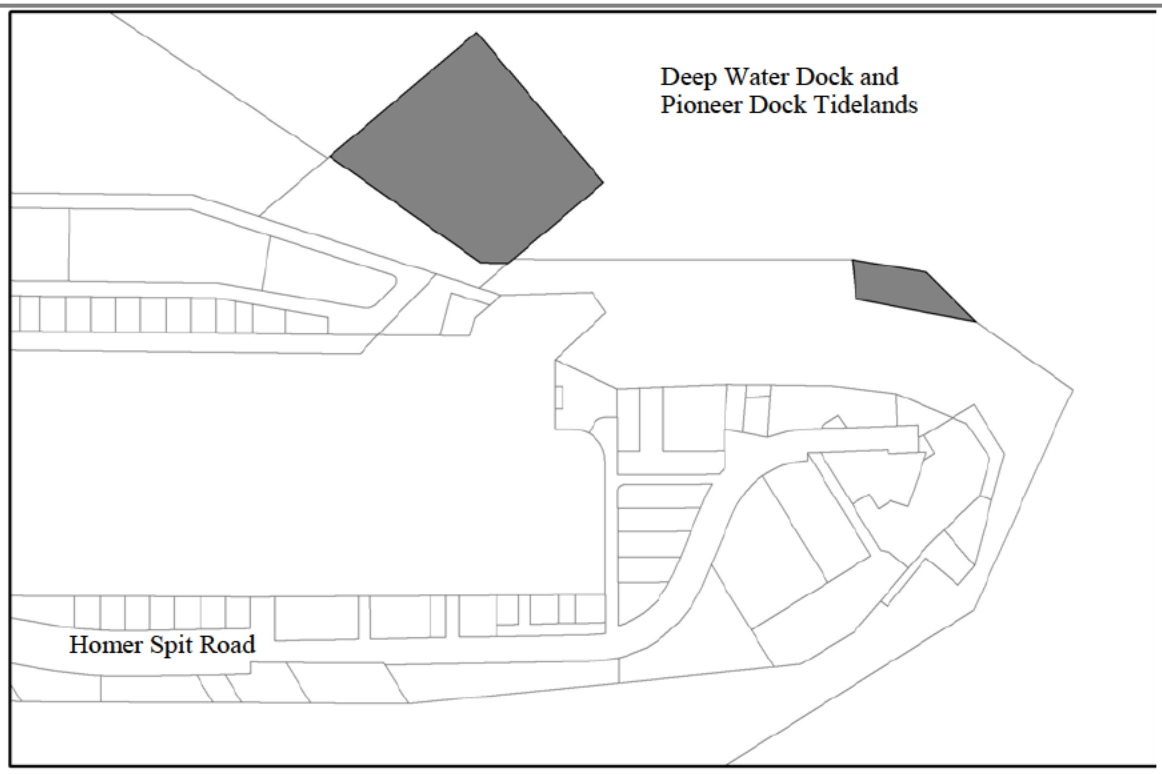
2019 Assessed Value: $5,000

Legal Description: T 6S R 13W SEC 36 T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED TRACT A

Zoning: Not zoned	**Wetlands:** Tidelands

Infrastructure:

Finance Dept. Code:



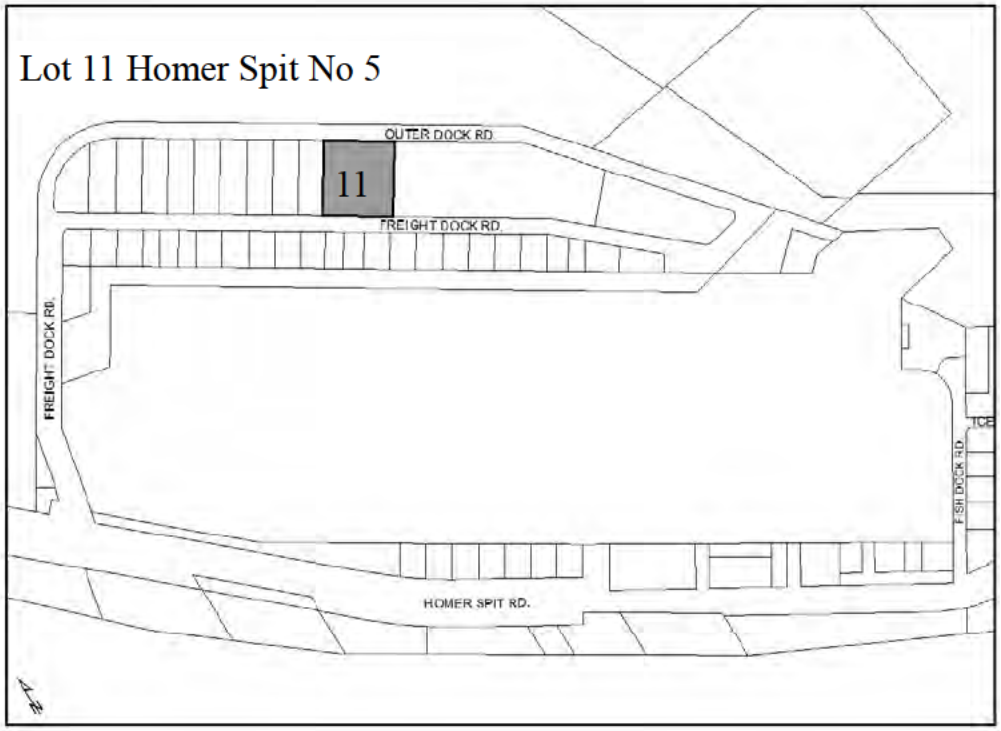
Designated Use: Port and Harbor Use
Acquisition History: Resolution 17-81

Area: 11.91 acres, 1.37 acres	**Parcel Number:** 18103203, 18107005
2019 Assessed Value: $5,754,500	
Legal Description: ATS 1373 and ATS 1603	
Zoning: Outside city limits	**Wetlands:** N/A
Infrastructure:	

Notes:

Acquired from the State of Alaska

Finance Dept. Code:



Designated Use: Port Facility
Acquisition History:

Area: 1.78 acres. A small portion is leased for a telecommunications tower	**Parcel Number:** 18103230
2019 Assessed Value: $194,900	
Legal Description: Homer Spit Subdivision No. 5 Lot 11	
Zoning: Marine Industrial	
Infrastructure: Water, sewer, paved road access	**Address:** 4300 Freight Dock Road

A portion of Lot 11 is under lease for a telecommunications tower. (18103230LH01)

This lot is withheld from long term lease pending the General Investigation Study with ACOE for the Large Vessel Moorage Facility. (Resolution 20-19)

Finance Dept. Code:

Section D

City Facilities and Other Lands

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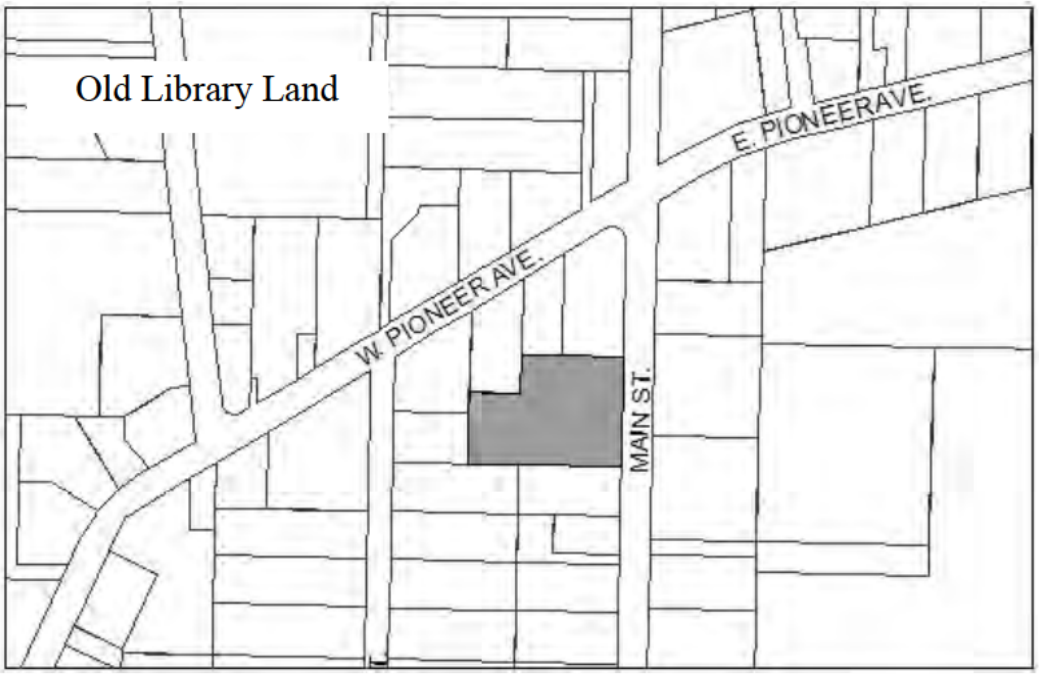
Designated Use:	
Area:	**Parcel Number:**
2015 Assessed Value:	
Legal Description:	
Zoning:	**Wetlands:**
Infrastructure:	
Notes:	
Finance Dept.	



Designated Use: City Facility and Other Lands (Resolution 20-019)
Acquisition History: Deed: Jewel July 1982 (back lot portion) Deed: Watson 1978 (library/Pioneer area)

Area: 1.31 acres	**Parcel Number:** 17514416
2019 Assessed Value: $69,400	
Legal Description: T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2008016 HOMER PUBLIC LIBRARY NO 2 LOT 2	
Zoning: Central Business District	**Wetlands:** Drainage and wetlands may be present
Infrastructure: Paved road, water, sewer, natural gas	

Notes: This land was formerly part of the old library site. The library building was subdivided onto its own lot, and sold.

The land has a nice bay view, but would require stumping. Driveway access off of Main Street is very steep. It is likely significant dirt work would be needed to make this lot viable for commercial or multifamily development.

Finance Dept. Code:

Designated Use: Library. Resolution 2003-72
Acquisition History: KPB Ord 93-09

Area: 5.25 acres	**Parcel Number:**17710739, 17710740

2019 Assessed Value:$8,248,000 (Land 272,600, Structure 7,975,400)

Legal Description: HM2005036 T06S R13W S20 TRACT B GLACIER VIEW SUB NO 26, HM2005036 T06S R13W S20 TRACT A GLACIER VIEW SUB NO 26

Zoning: Central Business District	**Wetlands:** Some wetlands present

Infrastructure: Paved road access, trail access, gas, water and sewer available.

Notes:

Finance Dept. Code:

Designated Use: City Hall
Acquisition History: Purchased, Schoulz 12/31/86

Area: 1.12 acres	**Parcel Number:**17720408

2019 Assessed Value:$2,377,700 (Land 188,800 Structure 2,218,900)

Legal Description: HM2004048 T06S R13W S20 Glacier View Subdivision Campus Addition Lot 6-A-2

Zoning: Central Business District	**Wetlands:** None

Infrastructure: Paved road access, gas, water and sewer.

Notes: New addition and remodel 2011/12. Lower parking area paved.

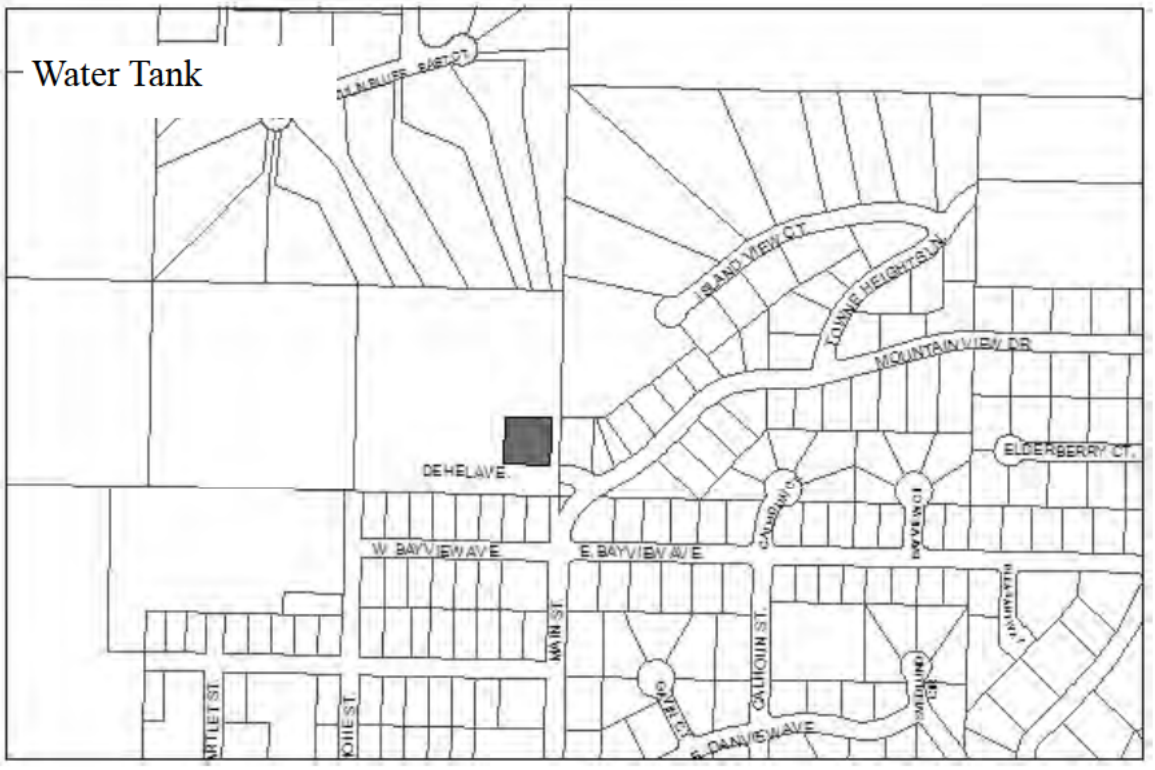
Finance Dept. Code:

Designated Use: Fire Station and former police station
Acquisition History: Straub Warr Deed 4/74, partial purchase Straub 4/5/74

Area: 1.57 acres	**Parcel Number:** 17702057
2019 Assessed Value: $1,567,900 (Land: $224,900 Structures: $1,303,300)	
Legal Description: HM 0870011 NEW HOMER HIGH SCHOOL NO 2 Tract 1-B	
Zoning: Central Business District	**Wetlands:** N/A
Infrastructure: Water, Sewer, Paved access	

Notes: Fire hall remodel 2017/2018
Resolution 20-031 assigned management and use of the former police station to the Homer Volunteer Fire Dept

Finance Dept. Code:



Designated Use: Water Tank (A Frame Tank)
Acquisition History: Dehel Deed 6/1/65

Area: 0.5 acres	**Parcel Number:** 17504011

2019 Assessed Value: $480,900 (Land: $134,100, Structure: $346,800 (water tank)

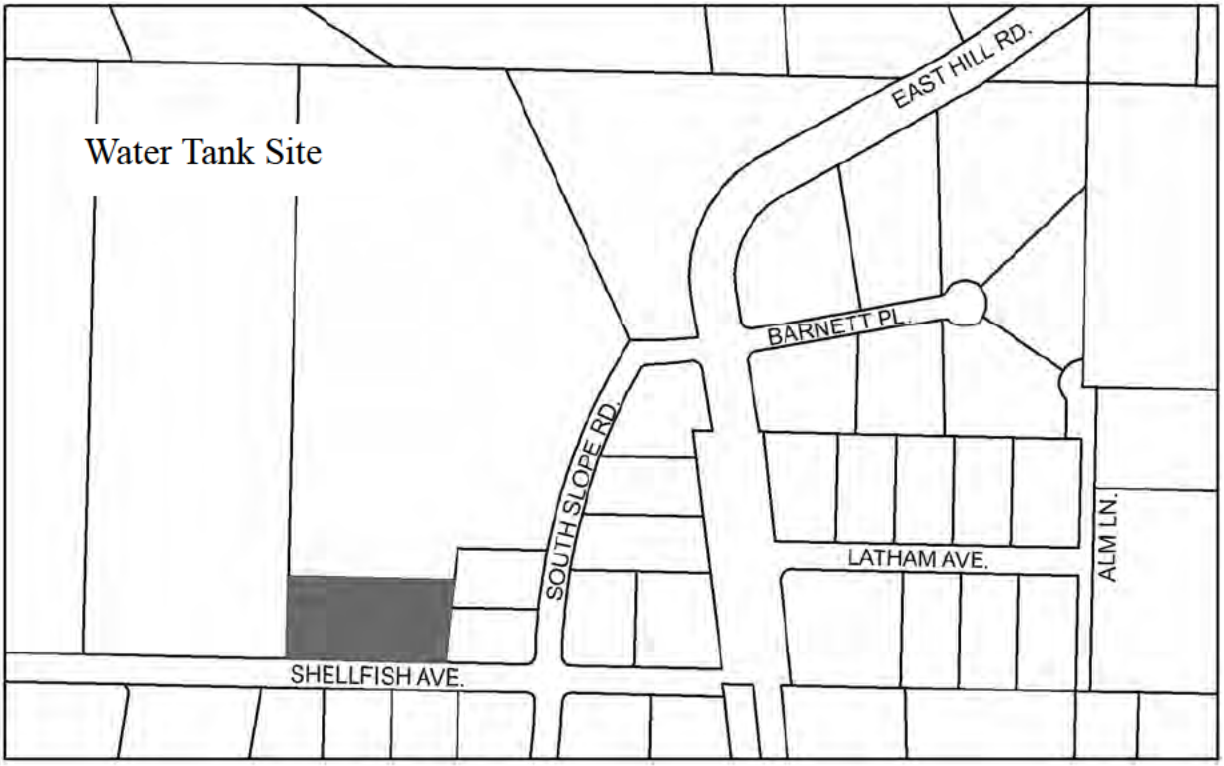
Legal Description: HM T06S R13W S18 N 150 FT OF THE S 250 FT OF THE E 180 FT OF THE NE1/4 SE1/4

Zoning: Rural Residential	**Wetlands:** Possible drainage through site

Infrastructure: N/A

Notes:

Finance Dept. Code:

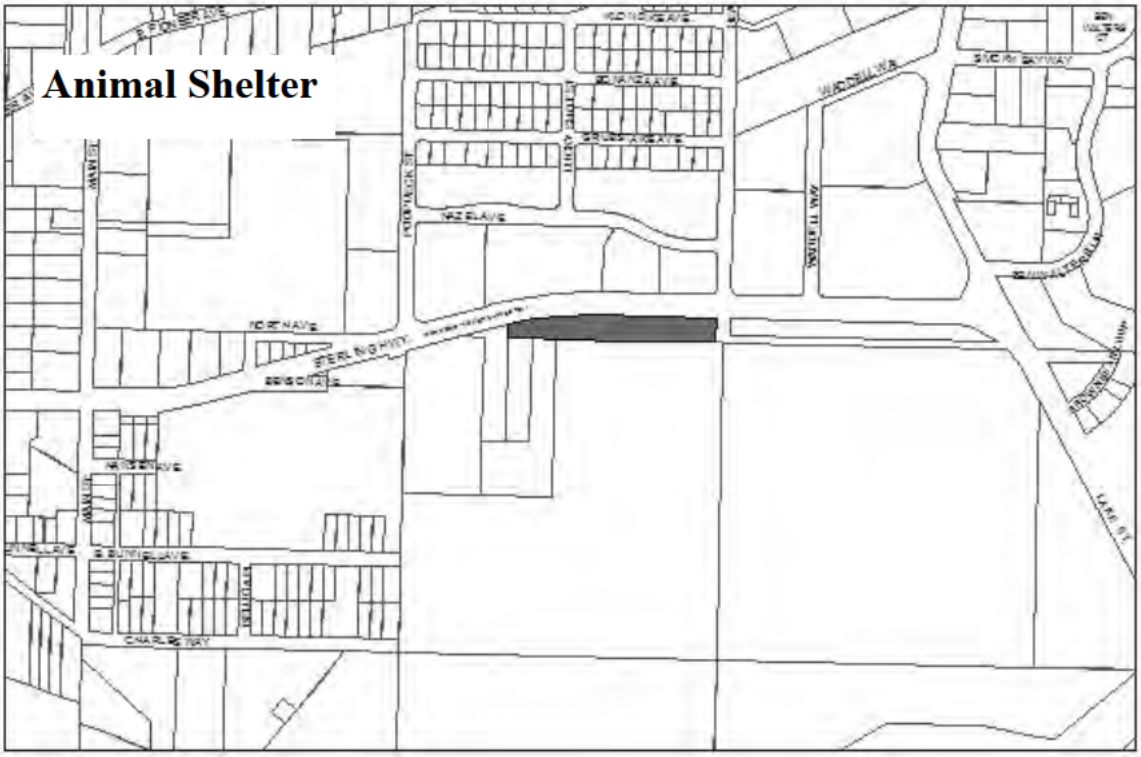


Designated Use: Future Water Tank
Acquisition History: Ordinance 14-39

Area: 1.5 acres	**Parcel Number:** 17701009
2019 Assessed Value: $82,000	
Legal Description: T6S R13W SEC 17 SEWARD MERIDIAN HM 2014023 BARNETT SUB QUIET CREEK ADDN 2014 TRACT A2	
Zoning: Rural Residential	**Wetlands:**
Infrastructure: N/A	

Notes: Future location of a new water tank. Project is shovel ready if federal funding becomes available.

Finance Dept. Code:



Designated Use: Animal Shelter
Acquisition History: Heath Deed 3/10/71

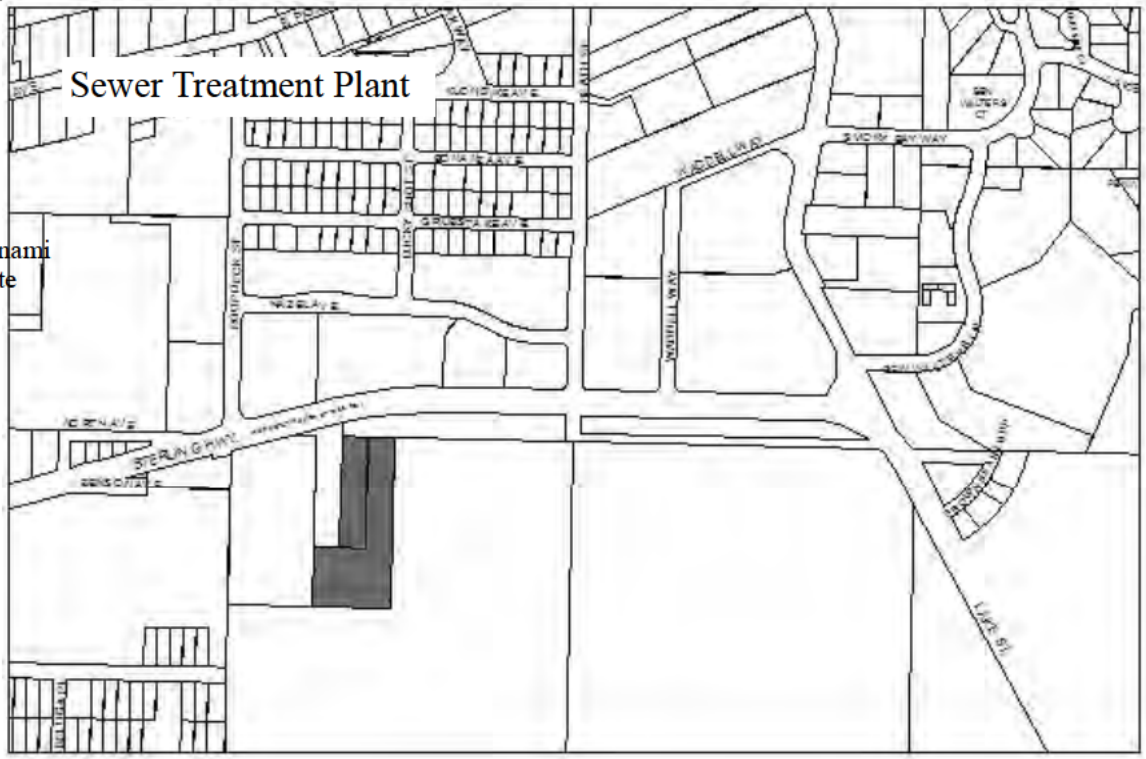
Area: 1.85 acres	**Parcel Number:** 17714020
2019 Assessed Value: $1,474,100 (Land $311,700, Structure $1,162,400)	
Legal Description: Glacier View Subdivision No 18 Lot 1	
Zoning: Central Business District	**Wetlands:** N/A
Infrastructure: Water, Sewer, gas, gravel access via Public Works	

Notes: Also includes landscaped area along the Sterling Highway maintained by Parks and Recreation, and named Superintendent's Park.

Constructed in 2004. 3,828 sq feet.

Finance Dept. Code:

Add tsunami zone note



Designated Use: Sewage Treatment
Acquisition History: see below

Area: 4.08 acres	**Parcel Number:** 177140 14, 15

2019 Assessed Value: $3,248,400 (Land: $196,100 Structures/Improvements: $3,052,300)

Legal Description:T 6S R 13W SEC 20 SEWARD MERIDIAN HM POR PER E1/2 NW1/4 NE1/4 SW1/4 PER D-60-164, T 6S R 13W SEC 20 SEWARD MERIDIAN HM THAT PORTION OF E1/2 NW1/4 NE1/4 SW1/4 PER D-60 @ 05

Zoning: Central Business District	**Wetlands:** Yes

Infrastructure: Water and Sewer. Access via PW complex

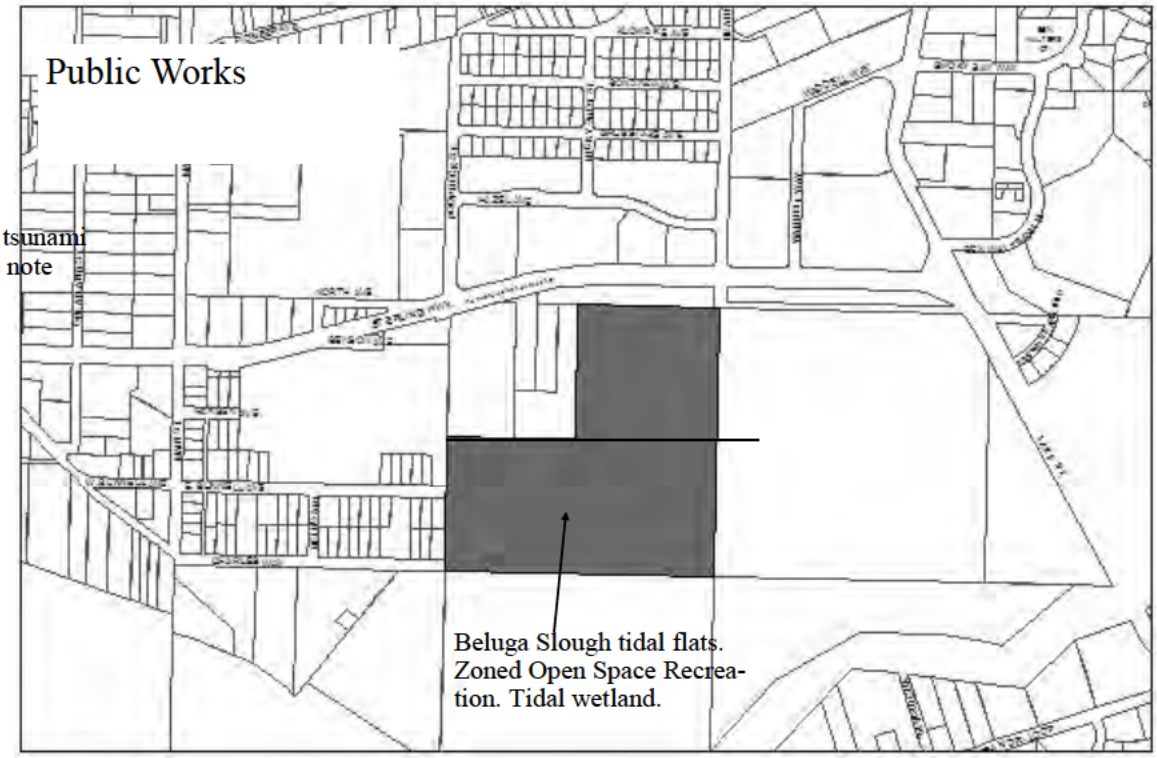
Notes:
Acquisition:
17414014: Mitchell Warr Deed 1/9/84
17714015: Heath/Whitmore Deed 3-71

2008 Resolution 08-48 recommends a replat to vacate common lot lines. Resolution 10-35(A) Replat the Sewer Treatment Plant lots to vacate the common lot line. Staff note: additional funding is required to pay for replatting.

Lower section within a FEMA mapped flood hazard area.

Finance Dept. Code:

Add tsunami zone note



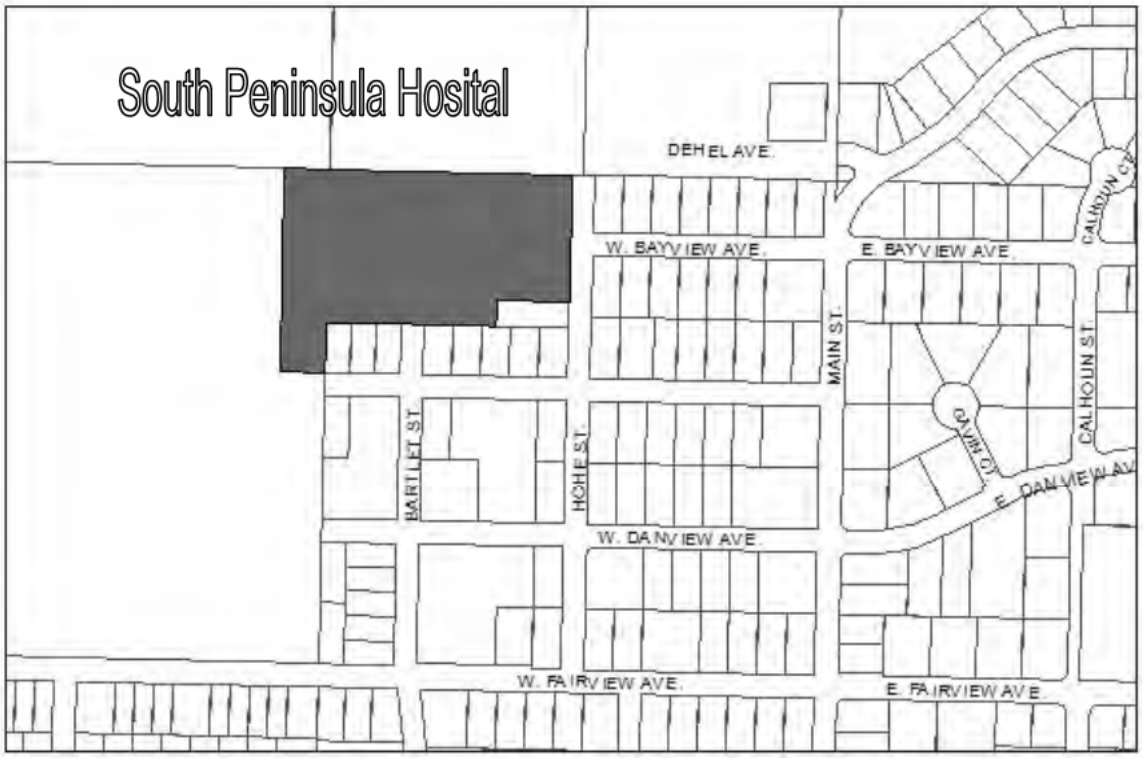
Designated Use: Public Works
Acquisition History: Heath Dead 3/10/71

Area: 30 acres	**Parcel Number:** 17714016
2019 Assessed Value: $4,567,700 (Land: $2,973,600, Structures: $1,594,100)	
Legal Description: T 6S R 13W 4EC 20 SEWARD MERIDIAN HM NE1/4 NE1/4 SW1/4 & S1/2 NE1/4 SW1/4	
Zoning: Central Business/Open Space	**Wetlands:** Yes
Infrastructure: Paved Road, water and sewer	

Notes:

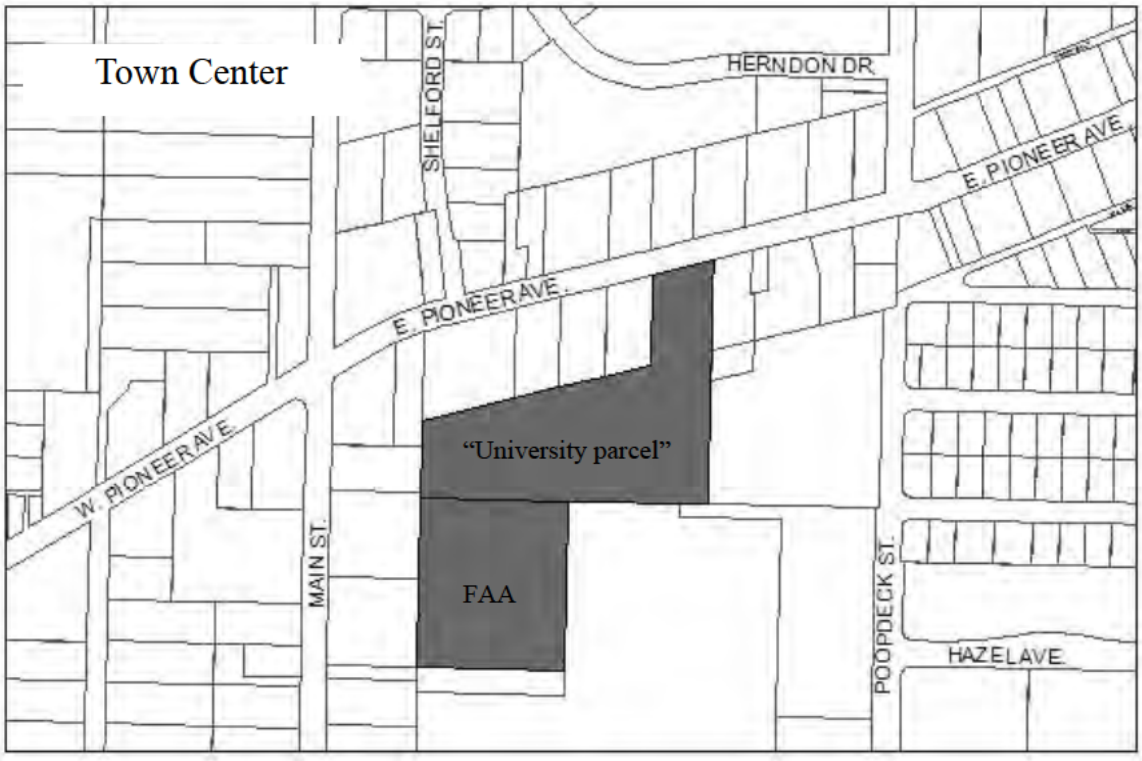
Within a FEMA mapped flood hazard area.
Lower portion of lot also nominated for inclusion in the Western Hemisphere Shorebird Reserve network, Resolution 15-064.
2015/16: Equipment shed constructed, Conditional Use Permit 15-02.

Finance Dept. Code:



Designated Use: South Peninsula Hospital
Acquisition History:

Area: 7.12 acres	**Parcel Number:** 17504024
2019 Assessed Value: $87,292,800 (Land $705,800, Structures $86,587,000)	
Legal Description: HM02008092T06S R13W S18 SOUTH PENINSULA HOSPITAL SUB 2008 Addition Tract A2	
Zoning: Medical District	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	
Notes: Ordinance 2006-036 leased the land to the Kenai Peninsula Borough for 99 years. Structure is owned by KPB.	
Finance Dept. Code:	



Designated Use: UA land: Land was sold to the City by UA with the intent it would be used for town center. FAA site: Held for possible UA/state shared consortium library agreement and land trade for land at Bridge Creek. Resolution 14-084 Identifying Homer FAA Site Sub Tract 38A in the Town Center as a Viable Location for a Community Center.
Acquisition History: UA: Ord 03-61 purchase.

Area: 7.69 acres	**Parcel Number:** 17719234, 17708015
2019 Assessed Value: $382,800	
Legal Description: Homer FAA Site Sub Tract 38A, UA lot: Nils O Svedlund Sub 2013 Replat lot 7-A tract B, long legal.	
Zoning: Town Center District	**Wetlands:** City had a wetland delineation done in 2006. There is about a 1/2 acre of wetlands between the two sites.
Infrastructure: Must be built as land is developed.	
Trail constructed on Lot 7-A, connecting north to Pioneer Ave (2019)	
Finance Dept. Code:	

Designated Use: Tidelands. Very small portion leased to Northern Enterprises for boat hoist, 2019
Acquisition History:

Area: 6,784 acres	**Parcel Number:** 18107001, 17728001, 17528001 18101025, 18101026
2019 Assessed Value: $12,753,300	
Legal Description: Portions of ATS 612	
Zoning: Not zoned	**Wetlands:**

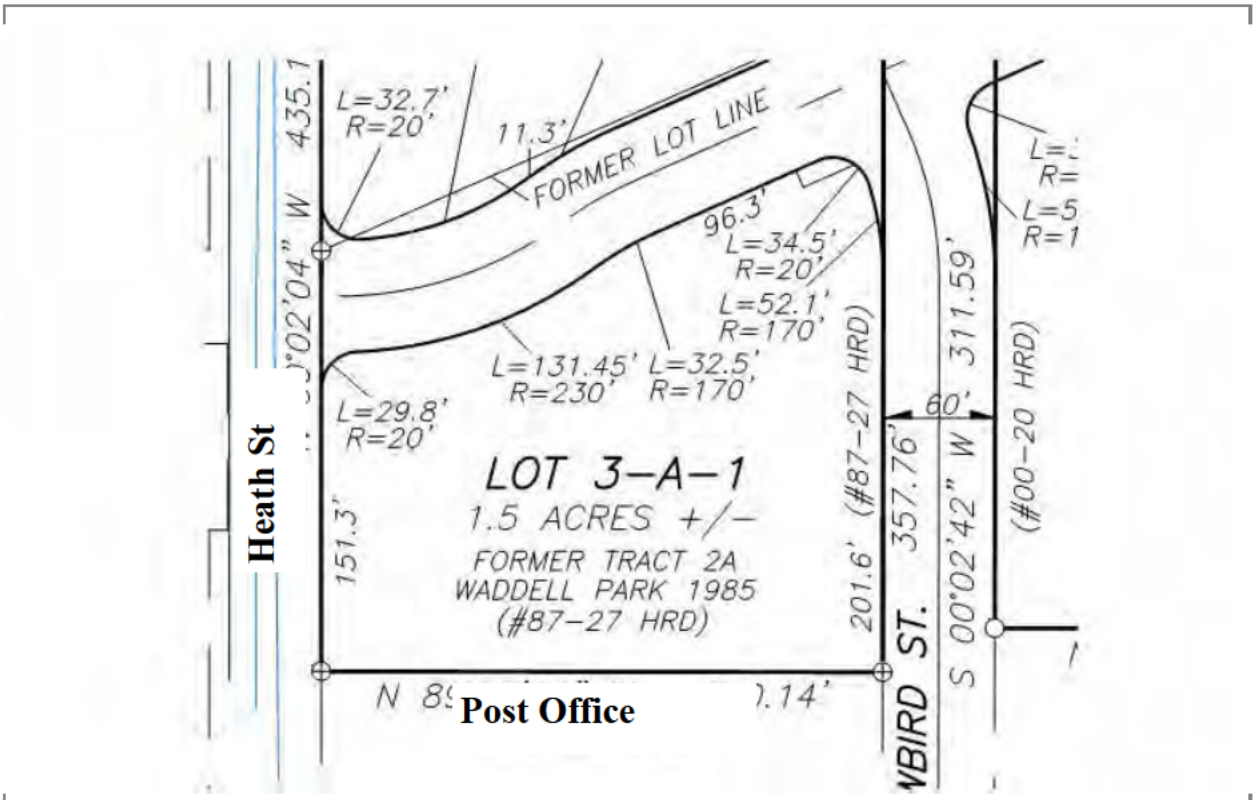
17728001—HM0742265 T06S R13W S29 ALASKA TIDELAND SURVEY 612 . 499.54 acres, $96,500 assessed value. Patent title 1977, 84-25 Annexed by City.

17528001 HM0770064 T06S R14W S30 ALASKA TIDELANDS SURVEY NO 612 POR SEC 23 24 & POR SEC 19 & 30. 1641.24 acres. Assessed Value: $316,700. City Granted Title 1977 under Preference Right effective 1/3/59 Ord 84-25 Annexed by City.

18107001—HM0770064 T07S R13W S14 ALASKA TIDELANDS SURVEY 612 THAT PORTION LYING WITHIN SEC 13 & 14 & 22 THRU 24 & 26 THRU 28 & 33 THRU 36 OF T06SR13W & WITHIN SEC 1 & 2 OF T07SR13W EXCLUDING THAT PORTION OF TIDELANDS VESTED TO STATE OF ALASKA & EXCE. 4753 acres. $12,154,100, includes Pioneer Dock improvements

Patent 1974 002459-0 Book 80 Page 171
Mariner Park and Mud Bay were nominated by the City as Western Hemisphere Shorebird Reserve Sites in 1994 ("whissern"). They are recognized as sites of international importance. http://www.whsrn.org/

Finance Dept. Code:



Designated Use: New Police Station Resolution 18-013(A)
Acquisition History: Purchased

Area: 1.5 acres	**Parcel Number:** 17712034

2020 Assessed Value: $1,922,500

Legal Description: T 06S R 13W SEC 20 Seward Meridian HM 2016021 WADDELL PARK 2016 REPLAT LOT 3- A-1

Zoning: CBD	**Wetlands:** N/A

Infrastructure: full utilities, Grubstake extension will include paved road and sidewalk.

Notes: Road construction in 2016. Project funding from State appropriation and matching City HART funds.
New police station construction 2019-2020, opened fall 2020.

Finance Dept. Code:

Designated Use: Undesignated
Acquisition History: Detling Deed 6/10/82

Area: 0.03 acres each. Total of 2,613 sq ft	**Parcel Number:** 177154 02, 03

2019 Assessed Value: $2,600

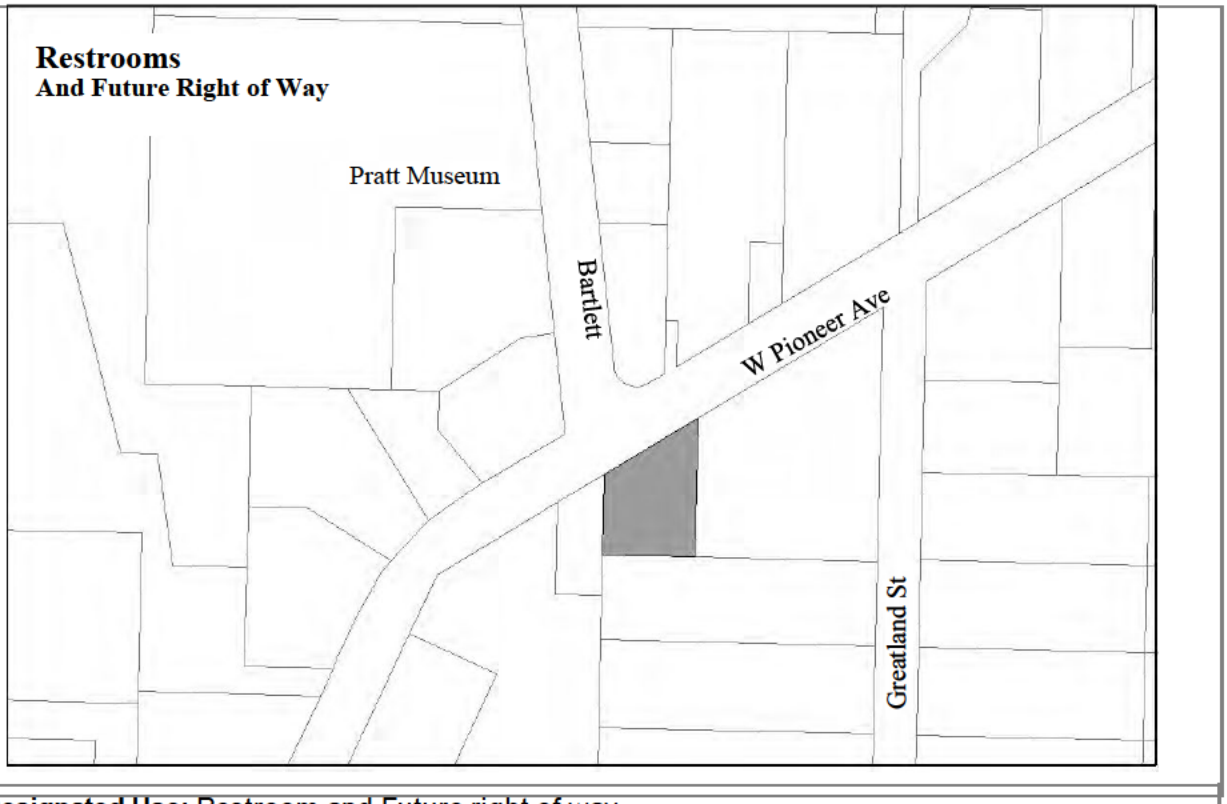
Legal Description: T6S R 13W SEC 20 SEWARD MERIDIAN HM 0670365 W R BENSON SUB AMENDED LOT 46 EXCLUDING HOMER BY-PASS ROAD, T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0670365 W R BENSONS SUB AMENDED LOT 47 EXC HOMER BY-PASS RD*

Zoning: Central Business District	**Wetlands:** Possibly. Lots are steep.

Infrastructure: Paved Road and sidewalk

Notes: Lots are steep; they run from the Sterling Highway grade down the slope to the adjoining property. Lot dimensions are approximately 50'x30'.

Finance Dept. Code:

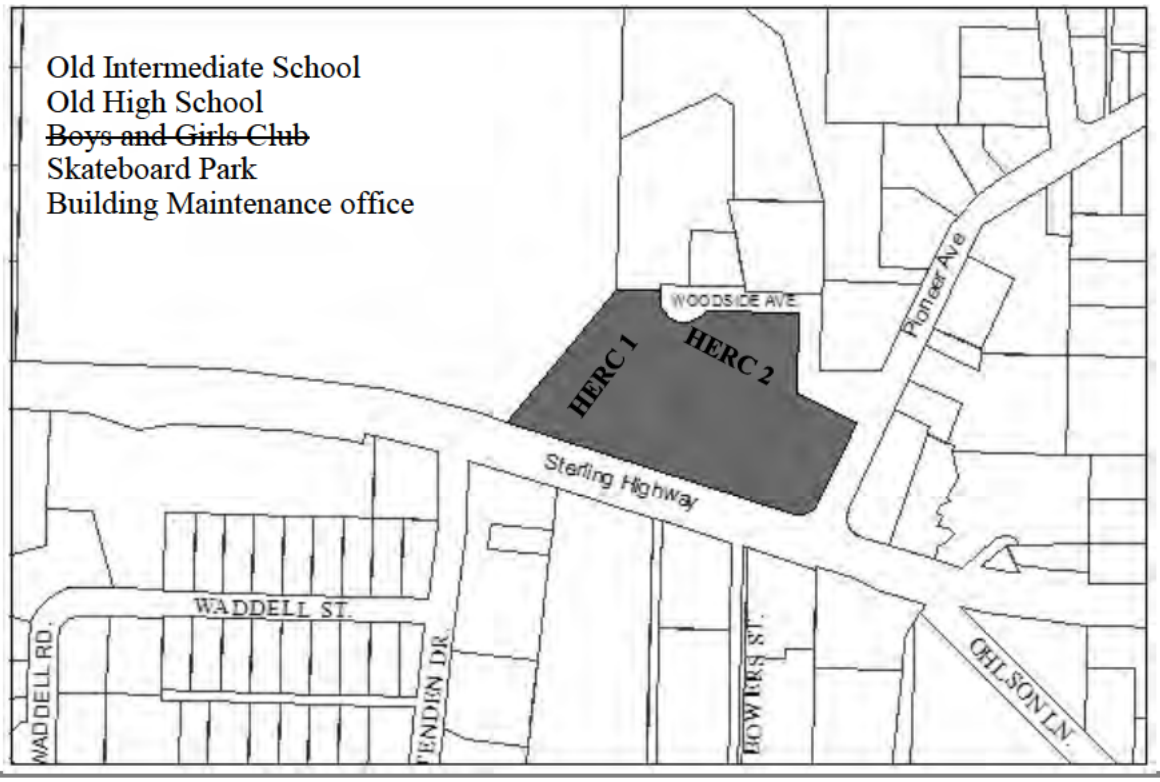


Designated Use: Restroom and Future right of way
Acquisition History: Ordinance 2012-42

Area: 0.27 acres	**Parcel Number:** 17514301
2019 Assessed Value: $77,300	
Legal Description: T 6S R 13W SEC 19 SEWARD MERIDIAN HM 0000049 BUNNELLS SUB LOT 75	
Zoning: Central Business District	**Wetlands:** Yes
Infrastructure: Paved Road, water and sewer	

Notes:
Public restroom constructed 2013-2014
Future road extension for Bartlett.

Finance Dept. Code:



Designated Use: City Facility and other city lands (Resolution 20-019)

Acquisition History: Given to the City by KPB. Old Middle School and HS. Reso 98-63

Area: 4.3 acres	**Parcel Number:** 17510070

2019 Assessed Value:$4,724,700 (Land $724,700 Structure, built in 1956 25,000 sq ft $4,000,000)

Legal Description: HM2000022 T06S R13W S19 TRACT 2 HOMER SCHOOL SURVEY 1999 CITY ADDN

Zoning: Central Business District	**Wetlands:** Creek on western edge

Infrastructure: Paved access and parking. Water and Sewer.

Notes:

- Skateboard Park on premises.
- Deed restrictions removed by Kenai Peninsula Borough, fall 2014
- HERC 1 is the larger building
- HERC 2 is the smaller building that contains PW Maintenance

Finance Dept. Code: 170.0032 175.100.05

Designated Use: Storm Water Retention Area (Resolution 20-059)

Area: 0.32 acres	**Parcel Number:** 17510230 935 Soundview Ave
2020 Assessed Value: $0	
Legal Description: T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2007031 FOOTHILLS SUB SUNSET VIEW ESTATES ADDN NO 2 PHASE ONE LOT 2 BLOCK 2	
Zoning: Rural Residential	**Wetlands:** Yes; part of an ACOE permit
Infrastructure:	

Notes: Parcel is part of the storm water infrastructure for the subdivision and is bound by an ACOE permit. Property is mostly used as a storm water retention area.

Finance Dept.

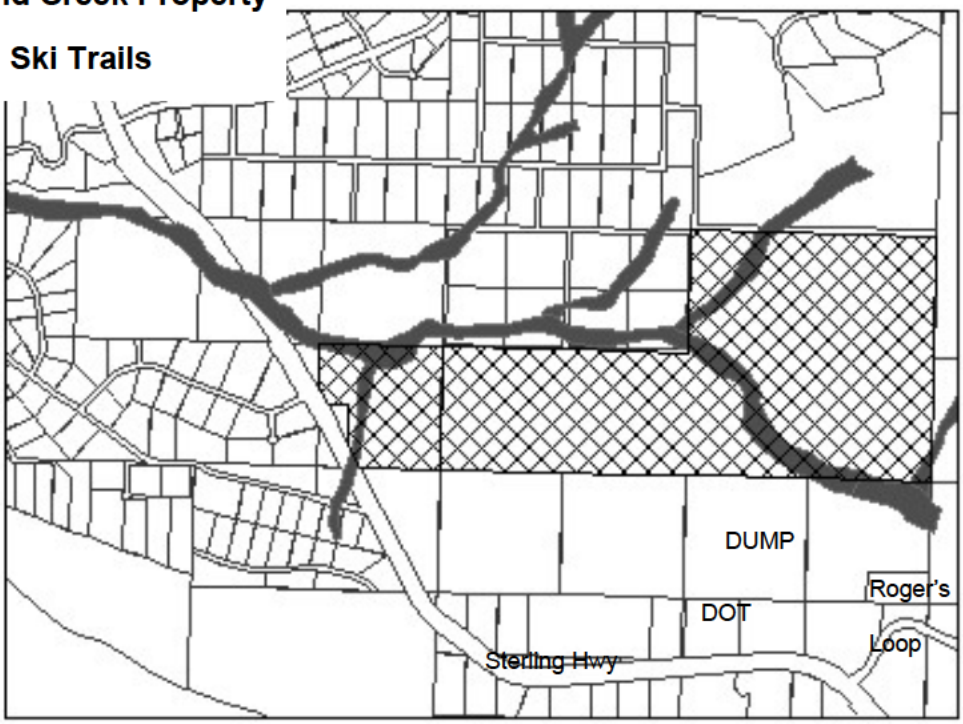
Section E

Parks + Beaches

Cemeteries + Green Space

Diamond Creek Property

Ski Trails



Designated Use: Public Purpose for park land
Acquisition History: Ordinance 07-03. Forest Legacy grant/KHLT/long term public ownership

Area: 273 acres (240 acres and 33 acres)	**Parcel Number:** 17302201, 17303229

2019 Assessed Value: $241,900

Legal Description: HM T06S R14W S09 SE1/4 EXCLUDING THE W1/2 SW1/4 SE1/4 SE1/4 and HM T06S R14W S10 SE1/4 & S1/2 SW1/4.

Zoning: Not in city limits	**Wetlands:** Yes. Diamond Creek flows through these lots. Larger lot is mostly wetland.

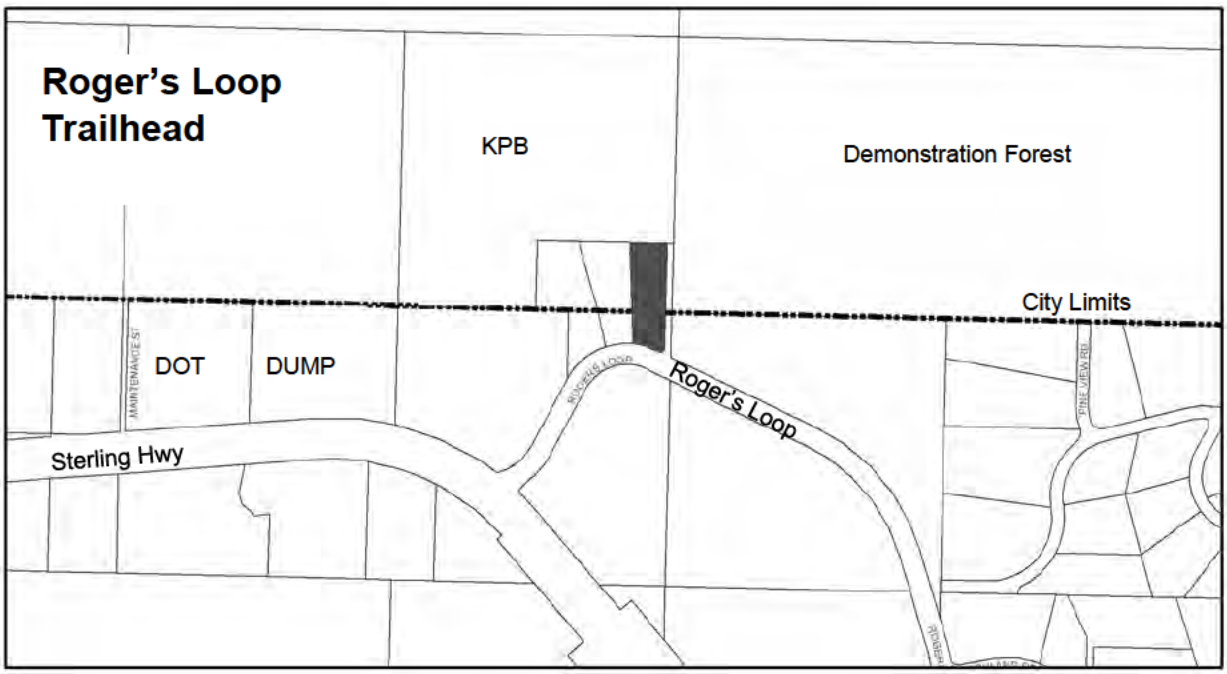
Infrastructure: Limited legal and physical access. Western lot has Sterling Highway frontage.

Notes: Ski trails, managed by Kachemak Nordic Ski Club

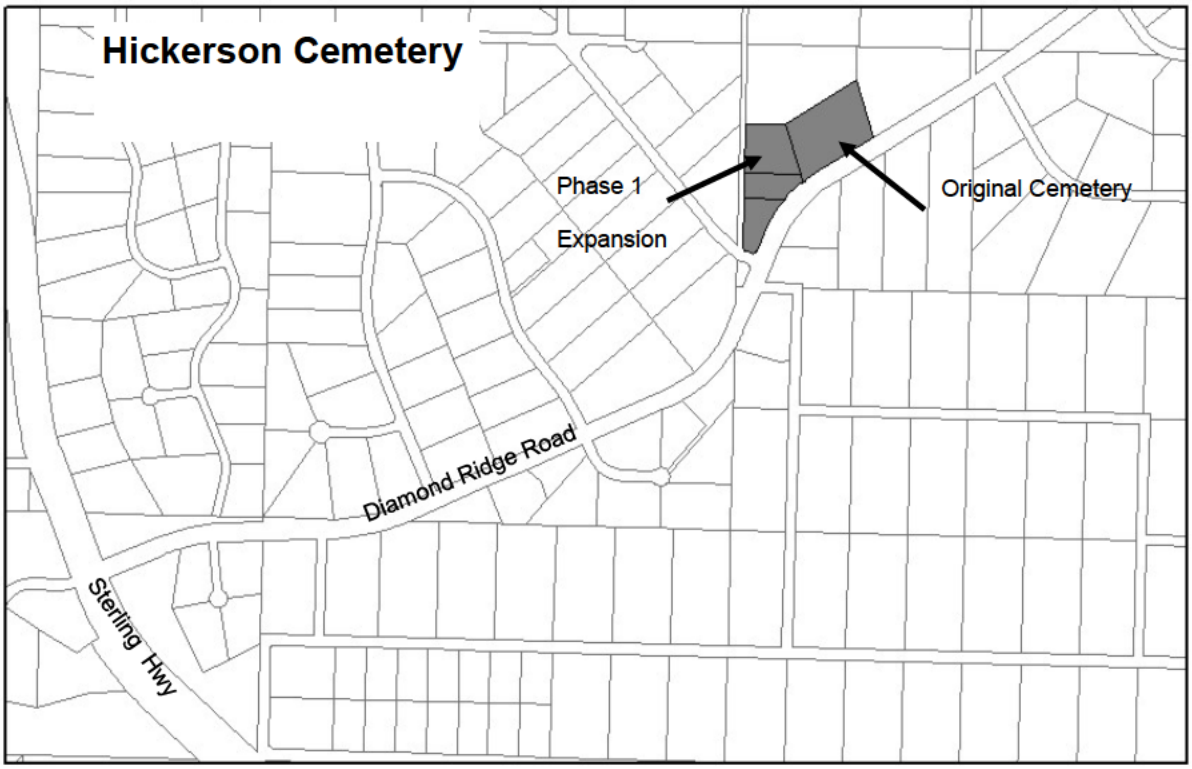
Acquisition notes: the Kachemak Heritage Land Trust purchased the property from the University of Alaska via a Forest Legacy Grant from the state of Alaska. The City accepted ownership of the land, to keep it for public park land in perpetuity, as required by the grant.

Conservation Easement Resolution 2010-48, Recording# 2010-003220-0
Resolution 13-055 Adopting the Diamond Creek Recreation Area Plan
The Plan was accepted by the State of Alaska Forest Legacy Program on 11/19/2014. Management and development of the property must follow the adopted and approved plan.

Finance Dept. Code:



Designated Use: Roger's Loop Trailhead **Acquisition History:** Ordinance 14-51(A)	
Area: 2 acres	**Parcel Number:** 17316066, 1736067
2019 Assessed Value: $45,600	
Legal Description: T 06S R 14W SEC 15 SEWARD MERIDIAN HM 2011022 BISHOP SURVEY J G EVANS ADDN LOT 1	
Zoning: Rural Residential. Lot is split by city limits	**Wetlands:** none
Infrastructure: Paved road access	
Notes: Purchased in 2016 with HART Trail funds ($63,465.85). Future trailhead to city owned Diamond Creek lands	
Finance Dept. Code:	



Designated Use: Hickerson Memorial Cemetery
Acquisition History: Deed American Legion Gen Buckner Post 16 4/23/70. Ordinance 10-30

Area: 6.91 acres	**Parcel Number:** 17321011, 13, 14, 15

2019 Assessed Value: $217,800

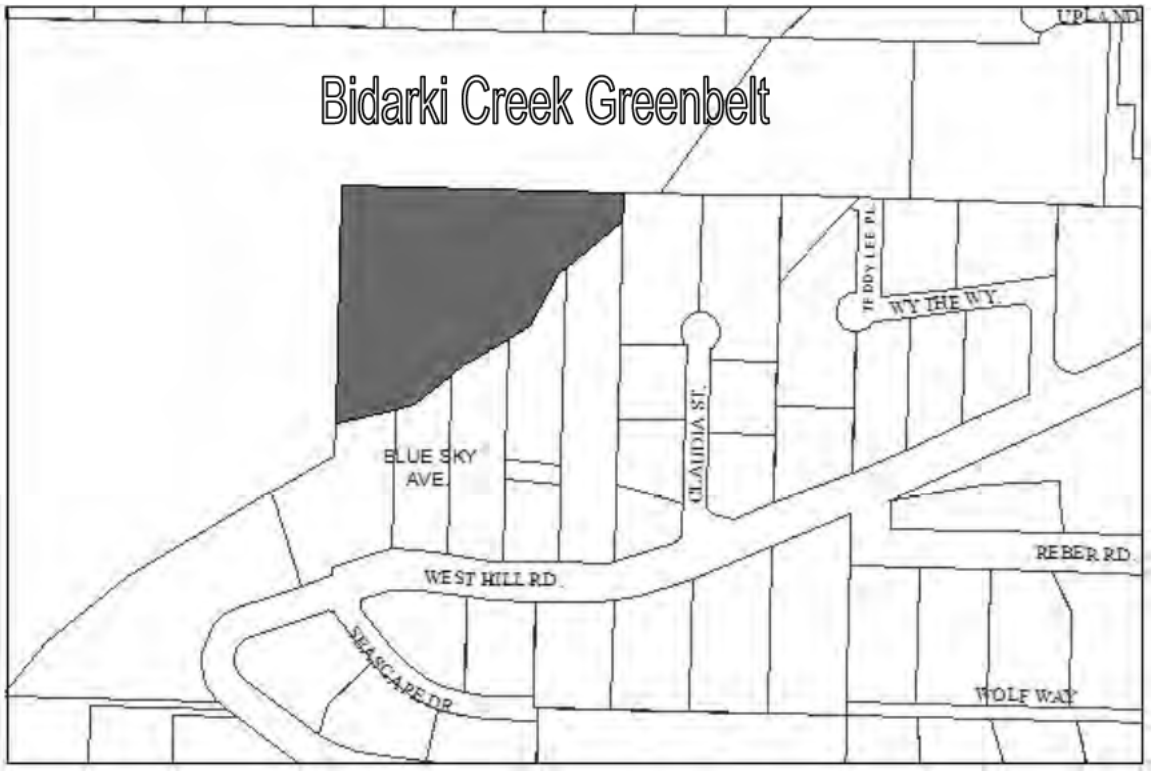
Legal Description: HM0631146 T06S R14W S03 TICE ACRES SUB HICKERSON MEMORIAL CEMETERY. Tice Acres Replat No 1, lots 11-A, 11B & 11-C

Zoning: Not within city limits	**Wetlands:** N/A

Infrastructure: paved access

Notes: Lots 11 A, 11B, and 11C purchased for $205,000 Ordinance 10-30.
2017: Phase 1 cemetery expansion completed.

Finance Dept. Code:



Designated Use: Public Purpose. Retain as undeveloped Greenbelt and to protect drainage.
Acquisition History: KPB Ordinance 83-01

Area: 6.57 acres	**Parcel Number:** 17503025
2019 Assessed Value: $6,700	
Legal Description: HM T06S R14W S13 SW1/4 SE1/4 NORTH OF SKYLINE DRIVE EXCLUDING SKYLINE DR SUB	
Zoning: Rural Residential	**Wetlands:** Bidarki Creek runs through the lot
Infrastructure: No access, no utilities	

Notes: Much of the lot is very steep gorge, down to Bidarki Creek. One portion may be developable at the north end. Slope there is approximately 15%. There is no legal or physical access to the land at this time.

Finance Dept. Code:

Designated Use: Public Use/Emerald Highland Estates Park
Acquisition History: Gangle Deed, 12/1989

Area: 1.04 acres	**Parcel Number:** 17502056
2019 Assessed Value: $36,100	
Legal Description: HM0770024 T06S R14W S13 EMERALD HIGHLAND ESTATES SUB UNIT 3 LOT 1B BLOCK 3	
Zoning: Rural Residential	**Wetlands:** The whole lot is potential wetlands. Creek present long western property line.
Infrastructure: Gravel road access	

Notes: This land was deeded to the city by the original subdivider. However, there is a plat note restricting the use of the park to residents within the subdivision. Historically the city has not wanted to provide any services to a park that is not explicitly open to the public. The solution is for each property owner in the subdivision to quitclaim deed their interest in the subdivision park, so the City has clear title.

History:
Resolution 2004-24A, Land Allocation Plan
Resolution 2007-03 Emerald Park Master Plan

Finance Dept. Code:

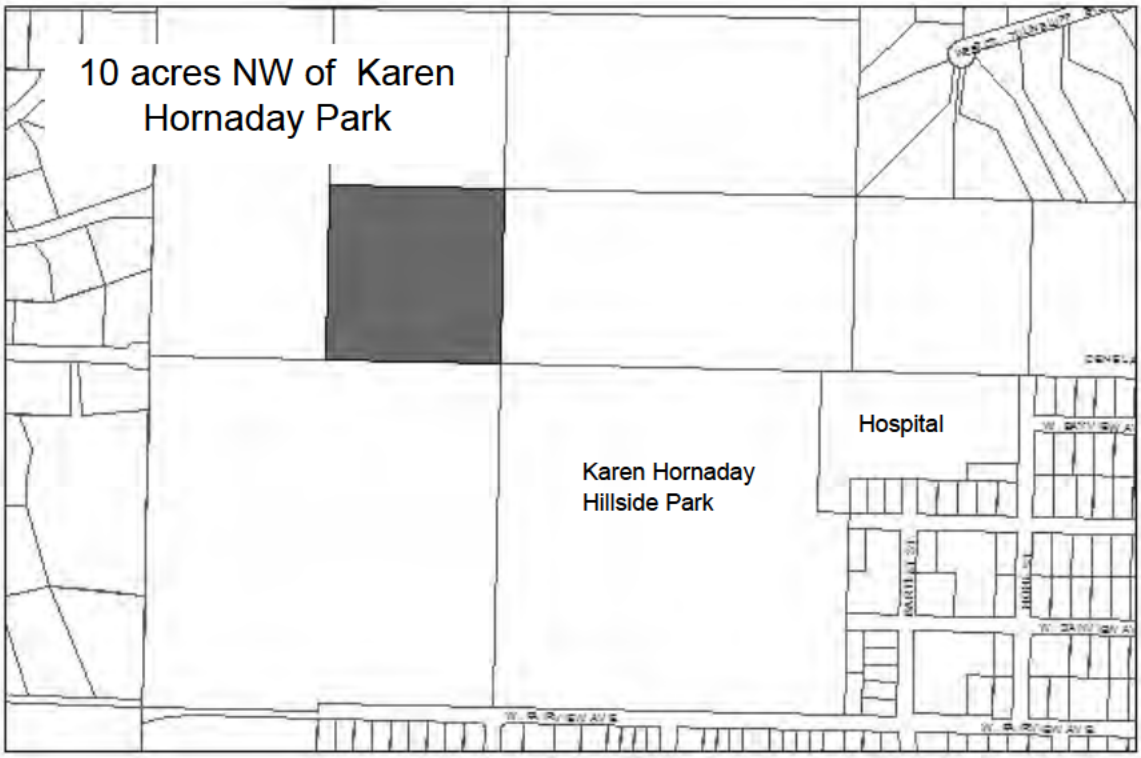
Designated Use: W.R.Bell Public Park.
Acquisition History: Gifted by Daughter, Dene and Husband Edward Reber 8/20/1970

Area: 2.75 acres	**Parcel Number:** 17524006
2019 Assessed Value: $90,200	
Legal Description: HM0700402 T06S R13W S18 TRACT E W R BELL SUB	
Zoning: Rural Residential	**Wetlands:** Drainages on lot.
Infrastructure: Gravel road access. Rough trails across property.	

Notes:
Book 57 Page 177 Serial #70-564 Homer City Council meeting of August 24, 1970.
Park contains the gravesite of W.R. Bell.
It can be expected that the land to the south will be come a housing development. Some homes will be accessed from W Fairview Ave.

2009: Completion of Reber Trail, with HART funds and a state trails grant.

Finance Dept. Code:

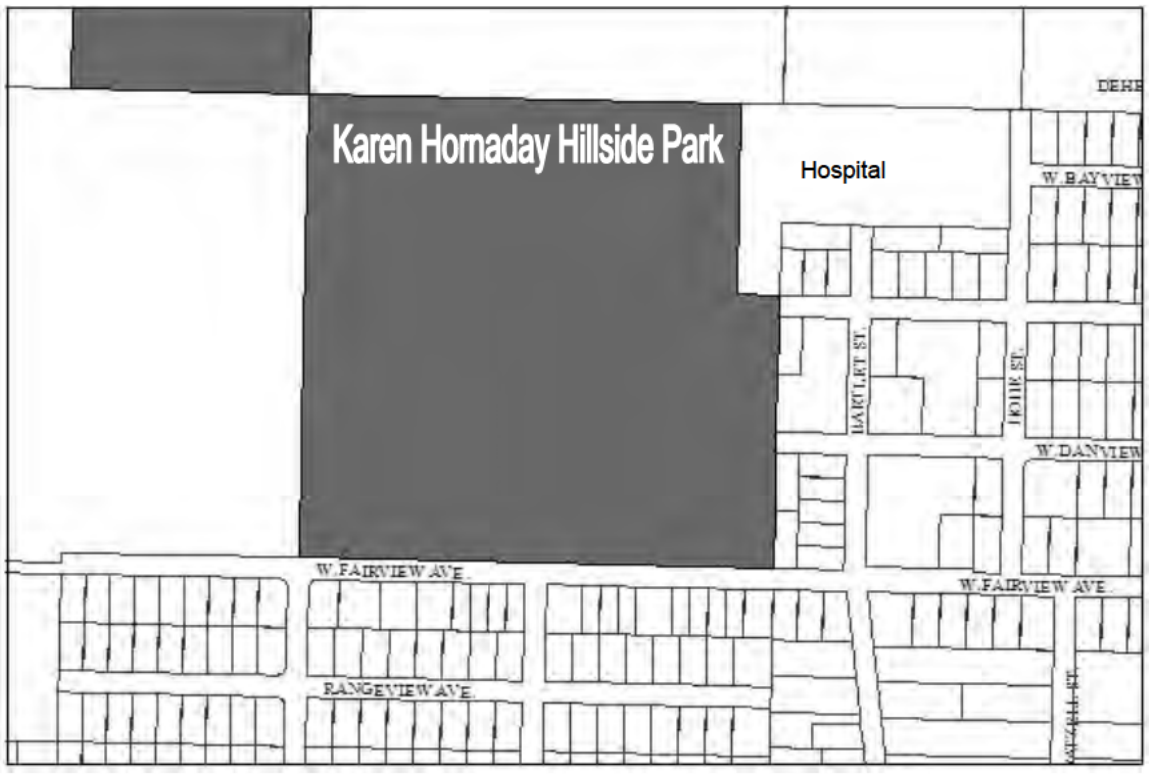


Designated Use: Retain for a future park Resolution 2011-37(A)
Acquisition History:

Area: 10 acres	**Parcel Number:** 17504003
2019 Assessed Value: $80,700*	
Legal Description: T6S R13W Sec 18 SE1/4 NE1/4 SW1/4	
Zoning: Rural Residential	**Wetlands:** Drainages and wetlands may be present
Infrastructure: None. No access.	

Notes: *2007—Land could not be appraised by private appraisal due to lack of legal access.

Finance Dept. Code:



Designated Use: Public Recreational Purpose/Karen Hornaday Hillside Park
Acquisition History: Homer Fair Association, Deed 8/1966 with covenants

Area: 38.5 acres	**Parcel Number:** 17504023

2019 Assessed Value: $3,802,400 (Land $3,651,800 Structure $150,600)

Legal Description: HM0980004 T06S R13W S18 THAT PORTION OF SW1/4 SE1/4 EXCLUDING SOUTH PENINSULA HOSPITAL SUB 2008 Addn

Zoning: Open Space Recreation	**Wetlands:** Some drainages

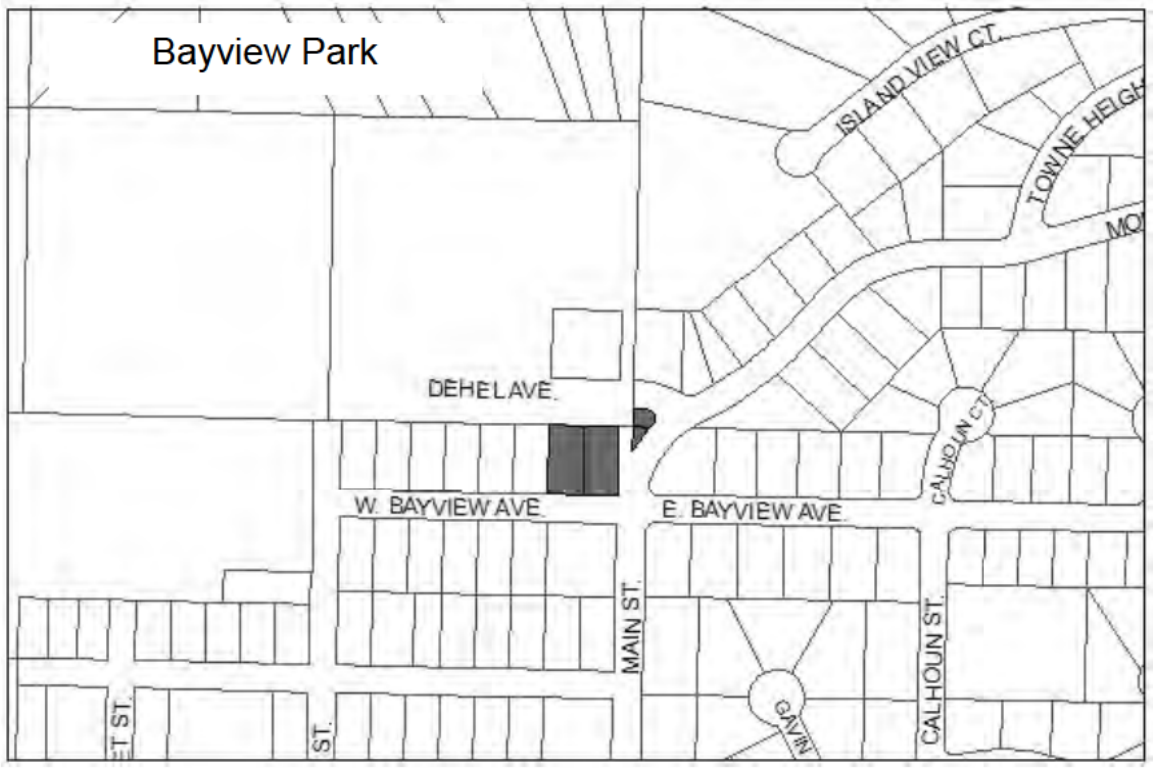
Infrastructure: Water, sewer and road access

Notes: The park has been part of two Land and Water Conservation Fund grants: 1980, #02-00270, and 2011/12, #02-00408. Land to remain parkland in perpetuity.

Campground, ball fields, day use picnic and playground area.

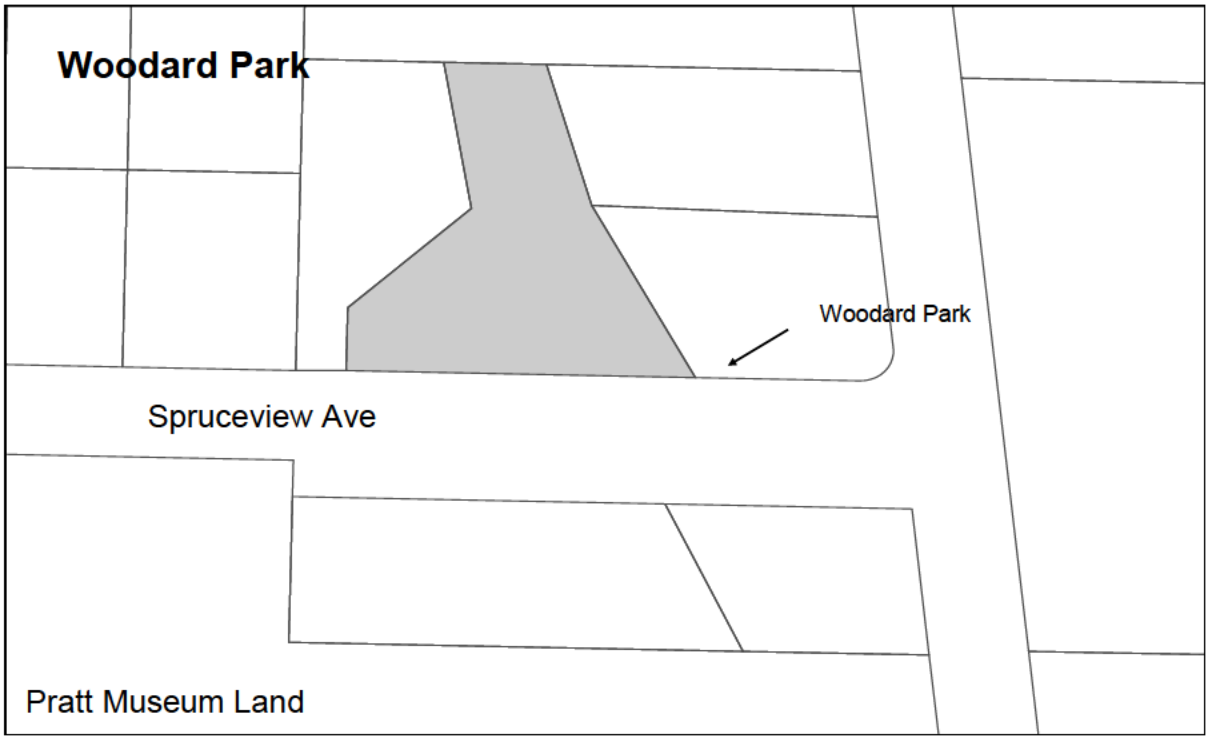
Resolution 09-59(A) adopted the park master plan.

