



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

City of Homer Agenda

City Council Regular Meeting

Monday, September 12, 2022 at 6:00 PM

In Person at City Hall Cowles Council Chambers and by Zoom Webinar

<https://cityofhomer.zoom.us/j/205093973?pwd=UmhJWEZ3ZVdvbDkxZ3NtbldlNINXQT09>

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

Webinar ID: 205 093 973 Passcode: 610853

CALL TO ORDER, PLEDGE OF ALLEGIANCE

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

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

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

- [a.](#) Homer City Council Unapproved Regular Meeting Minutes of August 22, 2022 and Special Meeting of August 29, 2022. City Clerk. Recommend adoption.
- [b.](#) Memorandum 22-144 from Deputy City Clerk Re: New Liquor License Applications for Latitude 59 and Water Rudders. Recommend approval.
- [c.](#) Memorandum 22-145 from Deputy City Clerk Re: Appointment of Election Judges for the October 4, 2022 City of Homer Regular Election. Recommend approval.
- [d.](#) Ordinance 22-53, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 2.58, Boards and Commissions Section 2.58.020 Creation of City Boards and Commissions and Adopting Chapter 2.70 Americans with Disabilities Act Advisory Board. Aderhold. Recommended dates Introduction September 12, 2022 Public Hearing and Second Reading September 26, 2022.

Memorandum 22-143 from Deputy City Clerk as backup.

- [e.](#) Ordinance 22-54, An Ordinance of the City Council of Homer, Alaska Extending the Appropriations for Previously Funded Capital Projects through the end of Fiscal Year

2023. City Manager/Finance Director. Recommended dates Introduction September 12, 2022 Public Hearing and Second Reading September 26, 2022.

Memorandum 22-157 from Finance Director as backup.

- f. Ordinance 22-55, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$370,263 from the Utility Fund to Fully Fund the Repair of the Belt Driven Clarifier Skimmers at the Waste Water Treatment Plant. City Manager/Public Works Director. Recommended dates Introduction September 12, 2022 Public Hearing and Second Reading September 26, 2022.

Memorandum 22-147 from Public Works Director as backup.

- g. Ordinance 22-56, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Operating Budget by Appropriating \$93,750 from the Water/Sewer Inventory Account for the Purchase of Concrete Septic Tanks. City Manager/Public Works Director. Recommended dates Introduction September 12, 2022 Public Hearing and Second Reading September 26, 2022.

Memorandum 22-148 from Public Works Director as backup.

- h. Ordinance 22-57, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$15,000 from the General Fund Capital Asset Repair and Maintenance Allowance Fund for Fencing at the Skyline Drive Fire Station. City Manager/Fire Chief. Recommended dates Introduction September 12, 2022 Public Hearing and Second Reading September 26, 2022.

Memorandum 22-149 from Fire Chief as backup.

- i. Ordinance 22-58, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Authorizing a Total Transfer of \$208,000 from the Utility Operations Fund Fund Balance to Include \$52,000 to the Water Capital Asset Repair and Maintenance Allowance (CARMA) Fund and \$156,000 to the Sewer CARMA Fund. City Manager/Public Works Director. Recommended dates Introduction September 12, 2022 Public Hearing and Second Reading September 26, 2022.

Memorandum 22-150 from Public Works Director as backup.

Memorandum 22-158 from Finance Director as backup.

- j. Ordinance 22-59, An Ordinance of the City Council of Homer, Alaska Amending the City of Homer Fee Schedule under City-Wide Administrative Fees for City Lease Fees. City Manager/City Clerk. Recommended dates Introduction September 12, 2022 Public Hearing and Second Reading September 26, 2022.

Memorandum 22-151 from Deputy City Clerk as backup.

- [k.](#) Resolution 22-064, A Resolution of the City Council of Homer, Alaska Accepting a Donation of Art by Jack Smith of Helotas, Texas Depicting a Mother Bald Eagle and her Eaglet for Inclusion in Municipal Art Collection. City Clerk/PARCAC. Recommend adoption.

Memorandum 22-153 from Deputy City Clerk as backup.

- [l.](#) Resolution 22-065, A Resolution of the City Council of Homer, Alaska Awarding a Term Contract in an Amount not to Exceed \$25,000 for Professional Services to the Independent Living Center and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum 22-154 from Public Works Director as backup.

- [m.](#) Resolution 22-066, A Resolution of the City Council of Homer, Alaska Approving the 2022 Council Operating Manual Update. Aderhold/City Clerk. Recommend adoption.

Memorandum 22-155 from City Clerk as backup.

VISITORS

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

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

- a. Committee of the Whole Report
- b. Mayor's Report
- c. Borough Report
- d. Planning Commission
- e. Economic Development Advisory Commission
- f. Port and Harbor Advisory Commission
- [g.](#) AML Summer Conference Travel Report- Council Member Aderhold

PUBLIC HEARING(S)

- [a.](#) Ordinance 22-48, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 3 by Adding Chapter 3.15 Homer Accelerated Water and Sewer Program (HAWSP) Fund Codifying the Establishment of the HAWSP Fund and Related Matters. City Manager. Introduction August 22, 2022, Public Hearing and Second Reading September 12, 2022.

Memorandum 22-137 from City Manager as backup.

- [b.](#) Ordinance 22-49, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 18.08 City Property Leases to Clarify General Lease Management Procedures and Related Matters. City Manager/City Clerk. Introduction August 22, 2022, Public Hearing and Second Reading September 12, 2022.

Memorandum 22-138 from City Clerk as backup.

- [c.](#) Ordinance 22-50, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating an Alaska State Library Interlibrary Cooperation Grant in the Amount of \$8,058 to Purchase a Microfilm Reader for the Homer Library. City Manager/Library Director. Introduction August 22, 2022 Public Hearing and Second Reading September 12, 2022.

Memorandum 22-139 from Library Director as backup.

- [d.](#) Ordinance 22-51, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating the FY22 State of Alaska Community Assistance Program Payment in the Amount of \$98,714.98 to the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund for ADA Improvements. City Manager. Introduction August 22, 2022 Public Hearing and Second Reading September 12, 2022.

Memorandum 22-142 from City Manager as backup.

- [e.](#) Ordinance 22-52, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$275,000 from the General Fund Fund Balance as a Contribution to Settlement of a Disputed Claim in Superior Court Case Number 3HO-20-00251CI and Authorizing the City Manager to Negotiate and Execute a Full, Complete and Total Settlement Agreement in Compromise of a Disputed Claim. City Manager/Finance Director. Introduction August 29, 2022, Public Hearing and Second Reading September 12, 2022.

ORDINANCE(S)

- [a.](#) Ordinance 22-60, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating the Second Tranche of American Rescue Plan Act (ARPA) Funds in the Amount of \$716,685.16 to Capital Asset Repair and Maintenance Allowance (CARMA) to Fund Necessary Utility Infrastructure Projects. City Manager/Finance Director. Recommended dates Introduction September 12, 2022 Public Hearing and Second Reading September 26, 2022.

Memorandum 22-152 from Finance Director as backup.

- [b.](#) Ordinance 22-61, An Ordinance of the City Council of Homer, Alaska Amending the City of Homer Water and Sewer Rates and Updating the City Fee Schedule Accordingly. City

Manager/Finance Director. Recommended dates Introduction September 12, 2022
Public Hearing and Second Reading September 26, 2022.

Memorandum 22-156 from Finance Director as backup.

CITY MANAGER'S REPORT

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

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

- [a.](#) Resolution 22-067, A Resolution of the City Council of Homer, Alaska Opposing a Constitutional Convention. Mayor/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, September 26, 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 22-16 a Regular Meeting of the City Council of Homer, Alaska was called to order on August 22, 2022 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
POLICE CHIEF ROBL
FINANCE DIRECTOR WALTON
PUBLIC WORKS DIRECTOR KEISER
CITY PLANNER ABBOUD
ECONOMIC MANAGER ENGBRETSSEN
LIBRARY DIRECTOR BERRY
NETWORK ADMINISTRATOR SULCZYNSKI
CITY ATTORNEY GATTI

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

Mayor Castner announced supplemental items and agenda changes: Under Consent Agenda the August 8th regular meeting minutes are included in the supplemental packet. Under new business the agenda is amended to take up the executive session following councilmember comments.

ADERHOLD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Ginny Espenshade, city resident, registered her concern that tonight and at the July 25th and August 8th, incumbent legislators running for election being given 10 minute of the meeting time for legislative reports months after the session has adjourned. This invites misuse of city resources if they cross the line between reporting and campaigning. She urged Council to consider a policy regarding limiting legislative reporting by discontinuing them a number of weeks after session adjournment or before the election.

RECONSIDERATION

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

- a. Homer City Council Unapproved Regular Meeting Minutes of August 8, 2022. City Clerk. Recommend adoption.
- b. Ordinance 22-48, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 3 by Adding Chapter 3.15 Homer Accelerated Water and Sewer Program (HAWSP) Fund Codifying the Establishment of the HAWSP Fund and Related Matters. City Manager. Recommended dates Introduction August 22, 2022, Public Hearing and Second Reading September 12, 2022.

Memorandum 22-137 from City Manager as backup.

- c. Ordinance 22-49, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 18.08 City Property Leases to Clarify General Lease Management Procedures and Related Matters. City Manager/City Clerk. Recommended dates Introduction August 22, 2022, Public Hearing and Second Reading September 12, 2022.

Memorandum 22-138 from City Clerk as backup.

- d. Ordinance 22-50, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating an Alaska State Library Interlibrary Cooperation Grant in the Amount of \$8,058 to Purchase a Microfilm Reader for the Homer Library. City Manager/Library Director. Recommended dates, Introduction August 22, 2022 Public Hearing and Second Reading September 12, 2022.

Memorandum 22-139 from Library Director as backup.

- e. Ordinance 22-51, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating the FY22 State of Alaska Community Assistance Program Payment in the Amount of \$98,714.98 to the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund for ADA Improvements. City Manager. Recommended dates, Introduction August 22, 2022 Public Hearing and Second Reading September 12, 2022.

Memorandum 22-142 from City Manager as backup.

City Clerk Jacobsen read the consent agenda and recommendations.

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

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

VISITORS

- a. COVID-19 Agency Update - Lorne Carroll, State of Alaska Public Health Nurse III (10 minutes)

Lorne Carroll reported on information from the State's dashboard regarding confirmed COVID-19 cases in Alaska, Kenai Peninsula Borough COVID-19 community levels, hospital capacity statewide, daily confirmed case rates in the US compared to the UK, Omicron variant prevalence, vaccination and booster information, and an update on Monkeypox.

In response to a question Mr. Carroll briefly addressed polio and polio vaccines.

- b. Legislative Update - Representative Sarah Vance (10 minutes)

Representative Vance commented regarding transportation related to roads, trails, and the ferry. She touched on the Marine Highway Operations Board meetings and work toward establishing a winter ferry schedule, her meeting with AKDOT Commissioner Anderson during his visit to Homer, her participation on a Transportation Working Group, and her work regarding human trafficking.

Council Member Lord acknowledged Ms. Espenshade and other comments she's received, and commented regarding the legislative session ending, Representative Vance's 2021 reporting to Council and recent attendance, and that the DOT Commissioner also met with key City staff and information is in the City Manager's report. She'd like to see legislative updates be limited to occur during the legislative sessions. The appearance of propriety is important.

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

- a. Worksession Report

City Manager Dumouchel reported on the worksession discussion of water and sewer rates.

- b. Committee of the Whole Report

Council Member Aderhold reported Council had a presentation from Recreation Manager Mike Illg and discussed the Community Recreation program and staffing.

c. Mayor's Report

Mayor Castner shared regarding his 10 day trip driving his electric vehicle from Homer to the North Slope and back, with nine other electric vehicles.

d. Borough Report

Kenai Peninsula Borough Assembly Member Lane Chesley reported the Borough awarded phase II of the Homer High School Roof Replacement Project to the same company that did the first phase, most of the work is expected to be completed in spring of 2023. He addressed discussions at the Borough regarding Homer's Green Infrastructure Project and with the City regarding eight parcels of land on Kachemak Drive. He was informed the City has received their commercial appraisals on the borough land and the Borough is still waiting on their commercial appraisal on the city land under the hospital. On their upcoming agenda the Assembly will address the appropriation of the passenger vessel tax proceeds. He offered to share a presentation Sales and Property Tax Analysis Presentation by Brandi Harbaugh, Council agreed they'd like to have the presentation at a Council meeting or worksession.

e. Planning Commission

Planning Commissioner Mike Stark reported on the Commission's work at their last meeting regarding Ordinance 22-42, amending code regarding sidewalks. They prepared their list of top three 2023-2028 Capital Improvement Projects, and the continued their review of conditional uses in the different zoning categories.

f. Library Advisory Board

Library Advisory Board President Kate Finn reported at their last meeting they addressed the Boards position related to the City Manager's reorganization plan for Library and IT and their non-support of the plan. They also discussed the Boards process regarding patron complaints on library collection materials, budget considerations for FY24/25, and the Friends of the Library Western Lot Project. She also commented about library services related to community recreation.

g. Parks Art Recreation and Culture Advisory Commission (PARCAC)

PARCAC Commissioner Deb Lowney gave a report as the PARCAC representative for Homer Drawdown and their work on connector trails. At the Commission's last meeting they heard reports from staff regarding ongoing work in the city related to parks and trails. She reported on the Commission work on recommendations for the 2023-28 Capital Improvement Plan, code amendments regarding restraint of animals in specific areas, Ben Walters Lane Sidewalk, a Skate Park mural, a donation of artwork, sidewalk and trail maintenance, Hornaday Park entrance, and Ordinance 22-42, amending code regarding sidewalks.

h. Americans with Disabilities Act Compliance Committee

Council Member Aderhold reported the Committee held a special meeting and made their recommendations for the 2023-28 Capital Improvement Plan and proposed a new project for the plan. They also discussed and approved a recommendation to change the committee to the ADA Compliance Board.

i. AML Summer Conference Travel Report - Council Member Aderhold

Council Member Aderhold shared that she'll have her report ready for their next meeting.

PUBLIC HEARING(S)

- a. Ordinance 22-43, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Authorizing the Expenditure of \$51,000 from the Sewer Capital Asset Repair and Maintenance Allowance Fund to Acquire Three Aerators for the Solids Retention Pond. City Manager/Public Works Director. Introduction August 8, 2022, Public Hearing and Second Reading August, 22. 2022.

Memorandum 22-131 from Public Works Director as backup.

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

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 22-43 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- b. Ordinance 22-44, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating a State of Alaska Public Library Assistance Grant for FY23 in the amount of \$7,000 for Books and Library Materials. City Manager/Library Director. Introduction August 8, 2022 Public Hearing and Second Reading August 22, 2022.

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

VENUTI/LORD MOVED TO ADOPT ORDINANCE 22-44 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- c. Ordinance 22-45, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$126,917 from the Homer Education and Recreation Complex (HERC) Capital Asset Repair and Maintenance Allowance (CARMA) Fund and \$26,083 from the General Fund CARMA Fund to Demolish the Smaller Old School Building known as HERC 2. Mayor. Introduction August 8, 2022 Public Hearing and Second Reading August 22, 2022.

Memorandum 22-132 from Economic Development Manager as backup.

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

ADERHOLD/ERICKSON MOVED TO ADOPT ORDINANCE 22-45 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Mayor Castner note the building has been there for a long time and he's glad they're taking action to bring it down.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- d. Ordinance 22-46, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$27,823 from the General Fund Capital Asset Repair and Maintenance Allowance Fund to Purchase Patrol Equipment for the Homer Police Department. City Manager/Police Chief. Introduction August 8, 2022 Public Hearing and Second Reading August 22, 2022.

Memorandum 22-133 from Police Chief as backup.

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

VENUTI/ERICKSON MOVED TO ADOPT ORDINANCE 22-46 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- e. Ordinance 22-47, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Authorizing Pass Through Funds for the State of Alaska Pioneer Dock Fender Repair Project. City Manager/Public Works Director. Introduction August 8, 2022 Public Hearing and Second Reading August 22, 2022.

Memorandum 22-134 from Public Works Director as backup.

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

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 22-47 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

- a. City Manager's Report

City Manager Dumouchel noted his report in the packet and commented regarding his attendance at the AML Summer Conference in Sitka, AK. He reminded them the conference will be held in Homer next summer and the City and Council is responsible for hosting a reception. He touched on the quarterly finance report and noted the 4th quarter sale tax report isn't available yet from the Borough, work on the Master Transpiration Plan, and curb work on the Main Street Sidewalk Project.

Council Member Erickson acknowledge the People First transportation input they've received and shared the importance of remembering the challenges of moving goods and services through town, particularly in the winter time. It needs to remain a priority.

Mayor Castner requested the 4th quarter sales tax report be provided as it comes from the Borough with all the breakdowns, and asked for an audit update. City Manager Dumouchel shared the internal audit schedule is developed and staff is working with the audit team to coordinate information.

PENDING BUSINESS

NEW BUSINESS

- a. Memorandum 22-141 from City Clerk re: Request for Executive Session Pursuant to AS 44.62.310 (C)(1 & 3) Matters, the Immediate Knowledge of Which would Clearly have an Adverse Effect upon the Finances of the Government Unit, Pending Litigation, and Attorney/Client Privilege. (VanZant et al vs City of Homer 3HO-20-00251 CI)

The agenda was amended and council will take this up after council comments.

RESOLUTIONS

- a. Resolution 22-063, A Resolution of the City Council of Homer, Alaska Supporting the Kenai Peninsula Borough's Application for a Safe Streets and Roads for All (SS4A) Action Plan Grant and Authorizing the City of Homer to be Included as a Joint Applicant. City Manager. Recommend adoption.

Memorandum 22-140 from Special Projects Coordinator as backup.

ADERHOLD/VENUTI MOVED TO ADOPT RESOLUTION 22-063 BY READING OF TITLE ONLY.

There were brief comments in support of the resolution. It's important to be a good partner, leverage resources, and work well with others to make good decisions that benefit our community.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

COMMENTS OF THE AUDIENCE

Kate Finn, city resident, noted the importance of everything that came up tonight. She thanked Representative Vance for her work related to human trafficking. She commented community concern about our youth and recommended the Council consider a Youth Advisory Board for the City. She agrees with the importance of transportation, but a top priority in her mind is concerning drug use, it's the elephant in the room for our youth and adults, and resources to help people access the help they need.

Ginny Espenshade, city resident, shared that other cities have Youth Advisory Boards and she has resources she'd be happy to share and help develop a Youth Advisory Board. Giving the kids their table and meeting time, they're empowered and you'd be amazed at what they can come up with. Regarding the HERC 2 demolition she hopes there might be a way to offer the busted up concrete to the public, if the City isn't going to use it. She also shared about an event to raise funds for the Drew Brown Memorial Scholarship program and Community Recreations

help in making it happen, and about teens she has working through a Youth Corps Grant to develop a resource directory for teen events.

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti had no comment.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen commented regarding an opening on the ADA Compliance Committee and voter registration deadlines for the October 4th municipal elections.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel reported on job openings with the City.

COMMENTS OF THE MAYOR

Mayor Castner commented regarding a resolution concerning the Constitutional Convention question on the November ballot. He commented about incumbency and it's a slippery slope if we're going to hold incumbents to a different standard for doing their job.

COMMENTS OF THE CITY COUNCIL

Council Member Aderhold recommended to avoid getting COVID.

Council Member Lord had no comments.

Council Member Venuti wished Council Members Lord and Aderhold happy birthday. Labor Day is coming up, it's been celebrated since 1894 and in Homer it means summer might be over, but always remember the workers in our community work hard and are leaders in our economic drive.

Council Member Erickson noted the ongoing rainy weather and encouraged reaching out to friends and neighbors. Also stay alert and pay attention to the sides of the road for moose, people.

Council Member Davis commented about attending the last Planning Commission meeting with Council Member Erickson. Ordinance 22-42 was on their agenda and he shared his perspective as a co-sponsor of the ordinance. He wanted them to know he would welcome any feedback they have for making it a better ordinance.

Council Member Hansen-Cavasos shared about a new program the Homer Food Pantry is trying out called Homer Community Fridge outside the Homer Methodist Church where people can donate prepared food and those who need it can take it. Anyone can access it, youth who

need lunch on the way to school, for example, and you don't have to be registered in the food pantry program to use it.

- a. Memorandum 22-141 from City Clerk re: Request for Executive Session Pursuant to AS 44.62.310 (C)(1 & 3) Matters, the Immediate Knowledge of Which would Clearly have an Adverse Effect upon the Finances of the Government Unit, Pending Litigation, and Attorney/Client Privilege. (VanZant et al vs City of Homer 3HO-20-00251 CI)

LORD/VENUTI MOVED TO RECESS INTO EXECUTIVE SESSION PURSUANT TO AS 44.62.310 (C)(1 & 3) MATTERS, THE IMMEDIATE KNOWLEDGE OF WHICH WOULD CLEARLY HAVE AN ADVERSE EFFECT UPON THE FINANCES OF THE GOVERNMENT UNIT, PENDING LITIGATION, AND ATTORNEY/CLIENT PRIVILEGE, REGARDING VANZANT ET AL VS CITY OF HOMER.

Mayor Castner noted for the record that City Manager Dumouchel, Public Works Director Keiser, City Attorney Gatti and Attorney Bowman from JDO, and Jim Wilkins with AMLJIA would be attending the executive session.

VOTE: YES: VENUTI, ERICKSON, ADERHOLD, LORD, DAVIS, HANSEN-CAVASOS

Motion carried.

Council went into executive session at 8:00 p.m. Mayor Castner called the meeting back to order at 8:35 p.m. and reported that Council gave direction to the City Attorney.

ADJOURN

There being no further business to come before the Council Mayor Castner adjourned the meeting at 8:35 p.m. Next Regular Meeting is Monday, September 12, 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 22-17 a Special Meeting of the City Council of Homer, Alaska was called to order on August 29, 2022 by Mayor Ken Castner at 5:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and by Zoom webinar, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ADERHOLD, ERICKSON, HANSEN, LORD, VENUTI

ABSENT: COUNCIL MEMBER DAVIS (excused)

STAFF: CITY MANAGER DUMOUCHEL
CITY CLERK JACOBSEN
FINANCE DIRECTOR WALTON
CITY ATTORNEY GATTI

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

Mayor reads supplemental items: Under New Business item b. Memorandum 22-143 from City Clerk Re: Motion to amend something previously adopted, Memorandum 22-144 with the same title and a track change draft of the amended ordinance.

ADERHOLD/ERICKSON MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA (3 minute time limit)

PENDING BUSINESS

NEW BUSINESS

- a. Ordinance 22-52, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$275,000 from the General Fund Fund Balance as a Contribution to Settlement of a Disputed Claim in Superior Court Case Number 3HO-20-00251CI and Authorizing the City Manager to Negotiate and Execute a Full, Complete and Total Settlement Agreement in Compromise of a Disputed Claim. City Manager/Finance Director. Introduction August 29, 2022, Public Hearing and Second Reading September 12, 2022.

ADERHOLD/ERICKSON MOVED TO INTRODUCE ORDINANCE 22-52 BY READING OF TITLE ONLY.

There was no discussion.

VOTE: YES: VENUTI, ERICKSON, ADERHOLD, LORD, HANSEN

Motion carried.

- b. Memorandum 22-145 from City Clerk Re: Ordinance 22-25 Establishing a Non-Motorized Transportation Opportunity Fund.

ADERHOLD/ERICKSON MOVED THAT PER THE CURRENT EDITION OF ROBERT'S RULES OF ORDER, MOVE TO AMEND SOMETHING PREVIOUSLY ADOPTED AND AMEND ORDINANCE 22-25 AS FOLLOWS:

AMEND THE TITLE TO READ AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY22 CAPITAL BUDGET BY APPROPRIATING \$750,000 FROM THE HOMER ACCELERATED ROADS AND TRAILS (HART) ROAD FUND **TO ESTABLISH A NON-MOTORIZED TRANSPORTATION OPPORTUNITY PROGRAM** AND \$100,000 FROM THE HART TRAILS TO ESTABLISH A NON-MOTORIZED TRANSPORTATION OPPORTUNITY ~~FUND~~ **PROGRAM**

AMEND THE 7TH WHEREAS TO READ WHEREAS, THE WAY TO ACHIEVE ALL THESE GOALS IS TO ESTABLISH A NON-MOTORIZED TRANSPORTATION OPPORTUNITY ~~FUND~~ **PROGRAM,** ~~FINANCED BY THE HART ROAD FUND AND THE HART TRAILS FUND~~ **WITHIN BOTH THE HART ROAD FUND AND HART TRAIL FUND** THAT CAN BE USED TO PLAN, SURVEY, DESIGN AND CONSTRUCT AD HOC NON-MOTORIZED TRANSPORTATION ROUTES ON AN OPPORTUNISTIC BASIS; AND

AMEND THE 8TH WHEREAS IN THE FIRST SENTENCE TO STRIKE FUND AND REPLACE WITH PROGRAM

AMEND SECTION 1 BY ADDING AFTER \$750,000 FROM THE HART ROAD FUND THE LANGUAGE "TO CREATE THE NON-MOTORIZED TRANSPORTATION OPPORTUNITY PROGRAM AND STRIKE AND \$100,000 FROM THE HART TRAILS FUND TO CREATE THE NON-MOTORIZED TRANSPORTATION OPPORTUNITY FUND, AND ALSO UPDATE FUND DESCRIPTION INFORMATION.

AMEND THE ORDINANCE TO ADD A NEW SECTION 2 TO READ- ~~SECTION 2.~~ **THE FY 22 CAPITAL BUDGET IS HEREBY AMENDED BY APPROPRIATING \$100,000 FROM THE HART TRAILS FUND TO CREATE THE NON-MOTORIZED TRANSPORTATION OPPORTUNITY PROGRAM TO PAY FOR SUPPORT THE PLANNING, DESIGN, SURVEY, AND CONSTRUCTION OF NON-MOTORIZED ROUTES IN THE CITY OF HOMER, ON AN OPPORTUNISTIC BASIS, FUNDED AS FOLLOWS:** AND INCLUDE FUND DESCRIPTION INFORMATION.

AMEND THE OLD SECTION 2 TO SECTION 3

There was brief discussion regarding wording.

VOTE: YES: ADERHOLD, HANSEN, LORD, VENUTI, ERICKSON

Motion carried.

COMMENTS OF THE AUDIENCE

ADJOURN

There being no further business to come before the Council Mayor Castner adjourned the meeting at 5:10 p.m. Next Regular Meeting is Monday, September 12, 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 City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 22-144

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
FROM: RENEE KRAUSE, MMC, DEPUTY CITY CLERK II
DATE: SEPTEMBER 12, 2022
SUBJECT: NEW LIQUOR LICENSE APPLICATIONS FOR LATITUDE 59 AND WATER RUDDERS

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

License Type: Restaurant/Eating Place - Seasonal
License #: 6091
DBA Name: Water Rudders
Service Location: 1308 Lake Shore Drive, Suite A2
Homer, AK 99603
Licensee: Water Rudders, LLC
Contact Person: Stephanie Greer

License Type: Restaurant/Eating Place
License #: 6082
DBA Name: Latitude 59
Service Location: 3858 Lake Street,
Homer, AK 99603
Licensee: Sake 59, LLC
Contact Person: Jackie Kondak

RECOMMENDATION: Voice non objection and approval for the new Liquor License 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

August 23, 2022

Kenai Peninsula Borough City of Homer

VIA Email: mjacobsen@ci.homer.ak.us; clerk@cityofhomer-ak.gov; mjenkins@kpb.us; ivanhoose@kpb.us; jratky@kpb.us; cjackinsky@kpb.us; maldridge@kpb.us; ncarver@kpb.us; slopez@kpb.us; jblankenship@kpb.us; assemblyclerk@kpb.us

Table with license details: License Type: Restaurant/Eating Place, License Number: 6082, Licensee: Sake 59 LLC, Doing Business As: Latitude 59, Premises Address: 3858 Lake Street #59

- Checked: New Application, Transfer of Location Application; Unchecked: Transfer of Ownership Application, Transfer of Controlling Interest Application

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

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice...

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

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

Sincerely,

Handwritten signature of Joan M. Wilson

Joan Wilson, Director amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board
Form AB-00: New License Application

What is this form?

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

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

Section 1 - Establishment and Contact Information

Enter information for the business seeking to be licensed.

Licensee:	SAFE 59 LLC				
License Type:	Restaurant eating place	Public Court	Statutory Reference:	AS 04.11.260(g) ¹⁰⁰	
Doing Business As:	Latitude 59				
Premises Address:	3858 Lake St. #59				
City:	Homer	State:	AK	ZIP:	99603
Local Governing Body:	City of Homer				
Community Council:					

Mailing Address:	4361 Calhoun Ct.				
City:	Homer	State:	AK	ZIP:	99603

Designated Licensee:	Jackie Kondak				
Contact Phone:	907-247-5529	Business Phone:	Same		
Contact Email:	latitude59homer@gmail.com				

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

OFFICE USE ONLY					
Complete Date:	8-23-22	License Years:		License #:	6082
Board Meeting Date:	9-20-2022	Transaction #:	100380753		
Issue Date:		BRE:	KRS		

* Per Title IV rewrite and with Board direction at the 6/20/22 meeting 21 perted pending REPL-PC to REPL under AS 04.11.100

AMCO Received 6/15/22



Alaska Alcoholic Beverage Control Board
Form AB-00: New License Application

Section 2 – Premises Information

Premises to be licensed is:

- an existing facility a new building a proposed building

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

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

--

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

--

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 4.

If more space is needed, please attach a separate sheet with the required information.

The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate

Name:					
Address:					
City:		State:		ZIP:	

This individual is an: applicant affiliate

Name:					
Address:					
City:		State:		ZIP:	



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-00: New License Application

Section 4 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 5.

If more space is needed, please attach a separate sheet with the required information.

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

Entity Official:	Jacquelyn Vale Kondak (Jackie)			
Title(s):	Owner Member	Phone:	299-5529	% Owned: 50
Address:	4361 Calhoun Ct.			
City:	Homer A	State:	AK	ZIP: 99603

Entity Official:	Aaron Charles Knoll			
Title(s):	Owner Member	Phone:	299-4207	% Owned: 50
Address:	4361 Calhoun Ct.			
City:	Homer	State:	AK	ZIP: 99603

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:



Alaska Alcoholic Beverage Control Board
Form AB-00: New License Application

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

DOC Entity #:	10040379	AK Formed Date:	8/1/2016	Home State:	AK
Registered Agent:	Jackie Kondak	Agent's Phone:	299-5529		
Agent's Mailing Address:	4361 Calhoun Ct.				
City:	Homer	State:	AK	ZIP:	99603

Residency of Agent: Yes No

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

Section 5 - Other Licenses

Ownership and financial interest in other alcoholic beverage businesses: Yes No

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

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

Section 6 - Authorization

Communication with AMCO staff: Yes No

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

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

Lindsey Walter - legal



Alaska Alcoholic Beverage Control Board
Form AB-00: New License Application

Section 7 – Certifications

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

Initials

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

JK

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

JK

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

JK

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

JK

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

JK

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

Jackie Kondak
Signature of licensee

Whytne Woods
Signature of Notary Public

Jackie Kondak
Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: July 14 2025

Subscribed and sworn to before me this 16 day of May, 2022.





Alaska Alcoholic Beverage Control Board
Form AB-02: Premises Diagram

What is this form?

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

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

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

Yes No

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

Section 1 - Establishment Information

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

Licensee:	SAKE 59 LLC	License Number:	6082
License Type:	Rest. Eating Place - Public Convenience		
Doing Business As:	Latitude 59		
Premises Address:	3858 Lake St. # 59		
City:	Homer	State:	AK
		ZIP:	99603



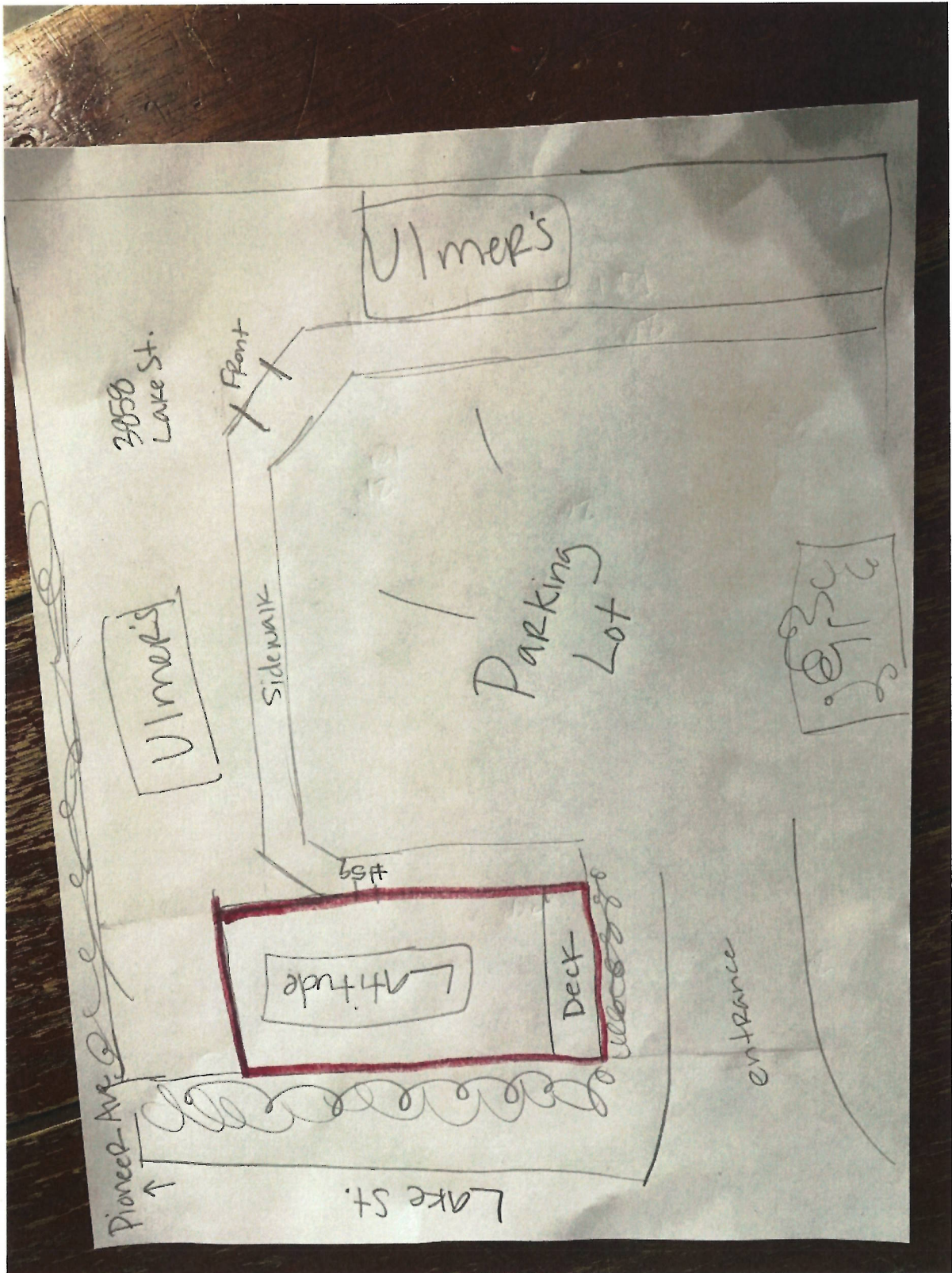
Alaska Alcoholic Beverage Control Board
Form AB-02: Premises Diagram