Finance Dept. Code: 175.0003 (driveway, parking), 175.0007 (campground)



Designated Use: Public Purpose/Bayview Park/Water tank access
Acquisition History: Large lots: Klemetsen Warranty Deed 5/8/67. Water tank access and part of Bayview Park.

Area: 0.58 acres total	**Parcel Number:** 175051 07, 08 17726038, 17727049
2019 Assessed Value: $105,400 total	
Legal Description: 17505107: HM0562936 T06S R13W S18 TRACT A FAIRVIEW SUB LOT 2 17505108: HM0562936 T06S R13W S18 TRACT A FAIRVIEW SUB LOT 1 17726038: HM0760026 T06S R13W S17 KAPINGEN SUB UNIT 3 PARK RESERVE 17727049: HM0770065 T06S R13W S17 ISLAND VIEW SUB PARK	
Zoning: Urban Residential	**Wetlands:** N/A
Infrastructure: Paved road access, water, sewer	
Notes:	
Finance Dept. Code:	



Designated Use: ROW and Woodard Park
Acquisition History: ROW: Purchased for Harrington Heights LID, Ord 2000-13(S) 7/2000. Woodard Park: Tax Foreclosure (Harry Gregoire), Park designation enacted in Reso 04-53

Area: ROW 0.85 acres Woodard Park: .025 acres	**Parcel Number:** 17513329 17513328

2020Assessed Value: not yet assessed

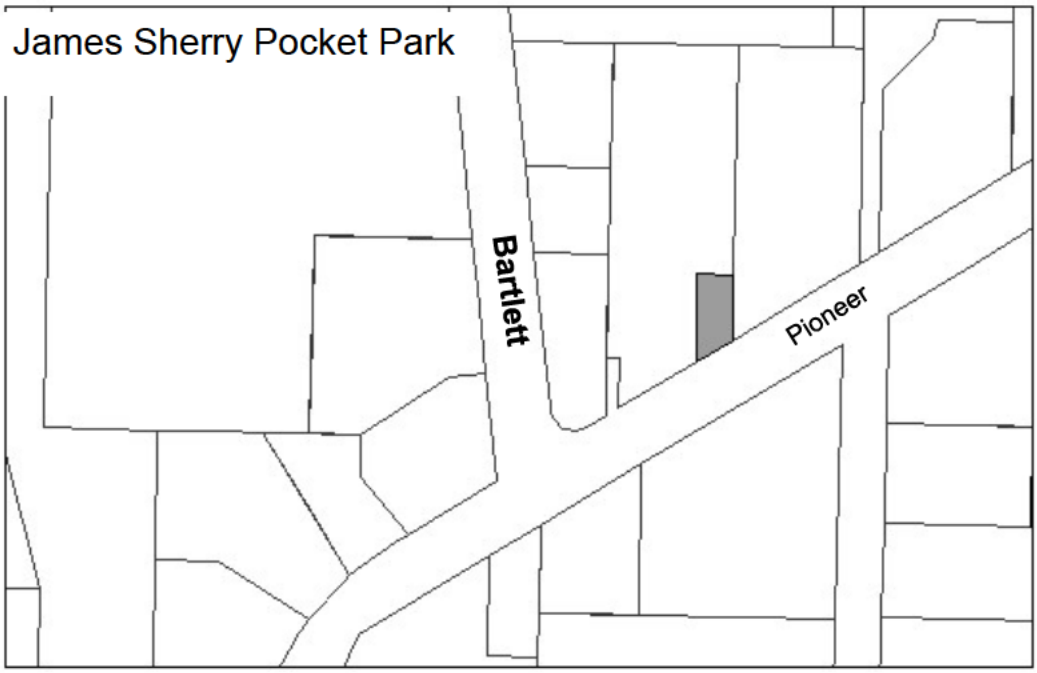
Legal Description: LEGAL T 06S R 13W SEC 19 SEWARD MERIDIAN HM 2020010 BUNNELL'S SUBD NO 17 2018 REPLAT TRACT A

Zoning: Residential Office	**Wetlands:** Woodard Creek and wetlands present

Infrastructure: Paved access on Bartlett. Woodard Creek flows through muchof the property.

Notes:

Finance Dept. Code: ROW: 500.0051 Park:



Designated Use: Retain for use as public park or parking
Acquisition History: Ord 83-01 (KPB)

Area: 0.06 acres or 2,766 sq ft	**Parcel Number:** 17514235

2019 Assessed Value: $26,000

Legal Description: T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2007124 BUNNELLS SUB NO 21 LOT 37F-1

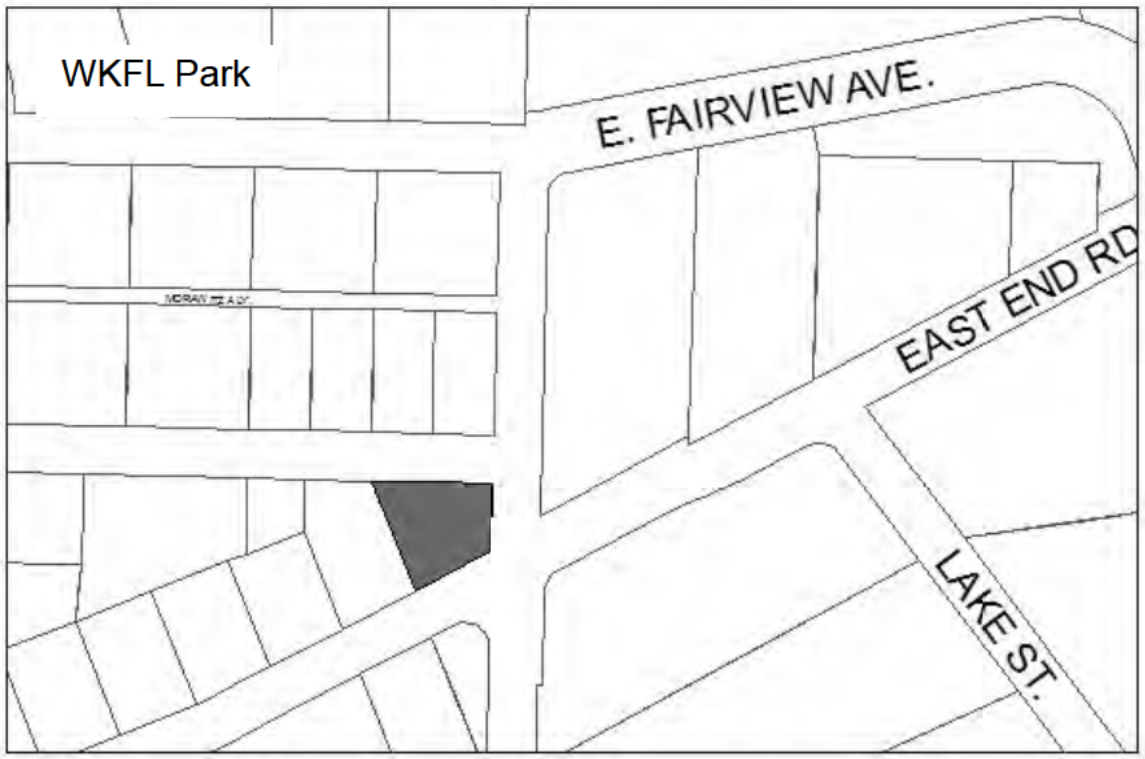
Zoning: Central Business District	**Wetlands:** Ditch across property

Infrastructure: Water and Sewer, paved sidewalk

Notes:

HEA/phone company utility infrastructure on lot—big green boxes.

Finance Dept. Code:



Designated Use: WKFL Park
Acquisition History: Asaiah Bates Deed 3/88

Area: 0.31 acres	**Parcel Number:** 17720204

2019 Assessed Value: $169,300

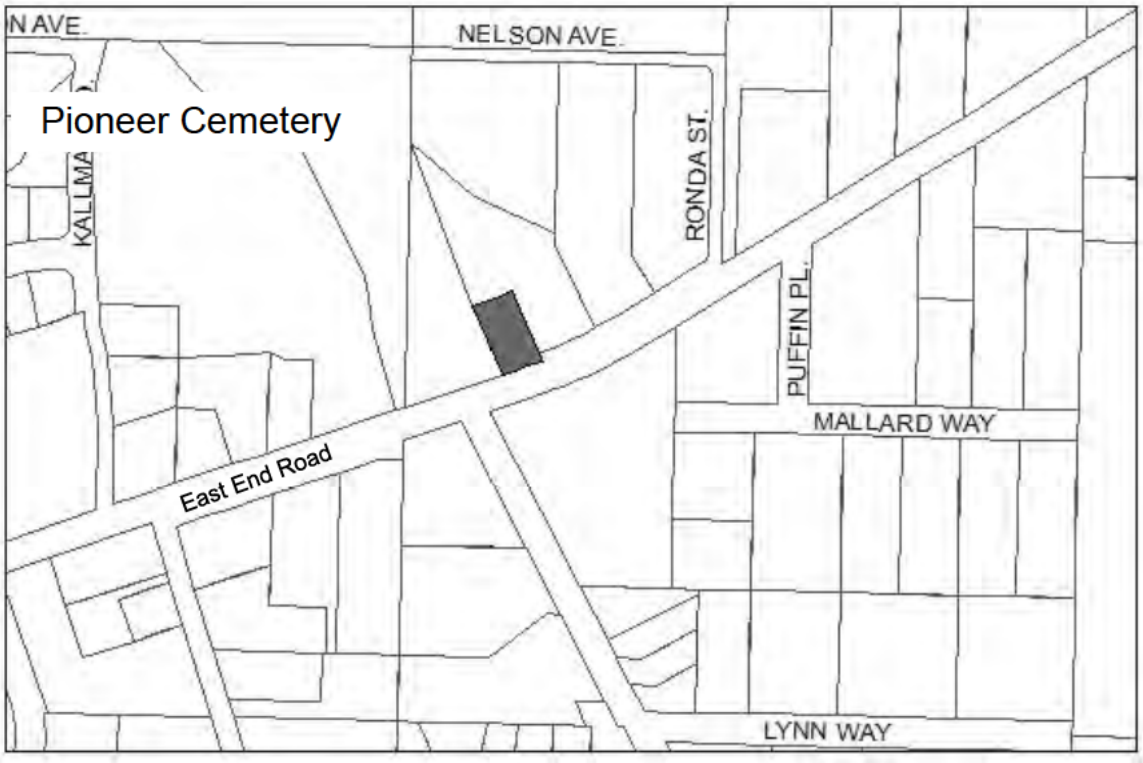
Legal Description: Glacier View Subdivision No 1 Replat of Lots 1, 8 & 9, Block 4 Lot 9-A

Zoning: Central Business District	**Wetlands:** N/A

Infrastructure: Water, paved road, electricity

Public restroom constructed in 2013.

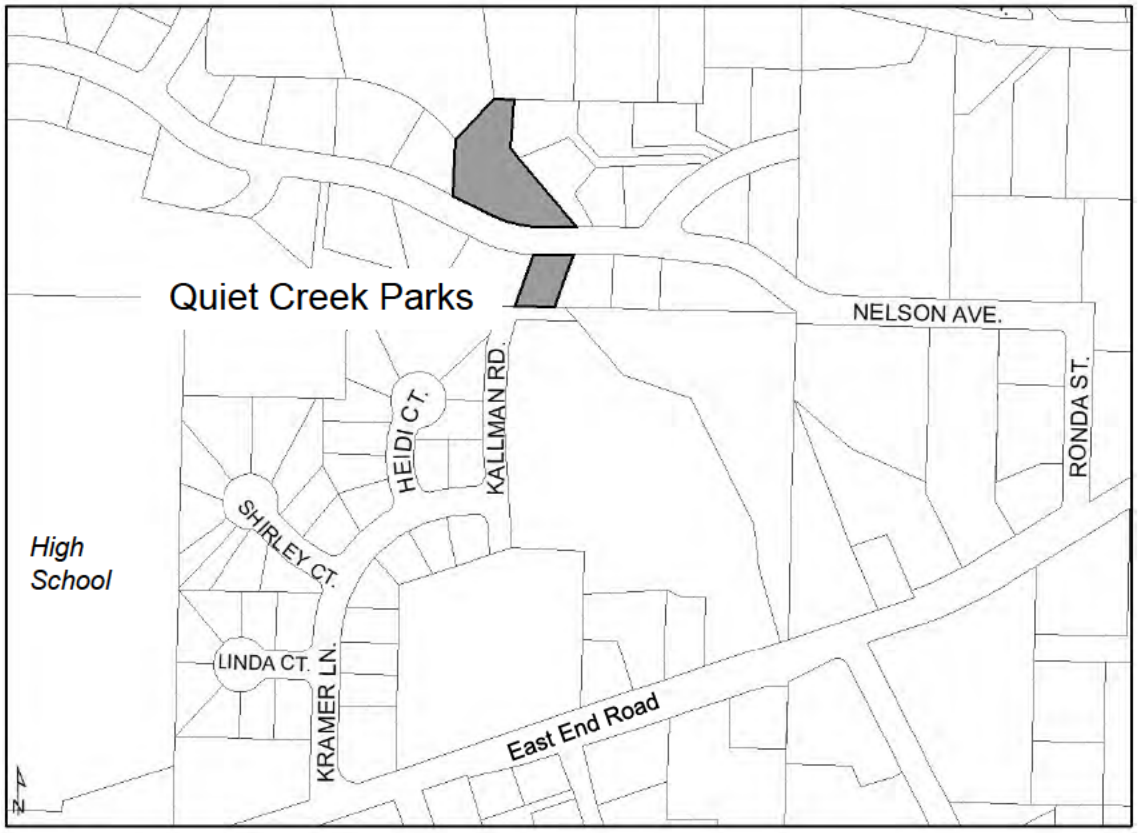
Finance Dept. Code:



Designated Use: Pioneer Cemetery
Acquisition History: Quitclaim Deed Nelson 4/27/66

Area: 0.28 acres	**Parcel Number:**17903007
2019Assessed Value: $21,200	
Legal Description: James Waddell Survey of Tract 4 Lot 4A	
Zoning: Residential Office	**Wetlands:** N/A
Infrastructure: Paved Road	

Finance Dept. Code:



Designated Use: Parks (Resolution 20-019)
Acquisition History: Barnett's South Slope Subdivision Quiet Creek Park Unit 1

Area: 0.86 acres and 0.21 acres	**Parcel Number:**17702112, 17702125

2019Assessed Value: $45,600 and $31,600

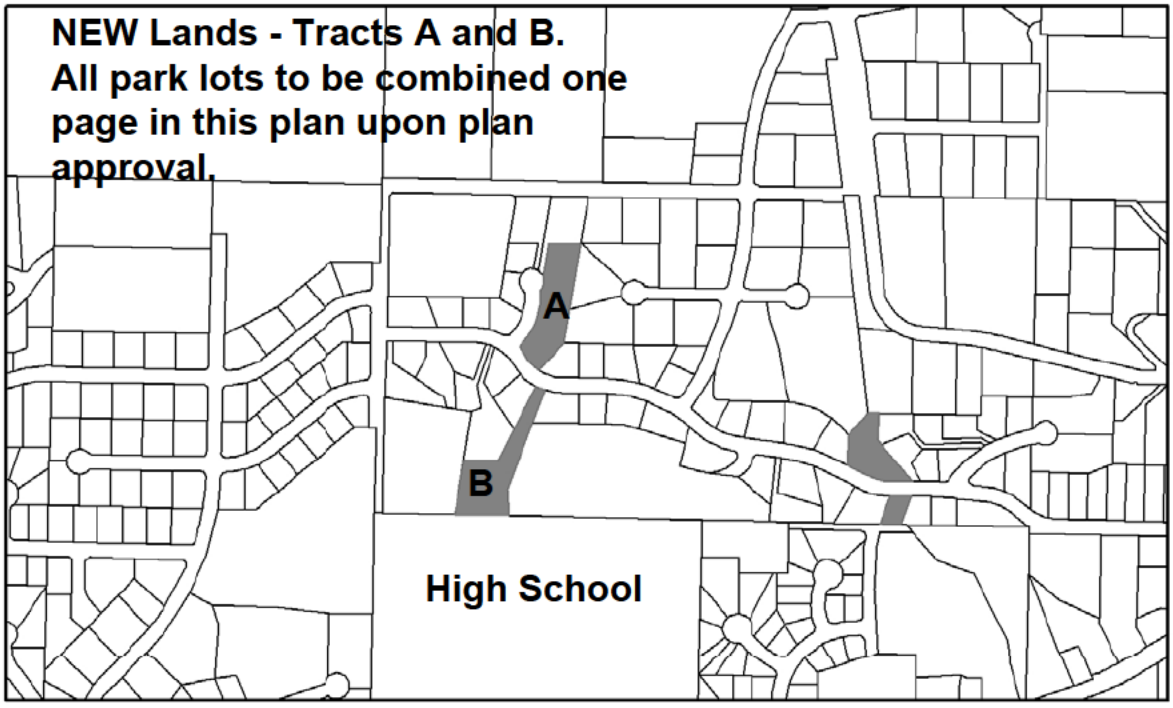
Legal Description: T 06S R 13W SEC 17 SEWARD MERIDIAN HM 2018040 BARNETT'S SOUTH SLOPE SUB QUIET CREEK PARK UNIT 2 TRACT C and TRACT D

Zoning: Rural Residential	**Wetlands:** A creek runs through both lots

Infrastructure: Paved Road, water, sewer, natural gas

Tract C is a large wooded ravine with a creek, and tract D is a smaller steep lot with a creek. The Parks Art Recreation and staff will present a park plan to Council in 2021, as two other properties will also be donated as parks to the City via the platting process in the near future.

Finance Dept. Code:

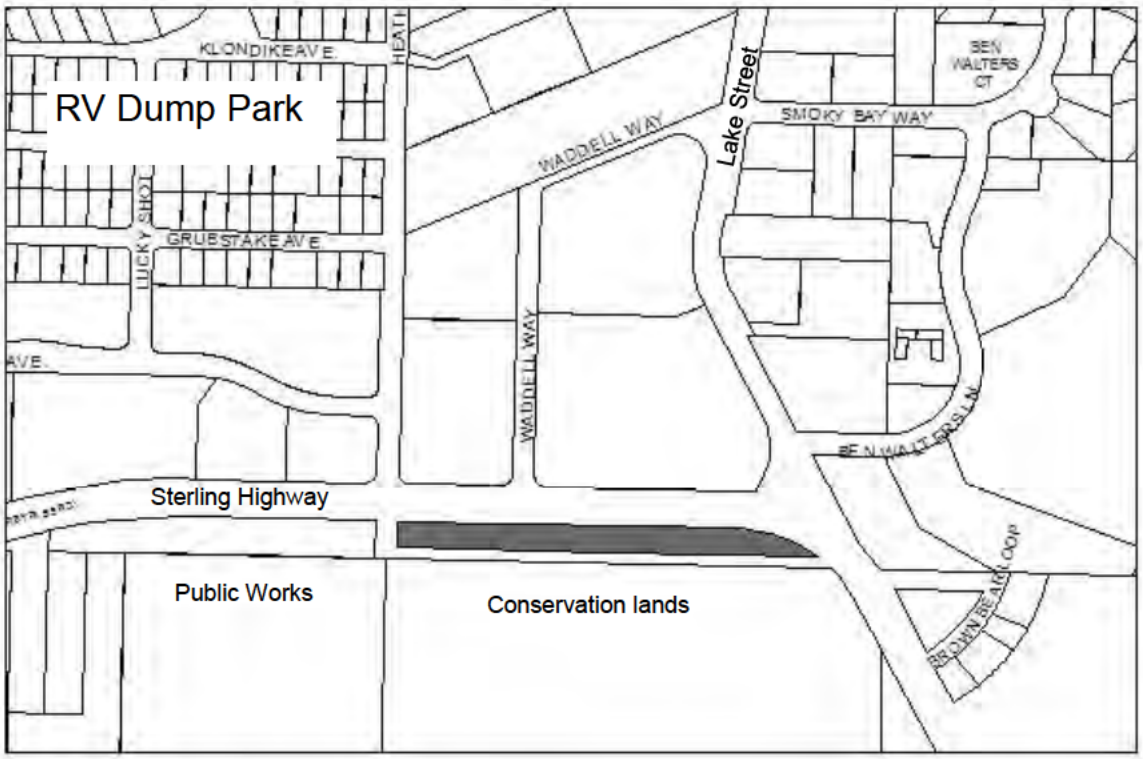


Designated Use: Parks
Acquisition History: Barnett's South Slope Subdivision Quiet Creek Park Unit 1

Area: 0.86 acres and 0.21 acres	**Parcel Number:**17702112, 17702125
2019Assessed Value: $45,600 and $31,600	
Legal Description: T 06S R 13W SEC 17 SEWARD MERIDIAN HM 2018040 BARNETT'S SOUTH SLOPE SUB QUIET CREEK PARK UNIT 2 TRACT C and TRACT D	
Zoning: Rural Residential	**Wetlands:** A creek runs through both lots
Infrastructure: Paved Road, water, sewer, natural gas	

Tract A has some usable area for a picnic table or small day use area. The rest is wetlands and creek/drainage area.
Tract B is mostly ravine between the High School and Nelson Ave.

Finance Dept. Code:

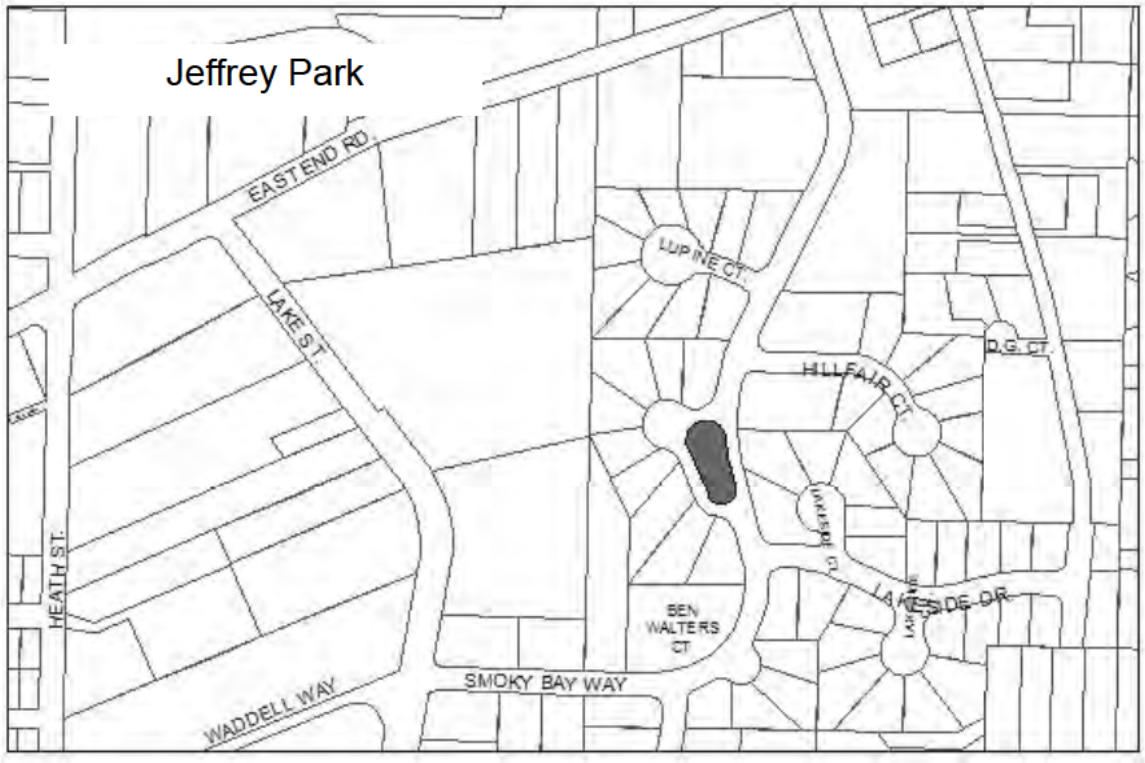


Designated Use: RV Water/Dump station
Acquisition History: Deed states "Waddell Park Tract"

Area: 1.73 acres	**Parcel Number:** 17712014
2019 Assessed Value: $208,200	
Legal Description: Waddell Subdivision, portion S of Homer Bypass Road	
Zoning: Central Business District	**Wetlands:**
Infrastructure: Water, Sewer, gravel/paved access	

Notes: Part of Land and Water Conservation Project #02-00263.4, signed January 1983. Land to remain in park status in perpetuity.

Finance Dept. Code:

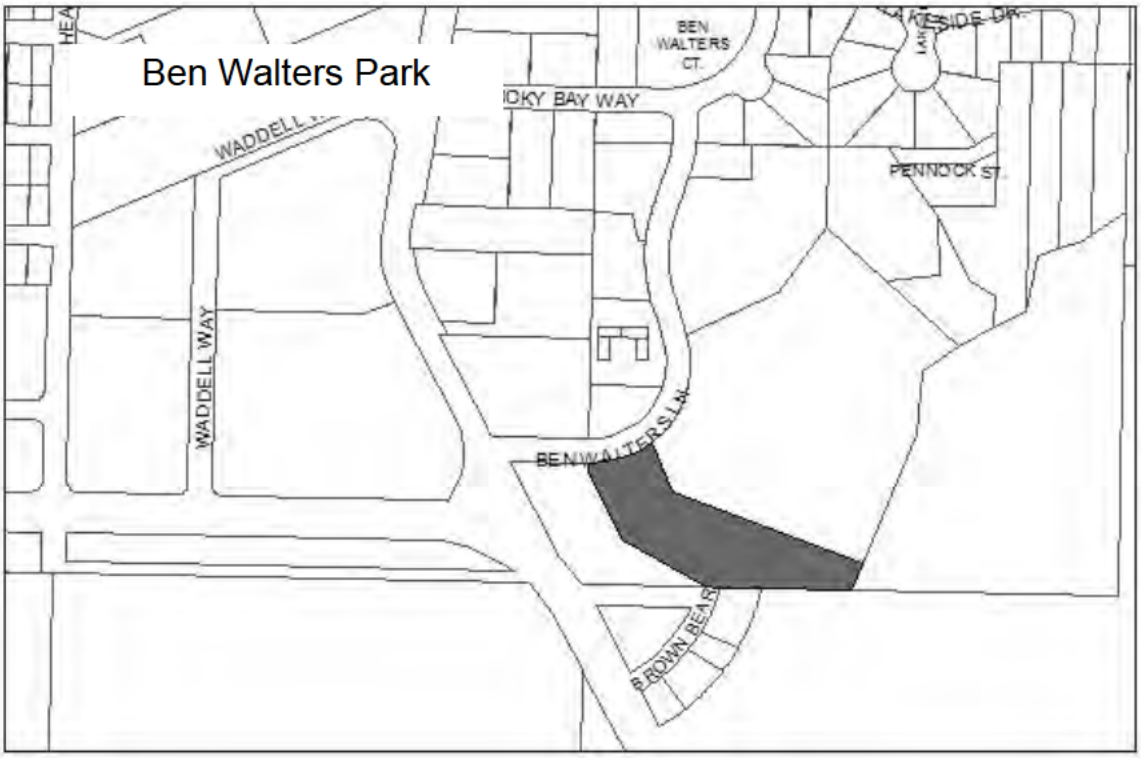


Designated Use: Public Purpose/Greenbelt/Jeffrey Park
Acquisition History: Ordinance 83-27 (KPB)

Area: 0.38 acres	**Parcel Number:** 17730251
2019 Assessed Value: $43,700	
Legal Description: Lakeside Village Amended Jeffrey Park	
Zoning: Urban Residential	**Wetlands:**
Infrastructure: Paved Road, water, sewer	

Notes: Neighborhood park. Grass and new swing sets installed in 2005. Fill brought in to the park to raise the ground level and deal with drainage issues in 2007.

Finance Dept. Code:



Designated Use: Ben Walters Park. Public park or greenbelt per deed.
Acquisition History: Reso 83-22(S) Neal Deed 5/4/83. Donated. Deed amended 6/1/83.

Area: 2.48 acres	**Parcel Number:** 17712022

2019 Assessed Value: $333,700 (Land $286,900, Structure $46,800)

Legal Description: Lakeside Village Park Addition Replat Lot 1A-2

Zoning: Central Business District	**Wetlands:** 3664 Ben Walters Lane

Infrastructure: Paved Road, water and sewer. Public restrooms, covered fire pit, lake access and dock.

Notes: In May 1982, a project agreement was executed for a Land and Water Conservation Fund project to develop the park. Project #02-00305. Land to remain park in perpetuity.

New swing set installed, 2008. New dock installed in 2009. Brushing and drainage work 2018. New playground equipment scheduled installed 2019.

Finance Dept. Code:

Designated Use: Bishop's Beach Park
Acquisition History: McKinley Warrant Deed 1/9/1984, Ordinance 2020-76(A)

Area: 3.46 acres	**Parcel Number:** 17714010, 17714011

2019 Assessed Value: $544,700 (Land $399,500, Structures/Boardwalk $145,200)

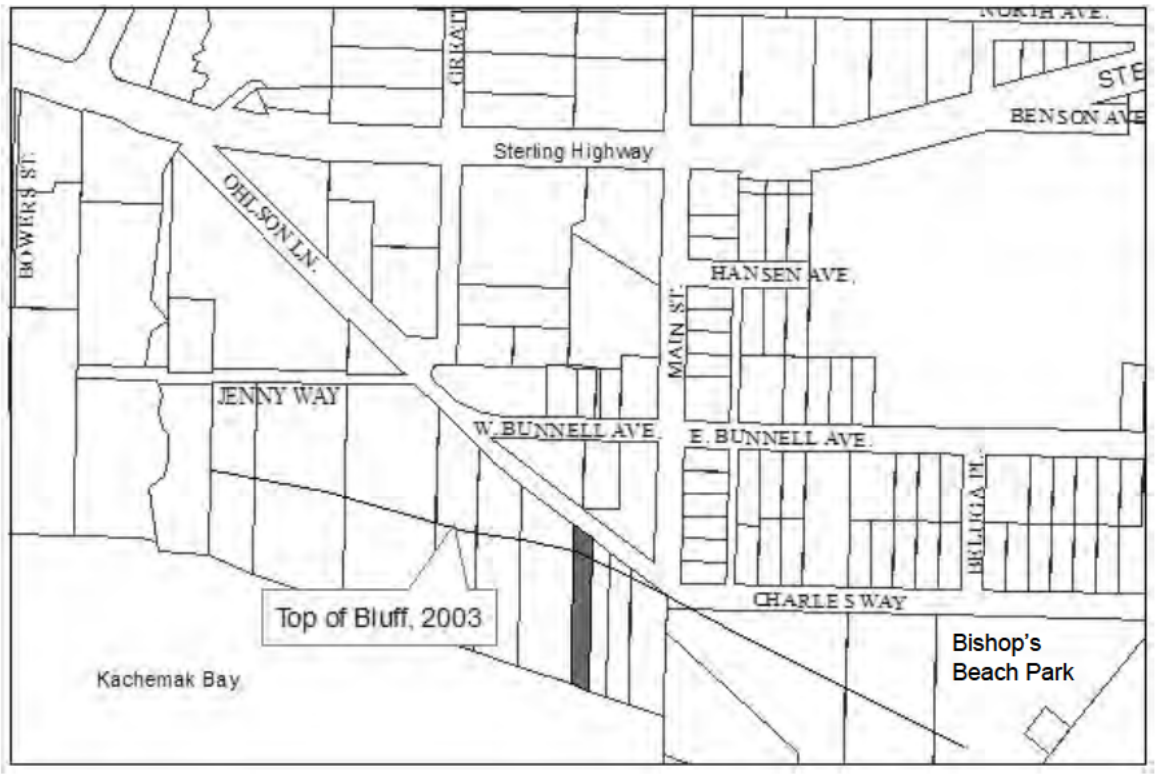
Legal Description: HM T06S R13W S20 PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER LOT 2 TH S 89 DEG 57'30" E 600 FT ALONG N BOUND LT 2 TO POB TH S 0 DEG 2' E 391 FT TO CORNER 2 ON MHW KACHEMAK BAY TH S 59 DEG 30' E 150 FT TO CORNER 3 TH N 38 DEG 0' E, AND T 6S R 13W SEC 20 SEWARD MERIDIAN HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER OF GL 2 TH S 89 DEG 57'30" E 1094.3 FT TO PT TH S 38 DEG 0' W 310 FT TO POB TH 90 DEG W 75 FT TO CORNER 2 TH S 38 DEG W 75 FT TO CORNER 3 TH 90 DEG E 75 FT TO CORNER 4 TH N 38 DEG E 75 FT TO POB

Zoning: Central Business District	**Wetlands:** Some wetlands (along boardwalk). Flood hazard area.

Infrastructure: Paved road access. No water or sewer. City maintained outhouses.

Notes:

Finance Dept. Code:



Designated Use: City Park **Acquisition History:** Donated by Herrick, Resolution 90-7	
Area: 0.32 acres	**Parcel Number:**17520009
2019 Assessed Value: $1,700	
Legal Description: HM T06S R13W S19 PORTION THEREOF S OF OLSEN LANE	
Zoning: Central Business District	**Wetlands:** None. Bluff property.
Infrastructure: Gravel Road access, no water or sewer	
Notes: Resolution 15-030(A), Designate as park	
Finance Dept. Code: 392.0008	

Revise notes and show new roadway.
Adopted for road maint?

Designated Use: Public use easement for Virginia Lynn Way, public park
Acquisition History: Quit Claim Deed from NBA 1/4/83

Area: 0.21 acres	**Parcel Number:** 17730239
2019 Assessed Value: $34,000	
Legal Description: T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0840005 LAKESIDE VILLAGE SUB AMENDED LOT 2 BLK 4	
Zoning: Urban Residential	**Wetlands:** possibly on a small portion
Infrastructure: Road access	

Notes: This lot has a public use easement granted by the plat. This lot will likely be needed in the future to connect Virginia Lynn Way, because the adjacent lots are not wetlands and are developable. Access to Mattox Road is not know at this time; the ground drops and becomes very swampy.

Resolution 09-33: Dedicate road access for Virginia Lynn Way, across Lot 2 Block 4 Lakeside Village Subdivision Amended. Hold the remainder of the lot for use as a public neighborhood park. In 2009 the City retained a surveyor to work on this issue. 2010: professional opinion was given that no right of way dedication is required, however, a legal opinion may be sought to determine city liability outside a dedicated right of way, Spruceview Ave is a similar situation: a roadway is constructed across a parcel, not within a right of way.

2020: Road construction across the parcel is complete. New homes are under construction to the east.

Finance Dept. Code:

Designated Use: Jack Gist Ball Park
Acquisition History: Warranty Deed Moss 8/27/98

Area: 14.6 acres	**Parcel Number:** 17901023

2019 Assessed Value: $148,500

Legal Description: HM0990063 T06S R13W S15 JACK GIST SUB LOT 2

Zoning: Rural Residential	**Wetlands:** May be present. Site is mostly fill and old dump.

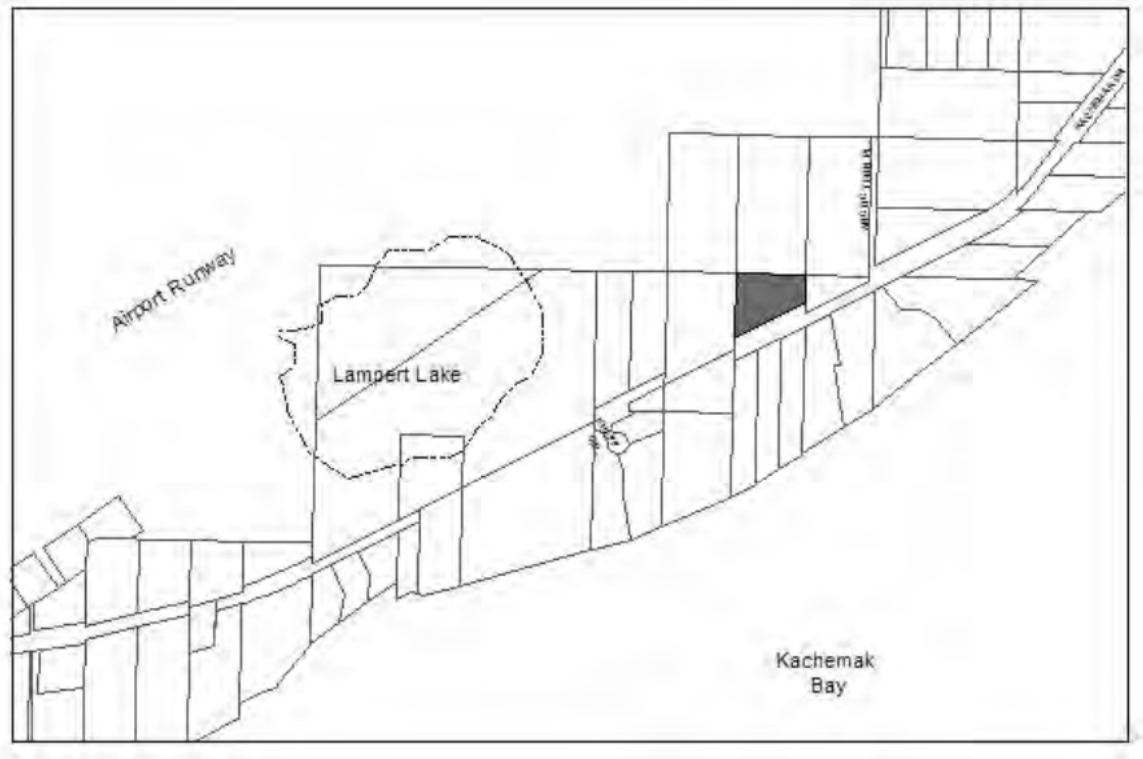
Infrastructure: Gravel road access.

Notes: Old dump site. Land and Water Conservation Fund Grant Project #02-00369 for construction of 3 ball fields and parking area. Land to remain parkland in perpetuity.

No water or sewer to service the new ball fields. Parking lot constructed in 2006. 2009: ord 09-35(A) allocated $33,000 for improvements to two ballfields.

2020: Adjacent property to the west may be developed into a subdivision, providing water, sewer, power and additional road access to the park in the next 2-4 years.

Finance Dept. Code:



Designated Use: Future Kachemak Drive Trail and rest area Resolution 2011-37(A)
Acquisition History: Ord 96-16(A) (KPB)

Area: 1.65 acres	**Parcel Number: 17936020**
2019 Assessed Value: $55,100	
Legal Description: Scenic Bay Lot 4	
Zoning: General Commercial 2	**Wetlands:** 100% Wetlands
Infrastructure: Paved Road, city water and sewer	

Notes: Part of Kachemak Drive Phase 3 water and sewer SAD

Finance Dept. Code:

Designated Use: Resolution 15-030(A): Sell
Acquisition History: Lot 1: Ordinance 97-06(S) KPB

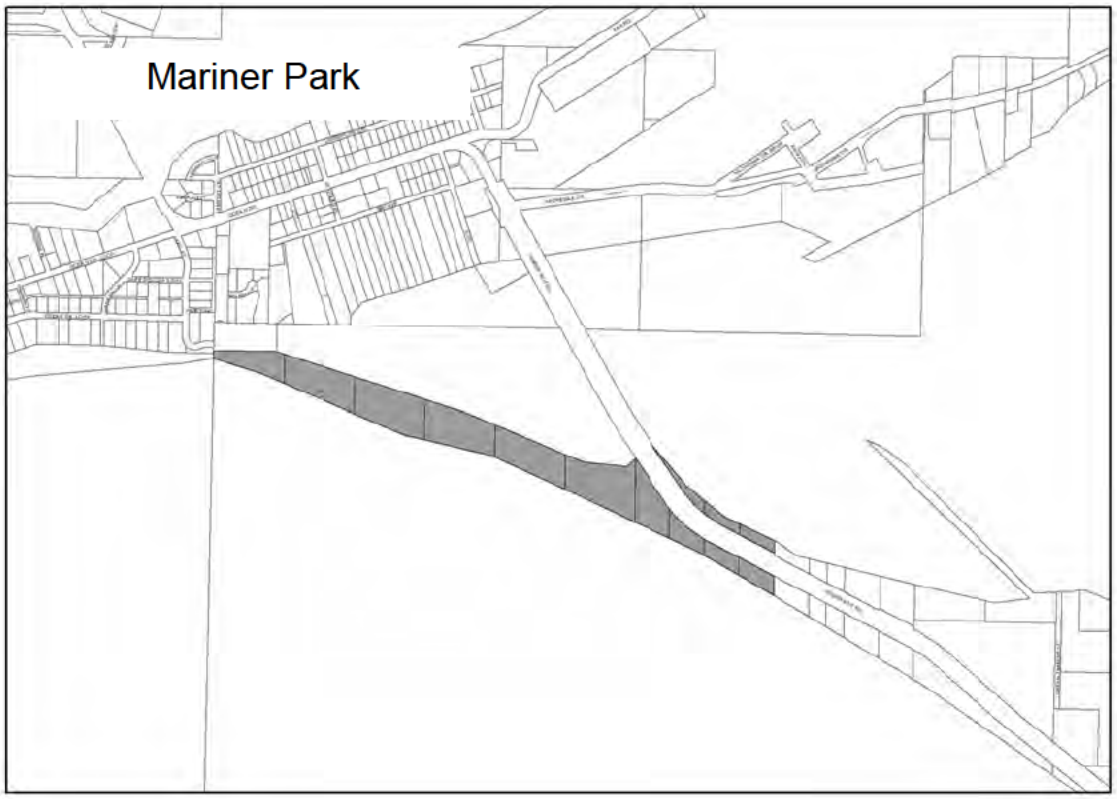
Area: Harry Feyer Subdivision Lot 1: 0.39 acres	**Parcel Number:** 17911005
2019 Assessed Value: $16,000 (lot 1)	
Legal Description: Harry Feyer Subdivision Lot 1	
Zoning: Rural Residential	**Wetlands:** none known
Infrastructure: Paved Road access, power.	

Notes:

Has water and sewer assessments.

Resolution 15-030(A): For sale. Lot 1 has not yet sold.

Finance Dept. Code:



Designated Use: Park
Acquisition History: Lot 10: Simmons purchase, 1983. Other are EVOS purchases.

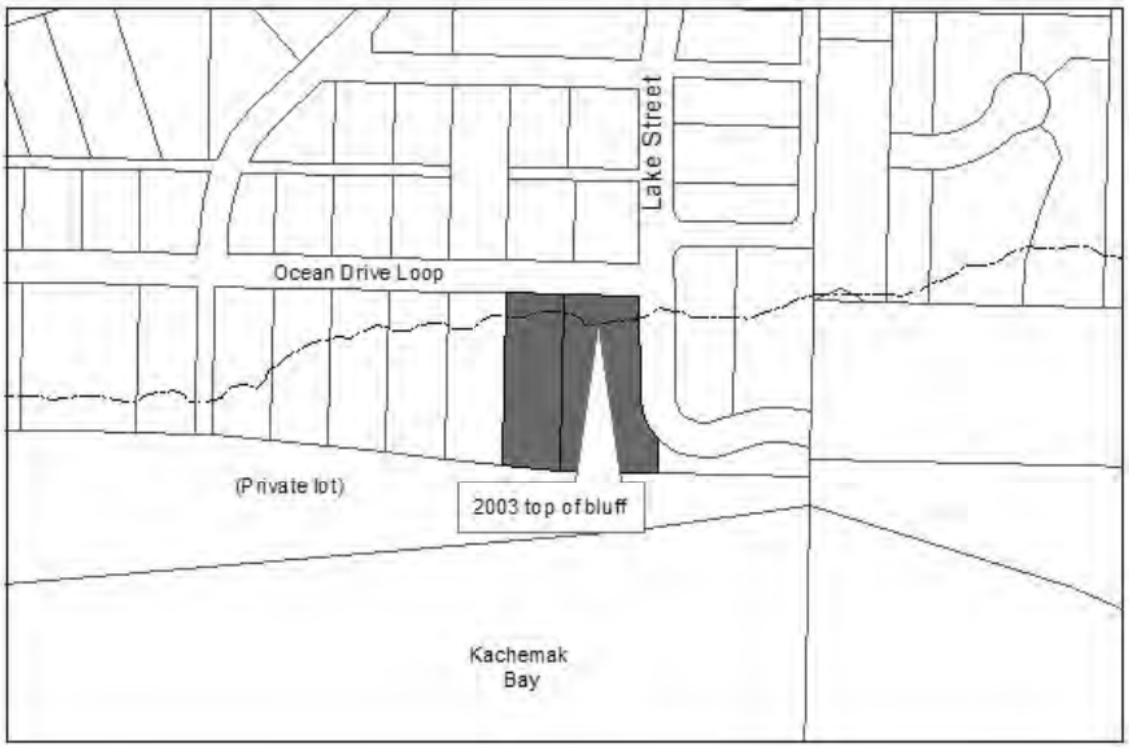
Area: 32.32 acres	**Parcel Number:** 18101002-14
2019 Assessed Value: $382,700	
Legal Description: T 6S R 13W SEC 28 SEWARD MERIDIAN HM GOVT LOTS 5-8, 10-15	
Zoning: Open Space Recreation/Conservation	**Wetlands:** Tidal
Infrastructure: No infrastructure	

Notes: Mariner Park and Mud Bay were nominated by the City as Western Hemisphere Shorebird Reserve Sites in 1994 ("whissern"). They are recognized as sites of international importance. http:// www.whsrn.org/

2012 Mariner Park driveway was relocated to the north.

Resolution 15-030(A): designate as park.
2016: new campground office located at Mariner Park.
12/2018: Relocated mouth of Slough away from Campground area

Finance Dept. Code:

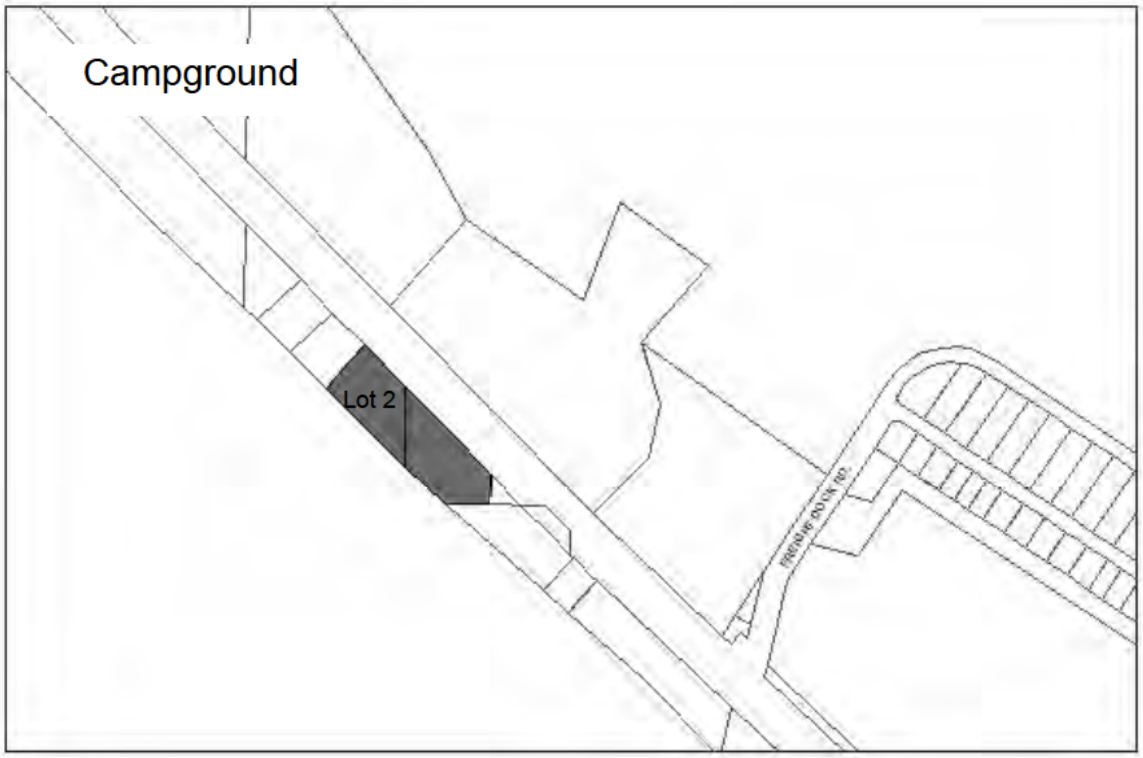


Designated Use: Open Space (Resolution 2018-035)
Acquisition History: Tax foreclosure (seawall) KPB Ord 02-41

Area: 1.66 acres	**Parcel Number:**177177-06, 07
2019 Assessed Value: $4,700 (combined value)	
Legal Description: Lot 43 and 44, Oscar Munson Subdivision	
Zoning: Rural Residential	**Wetlands:** Most of these lots are tidal and critical habitat.
Infrastructure: Gravel road, water and sewer, natural gas, seawall.	

Notes: These lots contain seawall frontage. There is little to any developable area. There continues to be bluff erosion above the seawall on these lots. There are seawall and SAD assessments on these properties. A new seawall assessment of approximately $83,000 may be levied as part of a new SAD.

Finance Dept. Code:



Designated Use: Camping
Acquisition History:

Area: 3.92 acres (2.1 and 1.82 acres)	**Parcel Number:** 18103101, 02

2019 Assessed Value: $512,300

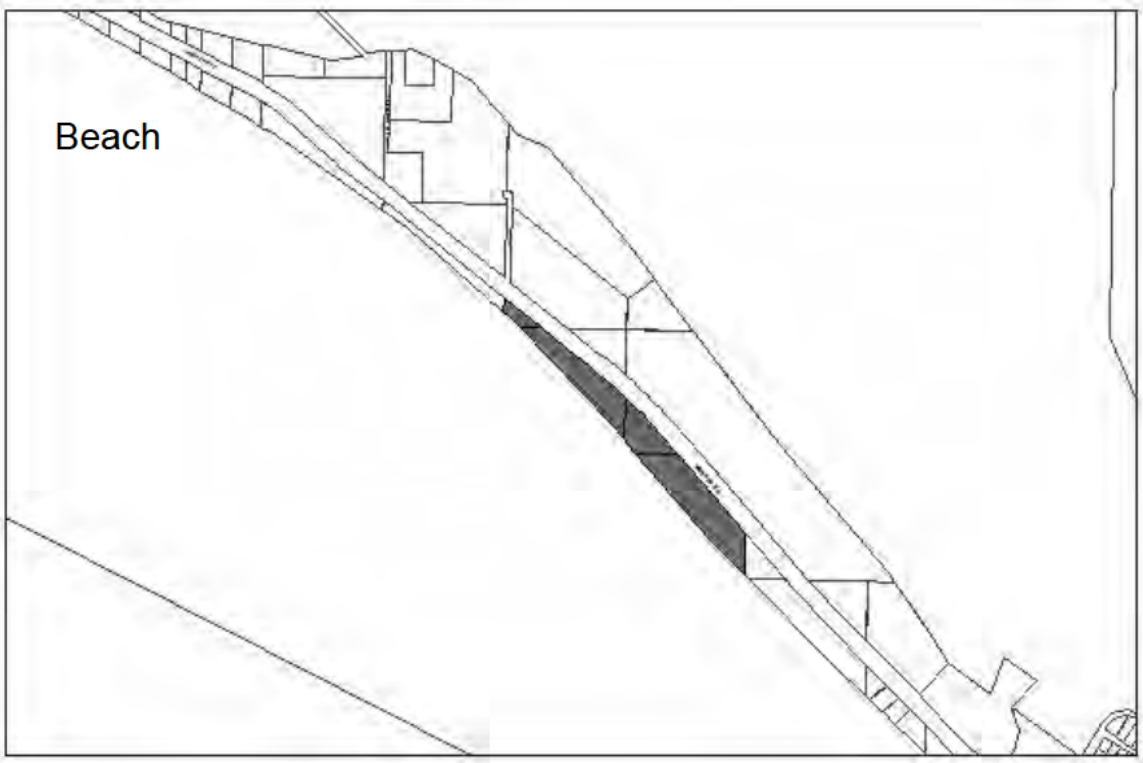
Legal Description: Homer Spit Subdivision Amended Lot 2, and that portion of Government Lot 14 lying south of the Homer Spit Road T6S R13W S35

Zoning: Open Space Recreation.	

Infrastructure: Paved road, water and sewer

Notes: At most, 1/3 of the land is above the high tide line. The rest is beach or underwater.
2016: Campground office sold and removed due to repeated erosion and storm damage.
2018: Campground closure due to erosion
2019: Significant erosion, placement of dredge spoils to protect the road. No camping permitted.

Finance Dept. Code:

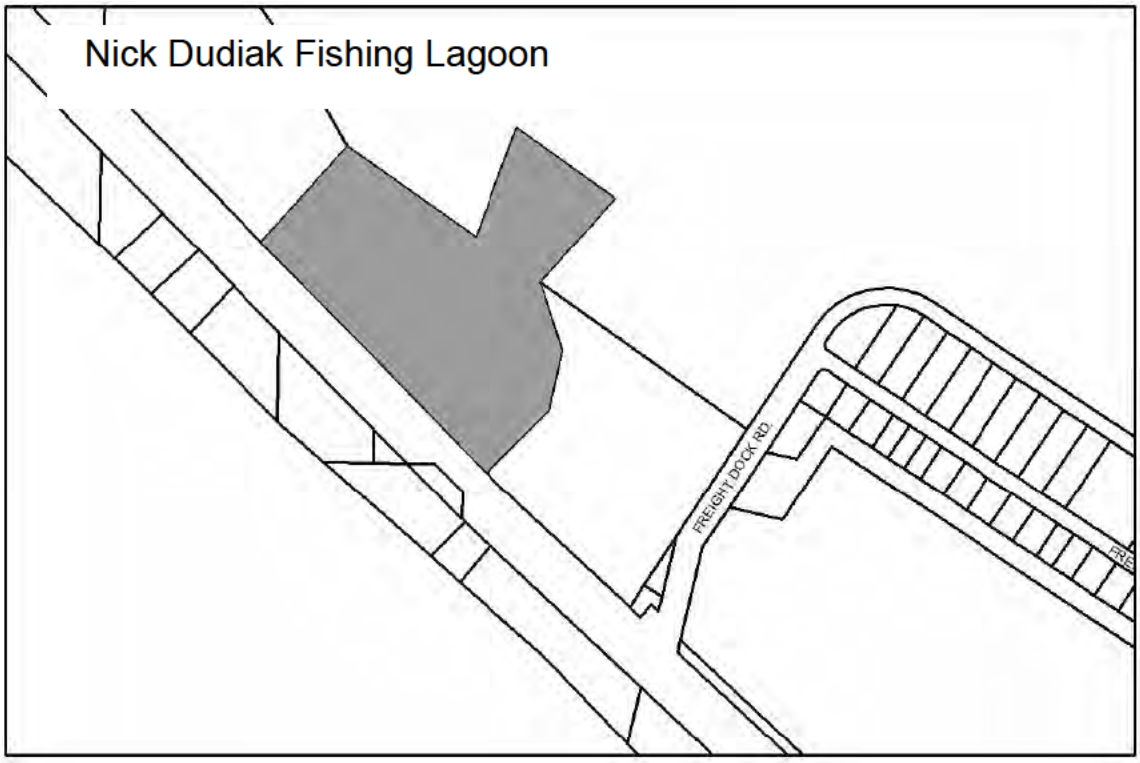


Designated Use: Public Use/ Open Space Recreation
Acquisition History: Ord 90-26 (KPB). Lot 6: EVOS purchase

Area: 23 acres	**Parcel Number:** 181030 02, 04, 06 18102011
2019 Assessed Value: $22,500	
Legal Description: T 6S R 13W SEC 35 SEWARD MERIDIAN HM PORTION GOVT LOT 1,2, Sec 34 Lot 1, lot 6 SW of Sterling Hwy Sec 27	
Zoning: Open Space Rec	**Wetlands:** Tidal
Infrastructure: Paved Road access	

Notes:
Acquisition history of lot 6 should be researched as budget allows

Finance Dept. Code:



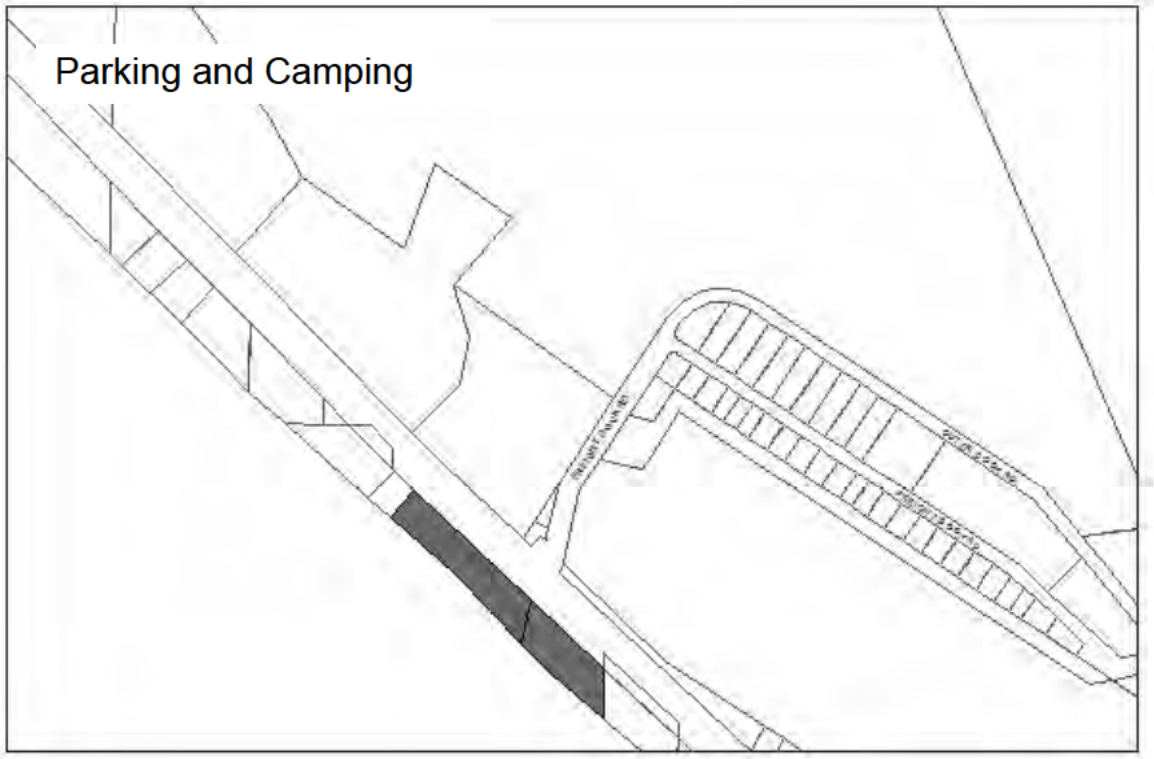
Designated Use: Fishing Lagoon
Acquisition History: Ord 83-26 Purchase from World Seafood

Area: 17.71 acres	**Parcel Number:** 18103116
2019 Assessed Value: $2,482,600	
Legal Description: T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0920039 THE FISHIN HOLE SUB TRACT 2	
Zoning: Open Space Recreation	**Wetlands: N/A.** Portions in floodplain.
Infrastructure: City Water and Sewer, paved road access. Restroom.	

Notes:

- Dredged in 2012
- 2016 construction of Kachemak Bay Water Trail shelter
- 2016 new fish cleaning tables built (ADFG funded)
- 2018: paved trail extended to fish cleaning tables and water trail pavilion. ADA campsites constructed.

Finance Dept. Code:

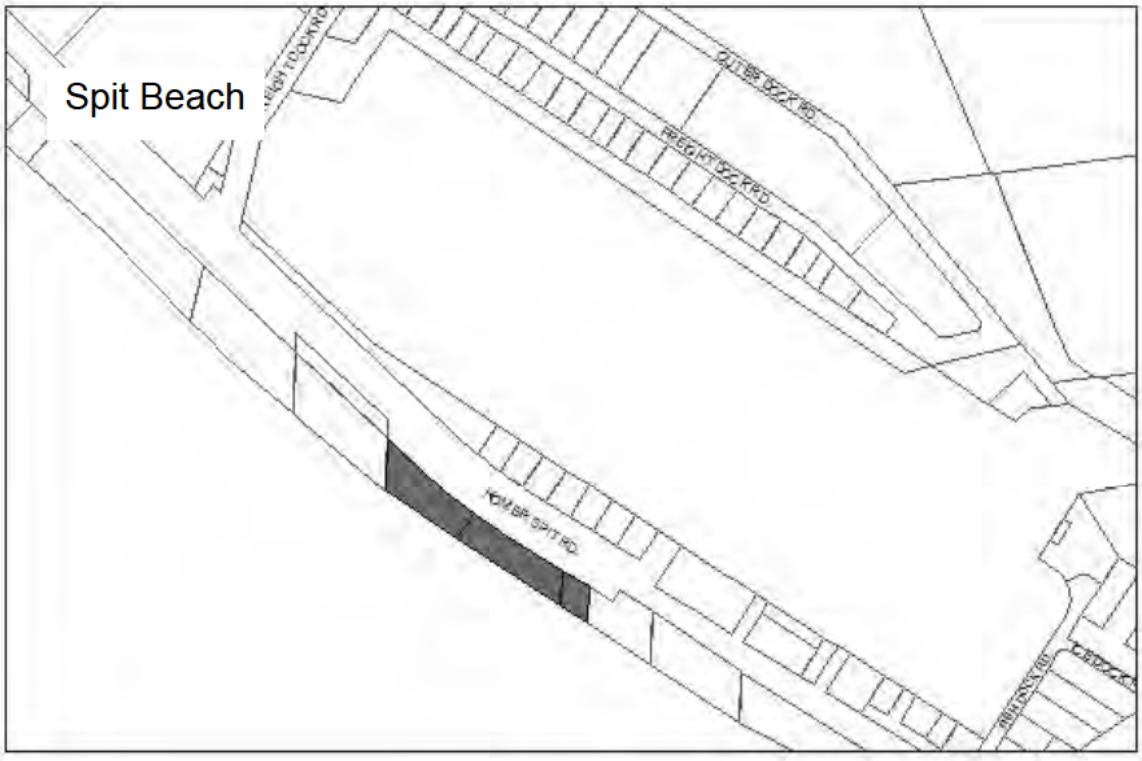


Designated Use: Western lot: Camping. East lot, parking
Acquisition History:

Area: 5.7 acres	**Parcel Number:** 18103301, 18103108
2019 Assessed Value: $665,900	
Legal Description: Homer Spit Amended Lots 7 and 9	
Zoning: Open Space Recreation	**Wetlands:** N/A
Infrastructure: Paved Road	

Continued erosion of campground area

Finance Dept. Code:

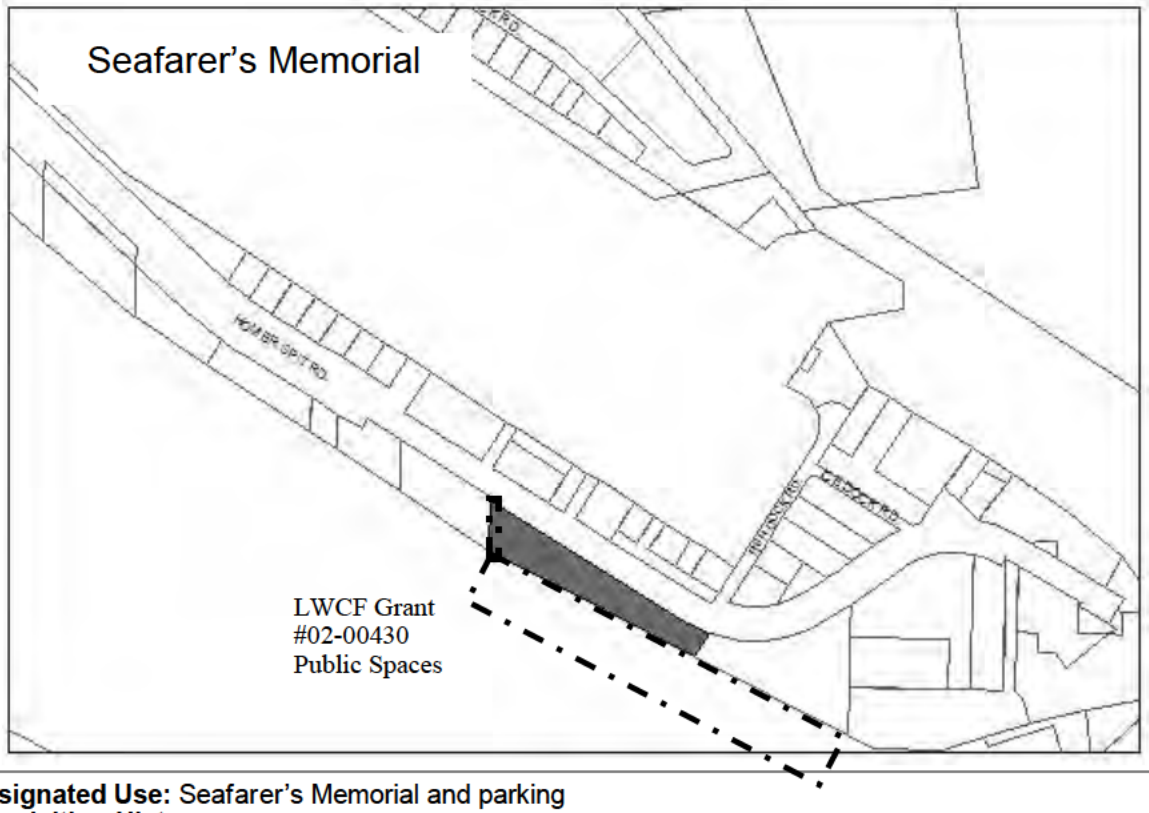


Designated Use: Open Space Recreation
Acquisition History: Lot 11B: Reso 93-14, 3/24/93 Deed. Acquired through an exchange for lot 18.

Area: 2.36 acres	**Parcel Number:** 181033 4, 5, 6
2019 Assessed Value: $450,800	
Legal Description: Homer Spit Subdivision Amended Lots 11 and 20. Lot 11B of HM 0640816.	
Zoning: Open Space Recreation	**Wetlands:** N/A
Infrastructure: Paved Road	

Notes:

Finance Dept. Code:



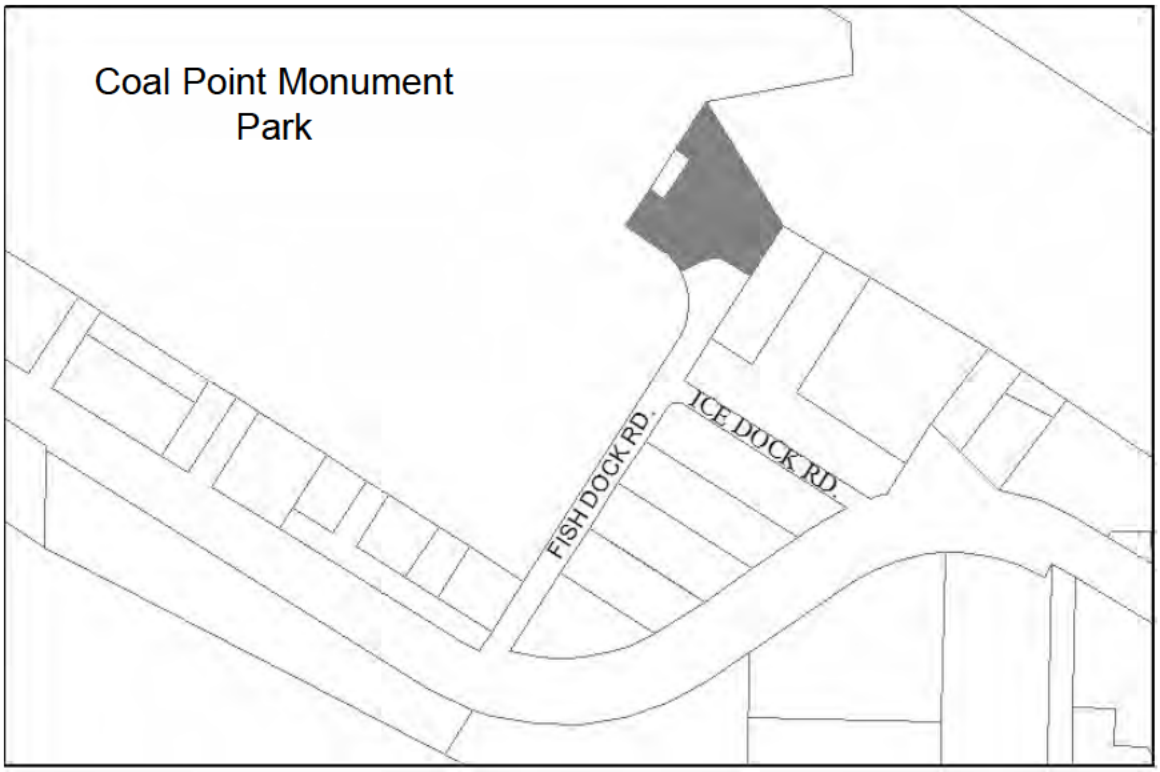
Designated Use: Seafarer's Memorial and parking
Acquisition History:

Area: 2.52 acres	**Parcel Number:** 18103401
2019 Assessed Value: $144,400	
Legal Description: Homer Spit Amended Lot 31	
Zoning: Open Space Recreation	**Wetlands:** N/A
Infrastructure: Paved Road	

LWCF Grant #02-00430 (Ramp 2 restrooms) encumbered a 20 foot strip along the northwest property boundary to provide permanent public beach access from Homer Spit Road to the tideland parcel. Seaward of the park parcel, a 250 foot wide strip of the tideland lot was also encumbered.

Memorial is a 100x100 foot area.
Resolution 20-008(S-3)(A) adopted a land management policy for this parcel.