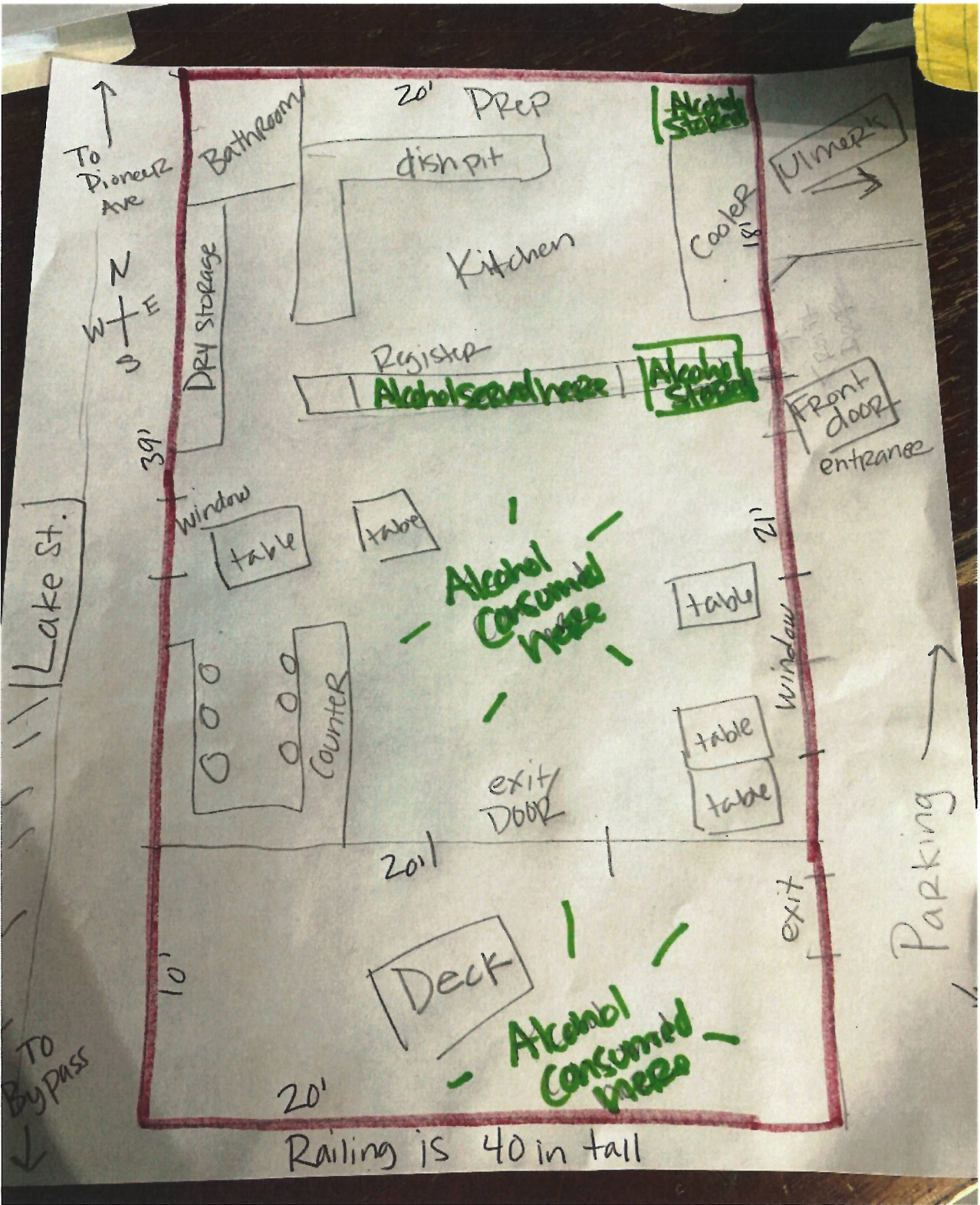
Section 2 – Detailed Premises Diagram

Clearly indicate the boundaries of the premises and the proposed licensed area within that property. Clearly indicate the interior layout of any enclosed areas on the proposed premises. Clearly identify all entrances and exits, walls, bars, and fixtures, and outline in red the perimeter of the areas designated for alcohol storage, service, consumption, and manufacturing. Include dimensions, cross-streets, and points of reference in your drawing. You may attach blueprints or other detailed drawings that meet the requirements of this form.

See Attached

[Faint handwritten notes and diagrams are visible in the background, including "wall", "rack", and "6'0\"/>The page contains faint, handwritten sketches and notes. On the left, there are some rectangular outlines and lines. In the center, there's a horizontal line with an arrow pointing to it labeled "wall". Below that, there's a rectangular box labeled "rack". At the bottom, there are two short vertical lines. The large, handwritten text "See Attached" is written diagonally across the middle of the page.





Latitude SA
Outdoor/Indoor Serving Security Plan

1. All minors must be accompanied by an adult (age over 21) while in the restricted area when any alcohol is being served/sold/consumed.
2. All new patrons are carded upon ordering alcohol.
3. All staff is trained in the identification of fake IDs. Wood Railing 40 in tall
4. (TYPE AND HEIGHT OF RAILING/FENCING HERE) is around the outdoor servicing area.
5. Underaged persons will be monitored closely by our professionally trained alcohol servers.
6. Proper egress from the outdoor service area will always remain unobstructed.
7. ABC mandated posters as required by law are posted inside Latitude SA and at the entrances of the outdoor seating area.
8. All entrances and exits will provide clear notice that NO ALCOHOL IS ALLOWED BEYOND THE OUTDOOR SEATING AREA.
9. Keeping outdoor seating area viable without any increased risk to minors exposed to alcohol WILL continue to be a part of our training for our staff.
10. All safety related operations for our current liquor service will additionally be enforced in the new service area.
11. Proper signage at points of entry indicating no minors without a parent or legal guardian will be posted.
12. All servers will closely monitor that only the guests that have been carded will have alcoholic beverages.
13. Our top priority continues in providing safety for all guests regarding the service of alcoholic beverages.
14. Servers will be present in the outdoor area to monitor consumption.



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

What is this form?

A restaurant designation permit application is required for a licensee desiring designation under 3 AAC 304.715 – 3 AAC 304.795 as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049. Designation will be granted only to a holder of a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license, and only if the requirements of 3 AAC 304.305, 3 AAC 304.725, and 3 AAC 304.745, as applicable, are met. A menu or expected menu listing the meals, including entrees prepared onsite and offered to patrons, and copy of the DEC Food Service Permit (or corresponding DHHS documentation for licenses located in the Municipality of Anchorage) must accompany this form. Applicants should review AS 04.16.049 – AS 04.16.052 and 3 AAC 304.715 – 3 AAC 304.795. All fields of this form must be completed. The required \$50 permit fee may be made by credit card, check, or money order.

Section 1 – Establishment Information

Enter information for licensed establishment.

Licensee:	SAKE SA LLC		
License Type:	Restaurant eating place ^{Public} _{conv.}	License Number:	6082
Doing Business As:	Latitude SA		
Premises Address:	3858 Lake St. #59		
City:	Homer	State:	AK ZIP: 99603
Contact Name:	Jackie Fondak	Contact Phone:	907 244 5529

Section 2 – Type of Designation Requested

This application is for the request of designation as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049, and for the request of the following designation(s) (check all that apply):

1. Dining after standard closing hours: AS 04.16.010(c)
2. Dining by persons 16 – 20 years of age: AS 04.16.049(a)(2)
3. Dining by persons under the age of 16 years, accompanied by a person over the age of 21: AS 04.16.049(a)(3)
4. Employment for persons 16 or 17 years of age: AS 04.16.049(c)
 NOTE: Under AS 04.16.049(d), this permit is not required to employ a person 18 - 20 years of age.

OFFICE USE ONLY	
Transaction #:	Initials:



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 3 – Minor Access

Review AS 04.16.049(a)(2); AS 04.16.049(a)(3); AS 04.16.049(c)

List where within the premises minors are anticipated to have access in the course of either dining or employment as designated in Section 2. (Example: Minors will only be allowed in the dining area. OR Minors will only be employed and present in the Kitchen.)

Minors will be allowed in the dining areas as well as employed and in the kitchen. Employed minors will be supervised by 21+ staff while on shift. No minors will have access to alcohol storage.

Describe the policies, practices and procedures that will be in place to ensure that minors do not gain access to alcohol while dining or employed at your premises.

All dining and access points are in view of staff. Minors dining will not have access to alcohol storage or service area, all consumers ordering alcohol will be carded and served by 21+ staff with valid TAPS. Minor employees will not stock or have access to alcohol back stock and 21+ staff will be on shift with minors to supervise. Staff will observe guests consuming alcohol when they clean the dining area often to ensure minors are not consuming.

Is an owner, manager, or assistant manager who is 21 years of age or older always present on the premises during business hours? Yes No

Section 4 – DEC Food Service Permit

Per 3 AAC 304.910 for an establishment to qualify as a Bona Fide Restaurant, a Food Service Permit or (for licenses within the Municipality of Anchorage) corresponding Department of Health and Human Services documentation is required.

Please follow this link to the DEC Food Safety Website: <http://dec.alaska.gov/eh/fss/food/>

Please follow this link to the Municipality Food Safety Website:

<http://www.muni.org/Departments/health/Admin/environment/FSS/Pages/fssfood.aspx>

IF you are unable to certify the below statement, please discuss the matter with the AMCO office:

Initials

I have attached a copy of the current food service permit for this premises OR the plan review approval.

*Please note, if a plan review approval is submitted, a final permit will be required before finalization of any permit or license application.



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 5 – Hours of Operation

Review AS 04.16.010(c).

Enter all hours that your establishment intends to be open. Include variances in weekend/weekday hours, and indicate am/pm:

Monday – Friday 8am – 5pm / after 5pm on occasion
Saturday – Sunday 8am – 8pm on occasion for special
openings/meal offerings

Section 6 – Entertainment & Service

Review AS 04.11.100(g)(2)

Are any forms of entertainment offered or available within the licensed business or within the proposed licensed premises?

Yes No

If "Yes", describe the entertainment offered or available and the hours in which the entertainment may occur:

[Empty box for describing entertainment]

Food and beverage service offered or anticipated is:

table service buffet service counter service other

If "other", describe the manner of food and beverage service offered or anticipated:

[Empty box for describing other food and beverage service]



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 7 – Certifications and Approvals

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

Initials

There are tables or counters at my establishment for consuming food in a dining area on the premises.

JK

I have included with this form a menu, or an expected menu, listing the meals to be offered to patrons. This menu includes entrees that are regularly sold and prepared by the licensee at the licensed premises.

JK

I certify that the license for which I am requesting designation is either a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license.

JK

I have included with this application a copy of the most recent AB-02 or AB-14 for the premises to be permitted. (AB-03 applications that accompany a new or transfer license application will not be required to submit an additional copy of their premises diagram.)

JK

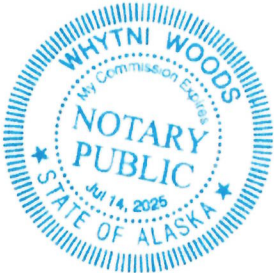
I declare under penalty of perjury that this form, including all attachments and accompanying schedules and statements, is true, correct, and complete.

Jackie Kondak
Signature of licensee

Whytini Woods
Signature of Notary Public

Jackie Kondak
Printed name of licensee

Notary Public in and for the State of Alaska



My commission expires: July 14 2025

Subscribed and sworn to before me this 16 day of May, 2022.

Local Government Review (to be completed by an appropriate local government official):

Approved Denied

Signature of local government official

Date

Printed name of local government official

Title



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

AMCO Enforcement Review: Enforcement Recommendation: Approve Deny

Signature of AMCO Enforcement Supervisor

Printed name of AMCO Enforcement Supervisor

Date

Enforcement Recommendations:

AMCO Director Review: Approved Denied

Signature of AMCO Director

Printed name of AMCO Director

Date

Limitations:

DRINKS

Drip Coffee
Americano
Latte
Cappuccino
Mocha
Breve
Machiato
Doppio
Steamer
Chai Latte
Loose Leaf Tea
Ghirardelli Hot Chocolate

Iced drinks available as well
as an assortment of canned
and bottled beverages.

*We proudly serve
Steam Dot coffee
and Zen Chai!*

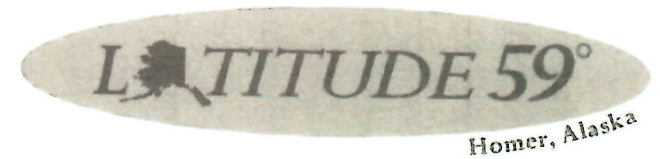
Follow us on
facebook for daily
specials!

Catering and wrap trays
upon request

Gift cards and Latitude
merch available

LATITUDE 59

3858 Lake St
Homer AK 99603
latitude59homer@gmail.com
907-435-0909



907-435-0909

BREAKFAST

<PORK BURRITO> Pork carnitas, scrambled eggs, cheddar cheese, homefries, chipotle crema, flour tortilla. \$9

<VEGGIE BURRITO> Scrambled eggs, cheddar cheese, tomato, homefries, grilled peppers & onions, chipotle crema, flour tortilla. \$9

<SANDWICH> Scrambled eggs, cheddar cheese, brioche bun, choice of: bacon, sausage, ham, pork, tofu. \$8

<HAM & SWISS> Smoked ham, swiss cheese, sourdough. \$8

SANDWICHES

<TERRIFIC TURKEY> Turkey, bacon, cheddar, honey mustard, brioche bun. \$11

<CUBANO> Smoked ham, roasted pork, swiss cheese, stone ground mustard, pickles, baguette. \$11

<BBQ PORK> House roast pork, BBQ sauce, asian slaw, pickles, brioche bun. \$11

<ROAST BEEF> House roast top sirloin, sauteed peppers & onions, 59 sauce, provolone, brioche bun. \$12

<BLT> Crispy bacon, tomato, greens, garlic mayo, sourdough. \$10

<BANH MI> Cucumber, jalepeño, pickled carrots, cilantro, mayo, choice of: pork, turkey, beef, or tofu, baguette. \$12

<TURKEY RACHEL> Roast turkey, swiss cheese, asian slaw, 1,000 island, sourdough. \$12

<VEGGIE> Cucumber, pickled carrots, greens, cheddar, sprouts, 1,000 island, red onions, sourdough. \$11

WRAPS

<THAI P-NUT> Jasmine rice, asian slaw, peanut satay sauce, pickled carrots, peanuts, cilantro, flour tortilla, choice of: beef, chicken, turkey, tofu. \$12

<BULGOGI> Jasmine rice, asian slaw, house kimchi, cucumber, gochujang mayo, wakame seaweed, flour tortilla, terriyaki marinated choice of: beef, chicken, turkey, tofu. \$12

<CLUB> Greens, tomato, smoked ham, bacon, turkey, swiss, house ranch, flour tortilla. \$11

<CAESAR> Greens, house croutons, parmesan, caesar dressing, choice of: beef, chicken, turkey, tofu. \$11

MAKE ANY WRAP OR SANDWICH INTO A SALAD! ADD \$2

Ask about
our house
made
baked
goods,
soups and
sides



**Alaska Food Code
2022 Establishment Permit**
Division of Environmental Health
Food Safety & Sanitation Program

Permit Number: 5006
Issued to: SAKE 59 LLC
For: Latitude 59
For Operation of: FF-1 Food Service
Located at: 3858 Lake ST Homer, AK 99603

This permit, issued under the provisions of 18 AAC 31, is valid until the noted expiration date or unless suspended or revoked by the department.

This permit is not transferable for change of ownership, facility location, or type of operation. It must be posted in plain view in the establishment and is the property of the State of Alaska.

Expiration Date:
December 31, 2022

Program Manager:

A handwritten signature in black ink, appearing to read "Kimberly E. O'Neil", is written over the printed name of the Program Manager.

**If you have questions or concerns regarding
safe food handling practices call toll free:**

1-87-SAFE-FOOD

(in Anchorage call 334-2560)





August 18, 2022

City of Homer
Kenai Peninsula Borough

VIA Email: mjacobsen@ci.homer.ak.us; clerk@cityofhomer-ak.gov; mjenkins@kpb.us; jvanhooose@kpb.us;
jratky@kpb.us; cjackinsky@kpb.us; maldridge@kpb.us; ncarver@kpb.us; slopez@kpb.us; jblankenship@kpb.us;
assemblyclerk@kpb.us

License Type:	Restaurant/Eating Place- Seasonal	License Number:	6091
Licensee:	Water Rudders LLC		
Doing Business As:	Water Rudders		
Premises Address	1308 Lake Shore Drive, Suite A2		

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

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

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

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

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

Sincerely,

Joan Wilson, Director
amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

Why is this form needed?

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

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

Section 1 – Establishment and Contact Information

Enter information for the business seeking to be licensed.