Finance Dept. Code:



Designated Use: Park
Acquisition History:

Area: 1.09 acres	**Parcel Number:** 18103426

2019 Assessed Value: $255,800

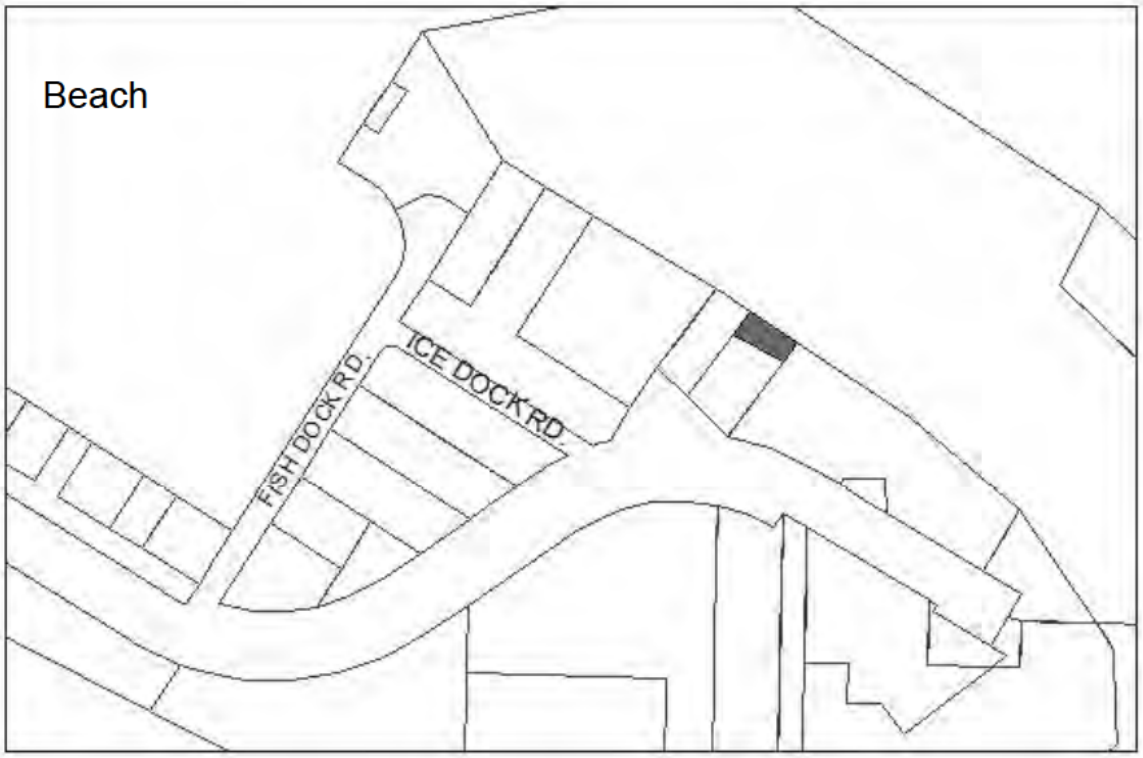
Legal Description: LEGAL T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED COAL POINT MONUMENT PARK EXCLUDING THAT PORTION AS PER LEASE AGREEMENT 187 @ 921

Zoning: Marine Industrial	**Wetlands:**

Infrastructure: gravel parking area

Notes:

Finance Dept. Code:



Designated Use: Beachfront between Icicle and Main Dock
Acquisition History:

Area: 0.11 acres	**Parcel Number:** 18103446

2019 Assessed Value: $169,900

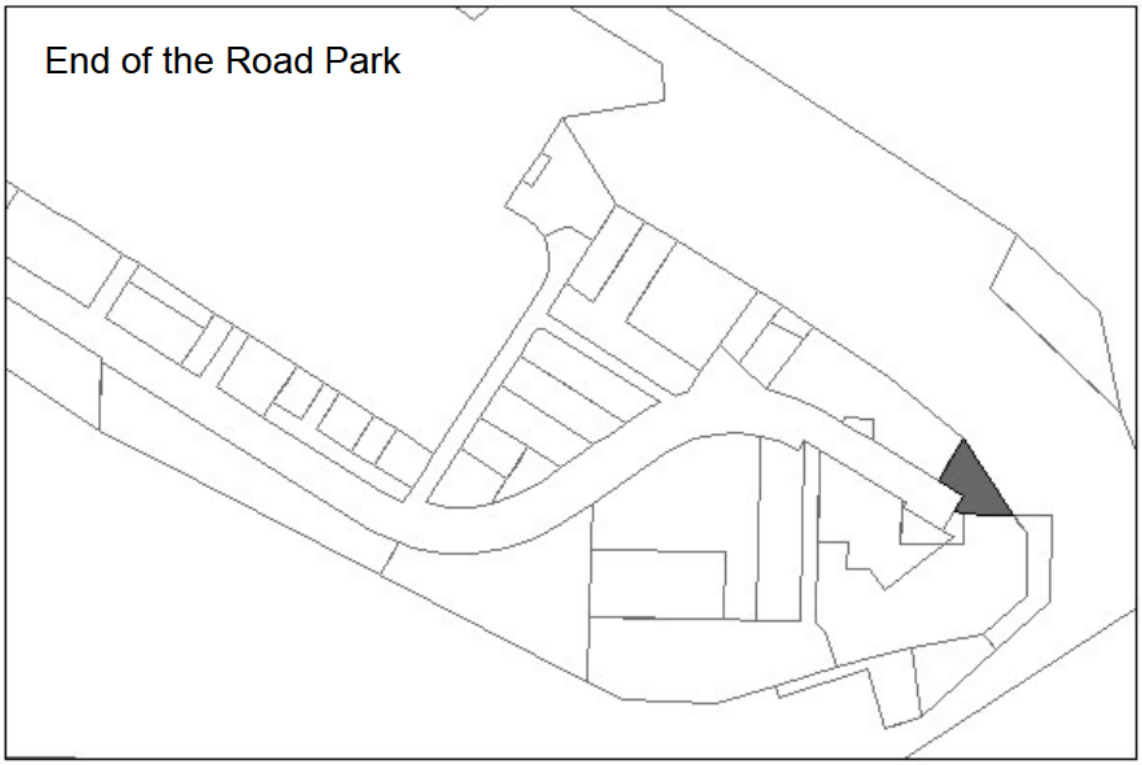
Legal Description: T 7S R 13W SEC 1 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 20 LYING NE OF THE HOMER SPIT RD & BOUNDED ON THE NW BY LOT 43 OF HOMER SPIT SUB AMENDED & BOUNDED ON THE NE BY ATS 612 & BOUNDED ON THE SE BY LOT 45 OF HOMER SPIT SUB AMENDED & BOUNDED ON THE

Zoning: Marine Industrial	**Wetlands:** N/A tidal, flood plain

Infrastructure:

Notes:

Finance Dept. Code:



Designated Use: End of the Road Park Resolution 13-032
Acquisition History:

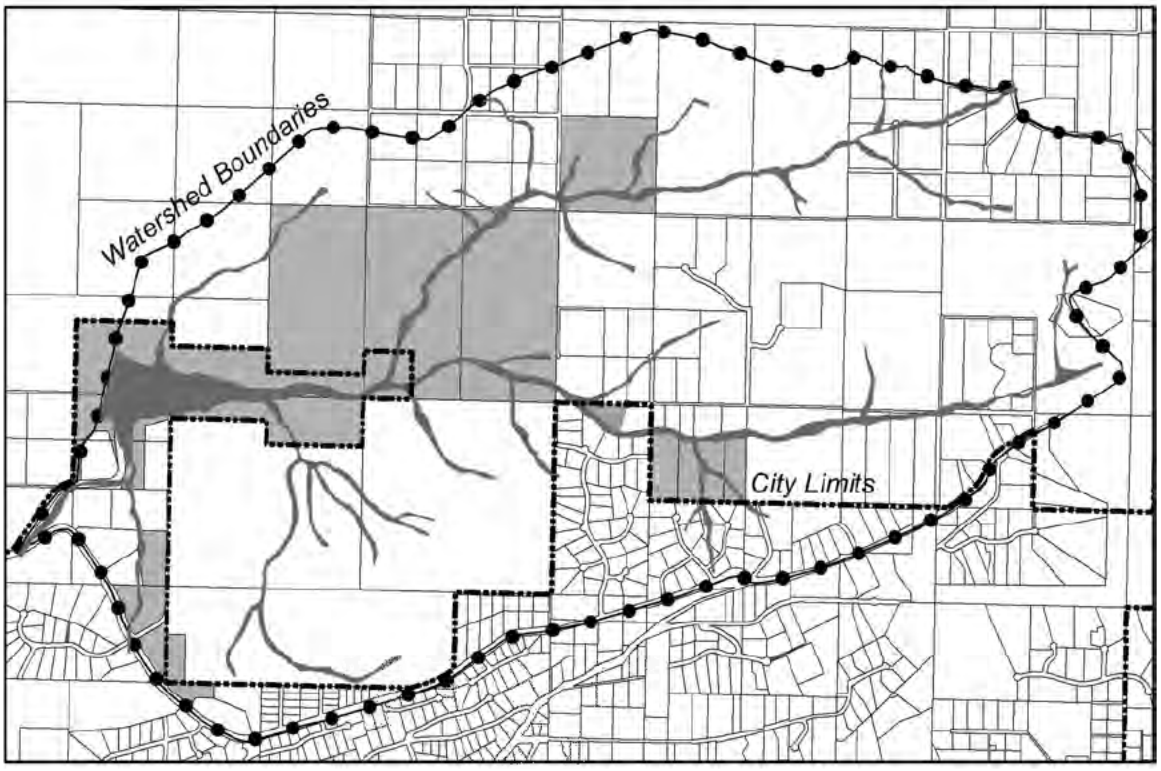
Area: 0.43 acres	**Parcel Number:** 18103448
2019 Assessed Value: $319,300	
Legal Description: HM0930049 T07S R13W S01 HOMER SPIT SUB NO 6 VELMA'S ADDN LOT 45-B	
Zoning: Marine Industrial	**Wetlands:** N/A
Infrastructure: Water, sewer, paved road access	**Address:**

- Restroom construction 2013/14, parking lot paved, and spit trail completed
- Access easement granted to Land's End for fire egress, due to erosion of beach.
- Coastal Erosion occurring, 2018—

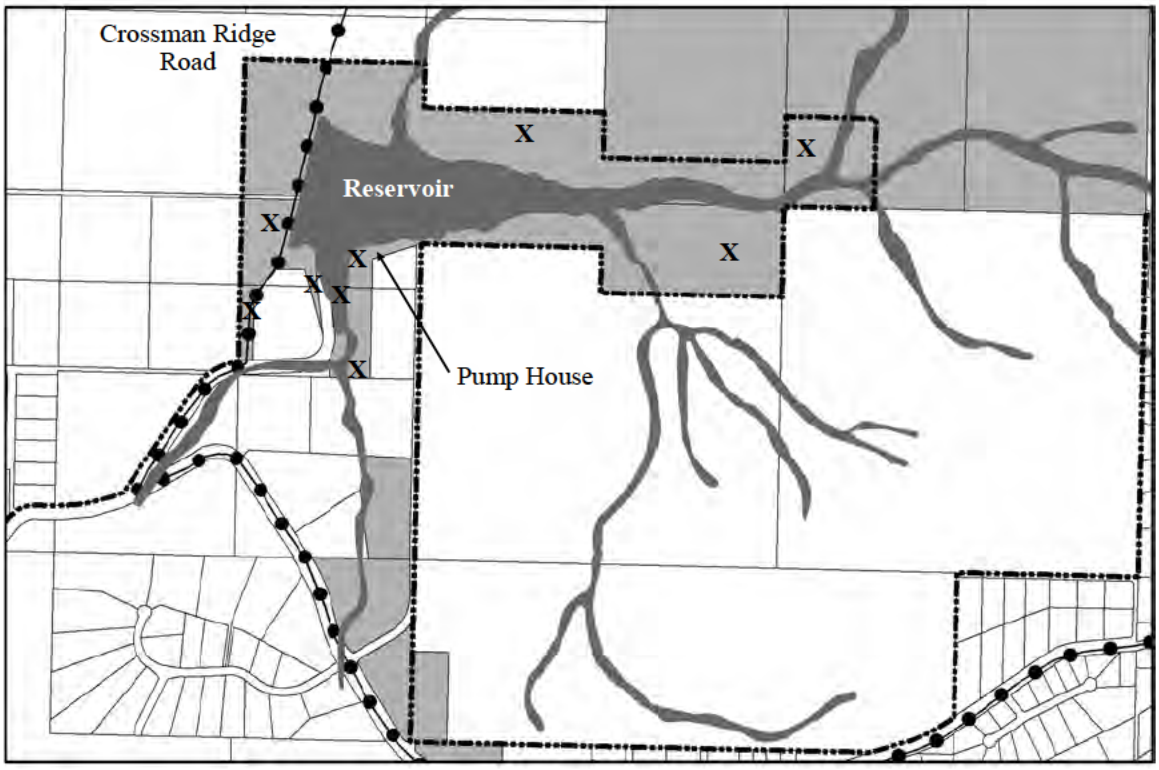
Finance Dept. Code:

City Lands within the Bridge Creek Watershed Protection District

These properties lie within the Bridge Creek Watershed Protection District. Not all the lands within the district are in Homer City limits. The city owns 22 lots totaling 438.46. Lands include conservation purchases from the University of Alaska, Bureau of Indian Affairs, Kenai Peninsula Borough tax foreclosure, private parties, and water system infrastructure such as the reservoir, pump house, and water treatment plant and tanks.



Section updated November 30, 2020

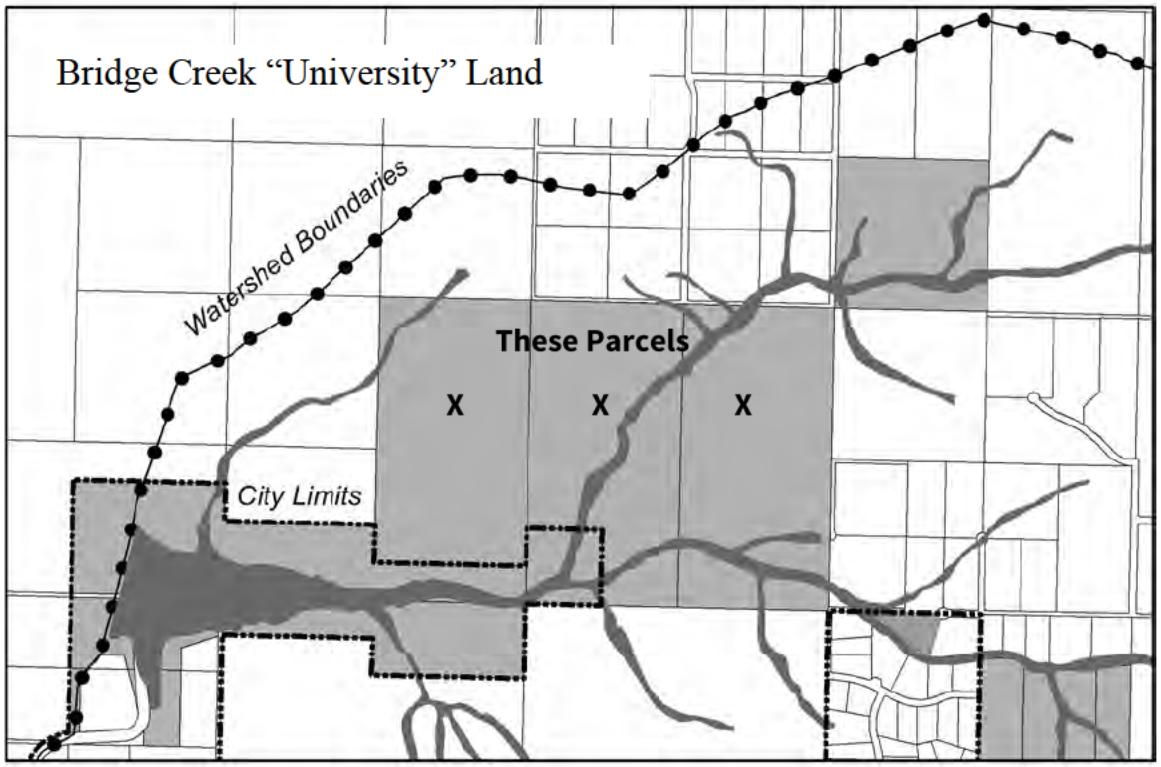


Designated Use: Bridge Creek Watershed, Reservoir and pump house
Acquisition History:

Area: 120.9 acres **Zoning**: Conservation **2020 Assessed Value:** $873,900

PARCEL	ACREAGE	LEGAL
17307053	0.410	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 2 THAT PORTION THEREOF LYING EAST OF DIAMOND RIDGE ROAD
17307057	1.470	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 13 A PORTION THEREOF
17307059	0.130	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 13 A PORTION THEREOF
17307062	7.350	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 1 PORTION THEREOF
17307064	6.940	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 2 PORTION THEREOF
17305301	30.000	T 6S R 13W SEC 8 SEWARD MERIDIAN HM N1/2 N1/2 NW1/4 NW1/4 & N1/2 NE1/4 NW1/4
17305111	60.000	T 6S R 13W SEC 5 T 6S R 13W SEC 6 HM SEWARD MERIDIAN S1/2 S1/2 SE1/4 SW1/4 & S1/2 SW1/4 SW1/4 OF SEC 5 & S1/2 SE1/4 SE1/4 & S1/2 N1/2 SE1/4 SE1/4 OF SEC 6
17305236	10.000	T 6S R 13W SEC 5 SEWARD MERIDIAN HM SW1/4 SW1/4 SE1/4
17307060	4.600	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 14 THE W1/2 THEREOF

Finance Dept. Code:



Designated Use: Bridge Creek Watershed Property
Acquisition History: Ordinance 2003-7(A). Purchased from UAA.

Area: 220 acres	**Parcel Number:**173 052 34, 35, 17305120

2020 Assessed Value: $132,600

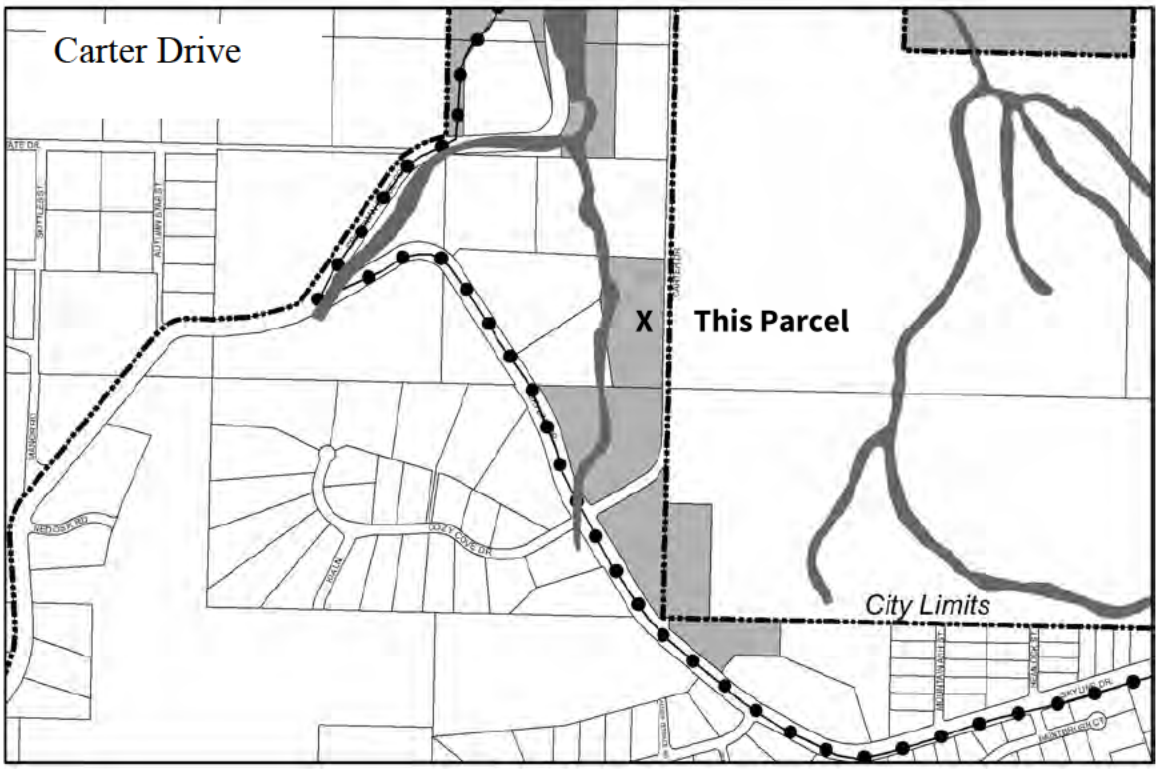
Legal Description: The Northwest one-quarter of the Southeast one-quarter (NW1/4 SE1/4) and the East one-half of the Southwest one-Quarter of the Southeast one-quarter (E1/2 SW1/4 SE1/4) and the Northwest one-quarter of the Southwest one-quarter of the Southeast one-quarter (NW1/4 SW1/4 SE1/4) and the Northeast one-quarter of the Southwest one-quarter (NE1/4 SW1/4) and the North one-half of the South one-half of the Southeast one-quarter of the Southwest one-quarter (N1/2 S 1/2 SE1/4 SW1/4) and the East one-half of the Southeast one-quarter (E1/2 SE1/4) of Section 5, Township 6 South, Range 13 West, Seward Meridian, in the Homer Recording District, State of Alaska.

Zoning: Bridge Creek Watershed Protection District. Not within City Limits.	**Wetlands:** Some wetlands. Bridge Creek flows through the property.

Infrastructure: None. Limited legal and physical access.

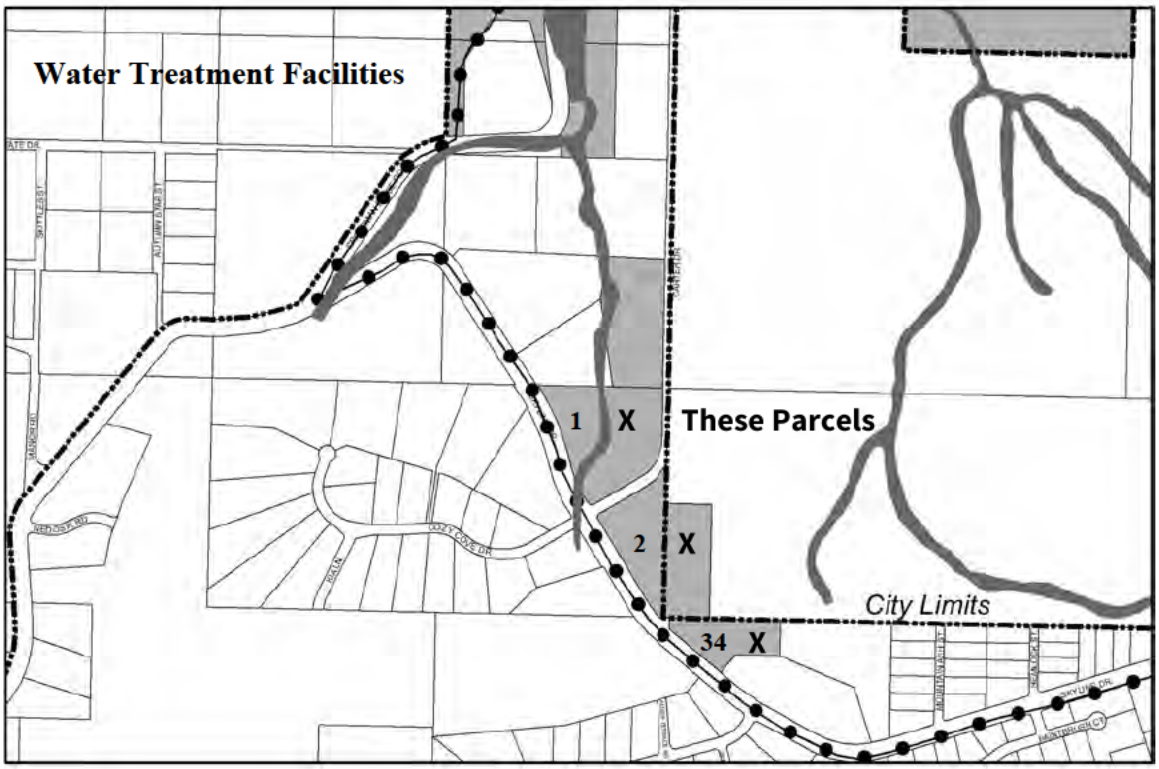
Notes:
Paid $265,000 for land in 2003.
Fire hazard mitigation conducted in 2011.

Finance Dept. Code:



Designated Use: A public use to protect and enhance the City's Bridge Creek Watershed and thereby protect its water quality.
Acquisition History: Emergency Ordinance 2005-40, 2005-45.

Area: 5.93 acres	**Parcel Number:**173070760
2020 Assessed Value: $77,300 (Land $34,800 Structure $42,500)	
Legal Description: HM0840119 T06S R13W S07 Pioneer Valley Subdivision Lot 2	
Zoning: Rural Residential, Bridge Creek WPD	**Wetlands:** Some discharge slope wetland, possibly a creek to the Reservoir.
Infrastructure: Driveway access to property.	
Notes: Property includes a small cabin.	
Finance Dept. Code:	



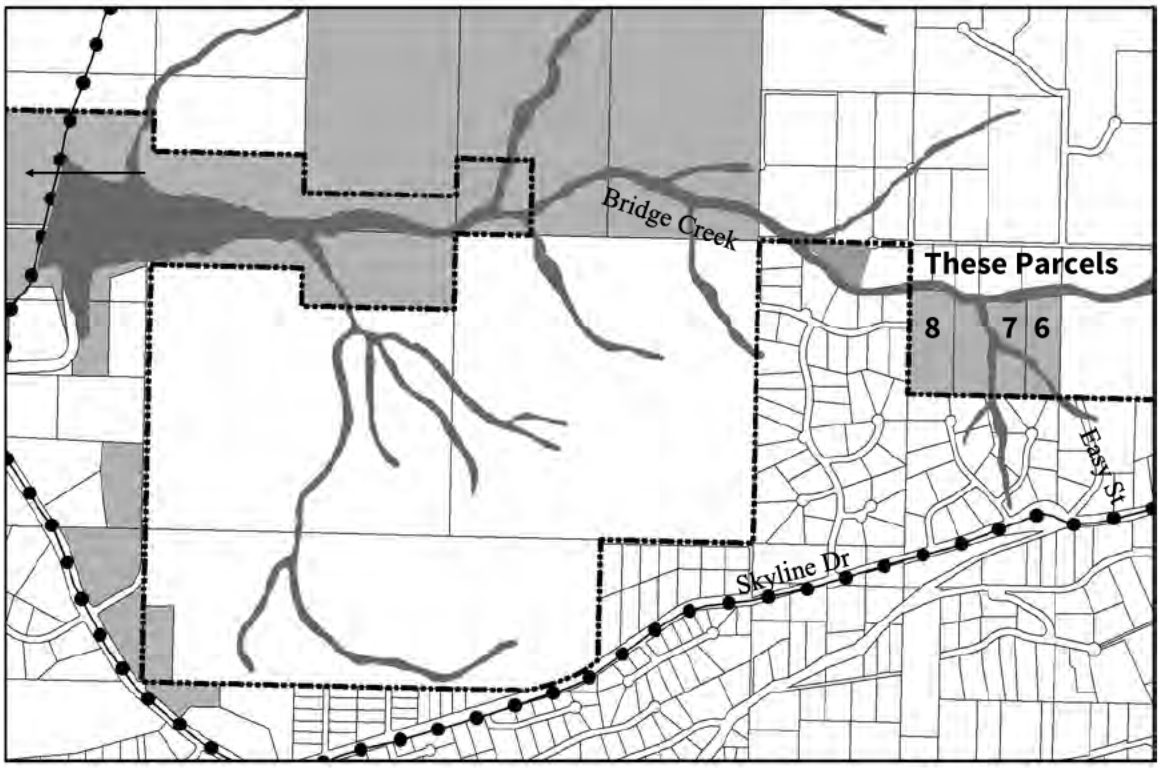
Designated Use: Protecting the watershed and providing alternate access to property north of the City's water treatment plant, Water Tank and building, City Well Reserve Water Tank and building/Public Purpose.
Acquisition History: Ordinance 10-21 (Lot 1) Lot 34 Purchased 1/97 Tulin

Area: Lot 1: 7.83 acres Lot 2: 8.34 acres Lot 34: 3 acres	**Parcel Number:** 17307094, 95, 96, 17308034
2020 Assessed Value: Lot 1: land $87,100 Lot 2: Land $112,600, improvements $3,694,100 Lot 34: land $84,900, Improvements $754,700,	
Legal Description: Hillstrand's Homestead Lots 1, 2, Tulin Terrace Upper Terrace Lot 34	
Zoning: Rural Residential, Bridge Creek WPD	**Wetlands:** Some discharge slope wetland, possibly a creek to the Reservoir.
Infrastructure: Paved road, electricity	

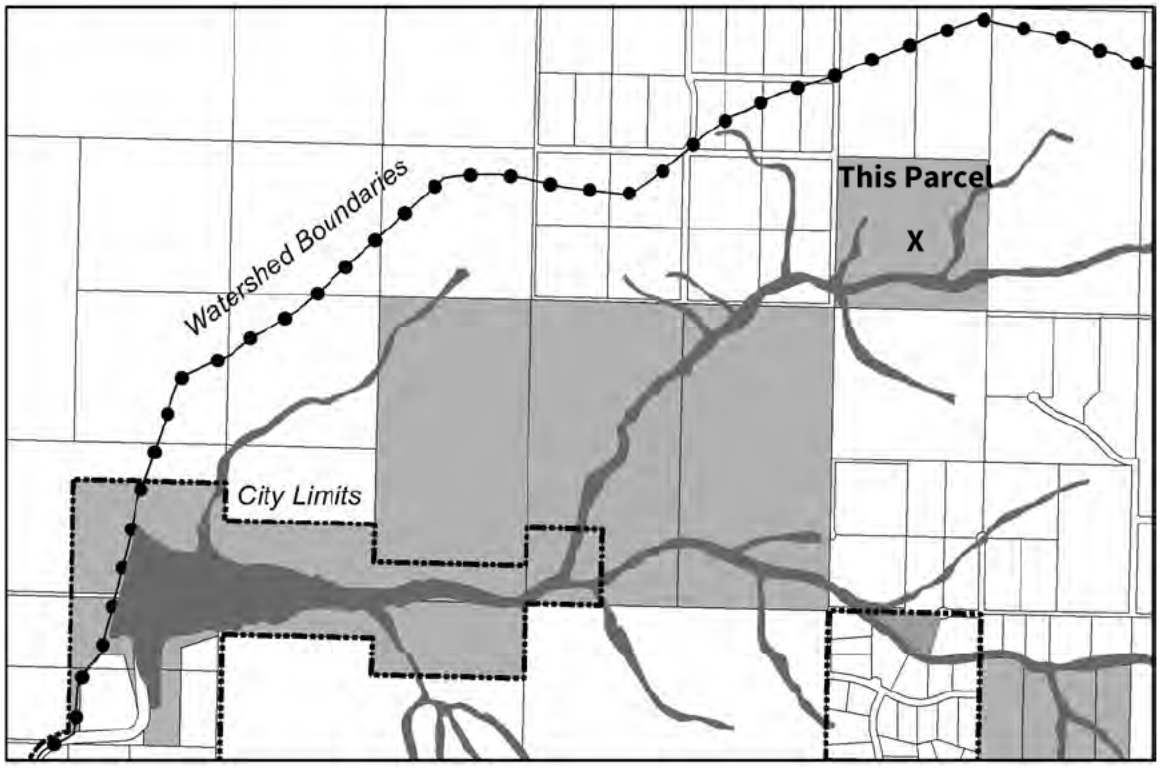
Notes:

Bulk of Lot 1 purchased in 2010, Ord 10-21, $90,000. 184 Skyline Dr
Former water treatment plant site. A fire station/equipment storage was constructed in 2014.
Eastern half of lot 2, acquired through eminent domain. Location of the water treatment plant.
Lot 34 is the site of a 1 million gallon water tank.

Finance Dept. Code:



Designated Use: Watershed Protection Purposes **Acquisition History:** Ordinance 2009-08(A)	
Area: Lot 6: 6.91 acres, Lot 7: 13.38 acres Lot 8: 8.89 acres Total: 28.81 acres	**Parcel Numbers:** 1736600 6, 7, 8
2020 Assessed Value: $121,500	
Legal Description: Lots 6,7 and 8, Roehl Parcels Record of Survey Amended	
Zoning: Not in city limits.	**Wetlands:** about half the land is wetland. Bridge Creek is the northern boundary of these lots.
Infrastructure: Gravel access on Easy Street and Quinalt Ave. There is a gravel road with some sort of easement over lots 6 and 7.	
Notes: Lots purchased 2/25/09 from BIA Lot 6, $58,735, recorded document 2009-000612-0 Lot 7, $113,730, recorded document 2009-000613-0 Lot 8, $75,565, recorded document 2009-000611-0 Total Cost: $248,030 The northern lot line of these lots is bridge creek, and meanders as the creek meanders. Public roadway easement granted 7/29/21 2001-002825-0 Homer Recording District	
Finance Dept. Code:	



Designated Use: Public Purpose, Watershed Protection Purposes (Reso 16-043 Ord 16-19)
Acquisition History: Tax foreclosure from KPB, Ordinance 15-15,

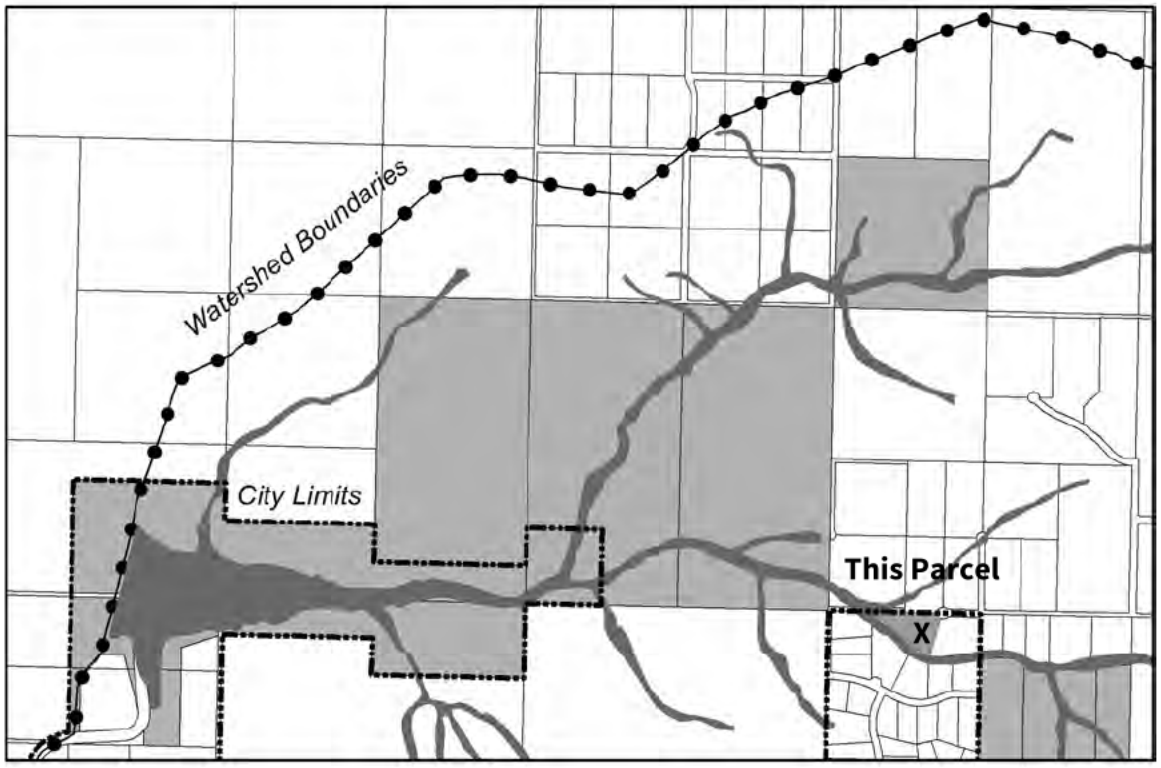
Area: 40 acres	**Parcel Numbers:** 17305219
2020 Assessed Value: $19,800	
Legal Description: T 6S R 13W SEC 4 SEWARD MERIDIAN HM SW1/4 NW1/4	
Zoning: Not in city limits, part of the Bridge Creek WPD.	**Wetlands:** about half the land is wetland. Bridge Creek is the northern boundary of these lots.

Infrastructure: Gravel access on Easy Street and Quinalt Ave. There is a gravel road with some sort of easement over lots 6 and 7.

Notes:

Purchase cost: $2,805.21 in 2015.
Legal and physical access to this property is difficult. Bridge Creek flows through a ravine along the bottom third of the lot, and the property is generally steep.

Finance Dept. Code:



Designated Use: Watershed Protection Purposes (Ord 17-27)
Acquisition History: City purchased from private land owner

Area: 2.86 acres	**Parcel Number:** 17305408
2020 Assessed Value: $12,100	
Legal Description: T 6S R 13W SEC 9 SM Kelly Ranch Estates Sub Lot 8 Block 1	
Zoning: RR,and part of the Bridge Creek WPD.	**Wetlands:** Lot is all wetlands. Bridge Creek runs thorugh the valley on the south side of the lot.

Infrastructure: Access by foot or ATV via a section line and undeveloped right of way.

Notes:

Purchase cost: $21,000 in 2017. KPB assessed values have fluctuated quite a bit over time.

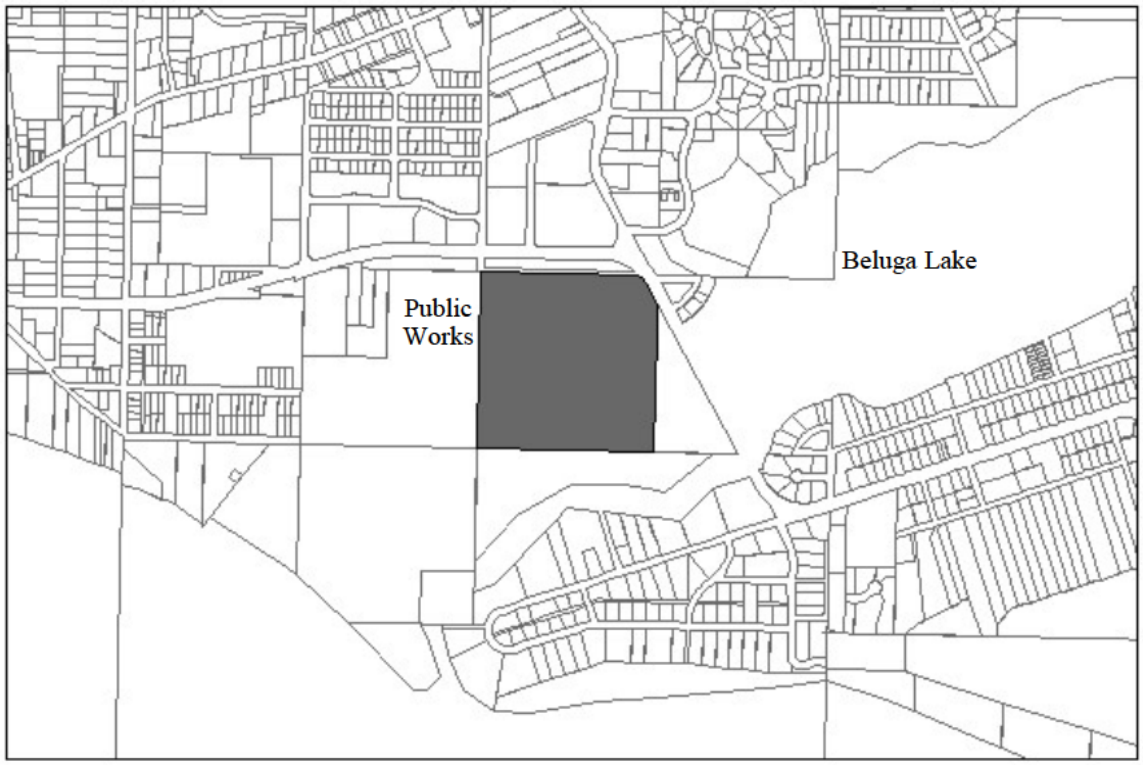
Finance Dept. Code:

Homer Conservation Easement Lands

Most conservation lands in Homer were acquired through Exxon Valdez Oil Spill funding. Generally there are very strict easements on these lands as they were purchased to protect habitat, particularly shorebird habitat in sensitive areas. A portion of Louie's Lagoon has a conservation easement held by the Kachemak Heritage Land Trust. In 2020, The Nature Conservancy donated a 2.62 acre parcel along the Homer Spit to the city.

Total acreage: 172.34 acres.

This section updated 11/30/2020

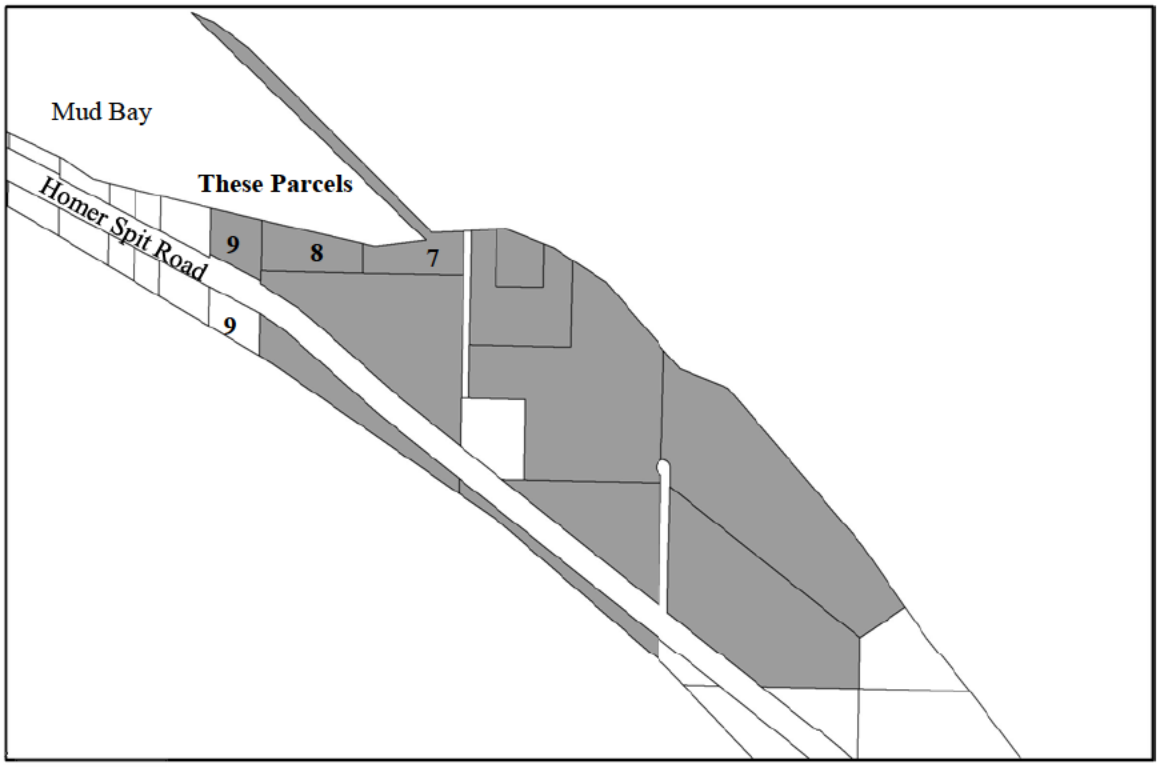


Designated Use:
Acquisition History: EVOS purchase and conservation easement.

Area: 39.24 acres	**Parcel Number:**17714006
2021 Assessed Value: $13,900	
Legal Description: HM T06S R13W S20 NW1/4 SE1/4 EXC HOMER BY PASS RD	
Zoning: Conservation	**Wetlands:** Beluga Slough Estuary

Notes:
- Conservation Easement document recoded in Book 0275, Page 243, Homer Recording District, 4/21/98.
- Parcel is within a FEMA-mapped floodplain.
- Resolution 15-064 supported the inclusion of this land in the Western Hemisphere Shorebird Reserve Network

Finance Dept. Code: 392.0013



Designated Use:
Acquisition History: EVOS purchase and conservation easement. Resolution 97-72 and 104.

Area: Lot 7: 7.1 acres Lot 8: 3.94 acres Lot 9: 3.00 acres Lot 9 S of Road: 2.16 acres (no EVOS Conservation Easement)	**Parcel Number:**181020 02, 01, 18101023, 24

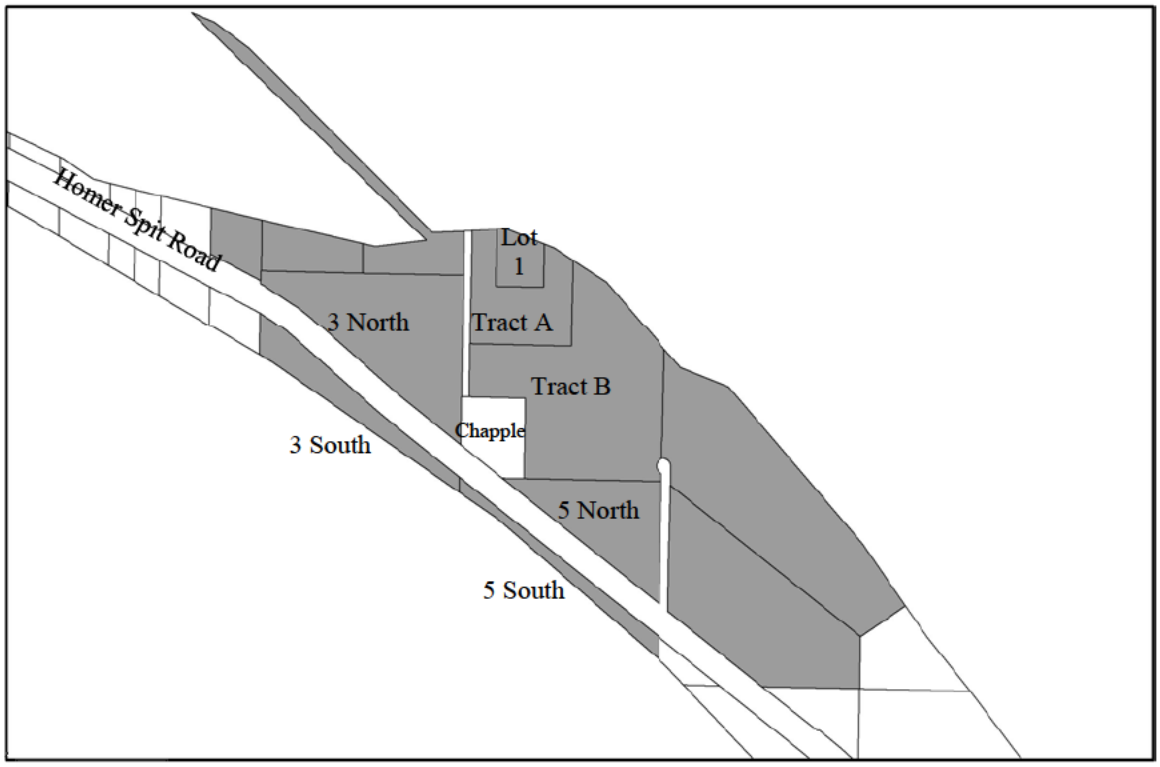
2021 Assessed Value: Lot 7: $5,200 Lot 8: $95,600 Lot 9: $162,300 Lot 9S: $3,800

Legal Description: HM T06S R13W S27 GOVT LOT 7 (east) and 8 (west)
HM T06S R13W S28 THAT PORTION OF GOVT LOT 9 LYING NORTH OF HOMER SPIT RD

Zoning: Conservation—lots 7and 8 Open Space Recreation—Lot 9	**Environment:** State Critical Habitat Area below 17.4 ft . mean high tide line.

Notes:
- Conservation easement recorded in Book 0275, Page 229, Homer Recording District, 4/21/98.
- Parcels are within a FEMA-mapped flood hazard area.

Finance Dept. Code:



Designated Use:
Acquisition History: EVOS purchase and conservation easement.

Area: Total: 70.97 acres	**Parcel Number:** 18102 03, 04, 05, 06, 09, 10,14

2021 Assessed Value: Total: $283,100

Legal Description: T 6S R 13W SEC 27 SEWARD MERIDIAN HM:

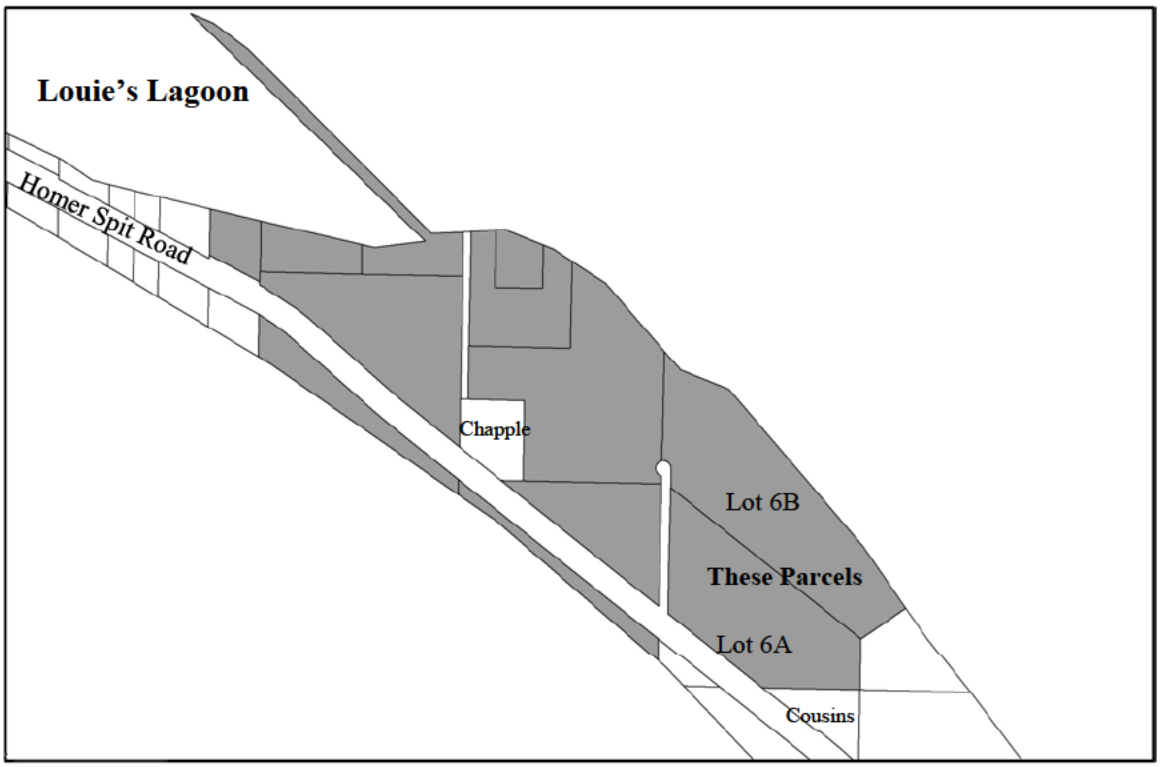
- 0630660 WALTER DUFOUR SUB LOT 1, 0630060 WALTER DUFOUR SUB TRACT A
- THAT PORTION OF GOVT LOT 3 LYING NORTH OF HOMER SPIT RD
- THAT PORTION OF GOVT LOT 3 LYING SOUTH OF HOMER SPIT RD
- THAT PORTION OF GOVT LOT 5 LYING NORTH OF HOMER SPIT RD
- PORTION OF GOVT LOT 5 LYING SOUTH OF HOMER SPIT HWY
- 0770055 WALTER DUFOUR SUB TRACT B TRACT B

Zoning: Conservation South side of lot 5 is zoned Marine Industrial, but development is restricted by the conservation easement.	**Environment:** State Critical Habitat Area below 17.4 ft. mean high tide line.

Notes:

- Conservation easement recorded in Book 0275, Page 222, Homer Recording District,4/21/98.
- Deeded to the City on same date, Book 0275, Page 236, HRD.
- Parcels are within a FEMA-mapped flood hazard area.

Finance Dept. Code:

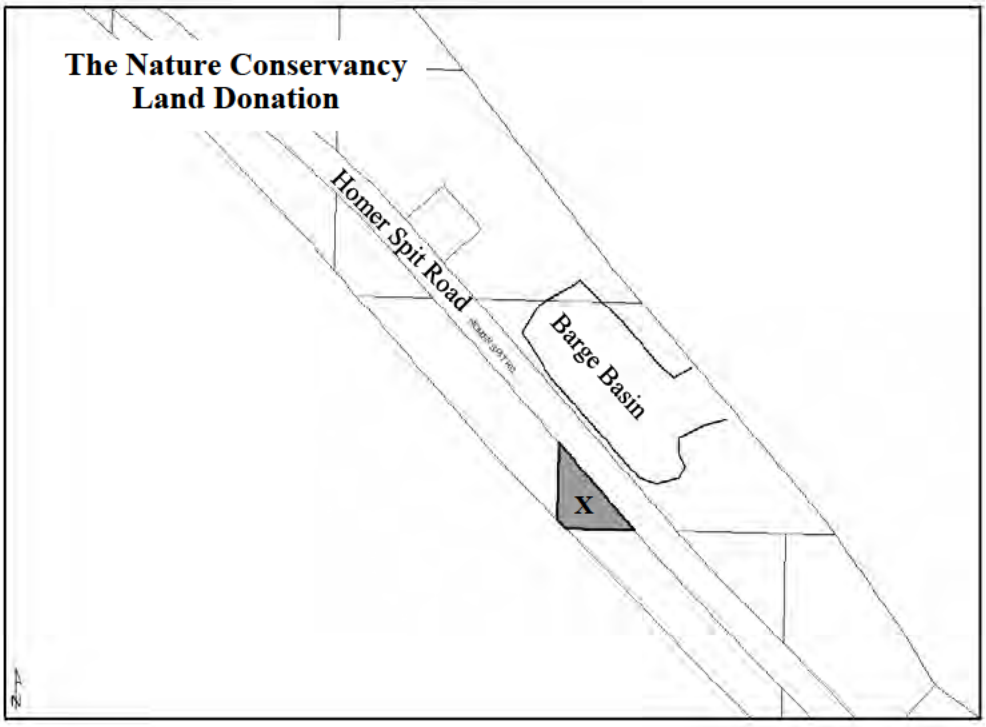


Designated Use:
Acquisition History: EVOS purchase and conservation easement.

Area: Total: 45.47 acres	**Parcel Number:** 181-020 - 18, 19
2021 Assessed Value: Total: $204,300	
Legal Description: HM2001008 T06S R13W S27 LOUIE'S LAGOON LOT 6-A HM2001008 T06S R13W S27 LOUIE'S LAGOON LOT 6-B	
Zoning: Conservation	**Environment:** State Critical Habitat Area below 17.4 ft. mean high tide line.

Notes:
- Conservation easement recorded in Book 0275, Page 229, Homer Recording District, 4/21/98. This easement covers former Lot 6. See plat 2001-008.
- Conservation easement with Kachemak Heritage Land Trust on Lot 6B. Executed 10/4/02, document 2004-004843-0 HRD.
- Parcels are within a FEMA-mapped flood hazard area.

Finance Dept. Code:



Designated Use: Conservation
Acquisition History: Land donation from The Nature Conservancy, Resolution 20-006

Area: Total: 2.62 acres	**Parcel Number:** 18103007
2021 Assessed Value: $4,000	
Legal Description: T 6S R 13W SEC 35 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 3 LYING SOUTHWEST OF THE HOMER SPIT RD	
Zoning: Open Space Recreation	**Environment:** State Critical Habitat Area below 17.4 ft. mean high tide line.

Notes:
- Property is bound by the original grant agreement terms between the US Fish and Wildlife Service and the Nature Conservancy under Agreement Number 98210-0-G70. The North American Conservation Fund funds used by The Nature Conservancy to purchase the property require the parcel to be held in perpetuity as conservation land.
- Parcel is within a FEMA-mapped flood hazard area.
- Recording information: 2020-003888-0 11/10/2020, 2020-00300889-0

Finance Dept. Code:

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
17302201		33.00	T 6S R 14W SEC 9 SEWARD MERIDIAN HM SE1/4 SE1/4 EXCLUDING THE W1/2 SW1/4 SE1/4 SE1/4	E-2
17303229		240.00	T 6S R 14W SEC 10 SEWARD MERIDIAN HM SE1/4 & S1/2 SW1/4	E-2
17305111		60.00	T 6S R 13W SEC 5 & 6 SEWARD MERIDIAN HM S1/2 S1/2 SE1/4 SW1/4 & S1/2 SW1/4 SW1/4 OF SEC 5 & S1/2 SE1/4 SE1/4 & S1/2 N1/2 SE1/4 SE1/4 OF SEC 6	F-2
17305120		70.00	T 6S R 13W SEC 5 SEWARD MERIDIAN HM NE1/4 SW1/4 & N1/2 SE1/4 SW1/4 & N1/2 S1/2 SE1/4 SW1/4	F-3
17305219		40.00	T 6S R 13W SEC 4 SEWARD MERIDIAN HM SW1/4 NW1/4	F-7
17305234		80.00	T 6S R 13W SEC 5 SEWARD MERIDIAN HM E1/2 SE1/4	F-3
17305235		70.00	T 6S R 13W SEC 5 SEWARD MERIDIAN HM NW1/4 SE1/4 & E1/2 SW1/4 SE1/4 & NW1/4 SW1/4 SE1/4	F-3
17305236		10.00	T 6S R 13W SEC 5 SEWARD MERIDIAN HM SW1/4 SW1/4 SE1/4	F-2
17305301		30.00	T 6S R 13W SEC 8 SEWARD MERIDIAN HM N1/2 N1/2 NW1/4 NW1/4 & N1/2 NE1/4 NW1/4	F-2
17305408		2.86	T 6S R 13W SEC 9 SM Kelly Ranch Estates Sub Lot 8 Block 1	F-8
17307053		0.41	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 2 THAT PORTION THEREOF LYING EAST OF DIAMOND RIDGE ROAD	F-2
17307057		1.47	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 13 A PORTION THEREOF	F-2
17307059		0.13	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 13 A PORTION THEREOF	F-2
17307060		4.60	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 14 THE W1/2 THEREOF	F-2
17307062	160 CROSSMAN RIDGE RD	7.35	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 1 PORTION THEREOF	F-2
17307064		6.94	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0711238 DIAMOND RIDGE ESTATES SUB LOT 2 PORTION THEREOF	F-2
17307076	5601 CARTER DR	5.93	T 6S R 13W SEC 7 SEWARD MERIDIAN HM 0840119 PIONEER VALLEY SUB LOT 2	F-4
17307094	184 SKYLINE DR	7.83	Hillstrands Homestead Lot 1	F-5
17307095	188 SKYLINE DR	4.32	Hillstrands Homestead Lot 2 inside city limits	F-5

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
17307096	188 SKYLINE DR	4.02	Hillstrands Homestead Lot 2, portion outside city limits	F-5
17308034	192 SKYLINE DR	3.00	T 6S R 13W SEC 8 SEWARD MERIDIAN HM 0960051 TULIN TERRACE SUB UPPER TERRACE LOT 34	F-5
17316067	4540 ROGERS LOOP	2.00	T 06S R 14W SEC 15 SEWARD MERIDIAN HM 2011022 BISHOP SURVEY J G EVANS ADDN LOT 1 S PRTN IN HOMER CITY LIMITS	E-3
17321011		3.34	T 6S R 14W SEC 3 SEWARD MERIDIAN HM 0631146 TICE ACRES SUB HICKERSON MEMORIAL CEMETERY	E-4
17321013	40722 STACEY ST	1.68	T 6S R 14W SEC 3 SEWARD SW HM 2006017 TICE ACRES REPLAT NO 1 LOT 11-A	E-4
17321014	40746 STACEY ST	0.94	T 6S R 14W SEC 3 SEWARD SW HM 2006017 TICE ACRES REPLAT NO 1 LOT 11-B	E-4
17321015	41170 BELNAP DR	0.95	T 6S R 14W SEC 3 SEWARD SW HM 2006017 TICE ACRES REPLAT NO 1 LOT 11-C	E-4
17366006		6.95	T 6S R 13W SEC 9 SEWARD MERIDIAN HM PTN NE1/4 NW1/4 STARTING @ 1/4 CORNER SECS 4 & 9; TH S 1320 FT TO CN1/16 CORNER; TH W 1320 FT TO NW1/16 CORNER; TH E 1020 FT TO POB; TH N 995 FT TO THREAD OF BRIDGE CREEK; TH E ON THREAD OF BRIDGE CREEK TO N-S CEN	F-6
17366007		13.55	T 6S R 13W SEC 9 SEWARD MERIDIAN HM PTN NE1/4 NW1/4 STARTING @ 1/4 CORNER SECS 4 & 9; TH S 1320 FT TO CN1/16 CORNER; TH W 1320 FT TO NW1/16 CORNER; TH E 390 FT TO POB; TH N 960 FT TO THREAD OF BRIDGE CREEK; TH E ON THREAD OF BRIDGE CREEK 650 FT; TH	F-6
17366008		9.10	T 6S R 13W SEC 9 SEWARD MERIDIAN HM PTN OF NE1/4 NW1/4 STARTING @ 1/4 CORNER OF SECS 4 & 9; TH S 1320 FT TO CN1/16 CORNER; TH W 1320 FT TO NW1/16 CORNER; TH E 390 FT TO POB; TH N 960 FT TO THREAD OF BRIDGE CREEK; TH W ON THREAD OF BRIDGE CREEK 400	F-6
17502056		1.04	T 6S R 14W SEC 13 SEWARD MERIDIAN HM 0770024 EMERALD HIGHLAND ESTATES SUB UNIT 3 LOT 1B BLK 3	E-6
17503025		6.57	T 6S R 14W SEC 13 SEWARD MERIDIAN HM SW1/4 SE1/4 NORTH OF SKYLINE DRIVE EXCLUDING SKYLINE DR SUB	E-5
17504003		10.00	T 6S R 13W SEC 18 SEWARD MERIDIAN HM SE1/4 NE1/4 SW1/4	E-8

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
17504011	102 DEHEL AVE	0.50	T 6S R 13W SEC 18 SEWARD MERIDIAN HM N 150 FT OF THE S 250 FT OF THE E 180 FT OF THE NE1/4 SE1/4	D-7
17504023	360 W FAIRVIEW AVE	38.30	T 6S R 13W SEC 18 SEWARD MERIDIAN HM THAT PORTION OF SW1/4 SE1/4 EXCLUDING SOUTH PENINSULA HOSPITAL SUB AND SOUTH PENINSULA HOSPITAL SUB 2008 ADDN	E-9
17504024	4300 BARTLETT ST	7.12	T 6S R 13W SEC 18 SEWARD MERIDIAN HM 2008092 SOUTH PENINSULA HOSPITAL SUB 2008 ADDN TRACT A2	D-12
17505107	122 W BAYVIEW AVE	0.26	T 6S R 13W SEC 18 SEWARD MERIDIAN HM 0562936 FAIRVIEW SUB LOT 2 TRACT A	E-10
17505108	110 MOUNTAIN VIEW DR	0.26	T 6S R 13W SEC 18 SEWARD MERIDIAN HM 0562936 FAIRVIEW SUB LOT 1 TRACT A	E-10
17510070		4.30	T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2000022 HOMER SCHOOL SURVEY 1999 CITY ADDN TRACT 2	D-18
17510230		0.32	T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2007031 FOOTHILLS SUB SUNSET VIEW ESTATES ADDN NO 2 PHASE ONE LOT 2 BLOCK 2	D-19
17513353		0.56	T 06S R 13W SEC 19 SEWARD MERIDIAN HM 2020010 BUNNELL'S SUBD NO 17 2018 REPLAT TRACT A	E-11
17514235	224 W PIONEER AVE	0.06	T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2007124 BUNNELLS SUB NO 21 LOT 37F-1	E-12
17514301		0.27	T 6S R 13W SEC 19 SEWARD MERIDIAN HM 0000049 BUNNELLS SUB LOT 75	D-17
17514416	3713 MAIN ST	1.31	T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2008016 HOMER PUBLIC LIBRARY NO 2 LOT 2	D-3
17520009	131 OHLSON LN	0.32	T 6S R 13W SEC 19 SEWARD MERIDIAN HM PORTION THEREOF S OF OLSEN LANE	E-20
17524006		2.75	T 6S R 13W SEC 18 SEWARD MERIDIAN HM 0700402 W R BELL SUB TRACT E	E-7
17528001		1641.24	T 6S R 14W SEC 19 & 23 & 24 & 30 SEWARD MERIDIAN HM 0770064 ALASKA TIDELANDS SURVEY NO 612	D-14
17701009		1.50	T 6S R13W SEC 17 SEWARD MERIDIAN HM 2014023 BARNETT SUB QUIET CREEK ADDN 2014 TRACT A2	D-8
17702057	604 E PIONEER AVE	1.57	T 6S R 13W SEC 17 & 20 SEWARD MERIDIAN HM 0870011 NEW HOMER HIGH SCHOOL NO 2 TRACT 1-B	D-6
17708015		3.00	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0930008 HOMER FAA SITE SUB TRACT 38A	D-13
17710739	400 HAZEL AVE	2.24	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 2005036 GLACIER VIEW SUB NO 26 TRACT B	D-4

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
17710740	500 HAZEL AVE	3.01	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 2005036 GLACIER VIEW SUB NO 26 TRACT A	D-4
17702112		0.86	Barnett's South Slope Subdivision Quiet Creek Park Unit 2 TRACT C	E-15
17702125		0.21	Barnett's South Slope Subdivision Quiet Creek Park Unit 2 Tract D	E-15
17712014		1.73	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0003743 WADDELL SUB THAT PORTION S OF HOMER BY PASS RD	E-16
17712022	3664 BEN WALTERS LN	2.48	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0840122 LAKESIDE VILLAGE PARK ADDN REPLAT LOT 1A-2	E-18
17712034	3755 SNOWBIRD ST	1.50	T 06S R 13W SEC 20 SEWARD MERIDIAN HM 2016021 WADDELL PARK 2016 REPLAT LOT 3-A-1	D-15
17714006		39.24	T 6S R 13W SEC 20 SEWARD MERIDIAN HM NW1/4 SE1/4 EXC HOMER BY PASS RD	G-2
17714010	3300 BELUGA PL	3.46	T 6S R 13W SEC 20 SEWARD MERIDIAN HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER LOT 2 TH S 89 DEG 57'30" E 600 FT ALONG N BOUND LT 2 TO POB TH S 0 DEG 2' E 391 FT TO CORNER 2 ON MHW KACHEMAK BAY TH S 59 DEG 30' E 150 FT TO CORNER 3 TH N 38 DE	E-19
17714011		0.13	T 6S R 13W SEC 20 SEWARD MERIDIAN HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER OF GL 2 TH S 89 DEG 57'30" E 1094.3 FT TO PT TH S 38 DEG 0' W 310 FT TO POB TH 90 DEG W 75 FT TO CORNER 2 TH S 38 DEG W 75 FT TO CORNER 3 TH 90 DEG E 75 FT TO CORNER 4 TH N 38 DEG E 75 FT TO POB	E-19
17714014	3575 HEATH ST	0.92	T 6S R 13W SEC 20 SEWARD MERIDIAN HM POR PER E1/2 NW1/4 NE1/4 SW1/4 PER D-60-164	D-10
17714015	3575 HEATH ST	3.16	T 6S R 13W SEC 20 SEWARD MERIDIAN HM THAT PORTION OF E1/2 NW1/4 NE1/4 SW1/4 PER D-60 @ 05	D-10
17714016	3575 HEATH ST	30.00	T 6S R 13W SEC 20 SEWARD MERIDIAN HM NE1/4 NE1/4 SW1/4 & S1/2 NE1/4 SW1/4	D-11
17714020	3577 HEATH ST	1.85	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0850128 GLACIER VIEW SUB NO 18 LOT 1	D-9
17715402		0.03	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0670365 W R BENSON SUB AMENDED LOT 46 EXCLUDING HOMER BY-PASS ROAD	D-16
17715403		0.03	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0670365 W R BENSONS SUB AMENDED LOT 47 EXC HOMER BY-PASS RD*	D-16

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
17717706	997 OCEAN DRIVE LOOP	0.68	T 6S R 13W SEC 29 SEWARD MERIDIAN HM 0003415 OSCAR MUNSON SUB LOT 43	E-25
17717707	1017 OCEAN DRIVE LOOP	0.98	T 6S R 13W SEC 29 SEWARD MERIDIAN HM 0003415 OSCAR MUNSON SUB LOT 44	E-25
17719209	209 E PIONEER AVE	4.71	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0000251 - A NILS O SVEDLUND SUB LOT 7 TRACT B & PTN OF TR B AS FOLLOWS: BEG AT SE CORNER OF LOT 7 TH N 0 DEG 2' W 545 FT TO S ROW OF STERLING HWY,CORNER 2; TH N 75 DEG 15' E ALONG ROW 62.6 FT TO CORNER 3 TH S 00 DE	D-13
17720204	580 E PIONEER AVE	0.31	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0750018 GLACIER VIEW SUB NO 1 REPLAT LTS 1 8 & 9 BLK 4 LOT 9-A	E-13
17720408	491 E PIONEER AVE	1.12	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 2004048 GLACIER VIEW SUB CAMPUS ADDN LOT 6-A-2	D-5
17726038		0.02	T 6S R 13W SEC 17 SEWARD MERIDIAN HM 0760026 KAPINGEN SUB UNIT 3 PARK RESERVE	E-10
17727049		0.04	T 6S R 13W SEC 17 SEWARD MERIDIAN HM 0770065 ISLAND VIEW SUB PARK	E-10
17728001		499.54	T 6S R 13W SEC 20 & 29 SEWARD MERIDIAN HM 0742265 ALASKA TIDELAND SURVEY 612	D-14
17730239		0.21	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0840005 LAKESIDE VILLAGE SUB AMENDED LOT 2 BLK 4	E-20
17730251		0.38	T 6S R 13W SEC 20 SEWARD MERIDIAN HM 0840005 LAKESIDE VILLAGE SUB AMENDED JEFFERY PARK	E-17
17901023	4829 JACK GIST LN	14.60	T 6S R 13W SEC 15 SEWARD MERIDIAN HM 0990063 JACK GIST SUB LOT 2	E-21
17903007	1136 EAST END RD	0.28	T 6S R 13W SEC 16 SEWARD MERIDIAN HM 0003373 JAMES WADDELL SURVEY OF TRACT 4 LOT 4A	E-14
17911005		0.39	T 6S R 13W SEC 14 SEWARD MERIDIAN HM 0004712 HARRY FEYER SUB LOT 1	E-23
17936020	2976 KACHEMAK DR	1.65	T 6S R 13W SEC 22 SEWARD MERIDIAN HM 0830087 SCENIC BAY SUB LOT 4	E-22
18101002		3.72	T 6S R 13W SEC 28 SEWARD MERIDIAN HM GOVT LOT 15	E-24
18101003		5.05	T 6S R 13W SEC 28 SEWARD MERIDIAN HM GOVT LOT 14	E-24
18101004		6.07	T 6S R 13W SEC 28 SEWARD MERIDIAN HM GOVT LOT 13	E-24

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
18101005		5.98	T 6S R 13W SEC 28 SEWARD MERIDIAN HM GOVT LOT 12	E-24
18101006		5.03	T 6S R 13W SEC 28 SEWARD MERIDIAN HM GOVT LOT 11	E-24
18101007		6.47	T 6S R 13W SEC 28 SEWARD MERIDIAN HM GOVT LOT 10	E-24
18101008		4.60	T 6S R 13W SEC 28 SEWARD MERIDIAN HM GOVT LOT 8	E-24
18101009		1.44	T 6S R 13W SEC 28 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 7 LYING SOUTH OF HOMER SPIT RD	E-24
18101010	1920 HOMER SPIT RD	0.81	T 6S R 13W SEC 28 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 7 LYING NORTH OF HOMER SPIT RD	E-24
18101011		0.77	T 6S R 13W SEC 28 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 6 LYING NORTH OF HOMER SPIT RD	E-24
18101012		1.20	T 6S R 13W SEC 28 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 6 LYING SOUTH OF HOMER SPIT RD	E-24
18101013		1.32	T 6S R 13W SEC 28 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 5 LYING SOUTH OF HOMER SPIT RD	E-24
18101023		3.00	T 6S R 13W SEC 28 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 9 LYING NORTH OF HOMER SPIT RD	G-3
18101024		2.16	T 6S R 13W SEC 27 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 9 LYING SOUTH OF HOMER SPIT RD	G-3
18101025		19.23	T 6S R 13W SEC 21 SEWARD MERIDIAN HM 742449 THAT PTN OF ALASKA TIDELANDS SURVEY 612 W/IN SEC 21 LYING W OF HOMER SPIT RD & EXCL LEASED LANDS	D-14
18101026		51.47	T 6S R 13W SEC 28 SEWARD MERIDIAN HM 0742449 THAT PTN OF ALASKA TIDELANDS SURVEY 612 W/IN SEC 28 LYING W OF HOMER SPIT RD & EXCL LEASED LANDS	D-14
18102001		3.94	T 6S R 13W SEC 27 SEWARD MERIDIAN HM GOVT LOT 8	G-3
18102002	3079 HOMER SPIT RD	7.10	T 6S R 13W SEC 27 SEWARD MERIDIAN HM GOVT LOT 7	G-3
18102003		1.02	T 6S R 13W SEC 27 SEWARD MERIDIAN HM 0630660 WALTER DUFOUR SUB LOT 1	G-4

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
18102004		6.90	T 6S R 13W SEC 27 SEWARD MERIDIAN HM 0630060 WALTER DUFOUR SUB TRACT A	G-4
18102005		17.46	T 6S R 13W SEC 27 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 3 LYING NORTH OF HOMER SPIT RD	G-4
18102006		7.50	T 6S R 13W SEC 27 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 3 LYING SOUTH OF HOMER SPIT RD	G-4
18102009		9.00	T 6S R 13W SEC 27 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 5 LYING NORTH OF HOMER SPIT RD	G-4
18102010		3.90	T 6S R 13W SEC 27 SEWARD MERIDIAN HM PORTION OF GOVT LOT 5 LYING SOUTH OF HOMER SPIT HWY	G-4
18102011		0.70	T 6S R 13W SEC 27 SEWARD MERIDIAN HM GOVT LOT 6 SW OF HWY	E-27
18102014		25.19	T 6S R 13W SEC 27 SEWARD MERIDIAN HM 0770055 WALTER DUFOUR SUB TRACT B TRACT B	G-4
18102018		19.66	T 6S R 13W SEC 27 SEWARD MERIDIAN HM 2001008 LOUIE'S LAGOON LOT 6-A	G-5
18102019		25.81	T 6S R 13W SEC 26 & 27 SEWARD MERIDIAN HM 2001008 LOUIE'S LAGOON LOT 6-B	G-5
18103002		7.51	T 6S R 13W SEC 34 SEWARD MERIDIAN HM PORTION GOVT LOT 1	E-27
18103004		4.79	T 6S R 13W SEC 35 SEWARD MERIDIAN HM PORTION GOVT LOT 1	E-27
18103006		10.00	T 6S R 13W SEC 35 SEWARD MERIDIAN HM PORTION GOVT LOT 2	E-27
18103007		2.62	T 6S R 13W SEC 35 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 3 LYING SOUTHWEST OF THE HOMER SPIT RD	G-6
18103101		1.82	T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 2	E-26
18103102	3735 HOMER SPIT RD	2.10	T 6S R 13W SEC 35 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 14 LYING SOUTHWEST OF THE HOMER SPIT RD	E-26
18103105	3815 HOMER SPIT RD	1.60	T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 5	B-3
18103108		3.72	T 6S & 7S R 13W SEC 35 & 2 SEWARD MERIDIAN HM 0890034 - HOMER SPIT SUB AMENDED 7	E-29
18103116	3800 HOMER SPIT RD	17.17	T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0920039 THE FISHIN HOLE SUB TRACT 2	E-28

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
18103117	3854 HOMER SPIT RD	11.27	T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0940043 THE FISHIN HOLE SUB NO 2 TRACT 1-A	B-4
18103118	3978 HOMER SPIT RD	0.15	T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0940043 THE FISHIN HOLE SUB NO 2 TRACT 1-B	B-5
18103119	1114 FREIGHT DOCK RD	0.18	T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0940043 THE FISHIN HOLE SUB NO 2 TRACT 1-C	B-6
18103203		11.91	ATS 1373	C-14
18103213	4666 FREIGHT DOCK RD	4.19	T 6S & 7S R 13W SEC 36 & 1 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED TRACT A	C-13
18103214	795 FISH DOCK RD	72.94	T 6S & 7S R 13W SEC 35 & 36 & 1 & 2 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED SMALL BOAT HARBOR	C-2
18103216		5.22	T 6S & 7S R 13W SEC 35 & 36 & 1 & 2 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED LOT G-8	C-4
18103218	4373 FREIGHT DOCK RD	0.32	T 6S & 7S R 13W SEC 36 & 1 SEWARD MERIDIAN HM 0920024 HOMER SPIT FOUR SUB	B-8
18103220	4380 FREIGHT DOCK RD	5.00	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 12	A-2
18103221		0.65	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 2	C-5
18103222		0.67	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 3	C-5
18103223		0.67	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 4	C-5
18103224		0.67	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 5	C-5
18103225		0.67	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 6	C-5
18103226		0.67	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 7	C-5
18103227		0.67	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 8	C-5
18103228	4290 FREIGHT DOCK RD	0.67		C-5
18103229		0.67	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 10	C-5
18103230		1.78	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 11	C-15
18103231		0.66	T 6S R 13W SEC 35 & 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 1	C-5

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
18103232		2.08	T 6S & 7S R 13W SEC 36 & 1 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 13	C-7
18103233		0.32	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 14	C-5
18103234		0.32	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 15	C-5
18103235		0.19	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 16	C-5
18103236		0.24	T 6S & 7S R 13W SEC 36 & 1 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 17	C-5
18103237		0.33	T 6S & 7S R 13W SEC 36 & 1 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 18	C-5
18103238		0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 19	B-27
18103239		0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 20	D-17
18103240	4323 FREIGHT DOCK RD	0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 21	B-7
18103241		0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 22	C-5
18103242		0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 23	C-5
18103243		0.26	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 24	C-5
18103244		0.22	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 25	C-5
18103245		0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 26	C-5
18103246		0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 27	C-5
18103247	4171 FREIGHT DOCK RD	0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 28	C-4
18103248	4155 FREIGHT DOCK RD	0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 29	C-4
18103249	4147 FREIGHT DOCK RD	0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 30	C-4
18103250	4123 FREIGHT DOCK RD	0.22	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 31	C-4
18103251	4109 FREIGHT DOCK RD	0.22	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 32	C-4

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
18103252	4081 FREIGHT DOCK RD	0.22	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 33	C-4
18103253	4065 FREIGHT DOCK RD	0.32	T 6S R 13W SEC 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 34	C-4
18103254	4035 FREIGHT DOCK RD	0.31	T 6S R 13W SEC 35 & 36 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 35	C-4
18103255	4001 FREIGHT DOCK RD	0.35	T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 36	C-4
18103256		0.50	T 6S R 13W SEC 35 SEWARD MERIDIAN HM 0930012 HOMER SPIT SUB NO 5 LOT 37	C-4
18103259		1.12	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0970072 HOMER SPIT NO 6 8-D-1	C-8
18103260	4607 FREIGHT DOCK RD	0.46	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0970072 HOMER SPIT NO 6 8-E-1	B-26
18103301		1.98	T 7S R 13W SEC 2 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 9	E-29
18103304		1.08	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 11	E-30
18103305		0.99	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 20	E-30
18103306	4225 HOMER SPIT RD	0.29	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0640816 SUB OF LOT 11 HOMER SPIT ALASKA LOT 11B EXCLUDING THE HOMER SPIT RD	E-30
18103309	4390 HOMER SPIT RD	0.23	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 30	B-10
18103310	4348 HOMER SPIT RD	0.65	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 29	D-20
18103397	4350 HOMER SPIT RD	0.28	HOMER SPIT SUB AMENDED BOATHOUSE REPLAT LOT 28-A	C-9
18103316	4262 HOMER SPIT RD	0.29	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 19	B-9
18103318		0.30	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 17	C-3
18103319		0.31	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 16	C-3
18103320		0.31	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 15	C-3
18103321		0.31	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 14	C-3

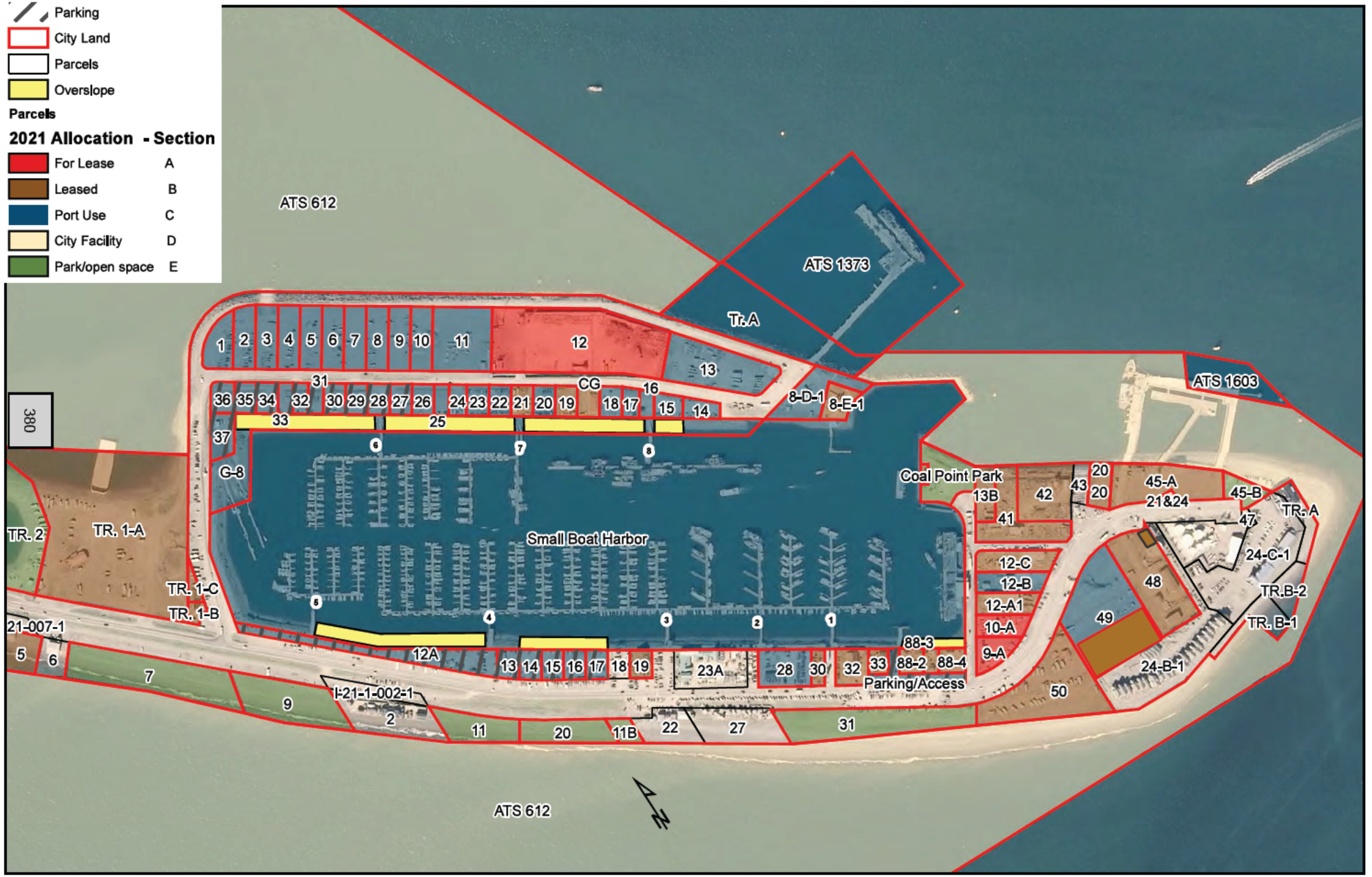
City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
18103322	4166 HOMER SPIT RD	0.30	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 13	C-3
18103324	4166 HOMER SPIT RD	1.59	T 6S & 7S R 13W SEC 35 & 36 & 1 & 2 SEWARD MERIDIAN HM 0910003 HOMER SPIT SUB NO TWO LOT 12A	C-3
18103401		2.52	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 31	E-31
18103402	4535 HOMER SPIT RD	2.93	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 50	B-16
18103403	4603 HOMER SPIT RD	2.00	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 49	C-11
18103403		1.50	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 49 THAT PORTION PER LEASE 205/928	B-16
18103404	4667 HOMER SPIT RD	2.23	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 48	B-22
18103408		0.08	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED LOT 47	C-10
18103419	842 FISH DOCK RD	1.49	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED ADL 18009 LOT 41 (ADL 18009)	B-20
18103418		1.47	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED ADL 18009 LOT 42 (ADL 18009)	B-20
18103421	800 FISH DOCK RD	0.63	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0900052 CITY OF HOMER PORT INDUSTRIAL NO 3 LOT 12-A1	B-17
18103425	874 FISH DOCK RD	0.52	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0800092 CITY OF HOMER PORT INDUSTRIAL SUB NO 2 LOT 13B	B-19
18103426		1.09	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED COAL POINT MONUMENT PARK EXCLUDING THAT PORTION AS PER LEASE AGREEMENT 187 @ 921	E-32
18103427	843 FISH DOCK RD	0.07	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT SUB AMENDED THAT PORTION OF COAL POINT MONUMENT PARK AS PER LEASE AGREEMENT 187 @ 921	B-21
18103431	4406 HOMER SPIT RD	0.20	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMD LOT 88-1	B-12
18103432	4400 HOMER SPIT RD	0.57	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0890034 HOMER SPIT AMENDED LOT 32	B-11

City Lands

PARCEL_ID	ADDRESS	ACREAGE	LEGAL DESCRIPTION	Land Allocation
18103441		0.60	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED PARKING AND ACCESS AREA	C-10
18103442	4460 HOMER SPIT RD	0.29	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED LOT 88-2	B-13
18103443	4470 HOMER SPIT RD	0.18	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED LOT 88-3	B-14
18103444	4474 HOMER SPIT RD	0.31	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0920050 HOMER SPIT SUB NO TWO AMENDED LOT 88-4	B-15
18103445	4688 HOMER SPIT RD	0.35	T 7S R 13W SEC 1 SEWARD MERIDIAN HM A PORTION OF GOVT LOT 20 PER A/L 207 @ 73	B-23
18103446		0.11	T 7S R 13W SEC 1 SEWARD MERIDIAN HM THAT PORTION OF GOVT LOT 20 LYING NE OF THE HOMER SPIT RD & BOUNDED ON THE NW BY LOT 43 OF HOMER SPIT SUB AMENDED & BOUNDED ON THE NE BY ATS 612 & BOUNDED ON THE SE BY LOT 45 OF HOMER SPIT SUB AMENDED & BOUNDED ON THE	E-33
18103447	4690 HOMER SPIT RD	1.83	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0930049 HOMER SPIT SUB NO 6 VELMA'S ADDN LOT 45-A	B-25
18103448		0.43	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0930049 HOMER SPIT SUB NO 6 VELMA'S ADDN LOT 45-B	E-34
18103451	810 FISH DOCK RD	0.68	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0990043 CITY OF HOMER PORT INDUSTRIAL NO 4 LOT 12-B	C-12
18103452	4501 ICE DOCK RD	0.79	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 0990043 CITY OF HOMER PORT INDUSTRIAL NO 4 LOT 12-C	B-18
18103477	4480 HOMER SPIT RD	0.52	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 2007136 HOMER SPIT REPLAT 2006 LOT 9-A	A-4
18103478		0.53	T 7S R 13W SEC 1 SEWARD MERIDIAN HM 2007136 HOMER SPIT REPLAT 2006 LOT 10-A	A-4
18107001		4573.00	T 6S & 7S R 13W SEC 13 22 24 27 33 35 01 & 14 SEWARD MERIDIAN HM 0770064 ALASKA TIDELANDS SURVEY 612 THAT PTN LYING WITHIN SEC 13 & 14 & 22 THRU 24 & 26 THRU 28 & 33 THRU 36 OF T6S & WITHIN SEC 1 & 2 OF T7S EXCLUDING THAT PTN OF TIDELANDS VESTED TO S	D-14
18107005		1.37	ATS 1603	C-14
Airport				A-5
Harbor Overslope				A-3

2021 Land Allocation Plan
Spit Map



City property outlined in red.
Photo taken in 2013.
Property lines are not exact - use with care
P & Z 2/19/20 JE

CITY OF HOMER
HOMER, ALASKA

City Manager

RESOLUTION 22-007

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY2022 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN THE COOK INLET FISHERIES MANAGEMENT AREA.