Licensee:	Water Rudders, LLC			Seasonal
License Type:	Restaurant or Eating Place License	Statutory Reference:	Sec. 04.11.100	
Doing Business As:	Water Rudders			
Premises Address:	1308 Lake Shore Drive Suite A2			
City:	Homer	State:	AK	ZIP: 99603
Local Governing Body:	Homer			
Community Council:	NONE			

Mailing Address:	41390 Ptarmigan Heights Drive			
City:	Homer	State:	AK	ZIP: 99603

Designated Licensee:	Stephanie Greer			
Contact Phone:	907-299-5494	Business Phone:	907-299-5494	
Contact Email:	homerseaplanebase@gmail.com			

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

OFFICE USE ONLY				
Complete Date:	8-18-2022	License Years:		License #: 6091
Board Meeting Date:	9-20-2022	Transaction #:	100391857	
Issue Date:		Examiner:	KRS	



Alaska Alcoholic Beverage Control Board
Form AB-00: New License Application

Section 2 – Premises Information

Premises to be licensed is:

- an existing facility a new building a proposed building

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

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

--

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

--

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 4. If more space is needed, please attach a separate sheet with the required information. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate

Name:					
Address:					
City:		State:		ZIP:	

This individual is an: applicant affiliate

Name:					
Address:					
City:		State:		ZIP:	



Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

Section 4 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 5.

If more space is needed, please attach a separate sheet with the required information.

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

Entity Official:	Stephanie Greer as the co-trustee of the Greer Community Property Trust				
Title(s):	Members	Phone:	907-299-5494	% Owned:	50
Address:	41390 Ptarmigan Heights Drive				
City:	Homer	State:	AK	ZIP:	99603

Entity Official:	Forrest Greer as the co-trustee of the Greer Community Property Trust				
Title(s):	Members	Phone:	907-299-5494	% Owned:	50
Address:	41390 Ptarmigan Heights Drive				
City:	Homer	State:	AK	ZIP:	99603

Entity Official:	Stephanie Greer				
Title(s):	Affiliate	Phone:	907-299-5494	% Owned:	0
Address:	41390 Ptarmigan Heights Drive				
City:	Homer	State:	AK	ZIP:	99603

Entity Official:	Forrest Greer				
Title(s):	Affiliate	Phone:	907-299-5494	% Owned:	0
Address:	41390 Ptarmigan Heights Drive				
City:	Homer	State:	AK	ZIP:	99603



Alaska Alcoholic Beverage Control Board
Form AB-00: New License Application

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

DOC Entity #:	10197204	AK Formed Date:	5/31/2022	Home State:	AK
Registered Agent:	Stephanie Greer		Agent's Phone:	907-299-5494	
Agent's Mailing Address:	41390 Ptarmigan Heights Drive				
City:	Homer	State:	AK	ZIP:	99603

Residency of Agent: Yes No

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

Section 5 – Other Licenses

Ownership and financial interest in other alcoholic beverage businesses: Yes No

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

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

Section 6 – Authorization

Communication with AMCO staff: Yes No

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

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

Nina Cunningham - Water Rudders, LLC Office Manager



Alaska Alcoholic Beverage Control Board

Form AB-00: New License Application

Section 7 - Certifications

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

Initials

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

SG

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

SG

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

SG

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

SG

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

SG

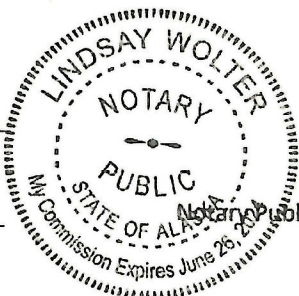
I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

SG

Signature of licensee

Stephanie Greer

Printed name of licensee



Signature of Notary Public

I am a Notary Public in and for the State of Alaska

My commission expires: 6/26/2024

Subscribed and sworn to before me this 10th day of August, 20 22.



Alaska Alcoholic Beverage Control Board
Form AB-02: Premises Diagram

Why is this form needed?

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

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

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

Yes No

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

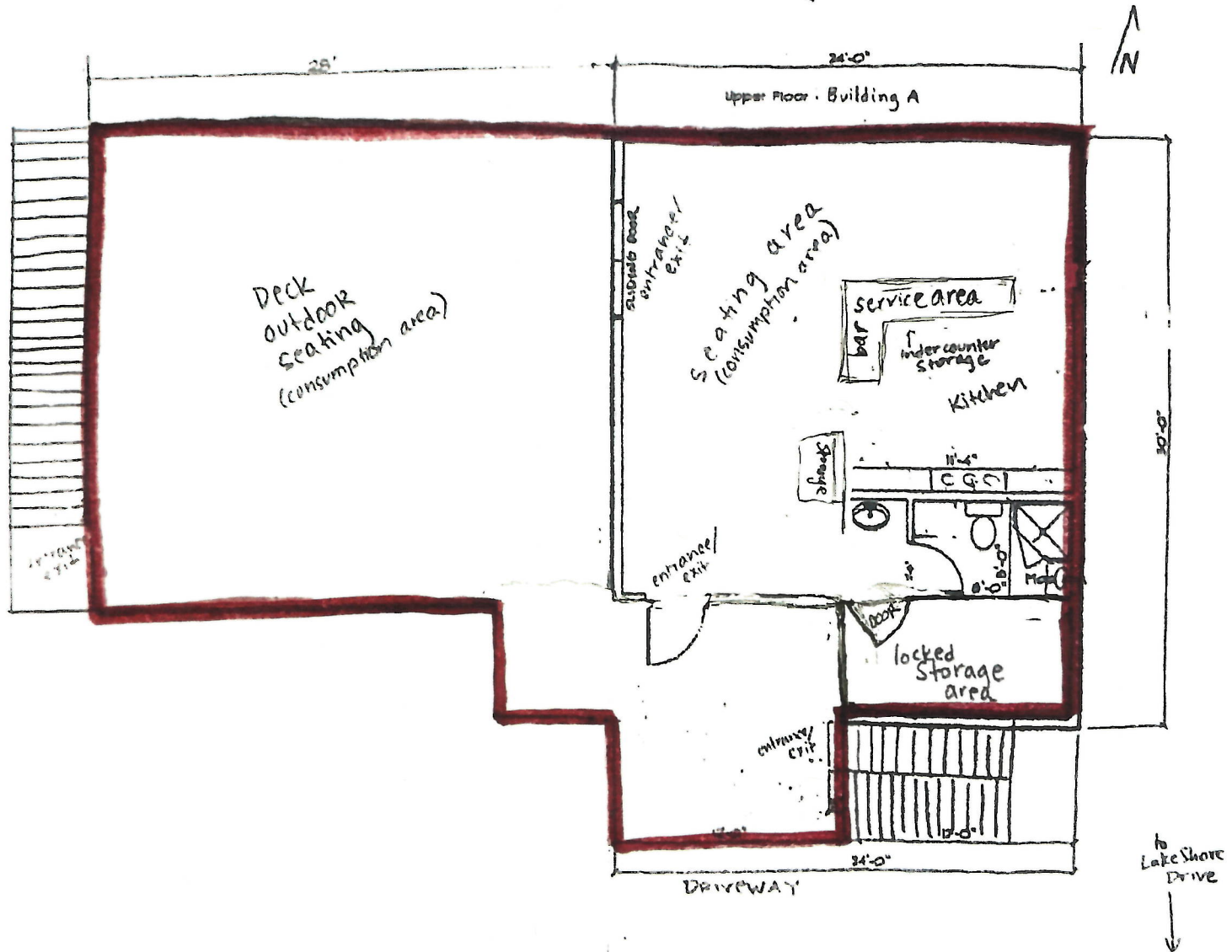
Section 1 – Establishment Information

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

Licensee:	Water Rudders, LLC	License Number:	
License Type:	Restaurant or Eating Place License	Seasonal	
Doing Business As:	Water Rudders		
Premises Address:	1308 Lake Shore Drive Suite A2		
City:	Homer	State:	AK ZIP: 99603

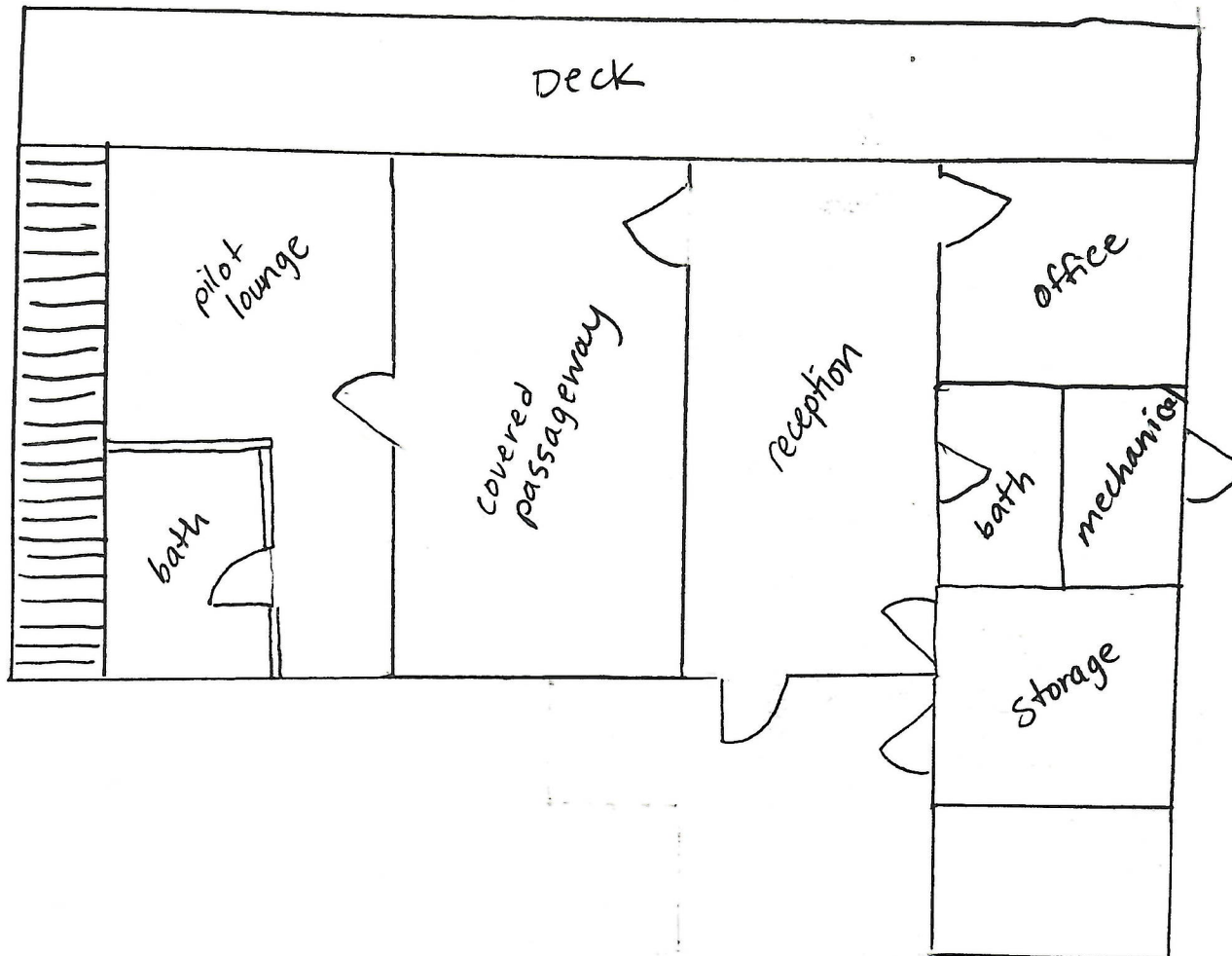
Second Floor

Homer Seaplane Base
1508 Lake Shore Drive, Suite A2



Homer Seaplane Base
1308 Lake Shore Dr, Ste A1
Beryl Air

1st Floor



AMCO Received 8/17/22

Water Rudders, LLC
Indoor/Outdoor Serving Security Plan

1. All minors must be accompanied by an adult (age over 21) while in the restricted area when any alcohol is being served/sold/consumed.
2. All new patrons are carded upon ordering alcohol.
3. All staff is trained in the identification of fake IDs.
4. Redwood fencing/guardrail with cargo net lattice at a height of 42 inches surrounds the perimeter of the outdoor servicing area which is located on the second floor with controlled entry/exit points.
5. Underaged persons will be monitored closely by our professionally trained alcohol servers.
6. Proper egress from the outdoor service area will always remain unobstructed.
7. ABC mandated posters as required by law are posted inside Water Rudders, LLC and at the entrances of the outdoor seating area.
8. All entrances and exits will provide clear notice that **NO ALCOHOL IS ALLOWED BEYOND THE OUTDOOR SEATING AREA.**
9. Keeping the outdoor seating area viable without any increased risk to minors exposed to alcohol WILL continue to be a part of our training for our staff.
10. All safety related operations for our indoor liquor service will additionally be enforced in the outdoor service area.
11. Proper signage at points of entry indicating no minors without a parent or legal guardian will be posted.
12. All servers will closely monitor that only the guests that have been carded will have alcoholic beverages.
13. Our top priority continues in providing safety for all guests regarding the service of alcoholic beverages.
14. Servers will be present in the outdoor area to monitor consumption.



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Why is this form needed?

A restaurant designation permit application is required for a licensee desiring designation under 3 AAC 304.715 – 3 AAC 304.795 as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049. Designation will be granted only to a holder of a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license, and only if the requirements of 3 AAC 304.305, 3 AAC 304.725, and 3 AAC 304.745, as applicable, are met. A menu or expected menu listing the meals, including entrées prepared on-site and offered to patrons, and copy of the DEC Food Service Permit (or corresponding DHHS documentation for licenses located in the Municipality of Anchorage) must accompany this form. Applicants should review AS 04.16.049 – AS 04.16.052 and 3 AAC 304.715 – 3 AAC 304.795. All fields of this form must be completed. The required \$50 permit fee may be made by credit card, check, or money order.

Section 1 – Establishment Information

Enter information for licensed establishment.

Licensee:	Water Rudders, LLC				
License Type:	Restaurant or Eating Place License	Seasonal	License Number:		
Doing Business As:	Water Rudders				
Premises Address:	1308 Lake Shore Drive Suite A2				
City:	Homer	State:	AK	ZIP:	99603
Contact Name:	Stephanie Greer		Contact Phone:	907-299-5494	

Section 2 – Type of Designation Requested

This application is for the request of designation as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049, and for the request of the following designation(s) (check all that apply):

- Dining after standard closing hours: AS 04.16.010(c)
- Dining by persons 16 – 20 years of age: AS 04.16.049(a)(2)
- Dining by persons under the age of 16 years, accompanied by a person over the age of 21: AS 04.16.049(a)(3)
- Employment for persons 16 or 17 years of age: AS 04.16.049(c)
 NOTE: Under AS 04.16.049(d), this permit is not required to employ a person 18 - 20 years of age.

OFFICE USE ONLY	
Transaction #:	Initials:



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 3 – Minor Access

Review AS 04.16.049(a)(2); AS 04.16.049(a)(3); AS 04.16.049(c)

List where within the premises minors are anticipated to have access in the course of either dining or employment as designated in Section 2. (Example: Minors will only be allowed in the dining area. OR Minors will only be employed and present in the Kitchen.)

Minors who are dining with us will only have access to the dining area.
Minors who are employed with us will have access to the dining area and kitchen, but all alcohol will be stored in the locked storage closet as indicated in the premises diagram. Only employees who meet the criteria such as being over the age of 21 with appropriate training/certification will have access to the storage area.
Minors, whether patrons or employees will be closely monitored by TAP/TIP trained servers/managers to ensure they do not have access to alcohol.
Minors will not have access to the locked storage area unless supervised by a manager with proper training over the age of 21.

Describe the policies, practices and procedures that will be in place to ensure that minors do not gain access to alcohol while dining or employed at your premises.

A manager over the age of 21 will be onsite during operating hours to ensure minors do not gain access to alcohol while dining or while working.
Eligible employees shall carry or have available to show a current course card or a photocopy of the card certifying completion of an approved alcohol server education course and will closely monitor patrons and employees under the age of 21 to ensure they do not have access to alcohol.

Is an owner, manager, or assistant manager who is 21 years of age or older always present on the premises during business hours?

Yes No

Section 4 – DEC Food Service Permit

Per 3 AAC 304.910 for an establishment to qualify as a Bona Fide Restaurant, a Food Service Permit or (for licenses within the Municipality of Anchorage) corresponding Department of Health and Human Services documentation is required.

Please follow this link to the DEC Food Safety Website: <http://dec.alaska.gov/eh/fss/food/>

Please follow this link to the Municipality Food Safety Website:

<http://www.muni.org/Departments/health/Admin/environment/FSS/Pages/fssfood.aspx>

IF you are unable to certify the below statement, please discuss the matter with the AMCO office:

Initials

I have attached a copy of the current food service permit for this premises OR the plan review approval.

SG

*Please note, if a plan review approval is submitted, a final permit will be required before finalization of any permit or license application.



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 5 – Hours of Operation

Review AS 04.16.010(c).

Enter all hours that your establishment intends to be open. Include variances in weekend/weekday hours, and indicate am/pm:

Monday through Sunday 7 am - 9 pm

Section 6 – Entertainment & Service

Review AS 04.11.100(g)(2)

Are any forms of entertainment offered or available within the licensed business or within the proposed licensed premises?

Yes

No

If "Yes", describe the entertainment offered or available and the hours in which the entertainment may occur:

[Empty box for entertainment details]

Food and beverage service offered or anticipated is:

table service

buffet service

counter service

other

If "other", describe the manner of food and beverage service offered or anticipated:

[Empty box for other service details]



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

Section 7 – Certifications and Approvals

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

Initials

There are tables or counters at my establishment for consuming food in a dining area on the premises.

SG

I have included with this form a menu, or an expected menu, listing the meals to be offered to patrons. This menu includes entrées that are regularly sold and prepared by the licensee at the licensed premises.

SG

I certify that the license for which I am requesting designation is either a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license.

SG

I have included with this application a copy of the most recent AB-02 or AB-14 for the premises to be permitted.

(AB-03 applications that accompany a new or transfer license application will not be required to submit an additional copy of their premises diagram.)

SG

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

SG

Stephanie Greer

Printed name of licensee

Signature of licensee

Local Government Review (to be completed by an appropriate local government official):

Approved

Denied

Signature of local government official

Date

Printed name of local government official

Title



Alaska Alcoholic Beverage Control Board

Form AB-03: Restaurant Designation Permit Application

AMCO Enforcement Review: _____ Enforcement Recommendation: Approve Deny

Signature of AMCO Enforcement Supervisor

Printed name of AMCO Enforcement Supervisor

Date

Enforcement Recommendations:

[Empty box for Enforcement Recommendations]

AMCO Director Review: _____ Approved Denied

Signature of AMCO Director

Printed name of AMCO Director

Date

Limitations:

[Empty box for Limitations]

Water Rudders

Breakfast Menu

7 am – 11 am

Rudder's Wrap – Eggs, bacon, breakfast potatoes, avocado, tomato, cheese, and salsa \$12.99

Seaplane Sandwich – Egg, ham, and cheese on an English muffin \$9.99

Beluga Lake Bagel – Lox, cream cheese, and capers on a toasted bagel \$12.99

Adventurers Veggie Panini – Avocado, cucumber, hummus, tomato, onion, and arugula \$12.99

Beryl's Boxed Breakfast – Choose any breakfast menu item, baked good, and juice, milk or water \$16.99

Baked Goods \$3.99

Regular Coffee \$3.99

Latte \$5.99

Breve \$5.99

Orange Juice \$3.99

Chai Tea Latte \$5.99

Hot Tea \$3.99

Milk \$2.99

Bottled Water \$1.99

Water Rudders

Boxed Lunch

Available for pick-up between 7 am – 11 am

Beryl's Boxed Lunch – Choice of wrap or sandwich. Includes chips, cookie, and a drink \$16.99

Choose

Turkey Provolone Lettuce Mayo

Ham Cheddar Tomato Mustard

Tofurkey Onion

Canned Soda

Bottled Water

Milk

Juice

Water Rudders

Evening Menu

4:00 pm – 9:00 pm

Floatplane Fish & Chips – Halibut or Rockfish paired with Crispy Fries and Coleslaw \$29.99

Brooks Falls Burger Bites – Three Beef Sliders on Brioche Buns, topped with caramelized onions and paired with Crispy Fries \$19.99

Cessna Caesar Salad – Fresh Grilled Romaine leaves, topped with focaccia croutons, shaved parmesan, and Caesar dressing \$12.99 Add Chicken \$19.99

Augustine Seafood Alfredo – Fettuccini Pasta, topped with Scallops and Shrimp, tossed in creamy Alfredo Sauce \$24.99

Kachemak Bay Oysters – Chefs Special \$MP

Lake Clark Lemon Cello Cheesecake \$7.99

China Poot Lake Chocolate Lava Cake \$7.99

Local Beer and Wine Selections *See Beverage Menu



Homer Seaplane Base <homerseaplanebase@gmail.com>

Approval to Operate Water Rudders

Hollon, Melanie B (DEC) <melanie.hollon@alaska.gov>
To: Forrest Greer <homerseaplanebase@gmail.com>

Tue, May 24, 2022 at 8:33 AM

Good Morning Stephanie,

This email is departmental approval to operate your new facility. Your permit will arrive from Anchorage in two or three weeks, good luck in your new facility!

Thanks!

Melanie Hollon

Melanie Hollon

907-262-3413

melanie.hollon@alaska.gov



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: RENEK KRAUSE, MMC, DEPUTY CITY CLERK II

FROM: MARK ROBL, POLICE CHIEF

CC: LISA LINEGAR, COMMUNICATIONS SUPERVISOR

DATE: AUGUST 31, 2022

SUBJECT: NEW LIQUOR LICENSE APPLICATIONS FOR LATITUDE 59 AND WATER RUDDERS

Homer Police Department has no objection for New Liquor License Applications within the City of Homer for the following businesses:

License Type: Restaurant/Eating Place - Seasonal
License #: 6091
DBA Name: Water Rudders
Service Location: 1308 Lake Shore Drive, Suite A2
Homer, AK 99603
Licensee: Water Rudders, LLC
Contact Person: Stephanie Greer

License Type: Restaurant/Eating Place
License #: 6082
DBA Name: Latitude 59
Service Location: 3858 Lake Street,
Homer, AK 99603
Licensee: Sake 59, LLC
Contact Person: Jackie Kondak



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

8/25/2022

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

Homer City Hall
City of Homer Clerk

RE: Non-Objection of Application

Licensee/Applicant	:	Stephanie Greer
Business Name	:	Water Rudders
License Type	:	Restaurant/Eating Places - Seasonal
License Location	:	1308 Lakeshore Drive Suite A2 Homer, AK 99603, City of Homer
License No.	:	6091
Application Type	:	New Liquor License Restaurant Designation Permit

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

JB/jr

cc: homerseaplanebase@gmail.com;



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johani Blankenship, MMC
Borough Clerk

8/25/2022

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

Homer City Hall
City of Homer Clerk

RE: Non-Objection of Application

Licensee/Applicant	:	Jackie Kondak
Business Name	:	Latitude 59
License Type	:	Restaurant/Eating Places
License Location	:	3858 Lake St. #59 Homer, AK 99603, City of Homer
License No.	:	6082
Application Type	:	New Liquor License Restaurant Designation Permit

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,

Johani Blankenship, MMC
Borough Clerk

JB/jr

cc: latitude59homer@gmail.com;



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 22-145

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: RACHEL TUSSEY, CMC, DEPUTY CITY CLERK II

THRU: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: SEPTEMBER 12, 2022

SUBJECT: CONFIRMATION OF ELECTION JUDGES FOR THE CITY OF HOMER REGULAR ELECTION OCTOBER 4, 2022

Pursuant to Homer City Code Sections 4.20.010 and 4.35.010, the Election Judges are approved by City Council and the Canvass Board is confirmed by the City Council.

Homer absentee voting and Precincts No. 1, and No. 2 are assigned the following Election Judges:

Homer AVO	Homer No. 1	Homer No. 2	Canvass Board
Vickie Berney	Suzanne Erikson, Chair	Kira Stuart, Chair	Karen Newell
Pamela Brodie	Carlton Erikson	Cynthia Barker	Louise Hall
Suzanne Erikson	Dan Layland	Joan Smith	
Louise Hall	Karen Newell	Kent Smith	
Therese Lewandowski	Greg Newell	Alexander Stuart	
Karen Newell	Stephanie Silianoff	Lora Wilke	
Colleen Powers			

Recommendation

Confirm the appointment of the Canvass Board and approve the appointment of the Election Judges for the October 4, 2022 City of Homer Regular Election.

Fiscal Note: Per the Memorandum of Agreement with the Kenai Peninsula Borough approved by Resolution 21-049, wages for election judge’s recruitment, training, and administration are split equally between the Borough and the City. Wages are based on the current hourly rate as set by the Division of Elections. The Kenai Peninsula Borough pays the election judges and then bills the City of Homer for their portion.

The City is responsible to hire and compensate their Election Canvass Board members. Part-time wages are \$25/hour, 2-4 hours or until done.

Account: 100-0102-5103 thru -5107

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-53

An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 2.58, Boards and Commissions Section 2.58.020 Creation of City Boards and Commissions and Adopting Chapter 2.70 Americans with Disabilities Act Advisory Board.

Sponsor: Aderhold

1. City Council Regular Meeting September 12, 2022 Introduction

Memorandum 22-143 from Deputy City Clerk as backup.

**CITY OF HOMER
HOMER, ALASKA**

Aderhold

ORDINANCE 22-53

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING HOMER CITY CODE CHAPTER 2.58, BOARDS AND COMMISSIONS SECTION 2.58.020 CREATION OF CITY BOARDS AND COMMISSIONS, AND ADOPTING CHAPTER 2.70 AMERICANS WITH DISABILITY ACT ADVISORY BOARD.

WHEREAS, The American with Disabilities Act (ADA) Compliance Committee was created by Resolution 16-019 to fulfill the requirements of Title II of the ADA regulations; and

WHEREAS, The ADA Compliance Committee was established as a Standing Committee due to the continuing nature of their prescribed duties by adoption of Resolution 19-055; and

WHEREAS, The duties and work of the ADA Compliance Committee is ongoing and continuous, it is believed that it would be prudent to establish the ADA Compliance Committee as a Board with all the applicable standards, processes, policies and regulations that apply to the other Boards and Commissions; and

WHEREAS, It's in the City's interest to rename the ADA Compliance Committee to the Americans with Disabilities Act (ADA) Advisory Board and codify the body to reflect the City's commitment to Title II of the ADA Regulations and efforts towards accessibility for all; and

WHEREAS, Amendments in this ordinance provide clarification on the changes to Chapter 2.58 Boards and Commissions, Section 2.58.020 Creation of City boards and commissions and Adopting Chapter 2.70 ADA Advisory Board encapsulating their powers and duties in Homer City Code.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code Chapter 2.58.020 entitled, "Creation of City boards and commissions" is hereby amended as follows:

The following boards and commissions have been created by City Council and are subject to this chapter unless otherwise provided in this title:

- a. Library Advisory Board;
- b. Parks, Art, Recreation, and Culture Advisory Commission;
- c. Port and Harbor Advisory Commission;
- d. Planning Commission;

e. Economic Development Advisory Commission.

f. Americans with Disabilities Act Advisory Board

Section 2. Homer City Code Chapter 2.70, entitled “Americans with Disabilities Act Advisory Board” is hereby adopted to read as follows:

Chapter 2.70

AMERICANS WITH DISABILITIES ACT ADVISORY BOARD

Sections:

2.70.010 Board – Creation and membership.

2.70.020 Terms of members.

2.70.030 Proceedings of the Board.

2.70.040 Duties and responsibilities of the Board.

2.70.010 Board – Creation and membership.

a. There is created the City of Homer Americans with Disabilities Act Advisory Board referred to in this chapter as the ADA Board. Such ADA Board will be made up of six members of the public and one City Council member who shall be nominated by the Mayor and confirmed by the City Council. Not more than three public members may be from outside the City limits.

b. A Chairperson and Vice-Chairperson of the ADA Board shall be selected annually and shall be appointed from and by the appointive members.

c. The City of Homer Americans with Disabilities Act (ADA) Coordinator will act as the staff liaison to the ADA Board.

2.70.020 Terms of members.

a. Voting members of the ADA Board shall be appointed for three year terms. Terms shall be staggered.

1. Three members shall be appointed for three-year terms.

2. Two members shall be appointed for two-year terms.

3. One member shall be appointed for a one-year term.

4. Council member seat will be for the length of the term elected.

85 **b. At the end of the respective terms set forth in subsection (a) of this section, members**
86 **shall be appointed for full three year terms.**

87
88 **c. Any member who shall have two successive unexcused absences shall be subject to**
89 **removal by the ADA Board by a majority vote of the members present.**

90
91 **2.70.030 Proceedings of the ADA Board.**

92
93 **The ADA Board shall hold one regular meeting in each of the months April through July,**
94 **October and November on the day of the month that the Board shall select and otherwise**
95 **at the call of the Chair or a majority of the Board. Permanent records or minutes shall be**
96 **kept of the vote of each member upon every question. The recording or minutes shall be**
97 **filed in the Office of the City Clerk and shall be a public record open to inspection by any**
98 **person. Every decision or finding shall immediately be filed in the office of the City Clerk,**
99 **and directed to the City Council at the earliest possible date.**

100
101 **2.70.040 Duties and responsibilities of the ADA Board.**

102
103 **It shall be the duty of the ADA Board to act in an advisory capacity to the City Manager**
104 **and the City Council on the Title II regulations of Americans with Disabilities Act, within**
105 **the borders of the City of Homer, which covers programs, activities, and services of public**
106 **entities. Further duties shall include but not be limited to:**

107
108 **a. Develop a grievance procedure to outline the process of providing for prompt**
109 **and equitable resolution of complaints alleging any action that would be**
110 **prohibited by Title II of the ADA regulations.**

111
112 **b. Develop and perform annual updates to maintain transition plan(s) for city**
113 **facilities, programs, parks, trails, play areas and campgrounds listing any barriers**
114 **that would limit accessibility of its programs, activities or services to individuals;**
115 **the methods to be utilized to remove those barriers and schedules for taking**
116 **necessary steps to achieve compliance.**

117
118 **c. Perform reviews of any new programs, activities, and services offered by the**
119 **City of Homer and incorporate into existing transition plans.**

120
121 **d. Annually review the City of Homer Comprehensive Plan and make**
122 **recommendations prioritizing accessibility.**

123
124 **e. The ADA Board shall consider any specific proposal, problem, or project as**
125 **directed by the City Council or the City Manager and report or submit**
126 **recommendations thereon directly to the City Council through the City Manager.**

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f. City Council may at a future date and/or as required by Title II of the ADA regulations expand the duties and responsibilities of the ADA Board.

Section 3. This ordinance is of a permanent and general character and shall be included in city code.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____th day of _____, 2022.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSENT:

ABSTAIN:

Introduction:

Public Hearing:

Second Reading:

Effective Date:



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 22-146

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: RENEE KRAUSE, MMC, ADA COORDINATOR/DEPUTY CITY CLERK II

THRU: ROB DUMOUCHEL, CITY MANAGER

DATE: AUGUST 23, 2022

SUBJECT: CODIFYING THE ADA COMPLIANCE COMMITTEE

Background:

The ADA Compliance Committee is currently a standing committee of the Council and established by Resolution 16-019 which states that the Committee shall establish its own work schedule and shall remain in effect to review any new programs, activities and services within the City of Homer. Resolution 19-055, further resolved the scope of work to include review and evaluating new programs, activities, services and facilities within the City of Homer in accordance with ADA Title II Subpart D Program Accessibility §35.150 Existing Facilities, (d) Transition Plan and Review and recommend updates to the City's Transition Plans and the Comprehensive Plan annually.

In review of the duties of the Committee it is apparent that they will be required to be a long standing advisory body to and for the City of Homer. Codification of the ADA Compliance Committee as an advisory body would not change their duties or responsibilities. However, it would address and formalize the processes regarding Attendance, Minutes, Teleconference, etc., similar to all the other advisory bodies.

The Committee has recommended amending the name of the advisory body to reflect the importance of their role and duties and suggested, Americans with Disabilities Act (ADA) Compliance Board. This ordinance was submitted to the City Attorney for review and he advised that the authority of the advisory body could be misinterpreted and suggested amending the name to include the word "Advisory". The Clerk's Office is recommending that the advisory body name be amended to ADA Advisory Board. This reflects what issues and topics the advisory body was created to address.

The draft ordinance addresses the following:

1. Amend Title 2.58.020 to add the American with Disabilities Act (ADA) Advisory Board as an advisory body created by City Council.
2. Adopt Homer City Code Chapter 2.70 Americans with Disabilities Act Advisory Board which outlines the creation and membership, terms, proceedings, duties and responsibilities of the advisory body.

Recommendation

Approve the Ordinance Amending Homer City Code Chapter 2.58 to Add the ADA Advisory Board and Adopting Homer City Code Chapter 2.70 Americans with Disabilities Act Advisory Board.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

A. Memorandum from ADA Coordinator re: Amending the Advisory Body Meeting Time, Name and Homer City Code to Include the Advisory Body

Vice Chair Geisler deferred to ADA Coordinator Krause.

Ms. Krause reviewed the memorandum included in the packet regarding the ability of the Committee to amend their meeting time and presented the idea of becoming a board stating the process that was required to accomplish this change and what it would mean for the Committee regarding their formation, etc. She noted that there would be no change in their duties and Council could always suspend the advisory body but this action would formalize the processes with Attendance, Minutes, etc. She recommended that the Committee address the meeting time first.

Vice Chair Geisler noted that she would not prefer 5:00 p.m. but could make it work on the second Thursday of the month.

Ms. Krause noted that the meeting date of the scheduled months would stay the same.

Committee member Deadrick stated that the 5:00 p.m. meeting time would work for her and noted that it would be beneficial to fill the remaining vacancy that they have.

Vice Chair Geisler inquired if there were any additional comments. Hearing none she requested a motion and second.

SAFRA/PARSONS MOVED TO AMEND THE MEETING TIME TO 5:00 P.M. THE SECOND THURSDAY OF THE MONTH TO FACILITATE MORE INTEREST IN FILLING EXISTING VACANCIES.

There was a brief clarification provided by the Clerk that the previously approved months that the Committee meets as outlined in Resolution would apply. Additional meetings are scheduled as needed when it was noted that the Committee meets in February.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Vice Chair Geisler opened the floor to discuss the idea of changing from a standing Committee to a Board and codifying the advisory body.

There was a brief discussion favorable to making the changes.

Vice Chair Geisler requested a motion and second.