WHEREAS, Alaska Statute 29.60.450 requires that for a municipality to participate in the FY 22 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community and Economic Development that the municipality suffered significant effects during calendar year 2020 from fisheries business activities: and,

WHEREAS, Title 3 Alaska Administrative Code (AAC) 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and

WHEREAS, Title 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and

WHEREAS, The Homer City Council proposes to use an alternative allocation method for allocation of FY 2022 funding available within the Cook Inlet Fisheries Management Area in agreement with all other municipalities in this area participating in the FY 2022 Shared Fisheries Business Tax Program.

NOW, THEREFORE, BE IT RESOLVED THAT: City Council of Homer, Alaska, by this Resolution certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2020 of fisheries business activity in the Cook Inlet Fisheries Management Area:

50% divided equally and 50% divided on a per capita basis.

PASSED AND ADOPTED by the City Council of Homer, Alaska this 10 day of January 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Previous year's Acct. No. 400 0603 4206 and budgeted for previous years.

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
(f) 907-235-3152

Memorandum 22-013

TO: HOMER CITY COUNCIL

THRU: ROB DUMOUCHEL, CITY MANAGER

FROM: BRYAN HAWKINS, HARBORMASTER

DATE: JANUARY 4, 2022

SUBJECT: SHARED FISHERIES BUSINESS TAX, RESOLUTION 22 0xx

The City of Homer receives revenue from the State of Alaska for fish tax collected by the State in two different ways. The Department of Revenue distributes "Raw Fish Tax" from licensed seafood processors, floating processors and seafood exporters to eligible municipalities. These funds, when received by the City of Homer, are allocated to Fish Dock Revenues.

The second way the City of Homer receives fish tax revenue is through the Alaska Department of Commerce, Community, and Economic Development (ADCCED). ADCCED receives 50% of the undistributed Raw Fish Tax from the Department of Revenue to distribute through a program known as the Shared Fisheries Business Tax Program. The purpose of this program is to provide for a sharing of state fish tax collected outside municipal boundaries with municipalities that have been affected by fishing industry activities. For the Cook Inlet Fisheries Management Area, of which the City of Homer is a part, there are ten communities that will receive a shared portion of that collected shared fish tax. The ten communities are the Municipality of Anchorage, Homer, Kachemak, Kenai, Kenai Peninsula Borough, Seldovia, Seward, Soldotna, Houston, and Palmer.

A Resolution from the Homer City Council is required annually to receive these funds. If any of the communities listed above do not apply by the deadline in March of 2022, then the funds will be reallocated to communities that did apply.

Recommendation:

Approval and adoption of Resolution 22 0xx

CITY OF HOMER
HOMER, ALASKA

Aderhold

RESOLUTION 22-008

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, INCREASING THE MEMBERSHIP OF THE AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE COMMITTEE FROM FIVE MEMBERS TO SEVEN MEMBERS.

WHEREAS, The American with Disabilities Act (ADA) Compliance Committee completed a portion of their responsibility to bring the City into compliance with Title II of the ADA by developing policies and procedures for the filing of grievances, and development of a Transition Plan that was adopted by City Council via Resolution 19 024; and

WHEREAS, City Council adopted Resolution 19 055 which further defined the Committee membership and confirmed it as a standing committee; and

WHEREAS, The ADA Compliance Committee has begun the next phase of the development of the Transition Plan that focuses on city owned parks, trails and campgrounds and has encountered obstacles regarding membership, attendance and performing the tasks needed; and

WHEREAS, The addition of two members to the committee would guarantee obtaining a quorum for each scheduled meeting, performance of the tasks required to complete the remaining phases of the required transition plan, and future reviews of programs and services offered by the City of Homer.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, to increasing the membership of the ADA Compliance Committee from five members to seven members.

BE IT FURTHER RESOLVED that the City Council of Homer, Alaska, encourages residents with disabilities, including non residents of the area, business leaders, and property owners, to apply to fill the additional committee member seats.

PASSED AND ADOPTED by the Homer City Council this 10th day of January, 2022.

CITY OF HOMER

_____

KEN CASTNER, MAYOR

ATTEST:

_____

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Impact: Advertising for open seats.

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 22-014

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: ADA COMPLIANCE COMMITTEE

THRU: RENEE KRAUSE, MMC, DEPUTY CITY CLERK/ADA COORDINATOR

DATE: DECEMBER 15, 2021

SUBJECT: AMENDING THE COMMITTEE MEMBERSHIP

Background

For several meetings there were questions on obtaining a quorum for the Committee and it was questioned if the membership of the committee could be increased. As time went by the vacancies on the Committee were filled, but there are still times when members are unable to attend meetings and site visits in preparation of the city's Transition Plan.

Increasing the committee by two seats would offer additional opportunities of input from the community to the improvements needed in the city facilities, programs and services, ensuring that this Committee and the City attains its goals of being accessible to all.

At the regular meeting on November 20, 2021 the Committee voted unanimously to submit a request to City Council to increase the membership by two with a preference for appointing applicants that have a disability and that the two seats be open to residents or non residents. The preference was requested as this would provide the personal insight of someone who lives and navigates life with a disability.

An excerpt of the minutes for the Committee's discussion has been included.

Recommendation

Approve the Resolution to amend the membership of the ADA Compliance Committee to add two additional seats.

Excerpt of the Regular Meeting November 10, 2021

New Business

B. Memorandum from ADA Coordinator re: Amending the Committee Membership

Chair Aderhold introduced the item by reading of the title and requested a motion.

GEISLER/THORSRUD MOVED TO APPROVE THE PROPOSED RESOLUTION TO INCREASE THE MEMBERSHIP.

Discussion ensued on the pros and cons to increasing the membership and the desire to recruit and have a member with physical disabilities on the committee.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Concerns with ADEC Proposed Changes for Oil Spill Prevention and Response Regulations

Summary:

In late 2019/early 2020, the Alaska Department of Environmental Conservation (ADEC) held a public scoping for the state's statutes and regulations regarding oil discharge prevention and contingency plans. ADEC released their proposed changes to regulations resulting from that scoping process in November and a public comment period is currently open for this regulatory reform package.

Comments can be submitted to ADEC here:
https://spar.alaskadec.commentinput.com/?id=uh7DP

Deadline for public comments is January 31, 2022.

The Regional Citizens Advisory Councils (RCACs) for Cook Inlet and Prince William Sound have been working through the proposed regulatory reform package. Our reviews have noted a number of positive changes proposed including increased clarity within regulations, combination of redundant sections, and use of technology in the interest of modernizing workflow. However, we have also identified concerns with some of the changes for the regions we represent.

Both Councils are in the process of developing public comments for submission to ADEC, which will be publicly available once they are finalized. In the interest of supporting our stakeholders in submitting their own public comments, the following information covers what we believe to be the top issues important to ensuring that nothing is lost or diminished through the current regulatory reform effort.

Top concerns:

#1: **The proposed regulation changes provide an inadequate minimum number of oil spill drills and exercises** and could reduce the total number that ADEC may conduct for larger crude operators, such as those in Prince William Sound and Cook Inlet. These drills and exercises are a key piece of a robust oil spill prevention and response system, ensuring rapid deployment of resources for effective containment and cleanup should a spill occur and supporting safety for responders by allowing them to practice response activities ahead of an actual emergency.

- **Recommendation**: The minimum number of exercises required for crude oil plans should be set at one (1) significant Incident Management Team and two (2) field deployment exercises per year, as well as other unannounced exercises as ADEC deems necessary. Regulations should retain the commitment that if a plan holder

fails to demonstrate the ability to implement their plan, ADEC will require additional exercises or take other appropriate action.

#2: **The existing regulations have commitments to examine best available technologies** (BAT) in use outside of Alaska, engage in studies, evaluate and identify where new technologies could be applicable in Alaska, and hold a conference related to advancing this knowledge, as well as providing findings to plan holders. The proposed changes remove the language requiring the BAT conference and it is uncertain how or if ADEC will meet the vision and intent of ensuring that oil spill response and prevention equipment, and other spill functions that have previously been subject to this BAT analysis, is the most effective and available as new technologies emerge.

- **Recommendation**: The State of Alaska and ADEC should continue to show leadership in staying informed and promoting best available technology. Regulatory changes should not result in any diminished emphasis on best available technology, including retaining the requirement that a BAT conference be held every five years or otherwise stating how they will examine new technologies to meet the mandates of AS 46.04.030(e).

#3: **The existing regulations require both RCACs (Prince William Sound and Cook Inlet)** receive printed materials during contingency plan renewals, updates, and amendments. Each RCAC represents multiple boroughs, municipalities, and organizations throughout Cook Inlet, Kodiak, and Prince William Sound. The language identifying each RCAC has been removed as part of the proposed changes. Instead, the department intends to notify "interested stakeholders" that these materials are available for review via an ADEC listserv. While both RCACs support materials being distributed electronically and having these plans electronically searchable, we have concerns and questions around practical aspects of using a listserv. In particular, given staffing reductions over the past several years and position turnover, the department's ability to implement this in a timely manner that allows interested parties to easily access the specific information they need is uncertain. This change would also likely result in the historical importance and reasoning for specifying the RCACs being lost as staff turnover occurs in the future. The need and importance of the RCACs' review of contingency plans, which cannot be understated, must be fully understood by future department staff.

Federal law recognizes the RCACs' special role in reviewing contingency plans within the Oil Pollution Act of 1990. The Alaska Oil Spill Commission similarly recommended that the RCACs be integrated into a state system of citizen oversight including government agency operations.

- **Recommendation**: The regulations should continue to specifically name the RCACs for Cook Inlet and Prince William Sound within the body of the text as recipients required to be notified of plan reviews, updates, and amendments, electronically or otherwise.

#4: **Proposed regulations would change tow package requirements for tankers calling at the Valdez Marine Terminal.** With technological improvements since the early 1990s, it should be readily feasible for all tankers calling at the terminal to be outfitted with an improved Prince William Sound tow package that is both stronger and faster to deploy, with both the forward (bow) and aft (stern) emergency towing arrangements capable of being deployed in 15 minutes or less.

- **Recommendation**: The option to use the Prince William Sound tow package should remain within regulations, updated to reflect that this equipment be required and enhanced. The regulations for this system at 18 AAC 75.990(96) should be revised to meet the strength requirements of the International Maritime Organization standard and be able to be deployed in 15 minutes from the bow.

#5: **A change in ownership, operator, or a name change can be approved by ADEC without opportunity for public review.** Under ADEC regulations, only plan submittals, renewals, or *major* amendments are made available for public review and comment prior to ADEC approval. Changes in ownership should be treated as major amendments (instead of minor amendments with no opportunity for public review prior to approval), ensuring the public has an opportunity to understand the changes, implications for response management and response personnel, and other potential implications related to ensuring prudent planning for safe and effective operations.

- **Recommendation**: A change in plan holder ownership should be treated as a major amendment to the Oil Discharge Prevention and Contingency Plan, affording the opportunity for public review prior to approval.

#6: **Article 4 as revised fails to incorporate language holding operators to all State and Federal regulations.** The importance of ensuring operators follow all State and Federal regulations cannot be overstated. Federal and State regulations work hand in hand to provide a basis for minimal prevention, response, safety, and environmental protection. While it is a common expectation that operators will follow all applicable laws it should also be written into regulation to cement compliance. It is vitally important that State and Federal human and environmental safety regulations work together to provide consistent and improved safety for operators' personnel, state residents, and the environment.

- **Recommendation**: Article 4 of 18 AAC 75 should incorporate language requiring Oil Discharge Prevention and Contingency Plan holders to comply with all applicable State and Federal regulations concerning human and environmental safety.

#7: **Cook Inlet and Prince William Sound RCACs have been staunch proponents of maintaining and improving regulatory oversight for human and environmental safety regarding prevention and response regulations.** From the moment ADEC announced a proposed revision of Article 4 of 18 AAC 75 both RCACs have held that changes should in no way diminish the level of human and environmental safety, and response readiness that had taken years of development to achieve.

- **Recommendation**: Any new language or repealed language within Article 4 of 18 AAC 75 that has the potential to diminish prevention or response capabilities should be revised or reinstated to ensure previous levels of human and environmental safety are met.

Specifics on where to find the sections related to these concerns within the regulatory reform package are available by contacting either Council.

We hope other stakeholders will consider providing public comments on these important issues by the January 31 deadline.

The focus of this update is to assist the public in understanding the implications of proposed regulatory changes and in developing meaningful comments that support maintaining strong oil spill prevention and response requirements in Alaska. Both Councils encourage interested parties statewide to likewise review the proposed regulatory changes for issues relevant to their respective regions.

Additional background:

In October 2019, ADEC solicited public comments on areas where Alaska oil spill regulations and statutes could be streamlined. Specifically, ADEC focused on 18 AAC 75, Article 4 and Alaska Statute 46.04 (AS 46.04) which deal with oil discharge prevention and contingency plan requirements. At that time, ADEC Commissioner Jason Brune issued a press release stating that he had heard "contingency plans were unnecessarily burdensome while lacking environmental benefits," and to achieve Governor Dunleavy's goal of Alaska being open for business, ADEC was beginning a scoping process seeking input from the public on these regulations and statutes.

ADEC received more than 350 comments from approximately 130 parties, which can be viewed on ADEC's public scoping page under Public Comments. As can be seen from reviewing these comments, the majority support maintaining current regulation standards and oppose any changes that would weaken regulations. Commissioner Brune has reported that he and his staff met on a weekly basis for several months in 2020 to review comments received. The proposed regulatory changes are the result of what he and his team put together from that effort.

Note: ADEC has stated that there are currently no changes to laws anticipated at this time. While regulation changes, like those proposed, can be made by the agency that oversees them (in this case ADEC), state statutes (laws) can only be amended by the State Legislature.

Cook Inlet Regional Citizens Advisory Council: www.circac.org

Prince William Sound Regional Citizens' Advisory Council: www.pwsrcac.org

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-68

An Ordinance of the City Council of Homer, Alaska Appropriating $25,000 from the General Fund for Fiscal Year 2022 to Fund Part of the Homer Business Advisor Position for the Alaska Small Business Development Center and Authorizing the City Manager to Negotiate and Execute Appropriate Documents.

Sponsor: Venuti/Erickson

1. City Council Regular Meeting December 13, 2021 Introduction

   Memorandum 21 206 from Economic Development Advisory Commission as backup

2. City Council Regular Meeting January 10, 2022 Public Hearing and Second Reading

CITY OF HOMER
HOMER, ALASKA

Venuti/Erickson

ORDINANCE 21-68

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA APPROPRIATING $25,000 FROM THE GENERAL FUND FOR FISCAL YEAR 2022 TO FUND PART OF THE HOMER BUSINESS ADVISOR POSITION FOR THE ALASKA SMALL BUSINESS DEVELOPMENT CENTER, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The 2018 Comprehensive Plan Chapter 7 Goal 2 States: Encourage the retention and creation of more year round, higher wage jobs; and

WHEREAS, The Alaska Small Business Development Center (AKSBDC) provides no cost, confidential, individual business coaching to grow small businesses in Homer; and

WHEREAS, The AKSBDC is requesting the city provide funding in the amount of $25,000 for three years to partially fund the local half time Homer Business Advisor position, and

WHEREAS, The Homer position is conveniently located within the Homer Chamber of Commerce, which provides the office space and supports free of charge; and

WHEREAS, The Economic Development Advisory Commission (EDC) heard presentations from Robert Green, the Homer Business Advisor of the AK SBDC, and Cliff Cochran, Kenai Peninsula Center Director of the AKSBDC; and

WHEREAS, The EDC considers this investment to be of minimal cost and of great benefit to local businesses to have local advisor services; and

WHEREAS, The EDC believes that cost of this investment will be recuperated to the City of Homer via increased sales tax revenue, and by increased property tax values when private sector investment occurs as a result of SBDC business counseling; and

WHEREAS, There is a lot of uncertainty for small business in the recovery phase of the COVID Pandemic and in workforce changes; and

WHEREAS, The Homer City Council supports the work of the AKSBDC and requests an annual presentation on the activities of the Homer office.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The FY 22/23 budget is hereby amended by appropriating funds from the General Fund account in the amount of $25,000 for the purpose of funding a portion of the Homer Business Advisor of the Alaska Small Business Development Center.

Expenditure:

Account No.	Description	Amount
100 0099	General Fund	$25,000

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

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of____, 2021.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

Introduction:
Public Hearing:
Second Reading:
Effective Date:

City of Homer
www.cityofhomer-ak.gov
491 East Pioneer Avenue
Homer, Alaska 99603
(p) 907-235-8121
(f) 907-235-3140

Memorandum 21-206

TO: Mayor Castner and Homer City Council

THROUGH: Julie Engebretsen, Deputy Ci ty Planner and Special Projects Coordinator

FROM: Economic Development Advisory Commission

DATE: December 2, 2021

SUBJECT: Recommendation on funding for the Homer Business Advisor Position

The Alaska Small Business Development Center (AKSBDC) has approached the City of Homer with a request for $25,000 to help fund the part time Homer Business Advisor position. Cliff Cochran, Director of the Kenai Peninsula Center of the SBDC will be giving Council a presentation on what services the SBDC provides, and the economic impact of those services on Homer businesses. (I won't duplicate that information here.)

The Economic Development Commission heard presentations from both the local business advisor Robert Green, and from Mr. Cochran. The EDC supports funding this position in the amount of $25,000 for one year for the following reasons:

1. Business startups are benefitted by this service, which can help them be successful and grow.
2. There is value in having this service locally available, rather than taking the travel time to meet in the central Peninsula. People running or starting businesses are busy.
3. The increase in sales tax and property tax revenue from private investment should offset the cost to the City.
4. Support of this position is a collaboration; the Chamber of Commerce provides free office space and support services for this position.

Recommendation: Provide funding to the AK SBDC for one year in the amount of $25,000.

From: info@homerbedbreakfast.com
To: Department Clerk
Subject: Support for Ordinance 21-68
Date: Monday, January 3, 2022 10:17:16 AM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

As a group of more than 60 small business owners actively involved in economic development of the local community, the Homer Bed & Breakfast Association supports Ordnance 21-68. Helping to fund a local part-time business advisor for a local Alaska Small Business Development Center acknowledges the critical role of small businesses in the health and welfare of our community and supports our future growth. A local resource who lives in the area is more accessible, more knowledgeable and more invested. Thanks in advance for the Council's support of this ordinance as a vote of confidence in our community's ability to be self-sustaining and be a dynamic economic engine for its residents.

Marcia Kuszmaul

President, Homer Bed & Breakfast Association

Secretary, Homer Chamber of Commerce

Owner, Juneberry Lodge

907-299-1566

From: Deborah Spencer
To: Department Clerk
Subject: Ordinance 21-68 support
Date: Tuesday, January 4, 2022 8:36:52 AM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

I am writing in support of the City of Homer supporting an advisor position in Homer through AKSBDC, Ordinance 21-68. I own a small business in Homer, am currently serving on the Homer Economic Development Advisory Commission and more importantly previously served as the Executive Director of the Homer Chamber of Commerce working directly with the previous SBDC Advisor.

While at the Chamber there were perspective owners as well as current owners of growing small businesses who would come through the office daily to work with the Advisor. To succeed in business you don't just need to have a "great idea" you need a foundation for success which includes a financial plan that shows if that great idea can become a successful business. The investment of $25,000 will directly benefit the economy of the City of Homer through property taxes for "brick and mortar" businesses and sales tax collection.

The Chamber would have several new businesses join as members who had a business license from the State of Alaska and were set up to submit sales tax through the Borough but they were unaware of the additional steps required. They didn't know of the federal requirements, potential permits requirements nor the small business loans that could help in funding their business. The SBDC Advisor provides a personal hands-on tool to help ensure that a business is set up correctly giving them the best chance of long term success.

Partnering with the University of Alaska and the Small Business Development Center is a good investment with a relatively small buy-in.

Thank you for your consideration,
Debbie Speakman

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-69

An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Appropriating $70,485 from the Homer Accelerated Water and Sewer Program (HAWSP) Fund for Installation of a Water Main Extension as part of the Alaska Department of Transportation and Public Facilities Repaving Project.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting December 13, 2021 Introduction

   Memorandum 21 207 from Public Works Director as backup

2. City Council Regular Meeting January 10, 2022 Public Hearing and Second Reading

CITY OF HOMER

HOMER, ALASKA

City Manager/
Public Works Director

ORDINANCE 21-69

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY22 CAPITAL BUDGET AND APPROPRIATING $70,485 FROM THE HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) FUND FOR INSTALLATION OF A WATER MAIN EXTENSION AS PART OF THE ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES REPAVING PROJECT.

WHEREAS, As part of the State's East Hill Road Repaving Project, the State's construction contractor will be, among other things, adjusting City owned water valves and making other minor repairs to the City's water utility; and

WHEREAS, The City has a long term plan to extend City water to Mission Road and this project would be facilitated if a short extension of water main were installed from the existing water line to a point outside the East Hill Road ROW; and

WHEREAS, The State has indicated it will ask its construction contractor for a change order to install this water main extension if the City provided a drawing, stamped by a professional engineer; and

WHEREAS, The City has sufficient funds in the HAWSP fund to pay for the costs to design and construct this short water main extension; and

WHEREAS, The City Council has already authorized $128,953 from the Water and Sewer CARMA Funds to reimburse the State for the cost of repair work to the City's water and sewer lines; and

WHEREAS, The City has received a proposal for the design services, in the amount of $5,970, from Kinney Engineering, the engineer of record for the East Hill Road Repaving project and one of the firm with whom the City has a Term Contract for engineering services; and

WHEREAS, The estimated cost of the construction of the water main extension is $64,515, including a 15% contingency, bringing the total estimated cost to $70,485.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 22 Capital Budget by appropriating $70,485 from the HAWSP Fund to extend the existing water main in East Hill Road to a point outside the State ROW to facilitate a future extension to Mission Road as follows:

Account	Description	Amount
205 xxxx	Water Main Extension on East Hill Road	$70,485

Section 2. This 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 _____, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Reading:
Second Reading:
Effective Date:

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 21-207

TO: Mayor Castner and Homer City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Janette Keiser, Director of Public Works

DATE: December 1, 2021

SUBJECT: East Hill Road Re paving Project Water Line Extension

Issue: The purpose of this Memorandum is to recommend appropriation of funds from the HAWSP to pay for a short water main extension in conjunction with the East Hill Road Re paving Project.

Background:

As part of the State's East Hill Road Repaving Project, the State's construction contractor will be, among other things, adjusting City owned water valves and making other minor repairs to the City's water and sewer utilities. The City has already appropriated $128,953 from the Water and Sewer CARMA Funds to reimburse the State for the costs of these repairs. The City has a long term plan to extend City water to Mission Road and this project would be facilitated if a short extension of water main were installed from the existing water line to a point outside the East Hill Road ROW. The State's Project Manager told me he would ask the State's construction contractor for a change order to install this water main extension if the City provided a drawing, stamped by a PE.

I asked Kinney Engineering, which is the State's engineer of record for the East Hill Road Repaving project and one of the firms with whom the City has a Term Contract for engineering services, for a proposal for the design services. They propose to provide the stamped drawing we need for the not to exceed price of $5,970. We estimate the cost of the installation of the water line extension, including a 15% contingency to be $64,515, for a total cost of $70,485.

Since this project involves the extension of a new water line, the costs should be paid from the HAWSP Fund. The City has sufficient funds in the HAWSP fund to pay for these costs. The HAWSP Fund is expected to have an Ending Balance of $2,352,321 at the end of FY 22.

This would bring the total cost of the water line extension related to the East Hill Road Repaving Project to $199,438.

Recommendation: That the City Council appropriate an additional $70,485 to pay for a water line extension related to the East Hill Road Repaving Project.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-70

An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 15.10.010 to Include Oscar Munson Subdivision Lot 34 in the Ocean Drive Loop Special Service District.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting December 13, 2021 Introduction

   Memorandum 21 208 from Public Works Director as backup

2. City Council Regular Meeting January 10, 2022 Public Hearing and Second Reading

CITY OF HOMER
HOMER, ALASKA

City Manager/
Public Works Director

ORDINANCE 21-70

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING HOMER CITY CODE CHAPTER 15.10.010 TO INCLUDE OSCAR MUNSON SUBDIVISION LOT 34 IN THE OCEAN DRIVE LOOP SPECIAL SERVICE DISTRICT.

WHEREAS, The City Council by Ordinance 11 49(S) created the Ocean Drive Loop Special Service District ("District") for the purpose of funding the operation and maintenance of the seawall that had been constructed in the Ocean Drive Loop Bluff Erosion Control Improvement District and said District was codified in HCC 15.10.010; and

WHEREAS, Oscar Munson Subdivision Lot 34 was, by Ordinance 12 29, excluded from the Ocean Drive Loop Special Service because

- The owners of Lot 34, at the time the Special Service District was created, represented to the City that they had been operating and maintaining the part of the seawall that fronted their property, at their own expense; and
- The owners had further represented to the Army Corps of Engineers and the City that they intended to continue to do so; and
- The owners had applied for Army Corps of Engineers for transfer of the permit issued to the City for operation and maintenance of the Seawall, to the owners, for that portion of the Seawall that fronted Lot 34; and

WHEREAS, The Corps denied this transfer leaving the owners of Lot 34 unable to complete their own armor rock revetment; and

WHEREAS, The owners of Lot 34 did acquire armor rock for their project and said armor rock was placed on the beach in front of Lot 34, but was not placed in a designed revetment; and

WHEREAS, The City issued a change order, in the amount of $3,000, to the contractor who constructed the Armor Rock Revetment Project in 2021, for the purpose of integration the rock in front of Lot 34 into the design cross section of the Armor Rock Revetment; and

WHEREAS, Costs of the construction of the Armor Rock Revetment are being apportioned to the properties fronting the seawall, including Lot 34; and

WHEREAS, On going maintenance of the Armor Rock Revetment is expected, such as repositioning rocks back into place as the shift from time to time; and

WHEREAS, costs of the on going maintenance of the Armor Rock Revetment should be borne by the benefitting properties, including Lot 34; and

WHEREAS, The City Council adopted Ordinance 20 71, authorizing a credit to the future special assessment levied upon Lot 34 *"equal to the value of the armor rock and materials purchased by the owners of Lot 34, not to exceed $36,000…"; and*

WHEREAS, Ordinance 20 71 stipulated that *"[t]he City Manager will take measures to place armor rock in front of Lot 34, from the armor rock stockpile acquired by the property owners…"* ; and

WHEREAS, The rock in the armor rock stockpile owned by the owners of Lot 34 was larger than the rock specified in the Technical Specifications for the Armor Rock Revetment Project; and

WHEREAS, It was not possible to fit all the rock from the armor rock stockpile into the design cross section for the Armor Rock Revetment Project, so some rock from the armor rock stockpile was repositioned into adjacent sections of the seawall; and

WHEREAS, The City has been able to document the value of the armor rock and materials purchased by the owners of Lot 34 at $23,682.25; and

WHEREAS, The City Council adopted a Final Assessment Roll, accepting a credit to the assessment for Lot 34, in the amount of $23,682.25.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code Chapter 15.10.010(b), Ocean Drive Loop Special Service District, is hereby amended to add *"Oscar Munson Subdivision Lot 34"* to the list of properties within Special Service District as follows:

15.10.010 Ocean Drive Loop Special Service District established.

a. There is established a special service district within the City designated as the "Ocean Drive Loop Special Service District" for the purpose of providing special services to the properties in the Ocean Drive Loop Bluff Erosion Control Improvement/Assessment District that are not provided elsewhere in the City.

b. The Special Service District consists of the properties in the Homer Recording District that are described as follows:

Oscar Munson Subdivision Lot 34

Oscar Munson Subdivision Lot 35

Oscar Munson Subdivision Lot 36

Oscar Munson Subdivision Lot 37

Oscar Munson Subdivision Lot 38

Oscar Munson Subdivision Lot 39

Oscar Munson Subdivision Lot 40

Oscar Munson Subdivision Lot 41

Oscar Munson Subdivision Lot 42

Oscar Munson Subdivision Lot 43

Oscar Munson Subdivision Lot 44

Oscar Munson Subdivision No. 18 Lot 45B

Oscar Munson Subdivision No. 18 Lot 45A

Tamian Subdivision Lot 1

A portion of T6S R13W Section 21, Beginning at corner of Sections 20, 21, 28, and 29; thence N 64 degrees 10 minutes E a distance of 50.00 feet; thence S 64 degrees 10 minutes E a distance of 50.00 feet; thence E a distance of 35.00 feet; thence N 0 degrees 05 minutes W a distance of 450.00 feet; thence W a distance of 125.00 feet; thence S 0 degrees 05 minutes E a distance of 450.00 feet to the point of beginning.

Seabreeze Subdivision Lot 5

Lake St ROW south of Ocean Drive Loop

Pedestrian Easement south of Ocean Drive Loop between Lots 37 and 38, Oscar Munson Subdivision.

Section 2. The ordinance is of a permanent nature and shall be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of ____, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Reading:
Second Reading:
Effective Date:

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 21-208

TO: Rob Dumouchel, City Manager

FROM: Janette Keiser, PE, Director of Public Works

DATE: December 1, 2021

SUBJECT: Lot 34 and the Seawall Armor Rock Revetment Project

Issue: The purpose of this Memorandum is to recommend that Oscar Munson Subdivision Lot 34, currently owned by Martin and Heather Renner, be returned to the Ocean Drive Loop Special Service District.

Background:

Question: What is the Ocean Drive Loop Special Service District?

Answer: The Ocean Drive Loop Special Service District was established by Ordinance 11 49(S) for the purpose of *"providing special services to the properties in the Ocean Drive Loop Bluff Erosion Control Improvement District that are not provided elsewhere in the City…"* Specifically, the district was established for the purpose of collecting funds to pay for the costs of repairing the seawall until either the property owners *"determined among themselves what collective arrangements, if any, to make for funding the operation of the seawall…"* or *"until the issue of the City's obligations under the Corps permit"* could be resolved.

Question: Was Lot 34 excluded from the Ocean Drive Loop Special Service District?

Answer: Yes. The Homer City Council adopted Ordinance 12 29 excluding Lot 34 from the Special Service District.

Q: Why was Lot 34 excluded?

A: According to the *"whereas"* statements in Ordinance 12 29, the former owners of Lot 34 had *"operated and maintained"* the part of the seawall in front of their property at their own expense and *"represented to the Army Corps of Engineers and the City that they intend to continue to do so…"*.

Q. Were the owners able to construct their own revetment?

A. No. They applied for a Corps of Engineers permit to do this, but the Corp would not issue a permit to a private property owner. The Corps took the position that since the permit for the original seawall had been issued to the City, the City was the party responsible for maintenance and the Corps would only issue the permit to the City.

Q. Was the Renners' property included in the Seawall Armor Rock Revetment Special Assessment District?

A. Yes. The Renners' agreed to be included in the Armor Rock SAD if they were given a credit to their assessment for the value of the rock they had acquired.

Q: What was the value of this rock?

A: The Renners' purchased $21,630.25 worth of armor rock, from Dibble Creek, for which they submitted a receipt. Their intent was to use this armor rock to create a revetment in front of their property. Further, they said they paid the former owners $10,000 for expenses those people had incurred trying to protect their portion of the seawall. While we don't have documentation of the $10,000 expense, we were able to compute a value of $2,052 for what we referred to as "pre existing" rock. We proposed to credit the Renners' assessment in the amount of $23,682.25 for the value of the rock that was on their property.

Q. Did the City Council accept the computation and application of the credit to the Renners' assessment?

A. Yes. The City Council accepted this value when it adopted Resolution 21 078 establishing the Final Assessment Roll.

Q. What happened to the rock the owners purchased?

A. The rocks were originally placed on the beach in front of their property, but not as part of a designed revetment. Later, when the City's contractor built the revetment as part of the 2021 project, we issued a Change Order in the amount of $3,000 to integrate the rocks into the design revetment. The rocks by Lot 34 were larger than the rock specified in the City's bid documents, so not all of them fit into the design cross section. The contractor had to juggle the rocks to get them to fit, which meant that some rocks were not placed as part of the revetment in front of Lot 34.

Q. Did the amount credited to the Renners affect the assessments to the other property owners?

A. Yes. The amount credited was allocated to the other property owners.

Q. Will the amount credited to the Renners affect the ADEC loan, which is financing the project?

A. Yes. The ADEC will only allow us to include documentable costs as part of the costs of the project, which are eligible for ADEC financing. The ADEC has accepted the $23,682.25 we've been able to document for the value of the credit. Any additional monies paid to the Renners would not be part of the financing.

Q. Will we still need a Special Service District to fund maintenance?

A. Yes. Some maintenance is still required, to reposition rocks back onto the revetment as they shift over time. Because this work is done a nominal expense, we will be recommending a downward adjustment to the mil rate for the Special Service District.

Q. Why should Lot 34 be included in the Special Service District for maintenance?

A. Lot 34 is benefitting from the new armor rock revetment. The basis for excluding Lot 34 originally was that the owners would build their own revetment. They were not able to do so; the City had to build the revetment. So, the basis for excluding Lot 34 became moot.

Q. How would Lot 34 be re included?

A. Lot 34 was originally excluded by Ordinance. The City Council could pass a new Ordinance to re include Lot 34 in the Ocean Drive Loop Special Service District.

Recommendation: The City Council adopt an ordinance to re include Oscar Munson Subdivision lot 34 in the Ocean Drive Loop Special Service District.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-71

An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Appropriating an Additional $138,399 from the Homer Accelerated Water and Sewer Program (HAWSP) Fund to Complete the Tasmania Court Water and Sewer Improvement Projects.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting December 13, 2021 Introduction

   Memorandum 21 216 from Public Works Director as backup

2. City Council Regular Meeting January 10, 2022 Public Hearing and Second Reading

CITY OF HOMER

HOMER, ALASKA

City Manager/
Public Works Director

ORDINANCE 21-71

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY22 CAPITAL BUDGET AND AUTHORIZING AN ADDITIONAL EXPENDITURE OF $138,399 FROM THE HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) FUND TO COMPLETE THE TASMANIA COURT WATER AND SEWER IMPROVEMENT PROJECTS.

WHEREAS, The City Council created the Tasmania Court Sewer Improvement Special Assessment District (SAD) and the Tasmania Court Water Improvement Special Assessment District; and

WHEREAS, Ordinance 20 68 authorized $234,105 for the Tasmania Court Water Improvement Project; and

WHEREAS, Bids for the projects have been received and the projected Total Project Costs exceed the current appropriation by $138,399.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 22 Capital Budget by appropriating $138,399 from the HAWSP Fund to complete the Tasmania Court Water and Sewer Improvements, and such costs shall be apportioned, for purposes of ADEC Loan and assessment administration, according to actual costs as they are determined.

Account	Description	Amount
205 xxxx	Tasmania Court Sewer and Water Improvements	$138,399

Section 2. This 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 January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Reading:
Second Reading:
Effective Date:

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 21-216

To: City Council

Through: Rob Dumouchel, City Manager

From: Janette Keiser, PE, Public Works Director

Date: November 30, 2021

Subject: **Award of Construction Contract for Tasmania Court Water and Sewer Main Extensions Projects**

Issue: The purpose of this memorandum is to recommend award of a contract to East Road Services Inc.

Background: On November 30, bids were received for the above referenced projects. Competitive bidding was completed in accordance with the City's procurement regulations. The Water Main Project was bid first and then, when the design was finished for the Sewer Main Project, bids for the two projects were combined into one Consolidated Bid Form. That being said, the water and sewer projects will be administered separately, because they are financed by separate ADEC loans.

Three responsive bids were received:

a. Scott's Heating & Plumbing $ 988,122
b. Dirtworks, Inc. $ 950,543
c. East Road Services, Inc. $ 688,094
d. Engineer's Estimate $ 646,385

East Road Services, Inc. is a well known local firm that has the experience and resources to satisfactorily complete the work.

Budget:	**Water**	**Sewer**	**Water Betterment**	
Council Appropriation	$ 234,105 [2]	$ 287,692 [3 4]	$88,569 [5]	= $610,366
Costs to date:				
• Design Survey	$ 2,800	$ 980		
• Design	$ 11,000	$ 9,660	$4,360	
• HDPE Pipe Materials	$ 21,871	$ 0		
• Total Expended to Date	$ 35,671	$ 10,640	$4,360	= $ 50,671
Remaining appropriation				$559,695
Projected Cost to Complete:				
• Construction Bid		$ 688,094		
• Inspection		$ 10,000		
• Total Cost to Complete		$ 698,094		
• Remaining appropriation		$ 559,695		
Appropriation needed to complete project		$ 138,399		

Total Project Cost = $698,094 $50,671 $748,765
- Cost to Design & Construct Betterment (12" Main) $ 67,366
- Cost to Design & Construct everything else $681,399
- Less: ADEC Loan Subsidy [6] $122,822
- Net Cost to Design & Construct everything else $558,577

Property Owner Share	75% of $ 558,577	$ 418,932
City Share	25% of $ 562,177	$ 139,644

ADEC loan application = $277,090 $248,136 [7] = $525,226

Findings:

1. There are sufficient funds in the authorized ADEC Loan amounts to cover the property owner financing. $525,226 covers $418,932
2. We need $138,399 in additional Council appropriations to cover the Total Project Cost. ($748,765 $610,366)
3. The projected value of an Equal Share assessment for water and sewer as well as the estimated cost of the on site work for the sewer service and septic tank de commissioning,

[1] Resolution 20-68 authorized $234,105 from HAWSP for Tasmania Court Water Project.

[2] Resolution 21-042 authorized ADEC Loan in the amount of $277,090 for the Tasmania Court Water Project, but failed to increase the appropriation from HAWSP.
[3] Resolution 21-045(A) authorizing ADEC Loan in the amount of $287,692 for the Tasmania Court Sewer Project.
[4] Ordinance 21-34 authorizing $287,692 from HAWSP for Tasmania Court Sewer Project
[5] Ordinance 21-11 authorizing $88,569 for water betterment

[6] Principal Forgiveness Subsidy accepted by City Council in [illegible] on 21-023.

[7] Loan Application date 6-18-21

was $30,467. The price, for the same scope of work, as bid, is projected to be $34,311, all of which can be financed through the ADEC loan. The increase is 14.5%

Recommendations:

1. That the City Council pass a resolution awarding the construction contract for the Tasmania Water Main and Sewer Main Extension Projects to East Road Services in the amount of $688,094 and authorize the City Manager to execute all appropriate documents necessary to complete this project.

2. That the City Council pass legislation increasing the appropriation for the Tasmania Court Water Main and Sewer Main Extension Projects in the amount of $138,399, to be apportioned for purposes of accounting for the ADEC loan, between the water and sewer accounts as actual costs are determined.

CITY OF HOMER
HOMER, ALASKA

City Manager/
Public Works Director

ORDINANCE 20-68

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE 2020 CAPITAL BUDGET AND AUTHORIZING THE EXPENDITURE OF $234,105 FROM THE HOMER ACCELERATED WATER & SEWER PROGRAM (HAWSP) FUND TO COMPLETE THE TASMANIA COURT WATER IMPROVEMENT PROJECT.

WHEREAS, The City Council created the Tasmania Court Water Improvement Special Assessment District (SAD); and

WHEREAS, The properties within this district will be assessed 75% of the costs of the project and the Homer Accelerated Water and Sewer Program (HAWSP) will pay 25%; and

WHEREAS, All project costs are anticipated to be financed through the ADEC/EPA Revolving Loan Program; and

WHEREAS, Public Works has estimated the cost of this project to be $234,105 (See Memorandum 20-155).

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 2020 Capital Budget by appropriating $234,105 from the HAWSP for the construction of the Tasmania Court Water Improvements.

Account	Description	Amount
205-xxxx	Tasmania Court Water Improvements	$234,105

Section 2. This 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 26th day of October, 2020.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

Melissa Jacobsen

MELISSA JACOBSEN, MMC, CITY CLERK

YES: 6
NO: 0
ABSTAIN: 0
ABSENT: 0

First Reading: 10.12.20
Public Reading: 10.26.20
Second Reading: 10.26.20
Effective Date: 10.27.20

Reviewed and approved as to form:

Rob Dumouchel, City Manager

Date: 29 OCT 20

Michel Gatti, City Attorney

Date: 11/11/2020

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 20-155

TO: Mayor Castner and City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Janette Keiser, Director of Public Works

DATE: September 24, 2020

SUBJECT: Tasmania Court Special Assessment District

Issue: The process to form the Tasmania Court Special Assessment District to provide the neighborhood with City water was started in May 2020. The public hearing part of the process will be held September 14, 2020. Following the public hearing, the City Council will be asked to decide whether or not to proceed with the next steps towards forming the District. If the District is formed, the City will need to provide interim financing.

Background:

If the Tasmania Court Water Assessment District is formed, we will, in all likelihood, seek financing from the Alaska Department of Environmental Conservation. The loan is a reimbursable arrangement; that is, we must incur the costs first, and then seek reimbursement for the documented costs. We need a way to provide interim financing, for the project costs. We propose to transfer funds from the City's HAWSP Fund to a project account. As we access loan proceeds, they will be used to repay the General Fund. Separate accounting will be put employed to administer loan repayments and assessment collection.

The total estimated project cost is $234,105. Of this, $175,579 would be paid by the property owners and $58,526 would be paid by the City, probably with funding from the HAWSP Fund. This will be determined when the final assessment roll, payment schedules and other details related to the administration of the assessment district.

Funds are available:

As of 3-31-20, there was a balance of $2,437,693 I the HAWSP Fund. Since then, no expenditures have been approved from this fund. The projects recently funded for repairs to various water/sewer facilities was authorized from the Water Depreciation Fund or Sewer Depreciation Fund.

Action Recommended:

a. That the City Council pass the proposed resolution appropriating $234,105 from the HAWSP Fund for the construction of the Tasmania Court Water Improvements.

b. That the City Council approve the expenditure of the City's share (25%) of the project costs, from the HAWSP Fund.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-72

An Ordinance of the City Council of Homer, Alaska Appropriating $3,400 from the Land Fund to Acquire Tax Foreclosed Property from the Kenai Peninsula Borough and Retaining the Property for the Public Purpose of Determining the Special Assessment Liens and Creating a Clear Title to the Property, and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents.

Sponsor: City Manager

1. City Council Regular Meeting December 13, 2021 Introduction

   Memorandum 21 209 from Deputy City Planner as backup

2. City Council Regular Meeting January 10, 2022 Public Hearing and Second Reading

CITY OF HOMER
HOMER, ALASKA

City Manager

ORDINANCE 21-72

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA APPROPRIATING $3,400 FROM THE LAND FUND TO ACQUIRE TAX FORECLOSED PROPERTY FROM THE KENAI PENINSULA BOROUGH, AND RETAINING THE PROPERTY FOR THE PUBLIC PURPOSE OF DETERMINING THE SPECIAL ASSESSMENT LEINS AND CREATING A CLEAR TITLE TO THE PROPERTY, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The Kenai Peninsula Borough has tax foreclosed on tax parcel 17909003, 4833 Kachemak Drive, T6S R13W Sec 14 Seward Meridian HM 0630311 Subdivision of Lot 27 & 28 Sec 14 T6S R13W Lot 28A, and tax parcel 17909004, 4819 Kachemak Drive, T6S R13W Sec 14 Seward Meridian HM 0630311 Subdivision of Lot 27 & 28 Sec 14 T6S R13W Lot 28D; and

WHEREAS, These lots have total special assessment liens of approximately $73,000 for water, waste water and natural gas; and

WHEREAS, The outstanding $73,000 in special assessments liens is a significant amount and of important to tax payers; and

WHEREAS, If the City wishes to recoup any of the assessment district liens, the City must clarify the process and potentially pursue legal action;

WHEREAS, Retaining these lots to secure payment of these liens is a legitimate public purpose for Homer tax payers; and

WHEREAS, The City is able to acquire these lots for $3,400 if paid by January 15, 2022; and

WHEREAS, Per HCC 18.06.042 (b) until the special assessment issue is resolved the City will hold these lands with a designation of ‘unclassified.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The FY 22/23 budget is hereby amended by appropriating funds from the

Land Fund account in the amount of $3,400 for the purpose of purchasing tax foreclosure property as follows:

Expenditure:

Account No.	Description	Amount
150 0392	Land Fund	$3,400

Section 2. Per HCC 18.06.042 (b) this property is designated as "undesignated."

Section 3. The City Manager is authorized to sign the appropriate documents for the acquisition of parcel 17909003, 4833 Kachemak Drive, T6S R13W Sec 14 Seward Meridian HM 0630311 Subdivision of Lot 27 & 28 Sec 14 T6S R13W Lot 28A, and tax parcel 17909004, 4819 Kachemak Drive, T6S R13W Sec 14 Seward Meridian HM 0630311 Subdivision of Lot 27 & 28 Sec 14 T6S R13W Lot 28D.

Section 4. This is a budget amendment ordinance, is temporary in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this _____day of _____, 2021.

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
www.cityofhomer-ak.gov
491 East Pioneer Avenue
Homer, Alaska 99603
(p) 907-235-8121
(f) 907-235-3140

Memorandum 21-209

TO:	Mayor Castner and Homer City Council
THROUGH:	Rob Dumouchel, City Manager
FROM:	Julie Engebretsen, Deputy City Planner & Special Projects Coordinator
DATE:	December 2, 2021
SUBJECT:	Ordinance 21 72 Kachemak Drive Lots

Background

Council may recall that the Borough has two tax foreclosure properties on Kachemak Drive. In August, Council had the opportunity to retain the lands for a public purpose. The two properties available to the city had combined special assessments of nearly $73,000, and the Council determined the City did not wish to retain the lots.

Staff was again contacted in October by the Borough, to double check that the city understood that due to the foreclosure process, **all** assessments would be voided. The city would never receive any payments, because the foreclosure process 'wipes clean' any liens against the property. The combined water, sewer and natural gas assessments are nearly $73,000 total for the two lots. At this point, staff contacted the City Attorney on what options the City had, and Council requested more information on how tax foreclosures affected city special assessments. A missing piece of information was the Borough was making a final decision about what lots to sell via outcry auction, in December. (Scheduled for December 4).

Working with the City Attorney and KPB staff, it became clear that the City does have some recourse to recoup the $73,000 in assessments, but some time is needed to clear up the process and any legal proceedings. Understandably, the Borough was concerned with selling lands that may have significant assessments, without being able to clearly disclose them to a buyer. The Borough determined that they could pull the lots from the outcry auction, if the City requested conveyance. The outcry auction was scheduled prior to the next Council meeting, so the administration determined that requesting conveyance gave the city the greatest opportunity to collect payment for the liens, with the least amount of legal cost.

Staff understand this Council does not wish to own these properties long term. Ownership of these lands at this time gives the City the most options to address the special assessments.

Requested Actions

1. Authorize up to $6,400 for payment of back taxes to the Kenai Peninsula Borough
2. Retain these lots for the public purpose of addressing the special assessment liens
3. Classify the lots as 'undesignated.'

Area Map:

Legal Descriptions:

17909003

T 6S R 13W SEC 14 SEWARD MERIDIAN HM 0630311 SUBDIVISION OF LOT 27 & 28 SEC 14 T6S R13W LOT 28A

17909004

T 6S R 13W SEC 14 SEWARD MERIDIAN HM 0630311 SUBDIVISION OF LOT 27 & 28 SEC 14 T6S R13W LOT 28D

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-73

An Ordinance of the City Council of Homer, Alaska Accepting a Healthy and Equitable Community Grant from the State of Alaska Department of Health and Social Services (DHSS) and Authorizing the City Manager to Negotiate and Execute and a Memorandum of Agreement with DHSS and a Sub Grant Award of the Funds to South Peninsula Hospital to help Maintain Free Community Access to COVID 19 Testing and Vaccines and to Initiate a Community Health Needs Assessment.

Sponsor: City Manager

1. City Council Regular Meeting December 13, 2021 Introduction

   Memorandum 21 210 from Special Projects & Communications Coordinator as backup

2. City Council Regular Meeting January 10, 2022 Public Hearing and Second Reading

CITY OF HOMER
HOMER, ALASKA

City Manager

ORDINANCE 21-73

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA ACCEPTING A HEALTHY AND EQUITABLE COMMUNITY GRANT FROM THE STATE OF ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES (DHSS) AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A MEMORANDUM OF AGREEMENT WITH DHSS AND A SUB GRANT AWARD OF THE FUNDS TO SOUTH PENINSULA HOSPITAL TO HELP MAINTAIN FREE COMMUNITY ACCESS TO COVID 19 TESTING AND VACCINES AND TO INITIATE A COMMUNITY HEALTH NEEDS ASSESSMENT.

WHEREAS, In support of efforts statewide to create and sustain healthy and equitable communities, particularly for populations disproportionately impacted by COVID 19, the State of Alaska Department of Health and Social Services (DHSS) made Healthy and Equitable Community grant funding available to local units of government; and

WHEREAS, The City, in partnership with South Peninsula Hospital submitted, a request for Homer's $33,639.28 allotment of Healthy and Equitable Grant funds to begin a Community Health Needs assessment, and

WHEREAS, The City, in partnership with South Peninsula Hospital also requested $67,897.40 in grant funds which was allotted to the Kenai Peninsula Borough and which the Borough dedicated to South Peninsula Hospital to help maintain free community access to COVID 19 testing and vaccines through its Testing and Vaccine Clinic on Bartlett Street; and

WHEREAS, The City is pleased to have been awarded $101,536.68 through a Memorandum of Agreement (MOA) with DHSS to support these activities; and

WHEREAS, The City plans to enter into a sub grant award agreement with South Peninsula Hospital to execute the grant activities; and

WHERAS, An MOA between the City and DHSS is in the best interest of public health and safety in that it supports

- continued equitable access to COVID 19 testing and vaccines, and

- a community health assessment, the results of which will identify community driven strategies to improve health and which will help inform current and future pandemic responses.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby authorizes the City Manager to negotiate and execute a Memorandum of Agreement with the State of Alaska DHSS to accept the Healthy and Equitable Community Grant funds , a copy of which is attached and incorporated herein; and

Section 2. The Homer City Council hereby appropriates the DHSS Healthy and Equitable Community grant funding in the amount of $101,536.68 for the purpose outlined in the MOA:

Revenue:

Account No.	Description	Amount
	DHSS Healthy and Equitable Community Grant	$101,536.68

Expenditure:

Account No.	Description	Amount
	DHSS Healthy and Equitable Community Grant	$101,536.68

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

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 10th day of January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

Introduction:
Public Hearing:
Second Reading:
Effective Date:

City of Homer
www.cityofhomer-ak.gov

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 21-210

TO: Mayor Castner and Homer City Council

FROM: Jenny Carroll, Special Projects & Communications Coordinator

THROUGH: Rob Dumouchel, City Manager

DATE: December 3, 2021

SUBJECT: DHSS Healthy Equitable Communities Grant Award

The State of Alaska, Department of Health and Social Services, Division of Public Health (DHSS) is providing grant funding to Alaskan local governments in support of activities that promote and sustain healthy and equitable communities throughout Alaska particularly in light of the impacts of COVID 19.

The City of Homer is a first class city without general health authorities. South Peninsula Hospital (SPH) is a corporation providing comprehensive health services to residents of the southern Kenai Peninsula. The City and SPH desire to cooperate to utilize $101,536.68 in grant funds to promote community health. The $101,536.68 award represents City of Homer's $33,639.28 per capita allotment and a share of the Kenai Peninsula Borough's per capita allotment ($67,897.40) that they dedicated to SPH.

The KPB funds will help sustain operations at SPH's COVID 19 Test & Vaccine Clinic so that the community has continued free access to testing, vaccination and information services regardless of ability to pay. Homer allotted funds will support a Community Health Needs Assessment to quantify the impacts of COVID 19. The assessment will help health professionals and service providers better understand the pandemic's varied impacts and set the foundation for improved health outcomes in future responses.

Ordinance 21 73 accepts and appropriates these grant funds and authorizes the City Manager to execute a Memorandum of Agreement (MOA) between the City of Homer and DHSS that governs the use of the funds during the first year of what is expected to be an annually renewing grant funding cycle ending June 30, 2024.

Ordinance 21 73 additionally authorizes the City Manager negotiate and enter into a Subgrant Agreement with SPH upon acceptance of the Healthy Equitable Communities award. As a subrecipient, SPH will implement the activities and strategies described in the MOA's scope of work, provide invoices for the costs of eligible activities for State grant reimbursement and provide a grant close out report. The City will provide high level administrative oversight and coordinate with SPH

and DHSS for grant reporting. Under terms of the MOA, the City will receive 10% of the grant amount to cover administrative costs.

RECOMMENDATION

Appropriate DHSS Healthy and Equitable Community grant funds, authorize the City Manager to negotiate and execute the Memorandum of Agreement between the City of Homer and DHSS and a Sub grant agreement with South Peninsula Hospital.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-06

An Ordinance of the City Council of Homer, Alaska Amending the FY22 Capital Budget and Authorizing the Expenditure of an Additional $80,476.50 from the Homer Accelerated Water and Sewer Program Fund to Complete the Alder Lane Water Improvement Project.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting January 10, 2022 Introduction

   Memorandum 22 010 from Public Works Director as backup

CITY OF HOMER
HOMER, ALASKA

City Manager/
Public Works Director

ORDINANCE 22-06

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY22 CAPITAL BUDGET AND AUTHORIZING THE EXPENDITURE OF AN ADDITIONAL $80,476.50 FROM THE HOMER ACCELERATED WATER AND SEWER PROGRAM FUND TO COMPLETE THE ALDER LANE WATER IMPROVEMENT PROJECT.

WHEREAS, The City Council created the Alder Lane Water Improvement Special Assessment District (SAD) with the passage of Resolution 20 095; and

WHEREAS, The properties within this district will be assessed 75% of the costs of the project and the Homer Accelerated Water and Sewer Program (HAWSP) will pay 25%; and

WHEREAS, The Property Owner's share of the costs will financed through the ADEC/EPA Revolving Loan Program; and

WHEREAS, the City was awarded a Principal Forgiveness subsidy from the ADEC/EPA, of which $112,229 was allocated to the Alder Lane Water Project in Resolution 21 023; and

WHEREAS, Bids for the construction phase of the project were opened on December 14, 2021 and the lowest responsive and responsible bid was $269,930; and

WHEREAS, The Total Project Cost, including construction, design, survey, prior pipe purchase and inspection, is projected to be $333,668.50, which is $80,475.50 more than the original appropriation of $253,193; and

WHEREAS, The Property Owners were mailed a Notice of Right to Object to the cost increase on July 19, 2021 and one objection was received; and

WHEREAS, The original appropriation of $253,193, for construction financing, was scheduled to come from the HAWSP, but the General Fund is better equipped to provide construction financing for Special Assessment Districts.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY22 Capital Budget by appropriating $80,475.50 from General Fund for the design/construction of the Alder Lane Water Improvements.

Account	Description	Amount
215 0007	Alder Lane Water Improvements	$80,475.50

Section 2. This 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 January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

YES:
NO:
ABSTAIN:
ABSENT:

First Reading:
Public Reading:
Second Reading:
Effective Date:

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 22-010

To: Mayor Castner and Homer City Council

Through: Rob Dumouchel, City Manager

From: Janette Keiser, PE, Public Works Director

Date: December 15, 2021

Subject: **Award of Construction Contract for Alder Lane Water Main Extension Project**

Issue: The purpose of this memorandum is to recommend award of a construction contract to Scott's Plumbing & Heating.

Background: On December 7, bids were received for the above referenced projects. Competitive bidding was completed in accordance with the City's procurement regulations and the bid results were as follows:

a. Engineer's Estimate $240,881
b. Scott's Plumbing & Heating $269,930
c. East Road Services, Inc. $288,330

We reviewed the experience and qualifications of Scott's Heating & Plumbing, Inc. and find the firm has the experience and resources to satisfactorily complete the work. In particular, we found:

- **Company History**: Scott's Plumbing & Heating, Inc., is a second generation family company, which has been in business for 22 years, starting with plumbing services and then, expanding to heavy civil construction. Steven Pillans, the founder's son, has been working with his dad's company since he was very young and has been running jobs for the past ten years. Steven has been instrumental in growing the company and expanding its presence in government contracting. The company has successfully completed projects for the City of Cordova, City of Kodiak, and the U.S. Coast Guard as well as a variety of commercial and industrial clients.

- **Capacity for HDPE pipe installation:** Installing HDPE pipe is one of the company's core competencies. It has three of its own HDPE pipe fusion machines and certified HDPE installers on the crew. The company has successfully completed HDPE water pipe projects in Kodiak, Gambell, Cordova, and Unalaska.

Budget: **Water**

Council Appropriation		$ 253,193
Costs to date:		
• Design Survey	$ 2,520.00	
• Design	$ 7,123.00	
• HDPE Pipe Materials	$ 43,300.50	
Total Expended to Date		$ 52,943.50
Remaining Appropriation		$200,249.50
Projected Cost to Complete:		
• Construction Bid	$ 269,930	
• Estimated Inspection Costs	$ 10,795	
Total Cost to Complete		$ 280,725.00
Appropriation Required to Complete Project		$ 80,475.50

Total Project Cost =

- Total Project Cost ($52,943.50 $280,725) $333,668.50
- Less: ADEC Loan Subsidy [2] $112,229.00
- Net Cost to Design/Construct water main ext. $221,439.50

Property Owner Share	75% of $221,439.50	$ 166,079.62
City Share	25% of $217,134.50	$ 55,359.87

Authorized loan amount = $253,193 [3]

Findings:

1. There are sufficient funds in the authorized ADEC Loan amounts to cover the property owner financing. ($253,193 covers $166,079.62).
2. We need $80,492.50 in additional Council appropriations to cover the Total Project Cost. ($333,685.50 $253,193.00)
3. The Benefitted Area method of computing the assessments was adopted for the Water Project. The assessments were projected to range from $10,691 to $70,430, depending on lot size. The new projections, including the Cost to Complete and the application of the Principal Forgiveness Subsidy ranges from $9,350 to $61,597 for a decrease of about 13%.

Recommendations:

[1] Ord 20-83, dated 11-9-20, appropriated $253,193 from HAWSP Fund for Alder Lane Water Project.
[2] Principal Forgiveness Subsidy accepted by City Council in Resolution 21-023 and $112,690 apportioned to Alder Lane.

[3] Resolution 20-105, dated 10-26-2020, authorizing application of loan in the amount of $253,193 for Alder Lane Water Project.

1. That the City Council pass a resolution awarding the construction contract for the Alder Lane Water Main Extension Projects to Scott's Plumbing & Heating in the amount of $269,930 and authorize the City Manager to execute all appropriate documents necessary to complete this project.

2. That the City Council pass legislation increasing the appropriation for the Alder Lane Water Main Extension Project in the amount of $80,476.50.

City of Homer
www.cityofhomer-ak.gov

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: January 6, 2022

SUBJECT: City Manager's Report for January 10, 2022 Council Meeting

HERC Update

The HERC survey is almost complete. The survey will close January 10th and we appear to be on track to meet our target of 500 responses (over 400 at the time this report was written). The survey was promoted through Facebook ads, a newspaper insert, and some targeted outreach to schools, community groups, etc. Additionally, we hosted an in-person event at the HERC on January 4th and a second event will be held at the Library on January 8th (after this report is submitted). We have begun to do outreach and interviews with potential private partners who indicated an interest in using a potential facility. Once the survey is closed, staff and Stantec will work on an analysis of the data collected to include a comparison of the data to the 2015 Park, Art, Recreation and Culture Needs Assessment.

Ice in the Harbor

The Harbor has had intermittent issues with ice accumulating in the harbor mouth this year with the cold temperatures. Most of the ice originates on the Fox River flats and floats down the bay where winds and tides drive it to the spit and eventually into the harbor. This ice creates a navigation hazard, especially for smaller craft. The City does not have ice breaking capability and encourages a great deal of caution when planning trips in and out of the harbor during this cold winter. If you intend to get on the water, it is advised to contact the Harbormaster's office for information on current conditions.

Harbor Dumpsters
In September, the City Council adopted Ordinance 21-53 which specifically prohibits the dumping of non-Port & Harbor related waste in Port & Harbor Dumpsters. The ordinance also made funds available from the Port & Harbor Reserves to promote the updated dumpster ordinance to the public. Harbor staff have placed signage near all Port & Harbor dumpsters. Harbor staff will be working to break the habit of household trash dumping by educating the public in regards to the ordinance.

Parity Study Getting Underway Soon
Section 4.2.2 of the Personnel Regulations requires the Human Resources Director to review the Position Classification System no less than every five years and report the findings to the City Manager for review. The City's next Parity Study will be completed in 2022. The Salary & Benefits Survey will be sent out this month to multiple municipalities and once the data has been compiled, and analysis complete, the results will be shared with Council. This is an important tool for Administration that allows for comparison and lets us accurately evaluate our current wages and how the City stacks up to other municipalities for individual job classifications.

FY24/25 Preliminary Budget Schedule
Attached to this report is a preliminary budget schedule for the FY24/25 cycle. The plan is to begin work on the budget in July 2022 and have it ready for adoption in April 2023. Administration is trying to give the budget process enough time to be very thorough and unrushed. The extended timeline will give more time to Council, commissions, and the public to comment and engage with staff on the next two-year budget as it develops.

FY22 1st Quarter Report
See attached for a report from the Finance Department covering the first quarter of fiscal year 2022 (July to September 2021). A report for the second quarter (October to December 2021) is expected to be available at the first meeting in February. We are working on getting Finance reports onto a more consistent and predictable schedule. Beginning in 2022, we are intending to publish reports on this schedule: FY22 2nd Quarter – first meeting in February; FY22 3rd Quarter – first meeting in May; FY22 4th Quarter – first meeting in August; FY23 1st Quarter – first meeting in November.

Chair Person Training
The Clerk's Office will be conducting a Chair Person training for all Advisory Body Chairs, Vice Chairs, and members who may be interested in serving as Chair on Wednesday, January 13th at noon. Lunch will be provided and RSVP's are requested. The Clerk's Office held a Chair's training in July 2019 with the intent of it being an annual event, but didn't schedule it in 2020 due to the general upheaval from COVID-19. They'll also be holding Advisory Body training which will be scheduled for each of the groups in the month that their seats renew, kicking off the year with the Port and Harbor Advisory Commission at their February meeting.

Personnel Updates
Public Works: Jenna Luchaco has joined the Public Works roads crew as an Equipment Operator Apprentice. Jenna has worked for Parks seasonally for a number of years and is excited to shift to a full-time role!

Enclosures:

1. January Employee Anniversaries
2. Preliminary budget schedule for FY24/25
3. FY21 First Quarter Report and memo from Finance Director

City of Homer
www.cityofhomer-ak.gov

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 CITY COUNCIL

FROM: Andrea Browning

DATE: January 10, 2022

SUBJECT: January Employee Anniversaries

I would like to take the time to thank the following employees for the dedication, commitment and service they have provided the City and taxpayers of Homer over the years.

Teresa Sundmark	**Library**	**15**	**Years**
Tomasz Sulczynski	**IT**	**14**	**Years**
Andrea Browning	**Admin**	**10**	**Years**
Brody Jones	**Public Works**	**8**	**Years**
Burton Gregory	**Harbor**	**8**	**Years**
Jona Focht	**Dispatch**	**7**	**Years**
Lynda Gilliland	**Finance**	**4**	**Years**
Kaela Jiron	**Finance**	**1**	**Year**
Amy Woodruff	**Port**	**1**	**Year**

City of Homer
Preliminary Budget Development Schedule
for Fiscal Year 2024 and 2025

Dates	Event
1/10/2022	Preliminary Budget Development Schedule introduced to Council
July 2022	Begin FY24/25 budget discussions with departments
7/25/2022	Final Budget Development Schedule delivered to Council
August - October 2022	Budget Worksessions (Council and Commissions)
2nd October 2022 Meeting	Committee of the Whole, Council to discuss budget priorities for the coming year
	Regular Meeting, Public Hearing - public input on budget priorities for the coming year
Beginning of November 2022	Submit to departments, budget work sheets including salary and fringe benefit costs
1st December 2022 Meeting	During Committee of the Whole, Council to discuss Revenue Sources for General Fund and preliminary budget assumptions.
End of December 2022	Departmental Draft Budget and narratives to Finance
Mid-January 2023	Compile data and return copy to departments for review
End of January 2023	City Manager - Budget Review with Finance Director and Department Heads
2nd February 2023 Meeting	City Manager's Budget (Proposed Budget) and Utility Rate Model to Council
	Committee of the Whole, Council to discuss budget
	Regular Meeting - Public Hearing
1st March 2023 Meeting	Committee of the Whole, Council to discuss budget
	Regular Meeting - to introduce Budget Ordinance and Fee/Tariff Resolutions
2nd March 2023 Meeting	Committee of the Whole, Council to discuss budget
1st April 2023 Meeting	Committee of the Whole, Council to discuss budget
	Regular Meeting - Public Hearing
2nd April 2023 Meeting	Regular Meeting - Public Hearing & FY 24/25 Budget Adoption

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

	Current Fiscal Analysis				Historical Fiscal Analysis			
	Adopted FY22 Budget	Actual July - Sept 2021	Budget Remaining	% Budget Remaining	Actual July - Sept 2018	Actual July - Sept 2019	Actual July - Sept 2020	Actual July - Sept 2021
Revenues								
Property Taxes	$ 3,794,794	$ 1,977,401	$ 1,817,394	48%	$ 1,739,464	$ 1,792,888	$ 1,868,414	$ 1,977,401
Sales and Use Taxes	6,099,969	2,424,606	3,675,364	60%	2,318,982	1,918,910	1,720,234	2,424,606
Permits and Licenses	46,595	12,196	34,399	74%	14,030	7,923	14,465	12,196
Fines and Forfeitures	22,930	11,292	11,638	51%	6,561	12,198	5,075	11,292
Use of Money	146,718	(6,701)	153,418	105%	10,562	29,387	24,112	(6,701)
Intergovernmental	562,866	95,800	467,066	83%	110,017	126,017	-	95,800
Charges for Services	597,597	251,484	346,113	58%	169,379	209,971	224,226	251,484
Other Revenues	-	75,108	(75,108)	0%	1,198	605	12,481	75,108
Airport	198,729	58,180	140,549	71%	54,043	65,229	39,232	58,180
Operating Transfers	1,905,916	10,000	1,895,916	99%	-	-	-	10,000
Total Revenues	**$ 13,376,115**	**$ 4,909,366**	**$ 8,466,749**	**63%**	**$ 4,424,236**	**$ 4,163,127**	**$ 3,908,239**	**$ 4,909,366**
Expenditures & Transfers								
Administration	$ 1,281,755	$ 247,942	$ 1,033,814	81%	$ 206,229	$ 223,261	$ 215,497	$ 247,942
Clerks	873,182	187,694	685,488	79%	153,591	291,935	176,774	187,694
Planning	416,528	88,538	327,990	79%	80,460	86,577	96,487	88,538
Library	949,036	195,667	753,370	79%	204,364	203,340	189,328	195,667
Finance	873,394	174,528	698,865	80%	150,708	152,622	162,047	174,528
Fire	1,432,183	299,177	1,133,006	79%	218,320	236,059	295,450	299,177
Police	3,739,209	920,450	2,818,760	75%	784,315	764,705	823,903	920,450
Public Works	3,020,354	644,687	2,375,667	79%	609,105	656,606	643,659	644,687
Airport	226,517	29,937	196,580	87%	39,827	30,224	32,510	29,937
City Hall, HERC	189,087	25,455	163,632	87%	36,972	35,585	32,686	25,455
Non-Departmental	94,000	-	94,000	100%	-	-	-	-
Total Operating Expenditures	$ 13,095,247	$ 2,814,076	$ 10,281,171	79%	$ 2,483,889	$ 2,680,914	$ 2,668,340	$ 2,814,076
Transfer to Other Funds								
Leave Cash Out	$ 136,126	$ 136,126	$ -	0%	$ -	$ -	$ -	$ 136,126
Other	113,823	113,823	-	0%	-	-	-	-
Total Transfer to Other Funds	$ 249,949	$ 249,949	$ -	0%	$ -	$ -	$ -	$ 136,126
Transfer to CARMA								
General Fund Fleet CARMA	$ 20,918	$ 20,918	$ -	0%	$ -	$ -	$ -	$ 20,918
Seawall CARMA	10,000	10,000	-	0%	-	-	-	-
Total Transfer to CARMA Funds	$ 30,918	$ 30,918	$ -	0%	$ -	$ -	$ -	$ 20,918
Total Expenditures & Transfers	**$ 13,376,115**	**$ 3,094,943**	**$ 10,281,171**	**77%**	**$ 2,483,889**	**$ 2,680,914**	**$ 2,668,340**	**$ 2,971,120**
Net Revenues Over (Under) Expenditures	**$ -**	**$ 1,814,422**						

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

	Current Fiscal Analysis				Historical Fiscal Analysis			
	Adopted FY22 Budget	Actual July - Sept 2021	Budget Remaining	% Budget Remaining	Actual July - Sept 2018	Actual July - Sept 2019	Actual July - Sept 2020	Actual July - Sept 2021
Revenues								
Water Fund	$ 2,014,420	$ 687,742	$ 1,326,678	66%	$ 597,682	$ 735,421	$ 661,240	$ 687,742
Sewer Fund	1,762,264	581,597	$ 1,180,668	67%	585,537	575,945	508,851	581,597
Total Revenues	**$ 3,776,685**	**$ 1,269,339**	**$ 2,507,346**	**66%**	**$ 1,183,219**	**$ 1,311,366**	**$ 1,170,091**	**$ 1,269,339**
Expenditures & Transfers								
Water								
Administration	$ 202,025	$ 74,096	$ 127,929	63%	$ 61,450	$ 57,035	$ 52,248	$ 74,096
Treatment Plant	616,638	143,429	473,209	77%	147,854	134,112	158,434	143,429
System Testing	27,400	2,602	24,798	91%	12,399	7,382	5,008	2,602
Pump Stations	93,119	14,137	78,982	85%	29,403	24,737	37,644	14,137
Distribution System	348,073	64,970	283,102	81%	55,171	60,739	71,757	64,970
Reservoir	17,326	2,532	14,794	85%	10,484	11,812	3,262	2,532
Meters	181,863	27,494	154,368	85%	(25,497)	55,584	21,204	27,494
Hydrants	203,479	48,685	154,795	76%	45,436	49,420	40,995	48,685
Sewer								
Administration	$ 191,623	$ 64,438	$ 127,185	66%	$ 47,632	$ 46,414	$ 42,000	$ 64,438
Plant Operations	689,890	110,393	579,497	84%	141,542	164,976	196,446	110,393
System Testing	14,500	3,436	11,064	76%	15,718	3,909	4,215	3,436
Lift Stations	210,079	44,123	165,956	79%	41,403	44,719	42,961	44,123
Collection System	326,795	74,238	252,558	77%	79,528	59,646	53,720	74,238
Total Operating Expenditures	$ 3,122,810	$ 674,573	$ 2,448,236	78%	$ 662,523	$ 720,486	$ 729,894	$ 674,573
Transfer to Other Funds								
Leave Cash Out	$ 72,026	$ 72,026	$ -	0%	$ -	$ -	$ -	$ 72,026
GF Admin Fees	588,359	-	588,359	100%	-	-	-	-
Other	23,030	23,030	-	0%	-	-	-	23,030
Total Transfer to Other Funds	$ 683,415	$ 95,056	$ 588,359	86%	$ -	$ -	$ -	$ 95,056
Transfers to CARMA								
Water	$ -	$ -	$ -	0%	$ -	$ -	$ -	$ -
Sewer	-	-	-	0%	-	-	-	-
Total Transfer to CARMA Funds	$ -	$ -	$ -	0%	$ -	$ -	$ -	$ -
Total Expenditures & Transfers	**$ 3,806,225**	**$ 769,629**	**$ 3,036,596**	**80%**	**$ 662,523**	**$ 720,486**	**$ 729,894**	**$ 769,629**
Net Revenues Over(Under) Expenditures	**$ (29,541)**	**$ 499,710**						

Note: The budgeted deficit was expected, per ORD 21-32(S).