THORSRUD/DEADRICK MOVED TO ADOPT STAFF RECOMMENDATIONS AND FORWARD THE DRAFT ORDINANCE AMENDING HOMER CITY CODE 2.58 BOARDS & COMMISSIONS SECTION 2.58.020 CREATION OF CITY BOARDS AND COMMISSIONS AND ADOPTING CHAPTER 2.70 AMERICANS WITH DISABILITIES ACT COMPLIANCE BOARD TO THE CITY COUNCIL FOR APPROVAL.

There was a brief discussion by the Committee expressing their appreciation for the work provided by Ms. Krause on the amendments.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

COMMENTS OF THE AUDIENCE

Jim Monthly, residing just outside city limits, recounted a recent incident and experience at the harbor when he went fishing with his two nephews. He stated that traversing the ramps to the docks when it is low tide is not an easy task now for him and he can just imagine how difficult it would be for someone in a wheelchair. He stated that a Harbor employee was giving his nephew a hard time as he had pulled his boat into a vacant reserved stall to wait by Ramp 2 in front of the Harbormaster's office. Mr. Monthly stated that this ramp offers the easiest decent for him at low tide. He acknowledged that it is a typical Alaska experience with the extreme tides but he was not satisfied with Harbor Officer response and he went on a letter writing campaign to Murkowski, Sullivan and the Governor, noting it was an election year. Mr. Monthly reported receiving a call from the Harbormaster, after the Harbormaster received a call from the Governor's Office regarding his complaints. He continued by stating the Harbormaster was very nice and polite and informed him that they were in compliance with the existing regulations regarding access and there was nothing further that they could do. Mr. Monthly stated that he was not satisfied with that response. He further commented on how unsafe it was for a person in a wheelchair to access the floats at low tide could be and if we could put a man on the moon we should be able to install a lift systems, elevator of some sort that could safely bring a person down to the float system. Mr. Monthly further commented that it would assist emergency services in getting somebody off the docks. He would appreciate any support that this Committee could provide to change or provide a safer access to the docks.

Pat Casey, city resident, stated he was attending to observe the Committee in action and then expressed his appreciation for the Committee including sidewalks, especially Svedlund Street in their recommendation to City Council. He further provided information on a hazard at the corner of Pioneer Avenue where the Car Wash is, that there is a large hole, which presents a real safety hazard to the public. He then noted a trip hazard right in front of city hall he experienced just tonight. The city needs to address these access issues reporting that there are so many all over and it makes walking very unsafe.

Committee member Deadrick stated that in a previous meeting packet Ms. Krause provided a workbook that is a study on how walkable your town is and she was very interested in performing that research

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-54

An Ordinance of the City Council of Homer, Alaska Extending the Appropriations for Previously Funded Capital Projects through the end of Fiscal Year 2023.

Sponsor: City Manager/Finance Director

1. City Council Regular Meeting September 12, 2022 Introduction

Memorandum 22-157 from Finance Director as backup

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Finance Director

ORDINANCE 22-54

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
EXTENDING THE APPROPRIATIONS FOR PREVIOUSLY FUNDED
CAPITAL PROJECTS THROUGH THE END OF FISCAL YEAR 2023.

WHEREAS, With the close of Fiscal Year 2022 the Finance Department reviewed those appropriations that lapsed at the end of the year; and

WHEREAS, Due to the fiscal year change, Council’s temporary delaying of capital spending during COVID-19 pandemic by Resolution 20-050, and supply chain issues we have several projects that have aged beyond their original three fiscal year appropriation; and

WHEREAS, Some projects were completed and officially closed at the end of FY22; and

WHEREAS, There are some projects that never got started due to the aforementioned delays, but are still needed, and will later be repackaged into new requests; and

WHEREAS, There are some projects that require extensions from City Council to allow them to be completed.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. That the following appropriations are hereby extended through the end of FY23 as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
156	Pioneer Ave Banners	\$10,000
160	Drainage Management Plan	\$46,000
160	Main Street Storm Drain/Sidewalk	\$17,000
160	Mt Augustine Surface Water	\$53,000
160	Homer Soil and Water Contract	\$25,000
160	Small Works Drainage	\$77,000
160	Hornaday Improvements	\$20,000
256-0378	Million Gallon Water Tank Aeration System	\$163,000
256-0378	Raw Water Line Replacement Design	\$86,000
256-0378	PRV Replacement West Trunk Line	\$21,000
256-0379	Launch Ramp Lift Station Enclosure	\$13,000
256-0379	Replace Deep Shaft Air Compressor	\$28,000
256-0379	WWTP Digester Blowers	\$167,000

45
46 Section 2. This ordinance is a budget ordinance only, it is not permanent in nature and
47 shall not be codified.

48
49 ENACTED BY THE HOMER CITY COUNCIL this ____ day of ____, 2022.

50
51 CITY OF HOMER

52
53 _____
54 KEN CASTNER, MAYOR

55
56
57 ATTEST:
58
59 _____
60 MELISSA JACOBSEN, MMC, CITY CLERK

61
62 YES:
63 NO:
64 ABSENT:
65 ABSTAIN:
66
67 First Reading:
68 Public Hearing:
69 Second Reading:
70 Effective Date:



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum 22-157

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 8, 2022
SUBJECT: Capital Project Appropriations – Lapsed at End of FY22

Purpose of Ordinance:

This ordinance serves to extend capital appropriations for a handful of projects to the end of Fiscal Year 2023.

Background:

As part of the fiscal year ending, the Finance Department reviewed capital appropriations that lapsed at the end of Fiscal Year 2022.

These projects aged beyond their original three fiscal year appropriation for a variety of reasons, but primarily due to the fiscal year changes, Council's temporary delaying of capital spending during COVID-19 pandemic (Resolution 20-050), and supply chain issues.

Lapsed Project Categories:

The lapsed projects were reviewed and broken into three categories: (1) projects were completed and officially closed at the end of FY22, (2) projects were never started due to aforementioned delays, but are still needed, and will later be repackaged into new requests, and (3) projects require extensions from City Council to allow for project completion.

The list of projects falling into these three categories is as follows:

Completed/Closed Projects:

- Seawall Maintenance (ORD 20-01, 20-84)
- Records Storage Improvements (ORD 19-51(A))
- Finance Remodel (ORD 20-77)
- Lawn Maintenance Equipment (ORD 18-44(A))
- Spit Parking (ORD 19-51(A))
- SCBA (ORD 19-51(A), 21-25)
- Microwave Link Replacement Phase 1 (ORD 19-51(A))
- Cell Phone Replacement (ORD 19-51(A))

- Mattox Road Gas Line Relocation (ORD 19-51(A))
- Spit Handicap/ADA Vehicle Improvement (ORD 19-51(A), 21-20)
- Wayfinding Streetscape (ORD 19-54(S-2)(A-2))
- Poopdeck Rehab/ADA Parking Area (ORD 19-29)
- ADA Accessible Trail (ORD 19-28)
- Horizon Court Road Repair (ORD 20-58, 20-61(A)(S))
- Ramp 3 Parking Lot Drainage Improvement (ORD 18-44(A))
- Commercial Meter Replacement (ORD 19-51(A))

Repackage Projects:

- Ball Field Maintenance 1 of 6 (ORD 19-51(A))
- Fire Rings (ORD 19-51(A))
- Fuel Island Replacement (ORD 19-51(A), 20-35(S))
- Hornaday Park Main Restroom Prelim Design (ORD 19-51(A))
- Woodard Creek/Fairview Trails (ORD 19-36)
- Upgrade SCADA for 7 Lift Stations (ORD 20-57)
- Dredge for WTP (ORD 19-51(A))
- Tesoro Water Vault Upgrade (ORD 20-56)

Extension Projects:

- Pioneer Ave Banners (ORD 19-51(A)) - \$10,000
- Drainage Management Plan (ORD 20-31(S)) - \$46,000
- Main Street Sidewalk Design (ORD 20-32) - \$17,000
- Mt Augustine Surface Water (ORD 20-85) - \$53,000
- Homer Soil and Water Contract (ORD 20-52) - \$25,000
- Small Works Drainage (ORD 20-34) - \$77,000
- Hornaday Improvements (ORD 18-37, 19-36) - \$20,000
- Million Gallon Water Tank Aeration System (ORD 20-56) - \$163,000
- Raw Water Line Replacement Design (ORD 20-56) - \$86,000
- PRV Replacement West Trunk Line (ORD 20-56) - \$21,000
- Launch Ramp Lift Station Enclosure (ORD 19-51(A)) - \$13,000
- Replace Deep Shaft Air Compressor (ORD 20-57) - \$28,000
- WWTP Digester Blowers (ORD 20-57) - \$167,000

Recommendation:

Pass Ordinance 22-54 extending the appropriations of identified projects to the end of fiscal year 2023 to allow for them to come to completion.

CITY OF HOMER
FINANCIAL SUPPLEMENT

PROJECT NAME	<u>Capital Project Appropriation Extensions</u>	DATE	<u>09/07/2022</u>
DEPARTMENT	<u>Finance</u>	SPONSOR	<u>City Manager/Finance Director</u>
REQUESTED AMOUNT	<u>\$ 726,000</u>		

DESCRIPTION	<p>With the close of Fiscal Year 2022 the Finance Department reviewed those appropriations that lapsed at the end of the year. Due to the fiscal year change, Council's temporary delaying of capital spending during COVID-19 pandemic by Resolution 20-050, and supply chain issues we have several projects that have aged beyond their original three fiscal year appropriation.</p> <p>These projects were broken in three categories: (1) projects were completed and officially closed at the end of FY22, (2) projects never started due to the aforementioned delays, but are still needed, and will later be repackaged into new requests, and (3) projects that require extensions from City Council to allow them to be completed.</p>
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FUNDING SOURCE(S)	OPERATING	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	0%	1%	0%	0%	37%
	HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA
	0%	33%	0%	0%	29%

FUNDING SOURCE 1: GF CARMA	FUNDING SOURCE 2: HART-ROADS	FUNDING SOURCE 3: WATER CARMA
Current Balance <u>\$ 2,302,800</u>	Current Balance <u>\$ 7,326,138</u>	Current Balance <u>\$ 2,032,054</u>
Encumbered <u>\$ 485,020</u>	Encumbered <u>\$ 4,085,745</u>	Encumbered <u>\$ 359,155</u>
Requested Amount <u>\$ 10,000</u>	Requested Amount <u>\$ 238,000</u>	Requested Amount <u>\$ 270,000</u>
Other Items on Current Agenda <u>\$ 15,000</u>	Other Items on Current Agenda <u>\$ 0</u>	Other Items on Current Agenda <u>\$ 0</u>
Remaining Balance <u>\$ 1,792,780</u>	Remaining Balance <u>\$ 3,002,393</u>	Remaining Balance <u>\$ 1,402,899</u>
FUNDING SOURCE 4: SEWER CARMA	FUNDING SOURCE 5:	FUNDING SOURCE 6:
Current Balance <u>\$ 1,356,081</u>	Current Balance _____	Current Balance _____
Encumbered <u>\$ 907,689</u>	Encumbered _____	Encumbered _____
Requested Amount <u>\$ 208,000</u>	Requested Amount _____	Requested Amount _____
Other Items on Current Agenda <u>\$ 0</u>	Remaining Balance _____	Remaining Balance _____
Remaining Balance <u>\$ 240,392</u>		

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-55

An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$370,263 from the Utility Fund to Fully Fund the Repair of the Belt Driven Clarifier Skimmers at the Waste Water Treatment Plant.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting September 12, 2022 Introduction

Memorandum 22-147 from Public Works Director as backup.

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

3 City Manager/
4 Public Works Director

5 **ORDINANCE 22-55**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
8 AMENDING THE FY23 CAPITAL BUDGET BY APPROPRIATING
9 \$370,263 FROM THE UTILITY OPERATIONS FUND TO FULLY FUND
10 THE REPAIR OF THE BELT DRIVEN CLARIFIER SKIMMERS AT THE
11 WASTE WATER TREATMENT PLANT.

12
13 WHEREAS, Memorandum 22-103, dated May 23, 2022, explained that the belt-drive
14 clarifier skimmers in the Waste Water Treatment Plant (WWTP) require repair or replacement
15 and we issued a Task Order to RESPEC Company, Inc. to evaluate options and develop an
16 engineered solution; and

17
18 WHEREAS, Memorandum 22-111, dated June 13, 2022, explained that, after a
19 preliminary investigation, we contacted the original manufacturer of the equipment, Evoqua
20 Water Technologies, and received a preliminary price of \$475,000 for the elements required to
21 repair/renovate both clarifiers, which when added to the cost of the engineering (\$22,480),
22 yields a total expected cost of \$497,480; and

23
24 WHEREAS, Ordinance 22-34(S) authorized \$497,480 from the Sewer CARMA Fund; and

25
26 WHEREAS, After a thorough investigation, a site visit by Evoqua personnel, and the
27 development of a more detailed work, we asked Evoqua to provide a written quote for
28 materials and installation, which includes the following:

29
30 Materials \$555,898
31 Installation \$311,845
32 Total \$867,743

33
34 WHEREAS, This leaves a balance of \$370,263; and

35
36 WHEREAS, Monies are available in the Utility Operations Fund Balance to fill this
37 shortfall; and

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39 WHEREAS, Evoqua is the only manufacturer in the United States that fabricates the
40 necessary materials.

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42 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

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Section 1. The FY23 Capital Budget is hereby amended to authorize \$370,263 from the Utility Operations Fund Balance to fully fund the repair of the clarifier belts at the WWTP as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
200	Utility Operations Fund	\$370,263

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:



Memorandum 22-147

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, PE, Director of Public Works
DATE: August 23, 2022
SUBJECT: WWTP Clarifier Belt Repairs – additional funding needed

I. **Issue:** The purpose of this Memorandum is to request additional funding to repair the chain driven clarifier skimming systems at the Waste Water Treatment Plant (“WWTP”).

II. Background:

Memorandum 22-103, dated May 23, 2022, explained that the belt-drive clarifier skimmers in the WWTP require repair or replacement. We issued a Task Order to RESPEC Company, Inc. to evaluate options and develop an engineered solution. Memorandum 22-111, dated June 13, 2022, explained that, after a preliminary investigation, we contacted the original manufacturer of the equipment, Evoqua Water Technologies, and received a preliminary price of \$475,000 for the elements required to repair/renovate both clarifiers. We added that estimated price to the cost of the engineering (\$22,480), for a total expected cost of \$497,480. Ordinance 22-34(S) authorized \$497,480 from the Sewer CARMA Fund.

After a thorough investigation, a site visit by Evoqua personnel, and the development of a more detailed work, we asked Evoqua to provide a written quote for materials and installation. Their quote, dated August 16, 2022, includes the following:

• Materials	\$555,898
• Installation	<u>\$311,845</u>
Total	\$867,743

This leaves a balance of \$370,263.

Evoqua is the only manufacturer in the United States that fabricates the necessary materials.

III. Recommendation:

That the City Council appropriate funds from the Operating Fund Balance in the amount of \$370,263 to fully fund the repair of the two broken clarifier belts in the WWTP.

CITY OF HOMER
FINANCIAL SUPPLEMENT

PROJECT NAME	<u>WWTP Clarifier Belts</u>	DATE	<u>09/07/2022</u>
DEPARTMENT	<u>Public Works</u>	SPONSOR	<u>City Manager/PW Director</u>
REQUESTED AMOUNT	<u>\$ 370,263</u>		

DESCRIPTION	<p>Ordinance 22-34(S) authorized \$497,480 from the Sewer CARMA Fund. After a thorough investigation, a site visit by Evoqua personnel, and the development of a more detailed work, we asked Evoqua to provide a written quote for materials and installation, which includes the following:</p> <p>Materials \$555,898 Installation \$311,845 Total \$867,743</p> <p>This leaves a balance of \$370,263 to be funded by the Utility Operations fund balance.</p>
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FUNDING SOURCE(S)	Utility Operations	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	100%	0%	0%	0%	0%
	HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA
	0%	0%	0%	0%	0%

FUNDING SOURCE 1: Utility Operations FB	FUNDING SOURCE 2:	FUNDING SOURCE 3:
Current Balance <u>\$ 1,205,126</u>	Current Balance _____	Current Balance _____
Encumbered <u>\$ 0</u>	Encumbered _____	Encumbered _____
Requested Amount <u>\$ 370,263</u>	Requested Amount _____	Requested Amount _____
Other Items on Current Agenda <u>\$ 208,000</u>	Other Items on Current Agenda _____	Other Items on Current Agenda _____
Remaining Balance <u>\$ 626,863</u>	Remaining Balance _____	Remaining Balance _____
FUNDING SOURCE 4:	FUNDING SOURCE 5:	FUNDING SOURCE 6:
Current Balance _____	Current Balance _____	Current Balance _____
Encumbered _____	Encumbered _____	Encumbered _____
Requested Amount _____	Requested Amount _____	Requested Amount _____
Remaining Balance _____	Remaining Balance _____	Remaining Balance _____



CITY OF HOMER

TASK ORDER #22-01: WWTP CLARIFIER MECHANISM ALTERNATIVES MEMORANDUM

To: Janette Keiser, PE
Director of Public Works
City of Homer

From: Luke Rubalcava, PE
Project Manager/Mechanical Engineer
RESPEC

Date: August 22, 2022

The City of Homer (CITY) has requested that RESPEC Company, LLC (RESPEC) provide engineering services to identify options for repairing/replacing the clarifier solids collection mechanism at the Wastewater Treatment Plant (WWTP), develop specifications for procurement and installation of the selected repair/replacement option, provide construction administration support to facilitate procurement of equipment/labor, and perform quality control during construction.

RESPEC met and coordinated with plant staff and manufacturers to identify the available repair/replacement paths for the WWTP clarifier equipment. The purpose of this memorandum is to provide a historical background for the equipment, summarize the options for repairing/replacing the equipment, and propose a recommendation for the CITY.