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

	Current Fiscal Analysis				Historical Fiscal Analysis			
	Adopted FY22 Budget	Actual July - Sept 2021	Budget Remaining	% Budget Remaining	Actual July - Sept 2018	Actual July - Sept 2019	Actual July - Sept 2020	Actual July - Sept 2021
Revenues								
Administration	$ 596,909	$ 165,430	$ 431,479	72%	$ 134,980	$ 166,555	$ 176,276	$ 165,430
Harbor	3,312,100	2,003,256	1,308,844	40%	1,519,953	1,671,229	1,836,495	2,003,256
Pioneer Dock	330,646	115,000	215,646	65%	108,205	101,663	92,656	115,000
Fish Dock	565,242	243,957	321,284	57%	257,739	295,891	219,838	243,957
Deep Water Dock	161,889	66,303	95,586	59%	120,332	87,998	23,003	66,303
Outfall Line	4,800	-	4,800	100%	-	-	-	-
Fish Grinder	7,191	6,803	389	5%	5,573	5,860	5,215	6,803
Load and Launch Ramp	126,483	57,797	68,686	54%	56,012	53,479	56,350	57,797
Total Revenues	**$ 5,105,259**	**$ 2,658,546**	**$ 2,446,713**	**48%**	**$ 2,202,794**	**$ 2,382,674**	**$ 2,409,833**	**$ 2,658,546**
Expenditures & Transfers								
Administration	$ 683,339	$ 224,549	$ 458,791	67%	$ 154,065	$ 177,409	$ 163,566	$ 224,549
Harbor	1,355,331	272,728	1,082,603	80%	305,319	319,984	328,591	272,728
Pioneer Dock	81,451	21,548	59,903	74%	13,880	16,840	24,867	21,548
Fish Dock	644,058	119,921	524,137	81%	172,793	182,869	178,322	119,921
Deep Water Dock	85,324	22,311	63,013	74%	33,518	21,599	18,807	22,311
Outfall Line	6,500	-	6,500	100%	-	-	-	-
Fish Grinder	27,833	12,649	15,184	55%	8,495	15,333	9,940	12,649
Harbor Maintenance	445,576	80,290	365,285	82%	102,974	119,191	110,237	80,290
Main Dock Maintenance	40,768	8,277	32,491	80%	8,645	9,263	7,527	8,277
Deep Water Dock Maintenance	51,268	8,289	42,980	84%	14,444	10,225	8,376	8,289
Load and Launch Ramp	92,282	24,012	68,270	74%	23,067	24,002	19,933	24,012
Total Operating Expenditures	$ 3,513,732	$ 794,574	$ 2,719,158	77%	$ 837,200	$ 896,716	$ 870,167	$ 794,574
Transfer to Other Funds								
Leave Cash Out	$ 66,243	$ 66,243	$ -	0%	$ -	$ -	$ -	$ 66,243
GF Admin Fees	453,392	-	453,392	100%	-	-	-	-
Debt Service	69,285	69,285	-	0%	-	-	-	69,285
Other	301,517	301,517	-	0%	-	-	-	301,517
Total Transfer to Other Funds	$ 890,437	$ 437,045	$ 453,392	51%	$ -	$ -	$ -	$ 437,045
Transfers to Reserves								
Harbor	$ 666,889	$ -	$ 666,889	100%	$ -	$ -	$ -	$ -
Load and Launch Ramp	34,201	34,201	-	0%	-	-	-	34,201
Total Transfer to Reserves	$ 701,090	$ 34,201	$ 666,889	95%	$ -	$ -	$ -	$ 34,201
Total Expenditures & Transfers	**$ 5,105,259**	**$ 1,265,820**	**$ 3,839,439**	**75%**	**$ 837,200**	**$ 896,716**	**$ 870,167**	**$ 1,265,820**
Net Revenues Over(Under) Expenditures	**$ -**	**$ 1,392,726**						

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: January 2, 2022

SUBJECT: FY2022 1st Quarter Financials

This memo will provide additional information related to the FY2022 1st Quarter Financial Report.

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.

In prior years, operating transfers associated with admin fees have been recorded in the first month of the fiscal year. We are making a fundamental shift in this process to coincide with the timing of our new fiscal year. It is fiscally more responsible to perform these transfers at the end of the fiscal year to account for any unforeseen financial impacts on the funds being charged (Water, Sewer and Port funds). This change will also delay revenue to the General Fund until the end of the fiscal year.

Another update to this report is the inclusion of a historical fiscal analysis. The purpose of this section is to provide City Council and the public comparative data for the same date range. As time goes on, this data will allow for better trend analysis and benchmarking.

General Fund:

Revenue Breakdown:

- Property tax is collected and administered by the Kenai Peninsula Borough and remitted to the City. The majority of these payments are remitted in September, October and November. Taxpayers can either split tax installments in two (first half due on September 15 and second half due on November 15) or can pay taxes in full on October 15.

- Sales tax is collected and administered by the Kenai Peninsula Borough (KPB) and then remitted to the City. KPB remits sales tax revenue to the City on a monthly basis, but there is a two month "lag" in the revenue received. This means that the revenue that is received by the City in one month is not a reflection on sales tax actually earned in that particular month.
- Use of money represents the interest income earned (lost) on investments held. This particular quarter experienced a net loss in investment earnings.
- Intergovernmental revenues include: Prisoner Care Contract with the State of Alaska for $440,066; Pioneer Avenue Maintenance Contract with the State of Alaska for $34,000; Police Special Services Contract with the State of Alaska for $36,000; and the Borough 911 Contract with the Kenai Peninsula Borough for $52,800.
- Charges for services include revenues received from the certain services provided by the City (i.e. application fees, ambulance fees, camping fees).
- Other revenues received for this quarter is primarily from ACS for $75,000 (reference ORD 21-42).
- Airport revenues represent those revenues collected through business at the Homer airport (leases, car rental, concessions, and parking fees).
- Operating transfers represent the admin fees charged to Water, Sewer and Port funds. The budget transfer from HART-Roads and HART-Trails to contribute to road and trail maintenance is also under this category. The $10,000 transfer is representative of the amount the Utility Fund transfers to the General Fund to contribute to Public Works maintenance costs connected with Utility facilities and equipment.

Expenditure Highlights:

- Administration includes: City Manager, Personnel, IT, and Community Recreation.
- Clerks includes: Mayor/Council, City Clerk and City Elections.
- Non-Departmental includes contributions to Pratt Museum and Homer Foundation.
- Other transfers include: transfer to health insurance fund (balancing mechanism), transfer to water hydrants and transfers to revolving energy fund (city hall, airport, animal shelter, library, and public works).

Preliminary estimates show the General Fund experiencing a roughly $1.8 million operating surplus after the first quarter for FY22.

Water and Sewer Fund:

Revenue Breakdown:

- Revenues received into the water fund include: metered sales, connection fees, investment income, penalties, and hydrant transfer from the General Fund.
- Revenues received into the sewer fund include: metered sales, inspection fees and dump station fees.

Expenditure Highlights:

- General Fund Admin Fees have not been posted for the Utility Fund, as we are waiting until the end of the fiscal year to align with new processes.

- Other transfers include: transfer to health insurance fund (balancing mechanism), transfers to revolving energy fund (water fund) and $10,000 transfer to General Fund for Public Works maintenance.

Preliminary estimates show the Water and Sewer Fund experiencing a roughly $500k operating surplus after the first quarter for FY22.

Port and Harbor Fund:

Revenue Breakdown:

- Administration revenues include: rents and leases, storage fees, investment income and any surplus revenues.
- Harbor revenues primarily represent stall revenues, but it also includes income received from energy charges, parking revenue and commercial ramp wharfage.
- Pioneer dock revenues include: Coast Guard leases, fuel wharfage, water sales and docking fees.
- Fish dock revenues include: ice sales, cold storage, crane rental, seafood wharfage and fish tax.
- Deep water dock revenues primarily represent docking and water sales at the deep water dock.

Expenditure Highlights:

- General Fund Admin Fees have not been posted for the Port Fund, as we are waiting until the end of the fiscal year to align with new processes.
- Debt Service transfer represents the Lot 42 loan with the General Fund. The Port has budgeted to pay this loan off by the end of FY23.
- Harbor transfers to reserves have not been posted for the Harbor, as we are waiting until the end of the fiscal year to align with new processes.
- Load and Launch Ramp transfers to reserves have been made, as these revenues are expected to exceed expenditures. These revenues in excess are accounted for separately from the larger harbor reserves.

Preliminary estimates show the Port and Harbor Fund experiencing just shy of a $1.4 million operating surplus after the first quarter for FY22.

ORDINANCE REFERENCE SHEET
2021 ORDINANCE
ORDINANCE 21-63

An Ordinance of the City Council of Homer, Alaska Settling the Current and Future Distributions of Income and Debt in the Natural Gas Distribution Special Assessment Bond Sinking Fund.

Sponsor: Mayor

1. City Council Regular Meeting October 11, 2021 Introduction

2. City Council Regular Meeting October 25, 2021 Public Hearing and Second Reading (Second Reading postponed to November 8, 2021)

   Memorandum 21 187 from Finance Director as backup
   Memorandum 21 191 from City Manager as backup

3. City Council Special Meeting November 8, 2021 Second Reading
   (Second Reading postponed to December 13, 2021)

   Memorandum 21 200 from City Manager as backup

4. City Council Regular Meeting December 13, 2021 Second Reading
   (Second Reading postponed to January 10, 2022)

5. City Council Regular Meeting January 10, 2022 Second Reading

CITY OF HOMER
HOMER, ALASKA

Mayor/City Manager

ORDINANCE 21-63(S-2)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA SETTLING THE CURRENT AND FUTURE DISTRIBUTIONS OF INCOME AND DEBT IN THE NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT BOND SINKING FUND, **AND ACCEPTING AND APPROPRIATING FUTURE FREE MAIN ALLOWANCE REFUNDS.**

WHEREAS, Ordinance 13 02 created the City of Homer Natural Gas Distribution Special Assessment District; and

WHEREAS, Ordinance 13 03(S)(2) authorized the City to issue a Natural Gas Distribution Special Assessment Bond in the principle amount of not to exceed $12,700,000 to finance the design and construction of natural gas distribution improvements in the City; and

WHEREAS, The City and Enstar signed an agreement titled "Natural Gas Distribution System Extension Contribution in Aid of Construction Agreement for the City of Homer Natural Gas Distribution Special Assessment District" (2013 Enstar Agreement) in 2013; and

WHEREAS, The natural gas distribution system extension, owned by Enstar, was successfully constructed and put into operation; and

WHEREAS, The City has appropriated an additional $663,119 to natural gas related expenses from the General Fund ($301,097), Utility Fund ($95,023), and Harbor Fund ($266,999) since 2012; and

WHEREAS, The City has collected both annual assessment payments from property owners and a quarterly refund from Enstar known as free main allowance payments which is based on calculations contained within §602 of Enstar's Tariff; and

WHEREAS, Ordinance 15 17(S) permitted the City to prepay principal of the Natural Gas Distribution Special Assessment Bond; and

WHEREAS, Ordinance 16 43 provided for the creation of a Natural Gas Distribution Special Assessment Bond Sinking Fund; and

WHEREAS, Ordinance 21 13 appropriated an amount not to exceed $2,512,000 from the Natural Gas Distribution Special Assessment Bond Sinking Fund to retire the debt that was utilized for the construction of the natural gas distribution line; and

WHEREAS, The City's Finance Department used $2,459,945 to pay off the bond as directed, which included the entirety of the $1,971,808 in free main allowance which had been collected by the City since the initiation of the project; and

WHEREAS, On time assessment payments will continue until September 1, 2024 and Free Main Allowance payments will continue for 10 calendar years after construction; and

WHEREAS, Late assessment payments are likely to continue well beyond 2024; and

WHEREAS, There is value in planning for the end phase of the Natural Gas Distribution Special Assessment Bond Sinking Fund to ensure that surplus funds are put to appropriate uses; and

WHEREAS, The 2013 Enstar Agreement allows free main allowance to be put towards whatever the City "determines to be appropriate"; and

WHEREAS, The City expects to receive the Free Main Allowance refunds through 2025 and Free Main Allowance deposits that the City receives shall be appropriated at time of receipt; and

WHEREAS, The City Council has determined it is appropriate to direct excess funds to the General Fund where it can be used for purposes beneficial to the entire City.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Once any debt within the Natural Gas Distribution Special Assessment Bond Sinking Fund is retired, all payments into the Natural Gas Distribution Special Assessment Bond Sinking Fund are income to the City of Homer.

Section 2. The City Council hereby accepts and appropriates future Free Main Allowance refunds as follows:

Account	Description	Amount
175-0375	City of Homer Natural Gas Distribution Special Assessment Bond Sinking Fund	TBD

Section 3. Following debt retirement, the City Treasurer shall annually transfer, on the business day following the passage of the Resolution accepting the basic financial statements, the accumulated revenues in the Natural Gas Distribution Special Assessment Bond Sinking Fund to the General Fund Fund Balance.

Section 4. This 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 , 2021.

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
HOMER, ALASKA

Mayor/City Manager

ORDINANCE 21-63(S-3)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA ~~SETTLING THE CURRENT AND FUTURE DISTRIBUTIONS~~ **DIRECTING DISPOSITION** OF ~~INCOME AND DEBT~~ **AMOUNTS HELD** IN THE NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT BOND SINKING FUND, ~~AND ACCEPTING AND APPROPRIATING FUTURE FREE MAIN ALLOWANCE REFUNDS~~ **AND RELATED MATTERS**

WHEREAS, Ordinance 13 02 created the City of Homer Natural Gas Distribution Special Assessment District; and

WHEREAS, Ordinance 13 03(S)(2) authorized the City **of Homer (City)** to issue a Natural Gas Distribution Special Assessment Bond **(Bond)** in the principle amount of not to exceed $12,700,000 to finance the design and construction of natural gas distribution improvements ~~in~~ **within** the City **(Project)**; and

WHEREAS, The City and Enstar signed an agreement titled "Natural Gas Distribution System Extension Contribution in Aid of Construction Agreement for the City of Homer Natural Gas Distribution Special Assessment District" (2013 Enstar Agreement) in 2013; and

~~WHEREAS, The natural gas distribution system extension, owned by Enstar, was successfully constructed and put into operation; and~~

WHEREAS, The City has ~~appropriated an additional $663,119 to natural gas related expenses from~~ **issued** the **Bond in the principal amount of $12,359,388, proceeds of which were used to design and construct the Project** ~~General Fund ($301,097), Utility Fund ($95,023), and Harbor Fund ($266,999) since 2012~~; and

WHEREAS, Project-related costs were also financed with equity of the City in amount of $663,119 (General Fund ($301,097), Utility Fund ($95,023), and Harbor Fund ($266,999); and

WHEREAS, The City has collected both annual assessment payments from property owners and ~~a~~ quarterly refund**s** from Enstar ~~known~~ **(referred to as "**free main allowance payments**"** ~~which is~~ **and are** based on calculations contained within §602 of Enstar's Tariff**)**; and

WHEREAS, Ordinance 15 17(S) ~~permitted~~ **authorized** the ~~City to prepay principal~~ **prepayment** of the ~~Natural Gas Distribution Special Assessment~~ Bond; and

WHEREAS, Ordinance 16 43 ~~provided for the creation of a~~ **created the** Natural Gas Distribution Special Assessment Bond Sinking Fund **(Fund) for purposes of paying and securing payment of the Bond; assessments and free main allowance payment are deposited into the Fund**; and

WHEREAS, Ordinance 21 13 appropriated an amount not to exceed $2,512,000 from the ~~Natural Gas Distribution Special Assessment Bond Sinking~~ Fund to retire the~~ debt that was utilized for the construction of the natural gas distribution line~~ **Bond**; and

WHEREAS, The ~~City's Finance Department used~~ **cost to retire the Bond was** $2,459,945 ~~to pay off the bond as directed~~, **; amounts used to retire the Bond included those amounts held in the Fund (**which included ~~the entirety of the~~ $1,971,808 in free main allowance **payments** which ~~had been~~ **were** collected by the City since ~~the~~ initiation of the ~~p~~**P**roject**), and other authorized funds of the City**; and

WHEREAS, ~~On-time assessment payments~~ **Amounts** will continue **to be deposited into the Fund from (i) assessment payments (current payments** until September 1, 2024 and ~~Free Main Allowance payments will continue for~~ **late payments beyond September 1, 2024), and (ii) free main allowance payments ending** 10 calendar years ~~after~~ **following** construction **of the Project**; and

~~WHEREAS, Late assessment payments are likely to continue well beyond 2024; and~~

WHEREAS, There is value in planning for the ~~end phase of the Natural Gas Distribution Special Assessment Bond Sinking Fund to ensure that surplus funds are put to appropriate uses~~ **use of amounts held in the Fund**; and

WHEREAS, The 2013 Enstar Agreement allows free main allowance **payments** to be ~~put towards whatever~~ **used for purposes** the City "determines to be appropriate" **following retirement of the Bond**; and

~~WHEREAS, The City expects to receive the Free Main Allowance refunds through 2025 and Free Main Allowance deposits that the City receives shall be appropriated at time of receipt; and~~

WHEREAS, Free main allowance payments received by the City shall be appropriated into the Fund upon receipt; and

WHEREAS, The City Council ~~has determined~~ **hereby determines that** it is ~~appropriate to direct excess funds to the General Fund where it can be used for purposes beneficial to the entire City~~ **it is in the best interest of the City to establish a process for use of amounts held in the fund on an annual basis.**

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. ~~Once any debt within the Natural Gas Distribution~~ Special ~~Assessment Bond Sinking Fund is retired, all~~ **assessments and free main allowance** payments **shall be deposited** into the ~~Natural Gas Distribution~~ Special Assessment Bond Sinking Fund ~~are income~~ to **be used in a manner and for the purpose(s) determined by** the City ~~of Homer~~.

~~Section 2. The City Council hereby accepts and appropriates future Free Main Allowance refunds as follows:~~

~~Account~~	~~Description~~	~~Amount~~
~~175-0375~~	~~City of Homer Natural Gas Distribution Special Assessment Bond Sinking Fund~~	~~TBD~~

Section 2. The City Treasurer shall annually provide City Council with fund balance information for the Natural Gas Distribution Special Assessment Bond Sinking Fund. This annual presentation will occur at the City Council meeting following acceptance and delivery of the City's annual audited financial statements that include a positive balance in such Fund.

~~Section 3. Following debt retirement, the City Treasurer shall annually transfer, on the business day following the passage of the Resolution accepting the basic financial statements, the accumulated revenues in the Natural Gas Distribution Special Assessment Bond Sinking Fund to the General Fund – Fund Balance.~~

Section ~~4~~ **3**. This is a budget amendment ordinance only, is not permanent in nature, and shall ~~not be codified~~ **become effective upon adoption**.

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

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
www.cityofhomer-ak.gov

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 21-200

TO: Mayor Castner and Homer City Council

FROM: Rob Dumouchel, City Manager

DATE: November 2, 2021

SUBJECT: Update to Ordinance 21-63

At the October 25th Council meeting, the Council chose to postpone a decision on Ordinance 21-63 to our November meeting. During Committee of the Whole, there was a lot of discussion regarding the ordinance and the type of information that would be required for the Council to get to a point where they would be willing to adopt Ordinance 21-63. Inspired by that discussion, I have created a substitute ordinance which hopefully provides the information the Council was seeking in order to more confidently make a decision on the matter. The substituted memo ultimately does the same thing as the original draft, however, it takes a different pathway to explaining the concept. This memo contains some discussion of the substitute ordinance.

Natural Gas Line Bond and Special Assessment District Origins

Ordinance 13-02 created the Natural Gas Distribution Special Assessment District and Ordinance 13-03(S)(2) authorized the bond for up to $12,700,000. The City signed an agreement with Enstar in 2013 which defined our contribution in aid of construction. The natural gas distribution system extension was constructed thereafter. Enstar owns, operates, and maintains the main.

Free Main Allowance

Enstar provides a refund to the City called a free main allowance (FMA) when new customers connect to the gas line. FMA is explained in more detail in §602 Enstar's tariff (attached to this document). It is also discussed in section 11 of the agreement between the City and Enstar which was signed in 2013 (also attached). The City will receive FMA payments for ten calendar years following construction.

Year	FMA Payments	Year	FMA Payments
2015	$1,302,822	2019	$114,996
2016	$169,998	2020	$88,006
2017	$130,242	2021 (to date)	$38,961
2018	$144,120	**TOTAL**	**$1,989,145**

There is not much guidance in the tariff or the City's contract with Enstar regarding use of FMA. Our agreement has the following language:

> *The CITY may distribute the refund entitlements, credit the refund against assessments due the CITY under the HSAD, make special assessment bond payments (related to financing the HSAD), deposit the refund in a fund used as security for said special assessment bonds,* ***or may make such use of the refund as it determines to be appropriate*** (emphasis added).

To date, the only thing on which the City has spent FMA funds is the payoff of the gas line bond earlier in 2021. $1,971,808 of the $2,459,945 payoff came from FMA.

Additional Natural Gas-Related Appropriations

Throughout the life of the gas line, the City has put approximately $663,119 from non-gas line-related funds into supporting gas line-related purposes. These investments include paying assessments, retrofitting facilities, etc. The table below identifies some of the known appropriations.

Ordinance	General Fund	Utility Fund	Harbor Fund
Ord. 12-46	$50,165		
Ord 13-19(A)(S)	$148,319	$76,461	
Ord 14-07	$34,089		
Ord 14-22(A)		$18,562	$64,708
Ord 15-21	$68,524		$202,291
TOTAL	**$301,097**	**$95,023**	**$266,999**

Staff Recommendation: Adopt Ordinance 21-63(S)

Enclosures:

1. Excerpt of Enstar Tariff (§602)
2. 2013 Contract with Enstar
3. Gas Fund 175 Spreadsheet from Finance Department

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§602 Extension of Mains

§602a General

The Utility will construct the facilities necessary to extend a Gas Distribution Main (a "Main Extension") to any location within its certificated area if the Main Extension is economically feasible and does not cause an unreasonable added cost burden to be borne by existing Customers. With the exception of Feeder Mains described in Section 602f(4) below, each Main Extension must be considered individually for economic feasibility. A Main Extension may involve one or more Participants.

§602b Costs to Construct

The Utility will calculate the costs to construct each Main Extension. These costs are based on the facilities necessary to provide service and include Mains, underground service pipes, meters, regulators, etc., as well as the engineering and supervision necessary to design and construct the facilities to meet all legal and safety requirements (including applicable overhead costs).

§602b(1) Standard Construction Costs

In calculating the costs to construct a Main Extension, the Utility will use the Standard Construction Costs (Sheet 236) applicable for the year of construction.

On or before May 1 of each year, the Utility will, by tariff advice letter, file the Standard Construction Costs applicable for the next calendar year. The Standard Construction Costs filed will be calculated by using the actual average cost per foot of the construction of two-inch Main Extensions for the previous five years subject to a 10% increase limitation over the previous approved cost per foot. For example, if the approved Standard Construction Cost for a given year (Year 1) is $20.00 per foot, and the calculated five year average for the next year (Year 2) is $23.00, the 10% increase limitation would apply and the new revised Standard Construction Cost for the next year (Year 2) would be $22.00. Further, when computing the Standard Construction Cost for Year 3, the increase limitation will be based upon the revised Standard Construction Cost for Year 2 of $22.00. C

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§602b(2) Charges in Excess of Standard Costs

The Utility may include Charges in Excess of Standard Costs in its calculation of the cost to construct a Main Extension for items which are particularly unique to that Main Extension and which could cause an undue additional cost burden to be borne by existing Customers if only Standard Construction Costs were used. Examples of such unique charges would include, but are not limited to, costs for: the construction of river or stream crossings; construction in swamp, hard rock, or frozen ground areas; construction and permitting in ecologically fragile areas; road bores, open cut crossings, asphalt removal and replacement; or, construction in the right-of-way of a limited access highway. Charges for these items will be based on the Utility's current engineering cost estimates.

§602b(3) Mains in Excess of Two Inches

If the size of the Main Extension that is required for service is in excess of two inches, the cost to construct will be based on the Utility's estimate of actual construction costs. If the actual cost of construction is less than the Utility's estimate, then the difference will be refunded to the Participant.

§602b(4) Cost of System Upgrade

Charges in excess of Standard Construction Costs may include the cost of a system upgrade if it is incidentally the result of a potential Customer's (or Participant's) addition to the system and the potential Customer has a load requirement that is not comparable to those in the area being served by the facilities requiring upgrade.

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§602b(5) Calculation

For Main Extensions utilizing Standard Construction Costs, the costs to construct a Main Extension will be the total of the footage for a two-inch Main necessary to provide service multiplied by the applicable Standard Construction Cost plus any Charges in Excess of Standard Costs. For Main Extensions requiring pipe in excess of two inches, the costs to construct the Main Extension will be calculated in accordance with Section 602b(3) above.

§602c **Free Main Allowance**

In determining if a Main Extension is economically feasible, the Utility will calculate a Free Main Allowance. This allowance is an estimate of the amount of Main expenditure that can be incurred for an "average" Customer of each class without significant adverse effect to the existing Customer base.

§602c(1) Standard Load Allowances

In calculating the Free Main Allowance for a Main Extension, the Utility will use the Standard Load Allowances (Sheet 236) applicable for the year of construction. On or before May 1 of each year, the Utility will, by tariff advice letter, file Standard Load Allowances and supporting documentation applicable for the next calendar year. The Standard Load Allowances will be the actual average embedded plant cost per Customer for each Customer class as of the end of the prior calendar year less that prior calendar year's cost per Customer (by class) for meter assemblies and Service Lines. These per Customer costs will be calculated using the methodology accepted by the Commission in the Utility's most recent cost of service study. For computing average loads the Utility will use the following:

		2021	2022		C
§602c(1)(a)	Average G1 load	143	143	Mcf per year	
§602c(1)(b)	Average G2 load	371	373	Mcf per year	I
§602c(1)(c)	Average G3 load	1,169	1,173	Mcf per year	I
§602c(1)(d)	Average G4 load	7,370	7,408	Mcf per year	I

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§602c(2) Calculation
The Utility will compute a Free Main Allowance for each Participant that is anticipated to connect directly to and begin taking service (thereby becoming a consuming Customer) from the proposed Main Extension at the time of construction. The allowance is the product of the Participant's estimated permanent annual load multiplied by the applicable Standard Load Allowance in effect.

§602d **Evaluation of Economic Feasibility**

§602d(1) If the costs to construct a Main Extension as computed in Section 602b above do not exceed the sum of the Free Main Allowance for all Participants anticipated to become consuming Customers on the Main Extension at the time of construction, the Main Extension is considered economically feasible.

§602d(2) If the costs to construct a Main Extension as computed in Section 602b above exceed the total of the Free Main Allowance for all Participants anticipated to become consuming Customers on the Main Extension at the time of construction, the Utility may require an Advance of the cost of the Main Extension above the total of the Free Main Allowances from the Participants.

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§602e **Main Extension Advances**

Main Extension Advances may be in the form of a Main Extension Deposit or a Main Extension Contribution in Aid of Construction. The Utility may require a Contribution in Aid of Construction when the estimated total load during the life of the Main Extension is insufficient to avoid an undue cost burden on existing Customers.

§602e(1) Calculation of Initial Advance

The initial Main Extension Advance is calculated by taking the excess of the costs to construct over the total of the Free Main Allowance for all Participants anticipated to become consuming Customers on the Main Extension at the time of construction. This is the total Advance required for the entire Main Extension.

Normally, the total Advance required for the entire Main Extension is divided by the total number of Participants. However, the Participants can agree to unequal individual Advances, as long as the sum of all of the Advances equals the total Advance required for the entire Main Extension. The individual Advances for a Feeder Main are calculated as provided in Section 602f(4) below.

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§602e(2) Customer Additions

§602e(2)(a) Any previously paid Main Extension Advances for a completed Main Extension, except a Feeder Main, must be recomputed when a new consuming Customer who was not a Participant in the Main Extension is added in the calendar year of construction and for two full calendar years following. The new consuming Customer will become a Participant and will be required to pay, as a Main Extension Advance, a prorated share of the original Main Extension Advance. The Utility will calculate the new consuming Customer's Free Main Allowance using the applicable Standard Load Allowances in effect at the time the new consuming Customer joins the system.

§602e(2)(b) Any new consuming Customers added to the Main Extension after two full calendar years following the calendar year of construction will not be required to pay a prorated share of the original Main Extension Advance.

§602e(3) Refunds

§602e(3)(a) Refunds will be calculated for those Participants who made Main Extension Advances except for Feeder Mains, prorata, equal in total to the amount of Advances received from new Participants plus the Free Main Allowance from new consuming Customers directly served by the Main Extension during the calendar year of its construction and for two full calendar years following. These refunds will be calculated and paid by the Utility annually by April 1 based upon the prior year's Participant and Customer additions to the Main Extension.

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§602e(3)(b) After the two full calendar years following the calendar year of construction, refunds will be calculated for those Participants who have Main Extension Advances on the Main Extension except for Feeder Mains, prorata, equal in total to the amount of the Free Main Allowance for each new consuming Customer directly served by the Main Extension until all of the Advance has been refunded or until the end of ten full calendar years following the calendar year of construction, which ever occurs earlier. These refunds will be calculated and paid by the Utility quarterly within one month following the end of the calendar quarter based upon the previous calendar quarter's Customer additions to the Main Extension.

§602e(3)(c) After the end of ten full calendar years following the calendar year of construction:

§602e(3)(c)(i) For Main Extension Deposits, the entire remaining Advance shall be refunded by the first of April of the eleventh year.

§602e(3)(c)(ii) For Main Extension Contributions in Aid of Construction, all remaining portions of the Advance become non-refundable.

§602e(3)(d) In no case may the amount of the refund or the amount totally refunded exceed the amount of the original Advance.

§602e(3)(e) After April First of each year, any Participant with an outstanding Main Extension Advance may request a report of Customers added to the Main Extension in the preceding calendar year.

§602e(4) Interest
The Utility shall not pay interest on Main Extension Advances.

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§602f **Types of Main Extension Advances**

Main Extension Advances generally fall into one of the following general categories. Each type can be either a Deposit or a Contribution in Aid of Construction.

§602f(1) Standard Main Extension Advance

A standard Main Extension Advance generally involves a group of property owners who have joined together to request gas service to their properties without the help of a Governmental agency. The costs to construct are calculated in accordance with Section 602b above and the total Advance is calculated as provided for in Sections 602c through 602e above.

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§602f(2) Developing Subdivisions

Main Extensions into an area that is being subdivided or developed (a "Developing Subdivision") for either residential or commercial construction, which contemplate the installation of an integrated system to serve an entire subdivision or a portion of a subdivision being developed in stages, will be constructed at the sole discretion of the Utility. The agreements for this type of Main Extensions are generally entered into with a developer.

§602f(2)(a) The Utility will calculate the costs to construct in accordance with Section 602b above.

§602f(2)(b) The Utility will calculate any necessary Advances in accordance with Sections 602c through 602e above except that:

§602f(2)(b)(i) The total Advance calculated in accordance with Section 602e(1) (i.e., for the entire project) shall be paid by the developer.

§602f(2)(b)(ii) The refunds provided for in Section 602e(3) shall be calculated for and paid to the developer. If an additional Customer generates a refund of Free Main Allowance only, the refund will be paid on a quarterly basis similar to that outlined in Section 602e(3)(b).

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§602f(3) Special Assessment or Local Improvement Districts

Under AS 29.46, local governmental bodies may form a special assessment district, also known a local improvement district (LID). The Utility may enter into an agreement with a sponsoring government body (SGB) for the purpose of extending natural gas service into a LID.

§602f(3)(a) The Utility will calculate the costs to construct in accordance with Section 602b above.

§602f(3)(b) The Utility will calculate any necessary Advances in accordance with Sections 602c through 602e above, except that:

§602f(3)(b)(i) The total Advance calculated in accordance with Section 602e(1) (i.e., for the entire project) shall be paid by the SGB.

§602f(3)(b)(ii) The refunds provided for in Section 602e(3) shall be calculated for and paid to the SGB. If a new consuming Customer generates a refund of Free Main Allowance only, the refund will be paid on a quarterly basis similar to that outlined in Section 602e(3)(b).

§602f(3)(c) The SGB shall pay the Advance within thirty days of receipt of notification of completion and an invoice for the Advance from the Utility. Any amount of the Advance not paid to the Utility and outstanding after thirty days will be subject to interest.

§602f(3)(d) Annually, the SGB will provide the Utility with a sworn verification that refunds made to SGB for the previous year under Section 602e(3) have been applied on behalf of the individual Participants in accordance with the SGB's ordinances and resolutions that authorized the LID and this Section 602f(3).

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§602f(4) Feeder Mains

A Feeder Main is a Gas Distribution Main that extends through a sparsely inhabited area and links a populated area downstream to the Utility's system supply. It is not economically feasible on its own, and in the view of the Utility, would result in an inequitable apportionment of costs if the Advance necessary were borne exclusively by the Participants directly connecting to the Feeder Main.

To prevent inequity, the Utility will allocate the Feeder Main Advance to the Participants directly connecting to the Feeder Main and to Participants on Main Extensions constructed downstream of the Feeder Main.

§602f(4)(a) The Utility will calculate the costs to construct in accordance with Section 602b above.

§602f(4)(b) The provisions of Section 602e above will generally apply to Feeder Main Extension Advances except as provided below:

§602f(4)(b)(i) The Utility will estimate the number of Participants it expects to connect directly to the Feeder Main, and the number of Participants it expects on Main Extensions constructed downstream of the Feeder Main in the year of construction and for four full calendar years thereafter.

§602f(4)(b)(ii) The total Advance for the Feeder Main calculated in accordance with Section 602e(1) will be divided by the total number of estimated Participants determined in Sub-Section 602f(4)(b)(i) above to determine the "Feeder Main Component".

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§602f(4)(b)(iii) The Feeder Main Component will be collected from each Participant who directly connects to the Feeder Main or participates in any Main Extension constructed downstream of the Feeder Main who relies upon the Feeder Main for gas service until the total Advance is collected.

§602f(4)(b)(iv) The Feeder Main Component will be a non-refundable Contribution in Aid of Construction. There will be no refunds of the Feeder Main Component.

§602f(4)(c) Participants on Main Extensions constructed downstream of the Feeder Main will not be required to have a separate Main Extension Agreement for the Feeder Main Component. The Feeder Main Component will be separately identified and explained in the Agreement for the downstream Main Extension.

§602f(4)(d) A Developing Subdivision or a Local Improvement District Main Extension constructed downstream of the Feeder Main must add to its cost a Feeder Main Component for each of the lots or Participants (as appropriate) involved in such Main Extension.

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§602g **Participant Construction**

The Utility may, at its discretion, allow Participants, or their appointed agents, to perform a portion of the trenching and backfilling of a Main Extension. The Utility will establish in writing, standards of performance, safety, inspection, insurance and bonding which must be complied with prior to commencement and acceptance of any Participant trenching and backfilling.

The Utility will credit the Participant's Main Extension Advance or Contribution in Aid of Construction for the amount of work performed by the Participant and accepted by the Utility. In no case will this credit be in excess of the Utility's estimated cost to trench and backfill the extension less the cost of inspection nor will the credit exceed the amount of the total Main Extension Deposit or Contribution in Aid of Construction for that given extension.

Failure of a Participant, or the Participant's appointed agent, to comply with the standards as set forth by the Utility may result in additional charges by the Utility against the Main Extension cost to construct and the Participant's Main Extension Deposit or Contribution in Aid of Construction. The Utility is not obligated to accept or provide gas service through any facilities that do not meet its construction standards.

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§602h **Ownership**
At all times the Utility shall own, operate and maintain all gas distribution facilities up to the Point of Delivery regardless of whether the facilities have been constructed using Participant supplied trenching and backfilling, Main Extension Deposits, or Contributions in Aid of Construction, or were part of a LID.

§602i **Initiation of Line Construction**
No line construction or clearing or right-of-way shall be initiated under this section until all required Advances, contributions, Deposits, easements, permits and related documents have been received by the Utility, properly signed and executed, except as provided in Section 602f(3)(c).

§602j **Easements and Rights-of-Way**
The Participant shall grant the Utility specific easements and rights-of-way necessary for a proper gas Service Connection to that Participant's location. Failure on the part of the Participant to grant such easements and rights-of-way constitutes grounds for the Utility to refuse to construct the Main Extension.

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§602k **Main Extension Agreement**

Each Main Extension requiring payment shall be in writing and shall set forth the amount of the Deposit or Contribution required, the terms and conditions of payment, the terms under which refunds will be made and other relevant information. The agreement will also provide that a Participant who has made a Deposit may request an annual report of the consuming Customers added to the Main Extension. The agreement shall be signed by the Utility and by the Participant (or the Participant's authorized representative), or in the case of a LID Main Extension, the SGB's authorized representative.

§602l **Waivers**

In those unusual circumstances where the Utility believes that application of its Gas Main Extension policy outlined above will result in an inequitable apportionment of costs to one or more Participants (or its existing Customers), the Utility may modify the application of its tariff provision as necessary to remove the inequity by entering into an agreement with the Participant(s) and reporting the agreement to the Commission.

NATURAL GAS DISTRIBUTION SYSTEM EXTENSION CONTRIBUTION IN AID OF CONSTRUCTION AGREEMENT FOR THE CITY OF HOMER NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT DISTRICT

THIS AGREEMENT made this 20th day of March, 2013, by and between ENSTAR Natural Gas Company, a division of SEMCO Energy, Inc., whose address is 3000 Spenard Road, P. O. Box 190288, Anchorage, Alaska 99519-0288 (hereafter "ENSTAR"), and the City of Homer, whose address is 491 East Pioneer Avenue, Homer, Alaska 99603 (hereafter "CITY").

WHEREAS, ENSTAR is a gas distribution public utility which provides natural gas service subject to tariff on file with the Regulatory Commission of Alaska and is authorized to provide said service within the CITY, and

WHEREAS, the CITY is in the process of forming a natural gas distribution special assessment district (hereafter "HSAD") consisting of the lots and tracts within the CITY area as shown on Attachment "A", for the purpose of installing a natural gas distribution system extension (hereafter "System"), and

WHEREAS, the System, which will be an extension of ENSTAR's existing system, will be constructed and ultimately the responsibility of, and be owned and operated by ENSTAR, its successors or assigns, and,

WHEREAS, said System must be installed to ENSTAR's specifications, by ENSTAR or by a contractor approved by ENSTAR in order for ENSTAR to connect to the System and to assume full responsibility for the System, and

WHEREAS, Section 602 of ENSTAR's tariff governs System extensions.

NOW THEREFORE, in consideration of the premises ENSTAR and the CITY agree as follows:

1. For a contribution in aid of construction (CIAC) in an amount not to exceed $12,160,632 calculated in accordance with Section 602 of ENSTAR's tariff and subject to the provisions below, ENSTAR will construct an extension of its natural gas distribution system of approximately 392,000 feet of 2" High Density Polyethylene Pipe to allow service to all lots and tracts within the HSAD as depicted on Attachment "A" to this Agreement. ENSTAR may elect (but shall not be obligated) to construct the System to accommodate future customer load, but all costs to accommodate future load in excess of the CIAC stated above will be borne solely by ENSTAR. This Agreement does not provide for the connection of a service line from the System to the property owner or customer's facilities. The cost, terms and conditions for the connection of a service line is governed by a separate Service Line Agreement between ENSTAR and the individual property owner or customer which must be executed before natural gas can be provided to said facilities. The not to exceed CIAC referenced above is an estimate calculated in accordance with Section 602 of ENSTAR's Tariff. This is a total project cost estimate used to calculate property assessments in the HSAD and for the purposes of seeking project financing. The parties agree to the following provisions with respect to the CIAC.

(a) Construction of the System will occur in two Phases. Phase I is planned for the 2013 construction season and Phase II is planned for the 2014 construction season. The not to

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exceed CIAC applies to the total System and to both Phases and construction seasons. ENSTAR agrees that if construction is delayed and cannot be completed until 2015, the not to exceed CIAC and the final CIAC based upon the actual costs described below apply and remain in effect.

(b) ENSTAR agrees that if the total project cost exceeds the not to exceed CIAC, it will be responsible for the excess, and will not ask the CITY for an additional contribution.

(c) ENSTAR agrees that the actual CIAC may be less than the not to exceed CIAC. In accordance with the provisions of Section 7 below, ENSTAR agrees to invoice the CITY for its actual costs of construction on a time and materials basis. For the purposes of this contract, actual cost means:

(1) Labor costs for work performed by ENSTAR employees plus allowable administrative and construction overheads at the rates established by the State of Alaska Annual Systems Audit for 2013 reimbursable construction projects.

(2) The actual contract cost for installation of pipe by a qualified third-party contractor. ENSTAR agrees that there will be no mark-ups, overhead or profit charged on third-party contracts.

(3) The actual contract cost of all other third-party contracts, including, but not limited to, surveyors. ENSTAR agrees that there will be no mark-ups, overhead or profit charged on third-party contracts.

(4) The actual cost of all project materials, plus a markup on material handled by ENSTAR employees to compensate ENSTAR for its administrative and construction overheads at the rates established by the State of Alaska Annual Systems Audit for 2013 reimbursable construction projects. ENSTAR agrees that inventory overheads will not apply if materials are delivered directly to the construction site.

(d) The CITY reserves the right to examine or audit all financial records directly related to this project and the invoices submitted to the CITY. This includes, but is not limited to, contracts, invoices, timesheets, and other relevant documents.

2. ENSTAR shall perform, or have performed, all studies, analyses, engineering, contracting, acquisition, construction, supervision, testing, acceptance and other acts necessary to construct the System.

3. ENSTAR shall install the System within existing easements and right-of-ways where natural gas lines may be installed or it will obtain easements as needed where existing easements and right-of-ways are not adequate. ENSTAR's inability to secure the necessary easements and/or right-of-ways shall be considered reasonable cause under paragraph 15 of this Agreement.

4. ENSTAR shall own the System; however, if at any time before the end of the useful life of the System, ENSTAR or its successors or assigns formally abandons natural gas service to any lot or tract shown on Attachment "A," excluding abandonment of service lines or related plant then, ENSTAR shall, upon written demand by the CITY, convey to the CITY all of ENSTAR's rights, title and interest in that part of the System abandoned, including any unrefunded construction deposits.

5. The CITY makes no warranties of title, quality or fitness for a particular use and specifically denies any warranty or responsibility of any kind with respect to the engineering, construction, location, condition or completeness of the System.

6. ENSTAR shall assume full responsibility for all aspects of the System, including but not limited to the System's maintenance, upkeep and safety. ENSTAR agrees to maintain and operate the System at ENSTAR's sole expense for the useful life of the System or until gas service is discontinued in accordance with applicable law. Additionally, excluding incidents which arise in whole or in part from the negligent acts or omissions of the CITY or its personnel that cause bodily injury or death or physical damage to tangible property, ENSTAR agrees to indemnify, save, hold harmless and defend the CITY for and from any and all claims, charges and suits arising in whole or in part out of the engineering, construction, location, operation, use or any condition of the System, or arising from ENSTAR's failure to obtain necessary permits, authorizations, or failure to comply with any federal, state or local law applicable to the Agreement, or arising out of any other action or failure to act by ENSTAR related to the System.

7. The CITY shall pay ENSTAR, in total, no more than the not to exceed CIAC set out in paragraph 1 above. The actual CIAC may be less and will be based upon actual costs incurred as described in Section 1 above. The parties have a mutual interest to ensure that the project proceeds expeditiously and efficiently. Therefore, the City agrees to advance funds in three lump sum installments in calendar year 2013. On or about March 25, 2013, the City will provide a lump sum in the amount of $2,000,000 to facilitate pre-construction activities including, but not limited to, permitting, surveying, engineering, design and procurement. This date is subject to final approval of the financing documents by a lending institution, the City Council, and the availability of the bond proceeds. Notwithstanding a written authorization to proceed from the CITY, until ENSTAR has received this initial advance of $2,000,000, ENSTAR shall not be obligated to commence pre-construction activities.

Provided that ENSTAR first has notified the City that ENSTAR has signed a construction contract with a third-party contractor, the City will forward a second lump sum in the amount of $3,000,000 no later than June 3, 2013. Notwithstanding a written authorization to proceed from the City, until ENSTAR has received this second advance payment of $3,000,000, ENSTAR shall not be obligated to commence installation of natural gas distribution mains.

Finally, the City shall forward a third lump sum payment in the amount of $2,000,000 no later than August 5, 2013. If the third advance is not made by August 5, 2013, ENSTAR may cease all construction activities until such payment is actually received by ENSTAR.

The foregoing advance payments will be made in 2013 for a total of $7,000,000. If the project is terminated for any reason, ENSTAR will refund any unused balance within thirty (30) days of contract termination.

Beginning in 2014, after all funds advanced in 2013 are exhausted, ENSTAR shall invoice the CITY each month during construction of the System for actual costs for ENSTAR labor, project

materials, and contractor work incurred during the preceding month. Save and except for portions of an invoice that are disputed in good faith, payments are to be made within thirty (30) days of receipt by the CITY of an ENSTAR invoice until the project is deemed complete, or the CIAC amount in paragraph 1 has been paid in full. Any amount outstanding after thirty (30) days will accrue interest at the rate of 10.5% percent per annum. In the event that all or a portion of any invoice (except for any portion of the invoice that is disputed in good faith) is not paid within forty-five (45) days from receipt of billing, ENSTAR may suspend all construction activities until the past due balance has been paid in full.

8. For the purposes of conforming with the section of ENSTAR's tariff governing System extensions (Section 602), the HSAD will be considered a developing subdivision. The CITY will be analogous to a developer for the purposes of payment and refund of the CIAC outlined in paragraph 1 above.

9. The HSAD is designed and engineered to accommodate a single service line and meter to each lot and tract shown in Attachment "A." In the event a tract or parcel is subdivided into multiple lots, or a tract or parcel is developed in a manner requiring multiple meters or service lines, ENSTAR, in its sole discretion, may require payment for a separate main extension and/or reinforcement costs.

10. ENSTAR, in its sole discretion, may elect to treat property outside of the HSAD as shown in Attachment "A" as property not eligible for connection to the HSAD without payment for a separate main extension and/or reinforcement costs. Alternatively, ENSTAR may elect to connect such property to the System installed under the terms of this Agreement. In that event, property outside of the HSAD shall be treated as property that has not contributed to the cost of the System. Accordingly, if the property is connected during the calendar year of construction, or within two (2) full years following the year of construction, the property owner or customer will be required to pay, as a main CIAC, a prorated share of the original CIAC prior to connection to the System, as outlined in Section 602e(2)(a) of ENSTAR's tariff. Any deposits collected from outside the HSAD plus the Free Main Allowance (FMA) attributable to the new customer will be refunded pro rata to the CITY and any new customer who has paid a deposit by February 1 for the previous year's new customer additions.

11. Refunds:

(a) The Main Extension CIAC collected from a new Participant (as described in paragraph 10 above) plus the FMA attributable to the new Participant will be calculated and paid by ENSTAR annually on a pro rata basis to the CITY and any new Participant having paid a Main Extension CIAC. These will be paid by April 1 and be based upon the prior year's Participant additions to the Main Extension.

(b) Refunds not involving the collection of a CIAC will be calculated for the CITY and those Participants who have Main Extension Advances on the Main Extension, except for Feeder Mains, prorata, equal in total to the amount of the Free Main Allowance for each new consuming Customer directly served by the Main Extension (not already included in a refund made under paragraph 11(a) above) until all of the CIAC portion of the Advance has been refunded or

until the end of ten (10) full calendar years following the calendar year of construction, whichever occurs earlier. These refunds will be calculated and paid by ENSTAR quarterly within one month following the end of the calendar quarter and will be based upon the previous calendar quarter's Customer additions to the Main Extension.

(c) After the end of ten (10) full calendar years following the calendar year of construction the entire remaining amount of the CIAC shall become non-refundable and the property of ENSTAR.

(d) ENSTAR may offset against any portion, or all, of any Main Extension CIAC, or any refund of a Main Extension CIAC, for any or all outstanding monies due ENSTAR by the CITY.

(e) This Main Extension CIAC shall bear no interest and in no case may the amount of the refund or the amount totally refunded exceed the amount of the original CIAC.

(f) After April 1st of each year, the CITY may request a report of Customers added, in the preceding calendar year, to an outstanding Main Extension CIAC.

(g) The CITY may distribute the refund entitlements, credit the refund against assessments due the CITY under the HSAD, make special assessment bond payments (related to financing the HSAD), deposit the refund in a fund used as security for said special assessment bonds, or may make such use of the refund as it determines to be appropriate.

12. The CITY shall indemnify, hold harmless, save and defend ENSTAR from any and all claims, charges and suits arising out of the formation of the HSAD, the collection of the HSAD assessments by the CITY and claim for a refund by a property owner if such claim arises from a property within the HSAD/Special Assessment District and asserts misuse or misappropriation of refunds paid to the CITY under the provisions of this Agreement.

13. Subject to the provisions of Section 7 above relating to advance payments, this Agreement becomes effective on the date it is fully executed, provided ENSTAR shall not proceed with the construction of the System until written authorization to proceed has been received from the CITY, and provided further, if the CITY is unable to secure financing for the project at what the CITY Council determines are reasonable terms and conditions, or if the CITY Council does not form the HSAD, the CITY may cancel this Agreement. If an HSAD is canceled by the CITY, the CITY agrees to reimburse, upon demand by ENSTAR, all expenses and costs related to construction of the System, incurred after the receipt of written authorization to proceed.

14. Subject to the provisions of Section 7 above relating to advance payments, upon receipt of written authorization to proceed and certification of funding availability satisfactory to ENSTAR, ENSTAR shall proceed expeditiously with surveys, acquisition of permits and easements, and other actions necessary to begin the project. However, should adverse weather conditions render completion of the project either too costly or impractical in ENSTAR's judgment, ENSTAR may delay completion of the project until the following construction season, unless prior to construction start-up, the CITY cancels this Agreement pursuant to paragraph 15 below. If project completion is delayed under the provisions of this paragraph, ENSTAR agrees that the not to exceed CIAC remains in effect.

15. This Agreement is entered into based upon an estimate of actual construction costs. If for any reasonable cause ENSTAR is unable to begin constructing the System during the 2013 construction season, either party may cancel this Agreement or may negotiate a new price consistent with the same methodology as described in this agreement as determined for the following year. In this paragraph, "reasonable cause" means a delay that is caused by a "Force Majeure Event" as defined in paragraph 26 below, or any other event or condition that another provision of this Agreement identifies as reasonable cause for the purpose of this paragraph.

16. ENSTAR shall be responsible for obtaining all permits, easements, authorizations, labor, materials, contracts and other things and actions necessary to construct the System. ENSTAR's inability to secure the necessary permits, easements, authorizations, labor, materials or contracts shall be considered reasonable cause under paragraph 15 of the Agreement.

17. The CITY will be allowed to participate in ENSTAR's typical processes associated with subcontracting the services to third-party contractors. Selection of any contractor, however, will be the sole responsibility of ENSTAR. In the selection process, preference will be given to a qualified bidder with the lowest bid. ENSTAR agrees to publish public notice in a newspaper of general circulation in the Homer area when soliciting bids from third-party contractors. In no event, however, shall this Section 17 be interpreted to require ENSTAR to deviate from its normal procedure for accepting and awarding contracts.

18. Pursuant to Section 602f(3)(d) of ENSTAR's tariff, the CITY will annually provide ENSTAR with a sworn verification that refunds to the CITY for the previous year made pursuant to ENSTAR tariff Section 602e(3) have been applied on behalf of individual Participants in accordance with the CITY's ordinances and resolutions that authorized the HSAD.

19. This Agreement is binding on the successors, assigns and legal representatives of the parties.

20. Notice under this Agreement may be mailed or emailed to the contact person listed below.

City of Homer

Contact Person: Walt Wrede, City Manager
491 E. Pioneer Avenue
Homer, Alaska 99603
Office Phone: (907) 235-8182 x2222
Cell Phone: (907) 391-1201
Email: wwrede@ci.homer.ak.us

ENSTAR Natural Gas Company,
a division of SEMCO Energy, Inc.
Contact Person: Vin Robinson, P.E.
P. O. Box 190288
Anchorage, Alaska 99519-0288
Office Phone: (907) 334-7712
Cell Phone: (907) 230-4464
Email: vin.robinson@enstarnaturalgas.com

21. This is the entire Agreement between the parties about the subject matter of this transaction and all prior agreements, understandings and representations, whether oral or written,

about this subject matter are merged into and superseded by this written Agreement. It may not be modified except in writing signed by both parties.

22. No failure or delay by any party in exercising any right under this Agreement shall operate as a waiver of that right, nor shall any partial exercise of a right preclude any further exercise of that or any other right. The rights shall be cumulative and not exclude any rights or remedies provided by law.

23. The parties to this Agreement make no representation (except as expressly stated herein) or warranty of any kind or nature, directly or indirectly, express or implied, as to any matter whatsoever, including merchantability or fitness for a particular purpose.

24. This Agreement shall be construed under the laws of Alaska. Any dispute hereunder will be resolved by the Alaska Superior Court at Anchorage. However, this clause shall not be interpreted to affect the primary jurisdiction of the Regulatory Commission of Alaska.

25. Neither ENSTAR nor the CITY shall be liable to the other for exemplary, punitive, incidental or consequential damages (including without limitation lost profits or revenues) resulting from or arising out of this Agreement, whether the claim is based in contract, tort, strict liability or any other legal theory or principle.

26. No delay or failure of performance by ENSTAR or the CITY, or the agents, directors, officers, employees and contractors of either, shall constitute a default hereunder or give rise to any claim for damages if and to the extent that such delay or failure is caused by Force Majeure affecting that party's ability to perform. "*Force Majeure Event*" means any event that directly or indirectly renders a Party unable, wholly or in part, to perform or comply with any obligation, covenant or condition in this Agreement if the event, or the adverse effects of the event, is outside of the control of, and could not have been prevented by, the affected Party with reasonable foresight, at reasonable cost, and by the exercise of reasonable diligence in good faith, and is not attributable to the negligence or willful misconduct of the affected Party. Force Majeure Events include without limitation the following events (to the extent they otherwise satisfy the definition):

(a) act of God, fire, lightning, landslide, earthquake, storm, hurricane, hurricane warning, flood, high water, washout, explosion or well blowout;

(b) strike, lockout or other industrial disturbance, act of the public enemy, war, military operation, blockade, insurrection, riot, epidemic, arrest or restraint by government of people, terrorist act, civil disturbance or national emergency;

(c) the inability of the affected Party to acquire, or the delay on the part of the affected Party in acquiring materials, supplies, machinery, equipment, servitudes, right-of-way grants, pipeline shipping capacity, easements, permits or licenses, approvals or authorizations by regulatory bodies or oil and gas lessors needed to enable the Party to perform;

(d) breakage of or accident to machinery, equipment, facilities, or lines of pipe, and the repair, maintenance, improvement, replacement, test, or alteration to the machinery, equipment, facilities, or lines of pipe, and the freezing of a well or line of pipe, well blowout, or the partial or entire failure of a Gas well; or

(e) act, order, or requisition of any governmental agency or acting governmental authority, or any governmental law, proration, regulation, or priority.

This Force Majeure provision shall not apply to payment when due of money that is owed by one party or to the other under the terms of this Agreement.

27. ENSTAR and the CITY are independent entities and are not the agent, partner or employee of the other.

28. Nothing in this Agreement is intended to benefit any third party not a signatory hereto.

29. The parties recognize that this Agreement is the product of the joint efforts of the parties and agree that it shall not be construed against one party or the other as a result of the preparation, submittal or other event of negotiation, drafting or execution hereof.

30. In the event of any action, or any judicial proceedings, or if the parties agree to arbitration proceedings to resolve any dispute under this Agreement, or to enforce any term of this Agreement, or to protect or preserve any rights under this Agreement, the prevailing party shall be entitled to an award of its actual reasonable costs and actual reasonable attorney fees incurred.

31. Each person signing this Agreement warrants that he or she has authority to sign the Agreement.

32. Neither party shall assign this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, and subject to the provisions of Section 17 above, the CITY agrees that ENSTAR may assign portions of the Work to qualified subcontractors without the consent of the CITY.

33. Additional Terms.

(a) The CITY represents and warrants that neither federal Davis Bacon wages nor Alaska 'Little Davis Bacon' wages' (AS 36.05) apply to this project.

(b) ENSTAR will not be required to provide revegetation in areas where working in previously disturbed soils.

(c) ENSTAR will follow all federal, state, municipal and local codes and regulations in the installation and preparation of the pipeline extension.

(d) ENSTAR shall prepare its own SWPPP to ensure adequate coverage for ENSTAR's scope of work.

(e) ENSTAR believes (but does not warrant) that this Agreement does not require the review or approval of the Regulatory Commission of Alaska.

34. By signing, the CITY acknowledges having read and understood each and every term and condition of this Agreement.

CITY OF HOMER

By: Walt Wrede

Its: CITY MANAGER

Date: MARCH 20, 2013

ENSTAR NATURAL GAS COMPANY,
a division of SEMCO Energy, Inc.

By: M Colleen Starring

Its: President

Date: March 14, 2013

Fund Certification $12,160,632
-Subject to Special Assessment Bonds to be issued.

Laurie Moore
Finance Director

City of Homer
GAS - Reconciliation
Thru 6/30/2021

Fund 175 - GAS																		
Reconciliation																		
Sources/Uses	**Dept #**		**2013**	**2014**	**Subtotals**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**						
KPB Loan Revenues	375	4524	8,809,368.00	3,550,020.00	**12,359,388.00**	-	-	-	-	-	-	-						
Interest Income	375	4801	97.45	3,504.72		282,539.39	355,112.19	257,339.45	227,867.68	164,568.94	127,685.47	70,000.00	estimated					
Assessment Revenue	375	4518	-			4,924,924.04	1,238,321.96	1,296,048.80	889,891.02	929,793.87	808,142.20	502,000.00	unreconciled thru 06/30					
FMA Revenue	375	4902										1,971,808.00						
Sub Total (375)			8,809,465.45	3,553,524.72		5,207,463.43	1,593,434.15	1,553,388.25	1,117,758.70	1,094,362.81	935,827.67	2,543,808.00						
Wages	375	5100	(138,224.97)	(47,335.11)	(185,560.08)	(1,547.00)	-	-	-	-	-	-						
Misc Expenses	375	5200	(26,286.55)	(3,463.57)	(29,750.12)	(14,947.36)	-	-	(1,351.86)	(1,189.11)	-	-						
Professional Fees	375	5210	(5,345.96)	(1,282.05)	(6,628.01)	(8,897.00)	(1,904.68)	(1,979.68)	(1,904.68)	(99,540.92)	(2,349.68)	(25.00)						
Construction/Equip	375	5261	(23,066.33)	(5,832.83)	(28,899.16)			-		-	-							
Payments to Enstar	377	5261	(7,000,000.00)	(5,085,632.00)	**(12,085,632.00)**													
Debt - Principal	375	5607				(4,094,163.16)	(3,686,458.92)	(502,520.00)	(516,428.08)	(536,818.79)	(559,717.09)	(2,459,945.08)						
Debt - Interest	375	5608		(307,933.49)		(587,127.45)	(313,541.08)	(179,638.12)	(165,730.04)	(145,339.33)	(122,441.03)	(50,681.59)						
Law suit	375	5624				(42,500.00)					-							
Sub Total			(7,192,923.81)	(5,451,479.05)	**(12,336,469.37)**	(4,749,181.97)	(4,001,904.68)	(684,137.80)	(685,414.66)	(782,888.15)	(684,507.80)	(2,510,651.67)						
Net Assets			1,616,541.64	(1,897,954.33)		458,281.46	(2,408,470.53)	869,250.45	432,344.04	311,474.66	251,319.87	33,156.33						
Beginning Fund Balance			-	1,616,541.64		(281,412.69)	176,868.77	(2,233,601.76)	(1,364,351.31)	(932,007.27)	(620,532.61)	(369,212.74)						
Audit adjustments to fund balance							(2,000.00)											
Ending Fund Balance			**1,616,541.64**	**(281,412.69)**		**176,868.77**	**(2,233,601.76)**	**(1,364,351.31)**	**(932,007.27)**	**(620,532.61)**	**(369,212.74)**	**(336,056.41)**						

City of Homer
www.cityofhomer-ak.gov

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: October 25, 2021

SUBJECT: Additional Information for Ordinance 21 63

Legislative History

Quite a few actions have been taken by past Councils related to the natural gas line, the table below provides a brief overview of relevant ordinances. The ordinance numbers are hyperlinked to more information related to each ordinance on the City's website.

Ordinance #	Ordinance Name	Fiscal Notes
12-46	An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount of **$50,165** from the General Fund Balance to Carry Out the Requirements of Homer City Code Title 17 Entitled Improvement Districts and to Implement a Public Information Strategy Related to the Proposed Natural Gas Special Assessment District. City Manager.	$50,165 from General Fund
13-01(A)(S)	An Ordinance of the Homer City Council Amending HCC 17.04.190 to Provide for Deferral of Special Assessments for Low Income Residents. Burgess.	Approximately 6 parcels deferred at this time (OCT21)
13-03(S)(2)	An Ordinance of the City Council of Homer, Alaska, Authorizing the City to Issue a Natural Gas Distribution Special Assessment Bond in the Principal Amount of Not to Exceed **$12,700,000** to Finance the Design and Construction of Natural Gas Distribution Improvements in the City, Fixing Certain Details of Such Bond and Authorizing Its Sale; and Repealing HCC Chapter 17.08. City Manager.	Allowed the City to borrow up to $12,700,000
13-09	An Ordinance of the City Council of Homer, Alaska, Appropriating Funds and Establishing a Project Budget for Administration and Direct Services Provided in Support of the Homer Natural Gas Distribution System Special Assessment District. City Manager.	Set $539,368 budget for administrative and direct services to the SAD
13-19(A)(S)	An Ordinance of the City Council of Homer, Alaska, Amending the 2013 Operating Budget to Provide for Natural Gas Conversions to City Buildings by Appropriating **$224,780** from Various City Reserve Funds. City Manager/Public Works Director.	$148,319 from general reserves (what would be CARMA today); $48,461 from Sewer Reserves;

		$28,000 from Water Reserves
14-07	An Ordinance of the City Council of Homer, Alaska, Amending the 2014 Operating Budget by Appropriating **$34,089** from the Airport Reserve Fund for the Replacement of the Boilers at the Airport Terminal and Authorizing the City Manager to Execute All Appropriate Documents. City Manager/Public Works Director.	$34,089 to support conversion of the Airport to natural gas
14-22(A)	An Ordinance of the City Council of Homer, Alaska Amending the FY 2014 Operating Budget to Provide for Natural Gas Conversions to City Buildings by Appropriating **$83,270** from Various City Reserve Funds. City Manager/Public Works Director.	$18,562 from Water Reserves; $64,708 from Harbor Reserves;
15-11	An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Section 17.04.100, Subdivision After Levy of Assessments, to Provide for Subdivisions of Property Subject to Natural Gas Distribution Assessments. City Manager.	
15-17(S)	An Ordinance of the City Council of Homer, Alaska, Amending Ordinance 13-03(S)(2) to Permit the City to Prepay Principal of the Natural Gas Distribution Special Assessment Bond Authorized by Ordinance 13-02(S)(2), and Authorizing an Amendment to the Loan Agreement Between the City and the Kenai Peninsula Borough Regarding the Bond. City Manager.	Added language allowing pre-payment of principal
15-21	An Ordinance of the City Council of Homer, Alaska, Amending the FY 2015 Operating Budget by Appropriating **$277,335.45** to Pay for Homer Natural Gas Special Assessment District Assessments of 85 City Lots From Various City Reserve Funds. City Manager.	$3,262.77 from Animal Shelter Reserve; $3,262.77 from City Hall Reserve; $32,627.70 from General Fund Reserve; $13,051.08 from Library Reserve; $6,525.54 from Park Reserve; $1,631.39 from Police Reserve; $1,631.39 from Fire Reserve; $6,525.54 from Public Works Reserve; $202,291.74 from Harbor Reserve
15-27	An Ordinance of the City Council of Homer, Alaska, Providing a Procedure for the Council to Consider Whether to Exclude Certain Properties From the Homer Natural Gas Distribution Special Assessment District. Burgess.	
15-38	An Ordinance of the Homer City Council Amending the FY 2015 Operating Budget by Appropriating **$42,500** From the Homer Natural Gas Special Assessment District Account for Settlement Costs in the Castner vs. City of Homer Court Case Challenging Assessments for Condominiums Within the District. City Manager.	$42,500 lawsuit settlement
16-03(S)	An Ordinance of the City Council of Homer, Alaska Amending Ordinance 13-03(S)(2) to State the Actual Principal Amount of, and Change the Payment Dates for, the [illegible]l Gas Distribution Special	Adjusts bond amount to $12,359,388

	Assessment Bond Authorized by Ordinance 13-02, and Authorizing an Amendment to the Loan Agreement Between the City and the Kenai Peninsula Borough Regarding the Bond. City Manager.	
16-43	An Ordinance of the City Council of Homer, Alaska, Amending Ordinance 13-03(S)(2) to Change the Terms for Adjusting the Amortization of Principal of the Natural Gas Distribution Special Assessment Bond Authorized by Ordinance 13-02, and Authorizing an Amendment to the Loan Agreement Between the City and the Kenai Peninsula Borough Regarding the Bond. City Manager.	Provides for the creation of a Natural Gas Distribution Special Assessment Bond Sinking Fund
16-44(A)	An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 17.04.190, Entitled "Deferment of Assessment Payments for Low Income Residents," by Permitting Assessment Deferral Applicants to Apply for a Deferral in Any Year an Applicant is Eligible for the Deferral Regardless of Whether or Not the Applicant Applied for Deferral in the Initial Year of Assessment. City Manager.	Approximately 6 parcels deferred at this time (OCT21)
17-15	An Ordinance of the City Council of Homer, Alaska, Updating and Clarifying the Implementation of a Penalty and Interest Structure for Special Assessments in the Homer Natural Gas Distribution Special Assessment District That Became Delinquent on or After July 1, 2016, and Provided Terms for Reinstatement on or After July 1, 2016 of Assessments That Became Delinquent Before That Date, and the Policies and Procedures for Waiving Penalties on Delinquent Special Assessment Payments if They Meet Certain Requirements, and Creating an Appeal Process for Waiver Denials to the Board of Adjustment. Aderhold.	Clarifies penalties
19-56	An Ordinance of the City Council of Homer, Alaska Moving Expenditures in the Amount of **$92,852.24** Previously Allocated from the General Fund Operating Fund to now be Allocated from the Natural Gas Line Capital Project Fund for Legal and Travel Related Expenses Associated with ENSTAR Tariff Filing 310-4. Mayor.	$92,852.24 from Gas Line Fund
21-13	An Ordinance of the City Council of Homer, Alaska Appropriating an Amount not to Exceed **$2,512,000** from the Natural Gas Distribution Special Assessment Bond Sinking Fund to Retire the Debt to the Kenai Peninsula Borough that was Utilized for the Construction of the Homer Natural Gas Distribution Line. Mayor/City Manager.	$2,512,000 to pay off bond

Natural Gas Distribution Special Assessment District Closeout

Those properties in the District have until September 1, 2024 to pay off their assessments. Approximately 1,043 of 3,788 parcels still owe money to the City (approximately $1,288,894 of the original $12,359,388). Staff expects to keep the fund open well beyond September 2024 as late payments and deferrals will continue to come in to the City. Ordinance 21-63, proposed by the Mayor, doesn't close the gas line fund. It does however create a mechanism to ensure that we are revisiting this account annually to ensure that the City does not build up a balance within the account that is not put to a generally beneficial use.

CITY OF HOMER
HOMER, ALSKA

Mayor/City Manager

ORDINANCE 21-13

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA APPROPRIATING AN AMOUNT NOT TO EXCEED $2,512,000 FROM THE NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT BOND SINKING FUND TO RETIRE THE DEBT TO THE KENAI PENINSULA BOROUGH THAT WAS UTILIZED FOR THE CONSTRUCTION OF THE HOMER NATURAL GAS DISTRIBUTION LINE.

WHEREAS, By Ordinance 13-03(S)(2), adopted on February 25, 2013, the City of Homer ("City") authorized the issuance of a Natural Gas Distribution Special Assessment Bond in the principal amount not to exceed $12,700,000, and the delivery of a Loan Agreement ("Loan") between the City and the Kenai Peninsula Borough ("Borough"); and

WHEREAS, By Ordinance 15-17(S), adopted June 15, 2015, the City amended Ordinance 13-03(S)(2) to provide for the prepayment of the principal of the Bond; and

WHEREAS, By Ordinance 16-03(S), adopted January 25, 2016, the City amended Ordinance 13-03(S)(2) to state the Bond amount to be $12,359,388, and to establish a Loan payment regime of making 9 equal annual payments ending in September, 2024; and

WHEREAS, By Ordinance 16-43, adopted August 22, 2016, the City amended Ordinance 13-03(S)(2) to create a special trust fund designated as the "City of Homer Natural Gas Distribution Special Assessment Bond Sinking Fund" ("Sinking Fund") allowing for prepayment of the Loan from the Borough and recalibration of yearly payments; and

WHEREAS, The Sinking Fund contains assessment payments, including interest, income from the Sinking Fund capital, and hypothecation of other City funds including Enstar's payments of the Free Main Allowance ("FMA"); and

WHEREAS, It is in the City's best financial interest to retire the loan as soon as the debt has been reduced to be less than the Sinking Fund balance available in any calendar year; and

WHEREAS, The funds available and projected to be collected in 2021 exceed the amount of the loan; and

WHEREAS, Retirement of the Loan in March, 2021 will save the City a significant amount of interest that is not otherwise offset by interest earnings available to the City.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The City of Homer's Natural Gas Distribution Special Assessment Bond Sinking Fund schedule of payments is hereby amended by appropriating up to $2,512,000 to retire the Loan debt obligation to the Kenai Peninsula Borough.

Account	Description	Amount
175-0375	City of Homer Natural Gas Distribution Special Assessment Bond Sinking Fund	$2,512,000

Section 2. On or before July 1, 2021, the City Treasurer shall provide the Homer City Council with a summary compilation of the costs and cost allocations funded by, A) the Bond, and B) The Loan, and C) The Free Main Allowance, and D) uncollected assessments. Costs include the cost of construction, interest payments paid in excess of interest payments received, and any other costs that can be appropriately allocated to the project or the capitalization of the Bond or Fund.

Section 3. This 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 8th day of MAR, 2021.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES: 5
NO: 0
ABSTAIN: 0
ABSENT: 1

First Reading: 2.22.21
Public Reading: 3.8.21
Second Reading: 3.8.21
Effective Date: 3.9.21

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 21-187

TO: Mayor Castner and Homer City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Elizabeth Walton, Finance Director

DATE: October 7, 2021

SUBJECT: Natural Gas Fund Supplemental Information

The purpose of this memo is to provide Council with additional information related to the Natural Gas Fund.

Background:

On March 8, 2021, Homer City Council adopted Ordinance 21-13, which directed the Finance Department to retire the debt obligation with the Kenai Peninsula Borough regarding the Natural Gas Line. Ordinance 21-13 also directed the Finance Department to provide Council with a fund financial summary.

On September 20, 2021, the Finance Department met with Mayor Castner and City Manager Dumouchel to discuss the fund financial summary reporting to Council. The main focus of the meeting was to determine the necessary future appropriations and to develop a future plan for the fund. Ordinance 21-63 is the resulting product from this discussion.

Fund Overview Questions:

Question 1: What financial activity takes place in the Natural Gas Fund (Fund 175)?

> **Answer:** The Natural Gas Fund was setup to record capital project costs, debt obligation costs, Free Main Allowance deposits, and Special Assessment District revenues.

Question 2: What is the financial position of the Natural Gas Fund? When will the fund balance turn positive?

> **Answer:** As of 12/31/20, the Gas fund had a negative fund balance of $369,213. We anticipate at least one more calendar year (2 more audits) with a negative fund balance due to the prepayment of debt. Finance recommends not appropriating any transfers from this fund until there is sufficient fund balance.

Question 3: What funding sources did the City utilize to retire the debt obligation with the Kenai Peninsula Borough?

Answer: The primary funding source utilized for the debt retirement was the Free Main Allowance (balance as of January 2021 distribution was $1,972,000). The full payoff amount was $2,511,190.83. A funding gap of $539,190.83 was created in this transaction. This gap was essentially advanced by the City. This gap and FY 2021 activity has decreased the fund balance to a negative $336,056 (unaudited). Assessment revenue will continue to come in to cover this payment advance.

Question 4: What are the demographics for the Special Assessment District (SAD)?

Answer: There were a total of 3,788 parcels originally assessed in the SAD and currently there are 1,043 parcels still owing money. Of these parcels: 993 are current on a payment plan, 50 have never paid, and 137 parcels are in late status. There are 2,745 parcels that are paid in full.

Question 5: How was the doubtful amount derived?

Answer: The doubtful amount ($161,188) stated in Ordinance 21-63 was approximated by multiplying the 50 parcels that have never paid by the original assessment amount. This value will not be seen in the financial statements, as it is not accounting standards to generate an allowance for doubtful accounts for special assessment districts. We are optimistic that this amount won't be as significant due to our ability to collect on assessments when properties are sold.

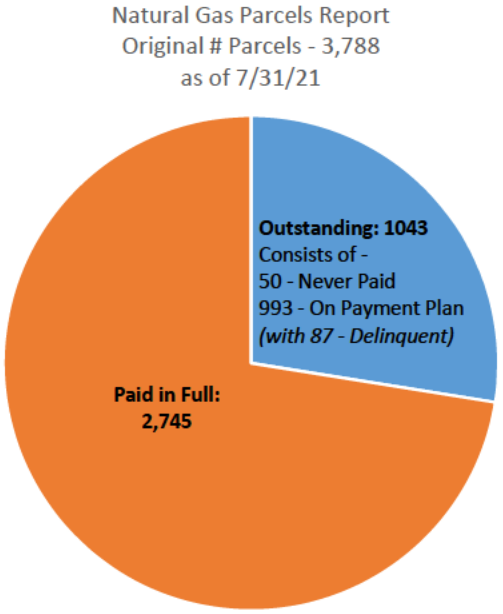
Question 6: What does proposed Ordinance 21-63 do?

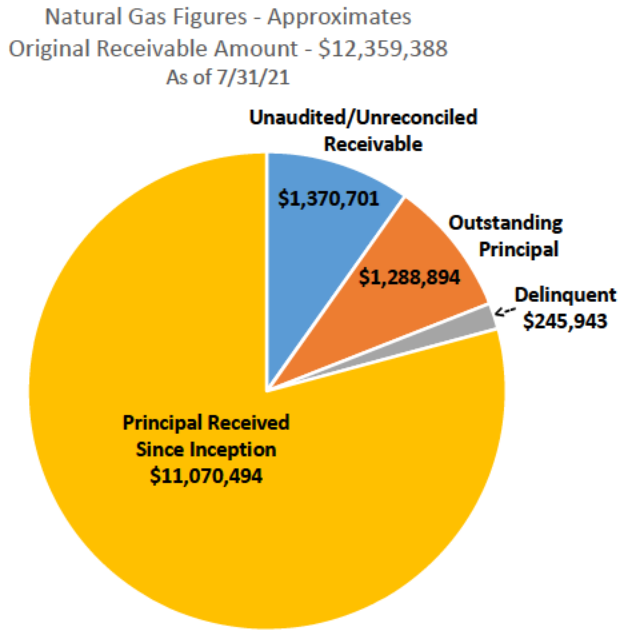
Answer: As written, Ordinance 21-63 directs the Finance Department to wait until the fund balance for the Natural Gas Line fund turns positive (paying off all obligations to the City). At this point, the Finance Department is to annually transfer excess funds (those above $0) to the General Fund Fund Balance.

NATURAL GAS ASSESSMENTS

Date: 15-Oct-21

Original Receivable Amt.	Original # Parcels	Approximate Unaudited/ Unreconciled Receivable 7/31/21*	Approximate Principal Outstanding	Approximate # Parcels Still Owing	#Parcels Never Paid	Amount Delinquent*	#Parcels Delinquent	# Parcels Paid in Full	#Parcels on Pmt. Plan	Approximate Principal Received Since Inception
$12,359,388	3788	$1,370,701	$1,288,894	1043	50	$245,943	137	2745	993	$11,070,494





Per Reso 15-17; District began 2015 ends 2024.
Original #s not refactored for condo lawsuit or for any exempting legislature that came after.
Delinquent parcels includes the 50 Never Paid, many only behind one payment and many missing various payments.
50 Never paids include many State properties and a handful of deferred (a few approved this year and some unapplied for currently, but were approved in prior years.

Unaudited/Unreconciled Receivable: General Ledger and Accounts Receivable - January - June 2021
Outstanding Principal: Amount due on payment plans.
Delinquent: Amount late on payment plan.
Never Paid: Those who have never paid on assessment.

**Includes interest & late fees charged.*

CITY OF HOMER
HOMER, ALASKA

City Clerk/PARCAC

RESOLUTION 21-074

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA UPDATING THE CITY OF HOMER GIFT, DONATION, AND ART POLICIES, PROCEDURES AND GUIDELINES TO ADD A SECTION ON MURALS, AND AMEND LANGUAGE AND PROCESSES.

WHEREAS, The City of Homer Donation, Gift and Art Policies and Procedures had not been updated since 2010; and

WHEREAS, The Parks Art Recreation and Culture Advisory Commission (PARCAC) reviewed the proposed changes at their regular meetings on August 19, 2021 and September 16, 2021; and

WHEREAS, It was determined that inclusion of a mural policy and procedures was required in response to recent requests; and

WHEREAS, The 1% for Art program should be a separate as it is addressed in Homer City Code 18.07; and

WHEREAS, Additional updates to reflect the actual processes that have evolved should be outlined in the policies and procedures to differentiate between donations of artwork or items such as benches or land.

NOW, THEREFORE, BE IT RESOLVED the City Council of Homer, Alaska, adopts the updated City of Homer Gift, Donation and Art Policies, Procedures and Guidelines to add a section on murals and amend language and processes.

PASSED AND ADOPTED by the Homer City Council this 11th day of October, 2021.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: N/A

Gift, Donation and Art Policies, Procedures & Guidelines

CITY OF HOMER ALASKA
March 31, 1964

TABLE OF CONTENTS

Table of Contents 1
Introductions and Definitions 3
Accession Policy and Procedures 4
Deaccessioning Purchased and Donated Items 5
Gift Acceptance Policy 6
Procedure to Propose Donation 8
Preservation of the Municipal Art Collection 9
Mural Policy, Guidelines and Procedures ..... **Error! Bookmark not defined.**0
Promoting Public Awareness ..... **Error! Bookmark not defined.**3
Funding The Municipal Art Collection ..... **Error! Bookmark not defined.**

16
17

INTRODUCTION

The Parks, Art, Recreation and Culture Advisory Commission **(Commission)** is charged with the responsibility of evaluating the suitability of proposed **donations of** artwork, **gifts, or real property** and making recommendation**s** to the City Council as to whether or not to accept **the proposed donation.** ~~it as a gift~~. If accepted, the ~~donated~~ ~~work~~ **donation** becomes the responsibility of the City of Homer, which will **be** inventor~~y~~**ied**, insure**d**, maintain**ed** and repair**ed** ~~it~~ as required**in accordance to these policies,** ~~by~~ Homer City Code and Alaska State Law.

DEFINITIONS

"Gifts" are personal or real property that is donated, devised or bequeathed with or without restrictions to the City of Homer. Gifts can be actual artwork, real property ~~for placement of artwork~~ or funds for the acquisition of artwork, **amenities for parks, trails and beaches such as benches, playground equipment, bleachers, etc.**

"Gift Policy" is the policy that identifies the procedure and criteria for reviewing proposed gifts ~~of artwork~~ to the City of Homer.

"Accession Policy" is the policy that defines an orderly and consistent process for reviewing artwork for acceptance into the Municipal Art Collection insuring that the collection is comprised of artwork of the highest quality.

"Accession" is to accept artwork in to the Municipal Art Collection

"Deaccession Policy" is the procedures that are implemented to remove an item from the Municipal Art collection.
~~(Reso. 10-80, 2011.)~~

"Commission" means the Parks, Art, Recreation, and Culture Advisory Commission which is responsible for advising on all City of Homer Parks, Beaches, Trails, Recreation, Art and Culture.

"Public places" means places within the City limits of Homer, which are visible and accessible to the public.

"Commercial" means words or images used elsewhere in the marketplace for the purpose of promoting a particular business, product, service, cause, place or brand.

"Commercial Element" means art that by virtue of its location or proximity to a business may serve a minimal commercial purpose. If that art were in a different location, it would be considered pure art and not commercial in nature.

"Mural" means a picture or representation, in any type of medium, on an exterior surface of a building, structure, fence or wall.

"Preliminary Approval" means the application has been accepted, found to be in good order and complete and the proposed mural is deemed appropriate by the Commission and is recommended for Council Approval.

ACCESSION POLICY AND PROCEDURES FOR ART

To establish an orderly and consistent process for reviewing artwork for acceptance into the Municipal Art Collection ensuring that the collection is comprised of artwork of the highest quality.

~~Definition~~

~~Accession is to accept artwork in to the Municipal Art Collection~~

POLICY

1. Accession procedures insure that the interests of all concerned parties are represented including the ~~Parks, Art, Recreation and Culture Advisory~~ Commission, the Public, the Artist, the Arts Community and the City of Homer.

2. Artwork shall be distinctive artistic merit and aesthetic quality and will enhance the diversity of the Municipal Art Collection **and the City of Homer**.

3. Artwork shall be appropriate in and for its site, scale, material, form, and content for both its immediate and general social and physical environment.

4. Artwork shall be reasonably durable against theft, vandalism, weather, and excessive maintenance costs.

5. Accession implies the responsibility to preserve, protect, and display the artwork for public benefit.

6. Accession implies a work's permanency within the Municipal Art Collection, providing that the work retains its physical integrity, identity and authenticity.

7. Artwork will be acquired without restrictions as to its future use and disposition except as provided in contracts with artists.

8. Artwork will be accessioned into the City of Homer's Municipal Art Collection only upon completion of all facets of the Commissioning or purchasing contract and final approval of City Council.

9. Each accessioned work into the Municipal Art Collection will be documented to the fullest extent possible, including artist's last known address and when available, a photograph.

10. The artist's signed contract or release transferring title for the artwork and clearly defining the rights and responsibilities of all parties will accompany every accessioned work and shall be in the documented records of the work.

11. In the case of inter agency or inter local agreements a copy of the agreement and signatures of all parties will be kept in the office of the City Clerk.

12. Accession results from projects and purchases generated as part of the Municipal Art program except in case of donations which will be reviewed in accordance with the City of Homer ~~Public Arts Committee~~ policy on gifts and if accepted will be accessed pursuant to this accession policy. (Reso. 10 80, 2011.)

DE-ACCESSIONING PURCHASED AND DONATED ITEMS OF ART

The City has the responsibility for conserving the collection, and because the disposal of artworks may have serious implications for the artists, removing the items from the collection should be a deliberate and seldom used procedure. It is the policy of the City not to dispose of works simply because they are not currently in fashion and not to dispose of works whose worth might not yet be recognized.

Purchased or donated items which have been accepted into the Municipal Art Collection will be de-accessioned only at the direction of the Staff, Commission or City Council, which shall consider the recommendations and comments received from departments, Commission, Council or the public. City Council will be advised of artwork that is de-accessioned by Memorandum

The City will comply with all regulations pertaining to de accessioning of art items. If documents provide for de accessioning, such documents will determine the method and

manner of the de accessioning.

Examples of situations where de accessioning would be considered include:

a. The item(s) has deteriorated beyond a reasonable means of conservation or in deteriorating, has lost its usefulness.
b. The authenticity, attribution, or genuineness of the item(s) is determined to be false or fraudulent.
c. The item(s) is redundant or is a duplicate that has no value as part of a series.
d. The item(s) is located in an area where jurisdiction will be transferred to another entity or is made inaccessible to the public.

The ~~Parks, Art, Recreation and Culture Advisory~~ Commission may recommend any of the following courses of action as a result of a deaccessioning review. The Commission shall not be limited to these courses of action and may suggest new methods as may be demanded by a particular set of circumstances:

a. Relocate the work of art. This course of action shall be given highest priority
b. Remove the work from display and maintain in a safe storage
c. Yearly City Surplus Sale
d. Private sale
e. Exchange for another work by the artist
f. Gifting the piece to a non profit organization
g. Recycling

Destruction of the item(s) may be considered where the physical condition of the work is severely deteriorated or will be irreparably damaged by the de accessioning process. In appropriate instances, appraisals of the item(s) to be de accessioned will be sought from outside sources.

GIFT ACCEPTANCE POLICY

Purpose

To identify a procedure and criteria for the ~~Parks, Art, Recreation and Culture Advisory~~ Commission to review proposed gifts ~~of artwork~~ **of real property, artwork or items.**

~~Definition~~

~~Gifts are personal or real property that is donated or bequeathed with or without restrictions to the City of Homer for actual artwork, property for placement or funds for the acquisition of artwork.~~

Policy

1. The ~~Parks, Art, Recreation and Culture Advisory~~ Commission will review all proposed

gifts as defined above and will evaluate the suitability of proposed gifts and make recommendations to the ~~Homer~~ City Council in accordance with Homer City Code which allows acceptance of donations.

2. Each proposed gift will be reviewed for the following:
   a. Aesthetic Quality the proposed gift has significant aesthetic merit.
   b. Appropriateness of Chosen Site or Location scale of artwork is appropriate for the site including relationship between the artwork and the site and obstacles of the site.
   c. Restrictions from the Donor any restrictions must be clearly identified and may be a factor in determining whether to accept a gift.
   d. Originality of Artwork artworks must be one of a kind or part of an original series reproductions of originals are not considered eligible for acceptance.
   e. Relationship to the Collection as a Whole the ~~Public Arts Committee~~ **Commission** is committed to creating a diverse collection of art. The proposed gift must be compatible with the Municipal Art Collection without being over represented.
   f. Technical Feasibility the realistic ability for the proposed project to be built and installed as proposed in the selected location.
   g. Technical Specifications the ~~Public Arts Committee~~ **Commission** must review the actual work, if available, or a scale drawing and or model consisting of site plans and elevations describing the following:
      i. Surrounding site conditions if applicable
      ii. Dimensions
      iii. Materials and finishes
      iv. Colors
      v. Electrical, Plumbing, or other utility requirements
      vi. Construction and installation method
      vii. Additional support material such as text verbally describing the artwork **or item** and specifications, models, or presentation drawings by a licensed engineer may be required.
   h. Budget cost to manage the project, prepare the site, deliver and or install the work, funds for signage/recognition, and any other cost should be disclosed by the donor in a budget. The Commission will determine **to the best of their ability** if the costs are accurate and realistic and that the donor has clearly delineated responsibility for all costs associated with the project.
   i. Timeline expected timeline for donation or installation should be proposed by the donor. The Commission will determine if the timeline is realistic.
   j. Durability expected lifetime and staying power of the material used to create the artwork **or amenity** especially if set in the out of doors or in a non archival exhibition setting and exposed to the elements.
   k. Warranty the donor agrees to be responsible for a warranty period of one (1) year from the date of final installation of the ~~artwork~~ **gift** to insure the integrity of the

material, fabrication and installation when installed in or on a city owned facility or property.

l. Vandalism and Safety the artwork will not be prone to vandalism or pose a safety hazard.

m. Maintenance and Preservation donor's agreement to provide a technical and maintenance record including a plan for routine care with estimated costs. The donor must indicate if there are any unusual or ongoing costs to maintain ~~artwork~~ **the gift**.

3. Donors proposing gifts will be informed of the importance of the above criteria in the ~~PARC Advisory~~ Commission's consideration.

4. The ~~Parks, Art, Recreation and Culture Advisory~~ Commission will have final authority ~~through the City Manager~~ to review and recommend to ~~Homer~~ City Council to accept or reject the **proposed gift** ~~donated artwork~~.

5. All gifts **of artwork** that are recommended for acceptance will only be accessed into the Municipal Art Collection pursuant to the Accession Policy. (Reso. 10 80, 2011.)

PROCEDURE TO PROPOSE A DONATION ~~OF ARTWORK TO THE CITY OF HOMER~~

Process

The ~~Parks, Art, Recreation and Culture Advisory~~ Commission will review all proposed gifts according to the Gift Policy. They will evaluate the suitability of the proposed gifts and make recommendations to the ~~Homer~~ City Council ~~through the City Manager~~.

In order to provide the Commission with the information necessary to evaluate the proposed ~~artwork~~ **donation** in accordance with the Gift Policy and Accession Policy the potential donor or donor's representative must complete the ~~Gift Proposal~~ Application and submit to the ~~City of Homer,~~ City Clerk's Office.

~~**Presentation to the Parks, Art, Recreation and Culture Advisory Commission**~~

If applicable the donor will be scheduled to present ~~his or her~~ **their** proposal to the Commission at the next regular meeting. The donor is expected to present the actual artwork **or item** ~~or~~ **,** model **and** or scale drawings of the proposed **artwork or item** ~~piece~~ **with the application**. If it is not possible depending on the ~~artwork~~ **donation** a photograph may be accepted upon approval of a majority vote of the Commission.

The ~~Parks, Art, Recreation and Culture Advisory~~ Commission will review the proposal, consider the presentation and make a recommendation at the meeting. If the proposal materials do

not give the Commission enough information to make an educated recommendation they may request to postpone recommendation until further information is provided by the donor.

PRESERVATION OF THE MUNICIPAL ART COLLECTION

1. Registry

The City's art collection will be catalogued and a registry maintained. Each entry will include

a. Name and contact information for the artist
b. Title of the work, date created, dimensions
c. Photographs of the work
d. The artist's cleaning and maintenance recommendation;
e. An artist's statement regarding the work, if possible.
f. An identification number _____ (year installed), _____consecutive number (for example: 2006 #21). This number will also be affixed to the piece of art or to its label.
g. Exact location of the artwork.
h. Techniques and materials used in creating the artwork.

The registry will be bound and stored in the City Clerk's Office. The City will also provide an official label for each piece of art that will be consistent in style and material. Information contained will reflect the following:

Color Photo of artwork
Artist Name(s)
Title of Artwork
Year Completed/Date
Medium Used
Size/Dimensions
Location
Physical Description of the piece
Short Summary about the Artist
Summary Comment on the artwork

Inspection and Maintenance of Artwork

All building and grounds supervisors will be instructed to inform the City Clerk' Office if vandalism is observed or the artwork requires maintenance. All cleaning and maintenance will follow the instructions provided by the artist. If the artwork requires extensive repairs, the City will make a good faith effort to obtain advice from the artist. If no information is forthcoming, the City may proceed with its best practice.

MURAL POLICY GUIDELINES AND PROCEDURES

Murals which are non-commercial, contain no advertising copy and do not function as an advertisement are allowed, subject to review by the Parks, Art, Recreation & Culture Advisory Commission (Commission) and final approval by the City Council. These guidelines are provided to assist mural applicants through the process prior to presentation and recommendation by the Commission to City Council.

PURPOSE:

To define the process used by groups or individuals ("Applicants") who desire to install murals in or on public places or property. The City of Homer understands the importance of art in public places and the role that murals play in preserving our culture, conveying the history of our community, beautifying the city and advancing the arts. These guidelines will provide direction to applicants wishing to install murals in public places.

GENERAL GUIDELINES:

The emphasis of the murals will be on "artistic expression" and must not include an advertisement or be commercial in nature. This will in no way limit or restrict the artist's right to include speech and/or artistic expression in a mural that is not commercial as defined above. All murals must comply with City ordinances that prohibit indecency or obscenity in public.

Murals shall not contain copy, lettering, symbols or references directly to the promotion of any product, business, brand, organization, service, cause or place. Murals may contain limited commercial elements so long as they are not considered commercial speech with the purpose of promoting a commercial transaction. For those mural applications that may contain limited commercial elements, the Commission will ask the question – "If the business on which the mural is located were to move, would the mural still be good quality art and something the community would want to remain?" If so, the mural is not considered commercial speech or advertisement but rather pure art.

Murals shall not be merely an extension or enlargement of a sign. If the theme of the mural is to promote a business, brand, organization, service, cause or place, it shall meet all requirements of the City of Homer Municipal Code regarding signage. If the proposed mural is determined to be commercial in nature and is therefore deemed by the Commission to be a form of advertisement, the Mural Application will be referred to the City of Homer Planning Department.

Not more than 1% of the mural will contain the name of a sponsor and/or sponsor product likeness. The artist's signature shall not be more than 1% of the mural.

Mural artists will be required to demonstrate their ability and experience to create high quality, well designed and well executed murals and/or art. The artist must provide the Commission a portfolio of work that is reflective of the style of the proposed mural. This will be used to help determine whether the artist will be able to uphold the standards for quality art within the City of Homer. For those artists without a portfolio of work, the Commission will consider other presented forms of art that demonstrate an ability to create a quality mural.

New murals erected without receiving proper approval and that did not go through the Mural Application and Approval Process, will be required to retroactively go through the Process. Property owners will have 30 days after receiving notification to submit a mural application after which the mural will be deemed a sign and subject to all permitting requirements outlined in HCC Title 21.60. The retroactive mural applications will be required to comply with all Mural Policy Guidelines and Procedures and must receive City Council approval. Murals that fail to be approved will be removed within 30 days after the denial at the property owner's expense.

MURAL APPLICATION AND APPROVAL PROCESS:

STEP 1: Muralist(s) must obtain an application from the City Clerk's Office or online on the City website. The time required to process a mural application will vary but will be a maximum of 90 days, not including holidays, from application submittal.

The application will provide information to the City regarding location, size, concept and content of the mural, type of paint/media, owner of the building where the mural will be located, artist(s) name(s), dates of application, individuals who will be responsible for maintenance (if any).

The application must be signed by the individual/group proposing to place the mural, as well as the property owner where the mural will be placed and submitted to the City Clerk's Office along with a sketch, rendering or photo of the proposed mural.

A sampling of a portfolio of work that is reflective of the proposed mural is to be included with the application if there is a known artist. The Commission will use the portfolio samples of work to help determine whether the selected artist has the technical skill and ability to produce a quality mural within the City of Homer.

If the artist is unable to provide a portfolio of work, at a minimum, the artist will be required to provide evidence of artistic talent that satisfies the Commission as to the skill and ability of the artist to create a mural that is of good quality.

If no artist is selected or commissioned at the time of application and the applicant(s) will be issuing a Request for Qualifications or Request for Proposals, a member of the Commission is to sit on the selection committee or be involved in the artist selection process for the proposed mural.

STEP 2: The application, mural rendering and portfolio will be reviewed by the Commission at their next regularly scheduled meeting from date of submission. A special meeting may be scheduled by the Commission to accommodate the review and approval deadline dependent on the proposed project. The review will be conducted to assure compliance with these guidelines, and the ability of the artist(s) proposing the mural to produce a quality mural.

STEP 3: After review and acceptance of the artist's body of work, the Commission will forward a recommendation to the City Council for consideration at their next regular meeting which is the final step in the process. City Council will issue their approval or disapproval. The City Clerk's Office will contact the applicant regarding the final decision of City Council.

In the event that City Council or the Commission does not approve the proposed mural recommendation, revisions can be made to the proposed content or concept of the mural for re-application and submittal to the Commission.

MURAL AGREEMENT:

Following approval by the Commission, whether the mural will be placed on public or private property, the property owner and applicant(s) will be required to provide to the City evidence of a proposed agreement which identifies the terms and conditions under which the mural will be applied. These terms and conditions include, but are not limited to:

- **Specifications regarding the mural (location, size, concept and content of the mural, type of paint/media used to create the mural)**
- **Right of Way Permit if necessary**
- **Identification of ownership of the mural image and use thereof**
- **Expected timeframe for completion**
- **Long term mural maintenance and responsibility (if needed)**
- **Circumstances under which the mural may be removed by the City and/or property owner (i.e. lack of maintenance or in disrepair)**
- **Proof of Liability Insurance; and**
- **Landscape removal and replacement or protection, if any.**

The proposed agreement will be provided to the Commission for the review process and will be submitted to City Council along with the recommendation of the Commission.

FINAL INSPECTION AND ACCEPTANCE:

The City reserves the right to inspect the mural during installation and upon completion to ensure that the final product is in compliance with the approved mural application. Should it be found that the mural is not in compliance, the artist and property owner will be notified and given 30 days to remedy the issue(s). Should the property owner and/or artist fail to make the necessary corrections, the mural will be deemed out of compliance and will be removed at the expense of the property owner and/or artist.

~~ENCOURAGING ADDITIONAL PUBLIC AND PRIVATE ART IN PUBLIC SPACES, AND~~ PROMOTING PUBLIC AWARENESS AND APPRECIATION FOR THE MUNICIPAL ART COLLECTION

Ordinance 02 25(A) encourages the addition of private money into the public art program. Any art purchased with such funds will be owned 100% by the City of Homer and the City will have responsibility for selection, installation, maintenance and repairs.

The ~~Parks, Art, Recreation and Culture Advisory~~ Commission will be a resource for business owners who wish to include art in their business location.

The ~~Parks, Art, Recreation and Culture Advisory~~ Commission will endeavor to obtain buy in from affected city departments and a wide variety of governmental and non governmental organizations, as required, to ensure the successful implementation of the public art policy.

The Commission will work to establish partnerships with private funders to help the art policy proponent's work with and advise patrons who are funding public art projects privately. This will help guarantee that these projects meet a set of agreed upon requirements and fulfill the goals and vision set forth in this policy.

The ~~Parks, Art, Recreation and Culture Advisory~~ Commission will identify alliance opportunities with institutions, organizations, and the public, and:

- Partner with them to publicize and discuss how public art can help further the mission of their specific organization.

- Raise support among the press to help the fundraising efforts to educate and inform the public about the many different types of public art, and the wealth and ability of the local arts community.

- Keep the information flowing about the progress of any public art initiatives.

The Parks, Art, Recreation and Culture Advisory Commission, with the assistance of users, will plan an installation ceremony upon completion of each **capital** project. Costs for this event will be from the annual budget or underwritten by donors.

The ~~Parks, Art, Recreation and Culture Advisory~~ Commission will plan events and promotional tools that invite residents and visitors to enjoy the City of Homer art collection. These might include walking tour maps, guest lectures, on line catalogue, etc. (Reso. 10 80, 2011.)

FUNDING FOR THE MUNICIPAL ART COLLECTION

A public art fund is established in accordance with Homer City Code 18.07.090, Public Art Fund, as a separate, interest bearing account in the city general fund to receive money for the public art program from the following sources:

1. Funds for public art fees received from private development.
2. Funds donated to the city for public art.
3. Other funds appropriated by the City Council for public art.

Money in the public art fund shall be used solely to pay the costs of selecting, commissioning, acquiring, installing, maintaining, public education regarding, administrating, removing and insuring the works of public art, and any other expense related thereto.

Interest earned on money in the public art fund shall be deposited in the public art fund.

The public art fund is administered by the City with the advice of the Parks, Art, Recreation and Culture Advisory Commission.

- The Commission shall prepare a plan annually for expenditures from the public art fund for approval by the City Council. (Ord.09 51(A), §1, 2009.)
- Encourage the addition of private money into the public art program. Any art purchased with such funds will be owned 100% by the City of Homer and the City will have responsibility for selection, installation, maintenance and repairs. (Ord. 02 25(A), 2002.)

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 22-016

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: DECEMBER 30, 2021

SUBJECT: RESOLUTION 21 073 CITY OF HOMER DONATION, GIFT AND ART POLICIES AND PROCEDURES

The City of Homer Donation, Gift and Art Policies and Procedures is still under review by the City Attorney, City Planner, and Clerks office regarding the mural policy. It is scheduled to go back to the Parks Art Recreation and Culture Advisory Commission at their February 17, 2022 regular meeting.

Recommendation: Postpone Resolution 21 073 to February 28, 2022

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 21-175

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: OCTOBER 11, 2021

SUBJECT: RESOLUTION 21 073 ART POLICY

City Attorney Gatti has recommended Resolution 21 073 and the Amended Art Policy be referred back to the Parks Art Recreation and Culture Advisory Commission (PARCAC) for further analysis of legal and policy issues arising from mural placement on public property.

Recommendation: Postpone Resolution 21 073 and the Amended Art Policy Manual to not later than January 10, 2022 and refer back to PARCAC for further review.

City of Homer
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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 22-015

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: JANUARY 6, 2022

SUBJECT: TRAVEL AUTHORIZATION FOR MAYOR CASTNER AND COUNCILMEMBERS TO ATTEND THE ALASKA MUNICIPAL LEAGUE WINTER LEGISLATIVE CONFERENCE HELD FEBRUARY 16-18, 2022 IN JUNEAU, ALASKA

The Alaska Municipal League (AML) Winter Legislative Conference will take place in Juneau, Alaska February 16 18, 2022. Mayor Castner and Councilmembers Aderhold, Lord, Davis, and Erickson have indicated an interest in attending.

The AML is a voluntary, nonprofit, nonpartisan, statewide organization of 140 cities, boroughs, and unified municipalities, representing over 97 percent of Alaska's residents. Originally organized in 1950, the League of Alaska Cities became the Alaska Municipal League in 1962 when boroughs joined the League.

Meetings include Alaska Conference of Mayors, AML Board, committees and meeting with Legislators.

Cost estimates for travel include round trip airfare from Homer to Juneau $700 and room rates at $229 per night Feb. 16 to 18 only and $259 per night for any additional nights. Per Diem is $58 per day, for three meals. Conference cost is $200. The approximate total cost without any additional night's stay is $1500 per person.

The Mayor and Council transportation and training budgets have been depleted following attendance at the AML Summer Conference in August 2021 and AML Annual Conference in November 2021. Depending on the actual total costs for elected official attendance at this event, staff will include an equivalent increase in the appropriate Council budget line items during the mid biennium budget adjust process. We will also reevaluate the budgeted amount for Council travel in FY2023 to make sure it is adequate for current travel prices.

In consultation with the City Attorney, it's recommended that not more than three Council members attend the conference to avoid potential complications with the Open Meetings Act.

Recommendation: Make a motion to approve travel and identify who is authorized to travel.

AML Winter Meeting – Legislative Conference

February 16-18, 2022

(Subject to Change)

Wednesday, February 16, 2022

12:00pm	Welcome Lunch
2:30pm	Legislative Review
	Bills in Play Discussion
5:30 – 7:00 pm	AML Legislative Reception

Thursday, February 17, 2022

8:00am	Breakfast
8:30am	Plenary Session
9:30am	Breakout Session
11am	Plenary Session
Noon	Lunch - Guest Speaker
1:00pm	Deep Dive
6pm	Dinner (on your own)

Friday, February 18, 2022

8am	Breakfast
9am	Deep Dive
11:30am	Adjourn
1:30pm	AML Board meeting
5:00pm	AML Board dinner

CITY OF HOMER
HOMER, ALASKA

Aderhold

RESOLUTION 22-009

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA PROVIDING INPUT TO THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION ON PROPOSED CHANGES TO REGULATIONS ON OIL DISCHARGE PREVENTION AND CONTINGENCY PLANS

WHEREAS, As a result of the work of Alaska citizens and the Alaska legislature following the 1989 *Exxon Valdez* oil spill (EVOS), Alaska has world class spill prevention and response requirements to protect its people and the environment; commercial, sport, subsistence, and personal use fishing; aquaculture and mariculture practices; recreation; tourism; and cultural interests; and

WHEREAS, The shores of Kachemak Bay and lower Cook Inlet were oiled by EVOS and residents of Homer and the Kachemak Bay region were negatively impacted economically, culturally, and socially by that event; and

WHEREAS, Because of the negative impacts to Homer residents and our surroundings, the City of Homer holds board seats on both the Prince William Sound (PWS) and Cook Inlet (CI) Citizens Advisory Councils (RCACs) that were formed as part of the Oil Pollution Act of 1990 following EVOS; and

WHEREAS, In 2019, the Alaska Department of Environmental Conservation (ADEC) sought public input on oil discharge prevention and contingency plan regulations under 18 AAC 75 Article 4 and its statutory authorities relevant to contingency planning under AS 46.04 during a formal scoping process; and

WHEREAS, The Homer City Council responded to ADEC's request for public scoping process with Resolution 19 083, resolving the following:

- Strongly discouraging any legislative or regulatory changes that erode oil spill prevention and response standards, increase the risk of a catastrophic spill, or demonstrate a return to complacency on the part of the oil industry and regulators that Congress determined to be a primary cause of EVOS
- Stating that if the system created after EVOS is weakened, Alaskans will likely face an increased risk of reliving another major oil spill that could damage human health; Alaska's commercial, sport, and subsistence fishing; sport and subsistence hunting; other businesses; fish; wildlife; the environment; and the culture and quality of life of the people

- Asking ADEC to halt the public scoping process until detailed information was provided to the public as to the driving factors that led to this regulatory and statutory reform initiative, identifying the Alaskan companies and organizations that have contacted them with claims that the existing regulations are too burdensome, and providing information on the statutes and regulations ADEC claims can be eliminated or significantly reformed; and

WHEREAS, ADEC issued a "Notice of Proposed Changes to Oil Pollution Prevention Requirements in the Regulations of Alaska Department of Environmental Conservation" on October 28, 2021 with a comment period on the proposed regulations open from November 1, 2021 to January 31, 2022 that includes numerous proposed regulatory changes under 18 AAC 75 Article 4; and

WHEREAS, The PWS and CI RCACs have voiced appreciation for a number of positive proposed changes, including increased clarity within the regulations, combination of redundant sections, and use of technology in the interest of modernizing workflow; and

WHEREAS, The RCACs also have expressed concerns about the proposed regulations that must be addressed before public comment closes on January 31, 2022; and

WHEREAS, The Homer City Council agrees with the RCACs and submits the following comments on the proposed regulations.

NOW, THEREFORE BE IT RESOLVED that the Council of the City of Homer requests that Alaska regulations specify the minimum number of exercises required for crude oil plans be set at one significant Incident Management Team and two field deployment exercises each year, as well as other unannounced exercises as ADEC deems necessary, and that the commitment requiring additional exercises or other appropriate action if a plan holder fails to demonstrate the ability to implement their plan be retained; and

BE IT FURTHER RESOLVED that the Council of the City of Homer believes that regulatory changes should not result in any diminished emphasis on best available technology, including retaining the requirement that a Best Available Technologies Conference be held every five years or otherwise stating how they will examine new technologies to meet the mandates of AS 46.04.030(e); and

BE IT FURTHER RESOLVED that the Council of the City of Homer notes that federal law and the Alaska Oil Spill Commission have recognized the special role of RCACs in reviewing contingency plans; and requests that Alaska regulations continue to name the PWS and CI RCACs as recipients required to be notified of plan reviews, updates, and amendments, electronically or otherwise; and

BE IT FURTHER RESOLVED that the Council of the City of Homer requests that the option to use the PWS tow package should remain, with regulations at 18 AAC 75.990(96) revised to meet the breaking strength requirements set by the International Maritime Organization standard and note the tow package system should be able to be deployed in 15 minutes from the bow; and

BE IT FURTHER RESOLVED that the Council of the City of Homer requests that a change in plan holder ownership be treated as a major amendment to the Oil Discharge Prevention and Contingency Plan, affording the opportunity for public review prior to approval; and

BE IT FURTHER RESOLVED that the Council of the City of Homer requests that Article 4 of 18 AAC 75 incorporate language requiring Oil Spill Prevention and Contingency Plan holders to comply with all applicable State and Federal Regulations concerning human and environmental safety; and

BE IT FURTHER RESOLVED that the Council of the City of Homer requests that any new language or repealed language within Article 4 of 18 AAC 75 that has the potential to diminish prevention or response capabilities be revised or reinstated to ensure previous levels of human and environmental safety are met.

PASSED AND ADOPTED by the Homer City Council this 10 day of January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: None

Department of Environmental Conservation
Division of Spill Prevention & Response

18 AAC Chapter 75 – Oil and Other Hazardous Substances Pollution Control

Proposed Regulation Revisions

November 1, 2021

Mike Dunleavy
Governor

Jason Brune
Commissioner

Public Comment period ends
January 31, 2022, at 11:59 p.m.

Please see public notice for
details about how to comment

Background and changes addressed

This packet is being proposed to adopt new and revised regulations in 18 AAC 75 to clarify and update requirements for oil discharge prevention and contingency plans.

Understanding the changes

Reading and understanding state regulations can be confusing. To assist you in understanding this draft, please note that state regulations are laid out in the following manner:

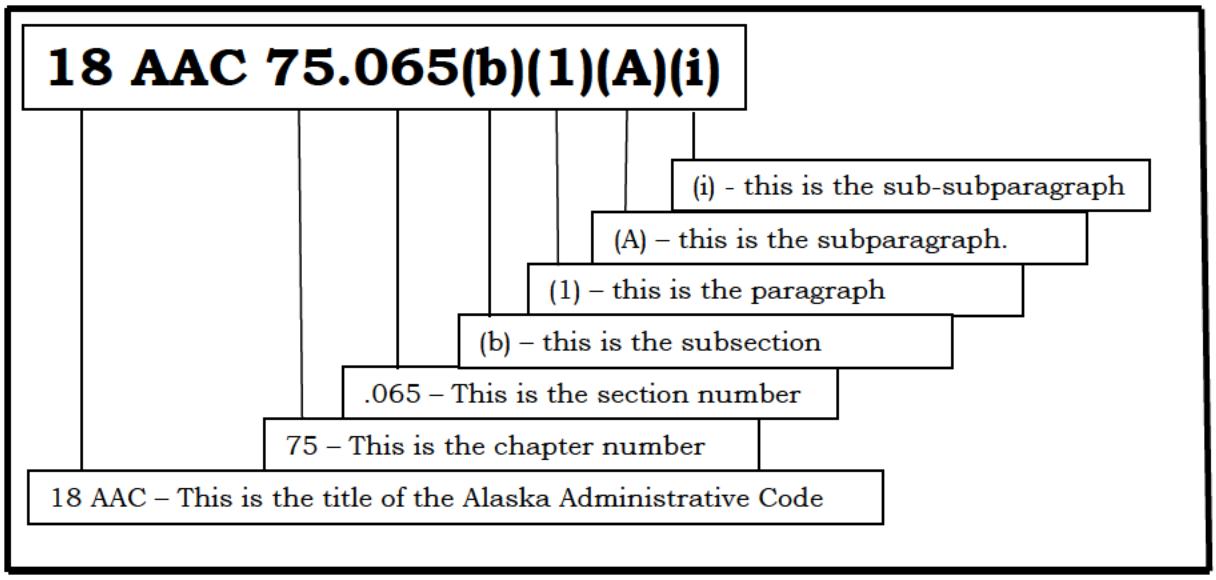


Figure 1. Alaska Regulatory Numbering System

In the following text, the proposed changes follow the formatting requirements of the "Drafting Manual for Administrative Regulations," 22nd Edition, August 2018, as promulgated by the State of Alaska Department of Law. The draft changes are indicated as follows:

Lead-in text explains the changes to the text that follows.

[CAPITALIZED TEXT IN BRACKETS] indicates current regulatory text proposed to be deleted.

Bolded and underlined indicates proposed new text that amends the regulation. When an entire section or subsection is new, it is only indicated by the lead in line.

[…] indicates unchanged chunks of regulatory text.

For comparison purposes, a complete copy of the current 18 AAC 75 regulations can be found online at: http://dec.alaska.gov/commish/regulations/index.htm

The title of Article 4 of 18 AAC 75 is changed to read:

Article 4. Oil Discharge Prevention and Contingency Plans [AND NONTANK VESSEL PLANS]

18 AAC 75.400. Applicability.

18 AAC 75.400(a) is amended to read:

(a) A person who is subject to AS 46.04.030 or AS 46.04.055(j) must file an application for approval of an oil discharge prevention and contingency plan as required under 18 AAC 75.400 - 18 AAC 75.420 and meet the applicable requirements of **18 AAC 75.430 - 18 AAC 75.495** [18 AAC 75.425 - 18 AAC 75.495]. Notwithstanding this requirement, a person who is subject to AS 46.04.030 and operates a noncrude oil tank vessel or barge that has a storage capacity of less than 500 barrels may **instead** file an application for approval of a streamlined plan under 18 AAC 75.400 - 18 AAC 75.421 [ON OR AFTER JANUARY 6, 2021]; the applicant must meet the applicable requirements of 18 AAC 75.426 - 18 AAC 75.496. A person who is subject to AS 46.04.055(f) must file an application for approval of a streamlined plan as required under 18 AAC 75.400 - 18 AAC 75.421 and meet the applicable requirements of 18 AAC 75.426 - 18 AAC 75.496. The application must be made

18 AAC 75.400(a)(1) is amended to read:

(1) for an oil terminal facility that **does not meet the exemption criteria under** [HAS A STORAGE CAPACITY OF 5,000 BARRELS OR MORE OF CRUDE OIL OR 10,000 BARRELS OR MORE OF NONCRUDE OIL AS PROVIDED IN] AS 46.04.050(a), by the

owner or operator of the facility;

18 AAC 75.400(a)(2) is repealed and readopted to read:

(2) for a vessel, by the person with primary operational control;

[(2) FOR A VESSEL, BY

(A) THE CHARTERER, IF THE VESSEL IS CHARTERED BY DEMISE;

(B) THE OPERATOR OF THE VESSEL;

(C) THE OWNER OF THE VESSEL, IF THE AGENTS OR EMPLOYEES OF THE OWNER RETAIN CONTROL AND RESPONSIBILITY FOR THE OPERATION OF THE VESSEL; OR

(D) IN ANY OTHER CASE, THE PERSON WITH PRIMARY OPERATIONAL CONTROL;]

18 AAC 75.400(a)(3) and (4) are amended to read:

(3) for an exploration or production facility, whether mobile or fixed, by the [LEASE HOLDER OR THE] operator **or one or more lease holders**;

(4) for a pipeline, by the [LEASE HOLDER OR THE] operator **or one or more lease holders**; or

(5) for a railroad tank car, by the railroad transporting the railroad tank car.

18 AAC 75.400(b) is repealed and readopted to read:

(b) The person with primary operational control of a vessel that is conducting, or is

available only for conducting, an oil discharge response operation may apply for an exemption from the requirements of AS 46.04.030(c) and 46 04.055(f) using an application form supplied by the department. The department will review the application to determine if the exemption will be protective of human health, safety, and welfare, and of the environment. The department will approve or deny the request for an exemption not later than 10 working days after it receives an application. In an emergency response to an actual discharge, a person seeking an exemption may make a verbal request, and the department may issue a verbal approval. The department will confirm a verbal approval in writing, stating the period during which the approval is valid.

Repealed text:

[(b) IF IT DETERMINES THAT AN EXEMPTION WILL BE PROTECTIVE OF HUMAN HEALTH, SAFETY, AND WELFARE, AND OF THE ENVIRONMENT, THE DEPARTMENT WILL EXEMPT FROM THE REQUIREMENTS OF AS 46.04.030(c) AND AS 46.04.055(f) A VESSEL THAT IS CONDUCTING, OR IS AVAILABLE ONLY FOR CONDUCTING, AN OIL DISCHARGE RESPONSE OPERATION. A PERSON SEEKING AN EXEMPTION UNDER THIS SUBSECTION MUST APPLY ON AN APPLICATION FORM SUPPLIED BY THE DEPARTMENT. THE DEPARTMENT WILL APPROVE OR DENY THE REQUEST FOR AN EXEMPTION NOT LATER THAN 10 WORKING DAYS AFTER IT RECEIVES AN APPLICATION. IN AN EMERGENCY RESPONSE TO AN ACTUAL DISCHARGE, A PERSON SEEKING AN EXEMPTION MAY MAKE A VERBAL REQUEST, AND THE DEPARTMENT MAY ISSUE A VERBAL APPROVAL. THE DEPARTMENT WILL CONFIRM A VERBAL APPROVAL IN WRITING, STATING THE PERIOD DURING WHICH THE APPROVAL IS VALID.]

18 AAC 75.400(c) is repealed and readopted to read:

(c) The owner or operator of an oil terminal facility that is subject to the requirements of AS 46.04.030 and 18 AAC 75.400 - 18 AAC 75.495 may apply for an exemption from those requirements if the effective storage capacity of the facility has been permanently reduced below the amounts set out in AS 46.04.050 by submitting an application form supplied by the department and a letter describing the permanent modification that was made to the facility;

(1) the applicant must provide proof of the permanent modification as follows:

(A) for purposes of reducing storage capacity by removing one or more tanks, the tanks and associated piping must be emptied, secured in a manner to prevent unauthorized use, and blank flanged; or the tank and piping must be disconnected from each other; tanks removed from service must be clearly marked with the words "Out of Service" and the date taken out of service; before reactivation of a tank that has been removed from service for the purposes of an exemption under this subsection, the owner or operator must notify the department and, if necessary, must file a new application for approval of an oil discharge prevention and contingency plan; and

(B) for the purpose of changes to the storage capacity of a tank, changes must be made in a permanent manner;

(2) the department will approve or deny the request for an exemption not later than 30 days after it receives a complete application; and

(3) the department will conduct inspections as necessary to ensure compliance with this subsection.

Repealed text:

[(c) THE OWNER OR OPERATOR OF AN OIL TERMINAL FACILITY THAT IS SUBJECT TO THE REQUIREMENTS OF AS 46.04.030 AND 18 AAC 75.400 - 18 AAC 75.495 MAY APPLY FOR AN EXEMPTION TO THOSE REQUIREMENTS UPON PROOF TO THE DEPARTMENT THAT THE EFFECTIVE STORAGE CAPACITY OF THE FACILITY HAS BEEN PERMANENTLY REDUCED BELOW THE AMOUNTS SET OUT IN AS 46.04.050. FOR PURPOSES OF REDUCING EFFECTIVE STORAGE CAPACITY, TANKS AND ASSOCIATED PIPING MUST BE EMPTIED AND RENDERED UNUSABLE TO THE DEPARTMENT'S SATISFACTION. TANKS REMOVED FROM SERVICE MUST BE CLEARLY MARKED WITH THE WORDS "OUT OF SERVICE" AND THE DATE TAKEN OUT OF SERVICE. A PERSON SEEKING AN EXEMPTION UNDER THIS SUBSECTION MUST APPLY ON AN APPLICATION FORM SUPPLIED BY THE DEPARTMENT. THE DEPARTMENT WILL APPROVE OR DENY THE REQUEST FOR AN EXEMPTION NOT LATER THAN 30 DAYS AFTER IT RECEIVES AN APPLICATION. BEFORE REACTIVATION OF A TANK THAT HAS BEEN REMOVED FROM SERVICE FOR THE PURPOSES OF AN EXEMPTION UNDER THIS SUBSECTION, THE OWNER OR OPERATOR MUST NOTIFY THE DEPARTMENT AND, IF NECESSARY, MUST FILE A NEW APPLICATION FOR APPROVAL OF AN OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN. FOR THE PURPOSE OF CHANGES TO THE STORAGE CAPACITY OF A TANK, ANY CHANGE MUST BE MADE IN A PERMANENT MANNER. THE DEPARTMENT WILL CONDUCT INSPECTIONS AS NECESSARY TO ENSURE COMPLIANCE WITH THIS SUBSECTION.]

18 AAC 75.400(d) is amended to read:

(d) The department may accept a single plan from an operator to address multiple facilities based on similarities in operations, receiving environments, logistical considerations, or other factors **that demonstrate** [INDICATING TO THE SATISFACTION OF THE DEPARTMENT] that a single plan is appropriate given the commonality of operations.

18 AAC 75.400(e) is amended to read:

(e) [THE REQUIREMENTS OF THIS SECTION DO NOT APPLY TO A NONTANK VESSEL OPERATING IN THE WATERS OF THE STATE IF THE NONTANK VESSEL IS ENTERING WATERS OF THE STATE UNDER CIRCUMSTANCES DETERMINED BY THE DEPARTMENT TO BE NECESSARY UNDER AS 46.04.055(e).] A person shall notify the department as soon as the person is aware of circumstances warranting a nontank vessel to enter state waters **under AS 46.04.055(e) and the department will determine if the circumstances warranted entry** without an approved **nontank vessel streamlined** plan.

18 AAC 75.400(f) and (g) are repealed:

(f) Repealed __/__/____. [A NATURAL GAS PRODUCTION OR NATURAL GAS TERMINAL FACILITY AS DEFINED IN AS 46.04.050(b) IS NOT REQUIRED TO SUBMIT AN OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN APPLICATION.]

(g) Repealed __/__/____. [AN EXPLORATION FACILITY MEETING THE NATURAL GAS EXPLORATION FACILITY EXEMPTION PROVISIONS OF AS 46.04.050(c) IS NOT REQUIRED TO SUBMIT AN OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN APPLICATION.]

(h) An oil discharge prevention and contingency plan is required for

(1) an oil terminal facility, except for a vessel operating as an oil terminal facility, until the storage capacity of the facility has been permanently reduced as set out in (c) of this section;

(2) a pipeline, while the pipeline

(A) is connected to a production facility or oil terminal facility; or

(B) contains oil;

(3) an exploration or production facility until the Alaska Oil and Gas Conservation Commission determines that all wells have been plugged as required under 20 AAC 25.112 and abandoned as required under 20 AAC 25.105; and

(4) a vessel while in the waters of the state.

(i) In this section, "receiving environment" means fresh or marine water, ice, or land outside of an impermeable secondary containment area.

18 AAC 75.400 is amended by adding a new subsection to read:

(j) The person that files an application under (a) of this section must be the same person that files an application for proof of financial responsibility for oil discharges under 18 AAC 75.205(a). (Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am 12/14/ 2002, Register 164; am 5/26/2004, Register 170; am 4/16/2016, Register 218; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.050 AS 46.04.070
AS 46.04.030 AS 46.04.055

18 AAC 75.405. Pre-application notification and consultation for oil discharge prevention and contingency plans; new plans and plan renewals.

18 AAC 75.405(a) is amended to read:

(a) At least 60 days before submitting an application **package** for approval of a new oil discharge prevention and contingency plan under 18 AAC 75.410 or for renewal of approval under 18 AAC 75.420, the applicant must notify the department in writing of its intent to submit an application. [AN ELECTRONIC MAIL OR FACSIMILE TRANSMISSION DELIVERED TO THE APPROPRIATE DEPARTMENT OFFICE WILL BE CONSIDERED WRITTEN NOTICE FOR PURPOSES OF THIS SUBSECTION.]

18 AAC 75.405(b) is amended to read:

(b) The applicant must consult with the department not later than 30 days before **the scheduled submission date for** [SUBMITTING] the application package to ensure that the application meets the requirements of 18 AAC 75.408 and the requirements of 18 AAC 75.410 or 18 AAC 75.420, to discuss the contents of the proposed plan, and to discuss the review process under 18 AAC 75.455.

(c) Pre-application notification and consultation is not required for a streamlined plan application submitted under 18 AAC 75.421.

18 AAC 75.405 is amended by adding a new subsection to read:

(d) Upon satisfying the requirements under (a) and (b) of this section, the application package may be submitted to the department before the 30 days specified in (b). (Eff. 5/14/92,

Register 122; am 11/27/2002, Register 164; am 4/16/2016, Register 218; am 3/23/2017, Register 221; am 10/27/2018, Register 228; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.050 AS 46.04.070
AS 46.04.030 AS 46.04.055

18 AAC 75.405 is amended by adding a new Editor's note to read:

Editor's note: A notification can be submitted to the department inbox at INBOXNAME@ADDRESS.

18 AAC 75.408. General procedures to apply for oil discharge prevention and contingency plans.

18 AAC 75.408(a) is amended to read:

(a) An application **package** for approval of an oil discharge prevention and contingency plan must contain

(1) an application form supplied by the department containing

(A) the applicant's legal name, address, and telephone number;

(B) the name, location, and type of facility or operation covered by the plan;

(C) for a vessel, the vessel's name, official number, and country of registry, the name and address of the owner, and the name and address of the operator;

(D) for a railroad tank car, the name of the railroad covered by the plan;

(E) the scheduled date for the operations covered by the plan to begin; and

18 AAC 75.408(a)(1)(F) is amended to read:

(F) **additional** [ANY OTHER] information on the application form that is applicable to the facility or operation;

(2) a copy of the plan or amendment to the plan as applicable; and

(3) supporting documentation as requested by the department.

18 AAC 75.408(b) is amended to read:

(b) The application form must be signed as **required under 18 AAC 15.030.** [FOLLOWS:

(1) FOR A CORPORATION, BY A PRINCIPAL EXECUTIVE OFFICER OF AT LEAST THE LEVEL OF VICE PRESIDENT OR THAT OFFICER'S AUTHORIZED REPRESENTATIVE, IF THE REPRESENTATIVE IS RESPONSIBLE FOR THE OVERALL MANAGEMENT OF THE PROJECT FACILITY OR OPERATION;

(2) FOR A PARTNERSHIP, BY A GENERAL PARTNER;

(3) FOR A SOLE PROPRIETORSHIP, BY THE PROPRIETOR;

(4) FOR A MUNICIPAL, STATE, FEDERAL, OR OTHER PUBLIC FACILITY, BY EITHER A PRINCIPAL EXECUTIVE OFFICER, RANKING ELECTED OFFICIAL, OR OTHER AUTHORIZED EMPLOYEE;

(5) FOR A JOINT VENTURE, BY THE OPERATOR;

(6) FOR A LIMITED LIABILITY COMPANY, BY A MEMBER;

(7) BY AN AGENT WHO HAS BEEN DELEGATED THAT AUTHORITY IN WRITING TO THE DEPARTMENT BY THE RESPONSIBLE PARTY UNDER (1) - (6) OF THIS SUBSECTION.]

18 AAC 75.408(c) is repealed and readopted to read

(c) An initial application package, responses to requests for additional information, and the final version of a plan or amendment must comply with the following:

(1) the format must be electronic; one paper copy of the initial application package and response to requests for additional information must be provided to the department upon request; one paper copy of the final approved plan must be submitted to the department:

(A) for paper copies of the plan, for an amendment or renewal application, the plan holder may submit only the changed pages if the pages are clearly marked and can easily be incorporated into the original plan document, otherwise the full plan must be provided;

(B) a person that is not able to access the documents from the department's Internet website shall submit a request to the department for an alternate format to be provided and the department will approve or disapprove the request; if approved, the plan holder will provide the package to the requester in an alternate format;

(C) the department will specify the electronic format to be used; the submittal must be electronically searchable;

(2) all proposed additions, revisions, and deletions must be identified in the plan as applicable; plan revisions must also be described in a table format;

(3) for new plans, plan renewals, and major amendments,

(A) upon determining the application package is sufficient for review under 18 AAC 75.455(a), the department will post it on the department's Internet website and notify interested stakeholders of the availability of the package by electronic mail to a listserv facilitated by the department;

(B) the department will post a copy of the final version of the application package on the department's Internet website and will notify interested stakeholders of the availability of the package by electronic mail to a listserv facilitated by the department;

(4) for minor amendments and routine updates, the department will post a copy of the final version of the application package on the department's Internet website, and will notify interested stakeholders of the availability of the package by electronic mail to a listserv facilitated by the department; and

(5) when a proposed minor amendment is provided to the department and the department has determined it will not be reviewed as a major amendment under 18 AAC 75.455, the department will notify interested stakeholders by electronic mail to a listserv facilitated by the department; the department shall provide an electronic copy upon request.

[(c) THE INITIAL APPLICATION PACKAGE, RESPONSES TO REQUESTS FOR ADDITIONAL INFORMATION, AND FINAL VERSIONS OF THE PLAN MUST COMPLY WITH THE FOLLOWING:

(1) THE FORMAT MUST BE ELECTRONIC, PAPER, OR BOTH, AS THE DEPARTMENT SPECIFIES;

(2) THE DEPARTMENT WILL SPECIFY THE NUMBER OF COPIES;

(3) THE DEPARTMENT WILL SPECIFY THE ELECTRONIC FORMAT TO

BE USED; THE SUBMITTAL MUST BE ELECTRONICALLY SEARCHABLE;

(4) FOR NEW PLANS, PLAN RENEWALS, AND MAJOR AMENDMENTS, THE APPLICANT MUST PROVIDE ALL COPIES TO THE DEPARTMENT, THE DEPARTMENT OF NATURAL RESOURCES, THE DEPARTMENT OF FISH AND GAME, REGIONAL CITIZENS' ADVISORY COUNCILS, AND OTHER PERSONS DESIGNATED BY THE DEPARTMENT;

(5) FOR MINOR AMENDMENTS AND ROUTINE UPDATES, THE APPLICANT MUST:

(A) PROVIDE ALL COPIES TO THE DEPARTMENT;

(B) PROVIDE COPIES OF THE FINAL VERSION OF THE PLAN TO THE DEPARTMENT OF NATURAL RESOURCES, THE DEPARTMENT OF FISH AND GAME, REGIONAL CITIZENS' ADVISORY COUNCILS, AND OTHER PERSONS DESIGNATED BY THE DEPARTMENT;

(6) AN APPLICANT MUST NOTIFY THE DEPARTMENT OF NATURAL RESOURCES, THE DEPARTMENT OF FISH AND GAME, REGIONAL CITIZENS' ADVISORY COUNCILS, AND OTHER PERSONS DESIGNATED BY THE DEPARTMENT WHEN A PROPOSED MINOR AMENDMENT IS PROVIDED TO THE DEPARTMENT; PARTIES REQUESTING A COPY OF THE MINOR AMENDMENT SHALL SUBMIT THE REQUEST TO THE APPLICANT AND THE APPLICANT SHALL PROVIDE A COPY;

(7) ALL PROPOSED ADDITIONS, REVISIONS, AND DELETIONS MUST BE IDENTIFIED IN THE PLAN AS APPLICABLE; THE DEPARTMENT MAY ALSO REQUEST A SUMMARY OF CHANGES IN A TABLE FORMAT;

(8) FOR NEW PLANS, PLAN RENEWALS, AND MAJOR AMENDMENTS,

THE DEPARTMENT WILL POST A COPY OF THE PROPOSED AND FINAL VERSION OF THE APPLICATION PACKAGE ON THE DEPARTMENT'S WEBSITE; FOR MINOR AMENDMENTS AND ROUTINE UPDATES, THE DEPARTMENT WILL POST A COPY OF THE FINAL VERSION OF THE APPLICATION PACKAGE ON THE DEPARTMENT'S WEBSITE.] (Eff. 4/16/2016, Register 218; am 3/23/2017, Register 221; am 10/27/2018, Register 228; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

The Editor's note for 18 AAC 75.408 is amended to read:

Editor's note: The application form referenced in 18 AAC 75.408 is available on the department's [INTERNET] website **search page: http://dec.alaska.gov/spar/ppr/regulations-guidance/forms-applications/. The application package may be submitted to the department inbox at INBOXNAME@ADDRESS. Persons that would like to receive notifications may sign up for the department's contingency plan public review listserv on the department's website: http://dec.alaska.gov/spar/ppr.aspx**.

18 AAC 75.410. Procedures to apply for oil discharge prevention and contingency plans; new plans.

18 AAC 75.410(a) is amended to read:

(a) An application **package** for approval of a new oil discharge prevention and contingency plan must be submitted in accordance with 18 AAC 75.408. An application

package must be submitted at least 180 days before the proposed start of operation.

(b) Repealed 4/16/2016.

(c) The department will review an application for a new plan using the procedures set out under 18 AAC 75.455 and will issue its decision under 18 AAC 75.460(a).

(d) Repealed 4/16/2016.

(e) Repealed 4/16/2016. (Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am 4/8/2012, Register 202; am 4/16/2016, Register 218; am 3/23/2017, Register 221; am 10/27/2018, Register 228)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.414. Procedures to apply for oil discharge prevention and contingency plans; owner or operator changes. A change in the owner, operator, or name of the owner or operator of a facility or operation with an approved oil discharge prevention and contingency plan requires that the new owner or operator submit an application package as an amendment under 18 AAC 75.415. (Eff. 4/16/2016, Register 218; am 3/23/2017, Register 221)

Authority. AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.415. Procedures to apply for oil discharge prevention and contingency plans; plan amendments. (a) An application for approval of an amendment to an oil discharge prevention and contingency plan must be submitted in accordance with 18 AAC 75.408 and

approved by the department, before a change to a plan may take effect, unless it is a routine plan update under (b) of this section. A plan amendment that incorporates one or more of the following will be reviewed as a major amendment:

(1) an increase to the response planning standard volume that exceeds the response capabilities of the plan holder documented in the plan;

(2) a change that affects the response scenarios, including a change to the

(A) scenario location;

(B) receiving environment as defined in 18 AAC 75.400(i); or

(C) season of operations;

(3) expansion of the operations to include one or more new physical locations outside of the current operational area of the plan;

(4) a change in the amount or quality of prevention, response resources, or training that reduces the existing level of prevention or response capabilities;

(5) a change that requires an increase in prevention, response resources, or training.

18 AAC 75.415(b) is amended to read:

(b) A routine plan update must be submitted in accordance with 18 AAC 75.408 not later than **ten working** [FIVE] days after the date the proposed change occurs. Routine plan updates include

(1) a deletion from the list of vessels operating under the approved plan if the deleted vessel is not included as a response asset in the current response action plan under **18 AAC 75.449** [18 AAC 75.425(e)(1)]; and

(2) a revision to the list of names, addresses, or telephone numbers of **the plan holder's** spill command and response personnel.

18 AAC 75.415(c) is amended to read:

(c) An **amendment** application [FOR APPROVAL OF A PLAN AMENDMENT] to allow the addition of a vessel to operate under an approved oil barge or tank vessel oil discharge prevention and contingency plan must include the information required by **18 AAC 75.449(a)(9) and 18 AAC 75.451(b)(3) and (b)(5) and** [18 AAC 75.425(e)(1)(H) AND (3)(A)(iii), (v), (vi), (viii), AND (x). A PLAN AMENDMENT FOR THE ADDITION OF AN OIL BARGE OR TANK VESSEL] must be submitted not later than five working days before the vessel **enters** [OPERATES IN] state waters. The department will review the amendment and issue a written decision not later than five working days after receiving a **complete** proposed plan amendment **application package** under this subsection unless the department determines that it is a major amendment under (a) of this section.

(d) Repealed 3/23/2017.

(e) Repealed 4/16/2016.

18 AAC 75.415(f) is amended to read:

(f) **The department will determine** [IF THE DEPARTMENT DETERMINES] that a proposed plan amendment submitted under (a) of this section is a major **or minor** amendment, **and** [THE DEPARTMENT] will notify the plan holder **of this determination** not later than 10 working days after receipt of the amendment. **For** [IF THE DEPARTMENT DETERMINES THAT A PROPOSED PLAN AMENDMENT IS] a minor amendment, the department will

[NOTIFY THE PLAN HOLDER NOT LATER THAN 10 WORKING DAYS AFTER RECEIPT OF THE AMENDMENT AND] issue a written decision not later than 30 days after receipt of the proposed plan amendment.

(g) A major amendment will be reviewed under 18 AAC 75.455. A minor amendment will not be reviewed under 18 AAC 75.455.

18 AAC 75.415(h) is amended to read:

(h) For a minor amendment approved under (f) of this section, the plan holder shall **submit the final copy to the department** [DISTRIBUTE COPIES IN ACCORDANCE WITH 18 AAC 75.408(c)] not later than 30 days after approval. The department will notify **interested stakeholders by electronic mail to a listserv facilitated by the department** [PARTIES IDENTIFIED IN 18 AAC 75.408(c)(5)] that the approved amended plan is available on the department's Internet website.

18 AAC 75.415 is amended by adding a new subsection to read:

(i) An amendment application to allow the addition of an aboveground oil storage tank with a storage capacity of 10,000 gallons or greater to operate on a temporary basis under an approved plan must include, as appropriate, the information required by 18 AAC 75.451(b)(1) and (5). An application package for this type of plan amendment must be submitted not later than ten working days before the oil storage tank is located at a facility. Unless the department determines that it is a major amendment under (a) of this section, the department will review the application package and issue a written decision not later than ten working days after receiving the complete package. (Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am 12/14/2002,

Register 164; am 4/8/2012, Register 202; am 4/16/2016, Register 218; am 3/23/2017, Register 221; am 10/27/2018, Register 228; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.420. Procedures to apply for oil discharge prevention and contingency plans; plan renewals. (a) A plan holder must apply for renewal of the department's approval of an oil discharge prevention and contingency plan in accordance with 18 AAC 75.408. The application must be submitted at least 180 days, or the number of days stated in the plan approval letter under 18 AAC 75.460(a), in advance of expiration of the plan to allow sufficient time for department review before the plan approval expires.

(b) Repealed 4/16/2016.

18 AAC 75.420(c) is repealed:

(c) Repealed __/__/____. [IF NO CHANGE WILL BE MADE IN THE PLAN WHEN IT IS RENEWED, A COPY OF THE ORIGINAL PLAN NEED NOT BE SUBMITTED AND MAY BE INCORPORATED BY REFERENCE ON THE APPLICATION FORM UNLESS OTHERWISE REQUESTED BY THE DEPARTMENT]

(d) Repealed 4/16/2016.

18 AAC 75.420(e) is amended to read:

(e) An application for a plan renewal**, including items that were not changed since the last plan approval,** will be reviewed under the provisions of 18 AAC 75.455. (Eff. 5/14/92,

Register 122; am 11/27/2002, Register 164; am 4/16/2016, Register 218; am 3/23/2017, Register 221; am 10/27/2018, Register 228; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.421. Procedures to apply for streamlined oil discharge prevention and contingency plans. (a) An application for approval of a new streamlined oil discharge prevention and contingency plan must be made on an application form supplied by the department.

(b) An application for approval of an amendment to a streamlined plan must be submitted using an application form supplied by the department and approved by the department before a change to the plan may take effect.

(c) An application for approval of a new streamlined plan, an amendment to a previously approved streamlined plan, or a reinstatement of a suspended nontank vessel streamlined plan must be submitted to the department for review and approval not later than five working days before a vessel covered in the plan enters waters of the state.

(d) A plan holder must apply for renewal of the department's streamlined plan approval, using an application form supplied by the department, not later than five working days in advance of the expiration of the plan.

(e) A plan holder may voluntarily terminate an approved streamlined plan or suspend a nontank vessel streamlined plan by submitting a streamlined plan notification form supplied by the department. The department will provide acknowledgment of the plan holder's suspension or termination not later than five working days after receiving the notification.

(f) A terminated or expired streamlined plan cannot be reinstated. Before a vessel can enter state waters after a streamlined plan has been terminated or expired, an application for a new streamlined plan must be submitted under (a) of this section. (Eff. 4/16/2016, Register 218; am 11/7/2020, Register 236)

Authority. AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.425 is repealed.

18 AAC 75.425 Oil discharge prevention and contingency plan contents. Repealed. (Eff. 5/14/92, Register 122; am 9/25/93, Register 127; am 3/28/96, Register 137; am 4/4/97, Register 142; am 12/14/2002, Register 164; am 5/26/2004, Register 170; am 12/30/2006, Register 180; am 9/4/2014, Register 211; am 3/23/2017, Register 221; am 10/27/2018, Register 228; repealed ____/____/____, Register ____)

18 AAC 75.426. Streamlined plan contents. A streamlined plan application must contain the following information:

(1) the name, address, and telephone number of the plan holder;

(2) for each covered vessel, the

(A) vessel's name, official number, and country of registry;

(B) name and address of the owner; and

(C) name and address of the operator;

(3) the application date and the first scheduled date of entry into waters of the state;

18 AAC 75.426(4) and (5)(A) are amended to read:

(4) the name, telephone number, title, **and** electronic mail address [, AND FACSIMILE NUMBER] of each qualified individual for the plan holder;

(5) a description of the immediate spill reporting actions to be taken at any hour of the day, including

(A) the title**,** [AND] telephone number, **and** [ANY] electronic mail address [, AND ANY FACSIMILE NUMBER] of personnel responsible for making notifications; and

(B) the telephone number of each appropriate government agency to be notified if a discharge occurs;

(6) the length overall, maximum beam, gross tonnage, and type and configuration of each covered vessel;

18 AAC 75.426(7) is amended to read:

(7) a description or diagram of each covered vessel for reference in conducting emergency response operations; each diagram must clearly mark the location of **all features** [ANY FEATURE] pertinent to the response, including

(A) the location, size, and storage capacity of each oil storage tank;

(B) the type of oil carried in each tank; and

(C) [ANY] other information that a responder may need to know in an emergency;

18 AAC 75.426(8) is amended to read:

(8) the name, location, and telephone number of an emergency contact for gaining access to detailed plans for each vessel showing [THE]

(A) **the** location of personnel quarters and each emergency exit;

(B) **the** location of all fuel piping locations, including valve locations and identification;

(C) the location and size of each tank, tank valve, overflow pipe, and tank access point;

(D) the location of each internal or portable pump on board;

(E) the location of each emergency shutdown switch; and

(F) other detailed information pertinent to emergency response operations;

(9) for each covered

(A) nontank vessel, the maximum fuel capacity, in barrels, and the volume used to calculate the response planning standard under 18 AAC 75.441 for each vessel; if the volume used to calculate the vessel's response planning standard is less than the maximum fuel capacity of the vessel, the vessel operator must certify that the volume used to calculate the vessel's response planning standard under 18 AAC 75.441 is the maximum volume of fuel carried by the vessel in state waters;

(B) noncrude oil tank vessel or barge that has a storage capacity of less than 500 barrels, the storage capacity, in barrels, and the volume used to calculate the response planning standard under 18 AAC 75.440 for each vessel;

(10) each region of operation for each covered vessel;

18 AAC 75.426(11) is amended to read:

(11) except for a plan using a response planning facilitator who is providing the response services described in 18 AAC 75.428(a)(2), the name**,** [AND] telephone number **and** [ANY] electronic mail address [, AND ANY FACSIMILE NUMBER] of each contracted streamlined plan cleanup contractor and incident management team;

(12) except for a plan using a response planning facilitator who is providing the response services described in 18 AAC 75.428(a)(2), a statement certifying that

(A) for each region of operation identified in the plan, the applicant has a contract with, or is a member of, at least one streamlined plan cleanup contractor for that region of operation;

(B) each streamlined plan cleanup contractor identified in the statement is registered under 18 AAC 75.500 - 18 AAC 75.580 for the appropriate classification under 18 AAC 75.561(b)(1), Table F, and region of operation identified in the plan; and

(C) each contract or membership agreement with the streamlined plan cleanup contractor demonstrates that the cleanup contractor will respond on behalf of the applicant;

(13) except for a plan using a response planning facilitator who is providing the response services described in 18 AAC 75.428(a)(2), a statement certifying that

(A) for each region of operation identified in the plan, the applicant has a contract with at least one streamlined plan incident management team for that region of operation;

(B) each streamlined plan incident management team identified in the statement is registered under 18 AAC 75.500 - 18 AAC 75.580 for the appropriate classification under 18 AAC 75.562(b), Table G, and region of operation identified in the plan; and

(C) each contract with the streamlined plan incident management team demonstrates that the incident management team will respond on behalf of the applicant;

18 AAC 75.426(14) is amended to read:

(14) for a plan submitted by a response planning facilitator, the name, telephone number, title, [ANY] electronic mail address [, AND ANY FACSIMILE NUMBER] of that response planning facilitator, and the role of the response planning facilitator as described in 18 AAC 75.428(a)(1) or (2);

(15) for a plan using a response planning facilitator who is providing the response services described in 18 AAC 75.428(a)(2), a statement certifying that the

(A) applicant has a contract with the response planning facilitator to provide oil spill response services to the applicant to meet the applicable requirements of 18 AAC 75.400 - 18 AAC 75.496 for each region of operation identified in the plan and the appropriate vessel fuel classification under 18 AAC 75.561(b)(1), Table F and 18 AAC 75.562(b), Table G; and

(B) contract under (A) of this paragraph demonstrates that the response planning facilitator will respond on behalf of the applicant;

(16) a statement certifying that each vessel complies with applicable federal and international maritime requirements;

(17) a statement, signed by an individual with the authority described in the statement, committing the resources necessary to implement the plan, and certifying the contents of the application; the statement must read as follows: "I certify, under penalty of unsworn falsification in violation of AS 11.56.210, that I am the applicant, a principal of the applicant, an authorized agent for the applicant, or an official of the applicant; that I have authority to sign this application and commit the resources necessary to implement the plan on behalf of the applicant; and that I have examined this application in its entirety and to the best of my knowledge, information, and belief, find it to be true, correct and complete." (Eff. 11/27/2002, Register 164; am 12/13/2002, Register 164; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

Editor's note: As of Register 221 (April 2017), the regulations attorney made technical corrections under AS 44.62.125(b)(6), to 18 AAC 75.426, changing cross-referenced table headers from "Table G" to "Table F" and from "Table H" to "Table G", to reflect the agency's repeal of 18 AAC 75.446, including former Table F, as part of amendments that took effect March 23, 2017, Register 221.

18 AAC 75.428. Response planning facilitator. (a) A response planning facilitator registered under 18 AAC 75.500 - 18 AAC 75.580 may submit a streamlined plan under 18 AAC 75.421 on behalf of a plan holder. A response planning facilitator may

18 AAC 75.428(a)(1) is amended to read:

(1) act as an intermediary between the plan holder and one or more streamlined

plan cleanup contractors and one or more streamlined plan incident management teams [IN ORDER] to facilitate the submission of a streamlined plan under 18 AAC 75.421, including facilitation of the execution of a contract or membership agreement between the plan holder and each streamlined plan cleanup contractor and incident management team as described in 18 AAC 75.426(12) and (13); or

(2) enter into a contract with the plan holder to meet the requirements of 18 AAC 75.400 - 18 AAC 75.496; the response planning facilitator's registration application under 18 AAC 75.553 must

(A) certify that the response planning facilitator has a contract with, or is a member of, one or more streamlined plan cleanup contractors and has a contract with one or more streamlined plan incident management teams registered under 18 AAC 75.500 - 18 AAC 75.580 in each region of operation and for the response planning standard appropriate to each vessel covered under the streamlined plan; and

(B) contain a statement, signed by the response planning facilitator and each streamlined plan cleanup contractor and incident management team, that the streamlined plan cleanup contractor and incident management team will respond on behalf of a plan holder who enters into a contract with the response planning facilitator to meet the requirements of 18 AAC 75.400 - 18 AAC 75.496.

(b) A response planning facilitator may sign a streamlined plan application form as an authorized agent on behalf of the plan holder. An application signed by a response planning facilitator has the full force and effect of an application signed by the plan holder as described in 18 AAC 75.400(a)(2). (Eff. 11/27/2002, Register 164; am 4/16/2016, Register 218; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.429. Equipment, training, personnel, and fuel transfer requirements for noncrude oil tank vessel or barge streamlined plans. (a) A noncrude oil tank vessel or barge that has an approved streamlined plan must maintain the following equipment on board:

18 AAC 75.429(a)(1) is amended to read:

(1) sorbent boom**,** not less than six times the length of the vessel **and** at least five inches in height, and equipment necessary to secure it;

(2) a vessel capable of deploying the sorbent boom required under (1) of this subsection;

(3) sorbent sweep not less than the length of the vessel; and

(4) 200 sorbent pads.

(b) At least two personnel trained in the deployment of the equipment listed in (a) of this section must be on board the vessel or an accompanying tug during transit or transfer of oil.

(c) Trained personnel shall use the equipment listed in (a) of this section to immediately mitigate and minimize a discharge until the streamlined cleanup contractor identified in the plan arrives.

18 AAC 75.429(d)(1) and (3) are amended to read:

(d) Trained personnel shall be familiar with the vessel's fuel transfer procedures and take all appropriate measures to prevent spills or overfilling during a transfer of oil, including the following fuel transfer procedures:

(1) ensure that each person involved in a transfer is capable of clearly communicating orders to stop a transfer [AT ANY TIME] during the transfer;

(2) provide a positive means to stop a fuel transfer in the shortest possible time;

(3) provide containment, [SUCH AS DRIP PANS,] under all connections along the transfer hose and systems;

(4) ensure that all valves in the transfer system have been checked, and that all manifolds not in use are blank flanged or capped before each transfer;

(5) inspect for damage or defects all piping and hose used in the transfer before each transfer; and

(6) reduce loading rates at the beginning and end of a transfer. (Eff. 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.430. Response planning standards. (a) Notwithstanding the response planning standards set out in 18 AAC 75.430 - 18 AAC 75.442, the plan must demonstrate the general procedures to clean up a discharge of any size, including the greatest possible discharge that could occur, subject to the provisions of AS 46.04.020 and AS 46.09.020.

18 AAC 75.430(b) is amended to read:

(b) Except for the requirements of 18 AAC 75.438(b)(1) and (2), 18 AAC 75.440, and 18 AAC 75.441, the department will consider and provide modifications to the response planning standards set out in 18 AAC 75.430 - 18 AAC 75.442 for a prevention measure that is in addition to those listed in 18 AAC 75.432 - 18 AAC 75.438, if the plan holder demonstrates [TO THE DEPARTMENT'S SATISFACTION] that the proposed measure reduces the potential size or risk of a discharge.

(c) If more than one prevention measure is used to modify the response planning standard, each subsequent reduction will be applied separately to the response planning standard value that results from application of the previous modification. However, in no case will the department reduce the response planning standard below an amount equal to

(1) 15 percent of the response planning standard applicable to a crude or noncrude oil terminal facility, an exploration or production facility, or a crude oil pipeline as determined under 18 AAC 75.432(b) or (c), 18 AAC 75.434, or 18 AAC 75.436(b), respectively; or

(2) 30 percent of the response planning standard for a crude oil tank vessel or barge as determined by 18 AAC 75.438(c).

(d) The department will, in its discretion, revoke or reduce a prevention credit set out in 18 AAC 75.432 - 18 AAC 75.438 if the department finds that the plan holder has failed to execute or has not effectively implemented the prevention measure used to determine that credit.

(e) Liquefied petroleum gas is exempt from the requirements of 18 AAC 75.430 - 18 AAC 75.442. (Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am 5/26/2004, Register 170; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.432. Response planning standards for oil terminal facilities. (a) For a crude or noncrude oil terminal facility, the plan holder shall maintain or have available under contract within the plan holder's region of operation or another approved location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

18 AAC 75.432(a)(1) is amended to read:

(1) contain or control**,** and clean up within 72 hours**,** that portion of the response planning standard volume that enters open water; and

(2) contain or control within 72 hours, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume that enters a receiving environment other than open water.

18 AAC 75.432(b) is amended to read:

(b) The response planning standard volume for a crude or noncrude oil terminal facility is equal to the capacity of the largest oil storage tank at the facility covered by the plan, unless there are specific natural or man-made conditions outside the facility which could place the facility at an increased risk of an oil discharge affecting one or more storage tanks. **For vessels operating as oil terminal facilities, the response planning standard is based on the entire storage capacity of the vessel.**

(c) For an increased risk described in (b) of this section, the response planning standard volume is equal to the capacity of all of the potentially affected oil storage tanks at the facility. The plan must set out the basis for selecting the storage tanks and the volume of oil planned for in the response.

(d) The department will, in its discretion, reduce the requirements of (b) of this section, by a percentage up to that shown, for each of the following prevention measures in place at the facility:

(1) alcohol and drug testing of key personnel: 5 percent;

(2) an operations training program with a professional organization or federal certification or licensing of program participants: 5 percent;

18 AAC 75.432(d)(3) and (d)(5)(A) are amended to read:

(3) on-line leak detection systems **that automatically alarm at a central facility system that is continually monitored,** for tanks and piping: 5 percent;

(4) a sufficiently impermeable secondary containment area with a dike capable of holding the contents of the largest tank, or all potentially affected tanks in the case of increased risk, and precipitation: 60 percent;

(5) for secondary containment as described in (4) of this subsection, designed with the following enhancements, an additional allowance for

(A) cathodic protection **for aboveground petroleum storage tanks and facility oil piping within secondary containment**: 10 percent;

18 AAC 75.432(d)(5)(B) is amended to read:

(B) **failsafe valve(s) on** [FAIL-SAFE VALVE] piping systems: 15 percent; or

(C) impervious containment area extending under the full area of each storage tank or double bottoms with leak detection: 25 percent; and

(6) containment outside the secondary containment area: 10 percent.

(Eff. 5/14/92, Register 122; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.433. Response planning standards for railroad tank cars. For a railroad tank car, the plan holder shall maintain, or have available under contract within the plan holder's region of operation or another approved location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

(1) contain and control 15 percent of the maximum oil capacity of the train within 48 hours after a spill; and

(2) clean up the discharge within the shortest possible time consistent with minimizing damage to the environment. (Eff. 12/14/2002, Register 164)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

AS 46.04.055

18 AAC 75.434. Response planning standards for exploration or production facilities. (a) For an exploration or production facility, the plan holder shall maintain or have available under contract within the plan holder's region of operation or another approved

location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

18 AAC 75.434(a)(1) is amended to read

(1) contain or control, and clean up within 72 hours that portion of the response planning standard volume that enters open water; and

(2) contain or control within 72 hours, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume that enters a receiving environment other than open water.

18 AAC 75.434(b) is amended to read:

(b) The response planning standard for an exploration facility is

(1) 16,500 barrels, unless relevant well data, exploration data, and other supporting technical documentation provided to the department and to the Alaska Oil and Gas Conservation Commission demonstrates [TO THE SATISFACTION OF THE DEPARTMENT] that a lower response planning standard volume is appropriate; and

(2) an additional 5,500 barrels for each of 12 days beyond 72 hours, unless relevant well data, exploration data, and other supporting technical documentation provided to the department and to the Alaska Oil and Gas Conservation Commission demonstrates [TO THE SATISFACTION OF THE DEPARTMENT]that a lower response planning standard volume is appropriate.

(c) Repealed 5/26/2004.

18 AAC 75.434(d) is amended to read:

(d) If the actual flow rate of a well at an exploration facility exceeds 5,500 barrels per day, and the facility is to continue operations, the department will increase the response planning standard volume determined under (b) of this section for subsequent exploration wells drilled at that facility to a response planning standard volume taking into account the actual well flow rate of that well. The plan holder must submit a plan amendment under 18 AAC 75.415 addressing the increased response planning standard volume **not later than** [WITHIN] 30 days after the department notifies the plan holder of the department's determination under this section. The department will review the plan amendment under 18 AAC 75.455.

(e) The response planning standard for a production facility is

(1) three times the annual average daily oil production volume for the maximum producing well at the facility; and

(2) for a production facility with wells without assisted lift, an additional volume equal to the annual average daily oil production volume for the maximum producing well at the facility for each of 12 days beyond 72 hours.

(f) The department may consult with the Alaska Oil and Gas Conservation Commission and other agencies as necessary to

(1) verify the production data submitted under (d) of this section; and

(2) determine, under (b) of this section, a lower response planning standard for exploration facilities.