BACKGROUND

The Homer WWTP was designed and constructed more than 30 years ago. The primary clarification is achieved using two rectangular clarifiers, each with upper and lower solids collection mechanisms, otherwise known as skimmers and collectors. The skimmers and collector equipment for each clarifier consist of the following components:

- Locally Controlled Variable Frequency Drives
- Electric Motors
- Gearbox/Speed Reducers
- Sprockets and Shafts
- Chains (Skimmer – Steel, Collector – Plastic)
- Pins and Rollers
- Flights (Skimmer – Epoxy Coated Carbon Steel, Collector – Fiberglass)
- Rails
- Wear shoes (Collector only)

P.O. BOX 3387
HOMER, AK 99603
541.979.1500

respec.com



Figure 1: Clarifier 1 Upper Collection Mechanism (left) and Clarifier 2 Upper Drive Mechanism (right)

Sometime during the third full weekend in May 2022, the skimmer mechanism on Clarifier 2 failed when the drive chain disengaged from the southeast sprocket (see Figure 2 below), which broke the cotter pin on one of the flights, dislodged a flight support pin, and sheared the shear key on the skimmer drive mechanism. After the cotter pin broke and the flight support pin was dislodged, the steel flight fell and caused a jam in the lower collector mechanism which sheared the shear key on the lower drive mechanism. The failure occurred over a weekend and the failure was not identified until Monday morning (5/23/2022). There are currently no alarms associated with the clarifier collection mechanisms, meaning the failure was not realized until plant staff performed their rounds. The cause of the failure was attributed to slack in the steel chain caused by age and wear.



Figure 2: Clarifier 2 Southeast Sprocket and Damaged Drive Chain

In addition to the wear on the chain that caused the failure, the pins that connect the steel flights to the skimmer chain have worn the flight's sockets from the original circular shape to an oblong opening. This wear loosens the tolerances of the mating surfaces and creates "slop" and surges in the system which will continue to cause wear damage to the equipment over time and ultimately lead to another failure.

See Appendix A (Record Drawings Excerpt) for additional information regarding the existing installation.



REPAIR OPTION

In 2015 plant staff performed an overhaul on the skimmer mechanism chains by sourcing new pins and rollers. In addition to replacing the most worn parts, the operators relocated the rollers from weight bearing locations (connected to the flights) to non-weight bearing locations (in between flights). This overhaul was labor intensive and sourcing the components locally was a challenge. This is a feasible option (and is likely the least expensive) but will not provide any relief for the stretched chain links. The operators currently adjust the chain tension every other month and the chain is lubricated using auto-oilers which has ensured that the equipment has ran well with minimal failures for the last 32 years. Per the manufacturer, typical lifespans of the chain and other wear items on similar systems are approximately 20 years.

During the overhaul in 2015, the steel skimmer flights were recoated with an epoxy coating which appears to still be in good condition. As stated in the background section, the connection points between the flights and the chain have worn and the sockets on the flights are now an irregular shape. To prevent further wear, two options are available. The first option is to special order bushings (brass, bronze, UHMW, etc.) and press them into the flight sockets. These will likely need to be custom fabricated. The second option is to weld caps onto the sockets to turn the oblong opening into circular openings. These caps will need to be custom fabricated, and the welding will likely damage the epoxy coating on the flight, meaning that the flights will at best require a coating touch-up and at worst require a complete recoating. Another downside of option two is that it will drastically reduce the bearing surface between the flights and the pins, which has the potential to cause accelerated wear to the pins.

The other components in the skimmer drive train are in working order but are at least 30 years old. Sprockets and shafts are available from the original equipment manufacturer and can be ordered in an emergency and delivered with costs and lead times dependent upon availability. The existing model of gearbox/speed reducers are discontinued, and replacement parts will become increasingly more difficult to source.

The collector system is in good working order, but the drive components are also at least 30 years old. Like the skimmer system, the sprockets and shafts are available from the original equipment manufacturer and can be ordered in an emergency and delivered with costs and lead times dependent upon availability. The existing model of gearbox/speed reducers on the collector system are also discontinued, and replacement parts will become increasingly more difficult to source.

REPLACEMENT OPTIONS

The original equipment supplier, Envirex, is now owned and operated by Evoqua. In July 2022, two Evoqua representatives visited the Homer WWTP to perform an inspection on the existing equipment and meet with plant staff. During the site visit, the two representatives confirmed that the typical life expectancy of similar installations is approximately 20 years and stated that plant staff has done a notable job of maintaining the equipment. The representatives also confirmed that the existing gearbox/speed reducers have been discontinued and many components in the skimmer mechanism are worn and require major overhaul or replacement. Discussions with CITY staff and manufacturer representatives yielded the two options described below.



PARTIAL REPLACEMENT

A partial replacement would replace the following pieces of equipment on Clarifiers 1 and 2:

- Skimmer Mechanism
 - Flights
 - Chain
 - Wear strips
 - Sprockets
 - Gearbox/Speed Reducers
 - Electric Motors
 - Variable Frequency Drive
- Collector Mechanism
 - Gearbox/Speed Reducers
 - Electric Motors
 - Variable Frequency Drive

Note that the new skimmer flights would be stainless steel, not epoxy coated carbon steel (like existing) and that the new variable frequency drives would be relocated from the process area (adjacent to the drive mechanisms) to the controls room and tied into the plant's control system for remote monitoring and control capability. In addition to connecting the drives to the control system, the estimate also includes the addition of limit switches. The switches will be programmed to trip when a clarifier mechanism is unintentionally stopped (presumably due to a mechanical equipment failure) and will create an alarm to notify staff.

As of August 2022, the budgetary estimate from Evoqua for this work is approximately \$796,900 (cost of materials: \$485,000; labor cost to install: \$311,900). Note that the estimate does not include electrical work, disposal of existing materials, potential concrete modifications to the existing basin, or taxes, permits, and bonds. See Appendices B and C (Evoqua Equipment Quote and Evoqua Installation Quote) for additional information.

FULL REPLACEMENT

A full replacement would replace the items mentioned above and the following pieces of equipment on Clarifiers 1 and 2:

- Collector Mechanism
 - Flights
 - Chain
 - Wear strips
 - Sprockets

Like in the partial replacement option, the new skimmer flights would be stainless steel, not epoxy coated carbon steel (like existing) and the new variable frequency drives would be relocated from the process area (adjacent to the drive mechanisms) to the controls room and tied into the plant's control system for remote monitoring and control capability. Also like in the partial replacement option, the estimate includes the addition of limit switches to alarm and notify staff in the event of a mechanical equipment failure.



As of August 2022, the budgetary estimate from Evoqua for this work is approximately \$1,052,400 (cost of materials: \$555,900; labor cost to install: \$496,500). Note that the estimate for materials does not include electrical work, disposal of existing materials, potential concrete modifications to the existing basin, or taxes, permits, and bonds. See Appendices B and C (Evoqua Equipment Quote and Evoqua Installation Quote) for additional information.

RESPEC'S RECCOMENDATION

After multiple site visits and discussions with CITY staff and manufacturer representatives, RESPEC recommends that the CITY pursues the partial replacement option. By replacing the entirety of the skimmer mechanisms, the drive mechanism on the collectors, adding limit switches and tying the drive equipment into the facility's control system, the clarifiers will be ready for another 20+ years of operation.

It is RESPEC's opinion that a full replacement is unnecessary because many of the components that make up the collector mechanism (chain, sprockets, flights, and wear shoes) are in good condition. The components of the collector mechanism are lighter (plastic and fiberglass) compared to the skimmer mechanism (steel) and do not require as much force to operate as the skimmer mechanism (1/2 hp motor vs 3 hp motor). The lower forces translate to less wear and tear and the lighter components can be handled and replaced by CITY staff more readily than the heavier steel components of the skimmer mechanism.

It is also RESPEC's opinion that the repair option is a temporary solution that will likely take longer to execute and will be more disruptive to the day-to-day operations of the facility than either of the replacement options. The capital investment needed to source the components to overhaul the chain and flights of the skimmer will be less than either replacement option, but the labor will likely fall on CITY staff due to the specific nature of the project. The repair option also does not take any preventative measures for the discontinued gearbox/speed reducers or improve the capability of the system to be operated and monitored through the plant's control system.

APPENDICES

- A. Record Drawings Excerpt
- B. Evoqua Equipment Quote
- C. Evoqua Installation Quote

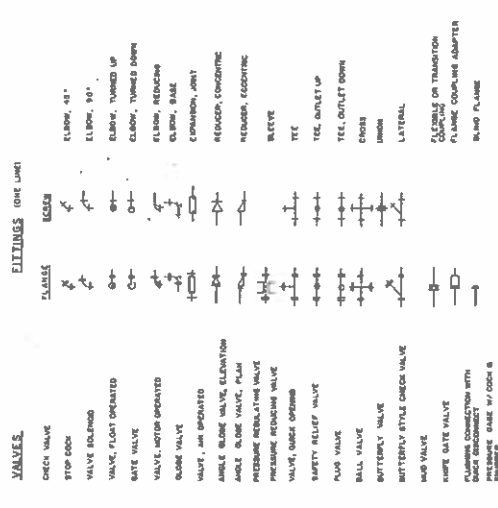


APPENDIX A

RECORD DRAWINGS EXCERPT



NOTES: (FROM PIPE SUPPORT SYSTEMS)
 1. ROD SIZE IS BASED ON CARRYING SINGLE PIPE. WHEN MORE THAN ONE PIPE IS TO BE SUPPORTED BY ROD(S), ROD(S) SHALL BE SIZED BASED ON TOTAL LOAD CARRIED BY ROD(S).

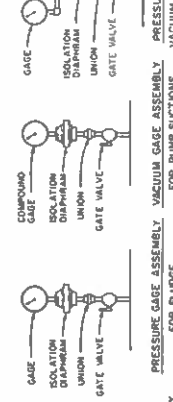


VALVES

CHECK VALVE
 STOP COCK
 VALVE, FLAT OPERATED
 VALVE, MOTOR OPERATED
 GATE VALVE
 VALVE, AIR OPERATED
 ANGLE GLOBE VALVE, ELEVATION
 ANGLE GLOBE VALVE, PLAN
 PRESSURE REDUCING VALVE
 VALVE, GLOBE OPERATED
 SAFETY RELIEF VALVE
 PLUG VALVE
 BALL VALVE
 BUTTERFLY VALVE
 CHECK VALVE
 HOPE GATE VALVE
 PLUGGING CONNECTION WITH DRAIN DISCONNECT
 PRESSURE GATE W/ COCK & AIR RELIEF VALVE
 STOP & WASTE VALVE
 SOLUTION MOUNTED

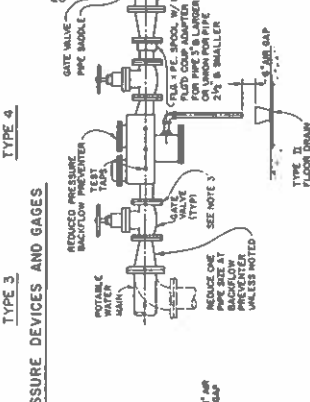
FITTINGS (ONE LINE)

ELBOW, 45°
 ELBOW, 90°
 ELBOW, TURNED UP
 ELBOW, TURNED DOWN
 ELBOW, BENDING
 ELBOW, BASE
 EXPANSION JOINT
 REDUCER, CONCENTRIC
 REDUCER, ECCENTRIC
 BLEEVE
 TEE
 TEE, BRUNLET UP
 TEE, OUTLET DOWN
 CROSS
 INJOIN
 LATERAL
 FLEXIBLE OR TRANSITION
 FLANGE COUPLING ADAPTER
 BLOW FLANGE



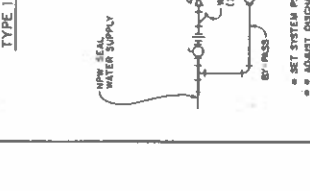
PRESSURE DEVICES AND GAGES

TYPE 1: PRESSURE GAGE ASSEMBLY FOR CLEAR LIQUID
 TYPE 2: VACUUM GAGE ASSEMBLY
 TYPE 3: PRESSURE GAGE ASSEMBLY FOR SLUDGE
 TYPE 4: VACUUM GAGE ASSEMBLY FOR PUMP SUCTIONS
 TYPE 5: PRESSURE SWITCH GAGE OR VACUUM SWITCH, VACUUM GAGE



BACKFLOW PREVENTER

TYPE 1: LOWEST REDUCED PRESSURE BACKFLOW PREVENTER
 TYPE 2: FAUCET OPERATING AREA FOR CONVENTIONAL TESTING
 TYPE 3: TEST PRESSURE BACKFLOW PREVENTER
 TYPE 4: REDUCED PRESSURE BACKFLOW PREVENTER
 TYPE 5: AIR GAP



SEAL WATER CONTROL UNIT

NOTES:
 1. ALL PIPING SHALL BE 1/2" COPPER
 2. DISTANCE FOR VALVE AND GAGE MAINTENANCE

ABBREVIATIONS

PROCESS DRINKING AND PLUMBING

AW AIR WASTE
 C23 CHLORINE GAS
 CLOD. CHLORINE SOLUTION
 CW COLD WATER
 D DRAIN
 DF DIESEL FUEL
 DS DISTILLED WATER
 E EFFLUENT
 F FOR FLOOR DRAIN (TYPE I)
 FD FLOOR DRAIN (TYPE I)
 FLU. OIL RETURN
 FS FIRE SERVICE
 FV FLAP VALVE
 GRT. GRT. WATER
 HMR HOT WATER RETURN
 HW HOT WATER SUPPLY
 I INSTRUMENT AIR
 IG INJECTANT GAS
 LS LIQUE SOLUTION
 MAF MAKE-UP WATER
 MPM NON-POTABLE WATER
 PA PROCESS AIR
 PH PROCESS AIR-HIGH PRESSURE
 PS POLYMER SOLUTION

GENERAL

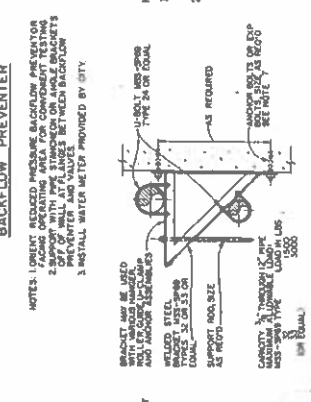
C CENTERLINE
 CONN. CONNECTION
 ECG ECCENTRIC
 EL ELEVATION
 FCA FINISHED GRADE
 FN OR HIGH WATER LINE
 HHL HOLE DIAMETER
 I EMBEDED IN CONCRETE
 LK LOW WATER LEVEL
 MH MANHOLE
 PD PRESSURE REDUCING VALVE
 RED REDUCER
 SDG SLIDE GATE
 SUG SLUDGE GATE
 TYP. TYPICAL BLOCK
 W/ WITH
 W/O WITHOUT
 W/ W/ HYDRANT W/HOSE BACK & HOSE
 YH YARD HYDRANT W/HOSE BACK & HOSE
 SPS SHEAR GATE
 SPS NON-HOST SUSCEPTIBLE

POTABLE WATER
 RW RETURN ACTIVATED SLODGE
 RD RECLAIMED WATER
 SA SERVICE AIR
 SCM SCUM
 SD STORM DRAIN
 SS TELESCOPIC VALVE
 V VENT
 VTR VENT THRU ROOF
 WAS WASTE ACTIVATED SLODGE
 WWT WASTE WATER TREATMENT PLANT
 WW WASTEWATER



SPRAY NOZZLE DETAIL

PLAN
 SPRAY NOZZLE
 REDUCING TEE
 HEADER
 MANIFIESTABLE BALL FITTING



PIPE SUPPORT DETAILS

TYPE 8: WELDED BEAM ATTACHMENT TO WALL, TYPE 2E
 TYPE 9: WELDED BEAM ATTACHMENT TO WALL, TYPE 2E

PIPE SUPPORT DETAILS

TYPE 8: WELDED BEAM ATTACHMENT TO WALL, TYPE 2E
 TYPE 9: WELDED BEAM ATTACHMENT TO WALL, TYPE 2E

CONCRETE 1/2" THICK, 4" W/ FIBER
 MAXIMUM ALLOWABLE LOAD
 ROD SIZE
 LOAD IN LBS
 1/2" 1130
 3/4" 1880
 1" 2430
 1 1/4" 3170

ABBREVIATIONS

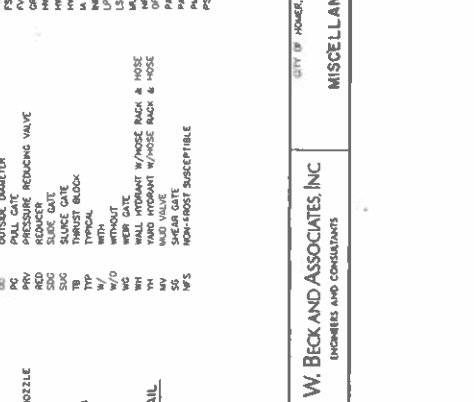
PROCESS DRINKING AND PLUMBING

AW AIR WASTE
 C23 CHLORINE GAS
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 PA PROCESS AIR
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 PS POLYMER SOLUTION

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 CONN. CONNECTION
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 FCA FINISHED GRADE
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 YH YARD HYDRANT W/HOSE BACK & HOSE
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POTABLE WATER
 RW RETURN ACTIVATED SLODGE
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 V VENT
 VTR VENT THRU ROOF
 WAS WASTE ACTIVATED SLODGE
 WWT WASTE WATER TREATMENT PLANT
 WW WASTEWATER