18 AAC 75.434(g) is amended to read:

(g) If an operator proposes the planned voluntary ignition of a well blowout **for the purpose of adjusting the response planning standard volume**, the operator shall submit data, analyses, and supporting documentation that **demonstrate** [INDICATES TO THE SATISFACTION OF THE DEPARTMENT] that **the** [ANY] discharged oil would have an American Petroleum Institute (API) gravity of 35 or greater, a gas-oil ratio in excess of 2,000, and an anticipated combustion efficiency of at least 90 percent, that well ignition would not exceed national ambient air quality standards set under 42 U.S.C. 7409 (Clean Air Act), and that well ignition will be protective of human health, safety, and welfare, and of the environment. The department will adjust the response planning standard determined under (b) - (e) of this section based on the submitted data. The department may consult with the Alaska Oil and Gas Conservation Commission and other agencies in evaluating the data provided by the operator under this subsection.

(h) If exploration and production facilities are covered under a single plan accepted under 18 AAC 75.400(d), the department will consider the largest of the response planning standards determined under (b) - (e) of this section to be the response planning standard for that plan.

18 AAC 75.434(i) is amended to read:

(i) The department will protect from public disclosure [ANY] data, analyses, or supporting documentation [THAT IS] required under this section and held confidential by the department or another state agency under applicable constitutional law, statutes, and common law doctrines that protect trade secrets within the meaning of AS 45.50.940 and other

commercially sensitive, confidential, and proprietary information. If disclosure of that information is required in an adjudicatory hearing under 18 AAC 15.185 - 18 AAC 15.340, the hearing officer shall limit and condition disclosure to the extent necessary to comport with applicable constitutional, statutory, and common law doctrines that protect trade secrets within the meaning of AS 45.50.940 and other commercially sensitive, confidential, and proprietary information. In limiting or conditioning disclosure under this subsection, the hearing officer shall or department will, as necessary

(1) review confidential information in-camera; and

(2) redact department decisions to protect confidential information.

(j) The department may reduce the requirements of (b) - (e) of this section, up to the limits set out in 18 AAC 75.430(c)(1), for prevention measures in place at the facility beyond those measures imposed by the Alaska Oil and Gas Conservation Commission or another agency. (Eff. 5/14/92, Register 122; am 5/26/2004, Register 170; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.436. Response planning standards for crude oil pipelines. (a) For a crude oil pipeline facility, the plan holder shall maintain or have available under contract within the plan holder's region of operation or another approved location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

18 AAC 75.436(a)(1) is amended to read:

(1) contain or control, and clean up within 72 hours that portion of the response planning standard volume that enters open water; and

(2) contain or control within 72 hours, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume that enters a receiving environment other than open water.

(b) The response planning standard volume for a crude oil pipeline facility is the amount of oil which equals the length of the pipeline between pumping or receiving stations or valves (Lpl), minus the hydraulic characteristics of the pipeline due to terrain profile (Hpl), times the capacity of the pipeline in barrels per lineal measure (Cpl), plus the flow rate of the pipeline in barrels per time period (FRpl), multiplied by the estimated time to detect a spill event (TDpl), plus the time to shut down the pipeline pump or system (TSDpl). Written as a formula, the response planning standard is (Lpl - Hpl) * Cpl + FRpl * (TDpl + TSDpl).

(c) The department will, in its discretion, reduce the requirements of (b) of this section, by a percentage up to that shown, for each of the following prevention measures in place at the facility:

(1) alcohol and drug testing of key personnel: 5 percent;

(2) an operations training program with a professional organization or federal certification or licensing of program participants: 5 percent;

18 AAC 75.436(c)(3) is amended to read:

(3) on-line leak detection systems **that automatically alarm at a central facility system that is continually monitored**: 5 percent;

(4) corrosion control using

(A) ultrasonic thickness meters: 15 percent;

(B) instrumented in-line cleaning and diagnostic equipment ("smart pigs"): 15 percent; or

(C) a method described in (A) or (B) of this paragraph, coupled with cathodic-profile inspection at least triennially: 30 percent; and

(5) underwater pipeline cathodic- and burial-profile inspection: 5 percent.

(Eff. 5/14/92, Register 122; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.070 AS 46.04.030

18 AAC 75.438. Response planning standards for crude oil tank vessels and barges. (a) For a crude oil tank vessel or barge, the plan holder shall maintain or have available under contract within its region of operation, sufficient discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

18 AAC 75.438(a)(1) is amended to read:

(1) contain or control, and clean up within 72 hours that portion of the response planning standard volume set out in (b) of this section that enters open water; and

(2) contain or control within 72 hours, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume set out in (b) of this section that enters a receiving environment other than open water.

(b) For purposes of the requirements of (a) of this section, the response planning standard volume for a crude oil tank vessel or barge is

(1) 50,000 barrels, if the tank vessel or barge has a cargo volume of less than 500,000 barrels; and

(2) 300,000 barrels, if the tank vessel or barge has a cargo volume of 500,000 barrels or more.

(c) In addition to the requirements of (a) of this section, for all crude oil tank vessels and barges, the plan holder shall plan to have deployed and operating within 72 hours, from within or outside its region of operation, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to contain and control, and clean up at least 60 percent of the total cargo volume of the tank vessel or barge.

(d) The department will, in its discretion, reduce the requirements of (c) of this section, by a percentage up to that shown, for each of the following prevention measures in place for the vessel or barge:

(1) hydrostatic loading: 20 percent;

(2) double hulls and bottoms: 30 percent;

(3) double bottoms: 25 percent; and

(4) emergency-response vessels and procedures described as follows:

(A) vessel escort during entire vessel transit in port area;

(B) escort vessels capable of

(i) providing steering and propulsion assistance with the ability to attach towing cables in a timely fashion under the weather conditions of transit; and

(ii) exerting sufficient force to change or maintain the escorted vessel's course;

18 AAC 75.438(d)(4)(C) is amended to read:

(C) limits on the escorted vessel's speed **so it matches the** [IN ORDER TO MATCH] escort vessel's ability to render assistance; and

(D) escort vessels have on-board oil discharge response equipment: 11 percent.

(e) A crude oil tank vessel or barge that has been exempted under 18 AAC 75.400(b) is exempt from the requirements of this section. (Eff. 5/14/92, Register 122; am 10/27/2018, Register 228; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.440. Response planning standards for noncrude oil tank vessels and barges. (a) For a noncrude oil tank vessel or barge, the plan holder shall maintain or have available under contract within the plan holder's region of operation or another approved location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

(1) contain or control within 48 hours, and to clean up within the shortest possible time, that portion of the response planning standard volume that enters open water; and

(2) contain or control, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume that enters a receiving environment other than open water.

(b) The response planning standard volume for a noncrude oil tank vessel or barge is equal to 15 percent of the total cargo volume of the oil tank vessel or barge. (Eff. 5/14/92, Register 122; am 10/27/2018, Register 228)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.441. Response planning standards for nontank vessels. (a) For a nontank vessel, the plan holder shall maintain or have available under contract or membership agreement within the plan holder's region of operation, sufficient oil discharge containment and control equipment and shall maintain or have available under contract or membership agreement within the plan holder's region of operation or capable of arriving in the region of operation within 24 hours, sufficient storage, transfer, and cleanup equipment, personnel, and other resources to contain and control 15 percent of the maximum oil capacity of the nontank vessel within 48 hours. The plan holder must clean up the discharge within the shortest possible time consistent with minimizing damage to the environment.

(b) For purposes of AS 46.04.055(c)(1) and this section, "maximum oil capacity" means the

(1) total fuel tankage of the nontank vessel; or

(2) demonstrated actual maximum fuel volume that the vessel will carry in state waters, as certified by the vessel owner or operator. (Eff. 11/27/2002, Register 164)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070

AS 46.04.030

Editor's note: As of Register 170 (July 2004), the regulations attorney made a technical revision under AS 44.62.125(b)(6) to 18 AAC 75.441(a).

18 AAC 75.442 is amended to read:

18 AAC 75.442. Response planning standards for multiple operations. For a **plan** [FACILITY] having **multiple facility types** [MORE THAN ONE CATEGORY OF OPERATION] that **require** [requires] an approved oil discharge prevention and contingency plan, the plan holder must plan to respond to a discharge of the applicable response planning standard volume for each separate **facility type in the plan** [CATEGORY OF OPERATION AT THE FACILITY] as established under 18 AAC 75.430 - 18 AAC 75.440. (Eff. 5/14/92, Register 122; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.445 is repealed.

18 AAC 75.445 Approval criteria for oil discharge prevention and contingency plans. Repealed. (Eff. 5/14/92, Register 122; am 9/25/93, Register 127; am 3/28/96, Register 137; am 4/4/97, Register 142; am 5/26/2004, Register 170; am 12/30/2006, Register 180; repealed ____/____/____, Register ____)

18 AAC 75.447 is repealed.

18 AAC 75.447 Department examination of new technologies. Repealed. (Eff. 4/4/97, Register 142; repealed ____/____/____, Register ____)

Repealed text:

[(a) TO ASSURE THAT PROVEN NEW TECHNOLOGIES ARE CONSIDERED FOR USE IN OIL DISCHARGE PREVENTION AND CONTINGENCY PLANS, THE DEPARTMENT WILL REVIEW AND APPRAISE TECHNOLOGY APPLIED AT OTHER LOCATIONS IN THE UNITED STATES AND THE WORLD THAT REPRESENT ALTERNATIVES TO THE TECHNOLOGIES USED BY PLAN HOLDERS IN THEIR OIL DISCHARGE PREVENTION AND CONTINGENCY PLANS SUBMITTED TO MEET RESPONSE PLANNING STANDARDS IN 18 AAC 75.430 - 18 AAC 75.442 AND THE PERFORMANCE STANDARDS OF 18 AAC 75.005 - 18 AAC 75.080. THE DEPARTMENT WILL CONDUCT THIS REVIEW AND APPRAISAL BY

(1) SPONSORING A TECHNOLOGY CONFERENCE AT LEAST EVERY FIVE YEARS AND IN COOPERATION WITH PERSONS, ORGANIZATIONS, AND GROUPS WITH INTERESTS AND EXPERTISE IN RELEVANT TECHNOLOGIES; THIS CONFERENCE WILL PROVIDE INTERESTED PARTIES WITH AN OPPORTUNITY TO DESCRIBE THE STATUS OF EXISTING TECHNOLOGIES IN USE AS WELL AS TECHNOLOGIES THAT MAY BE CONSIDERED SUPERIOR TO THOSE IN USE AT THAT TIME; AND

(2) ENGAGING IN STUDIES, INQUIRIES, SURVEYS, OR ANALYSES THE DEPARTMENT BELIEVES APPROPRIATE TO THE CONSIDERATION OF NEW TECHNOLOGIES.

(b) AFTER ITS REVIEW AND APPRAISAL UNDER (a) OF THIS SECTION, THE DEPARTMENT WILL ISSUE WRITTEN FINDINGS IDENTIFYING NEW TECHNOLOGIES THAT THE DEPARTMENT CONSIDERS REPRESENT PROVEN

TECHNOLOGICAL BREAKTHROUGHS IN OIL DISCHARGE CONTAINMENT, CONTROL, OR CLEANUP EQUIPMENT. IN ITS FINDINGS, THE DEPARTMENT WILL

(1) PROVIDE AN EVALUATION OF THE TECHNOLOGIES APPLIED AT OTHER LOCATIONS BASED ON THE APPLICABLE CRITERIA IN 18 AAC 75.445(k)(3);

(2) IDENTIFY THE EVIDENCE THAT CLEARLY AND CONVINCINGLY SUPPORTS THE DETERMINATION THAT THE EQUIPMENT REPRESENTS A PROVEN TECHNOLOGICAL BREAKTHROUGH THAT COULD RESULT IN SUPERIOR ADVANCES IN THE EFFICIENCY OR EFFECTIVENESS OF OIL SPILL RESPONSE EFFORTS; AND

(3) IDENTIFY SPECIFIC OPERATIONS, GEOGRAPHICAL LOCATIONS, OR PHYSICAL ENVIRONMENTS WHERE THE TECHNOLOGY COULD BE APPLIED.

(c) IF A FINDING IS ISSUED UNDER (b) OF THIS SECTION, THE DEPARTMENT WILL INFORM PLAN HOLDERS, PRIMARY RESPONSE ACTION CONTRACTORS, AND OTHER INTERESTED PERSONS OF THE DEPARTMENT'S FINDINGS, THE AVAILABILITY OF THE NEW TECHNOLOGY, AND THE OPPORTUNITY TO SUBMIT COMMENT ON THE REPORT TO THE DEPARTMENT.]

18 AAC 75 is amended by adding a new section to read:

18 AAC 75.448. Oil discharge prevention and contingency plan, general content and approval criteria. (a) An oil discharge prevention and contingency plan submitted for approval under 18 AAC 75.400 – 495 must be usable as a working plan for oil discharge control, containment, cleanup, and disposal of an oil discharge of any size. The plan must contain enough information, analyses, supporting data, and documentation to demonstrate the plan holder's

ability to meet the requirements of AS 46.04.030, AS 46.055(c)(2) and 18 AAC 75.400 - 18 AAC 75.495. It must demonstrate that the personnel, equipment, and other resources identified in the plan are sufficient for meeting each response planning standard applicable for each facility in the plan. The plan must take into account realistic maximum response operating limitations and their effects on response capability and the deployment of resources. The department will review and evaluate a plan by verifying that it meets the applicable requirements under 18 AAC 75.448 - 18 AAC 75.453.

(b) A plan comprised of multiple facility types as described at 18 AAC 75.442 must describe the appropriate response measures to meet the applicable portion of the response planning standard for each facility type covered by the plan.

(c) The submitted plan must be accompanied by a cover page or letter that includes

(1) the official plan title: the name of the plan holder and the covered facility or facilities, followed by the words "Oil Discharge Prevention and Contingency Plan";

(2) the date of the plan; and

(3) a statement, signed by an individual with appropriate authority as set out under 18 AAC 15.010(b), committing the oil discharge prevention and response resources necessary to implement the plan.

(d) The plan must

(1) consist of five parts and contain the information described in 18 AAC 75.449 - 18 AAC 75.453;

(2) contain a complete table of contents and lists of tables or figures, with corresponding page numbers; and

(3) be presented in the order shown in 18 AAC 75.449 - 18 AAC 75.453 or include a cross-reference table that directs the reader to the appropriate information.

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

AS 46.04.020 AS 46.04.055

18 AAC 75 is amended by adding a new section to read:

18 AAC 75.449. Part 1 - Oil discharge prevention and contingency plan, Response Action Plan. (a) The oil discharge prevention and contingency plan response action plan must contain immediate steps to be taken in response to a discharge of any size, hypothetical response scenarios based on applicable response planning standards, nonmechanical response procedures if the plan holder intends to request approval for their use, facility diagrams to support emergency response plans, and general procedures for responding to the maximum possible discharge that could occur at the facility or facilities covered by the plan. The plan must include the following information in sufficient detail to clearly guide responders in an emergency event:

(1) emergency action checklist - a short checklist of the immediate response and notification steps to be taken if an oil discharge occurs to be carried by the response personnel;

(2) reporting and notification - a description of the immediate spill reporting actions to be taken at any hour of the day, including

(A) the title and telephone number of facility personnel responsible for making the notification; and

(B) the telephone number of each appropriate government agency to be notified if a discharge occurs and additional contact information for potentially impacted groups and others who may be called on to provide resources during the spill;

(3) safety - based on applicable safety standards, a description of the steps necessary to develop an incident-specific safety plan for conducting a response;

(4) communications - a description of field communications procedures, including, if applicable, assigned radio channels or frequencies and their intended use by response personnel;

(5) deployment strategies - a description of proposed initial response actions that may be taken, including

(A) procedures for the transport of equipment, personnel, and other resources to the spill site, including plans for alternative methods in adverse weather conditions; and

(B) if the operator is not the primary spill responder, procedures to notify and mobilize the response action contractor or other responder identified in the plan, including a description of the interim actions that the operator will perform until the responder identified in the plan initiates a full response to the discharge; the description must demonstrate that the transition and substitution of equipment and resources between the plan holder and response contractor will occur without interruption of response or cleanup;

(6) response scenario - a written description of a hypothetical spill and response that demonstrates a plan holder's ability to respond to a discharge of each applicable response planning standard volume within the required time frames under 18 AAC 75.430 – 18 AAC

75.442, using the resources described in the contingency plan; the response scenario must be usable as a general guide for a discharge of any size and must describe the discharge containment, control, and cleanup actions to be taken, and clearly demonstrate the strategies and procedures adopted to conduct and maintain an effective response, and if the response scenario is for an exploration or production facility, must also meet the applicable requirements of (7) of this subsection; if the information required by this subparagraph is contained in a separate document developed by the plan holder or the plan holder's primary response action contractor identified in 18 AAC 75.451(i), the plan holder may incorporate the information by reference upon receiving the department's approval; response strategies must be sufficient to meet the applicable response planning standard established under 18 AAC 75.430 - 18 AAC 75.442 for containment, control, recovery, transfer, storage, and cleanup within the specified time and under environmental conditions that might reasonably be expected to occur at the discharge site and must include

(A) the spill location, time of year, and time of day, the source and cause of the spill, the quantity and type of oil spilled, the relevant environmental conditions that might reasonably be expected to occur at the discharge site, including weather, sea state, and visibility, and the spill trajectory;

(B) the expected timeline for response actions, describing response actions to be taken;

(C) in place procedures to stop the discharge at its source, within the shortest possible time, and prevent its further spread;

(D) a description of methods to prevent or control a potential fire hazard, including a facility diagram which includes the location of fire suppression equipment,

main power shutoff switches, and other relevant information; all fire control plans must be compatible with applicable fire codes and industry standards;

(E) procedures and methods, and a description of the equipment that will be used for real-time surveillance and tracking of the discharged oil on land and on open water, forecasting of its expected points of shoreline contact; these must be sufficient to ensure that there is proper allocation and deployment of response personnel and equipment;

(F) for a stationary facility or operation, or a railroad, and, if requested by the department, for a vessel, a description of site-specific strategies for the protection of environmentally sensitive areas and areas of public concern identified under 18 AAC 75.451(k), including, for a land-based facility or railroad, protection of groundwater and public water supplies; sufficient oil discharge response equipment, personnel, and other resources must be maintained and available for the specific purpose of preventing discharged oil from entering these environmentally sensitive areas or an areas of public concern that would likely be impacted if a discharge occurs, and that this equipment and personnel will be deployed and maintained on a time schedule that will protect those areas before oil reaches them according to the predicted oil trajectories for an oil discharge of the volumes established under 18 AAC 75.430 - 18 AAC 75.442; areas identified in the plan must include areas added by the department as a condition of plan approval; if identification of those areas and site-specific strategies for protection of those areas are in an applicable Geographic Zone of one or more Area Contingency Plans described in 18 AAC 75.495, the plan holder may incorporate that information by reference;

(G) a description of the actions to be taken to contain and control the spilled oil, including, as applicable, boom deployment strategies, construction of temporary berms, and other methods;

(H) a description of the actions to be taken to recover the contained or controlled oil using mechanical response options, including procedures and provisions for skimming, absorbing, or otherwise recovering the contained or controlled product from water or land;

(I) procedures for lightering, transfer, and storage of oil with enough detail to demonstrate that there is access to sufficient lightering equipment and personnel to transfer all oil from damaged tanks and from undamaged tanks if the risk of an additional discharge is present; the plan must provide for the start and completion of lightering within the shortest possible time, consistent with ensuring the safety of personnel;

(J) procedures for transfer and storage of recovered oil and oily water, including methods for estimating the amount of recovered oil; for on-water recovery, this includes procedures for offloading and transfer of oil and oil-water mixture to shore-side storage; for on-land recovery, this includes procedures for transfer from onsite temporary storage to more secure storage;

(K) procedures and locations for temporary storage and ultimate disposal of oil contaminated materials, oily wastes, and sanitary and solid wastes, with enough detail to demonstrate that there is adequate temporary storage and removal capacity for recovered oil and oily wastes available at or near the site of the spill to keep up with the skimming and recovery operations and to meet the applicable planning standard

established under 18 AAC 75.430 - 18 AAC 75.442 for control, containment, and cleanup; plans for temporary storage and ultimate disposal must include identification of all necessary permits, approvals, or authorizations and the timeline for them;

(L) procedures for decanting if the plan holder intends to request approval for decanting during a spill response; this does not eliminate the requirement for the response strategies to include procedures for storage of recovered oil and oily water; if, at the time of a spill the responsible party wants to decant, they must apply to the department's State On-Scene Coordinator for approval on a form supplied by the department;

(M) procedures and methods for the protection, recovery, disposal, rehabilitation, and release of potentially affected wildlife, including: minimizing wildlife contamination through hazing or other means, when appropriate; the recovery of oiled carcasses to preclude secondary contamination of scavengers; and the capture, cleaning, rehabilitation, and release of oiled wildlife, when appropriate; plans for wildlife protection, recovery, disposal, rehabilitation, and release of wildlife should follow the recommendations of the Alaska Regional Response Team *Wildlife Protection Guidelines for Oil Spill Response in Alaska*;

(N) if applicable, a description of procedures for the deployment of shoreline cleanup equipment and personnel, including cleanup and restoration methods and techniques to be used if the shoreline is impacted by the discharge; and

(O) additional response strategies to demonstrate alternative strategies for anticipated receiving environments and seasonal conditions, including time of year, spills of varying source and size, and weather limitations;

(7) if the facility is an exploration or production facility, a response scenario that complies with (6) of this subsection, and in addition

(A) a summary of planned methods, equipment, logistics, and time frames proposed to be employed to control a well blowout within 15 days;

(B) the plan holder shall certify in the plan that the plan holder maintains a separate well blowout contingency plan and that the well blowout contingency plan summary provided in the plan is aligned with the blowout contingency plan approved under 20 AAC 25.XXX; the approved blowout contingency plan is not part of an application required under 18 AAC 75.400 - 18 AAC 75.495 but must be made available to the department for inspection upon request under 18 AAC 75.480; this may be a paper copy or an electronic version that is retrievable by the operator at the facility at all times; the department may consult with the Alaska Oil and Gas Conservation Commission, the Department of Natural Resources, or other agencies to determine the adequacy of the planned methods, equipment, logistics, and time frames for the control of a well blowout;

(C) a plan holder may use for development of a response scenario the July 1997 S.L. Ross oil deposition model for surface oil well blowouts, or another oil deposition model approved by the department for surface oil well blowouts;

(D) the response scenario must account for variations in seasonal conditions, a plan holder must provide a response scenario for a discharge of the applicable response planning standard volume under typical summer environmental conditions and typical winter environmental conditions; and

(E) if the information required by this section is contained within a separate document developed by the plan holder or the plan holder's primary response

action contractor identified in 18 AAC 75.451(i) the plan holder may incorporate the information by reference upon receiving the department's approval; for purposes of this subsection;

(8) nonmechanical response options - plans which propose the use of dispersants, in situ burning, or other nonmechanical response techniques during periods when environmental conditions or other factors limit the use of mechanical spill response methods must include

(A) the basis for determining the conditions or circumstances under which these options will be used, and how the nonmechanical response options will be implemented, including a description of all required equipment and personnel;

(B) a demonstration of their efficiency and effectiveness;

(C) an assessment of potential environmental consequences, provisions for continuous monitoring and real-time assessment of environmental effects, and including a description of the specific mechanisms in place to assess the environmental consequences of the nonmechanical response option and to provide continuous monitoring of its environmental effects;

(D) a complete inventory of nonmechanical response equipment and supplies, including the type and toxicity of each dispersant, with procedures for storage, maintenance, and deployment;

(E) identification of all necessary approvals, and a completed application for department approval for open burning if in situ burning is a proposed response option;

(F) identification of all necessary permits, approvals, or authorizations for use of nonmechanical response options and the timeline for them; and

(G) a plan for protecting environmentally sensitive areas and areas of public concern identified in 18 AAC 75.451(k), and the public from adverse effects of the nonmechanical response option;

(9) facility diagram - a plan diagram of the facility for reference in conducting emergency response operations, with locations of response equipment and other features pertinent to the response plan clearly marked, including surrounding topography, roads, air transportation and other transportation access, location and bathymetry of adjacent water bodies, mooring areas, oil transfer locations, pipelines, control stations, drip pans and drainage of drip pans, and a representation of the distance and gradients to surface water for an operation located on land, by topographic map, aerial photographs, or other means; for a railroad tank car or locomotive, a diagram must be included for each distinct type of railroad tank car or locomotive showing locations of fuel and lubrication systems and oil storage tanks, piping, and valves; and

(10) the plan must identify the maximum possible discharge that could occur at the facility and the general procedures to be followed in responding to a discharge of that magnitude, including the identification of resources in addition to those maintained by the plan holder or available under contract to meet the applicable response planning standard for that facility or operation; this information must be located in the plan immediately following the scenario or scenarios required by (6) of this subsection.

(b) In this section

(1) "typical summer environmental conditions" means the average wind speeds and predominant wind directions as depicted by a wind rose, temperature, sea state, and other climatic and environmental conditions occurring during the period of May through October,

based on National Weather Service data or local weather records of a duration sufficient to determine a reasonable average;

(2) "typical winter environmental conditions" means the average wind speeds and predominant wind directions as depicted by a wind rose, temperature, sea state, and other climatic and environmental conditions occurring during the period of November through April, based on National Weather Service data or local weather records of a duration sufficient to determine a reasonable average;

(3) "wind rose" means a polar coordinate plot designed to show the distribution of wind directions and speeds at a given location over a considerable period of time, with the distance from the origin proportional to the probability of the wind direction being at the given angle, measured in 16 cardinal compass points, and the disposition of the wind speeds indicated for each direction; and

(4) "predominant wind directions" means those directions that occur greater than 10 percent of the time indicated. (Eff. _____, Register ____)

Authority: AS 46.03.020 AS 46.04.035 AS 46.04.070
AS 46.04.030 AS 46.04.055

Editor's note: The decanting authorization form referenced in 18 AAC 75.449(a)(6)(L) is available on the department's website search page: http://dec.alaska.gov/spar/ppr/regulations-guidance/forms-applications/. The Alaska Regional Response Team *Wildlife Protection Guidelines for Oil Spill Response in Alaska* referenced in 18 AAC 75.449(M) is available through the department's website Area Plan References and Tools page: https://dec.alaska.gov/spar/ppr/contingency-plans/response-plans/tools/ and on the Alaska

Regional Response Team's website Reference Library Page:

https://alaskarrt.org/Home/Documents/9

18 AAC 75 is amended by adding a new section to read:

18 AAC 75.450. Part 2 - Oil discharge prevention and contingency plan, Prevention Plan. (a) The prevention plan must include the information needed to demonstrate that the applicant meets all applicable requirements of 18 AAC 75.005 -18 AAC 75.085 and must provide a detailed description of all oil discharge prevention programs in place at the facility, with reference to the specific oil discharge risks involved. The applicant must take discharge history and other factors into account when designing a prevention program that addresses the specific areas and situations encountered at the facility or on or near the vessel. This information must be provided in a prevention plan and may be submitted as a separate volume. The applicant must describe in the prevention plan how they meet the applicable requirements of 18 AAC 75.005 - 18 AAC 75.085.

(b) In addition to the description required in (a) of this section, the prevention plan must include the following information:

(1) discharge prevention programs - a description and schedule of regular oil discharge prevention, inspection, and maintenance programs in place at the facility or operation;

(2) discharge history - list all known oil discharges greater than 55 gallons that have occurred at the facility within the state; the history must include

(A) the source, cause, amount of each discharge;

(B) corrective action taken;

(C) an analysis of the relationship, if any, between the frequency, cause, and size of the discharges; and

(D) a description of actions to be taken to prevent or mitigate similar discharges in the future;

(3) potential discharge analysis - including size, frequency, cause, duration, and location, and a description of actions taken to prevent a potential discharge;

(4) specific conditions - a description of

(A) conditions specific to the facility or operation that might increase the risk of a discharge, including physical or navigation hazards, traffic patterns, and other site-specific factors; and

(B) measures that have been taken to reduce the risk of a discharge attributable to these conditions, including a summary of operating procedures designed to mitigate the risk of a discharge;

(5) discharge detection - a description of the existing and proposed means of discharge detection, including surveillance schedules, leak detection, observation wells, monitoring systems, and spill-detection instrumentation; if electronic or mechanical instrumentation is employed, detailed specifications, including threshold detection, sensitivities, and limitations of equipment, or an approved waiver, must be provided; and

(6) waivers - for an operation subject to a waiver under 18 AAC 75.015 or alternate compliance schedule or existing condition of plan approval under 18 AAC 75.005 - 18 AAC 75.085 or 18 AAC 75.400 - 18 AAC 75.496, documentation of

(A) each waiver, alternate compliance schedule, or existing condition of plan approval; and

(B) the approval of each waiver, alternate compliance schedule, or existing condition of plan approval. (Eff. _____, Register ____)

Authority: AS 46.03.020 AS 46.04.035 AS 46.04.070
AS 46.04.030 AS 46.04.055

18 AAC 75 is amended by adding a new section to read:

18 AAC 75.451. Part 3 - Oil discharge prevention and contingency plan, Supplemental Information. (a) The supplemental information section must provide background and verification information, listed in (b) - (n) of this section.

(b) Facility description and operational overview - a general description of the oil storage, transfer, exploration, or production operations, including

(1) for each oil storage tank with a storage capacity of greater than 10,000 gallons, the oil storage capacity, installation date, design, construction, and the product type stored;

(2) for each oil storage tank with a storage capacity of 1,000 gallons and greater but less than or equal to 10,000 gallons, the location, oil storage capacity, and the product type stored, unless the oil storage tank is used on a temporary basis;

(3) For vessels,

(A) a general chart showing routes normally used for the transportation of oil products within state waters, and the frequency of use for each route;

(B) plans or diagrams that identify cargo, bunker, and ballast tanks, all tank capacities, cargo piping, ballast piping, winches, emergency towing equipment, power plants, manifold pipe size, containment structures and equipment, and a

description of the method of containing a discharge from fuel oil tank vent overflow and fill pipes;

(C) a description of the methods for retention and disposal of oily wastes and bilge slops; and

(D) additional information required by the department to evaluate the response capability of a vessel, including verifying that the vessel is in compliance with the applicable stability requirements as set out in 46 C.F.R. 109.227, as amended through September 11, 1992;

(4) for a railroad, a map showing the location of each main line, siding, and yard area; a description of railroad tank cars and locomotives normally in service, including type, number and capacity, general piping diagrams, location of valves, and tank volumes;

(5) a general description of the procedures for the loading or transfer of oil from or to a pipeline, facility, tank vessel, oil barge, railroad tank car, or storage tank;

(6) for a production facility, a description of the flow and gathering lines and processing facilities;

(7) for an oil terminal facility, an exploration facility, and a production facility, a piping diagram showing all facility oil piping, including the location of valves; and

(8) for a transmission pipeline, a pipeline diagram including the location of all mainline valves, pumping units, and other appurtenances connected to the pipeline.

(c) Receiving environment - for an onshore facility or operation, the applicant must determine and clearly demonstrate that, based on an analysis of the facility or operation, resources identified in the plan are sufficient to clean up that portion of a discharge of the applicable planning standard volume that might realistically be expected to reach open water

within the applicable time limit set out in 18 AAC 75.430 - 18 AAC 75.442; the analysis of the expected amount and locations of oil to reach open water must include

(1) a drainage diagram or map showing gradients and potential containment sites and features at the facility; and

(2) identification and explanation of all measures that will be taken to prevent a discharge from entering open water from the facility.

(d) Command system - a description and diagram of the incident command system management hierarchy to be used in response to a discharge, specific to operations described in the response planning standard scenario, including the name, position, telephone number, and affiliation by company, agency, or local government of each person, including a person identified in 18 AAC 75.449(a)(2), who by law or through employment, contract, or cooperative agreement, is responsible for responding to a discharge, and each person's functional role in the command system; this list must include command, financial, operations, planning, logistics and environmental personnel; the incident command system must be compatible with the state's response structure outlined in the Alaska Regional Contingency Plan. Command system descriptions, diagram, and management hierarchy must all be contained in the plan. At a minimum, the detailed personnel contact information for the qualified individual must be located in the plan. Detailed information for other listed incident command system personnel may be maintained by the plan holder in a separate document; the document is part of the plan, and it must be provided to the department with the plan application package. For plans that propose 24-hour operations, the detailed personnel document must identify available staff for 24-hour operations. This separate document will be treated as a confidential document and will not be publicly reviewed; it must be maintained and updated in real time. Notwithstanding the

requirements of 18 AAC 75.415(b)(2), an updated document may be provided to the department on a quarterly basis if changes occur.

(e) Realistic maximum response operating limitations - in designing a spill response, severe weather and environmental limitations that might be reasonably expected to occur during a discharge event must be identified and realistic efficiency rates must be used for the specified response methods to account for the reduction of control or removal rates under those severe weather or other environmental limitations. The plan must include

(1) a description of the realistic maximum response operating limitations that might be encountered at the facility or operation and, based on environmental and safety considerations, an analysis of the frequency and duration, expressed as a percentage of time, of limitations that would render mechanical response methods ineffective;

(2) descriptions of additional specific temporary prevention or response measures that will be taken to reduce the environmental consequences of a discharge, including nonmechanical response options, during those periods when environmental conditions exceed realistic maximum response operating limitations; and

(3) an analysis considering the following environmental conditions:

(A) weather, including wind, visibility, precipitation and temperature based on National Weather Service data or local weather records;

(B) sea states, tides, and currents;

(C) ice and debris presence;

(D) hours of daylight; and

(E) other known environmental conditions that might influence the efficiency of the response equipment or the overall effectiveness of a response effort; and

(4) for plans proposing the use of nonmechanical response options, information required under 18 AAC 75.449(a)(8).

(f) Logistical support - identification of aircraft, vessels, and other means that may be used to transport equipment and personnel during a discharge response, including information on ownership and availability of identified means of transportation.

(g) Response equipment - the applicant must have ready access to enough equipment to meet the applicable response planning standards established under 18 AAC 75.430 - 18 AAC 75.442 using mechanical methods of oil control, containment, and cleanup. Identified equipment must reflect the best available technology when the plan is submitted or renewed; the plan must include a complete list of contracted or other oil discharge containment, control, cleanup, storage, transfer, lightering, and related response equipment to meet the applicable response planning standard, and to protect environmentally sensitive areas and areas of public concern that are identified in (k) of this section before oil reaches them and that may be reasonably expected to be impacted by a spill of the response planning standard volume as described in the response strategies developed under 18 AAC 75.449(a)(6) and (7); the list must include

(1) the location, inventory, and ownership of the equipment;

(2) the time frame for delivery and startup of response equipment and trained personnel located outside the facility's primary region of operation;

(3) the manufacturer's rated throughput capacities, limitations, and operational characteristics for each item of oil recovery equipment, including nonmechanical response techniques;

(4) each vessel designated for oil recovery operations, including skimming vessels and platforms and vessels designated to tow and deploy boom; vessels used to deploy

and tow boom must be of a number, size, and power adequate to deploy the types and amounts of boom and must be capable of operating in the manner and at the speeds necessary for the effective use of boom;

(5) information on additional vessels available from other sources for oil recovery operations, including, if applicable, procedures for inventorying, training personnel, and equipping vessels;

(6) pumping, transfer and temporary storage, and lightering equipment for transferring oil from damaged or undamaged tanks;

(7) the capacity of the temporary storage system for recovered oil and oil wastes must be appropriate and adequate for the total volume recovered within the response planning standard time frames for cleanup established under 18 AAC 75.430 - 18 AAC 75.442; and

(8) the procedures for storage, maintenance, and inspection of spill response equipment under the immediate control of the operator when not in use, including procedures for periodic testing and maintenance of response equipment.

(h) Response equipment identified in the plan must meet the following conditions:

(1) types and amounts of boom, boom connectors, and anchorage devices must be of the appropriate design for the particular oil product, type of environment, and environmental conditions experienced at the facility or operation; the boom must be of sufficient length to mount an effective response to the volume of discharged oil established under 18 AAC 75.430 - 18 AAC 75.442 for each type of facility or operation;

(2) the number and size of skimmers and pumps to be used must be appropriate and adequate for recovery of the response planning standard volume of the type of oil discharged within the response planning standard time frame for cleanup established under 18 AAC 75.430 -

18 AAC 75.442, using an effective oil recovery capacity of 20 percent of the equipment manufacturer's rated throughput capacity over the planned hours of equipment operation within a 24-hour period unless an analysis demonstrates to the satisfaction of the department that another effective daily oil recovery capacity is appropriate; equipment types must be compatible with each other as necessary to ensure an efficient response; and

(3) the following formula must be used to determine the effective daily oil recovery capacity for each piece of recovery equipment; compliance with the response planning standard is attainable by designing a response capability that is equal to or greater than the volume of oil established by the response planning standard and as demonstrated through the plan scenario

R = T x U x E

R = Effective daily oil recovery capacity in barrels;

T = Manufacturer's rated throughput capacity, in barrels per hour; for those devices in which the pump limits the throughput of liquid, throughput rate must be calculated using the pump capacity;

U = Hours that an operator can document capability to operate equipment during a 24-hour period under spill conditions; may not exceed 20 hours per day unless an operator can demonstrate that the recovery rate can be sustained for longer periods;

E = Oil recovery efficiency rate, 0.2 (20%) unless otherwise approved by the department;

(A) the capacity of the temporary storage system for recovered oil and oil wastes must be appropriate and adequate for the total volume of oily fluids recovered, based on the equipment manufacturer's rated throughput capacity, within the response planning standard time frames for cleanup established under 18 AAC 75.430 - 18 AAC

75.442; a system with a manufacturer's rated throughput capacity (T) with a planned operating period (U) would require temporary storage of T x U barrels per day to account for total liquids recovered;

(B) if available storage capacity is insufficient, then the effective daily recovery capacity must be reduced to the limits of the available storage; and

(C) if a plan holder wants to demonstrate to the department that another oil recovery efficiency rate is appropriate, the plan holder must submit a request for skimmer system efficiency evaluation form to the department; the department will approve or deny the request.

(i) Oil Spill Primary Response Action Contractor Information - if a plan holder proposes to use the services of an oil spill primary response action contractor to meet a requirement of AS 46.04.030 or 18 AAC 75.432 - 18 AAC 75.442, the contractor must be registered under 18 AAC 75.500 - 18 AAC 75.580. The use of an oil spill primary response action contractor does not relieve the plan holder of its responsibility to provide the information required by this subsection and to meet all other applicable requirements of 18 AAC 75.400 - 18 AAC 75.495. Plans using contractual resources must demonstrate that the transition and substitution of equipment and resources will occur without interruption of response or cleanup. The plan holder shall include, in the plan, a correct and complete list of each primary response action contractor, with name, address, telephone number, and affiliation by company, and a description of the response equipment and services provided; and, for each primary response action contract, a statement of contractual terms signed by the plan holder and the primary response action contractor attesting to the department that the contract

(1) clearly specifies that the contractor is obligated to

(A) provide the response services and equipment listed for that contractor in the contingency plan;

(B) respond if a discharge occurs;

(C) notify the plan holder immediately if the contractor cannot carry out the response actions specified in the contract or the contingency plan;

(D) give written notice at least 30 days before terminating its contract with the plan holder;

(E) respond to a department-conducted discharge exercise required of the plan holder; and

(F) continuously maintain in a state of readiness, in accordance with industry standards, the equipment and other spill response resources to be provided by the contractor under the contingency plan; and

(2) contains the provisions required under AS 46.04.030(q), if the contract is between the plan holder for a tank vessel or oil barge carrying crude oil that has been transported by the Trans Alaska Pipeline System and a primary response action contractor who is the common operating agent for the holders and lessees of the right-of-way agreement for the Trans Alaska Pipeline System.

(j) Training - in addition to maintaining continuous compliance with other applicable state and federal training requirements, the plan holder shall provide a detailed description of the training programs for discharge response personnel to demonstrate that

(1) designated oil spill response personnel are trained and kept current in the specifics of plan implementation, including deployment of containment boom, operation of

skimmers and lightering equipment, and organization and mobilization of personnel and resources;

(2) personnel are trained and kept current in methods of preventing oil discharges as required by 18 AAC 75.020; and

(3) proof of that training is maintained for five years and is made available to the department upon request; this must include

(A) a statement, signed and dated by each participant, listing the course or program content;

(B) shipboard records verified by the vessel master; or

(C) computerized records verified by the owner or operator.

(k) Protection of environmentally sensitive areas and areas of public concern - for a stationary facility or operation, or a railroad, and, if required by the department, for a vessel, mapped identification of environmentally sensitive areas and areas of public concern that may be impacted by a spill of the applicable response planning standard volume; if identification of those areas and site-specific strategies for protection of those areas are in one or more applicable Area Contingency Plans, the plan holder may incorporate that information by reference; whether prepared separately or incorporated by reference, the identification of and planned protection measures for those areas must be based on mapped predictions of discharge movement, spreading, and probable points of contact, based on expected local, seasonal, meteorological, and oceanographic or topographic conditions; and, for each probable point of contact, must include a description of each environmentally sensitive area and each area of public concern, including

(1) the effect of seasonal conditions on the sensitivity of each area;

(2) a discussion of the toxicity effects and persistence of the discharge, based on type of product; and

(3) an identification of which areas will be given priority attention if a discharge occurs.

(l) Additional information - other information necessary to provide background for or verification of the plan contents.

(m) Bibliography - a list of data and information sources used to determine the information contained in the plan.

(n) In this section "manufacturer's rated throughput capacity," also referred to as "manufacturer's nameplate recovery rate," means the maximum rate at which the skimmer system can recover and process oil under ideal conditions, as stated by the manufacturer, and represents the total liquid recovered within the limitations of the test method. In skimming systems where the pump on the skimming device is the limiting factor for liquid throughput, the manufacturer's rated throughput capacity is derived from the rated capacity of the pump. It is accepted that the manufacturer's rated throughput capacity should be used in conjunction with a derating factor to account for various real-world conditions including changing encounter rate, slick thickness, changes in oil properties, and inclement weather. (Eff. _____, Register ____)

Authority: AS 46.03.020 AS 46.04.035 AS 46.04.070
AS 46.04.030 AS 46.04.055

Editor's Note: The request for a skimmer system efficiency evaluation and the statement of contractual terms forms are available on the department's website search page: http://dec.alaska.gov/spar/ppr/regulations-guidance/forms-applications/. Completed forms can be submitted to the department inbox at INBOXNAME@ADDRESS.

18 AAC 75 is amended by adding a new section to read:

18 AAC 75.452. Part 4 - Oil discharge prevention and contingency plan, Best Available Technology Review. (a) Best Available Technology Review: Unless application of a state requirement would be preempted by federal law, the plan must provide for the use of best available technology consistent with the applicable criteria in (b) of this section. In addition, the plan must identify technologies applicable to the applicant's operation that are not subject to response planning or performance standards specified in (b) of this section, these technologies include

(1) at a minimum, for all contingency plans:

(A) communications described under 18 AAC 75.449(a)(4);

(B) source control procedures to stop the discharge at its source and prevent its further spread described under 18 AAC 75.449(a)(6)(G);

(C) trajectory analyses and forecasts described under 18 AAC 75.449(a)(6)(E); and

(D) wildlife capture, treatment, and release procedures and methods described under 18 AAC 75.449(a)(6)(M);

(2) for an oil terminal, a crude oil transmission pipeline, or an exploration or production facility contingency plan:

(A) a leak detection system for each tank if required by 18 AAC 75.065(i)(4) or another leak detection system approved by the department under 75.065(j)(4)(B);

(B) another leak detection or spill prevention or control system approved by the department under 18 AAC 75.065(h)(1)(D);

(C) a means of immediately determining the liquid level of bulk storage tanks as specified in 18 AAC 75.065(k)(3) and (4) or in 18 AAC 75.066(g)(1)(C) and (D); and

(D) protective coating and cathodic protection if required by 18 AAC 75.080 (*l*), or (m)(1) or (2);

(3) for a tank vessel contingency plan:

(A) measures to assure prompt detection of an oil discharge as required by 18 AAC 75.027(d);

(B) operation of a tank vessel under escort in a manner that permits an escort vessel to be available immediately to provide the intended assistance to the tank vessel as required by 18 AAC 75.027(e); and

(C) escort vessels;

(4) for a crude oil transmission pipeline contingency plan, leak detection, monitoring, and operating requirements for crude oil pipelines that do not have the continuous capability to detect a daily discharge equal to not more than one percent of daily throughput as required by 18 AAC 75.055;

(5) for a barge contingency plan:

(A) measures to assure prompt detection of an oil discharge as required by 18 AAC 75.037(d); and

(B) means to recover a barge that breaks free of its towing vessel as required by 18 AAC 75.037(f);

(6) for a railroad tank car contingency plan:

(A) measures to assure prompt detection of a tank car leak as required by 18 AAC 75.450(b)(5);

(B) spill prevention and containment devices for locomotive fueling systems, and spill collection and recovery devices at locomotive fueling and tank car filling stations as required by 18 AAC 75.075(g);

(C) avalanche detection and mitigation systems as required by 18 AAC 75.085(4); and

(D) track-mounted railroad tank car defect detector systems as required by 18 AAC 75.085(5);

(7) for each applicable technology under (a) of this section, identify all available technologies and include a written analysis of each technology, using the applicable criteria in (b) of this section; and include a written justification that the technology proposed to be used is the best available for the applicant's operation.

(b) Best Available Technology Review - for purposes of (a) of this section, the department will review a plan and make a best available technology determination using the following criteria, as applicable:

(1) technology used for oil discharge containment, storage, transfer, and cleanup to satisfy a response planning standard in 18 AAC 75.430 - 18 AAC 75.442 will be considered best available technology if the technology of the applicant's oil discharge response system as a whole is appropriate and reliable for the intended use as well as the magnitude of the applicable response planning standard;

(2) technology that complies with the performance standards of 18 AAC 75.005 - 18 AAC 75.080 and that is not subject to a best available technology review under (a) of this section will be considered best available technology;

(3) technology identified under (a) of this section will be evaluated using the following criteria, if applicable:

(A) whether each technology is the best in use in other similar situations and is available for use by the applicant;

(B) whether there is a reasonable expectation each technology will provide increased spill prevention or other environmental benefits;

(C) the cost to the applicant of achieving best available technology, including consideration of that cost relative to the remaining years of service of the technology in use by the applicant;

(D) the age and condition of the technology in use by the applicant;

(E) the practical feasibility of each technology in terms of engineering and other operational aspects; and

(F) whether other environmental impacts of each technology, including air, land, water pollution, and energy requirements, offset anticipated environmental benefits.

(c) If the department's determination under (b) of this section is that a technology proposed for use by the applicant is not the best available technology, the department will provide a written finding explaining its decision. (Eff. _____, Register ____)

Authority: AS 46.03.020 AS 46.04.035 AS 46.04.070
AS 46.04.030 AS 46.04.055

18 AAC 75 is amended by adding a new section to read:

18 AAC 75.453. Part 5 - Oil discharge prevention and contingency plan, Response Planning Standard. The plan must provide a mathematical calculation of the applicable response planning standards set out in 18 AAC 75.430 - 18 AAC 75.440 and 18 AAC 75.422, include a detailed calculation and justification of reductions to the response planning standard, and include, based on the receiving environment information in 18 AAC 75.451(c), an estimate of what percentage of the applicable response planning standard volume set out at 18 AAC 75.430 - 18 AAC 75.436, or 18 AAC 75.442 for the facility or operation that will reach open water. (Eff. _____, Register ____)

Authority: AS 46.03.020 AS 46.04.035 AS 46.04.070
AS 46.04.030 AS 46.04.055

18 AAC 75.455. Department review procedures for oil discharge prevention and contingency plans; new plans, plan renewals, and major plan amendments.

18 AAC 75.455(a) is amended to read:

(a) Not later than seven working days after receipt of an oil discharge prevention and contingency plan application package for a new plan, plan renewal or major amendment, the department will determine if the application package is sufficient for review. **For minor amendment applications that are determined to be a major amendment, the department will determine if the application package is sufficient for review not later than seven working days after it is determined to be a major amendment.** If the application package is not sufficient for review, the department will notify the applicant in writing.

(b) When the department determines that an application package is sufficient for review, the department will

(1) notify the applicant in writing;

18 AAC 75.455(b)(2) is amended to read:

(2) direct the applicant to provide copies of the application package to **the department** [REVIEWERS] in accordance with 18 AAC 75.408(c);

18 AAC 75.455(b)(3) is amended to read:

(3) set the public comment period for a minimum of 30 days; if the department determines the **application** package to be unusually large or complex, or determines a longer comment period to be in the public interest, the department will set the public comment period for a maximum of 45 days;

(4) send a letter to the applicant, the parties specified in 18 AAC 75.408(c)(4), and other persons who have made a written request for information regarding submissions subject to review under this section; in the letter the department will include

(A) information on the public comment period established under (3) of this subsection; and

(B) a statement that the department will accept comments on the plan and proposed requests for additional information until the end of the public comment period; and

18 AAC 75.455(b)(5) is amended to read:

(5) [DIRECT THE APPLICANT TO PUBLISH A ONE-TIME NOTICE PROVIDED BY] the department **will publish an online public notice** announcing the public comment period for the plan **and will notify interested stakeholders of the availability of the package on the department's Internet website by electronic mail to a listserv facilitated by the department;** [THE APPLICANT IS RESPONSIBLE FOR PAYING THE COST OF THE NOTICE UNDER THIS PARAGRAPH; THE APPLICANT MUST PUBLISH THE NOTICE IN ONE OR MORE PUBLICATIONS OF GENERAL CIRCULATION IN THE AREA THAT WOULD BE AFFECTED BY THE OPERATION;]in the notice the department will include

(A) a statement that a person may submit comments or propose requests for additional information by providing them to the department before the published deadline;

(B) information on the nature and location of the plan;

18 AAC 75.455(b)(5)(C) is amended to read:

(C) a statement that a copy of the application package is available for review [AT SPECIFIC OFFICES OF THE DEPARTMENT AND OTHER LOCATIONS AS DETERMINED BY THE DEPARTMENT]; and

18 AAC 75.455(b)(5)(D) is amended to read:

(D) a statement that the **application** package is available on the department's Internet website.

(c) If the department determines that additional information is required to evaluate if the application package is complete,

18 AAC 75.455(c)(1) is amended to read:

(1) the department will notify the applicant in writing that a request for additional information will be transmitted; the department will transmit the request for additional information not later than **60** [90] days after the end of the public comment period in (b) of this section; **if the department determines the package to be unusually large or complex, or determines a longer period is required, the request will be transmitted not later than 90 days,** the department may set a deadline for the submittal of the additional information;

18 AAC 75.455(c)(2) is amended to read:

(2) the applicant must provide responses to the [DEPARTMENT'S] requests for additional information to the department as required by 18 AAC 75.408(c)(1) - (4) and (7);

(3) if the applicant has not provided the information requested or if the applicant's responses to requests for additional information cause the department to identify the need for additional information, the department will send subsequent requests for additional information until the department determines that the applicant has supplied the necessary information in response to the requests; and

(4) when the department has verified all requests have been addressed, the applicant must provide copies of the responses to the requests for additional information in accordance with 18 AAC 75.408(c)(1) - (4) and (7).

18 AAC 75.455(d) is amended to read:

(d) Upon receipt **and review** by the department of the additional information requested under (c) of this section, the department will provide notice to the parties described in 18 AAC 75.408(c)(4) of a minimum 10-day public comment period on the additional information. The comment period under this subsection is limited to the additional information submitted in response to the request for additional information.

(e) The department will make a determination as to whether an application package is complete not later than seven working days after the end of the public comment period established in (d) of this section, or if no additional information was requested under (c) of this section, not later than seven working days after the end of the comment period established under (b)(3) of this section. The department will notify the applicant when the application package is complete.

18 AAC 75.455(f) is amended to read:

(f) The department will [, IF IT DETERMINES GOOD CAUSE EXISTS,] hold a public hearing on an application package in the manner provided under 18 AAC 15.060 **if, no later than 20 days before the end of the public comment period under (b)(3) of this section, a hearing is requested by**

(1) 50 residents of the affected area;

(2) the governing body of an affected municipality; or

(3) if the department determines that good cause exists.

18 AAC 75.455(g) is amended to read:

(g) Not later than **60** [65] days after the department determines that an application package is complete under (e) of this section, the department will approve, approve with conditions, or disapprove a plan and issue a decision under 18 AAC 75.460.

(h) To assist the department in its review of oil discharge prevention and contingency plans under this chapter, the department will enter into an annual agreement with the Department of Natural Resources and the Department of Fish and Game to provide expertise regarding protection of fish and game, state land, areas of public concern, and environmentally sensitive areas. (Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am 4/8/2012, Register 202; am 4/16/2016, Register 218; am 3/23/2017, Register 221; am 10/27/2018, Register 228; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.456. Department decision on streamlined Oil Discharge Prevention and Contingency Plans.

18 AAC 75.456(a) is amended to read:

(a) The department will **approve or disapprove** [MAKE A DECISION ON] a streamlined oil discharge prevention and contingency plan or plan amendment not later than five working days after receipt of a complete application. The department will approve a streamlined plan application submitted under 18 AAC 75.421 if the plan meets the following requirements:

(1) the information submitted conforms to the requirements of 18 AAC 75.426;

18 AAC 75.456(a)(2)-(5) is amended to read:

(2) **the** [ANY] streamlined plan cleanup contractor identified under 18 AAC 75.426(11) is registered under 18 AAC 75.500 - 18 AAC 75.580 for the appropriate classification and region of operation identified in the application;

(3) **the** [ANY] streamlined plan incident management team identified under 18 AAC 75.426(11) is registered under 18 AAC 75.500 - 18 AAC 75.580 for the appropriate classification and region of operation identified in the application;

(4) **the** [ANY] response planning facilitator identified under 18 AAC 75.426(14) is registered under 18 AAC 75.500 - 18 AAC 75.580 to provide the appropriate response planning facilitation services identified in the application**; and** [.]

(5) **the** [ANY] noncrude oil tank vessel or barge meets the onboard equipment, training, and personnel requirements of 18 AAC 75.429.

(b) A streamlined plan is effective for

(1) five years after the date the plan is approved by the department; or

(2) a time period shorter than five years, as specified in the department's approval letter.

(c) Streamlined plans are available for review as public records upon request to the department. (Eff. 11/27/2002, Register 164; am 9/4/2014, Register 211; am 4/16/2016, Register 218; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070

AS 46.04.030

18 AAC 75.457 is amended to read:

18 AAC 75.457. Emergency modification of review process. If, due to an emergency as described in AS 26.23, AS 46.04.080, or other applicable law, an applicant needs an expedited review, or if the commissioner or the commissioner's designee finds that an expedited review is necessary for the preservation of the public peace, health, safety, or general welfare, the commissioner or the commissioner's designee may, consistent with the requirements of AS 46.04.030(j), modify the review process established in 18 AAC 75.455 as necessary to meet the emergency. **Modifications** [ANY MODIFICATIONS] in the review process made under this section will be made in writing by the commissioner or the commissioner's designee based upon clear and convincing evidence of a need for the modification. (Eff. 5/14/92, Register 122; am 4/16/2016, Register 218; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.459. Preissuance conference.

18 AAC 75.459(a) is amended to read:

(a) **[**AT ANY TIME] **After the department has determined the application package is complete and** before **the department issues its** [THE DEPARTMENT'S] decision under 18 AAC 75.460, the applicant may request a preissuance conference from the [APPROPRIATE] department [OFFICE]**. The** request **must** [MAY] be made **in writing** [ORALLY], and will be granted if the applicant demonstrates that holding a conference will materially aid the department in reaching its decision.

(b) A preissuance conference under this section will be conducted in the manner provided under 18 AAC 15.070. However, the time period for the department's review will not

be held in abeyance pending completion of the conference. (Eff. 5/14/92, Register 122; am 9/4/2014, Register 211; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

The Editor's note for AAC 75.459 is amended to read:

Editor's note: Requests for a preissuance conference can be submitted to the department inbox at INBOXNAME@ADDRESS. As of Register 164 (January 2003), the regulations attorney made a technical revision under AS 44.62.125 (b)(6), adding an authority citation for 18 AAC 75.459.

18 AAC 75.460. Department decision on Oil Discharge Prevention and Contingency Plans; new plans, plan renewals, and major plan amendments. (a) After considering the information, analyses, and commitments contained in a complete application package for approval of an oil discharge prevention and contingency plan and comments received not later than the close of the public comment period set out in 18 AAC 75.455, the department will approve, approve with conditions, or disapprove an oil discharge prevention and contingency plan.

(b) A decision issued under (a) of this section will include

18 AAC 75.460(b)(1) is amended to read:

(1) the department's written decision, if it is the department's determination that an oil discharge prevention and contingency plan **decision** [APPROVAL] should be issued; the department will provide a summary of the basis for its decision to approve a plan, disapprove a

plan, or subject a plan to conditions specific to the activity;

18 AAC 75.460(b)(2) is amended to read:

(2) a statement that, if aggrieved by the department's decision, the applicant or **a** [ANY] person who submitted comments on the application not later than the close of the public comment period set out in 18 AAC 75.455 may request

(A) an informal review in accordance with 18 AAC 15.185; or

(B) an adjudicatory hearing by submitting the information required under 18 AAC 15.200(a), and that **a** [ANY] hearing requested under this subparagraph will be subject to the procedures set out under 18 AAC 15.195 - 18 AAC 15.340; and

18 AAC 75.460(b)(3) is amended to read:

(3) a statement **requiring** [THAT] the plan holder **to** [WILL] provide copies of the approved plan in accordance with 18 AAC 75.408 not later than 30 days after approval **unless the department determines that the plan is unusually large or complex, in which case the decision will include a statement requiring the plan holder to provide copies not later than 45 days after approval**; the department will **notify interested stakeholders of the availability of the approved plan on the department's Internet website by electronic mail to a listserv facilitated by the department** [SEND A NOTICE BY ELECTRONIC MAIL TO THE PARTIES SPECIFIED IN 18 AAC 75.408(C)(4) THAT THE DOCUMENT IS AVAILABLE ON THE DEPARTMENT'S INTERNET WEBSITE].

18 AAC 75.460(c) is amended to read:

(c) The department's decision will be served on the applicant and each person who submitted comments on the application not later than the close of public comment period set out in 18 AAC 75.455(b), or the close of the public comment period set out in 18 AAC 75.455(d) if a request for additional information was made. The applicant and **a** [ANY] person who submitted comments on the application not later than the close of the public comment period set out in 18 AAC 75.455(b), or the close of the public comment period set out in 18 AAC 75.455(d) if a request for additional information was made, may request an informal review in accordance with 18 AAC 15.185 or an adjudicatory hearing in accordance with 18 AAC 15.195 - 18 AAC 15.340. An informal review request must be delivered in accordance with 18 AAC 15.185 to the [ANCHORAGE] office of the director of the department division that oversees spill prevention and response. An adjudicatory hearing request must be delivered in accordance with 18 AAC 15.200 to the [JUNEAU] office of the commissioner.

(d) An approval under this section is effective for

(1) five years after the date it is issued; or

(2) a time period shorter than five years, as specified in the department's approval letter and certificate. (Eff. 5/14/92, Register 122; am 7/11/2002, Register 163; am 11/27/2002, Register 164; am 9/4/2014, Register 211; am 4/16/2016, Register 218; am 3/23/2017, Register 221; am 10/27/2018, Register 228; am ____/____/____, Register ____).

Authority: AS 46.03.020 AS 46.04.070 AS 46.04.890

AS 46.04.030

The Editor's note for AAC 75.460 is amended to read:

Editor's note: The mailing address for informal review requests for purposes of 18 AAC 75.460 is Department of Environmental Conservation, Office of the Director, Division of Spill Prevention and Response, **610 University Avenue, Fairbanks, AK 99709** [555 CORDOVA STREET, ANCHORAGE, ALASKA 99501 - 2617]. The mailing address for adjudicatory hearing requests is Department of Environmental Conservation, Office of the Commissioner, **Box 111800, Juneau, AK 99811-1800** [410 WILLOUGHBY AVENUE, SUITE 303, JUNEAU, ALASKA 99801]. Department of Environmental Conservation approval under 18 AAC 75.460 does not negate [ANY] other **requirements** [requirement] for approval to operate under other statutes or regulations.

18 AAC 75.465. Proof of approved plan.

18 AAC 75.465(a)-(c) are amended to read:

(a) The owner or operator of an oil terminal facility may not cause or permit the transfer of oil to or from a vessel, barge, or railroad tank car unless

(1) the operator of the vessel, barge, or railroad tank car has produced for inspection by the facility owner or operator the original certificate**,** [OR] a true photocopy of the original, **or an electronic version if it is retrievable by the operator at all times,** approving the oil discharge prevention and contingency plan or streamlined plan for that operation; and

(2) the operator of the vessel, barge, or railroad tank car has certified, on a contingency plan verification log supplied by the department and maintained by the owner or operator of the oil terminal facility, that copies of the response action and prevention plan

sections of the current approved oil discharge prevention and contingency plan, or the original certificate**,** [OR] a true photocopy of the original streamlined plan approval certificate, **or an electronic version if it is retrievable by the operator at all times,** for that vessel or barge is on board the vessel or barge, or for a railroad tank car is available from the operator of the railroad tank car.

(b) The owner or operator of an oil terminal facility shall certify on the contingency plan verification log that the operator of the vessel or barge has complied with (a)(1) and (2) of this section. The facility owner or operator shall maintain the log on a monthly basis and shall submit the log for the previous month to the department not later than the fifth day of the following month**, and must retain logs for five years. As applicable, the owner or operator of an oil terminal facility may notify the department to suspend the requirement to submit a monthly log for seasonal operations where no fuel transfers occur, including for facilities that do not expect to complete fuel transfers due to frozen river conditions**. Submission is effective upon personal delivery, [FACSIMILE TRANSMISSION, OR] electronic mail transmission, or on the date of mailing by certified mail to the department. The department will retain copies of all logs received under this subsection for five years after receipt.

(c) On the first working day after the operator of a vessel or railroad tank car fails to comply with the requirements of (a)(1) or (2) of this section, the oil terminal facility owner or operator shall report that failure to the department by telephone **or** [,] electronic mail [OR FACSIMILE TRANSMISSION].

(d) Verification and entry on the contingency plan verification log referred to under (b) of this section is required for each separate loading or unloading operation of a vessel at an oil terminal facility.

18 AAC 75.465(e) is repealed and readopted to read:

(e) Each facility that has a plan approved under 18 AAC 75.460(a) and each vessel that has a streamlined plan approved under 18 AAC 75.456(a) must at all times have available at the facility, or for a railroad tank car must at all times have available from the operator of the railroad tank car, the original, a true photocopy of, or an electronic version of the following:

(1) the current approved oil discharge prevention and contingency plan or streamlined plan;

(2) the approval letter and certificate of approval issued by the department; and

(3) additional department approval letters issued after initial plan approval is granted.

[(e)ANY TANK VESSEL, OIL BARGE, OR RAILROAD TANK CAR REQUIRED TO HAVE A PLAN UNDER AS 46.04.030 AND 46.04.055 AND APPROVED UNDER 18 AAC 75.460(a) MUST HAVE THE ORIGINAL OR TRUE PHOTOCOPY OF THE FOLLOWING ON BOARD THE TANK VESSEL OR OIL BARGE AND AVAILABLE FOR INSPECTION WHEN OPERATING IN STATE WATERS, OR FOR A RAILROAD TANK CAR, AVAILABLE FROM THE OPERATOR OF THE RAILROAD TANK CAR:

(1) COPIES OF THE RESPONSE ACTION AND PREVENTION PLAN SECTIONS OF THE CURRENT APPROVED OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN;

(2) THE APPROVAL LETTER AND CERTIFICATE OF APPROVAL ISSUED BY THE DEPARTMENT; AND

(3) ANY ADDITIONAL DEPARTMENT APPROVAL LETTERS ISSUED AFTER INITIAL PLAN APPROVAL IS GRANTED.]

18 AAC 75.465(f) is repealed:

(f) Repealed __/__/____; [A VESSEL THAT HAS A STREAMLINED PLAN APPROVED UNDER 18 AAC 75.456(a) MUST HAVE THE ORIGINAL OR TRUE PHOTOCOPY OF THE FOLLOWING ON BOARD THE VESSEL AND AVAILABLE FOR INSPECTION WHEN OPERATING IN STATE WATERS:

(1) THE APPROVED STREAMLINED PLAN;

(2) THE APPROVAL LETTER AND CERTIFICATE OF APPROVAL ISSUED BY THE DEPARTMENT; AND

(3) ANY ADDITIONAL DEPARTMENT APPROVAL LETTERS ISSUED AFTER INITIAL PLAN APPROVAL IS GRANTED.] (Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am 12/14/2002, Register 164; am 4/16/2016, Register 218; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.050 AS 46.04.070
AS 46.04.030 AS 46.04.055 AS 46.04.900

18 AAC 75.465 is amended by adding a new Editor's note to read:

Editor's note: The verification log is available on the department's website search page: http://dec.alaska.gov/spar/ppr/regulations-guidance/forms-applications/. The verification log may be mailed to the Alaska Department of Environmental Conservation at 555 Cordova Street, Anchorage, Alaska 99501 or emailed to DECSPARC-PLAN@alaska.gov.

18 AAC 75.470. Transfers between plan holders. (a) If approved under this section, a plan holder, or an oil spill response contractor or cooperative upon which one or more plan

holders rely, may furnish to another plan holder or to another person, equipment, materials, or personnel to assist in response to an oil discharge. A description of the proposed transfer that addresses each of the considerations set out in (b) of this section must be provided with the request for approval of a transfer.

(b) The department will, in its discretion, approve a transfer under this section after considering

(1) for a provider of oil spill response equipment, materials, or personnel:

(A) the amount and types of equipment, personnel, or other resources to be transferred in response to a discharge and where it will be transferred;

(B) the number and types of other plan holders who rely upon the provider's response equipment, personnel, and other resources;

(C) the percentage by which the provider's response capability will be reduced by the transfer;

(D) the ability of the provider to acquire and deploy alternate response equipment if an emergency discharge occurs while equipment, materials, or personnel are transferred; and

(E) any compensating measures that will be taken by the provider to prevent or reduce the size of potential discharges during the period of reduced response capability; and

(2) for a plan holder receiving the equipment, the time estimated for the response equipment to reach the discharge.

(c) The department will, in its discretion, attach terms and conditions to an approval issued under (b) of this section.

(d) The provider shall reorder and replace equipment or materials that are

(1) exhausted, lost, destroyed, or rendered inoperable as soon as the condition is known by the provider; and

(2) not expected to be returned, such as sorbent boom, sorbent pads, and dispersant, as soon as they are transferred.

(e) If equipment, materials, or personnel are not replaced or returned to the provider within 30 days after the transfer, the plan holder may request an extension from the department. If the extension is denied, the provider must apply for approval of an amendment to its approved prevention and contingency plan under 18 AAC 75.415.

(f) Except in response to a major or catastrophic discharge, the department will not approve a transfer of equipment, materials, or personnel to another plan holder if the provider's spill response capability would be reduced to less than 40 percent of the response capability identified in its plan. If a major or catastrophic oil discharge occurs, the department will, in its discretion, approve an immediate transfer of up to 100 percent of the provider's response equipment, personnel, and other resources.

(g) The department will issue a verbal approval for a transfer if a discharge poses an imminent threat to life, property, the environment, or other significant public concern. The verbal approval will be verified in writing by the department.

18 AAC 75.475. Notification of nonreadiness.

18 AAC 75.475(a)-(c) are amended to read:

(a) All spill response and other equipment identified in the approved oil discharge

prevention and contingency plan or streamlined plan to meet the response planning standards set out at 18 AAC 75.430 - 18 AAC 75.442 must be maintained in operational condition. **Equipment** [ANY EQUIPMENT] found not to be operating properly must be repaired or replaced immediately.

(b) Except for a transfer approved under 18 AAC 75.470, if a significant change occurs in, or is made to, **a** [ANY] component of a plan that would diminish the plan holder's response capability, the plan holder shall, within 24 hours, notify the department in writing and provide a schedule for a prompt return to operational status. **For equipment that is maintained by a streamlined plan cleanup contractor, the cleanup contactor shall be responsible for this notification.** [AN ELECTRONIC MAIL OR FACSIMILE TRANSMISSION DELIVERED TO THE APPROPRIATE DEPARTMENT OFFICE WILL BE CONSIDERED WRITTEN NOTICE FOR PURPOSES OF THIS SUBSECTION.] If the department finds that, as a result of the change, the plan holder is no longer able to execute the plan, it will take appropriate action under 18 AAC 75.490.

(c) Notwithstanding (a) and (b) of this section, removal or inactivation of **a** [ANY] major response item for maintenance or repair must be approved by the department before removal or inactivation. A request under this subsection must be submitted at least 10 days before the scheduled action or as soon as possible for an unanticipated repair. The request must state what substitute or temporary measures will be taken to provide equivalent response capability, reduce the time out of service, or otherwise ensure that equivalent response capability is maintained.

(d) A plan holder shall notify the department in writing within 24 hours if a significant change occurs in, or is made to, one or more of the following systems, and if, as a result of that change, the system no longer meets the applicable performance requirements:

(1) a leak detection system required by 18 AAC 75.047(d)(1);

(2) a leak detection system required by 18 AAC 75.055(a);

(3) a secondary containment system required by 18 AAC 75.075. (Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am 12/30/2006, Register 180; am 9/4/2014, Register 211; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070

AS 46.04.030

18 AAC 75.475 is amended by adding a new Editor's note to read:

Editor's note: A notification of nonreadiness can be submitted to the department inbox at INBOXNAME@ADDRESS.

18 AAC 75.480 is repealed and readopted to read:

18 AAC 75.480. Inspections. (a) To verify that an owner or operator of a facility subject to the provisions of AS 46.04.030, AS 46.04.055, and 18 AAC 75.400 - 18 AAC 75.496 is in compliance with those statutes and regulations, or to verify compliance with an approved oil discharge prevention and contingency plan or a streamlined plan under those regulations, the department may conduct announced and unannounced inspections of a facility that is subject to those requirements.

(b) The owner or operator of a facility subject to the requirements of AS 46.04.030, AS 46.04.055, and 18 AAC 75.400 - 18 AAC 75.496 shall allow the department to, at reasonable times and upon presentation of credentials establishing authority, enter or access the facility to conduct in-person or virtual inspections and verification of

(1) facility infrastructure and prevention requirements under 18 AAC 75.001 - 18 AAC 75.085;

(2) availability and operability of oil spill response resources identified in the approved plan; and

(3) facility-specific records required to be maintained at the facility under (c) of this section.

(c) The owner or operator of a facility subject to the requirements of AS 46.04.030, AS 46.04.055, and 18 AAC 75.400 - 18 AAC 74.496 must maintain and provide copies of required documents to the department upon request during a facility inspection, including a records audit; the department may choose to make its own copies;

(1) records provided for review and inspection include documents required under 18 AAC 75.001 – 18 AAC 75.085 and 18 AAC 75.400 - 18 AAC 75.496; and

(2) documents required to be located at the facility under 18 AAC 75.240 and 18 AAC 75.400 - 18 AAC 75.496 must be readily available and provided to the department as part of an in-person or virtual facility inspection.

(d) During a facility inspection under this section, the department may obtain samples of suspected contaminated materials for purposes of compliance verification with 18 AAC 75.400 - 18 AAC 75.496.

(e) Upon mutual agreement between the facility owner or operator and the department, the department may conduct inspections using virtual technology.

(f) If practicable, an inspection under this section will be coordinated with other regulatory agencies.

(g) Based on the results of an inspection made under this section, the department will take appropriate action under 18 AAC 75.490.

Repealed text: [(a) TO VERIFY COMPLIANCE WITH THE PROVISIONS OF AS 46.04.030, AS 46.04.055, AND 18 AAC 75.400 - 18 AAC 75.496, THE DEPARTMENT MAY CONDUCT ANNOUNCED AND UNANNOUNCED INSPECTIONS OF A VESSEL, BARGE, PIPELINE, OR OTHER OPERATION THAT IS SUBJECT TO THE REQUIREMENTS OF AS 46.04.030, AS 46.04.055, AND 18 AAC 75.400 - 18 AAC 75.496. IF PRACTICABLE, AN INSPECTION UNDER THIS SECTION WILL BE COORDINATED WITH OTHER REGULATORY AGENCIES.

(b) BASED ON THE RESULTS OF AN INSPECTION MADE UNDER THIS SECTION, THE DEPARTMENT WILL, IN ITS DISCRETION, TAKE APPROPRIATE ACTION UNDER 18 AAC 75.490.]

(Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.065
AS 46.04.030 AS 46.04.060 AS 46.04.070

18 AAC 75.485 is repealed and readopted to read:

18 AAC 75.485. Discharge exercises. (a) The department conducts announced and unannounced discharge exercises to ensure that an oil discharge prevention and contingency plan or the initial response actions in a streamlined plan for a noncrude oil tank vessel or barge are adequate in content and execution. The department will conduct:

(1) for an oil discharge prevention and contingency plan,

(A) the department will conduct one operations based discharge exercise for each 5-year plan approval cycle in coordination with the plan holder, based on the Homeland Security Exercise and Evaluation Program methodology described in the department's *Oil Spill Response Exercise Manual*, adopted in (e) of this section, and

(B) the department may conduct not more than one additional exercise in each 12-month period; and

(2) for each noncrude oil tank vessel or barge with a streamlined plan, the plan holder must conduct one exercise onboard the vessel in each 12-month period to ensure on-going familiarity with on-board response equipment and response actions required under 18 AAC 75.429(a) and capability to conduct initial emergency response actions required under 18 AAC 75.426(5); the exercise must be an operations-based drill as described in the department's *Oil Spill Response Exercise Manual*, adopted in (e) of this section and must include documentation of readiness of on-board response equipment and currency of on-board personnel training; the plan holder will self-certify the exercise conduct and lessons learned and any corrective actions taken as a result on a form provided by the department; the plan holder will retain documentation of each exercise in retrievable form; exercise records must be kept for five years and copies shall be provided to the department upon request; the department may conduct not more than one additional onboard equipment deployment exercise in each 12-month period.

(b) Execution of an oil discharge prevention and contingency plan during a discharge exercise will be considered inadequate if the readiness for response and response performance described in the plan are significantly deficient due to inadequate mobilization or performance of personnel, equipment, other resources, or other factors, including the mobilization or performance of a response action contractor identified under 18 AAC 75.451(i).

(c) Execution of an onboard initial emergency response operations-based exercise for a streamlined plan will be considered inadequate if the plan holder is not able to conduct initial response actions in a timely and effective manner or if the plan holder fails to complete and retain the required self-certification form for each on-board exercise as required under (a)(2) of this section.

(d) If an oil discharge prevention and contingency plan or noncrude streamlined plan holder cannot adequately execute the plan during a discharge exercise, the department may

(1) require additional exercises until it is satisfied that the oil discharge prevention and contingency plan or the noncrude streamlined plan and its execution are adequate; or

(2) take other appropriate action as described at 18 AAC 75.490.

(e) The department will consider a regularly scheduled training exercise or a Preparedness for Response Exercise Program exercise initiated by a plan holder as a discharge exercise, as required under (a) of this section, if the department participates in the planning and evaluation of an operations-based exercise as outlined in the Homeland Security Exercise and Evaluation Program methodology and described in the department's *Oil Spill Response Exercise Manual*, MONTH, XX, 202X, adopted by reference.

(f) The department will conduct announced or unannounced discharge exercises appropriate to the plan holder's current status of operations.

(g) In this section

(1) "Homeland Security Exercise and Evaluation Program" means the January, 2020 Federal Emergency Management Agency document that provides a set of guiding principles for exercise programs, as well as a common approach to exercise program

management, design and development, conduct, evaluation, and improvement planning; and

(2) "Preparedness for Response Exercise Program" (PREP) means the April, 2016 document that provides a mechanism for exercise compliance with Oil Pollution Act of 1990 mandated federal pollution response exercise requirements; PREP is a unified federal effort and provides one option that satisfies the exercise requirements of the: United States Department of Homeland Security, United States Coast Guard, Environmental Protection Agency, Pipeline and Hazardous Materials Safety Administration, and Bureau of Safety and Environmental Enforcement.

Repealed text:

[(a) THE DEPARTMENT MAY CONDUCT ANNOUNCED AND UNANNOUNCED DISCHARGE EXERCISES TO ENSURE THAT AN OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN OR A STREAMLINED PLAN FOR A NONCRUDE OIL TANK VESSEL OR BARGE IS ADEQUATE IN CONTENT AND EXECUTION. UNLESS AN EXERCISE DEMONSTRATES, IN THE DEPARTMENT'S JUDGMENT, A PLAN HOLDER'S FAILURE TO IMPLEMENT THE PLAN EFFECTIVELY, IN EACH 12-MONTH PERIOD, THE DEPARTMENT WILL CONDUCT

(1) NOT MORE THAN TWO EXERCISES FOR AN OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN;

(2) NOT MORE THAN ONE EXERCISE FOR A NONCRUDE OIL TANK VESSEL OR BARGE WITH A STREAMLINED PLAN IN ORDER TO DEMONSTRATE THE PLAN HOLDER'S ABILITY TO DEPLOY THE ONBOARD SPILL RESPONSE EQUIPMENT.

(b) EXECUTION OF A PLAN DURING A DISCHARGE EXERCISE WILL BE CONSIDERED INADEQUATE IF THE READINESS FOR RESPONSE AND RESPONSE PERFORMANCE STATED IN THE PLAN ARE SIGNIFICANTLY DEFICIENT DUE TO INADEQUATE MOBILIZATION OR PERFORMANCE OF PERSONNEL, EQUIPMENT, OTHER RESOURCES, OR OTHER FACTORS, INCLUDING THE MOBILIZATION OR PERFORMANCE OF A RESPONSE ACTION CONTRACTOR IDENTIFIED UNDER 18 AAC 75.445(I).

(c) IF A PLAN HOLDER CANNOT ADEQUATELY EXECUTE THE PLAN DURING A DISCHARGE EXERCISE, THE DEPARTMENT WILL, IN ITS DISCRETION,

(1) REQUIRE ADDITIONAL EXERCISES UNTIL IT IS SATISFIED THAT THE PREVENTION AND CONTINGENCY PLAN AND ITS EXECUTION ARE ADEQUATE; OR

(2) TAKE OTHER APPROPRIATE ACTION AS DESCRIBED AT 18 AAC 75.490.

(d) THE DEPARTMENT WILL CONSIDER A REGULARLY SCHEDULED TRAINING EXERCISE INITIATED BY A PLAN HOLDER AS A DISCHARGE EXERCISE IF THE DEPARTMENT MONITORS, EVALUATES, OR PARTICIPATES IN THE EXERCISE AND CONCURS THAT IT IS EQUIVALENT TO A DISCHARGE EXERCISE CONDUCTED BY THE DEPARTMENT. A PLAN HOLDER SHALL NOTIFY THE DEPARTMENT IN ADVANCE OF THE EXERCISE AND SHALL PROVIDE AN OPPORTUNITY FOR A DEPARTMENT REPRESENTATIVE TO BE PRESENT AND PARTICIPATE.

(e) THE DEPARTMENT WILL CONDUCT ANNOUNCED OR UNANNOUNCED

DISCHARGE EXERCISES APPROPRIATE TO THE PLAN HOLDER'S CURRENT STATUS OF OPERATIONS.]

(Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; 3/23/2017, Register 221; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070
AS 46.04.030

18 AAC 75.485 is amended by adding a new Editor's note to read:

Editor's Note: The *Oil Spill Response Exercise Manual* is available on the department's website page: CORRECT URL. The exercise self-certification form referenced in 18 AAC 75.485(a)(2) is available on the department's website search page: CORRECT URL.

18 AAC 75 is amended by adding a new section to read:

18 AAC 75.489. Definitions In this Article "temporary basis" is defined as the use of an oil storage tank for a duration of less than a total of 12 consecutive months at a facility; and includes oil storage tanks used for construction or maintenance activities but does not include tanks that are moved within the facility and used for more than 12 months. (Eff. ____/____/____, Register ____)

18 AAC 75.490. Failure to comply.

18 AAC 75.490(a) is amended to read:

(a) If a plan holder fails to comply with an approved oil discharge prevention and

contingency plan or streamlined plan, demonstrates an inability to maintain continuous access to the quality or quantity of resources identified in the plan, fails to respond with those resources in the shortest possible time if a discharge occurs, or is [IN ANY OTHER WAY] subject to the terms of AS 46.04.030(f)(1) - (4) [OR AS 46.04.055,] the department may

(1) revoke the approval of the plan after notice and opportunity for hearing under (c) of this section;

(2) suspend its approval of the plan after notice and opportunity for hearing under (c) of this section, stating the conditions under which the department will reinstate the approval and allow operations to resume;

(3) order the plan holder to file an application to amend the plan within a specified time under 18 AAC 75.415; or

(4) take other necessary action to correct the failure to comply.

(b) If a plan holder fails to apply for an amendment as required under (a)(3) of this section, the department may revoke the approval of the plan after notice and opportunity for hearing under (c) of this section.

(c) If the department issues a notice of intent to revoke an approval under this chapter, the plan holder may request an adjudicatory hearing under 18 AAC 15.195 - 18 AAC 15.340.

(Eff. 5/14/92, Register 122; am 7/11/2002, Register 163; am 11/27/2002, Register 164; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.03.750 AS 46.04.070
AS 46.03.740 AS 46.04.030 AS 46.04.890
AS 46.03.745 AS 46.04.055 AS 46.35.090

18 AAC 75.495 is repealed and readopted to read:

18 AAC 75.495. Regional master discharge prevention and contingency plan boundaries. (a) Three coastal areas and one inland area, and associated geographic zones as described in (b) of this section, are established for the regional master oil and hazardous substance discharge prevention and contingency plan boundaries as required by AS 46.04.210; planning areas and geographic zones are depicted on the map in Figure 1:

(1) The Southeast Alaska Area planning boundaries mimic the Southeast Alaska Captain of the Port Zone, and extend seaward from the coastline 200 nautical miles to the Economic Exclusion Zone; the Area also extends inland 1,000 yards; the Southeast Alaska geographic zone, as described in (b) of this section, lies partially within the Southeast Alaska Area;

(2) Prince William Sound Area planning boundaries mimic the Prince William Sound Captain of the Port Zone and extend seaward from the coastline 200 nautical miles to the Economic Exclusion Zone; the Area also extends inland 1,000 yards and includes the Lowe River from Port Valdez to Thompson Pass; the Prince William Sound geographic zone, as described in (b) of this section, lies partially within the Prince William Sound Area;

(3) The Arctic and Western Alaska Area planning boundaries mimic the Western Alaska Captain of the Port Zone and extend seaward from the coastline 200 nautical miles to the Economic Exclusion Zone; the Area also extends inland 1,000 yards, and includes the Knik River up to Old Glenn Highway Bridge, the Kuskokwim River up to Bethel Old Army Airstrip, the Kvichak River up to Levelock Creek, the Naknek River up to King Salmon Quinault Landing, the Nushagak River up to Black Point, the Wood River up to South end of Sheep Island, the Yukon River up to Pitkas Point and the Andreafsky River confluence, not including

St. Marys; the following geographic zones, as defined in (b) of this section, lie partially within the Arctic & Western Alaska Area: Aleutian Island, Bristol Bay, Cook Inlet, Kodiak Island, North Slope, Northwest Arctic, Prince William Sound, and Western Alaska;

(4) The Alaska Inland Area includes all terrestrial land of the state 1,000 yards inland of the coastline not encompassed by the planning areas in paragraphs (1)-(3); portions of all ten geographic zones described in (b) of this section lie partially within the Alaska Inland Area.

(b) The ten geographic zones are defined by the department as follows:

(1) Southeast Alaska Geographic Zone: that zone includes the area of the state east of 142° W. longitude and south of a line just west of Icy Bay that connects the U.S.-Canadian border with the Gulf of Alaska, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(2) Prince William Sound Geographic Zone: that zone south of 63° 30' N. latitude, west of the zone described in (1) of this subsection, and east of the zone described in (3) of this subsection, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(3) Cook Inlet Geographic Zone: that zone encompassed by the boundaries of the Kenai Peninsula Borough, the Municipality of Anchorage, and the Matanuska-Susitna Borough, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(4) Kodiak Island Geographic Zone: that zone encompassed by the boundaries of the Kodiak Island Borough, extending from the Barren Islands at the north to Chirikof Island and the Semidi Island group at the south, and the coastal area watershed draining to the Shelikof Strait on the south side of the Alaska Peninsula from Cape Kilokak to Cape Douglas; the Kodiak archipelago and west side of Shelikof Strait within the Kodiak Island Borough is approximately 100 miles wide and 250 miles long; it includes more than 5,000 square miles of land, no point of which is more than 15 miles from the sea, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(5) Aleutian Island Geographic Zone: that zone encompassed by the boundaries of the Aleutians East Borough, the Aleutians West Census Area, and the Pribilof Islands, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(6) Bristol Bay Geographic Zone: that zone encompassed by the boundaries of the Dillingham Census Area, the Bristol Bay Borough, and the Lake and Peninsula Borough, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(7) Western Alaska Geographic Zone: that zone north of the zone described in (6) of this subsection, encompassed by the boundaries of the southernmost boundary of the Bering Straits Native Corporation, and Iditarod and Kuspuk Regional Educational Attendance Areas, including adjacent shorelines and state waters, and having as its seaward boundary a line

drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(8) Northwest Arctic Geographic Zone: that zone encompassed by the Northwest Arctic Borough and the Bering Straits Native Corporation, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(9) North Slope Geographic Zone: that zone encompassed by the boundaries of the North Slope Borough, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn so that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured; and

(10) Interior Alaska Geographic Zone: that zone of the state not included in (1) - (9) of this subsection.

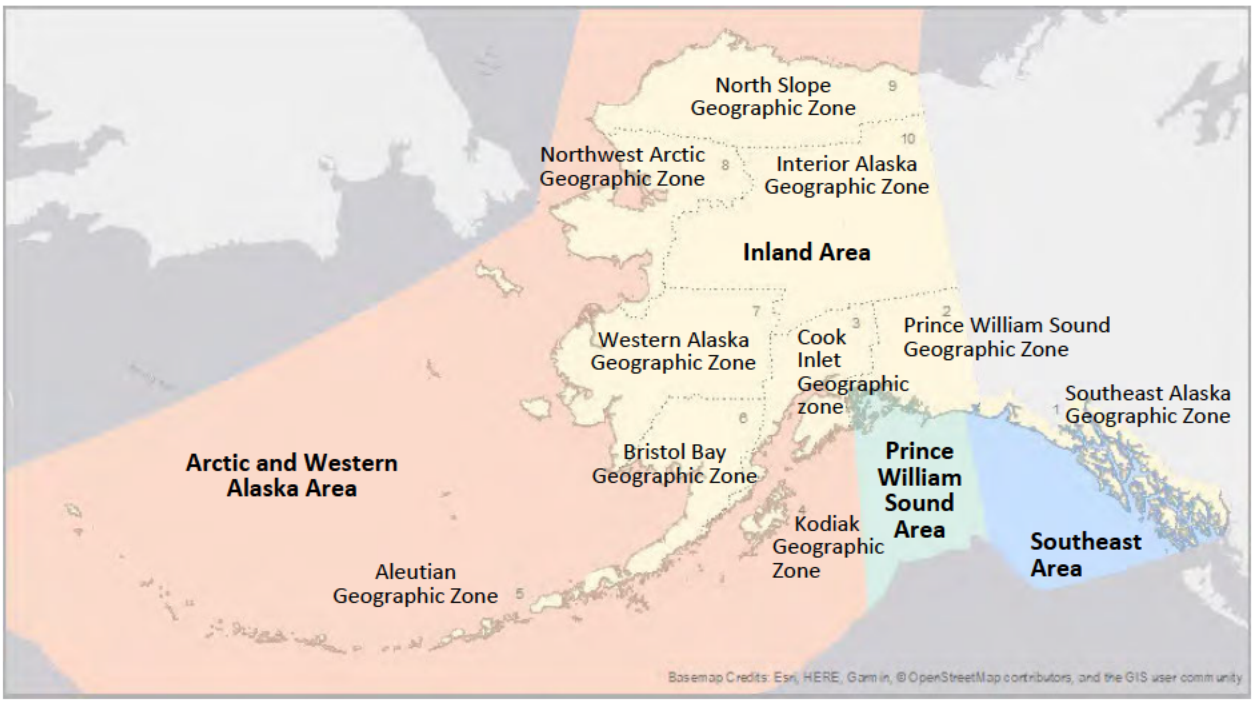
(c) If the department finds that a discharge that could occur in an area beyond the territorial sea would not have a significant adverse effect on the resources of the state or on other interests of the state, the department will, in its discretion, adjust the seaward boundary of a region established in (a) of this section to exclude that area.

(d) In this section, the "Captain of the Port Zone" boundaries are those established in 33 C.F.R. 3.85-15, as revised as of March 21, 2008, and adopted by reference. (Eff. 5/14/92, Register 122; am 11/27/2002, Register 164; am 10/9/2008, Register 188; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.070 AS 46.04.210

18 AAC 75.495 is amended by updating Figure 1:

Figure 1: Regional Master Contingency Plan Boundaries (18 AAC 75.495)



18 AAC 75.496. Regional response operations plan boundaries for nontank vessels. The regions described in this section and depicted on the map at Figure 2 are established for the purpose of establishing boundaries for nontank vessel plans:

(1) Southeast Alaska Region: that area of the state east of 142° W. longitude and south of a line just west of Icy Bay that connects the U.S. - Canadian border with the Gulf of Alaska, including adjacent shorelines and state waters;

(2) Prince William Sound Region: that area south of 63°30' N. latitude, west of the region described in (1) of this section, and east of the region described in (3) of this section, including adjacent shorelines and state waters;

(3) Cook Inlet Region: that area encompassed by the boundaries of the Kenai Peninsula Borough, the Municipality of Anchorage, and the Matanuska-Susitna Borough, including adjacent shorelines and state waters;

(4) Kodiak Island Region: that area encompassed by the boundaries of the Kodiak Island Borough, including adjacent shorelines and state waters;

18 AAC 75.496(5)-(8) are amended to read:

(5) Aleutian Region: those areas encompassed by the boundaries of the Aleutians East Borough, the **Aleutians West Census Area** [ALEUTIANS WEST COASTAL RESOURCE SERVICE AREA], and the Pribilof Islands, including adjacent shorelines and state waters;

(6) Bristol Bay Region: that area encompassed by the boundaries of the **Dillingham Census Area** [BRISTOL BAY COASTAL RESOURCE SERVICE AREA], the Bristol Bay Borough, and the Lake and Peninsula Borough, including adjacent shorelines and state waters;

(7) Western Alaska Region: that area north of the area described in (6) of this section, encompassed by the boundaries of the southernmost boundary of the **Bering Straits Native Corporation** [BERING STRAITS REGIONAL CORPORATION], and **Iditarod and Kuspuk** Regional Educational Attendance Areas [11 AND 5], including adjacent shorelines and state waters;

(8) Northwest Arctic Region: that area encompassed by the Northwest Arctic Borough and the **Bering Straits Native Corporation** [BERING STRAITS REGIONAL CORPORATION], including adjacent shorelines and state waters;

(9) North Slope Region: that area encompassed by the boundaries of the North Slope Borough, including adjacent shorelines and state waters;

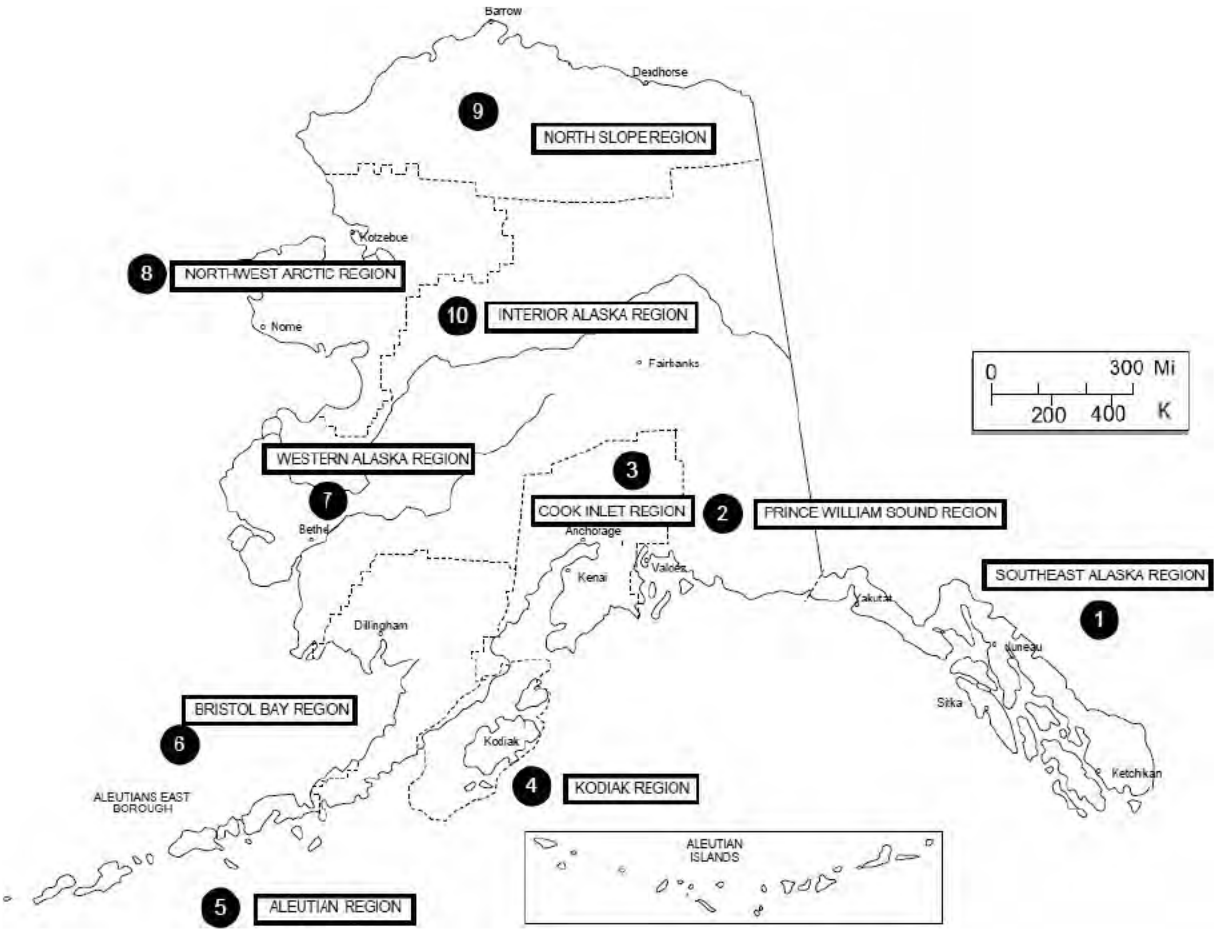
(10) Interior Alaska Region: that area of the state not included in (1) - (9) of this section. (Eff. 11/27/2002, Register 164; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.055 AS 46.04.070

AS 46.04.030

18 AAC 75.496 is amended by updating Figure 2:

Figure 2. Regional Response Operations Plan Boundaries (18 AAC 75.496)



18 AAC 75.990. Definitions. Unless the context indicates otherwise, in this chapter

18 AAC 75.990(9) is amended to read:

(9) "best available technology" means the best proven technology that satisfies the provisions of **18 AAC 75.452** [18 AAC 75.425(e)(4) AND 18 AAC 75.445(k)];

18 AAC 75.990(74) is amended to read:

(74) "oil spill primary response action contractor," for purposes of **18 AAC 75.451** [18 AAC 75.425 AND 18 AAC 75.445], has the meaning given in 18 AAC 75.500(a);

18 AAC 75.990(96) is repealed:

(96) repealed __/__/____; ["PRINCE WILLIAM SOUND TOWING PACKAGE" MEANS A TOWING GEAR ASSEMBLY THAT CONSISTS OF

(A) 400 FEET OF 2-1/4 INCH TOW REACHING WIRE;

(B) 720 FEET OF SIX-INCH POLYPROPYLENE FLOATING PICKUP LINE;

(C) ONE FLOATING PICKUP BUOY; AND

(D) A "D" SHACKLE, 2-1/4 INCHES IN DIAMETER, WITH A 4-1/8 INCH JAW OPENING, AND A BREAKING STRAIN OF 55 TONS, TO CONNECT THE FLOATING LINE TO THE TOW REACHING WIRE;]

18 AAC 75.990(156) is amended to read:

(156) "region of operation" means, with respect to

(A) an oil discharge prevention and contingency plan other than a streamlined plan for a nontank vessel, a **geographic zone [**region] established under 18 AAC 75.495; and

(B) a streamlined plan for a nontank vessel, a region established under 18 AAC 75.496;

18 AAC 75.990(162) is amended to read:

(162) "annual average daily oil production volume" means the average oil production volume from a common reservoir to a common production facility based on the highest annual volume produced by a well at the facility during the previous **12-months** [CALENDAR YEAR] divided by **365** [THE NUMBER OF] days [IN THE YEAR], expressed as barrels per day; **for a production facility that does not have 12-months of data, the average daily production volume is based on the total produced volume by the highest producing well for the period that data is available, divided by the number of days in that period;**

18 AAC 75.990(164) is amended to read:

(164) "**area** [SUBAREA] contingency plan" means a regional master oil and hazardous substance discharge prevention and contingency plan approved under AS 46.04.210;

18 AAC 75.990(191) is amended to read:

(191) "application package is complete" means that the applicant has provided the information necessary for the department to review and evaluate the plan using the criteria established under **18 AAC 75.448-18 AAC 75.453** [18 AAC 75.445] for oil discharge prevention

and contingency plans;

18 AAC 75.990(195) is amended to read:

(195) "sufficient for review" means that the application package contains the information necessary to begin the public review of the plan including the information identified in

(A) 18 AAC 75.408;

(B) **18 AAC 75.449 - 453** [18 AAC 75.425(e)(1) - (5) FOR OIL DISCHARGE PREVENTION AND CONTINGENCY PLANS]; and

(C) supporting documentation as requested by the department.

18 AAC 75.990(200) is amended to read:

(200) "limit of quantitation"

(A) means the smallest concentration that produces a quantitative result with known and recorded precision and bias; and

(B) is set at or above the concentration of the lowest initial calibration standard and within the calibration range**;** [.]

18 AAC 75.990 is amended by adding the following new paragraphs to read:

(XXX) "deadweight tonnage" has the meaning given in 46 C.F.R. 309.2, revised as of August 23, 1974, and adopted by reference;

(XXX) "failsafe" means designed so that the equipment defaults to a closed condition in the event of an equipment failure;

(XXX) "primary operational control" means the person that exercises control over a vessel while the vessel is in state waters; this includes control over the port of call, arrangement for loading or unloading of oil, setting out the parameters of the approved prevention and response plan including speed, transfer procedures, tug escort, and crew standards and response to spills; primary operational control may be established for the purpose of holding and implementing a plan through a binding agreement between the party wishing to establish control and the vessel owner, operator or charterer. (Eff. 5/14/92, Register 122; am 9/25/93, Register 127; am 4/4/97, Register 142; am 4/11/97, Register 142; am 1/22/99, Register 149; am 8/27/2000, Register 155; am 10/28/2000, Register 156; am 11/27/2002, Register 164; am 12/14/2002, Register 164; am 1/30/2003, Register 165; am 8/8/2003, Register 167; am 5/26/2004, Register 170; am 12/30/2006, Register 180; am 10/9/2008, Register 188; am 4/8/2012, Register 202; am 9/4/2014, Register 211; am 6/17/2015, Register 214; am 4/16/2016, Register 218; am 11/6/2016, Register 220; 3/23/2017, Register 221; am 7/1/2017, Register 222; am 9/29/2018, Register 227; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.03.755 AS 46.04.055
AS 46.03.050 AS 46.03.822 AS 46.04.070
AS 46.03.710 AS 46.04.020 AS 46.08.140
AS 46.03.740 AS 46.04.030 AS 46.09.010
AS 46.03.745 AS 46.04.035 AS 46.09.020

The Editor's note for 18 AAC 75.990 is amended to read:

Editor's note: The publications adopted by reference in 18 AAC 75.990 may be reviewed at the department's **office** [OFFICES] in Anchorage [, FAIRBANKS, OR JUNEAU,]

or may be obtained directly from the appropriate publisher. The mailing address, telephone number, [FACSIMILE NUMBER,] and website, if available, for each publisher are as follows: American Petroleum Institute (API), 1220 L Street NW, Washington, DC 20005-4070; telephone (202) 682-8000; [FAX (303) 397-2740;] website: http://www.api.org.

18 AAC 75.027(f) is amended to read:

(f) While in state waters, **the emergency** towing **arrangement** [LINE] must be made up and prepared for rapid deployment to a towing vessel. The **towing arrangement** [TOW LINE] must be fitted to allow **towing** [TOW] vessels commonly available in the area of operation to take the vessel in tow rapidly. For a vessel **over 20,000 deadweight tonnage the towing arrangement must meet the requirements of 33 C.F.R. 155.235, revised as of *DATE,* and adopted by reference** [OPERATING AT THE OIL LOADING TERMINAL AT VALDEZ, THE PRINCE WILLIAM SOUND TOWING PACKAGE MAY BE USED INSTEAD OF HAVING LINES MADE UP, IF THE PACKAGE PERMITS RAPID DEPLOYMENT TO A TOWING VESSEL]. (Eff. 5/14/92, Register 122; am 12/30/2006, Register 180; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.075(i) is repealed:

(i) Repealed __/__/____. [IN THIS SECTION, "FAILSAFE" MEANS DESIGNED SUCH THAT THE EQUIPMENT DEFAULTS TO A CLOSED CONDITION IN THE EVENT OF AN EQUIPMENT FAILURE.] (Eff. 5/14/92, Register 122; am 12/30/2006, Register 180; repealed ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.070

18 AAC 75.500(c) is amended to read

(c) The holder of an approved oil discharge prevention and contingency plan whose resources are listed in the plan of another plan holder to meet the requirements of AS 46.04.030 and 18 AAC 75.400 - 18 AAC 75.495 is not required to register as an oil spill primary response action contractor, but is subject to all other requirements of **18 AAC 75.451(i)** [18 AAC 75.425(e)(3)(H) AND 18 AAC 75.445(i)(1) AND (i)(2)].

(Eff. 9/25/93, Register 127; am 3/28/96, Register 137; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.055
AS 46.03.825 AS 46.04.035 AS 46.04.070

18 AAC 75.510(a)(2) is amended to read:

(2) all other requirements of **18 AAC 75.451(i)** [18 AAC 75.425(e)(3)(H) AND 18 AAC 75.445(i)] are met.

(Eff. 9/25/93, Register 127; am 3/28/96, Register 137; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.030 AS 46.04.055
AS 46.03.825 AS 46.04.035 AS 46.04.070

18 AAC 75.560(a) is amended to read:

(a) In addition to the requirements of (b) of this section, the minimum registration standards and verification requirements for an oil spill primary response action contractor listed in an approved oil discharge prevention and contingency plan are the oil discharge prevention

and contingency plan requirements and the response planning standards set out in AS 46.04.030 and **18 AAC 75.428 – 18 AAC 75.495** [18 AAC 75.425 - 18 AAC 75.495] that are applicable to a contractor listed in an approved oil discharge prevention and contingency plan.

18 AAC 75.560(b)(3) is amended to read:

(3) training of contractor personnel must comply with **18 AAC 75.451(j)** [18 AAC 75.445(j)] and must include appropriate Occupational Safety and Health Administration Hazardous Operations training;

(Eff. 9/25/93, Register 127; am 3/28/96, Register 137; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.035 AS 46.04.070
AS 46.04.030 AS 46.04.055

18 AAC 75.580. Voluntary termination of registration

18 AAC 75.580 is amended to read:

Unless the department has taken action under 18 AAC 75.570 for failure to comply, a registered oil spill primary response action contractor, streamlined plan cleanup contractor, streamlined plan incident management team, or response planning facilitator may ask the department to terminate registration and to remove that contractor's name from the list required by AS 46.04.035(e). A request under this section must be in writing and must be sent to all affected plan holders by certified mail. After the receipt of proof that all affected plan holders have been notified, the request must be submitted to the department with the certificate of registration and proof that all affected plan holders were notified. A request under this section becomes effective

on the 30th day after the department receives it as provided in **18 AAC 75.451(i)(1)(D)** [18 AAC 75.445(i)(1)(D)], 18 AAC 75.531(8)(C), 18 AAC 75.532(9)(C), and 18 AAC 75.533(6)(C), as applicable. (Eff. 3/28/96, Register 137; am 11/27/2002, Register 164; am 3/23/2017, Register 221; am 11/7/2020, Register 236; am ____/____/____, Register ____)

Authority: AS 46.03.020 AS 46.04.035 AS 46.04.070
AS 46.04.030 AS 46.04.055

NOTICE OF PROPOSED CHANGES TO OIL POLLUTION PREVENTION REQUIREMENTS IN THE REGULATIONS OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

BRIEF DESCRIPTION

The Alaska Department of Environmental Conservation (ADEC) proposes to change regulations on Oil Discharge Prevention and Contingency Plans (plans) and Streamlined plans that certain vessels, railroads, pipelines, and oil terminal facilities must obtain to lawfully operate in the state. Based on input received from public scoping in 2019 and 2020, the department is proposing regulation changes to better implement the statutory authorities for contingency plans under AS 46.04, streamline and clarify regulations, and reorganize and update the content and approval requirements for all five parts of the plan.

ADEC proposes to adopt regulation changes at 18 AAC 75.400 – 18 AAC 75.496 (Article 4), 18 AAC 75.990, 18 AAC 75.027, and 18 AAC 75.075, and minor clarifying edits as described below, including:

(1) Amend **18 AAC 75.400 - Applicability** to clarify applicability, requirements for who may apply for a plan for specific facility types, how to apply for statutory exemptions, and to repeal two subsections that duplicate statutory exemptions for certain types of natural gas facilities

(2) Amend **18 AAC 75.405 - Pre-application notification and consultation for oil discharge prevention and contingency plans; new plans and plan renewals** to clarify application package requirements, including timelines and notice

(3) Amend **18 AAC 75.408 - General procedures to apply for oil discharge prevention and contingency plans** to update and standardize the notification and distribution processes, and to clarify the format for plan application packages and who must sign the application

(4) Amend **18 AAC 75.415 - Procedures to apply for oil discharge prevention and contingency plans; plan amendments** to change the deadline for submitting a routine plan update, clarify notification requirements for major or minor amendments, and add a new subsection to establish application procedures for temporary use of regulated aboveground oil storage tanks

(5) Amend **18 AAC 75.420 - Procedures to apply for oil discharge prevention and contingency plans; plan renewals** to update review procedures during renewal, including to clarify that the entire plan will be reviewed and to repeal the option to not submit a copy of an unchanged plan

(6) Repeal **18 AAC 75.425 - Oil discharge prevention and contingency plan contents** and incorporate content into new sections to provide requirements and approval criteria for Parts 1 – 5 of the contingency plan

(7) Amend **18 AAC 75.432 - Response planning standards for oil terminal facilities** to clarify the response planning standard volumes for vessels operating as terminal facilities and to clarify prevention credits for leak detection systems and secondary containment enhancements

(8) Amend **18 AAC 75.434 - Response planning standards for exploration or production facilities** to clarify the purpose of voluntary ignition of a well blowout proposal in determining a response planning standard volume

(9) Amend **18 AAC 45.436 - Response planning standards for crude oil pipelines** to clarify the prevention credit for leak detection systems

(10) Amend **18 AAC 75.442 - Response planning standards for multiple operations** to clarify language describing the response planning standard for a plan that includes multiple facility types

(11) Repeal **18 AAC 75.445 - Approval criteria for oil discharge prevention and contingency plans** and incorporate content into new sections to provide requirements and approval criteria for Parts 1 – 5 of the contingency plan

(12) Repeal **18 AAC 75.447 - Department examination of new technologies**

(13) Add a new section **18 AAC 75.448 - Oil discharge prevention and contingency plan, general content and approval criteria** to consolidate plan general content and approval criteria information

(14) Add a new section **18 AAC 75.449 - Part 1 - Oil discharge prevention and contingency plan, Response Action Plan** to consolidate and update the requirements for the Response Action Plan portion of the oil discharge prevention and contingency plan, including initial response actions and response planning standard scenarios. Specificity added for: contact information requirements, response scenario contents and approval criteria, fire control planning information, description of equipment used in surveillance and tracking of discharged oil, information for procedures to transfer recovered oil held in temporary storage, decanting planning and approval, use of the *Alaska Regional Response Team Wildlife Protection Guidelines for Oil Spills in Alaska* as a reference, criteria for requiring additional response strategies in the scenario, requirements for information about blowout contingency plans, and response scenarios for typical summer and winter conditions

(15) Add a new section **18 AAC 75.450 - Part 2 - Oil discharge prevention and contingency plan, Prevention Plan** to consolidate the requirements for Prevention Plan contents, including descriptions of required prevention programs, technologies, and waivers or alternate compliance schedules in place at the facility

(16) Add a new section **18 AAC 75.451 - Part 3 - Oil discharge prevention and contingency plan, Supplemental Information** to consolidate and update content requirements and approval criteria for Supplemental Information. Includes updates for: information required for aboveground oil storage tanks with a capacity of >10,000 gallons versus 1,000 to 10,000 gallons; piping diagrams required for oil terminal, exploration, and production facilities and for transmission pipelines; command system information; analysis of weather based on National Weather Service data or local historic weather information; calculations and storage-based limitations for effective daily recovery capacity (EDRC); temporary storage requirements; process for applying for an alternative EDRC; and requirements for response personnel training records. Clarifies that the use of a primary response action contractor does not relieve the plan holder's responsibility to meet regulations and defines "manufacturer's rated throughput capacity"

(17) Add a new section **18 AAC 75.452 - Part 4 - Oil discharge prevention and contingency plan, Best Available Technology Review** to consolidate and describe the Best Available Technology (BAT) review requirements for technologies applicable to a plan holder's operation, remove BAT review requirements for specific technologies required to meet a codified performance standard for corrosion control systems, pipeline leak detection systems, and tank vessel tow lines

(18) Add a new section **18 AAC 75.453 - Part 5 - Oil discharge prevention and contingency plan, Response Planning Standard** to consolidate the Response Planning Standard information that must be included in the plan

(19) Amend **18 AAC 75.455 - Department review procedures for oil discharge prevention and contingency plans; new plans, plan renewals, and major plan amendments** to clarify plan application review timelines and procedures, to revise the timeline for the department to issue requests for additional information and final decisions, and to update criteria for public hearings

(20) Amend **18 AAC 75.459 - Preissuance Conference** to clarify prerequisites for requesting a preissuance conference

(21) Amend **18 AAC 75.460 - Department decision on oil discharge prevention and contingency plans; new plans, plan renewals, and major plan amendments** to revise the content of department decisions, revise plan publication requirements, and revise notification procedures

(22) Amend **18 AAC 75.465 - Proof of approved plan** to clarify allowable document formats and verification log requirements, and to clarify and consolidate requirements for plan documents that must be available at all times

(23) Amend **18 AAC 75.475 - Notification of nonreadiness** to specify that the cleanup contractor must notify the department if there are significant changes to response plan components for a streamlined plan, and to remove specificity of what constitutes a written notice

(24) Repeal and readopt **18 AAC 75.480 - Inspections** to provide greater detail about department-led inspections and requirements for plan holders

(25) Repeal and readopt **18 AAC 75.485 - Discharge exercises** to update requirements for discharge exercises and to adopt by reference the department's *Oil Spill Response Exercise Manual*

(26) Add a new section **18 AAC 75.489 - Definitions** to define "temporary basis" for use of aboveground oil storage tanks within Article 4

(27) Repeal and readopt **18 AAC 75.495 - Regional master discharge prevention and contingency plan boundaries** to update regional planning boundaries and current place name designations

(28) Amend **18 AAC 75.496 - Regional response operations plan boundaries for nontank vessels** to update current place name designations

(29) Amend **18 AAC 75.990 - Definitions** to update the definition of "annual average daily oil production volume," add new definitions for "deadweight tonnage," "failsafe," and "primary operational control," and repeal the definition of "Prince William Sound towing package"

(30) Amend **18 AAC 75.027(f) - Requirements for laden tank vessels** to clarify and update requirements for tank vessel tow lines

(31) Repeal **18 AAC 75.075(i)** because definition of "failsafe" will be added to 18 AAC 75.990

(32) Editorial updates to clarify language, update citations, and align with the *State of Alaska Drafting Manual* are made throughout the above identified sections and also in 18 AAC 75.410, 18 AAC 75.426, 18 AAC 75.428, 18 AAC 75.429, 18 AAC 75.430, 18 AAC 75.456, 18 AAC 75.457, 18 AAC 75.500, 18 AAC 75.510, 18 AAC 75.560, 18 AAC 75.580, and 18 AAC 75.990

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments electronically via our public notice site at https://dec.alaska.gov/comment/. The full contents of all submitted comments are considered public records and will be posted online in full during the public comment period. If you are unable to submit comments via this site you may submit them by mail to Zuzana Culakova, ADEC P.O. Box 111800, Juneau, AK 99811 or in person to Zuzana Culakova, ADEC 410 Willoughby Ave, Suite 303, in Juneau, or by electronic mail at dec.cpr@alaska.gov and they will be uploaded to the public comment site. The comments must be received no later than 11:59 p.m. on January 31, 2022.

ADEC will aggregate its response to substantially similar questions and make the questions and response available at http://dec.alaska.gov/spar/regulation-projects. ADEC may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period. You may submit written questions relevant to the proposed action to ADEC by sending in questions by electronic mail at dec.cpr@alaska.gov or by sending the questions by mail to Zuzana Culakova, ADEC P.O. Box 111800, Juneau, AK 99811 or in person to Zuzana Culakova, ADEC 410 Willoughby Ave, Suite 303, in Juneau. The written questions must be received by January 21, 2022, which is 10 days before the end of the public comment period. If you are a person with a disability who needs an accommodation in order to participate in this process, please contact ADEC HR Manager Brian Blessington at (907) 269-6272 or TDD Relay Service 1-800-770-8973/TTY or dial 711 no later than January 21, 2022 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting Zuzana Culakova at the email or address above or by calling 907-465-5346. This document also contains portions of regulation that are not proposed to change, to assist the reader in understanding the proposed changes. After the public comment period ends, ADEC will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **You should comment during the time allowed if your interests could be affected**. Written comments are public records and are subject to public inspection.

Statutory authority: AS 46.03.020, AS 46.04.030, AS 46.04.040, AS 46.04.047, AS 46.04.050, AS 46.04.055, AS 46.04.060, AS 46.04.065, AS 46.04.070

Statutes being implemented, interpreted, or made specific: AS 46.03.020, AS 46.04.030, AS 46.04.040, AS 46.04.047, AS 46.04.050, AS 46.04.055, AS 46.04.060, AS 46.04.065, AS 46.04.070

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: _____

/s/

Jason W. Brune

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))[1]

1. Adopting agency: Department of Environmental Conservation, Division of Spill Prevention and Response
2. General subject of regulation: Oil discharge prevention & response plan requirements
3. Citation of regulation (may be grouped): 18 AAC 75.400 – 18 AAC 75.496
4. Department of Law file number, if any: 2020200377

5. Reason for the proposed action:

( ) Compliance with federal law or action (identify):
( ) Compliance with new or changed state statute
( ) Compliance with federal or state court decision (identify):
( ) Development of program standards
(X) Other (identify): Amend to clarify, streamline, and modernize requirements

6. Appropriation/Allocation: Spill Prevention and Response / Prevention, Preparedness, and Response Program

7. Estimated annual cost to comply with the proposed action to:

A private person: It is expected that there will not be additional costs for Oil Discharge Prevention and Contingency Plan holders. It is possible that there will be a small cost savings associated with the removal of requirements to publish notices, to provide multiple paper copies of plans, and to distribute plan application packages to plan reviewers.
Another state agency: Additional costs are not anticipated for the Alaska Department of Fish and Game or the Alaska Department of Natural Resources, both of which review Oil Discharge Prevention and Contingency Plans through an agreement with the Alaska Department of Environmental Conservation as required by statute and implemented under 18 AAC 75.455(h). The Alaska Department of Transportation's airport and pipeline Oil Discharge Prevention and Contingency Plans are currently operated by private companies, so the agency and private operators are not expected to experience additional costs.
A municipality: Costs for a municipality or a city entity with an oil terminal or pipeline facility with an Oil Discharge Prevention and Contingency Plan are equivalent to those expected for private persons; a possible small costs savings is anticipated.

8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY 22	Subsequent Years
Operating Cost	$ 0	$ 0
Capital Cost	$ 0	$ 0
1002 Federal receipts	$ 0	$ 0
1003 General fund match	$ 0	$ 0
1004 General fund	$ 0	$ 0
1005 General fund/ program	$ 0	$ 0
Other (identify)	$ 0	$ 0

9. The name of the contact person for the regulation:

Name: Rebecca Spiegel
Title: Environmental Program Specialist
Address: 555 Cordova Street, Anchorage, AK 99501
Telephone: (907) 269-7543
E-mail address: rebecca.spiegel@alaska.gov

10. The origin of the proposed action:

__X___ Staff of state agency
_____ Federal government
_____ General public
_____ Petition for regulation change
_____ Other (identify):_____

11. Date:_____ Prepared by: /s/
[signature]
Name (printed): Rebecca A. Spiegel
Title (printed): Environmental Program Specialist
Telephone: (907) 269-7543

CITY OF HOMER
HOMER, ALASKA

Aderhold

RESOLUTION 22-010

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA APPRECIATING AND COMMENDING THE DELEGATES OF THE 2021 CONFERENCE OF YOUNG ALASKANS AND RECOGNIZING RESOLUTIONS THEY PASSED

WHEREAS, The City of Homer is an active member of the Alaska Municipal League (AML); and

WHEREAS, AML hosted the Conference of Young Alaskans (COYA) in summer 2021, the fourth such conference over the last 20 years and the first focused on municipal government; and

WHEREAS, COYA was attended by nearly 40 young Alaskans, ages 16 25, representing more than a dozen communities, including the City of Homer; and

WHEREAS, COYA delegates represent Alaska's best and brightest, individuals who demonstrate enthusiasm and commitment to Alaska's future; and

WHEREAS, The mission of COYA is to connect young Alaskans to the rich history, a vibrant present, and a thriving future; and framed by historic and current lessons, young Alaskan leaders apply their knowledge and creativity to visions, goals, and proposed actions for the state and its people; and

WHEREAS, COYA delegates deliberated on themes impacting Alaska's local governments, developed respect for Alaska's past and present leaders, discovered insights into the challenges facing the diverse regions of the Alaska, and found inspiration for making a difference in our State's future; and

WHEREAS, COYA delegates developed and voted on a series of resolutions based on small group visioning and goal setting related to stability of communities; public safety; diversity, social justice, and equity; education; economic development; infrastructure and public utilities; climate resilience; and quality of life; and

WHEREAS, Following the conference, delegates presented the resolutions to the Alaska Conference of Mayors; and

WHEREAS, Vision statements developed by COYA delegates included the following:

- Environmental and public health, creativity, and intergenerational resilience are perpetually fostered within communities and supported by local and tribal governments
- Public safety departments and services work together to promote an environment representative of the diverse communities and cultures across Alaska, ensure the safety and livelihood of all people, and adapt to and meet the needs of local communities
- Alaskans thrive in accessible, safe communities where we see ourselves in representative local governments and in education curricula that are rooted in Indigenous values and histories and reflect Alaskans of all races, genders, and abilities
- Education curricula include accurate Alaska Native histories that are culturally competent and trauma informed from pre kindergarten through university; and
- Municipal governments shall have successfully invested in and supported the diversification of their economies
- Infrastructure and public utilities will serve the basic needs of all Alaska communities and transition to an equitable, climate adaptive, energy efficient framework with a long term plan for maintenance, consumer representation, sustainable funding, connectivity, and innovation
- Local and Tribal governments collaborate in just transition to create and build long lasting climate resiliency
- Communities across Alaska shall know what it takes and have access to the resources to be healthy, safe, and fulfilled; and

WHEREAS, During its Annual Business Meeting on November 17, 2021, AML members unanimously passed Resolution 2022 02 commending COYA and encouraging member municipalities to consider the resolutions, adapting and adopting as possible and relevant to the work of municipal governments in Alaska.

NOW, THEREFORE BE IT RESOLVED that the Council of the City of Homer appreciates and commends the work of 2021 COYA delegates.

BE IT FURTHER RESOLVED that the Council of the City of Homer recognizes the following resolutions passed by COYA delegates at their 2021 conference:

- Sustainability of Communities
  - Calling for strengthened local food economies and encouraging local food production and sustainable harvesting
  - Encouraging access to community programs that support public health and intergenerational resilience

- Recommending that local governments should improve public participation and cooperation with tribal governments and provide leadership in solution to address social and environmental crises

- Public Safety
  - Encouraging a standardized preliminary training and education for all law enforcement and service providers
  - Improving access, outreach, and funding of public safety across all departments and services
  - Increasing accountability of all law enforcement entities
- Diversity, Social Justice, and Equity
  - Expanding local government non discrimination laws
  - Implementation of culturally relevant and representative education curricula by local school boards
  - Implementation of citizen review boards
- Education
  - Ensuring a quality, culturally competent, and trauma informed Alaska Native history education for all students
  - Inspiring homegrown teachers to teach a quality, culturally competent, and trauma informed Alaska Native history education for all students
  - Teaching Alaska Native histories, cultures, and languages at all levels of school that feature accurate recollections by Alaska Native peoples
- Economic Development
  - Diversification of job markets and implementing policies that increase labor force participation
  - Encouraging sustainable economic development and climate conscious investments
  - Encouraging investments in community spaces and critical infrastructure that increase community well being
- Infrastructure and Public Utilities
  - Calling for the provision of basic utilities such as water, sewer, means of transportation, and broadband to every community within Alaska
  - Supporting Alaska's local governments to establish a framework for community driven sustainable infrastructure
  - To support statewide collaboration on climate adaptive infrastructure and public utilities
- Climate Resilience
  - To create a Department of Climate Affairs in municipal bodies
  - To expand holistic climate education in K 12 schools across Alaska
  - To ensure diversified energy sources across Alaska
- Quality of Life
  - Encouraging local governments to develop metrics for quality of life in their communities
  - Facilitating access to safe housing and health care

- Advocating for subsistence and land based lifestyles for both rural and urban communities.

PASSED AND ADOPTED by the Homer City Council this 10 day of January, 2022.

CITY OF HOMER

_____
KEN CASTNER, MAYOR

ATTEST:

_____
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: None

Resolutions produced by the

2021 Conference of Young Alaskans

The mission of the Conference of Young Alaskans (COYA) is to connect young Alaskans to a rich history, a vibrant present and a thriving future. Framed by historic and current lessons, young Alaskan leaders apply their knowledge and creativity to visions, goals and proposed actions for the state and its people.

Representing a diverse array of communities, delegates deliberated on themes impacting Alaska's local governments. COYA delegates develop respect for Alaska's past and present leaders, discover insights into the challenges facing the diverse regions of Alaska and find inspiration for making a difference in our State's future through a municipal-focused lens.

This year, COYA was convened in Fairbanks. COYA delegates deliberated on and worked together to formulate proposed actions for Alaska's local governments.

The outcomes of this process are a series of resolutions that were developed by COYA delegates in small groups, each of whom developed a vision and goal statement, and then corresponding resolutions. Resolutions were voted upon by COYA delegates and presented to the Alaska Conference of Mayors.

Action proposed to the AML membership does not endorse the content herein.

Conference of Young Alaskans

Resolution 2021-01

Sustainability of Communities

Calling for strengthened local food economies and encouraging local food production and sustainable harvesting.

WHEREAS, by 2038, we envision an Alaska where environmental and public health, creativity, and intergenerational resilience are perpetually fostered within communities and supported by local and tribal governments; and

WHEREAS, many Alaskans in both urban and rural Alaska do not have access to healthy, affordable, and adequate food; and

WHEREAS, Alaskans have always depended on local foods, especially those from the land, though today a substantial portion of food consumed is not produced within the state; and

WHEREAS, access to quality and affordable local foods improves public health and increases the resilience of remote communities in the face of intensifying climate disruption; and

WHEREAS, growing local food economies depend on the place-based guidance and support of local governments; and

WHEREAS, the small businesses generated by stronger local food economies spend more of their revenue in their home community, generating stronger, more distributed economic activity than the status quo; and

NOW, THEREFORE BE IT RESOLVED, that local food economies throughout Alaska will be strongly supported by local governments based on subsistence, cultural, and historic connection to place; and

BE IT FURTHER RESOLVED, that more than half of food consumption will be locally grown or harvested.

Conference of Young Alaskans

Resolution 2021-02

Sustainability of Communities

Encouraging access to community programs that support public health and intergenerational resilience.

WHEREAS, by 2038, we envision an Alaska where environmental and public health, creativity, and intergenerational resilience are perpetually fostered within communities and supported by local and tribal governments; and

WHEREAS, communities in Alaska will have the resources needed to strengthen their resilience, improve their wellbeing, and plan more effectively for future generations; and

WHEREAS, Alaska Natives have faced numerous historical traumas that are intergenerationally woven into their communities and could benefit from healing support from local governments; and

WHEREAS, public health research shows that traditional knowledge sharing and community spaces greatly contribute to individual resilience and broader public health; and

WHEREAS, Alaska's local governments have an obligation to ensure the safety and wellbeing of their residents; and

WHEREAS, failing to prevent the cycle of historical and generational traumas will perpetuate harm in Alaska communities.

NOW, THEREFORE BE IT RESOLVED, that Alaskans will have access to community programs that support public health and intergenerational resilience that is in partnership with local governments.

Conference of Young Alaskans

Resolution 2021-03

Sustainability of Communities

Recommending that local governments should improve public participation and cooperation with tribal governments and provide leadership in solution to address social and environmental crises.

WHEREAS, by 2038, we envision an Alaska where environmental and public health, creativity, and intergenerational resilience are perpetually fostered within communities and supported by local and tribal governments; and

WHEREAS, the unique challenges that Alaska's communities face necessitate new and creative approaches to address issues, large and small; and

WHEREAS, the involvement of the public's voice in decision making processes in social and environmental areas can be strengthened, including by encouraging greater representation and inclusivity ; and

WHEREAS, Alaska Natives have traditional knowledge of the landscape from thousands of years of experience that can lead communities to more successful outcomes in addressing crises; and

WHEREAS, the diversity of issues faced by Alaska's local governments requires a diverse toolset — a toolset that great public process and innovative solutions will help expand; and

WHEREAS, the consequences of failing to adequately address the environmental crises facing communities, like ocean acidification, coastal erosion, and growing wildfires are unacceptable.

NOW, THEREFORE BE IT RESOLVED, that local governments in Alaska will greatly improve public participation and cooperation with tribal governments so that they can lead in creative solutions to social and environmental crises.

Conference of Young Alaskans

Resolution 2021-04

Public Safety

Encouraging a standardized preliminary training and education for all law enforcement and service providers.

WHEREAS, by 2038, we envision that public safety departments and services work together to promote an environment representative of the diverse communities and cultures across Alaska, ensure the safety and livelihood of all people, and adapt to and meet the needs of local communities; and

WHEREAS, current training for Village Police Safety Officers (VPSO) focuses on understanding of legal procedure and physical confrontation with use of force and weapons, which perpetuates harm to people and only addresses issues at the surface level; and

WHEREAS, training for these officers, and all officers, needs to include methods of de-escalation, anti-racism training, trauma-informed care and understanding consent; and this standardized but culturally responsive training will include firearms training for VPSOs at the caliber and level of any other officer within the state, and all officers will undergo the same basic training including special accommodations for service location; and

WHEREAS, special accommodation training is necessary for VPSO, borough, and municipal police officers based on service location receive training of local Indigenous culture and values, historical oppression, intergenerational trauma, and more, based on community input; and

WHEREAS, lack of training, funding, and resources for VPSOs have led to communities struggling to feel safe and receive justice, which allows crime to disrupt physical and mental safety throughout communities; and

WHEREAS, independent citizens review boards may be established in every community to influence and inform local government of people's concerns; and

WHEREAS, local governments would be responsible for enforcing training requirements and ensuring each region is assigned an officer with the necessary training to best serve that specific community.

NOW, THEREFORE BE IT RESOLVED, that there shall be standardized preliminary training and education for all law enforcement and service providers that adapts to the needs of communities based on region and culture.

Conference of Young Alaskans

Resolution 2021-05

Public Safety

Improving access, outreach, and funding of public safety across all departments and services.

WHEREAS, by 2038, we envision that public safety departments and services work together to promote an environment representative of the diverse communities and cultures across Alaska, ensure the safety and livelihood of all people, and adapt to and meet the needs of local communities; and

WHEREAS, a dearth of accessible resources causes community members to result in unhealthy coping mechanisms; with more outreach to the community by public safety departments and services people are able to seek necessary help; and

WHEREAS, public safety departments and services will benefit from greater educational opportunities and community engagement; and

WHEREAS, the selection and hiring of officers should reflect the condition and expectations of the community; and

WHEREAS, local government should collaborate with local tribal governments and community leaders to seek out necessary funding to create the necessary programs to meet community needs such as Missing and Murdered Indigenous Women, Girls, and Two-Spirit (MMIWG2S), mental health resources, substance abuse programs, etc.;

Whereas, the police department will be given separate branches to specifically address MMIWG2S cases and domestic violence; and

WHEREAS, local government will facilitate ways to include community concerns, feedback, and suggestions.

NOW, THEREFORE BE IT RESOLVED, that local governments will improve access, outreach, and funding of public safety across all departments and services to meet and adapt to community needs

Conference of Young Alaskans

Resolution 2021-06

Public Safety

Increasing accountability of all law enforcement entities.

WHEREAS, by 2038, we envision that public safety departments and services work together to promote an environment representative of the diverse communities and cultures across Alaska, ensure the safety and livelihood of all people, and adapt to and meet the needs of local communities; and

WHEREAS, department budgets should be accessible to the public so citizens are informed and aware of where their taxes are expended; and

WHEREAS, independent citizens review boards should be established in every community to influence and inform local government of people's concerns, which would ensure law enforcement receives the necessary funding to serve the community with accountability; and

WHEREAS, transparency is defined by the community, informed by public safety expertise, and enforced by local government; and

WHEREAS, the process of accountability for municipal police and village police officers is mandatory, evaluated by citizen review boards, and enforced by local government; and

WHEREAS, the local government will be held responsible for being more transparent, and will be responsible and report all major finances, and make them publicly accessible.

NOW, THEREFORE BE IT RESOLVED, that local governments will increase their accountability of police and village police officers by expanding transparency and promoting a strong community voice.

Conference of Young Alaskans

Resolution 2021-07

Diversity, Social Justice, and Equity

Expanding local government non-discrimination laws.

WHEREAS, by 2038, we envision a future in which Alaskans thrive in accessible, safe communities where we see ourselves in representative local governments and in education curricula that are rooted in Indigenous values and histories and reflect Alaskans of all races, genders, and abilities; and

WHEREAS, according to a Gallup study in 2021, 1 in 6 members of Generation Z (ages 19 to 24 in 2021) identify as LGBTQ+; and

WHEREAS, the U.S. Supreme Court ruled in *Bostock v. Clayton County* (2020) that employment discrimination against LGBT people is illegal under federal law; and

WHEREAS, according to the CDC, 1 in 4 Americans live with a disability; and

WHEREAS, the Americans with Disabilities Act (1990) prohibits discrimination against people with disabilities; and

WHEREAS, local ordinances are critical to bringing legal recourse closer to home, therefore making it more accessible to seek and receive justice; and

WHEREAS, the State of Alaska has failed to pass legislation adding gender or sexual orientation to our existing non-discrimination laws, leaving LGBTQ+ Alaskans without legal protections at any level against discrimination in housing, banking, or public services.

THEREFORE, BE IT RESOLVED, that all local Alaska governments will have established or expanded local non-discrimination ordinances to include protections on the basis of gender, gender expression, sexuality, race, ethnicity, and disability.

Conference of Young Alaskans

Resolution 2021-08

Diversity, Social Justice, and Equity

Implementation of culturally relevant and representative education curricula by local school boards.

WHEREAS, by 2038, we envision a future in which Alaskans thrive in accessible, safe communities where we see ourselves in representative local governments and in education curricula that are rooted in Indigenous values and histories and reflect Alaskans of all races, genders, and varied abilities; and

WHEREAS, a strong education system demonstrates that hard work and knowledge can be shared in ways that help Alaskans grow and develop; and

WHEREAS, Alaska Native histories should be included and well-represented in education and

WHEREAS, the local government operates and enforces state laws and raises money to pay for schools; and

WHEREAS, we hope to avoid Alaskans missing opportunities to better their lives through an education system have has been improved to reflect culturally relevant and representative curricula.

THEREFORE, BE IT RESOLVED, that local school boards will have implemented education curricula that is rooted in Indigenous values and histories and reflect Alaskans of all races, genders, and disabilities/abilities.

Conference of Young Alaskans

Resolution 2021-09

Diversity, Social Justice, and Equity

Implementation of citizen review boards.

WHEREAS, by 2038, we envision a future in which Alaskans thrive in accessible, safe communities where we see ourselves in representative local governments and in education curricula that are rooted in Indigenous values and histories and reflect Alaskans of all races, genders, and varied abilities; and

WHEREAS, implementing a review board will give citizens a chance to review incidents independently from law enforcement agencies; and

WHEREAS, communities including (but not limited to) Nome, Juneau, and Anchorage already have Public Safety Commissions; and

WHEREAS, law enforcement will have received appropriate training and will bear the liability of consequences of failure to follow said training; and

WHEREAS, local government will work together with their citizens to further ensure their safety.

THEREFORE, BE IT RESOLVED, that local Alaskan governments will have implemented citizen review boards to ensure that people of all genders, gender expressions, sexualities, races, ethnicities, trauma survivors, and varied abilities will be treated with respect by law enforcement.

Conference of Young Alaskans

Resolution 2021-10

Education

Ensuring a quality, culturally competent, and trauma-informed Alaska Native history education for all students.

WHEREAS, by 2038, we envision a future for education in Alaska that curricula include accurate Alaska Native histories that are culturally competent and trauma-informed from pre-kindergarten through university; and

WHEREAS, current Alaskan education teaches history that inadequately highlights Alaska Native cultures and values; and

WHEREAS, schools do not have sufficient resources to incentivize teachers who represent Alaska's cultural diversity to pursue teaching or stay in the profession long-term; and

WHEREAS, schools do not have adequate resources to ensure quality education for students; and

WHEREAS, local governments should support school boards in securing diversified funding for culturally-competent and trauma-informed curricula at all education levels; and

WHEREAS, we envision an Alaska that acknowledges its past and educates youth on where they came from, and has the resources to do so.

NOW, THEREFORE BE IT RESOLVED that governments should provide all schools (pre-kindergarten through university) sufficient, reliable, and timely resources to ensure a quality, culturally competent, and trauma-informed Alaska Native history education for all students.

Conference of Young Alaskans

Resolution 2021-11

Education

Inspiring homegrown teachers to teach a quality, culturally competent, and trauma-informed Alaska Native history education for all students.

WHEREAS, by 2038, we envision a future for education in Alaska that curricula include accurate Alaska Native histories that are culturally competent and trauma-informed from pre-kindergarten through university; and

WHEREAS, youth are the foundation of our nation; and

WHEREAS, homegrown teachers are knowledgeable in what occurs within the communities they serve and create meaningful connections with their students; and

WHEREAS, most educators in Alaska are non-Alaska Native, though they often serve majority-Native communities; and

WHEREAS, local governments should support school boards in securing diversified funding for culturally-competent and trauma-informed curricula and educator training at all education levels; and

WHEREAS, we hope to diversify our curricula and educators' perspectives on Alaska Native history so that they are prepared to serve the full range of students they will see in Alaskan classrooms.

NOW, THEREFORE BE IT RESOLVED, that educational systems in Alaska inspire homegrown teachers who represent the communities and values they serve and provide them culturally competent and trauma-informed training.

Conference of Young Alaskans

Resolution 2021-12

Education

Teaching Alaska Native histories, cultures, and languages at all levels of school that feature accurate recollections by Alaska Native peoples.

WHEREAS, by 2038, we envision a future for education in Alaska that curricula include accurate Alaska Native histories that are culturally competent and trauma-informed from pre-kindergarten through university; and

WHEREAS, public schools in Alaska should teach accurate Alaska Native histories centering Native voices; and

WHEREAS, Alaskans must understand where historical traumas that they experience or may have caused come from; and

WHEREAS, Alaska Native peoples know their stories best, yet Alaska public-school curricula can better acknowledge this; and

WHEREAS, certain books that center the voices of Natives and those of other marginalized identities are and have been excluded from educational curricula school districts in Alaska; and

WHEREAS, local governments should support school boards in securing diversified funding for culturally-competent and trauma-informed curricula at all education levels; and

WHEREAS, every student in the Alaska education system should know where Alaska Native peoples come from.

NOW, THEREFORE BE IT RESOLVED, that governments ensure Alaska Native histories, cultures, and languages are taught in an age-appropriate way at all levels (pre-kindergarten through university) and feature accurate recollections by Alaska Native peoples.

Conference of Young Alaskans

Resolution 2021-13

Economic Development

Diversification of job markets and implementing policies that increase labor force participation.

WHEREAS, by 2038, we envision that Alaska's municipal governments shall have successfully invested in and supported the diversification of their economies; and

WHEREAS, Alaska has seen a net decrease in population and should work to increase labor force participation rates; and

WHEREAS, economic diversification means an economy in which the state and local communities are not reliant on volatile resources and can mitigate economic shock through autonomous and strategic sector support; and

WHEREAS, in order to achieve robust job activity, investment from both public and private industry, in myriad sectors (included, but not limited to technology, energy, tourism, small business, etc.) is pertinent to diversification and economic growth; and

WHEREAS, local communities should reduce barriers to entry for small business and entrepreneurial ventures to ensure equitable opportunities for all potential business owners; including through a series of targeted investments suitable to local community considerations; and

WHEREAS, local economies rely on local and State resources for funding and development and should continue to seek to reasonable economic autonomy; and

WHEREAS, if we maintain our current economic trajectory, local governments will not always be able to offer adequate opportunity for job market growth and high employment rates.

NOW, THEREFORE BE IT RESOLVED, that local governments will have more thoroughly diversified job markets and have implemented policies that increase labor force participation.

Conference of Young Alaskans

Resolution 2021-14

Economic Development

Encouraging sustainable economic development and climate-conscious investments.

WHEREAS, by 2038, we envision that Alaska's municipal governments shall have successfully invested in and supported the diversification of their economies; and

WHEREAS, young Alaskans support economic growth and sustainable development that increases quality of life and economic opportunity allowing residents to reach their full potential and independence in their home communities; and

WHEREAS, young Alaskans define infrastructure as investments in communities through health, education, transportation, food security, energy, and water, among other means; and

WHEREAS, we define climate-conscious investments as those that acknowledge and proactively respond to the threats posed by climate change while incorporating Indigenous perspectives and local resources in creation of new infrastructure and economic sectors; and

WHEREAS, Alaskans should increase reliance on non-extractive economies including, but not limited to, responsible tourism, technology, agriculture, blue and green economies, renewable resources, and transportation; and

WHEREAS, Alaska has unique geographic considerations and robust resources at our disposal allowing us to capitalize on the emerging developments associated with a just transition to a healthy economy and clean environment; and

WHEREAS, local governments possess the unique local knowledge of place-based industry and can support the implementation of infrastructure projects; and

WHEREAS, if Alaska continues its current trajectory with its over-reliance on non-renewable resource development and under-prioritization and a lack of willingness to address the threat of climate change, economic growth will be stymied.

NOW, THEREFORE BE IT RESOLVED, that sustainable economic development in Alaska will be reached through climate-conscious investments utilizing Indigenous Peoples' knowledge, local resources, and a values and place-based framework.

Conference of Young Alaskans

Resolution 2021-15

Economic Development

Encouraging investments in community spaces and critical infrastructure that increase community well-being.

WHEREAS, by 2038, we envision that Alaska's municipal governments shall have successfully invested in and supported the diversification of their economies; and

WHEREAS, investing in infrastructure to prepare for the economy of tomorrow is a necessary step for building a healthy economy; and

WHEREAS, there are communities in Alaska that lack access to basic utilities such as water, sewer, electricity, gas, telecommunications, and broadband internet; and

WHEREAS, such basic utilities are critical to engaging in today's economy and will be increasingly critical to the economy of tomorrow; and

WHEREAS, local communities can serve a unique role in bringing together people, talent, and ideas to create innovative solutions addressing their individual needs, and are supported by infrastructure that allows for community connectivity; and

WHEREAS, Alaska received a C- on the American Society of Civil Engineers' Infrastructure Report Card last evaluated in 2017; and

WHEREAS, the continued improvement and construction of community-identified infrastructure needs is necessary for the purpose of economic diversification and economic health; and

WHEREAS, local governments are largely responsible for stewarding public spaces and collecting input for public projects such as city centers, public parks, and other spaces to meet the recreational, cultural, and educational needs of a community; and

WHEREAS, underserved communities and the continued degradation of public infrastructure are realities in Alaska that need to change.

NOW, THEREFORE BE IT RESOLVED, that local governments will have invested in community spaces, developed critical and community-identified infrastructure, and reduced barriers to fostering community well-being.

Conference of Young Alaskans

Resolution 2021-16

Infrastructure and Public Utilities

Calling for the provision of basic utilities such as water, sewer, means of transportation, and broadband to every community within Alaska.

WHEREAS, by 2038, we envision that Alaska's infrastructure and public utilities will serve the basic needs of all Alaska communities and transition to an equitable, climate-adaptive, energy-efficient framework with a long-term plan for maintenance, consumer representation, sustainable funding, connectivity, and innovation; and

WHEREAS, many communities throughout the State of Alaska do not have access to public utilities, including, but not limited to, municipally-provided water, wastewater systems, and adequate means of transportation; and

WHEREAS, 24-30% of Alaska communities do not have access to broadband, which has become essential to daily living activities such as shopping, education and professional use; and

WHEREAS, solely providing water and wastewater utilities to all communities in the state would cost over $2 billion; and

WHEREAS, opportunities exist to advocate for additional funding from the federal government through leveraging local communities' relationships with Alaska's congressional delegation; and

WHEREAS, neglecting access to basic utilities will have serious consequences for the health, prosperity and quality of life in a massive amount of Alaska's communities.

NOW, THEREFORE, BE IT RESOLVED, that Alaska local governments will establish an intergovernmental network to petition state and federal governments for additional funds to install water, sewer, transportation and broadband utilities in those communities that are in need, and ensure all Alaskans have access to basic public necessities.

Conference of Young Alaskans

Resolution 2021-17

Infrastructure and Public Utilities

Supporting Alaska's local governments to establish a framework for community-driven sustainable infrastructure.

WHEREAS, by 2038, we envision that Alaska's infrastructure and public utilities will serve the basic needs of all Alaska communities and transition to an equitable, climate-adaptive, energy-efficient framework with a long-term plan for maintenance, consumer representation, sustainable funding, connectivity, and innovation; and

WHEREAS, Alaska has unique challenges to its infrastructure (e.g., the freeze-thaw cycle of permafrost, communities off the Alaska Railbelt, etc.), requiring increased maintenance needs to accommodate for more efficient flow of resources throughout port networks; and

WHEREAS, significant changes to Alaska's environment (e.g., warming temperatures, rising coastlines, shoreline erosion, will impact core community needs) have exacerbated existing infrastructure challenges; and

WHEREAS, infrastructure provides the basic services essential to the survival of rural and urban Alaska communities, including transportation, ports, broadband, and other vital networks; and sustainable infrastructure provides a framework for communities to maintain and grow with consideration to economic, social, and environmental implications; and

WHEREAS, public education, community advocacy, Tribal entities, and local municipalities are essential to enacting sustainable infrastructure with respect to the cultural, geographic, social, and economic needs in rural and urban Alaska communities; and

WHEREAS, neglecting sufficient stakeholder engagement and environmental, economic, and geographic factors in Alaska's infrastructure may result in inaccessible, low-quality, and costly projects which damage public trust in government.

NOW, THEREFORE, BE IT RESOLVED that every Alaska local government will develop and implement a framework for community-driven sustainable infrastructure to maintain, improve, and expand public works.

Conference of Young Alaskans

Resolution 2021-18

Infrastructure and Public Utilities

To support statewide collaboration on climate adaptive infrastructure and public utilities.

WHEREAS, by 2038, we envision that Alaska's infrastructure and public utilities will serve the basic needs of all Alaska communities and transition to an equitable, climate-adaptive, energy-efficient framework with a long-term plan for maintenance, consumer representation, sustainable funding, connectivity, and innovation; and

WHEREAS, unpredictable natural disasters may impact Alaska, where 11 percent of the world's earthquakes take place; and

WHEREAS, permafrost, the frozen rock and soil underneath approximately 85 percent of all Alaska, and its freeze-thaw cycle can cause pipelines to rupture, roads to be renovated, and entire buildings to collapse; and

WHEREAS, Alaska's infrastructure deficiencies exist in the Alaska Marine Highway, accessible drinking water, and port maintenance; and

WHEREAS, local governments possess responsibility for many infrastructure projects and investments, with guidelines and rules dictated by federal and state governments; and

WHEREAS, inequities exist across rural villages which disproportionately experience impacts of climate change without adequate financing or resources to address its harm.

NOW, THEREFORE BE IT RESOLVED, that Alaska's local governments will establish an intergovernmental network to share and distribute information and resources for communities disproportionately impacted by climate change and pursue opportunities to invest and grow climate resilience in public works.

Conference of Young Alaskans

Resolution 2021-19

Climate Resilience

To create a Department of Climate Affairs in municipal bodies.

WHEREAS, by 2038, we envision a future where local and tribal governments collaborate in just transition to create and build long lasting climate resiliency

WHEREAS, creating a designated budget and staff to address climate change in municipal bodies will improve the ability to develop and implement policies and actions that address the impacts being felt locally; and

WHEREAS, Alaska is already seeing the impacts of climate change at twice the rate of the rest of the United States and it disproportionately impacts disadvantaged, low-income, Indigenous, and rural communities; and

WHEREAS, the impacts of climate change are seen through record temperatures each year, precipitation increase across the state affecting river flow, sea ice, and snow conditions, and migration patterns shifting North, which affects subsistence practices and infrastructure planning; these threats to communities such as Nome and Shishmaref create community crises as traditional ways of life must be altered and lives are lost; and

WHEREAS, local governments are the most equipped to address local effects of climate change, and collaboration with Indigenous communities will ensure that the needs of the most vulnerable residents are met; and

WHEREAS, that Indigenous knowledge of land and subsistence embody the respect of land that must be used to build a new framework for how western economies and communities interact with land; and

WHEREAS, no action will result in more severe and more frequent disasters, the eradication of what makes Alaska special: traditions, culture, vast natural landscapes, and the bountiful lands and waters.

NOW, THEREFORE BE IT RESOLVED that each borough and municipality will create a Department of Climate Affairs or equivalent that will be responsible for collaborating with Indigenous communities to build local resilience to climate change.

Conference of Young Alaskans

Resolution 2021-20

Climate Resilience

To expand holistic climate education in K-12 schools across Alaska.

WHEREAS, by 2038, we envision a future where local and tribal governments collaborate in just transition to create and build long lasting climate resiliency.

WHEREAS, a just transition is defined as a framework for a fair shift to an economy that is ecologically sustainable, equitable and just for all Alaskans; and

WHEREAS, the climate crisis disproportionately impacts youth who are aging into an economy that is unprepared to bear the financial consequences of increased food insecurity, sanitation concerns, and infrastructural damage, and are not given the emotional support or tools to cope with rapid loss of home, family, and ways of life; and

WHEREAS, Indigenous knowledge is not part of public education curriculum, and conventional scientific and educational curricula disregard traditional knowledge that has been collected over tens of thousands of years; and

WHEREAS, that Indigenous knowledge of land and subsistence embody the respect of land that must be used to build a new framework for how western economies and communities interact with land; and

WHEREAS, no action will result in more severe and more frequent humanitarian and environmental disasters, including loss of life, traditions, and culture.

NOW, THEREFORE BE IT RESOLVED that holistic climate education rooted in Indigenous Knowledge will be integrated in every K-12 system in the state to increase awareness, understanding, and preparedness in our youth.

Conference of Young Alaskans

Resolution 2021-21

Climate Resilience

To ensure diversified energy sources across Alaska.

WHEREAS, by 2038, we envision a future where local and tribal governments collaborate in just transition to create and build long lasting climate resiliency; and

WHEREAS, a just transition is a framework for a fair shift to an economy that is ecologically sustainable, equitable and just for all Alaskans; and

WHEREAS, exploring, funding, and implementing new sources of energy will help local governments build security and economic development in their localities; and

WHEREAS, Alaska currently sources three quarters of its energy from nonrenewable sources that will eventually be depleted; and

WHEREAS, no action for economic diversification will result in Alaska's extractive economy to be depleted within the next century, leaving Alaskans destitute; and

WHEREAS, the increasing severity and frequency of environmental disasters will threaten homogenized energy systems, while a diversified energy portfolio will ensure that all Alaskans will have access to essential resources in event of an emergency.

NOW, THEREFORE BE IT RESOLVED that local governments would take on responsibility to build coalitions with Indigenous leaders, nonprofit and for-profit entities to implement diverse and accessible energy solutions.

Conference of Young Alaskans

Resolution 2021-22

Quality of Life

Encouraging local governments to develop metrics for quality of life in their communities.

WHEREAS, by 2038, we envision a future in which communities across Alaska shall know what it takes and have access to the resources to be healthy, safe, and fulfilled; and

WHEREAS, ancestral knowledge is valued as a vital component of the sustainable success of communities across the state; and

WHEREAS, continued and additional research is needed to evaluates Alaska Native well-being and recognize Indigenous knowledge as legitimate; and

WHEREAS, culturally-responsive research strategies for determining quality of life will guide local governments in allocating resources and setting policy priorities; and

WHEREAS, indigenizing research and assessing the needs of communities is an ongoing process that must be continuously challenged.

NOW, THEREFORE BE IT RESOLVED that local governments will develop culturally responsive quality of life metrics based on community input.

Conference of Young Alaskans

Resolution 2021-23

Quality of Life

Facilitating access to safe housing and health care.

WHEREAS, by 2038, we envision a future in which communities across Alaska shall know what it takes and have access to the resources to be healthy, safe, and fulfilled; and

WHEREAS, safe and affordable housing lays the foundation for a collective sense of well-being within communities; and

WHEREAS, there are 1,949 homeless on any given night in Alaska in 2020, and of those 224 are unsheltered and 1,725 are sheltered; and

WHEREAS, many communities lack access to permanent, quality health care provided by credentialed professionals; and

WHEREAS, tribal healing and cultural involvement as healing are integral parts of individual and community well-being; and

WHEREAS, local and tribal governments often directly provide health care and support for the services and programs that contribute to a holistic and proactive culture of health.

NOW, THEREFORE BE IT RESOLVED, that all communities in Alaska will be uplifted by government to access safe housing and holistic, culturally informed, quality health care.

Conference of Young Alaskans

Resolution 2021-24

Quality of Life

Advocating for subsistence and land-based lifestyles for both rural and urban communities.

WHEREAS, by 2038, we envision a future in which communities across Alaska shall know what it takes and have access to the resources to be healthy, safe, and fulfilled; and

WHEREAS, subsistence lifestyles encompass a range of place-based activities including harvest and consumption of local foods, traditional and historical use of land and water, and recreation; and

WHEREAS, engaging with nature has been proven to improve mental and physical health, especially for low-income, and BIPOC communities, and for Native and non-Native communities alike; and

WHEREAS, access to land can be impacted by local government through planning, zoning, and management of parks; and

WHEREAS, subsistence is closely tied to quality of life through food security, and access to land increases overall well-being.

NOW, THEREFORE BE IT RESOLVED that local governments will embrace regional differences and subsistence will be prioritized through land and water access and management.

Resolution of the Alaska Municipal League

2022-02

A Resolution commending delegates of the Conference of Young Alaskans and encouraging consideration of their Resolution packet

WHEREAS, the Alaska Municipal League's mission is to strengthen local governments and as part of its strategic plan recognizes the need to foster the next generation of municipal leadership; and

WHEREAS, AML this year hosted the Conference of Young Alaskans, the fourth such over the last 20 years, and the first focused on municipal government; and

WHEREAS, COYA was attended by nearly 40 young Alaskans, ages 16-25, representing more than a dozen communities; and

WHEREAS, COYA delegates represent Alaska's best and brightest, and clearly demonstrated enthusiasm for and commitment to Alaska's future; and

WHEREAS, COYA delegates spent four days learning about topics relevant to Alaska's local governments and hearing from municipal officials and subject matter experts; and

WHEREAS, over their time together they were tasked with producing a vision and goals for Alaska's local governments, and developing resolutions in support; and

WHEREAS, COYA vision statements may provide inspiration to AML members, inasmuch as COYA delegates envision an Alaska where:

- Environmental and public health, creativity, and intergenerational resilience are perpetually fostered within communities and supported by local and tribal governments; and
- Public safety departments and services work together to promote an environment representative of the diverse communities and cultures across Alaska, ensure the safety and livelihood of all people, and adapt to and meet the needs of local communities; and
- Alaskans thrive in accessible, safe communities where we see ourselves in representative local governments and in education curricula that are rooted in Indigenous values and histories and reflect Alaskans of all races, genders, and abilities; and
- Education curricula include accurate Alaska Native histories that are culturally-competent and trauma-informed from pre-kindergarten through university; and
- Municipal governments shall have successfully invested in and supported the diversification of their economies; and
- Infrastructure and public utilities will serve the basic needs of all Alaska communities and transition to an equitable, climate-adaptive, energy-efficient framework with a long-term plan for maintenance, consumer representation, sustainable funding, connectivity, and innovation
- Local and Tribal governments collaborate in just transition to create and build long lasting climate resiliency; and
- Communities across Alaska shall know what it takes and have access to the resources to be healthy, safe, and fulfilled; and

Submitted by the Alaska Municipal League Board ectors

WHEREAS, delegates produced 24 resolutions that vary in scale and scope, but which may serve as potential actions at the local level; and

NOW THEREFORE BE IT RESOLVED that the Alaska Municipal League issues a commendation of appreciation to delegates of the 2021 Conference of Young Alaskans, and encourages and promotes further engagement within AML and its membership of young Alaska leaders; and

FURTHER, BE IT RESOLVED that AML commends to all members consideration of the resolutions produced by Conference delegates, adapting and adopting as possible and relevant to the work of municipal governments in Alaska, and that these be shared as well with State and Federal elected officials.

Submitted by the Alaska Municipal League Board of Directors