PIPE SUPPORT DETAILS

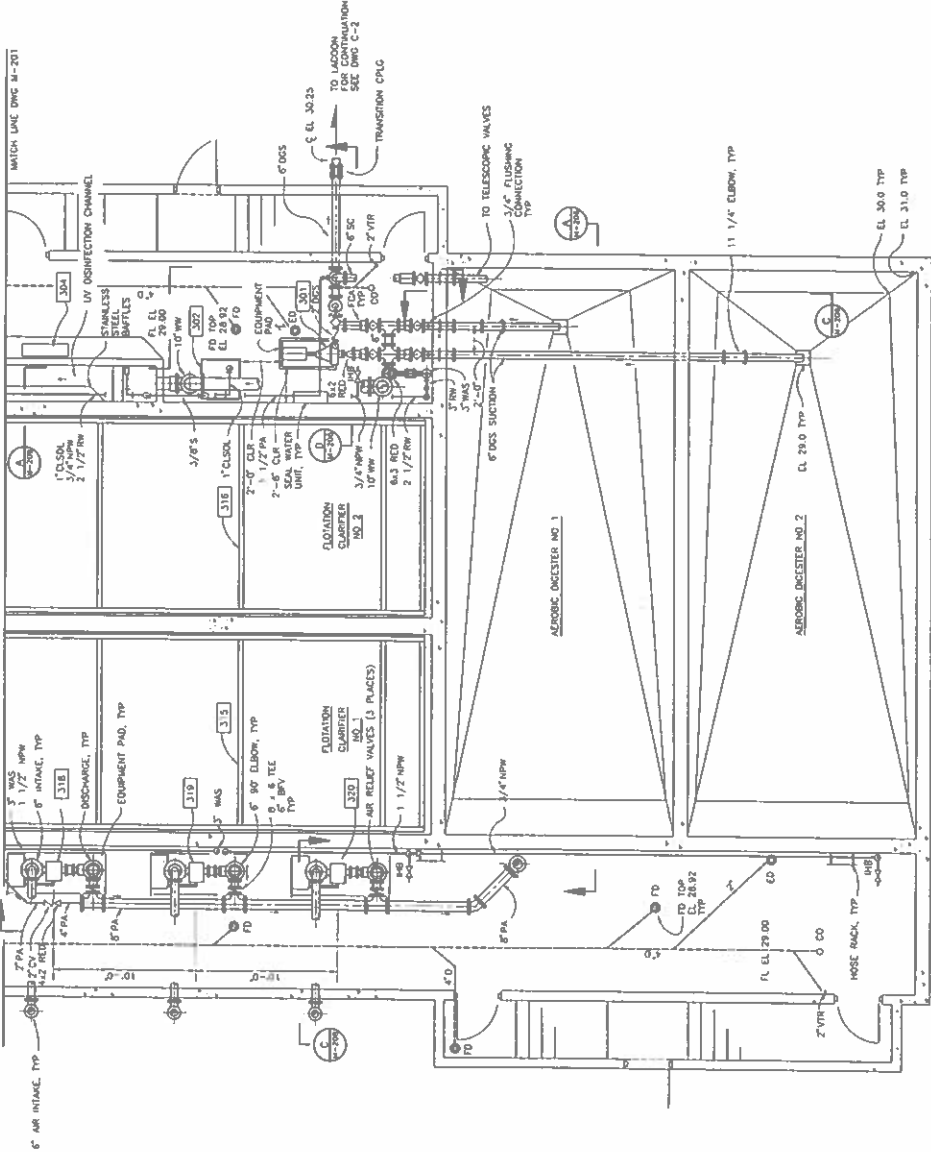
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 TYPE 9: WELDED BEAM ATTACHMENT TO WALL, TYPE 2E

PIPE SUPPORT DETAILS

TYPE 8: WELDED BEAM ATTACHMENT TO WALL, TYPE 2E
 TYPE 9: WELDED BEAM ATTACHMENT TO WALL, TYPE 2E

CONCRETE 1/2" THICK, 4" W/ FIBER
 MAXIMUM ALLOWABLE LOAD
 ROD SIZE
 LOAD IN LBS
 1/2" 1130
 3/4" 1880
 1" 2430
 1 1/4" 3170

1410104



- EQUIPMENT NUMBERS**
- 301 DIGESTED SLUDGE PUMP
 - 302 UV DISINFECTION MODULE NO. 2
 - 304 UV DISINFECTION MODULE NO. 1
 - 315 SLUDGE COLLECTOR DRIVE NO. 1
 - 316 SLUDGE COLLECTOR DRIVE NO. 2
 - 318 DIGESTER BLOWER NO. 1
 - 319 DIGESTER BLOWER NO. 2
 - 320 DIGESTER BLOWER NO. 3

- NOTES:**
1. TRAP PRIMER REQUIRED FOR EACH FLOOR DRAIN AND EQUIPMENT DRAIN.
 2. SEE FLOOR DRAIN DETAILS, DWG. M-51.
 3. SEE PAGES M-210, M-211, AND M-270 FOR HVAC PLANS, SECTIONS AND DETAILS.
 4. ALL NON-PROCESS TRANSFER FLOORS SHALL BE UNIFORMLY SLOPED FROM GYMN FLOOR ELEVATIONS AT WALLS TO FLOOR DRAIN TYP. ELEVATIONS.



LOWER LEVEL PLAN - SOUTH
SCALE: 1/4" = 1'-0"

DESIGNED CONFORMING TO
CONSTRUCTION RECORDS
Drawn by: *[Signature]*
Checked by: *[Signature]*

CITY OF HOUSTON, TEXAS - WASTEWATER TREATMENT FACILITIES		PROJECT NUMBER	01175
TREATMENT BUILDING		DATE	8/24-8-2022
LOWER LEVEL PLAN - SOUTH		ENGINEERS AND CONSULTANTS	
DESIGNED	DATE	REVISIONS	APPROVED
DRAWN	DATE	DESCRIPTION	
CHECKED	DATE		
APPROVED	DATE		

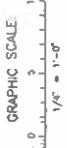
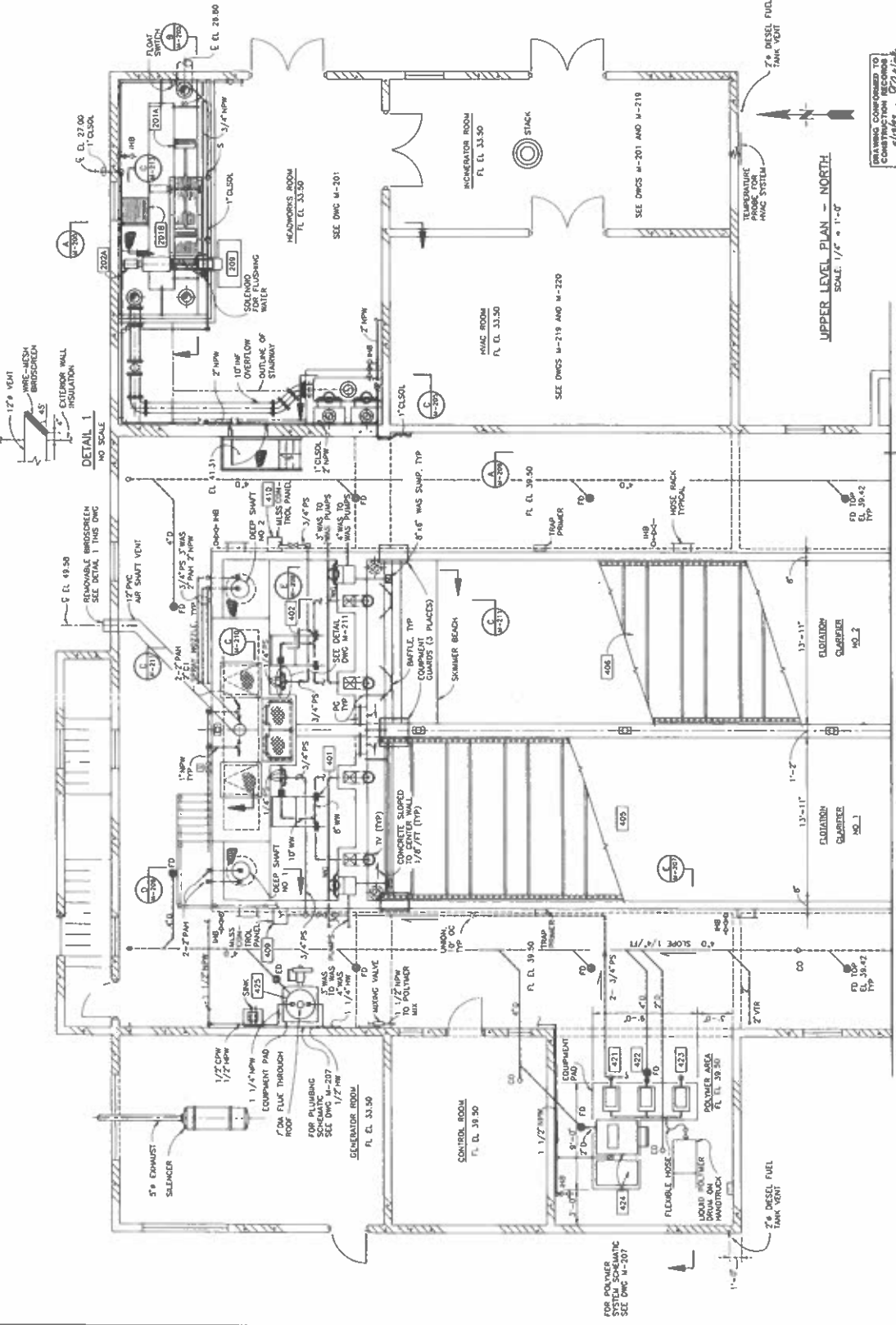
14081004

EQUIPMENT NUMBER

- 2014 MECHANICAL AIRSCREEN
- 2015 SCREENING SCREEN PRESS
- 2020 RECYCLING SCREEN
- 2021 RECYCLING SCREEN
- 402 RECYCLE VALVE NO 2
- 403 RECYCLE VALVE NO 1
- 404 FLOW SHIMMER NO 2
- 405 FLOW SHIMMER NO 1
- 409 MFC DENSITY METER NO 1
- 410 MFC DENSITY METER NO 2
- 421 POLYMER FEED PUMP
- 422 POLYMER FEED PUMP
- 423 POLYMER FEED PUMP
- 424 POLYMER FEED ASER
- 425 HOT WATER BOILER

NOTES

1. SHIP PUMPER REQUIRED FOR EQUIPMENT ROOM AND EQUIPMENT DRAIN ON DMC M-51
2. SEE FLOOR DRAIN DETAILS ON DMC M-51
3. SEE DWGS M-219, M-219 AND M-220 FOR HVAC
4. ALL NON-PROCESS TANKAGE TO BE INSTALLED AND FULLY SLOPED FROM DRAIN FLOOR ELEVATION AT WALLS TO FLOOR DOWN TOP ELEVATION



UPPER LEVEL PLAN - NORTH
SCALE: 1/4" = 1'-0"

DRAWING CONFORMS TO
CONSTRUCTION RECORD
DATE 8/17/88 BY R. W. BECK

CITY OF ANCHORAGE, ALASKA WASTEWATER TREATMENT FACILITIES		PROJECT NUMBER	01176
TREATMENT BUILDING		DRAWING NUMBER	824-N-203.2
UPPER LEVEL PLAN - NORTH		DATE	8/17/88
R. W. BECK AND ASSOCIATES, INC.		ENGINEER AND CONSULTANT	
DESIGNED BY	REVISION NO. 1	REVISION DATE	
DRAWN BY	STRUC. NO. 1	STRUC. DATE	
CHECKED BY	DATE	APPROVED	
DRAWING CONFORMS TO CONSTRUCTION RECORD			
DATE 8/17/88 BY R. W. BECK			
DATE 8/17/88 BY R. W. BECK			
DATE 8/17/88 BY R. W. BECK			

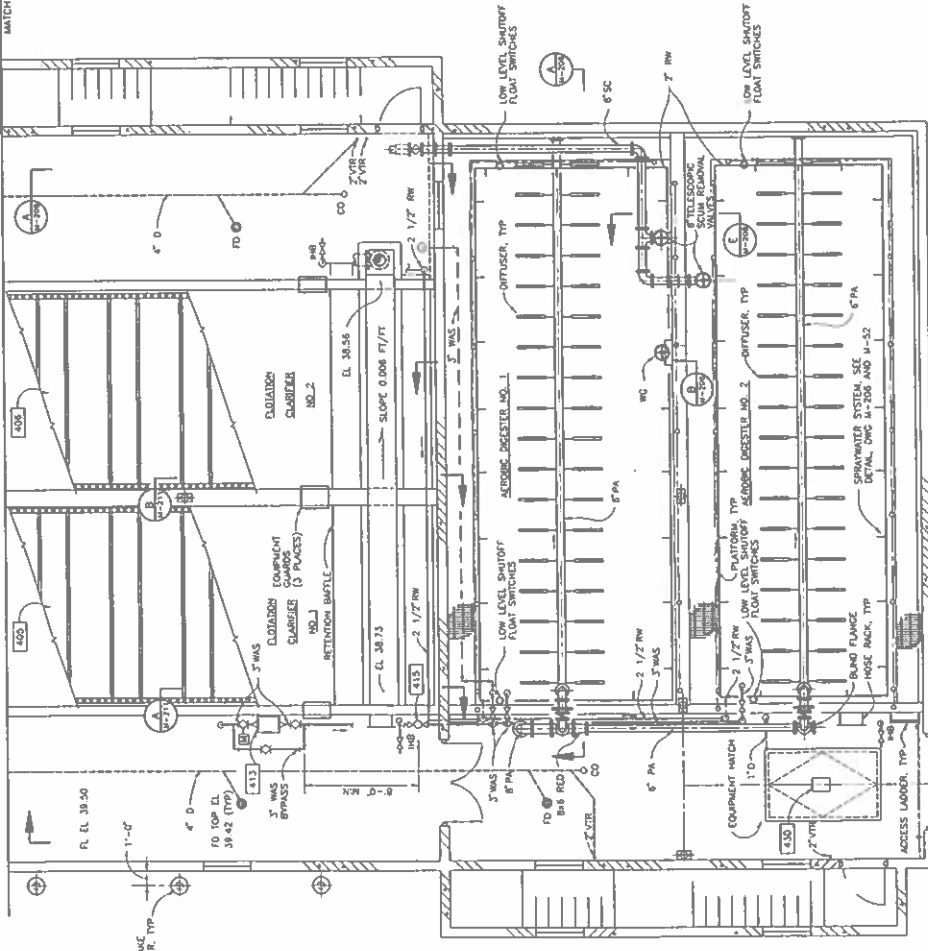
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10/11/81

MATCH LINE DWG M-203

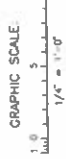
EQUIPMENT LIST

- 400 FLOAT SWITCHER NO. 1
- 401 FLOAT SWITCHER NO. 2
- 413 WAS URINDER
- 415 WAS FLOW METER
- 430 HOIST



NOTE.

1. TRAP PRIMER REQUIRED FOR EACH FLOOR DRAIN AND EQUIPMENT DRAIN.
2. SEE FLOOR DRAIN DETAILS ON DWG M-51.
3. SEE DWGS. M-218, M-219 AND M-220 FOR R/W PLANS, SECTIONS, AND DETAILS.
4. ALL NON-PROCESS TANKAGE FLOORS SHALL BE FINISHED TO THE SAME FINISH AS THE FLOOR ELEVATION AT WALLS TO FLOOR DRAIN TOP.



UPPER LEVEL PLAN - SOUTH
 SCALE: 1/4" = 1'-0"

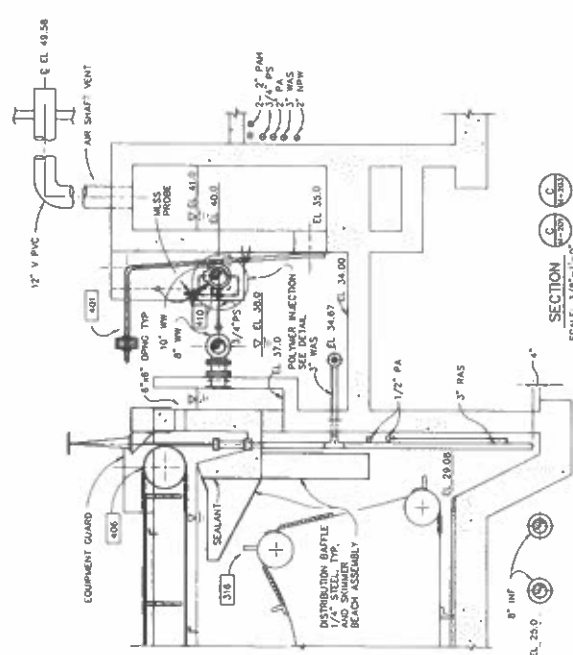
FOR THE CITY OF ANCHORAGE, ALASKA
 ENGINEER OF RECORD
 R. W. BECK AND ASSOCIATES, INC.
 824-M-204.2

CITY OF ANCHORAGE, ALASKA - WASTEWATER TREATMENT FACILITIES TREATMENT BUILDING UPPER LEVEL PLAN - SOUTH		PROJECT NO. 824-M-204.2 SHEET NO. 01177
DESIGNER CHECKED DRAWN	DATE SCALE PROJECT NO.	APPROVED DATE
R. W. BECK AND ASSOCIATES, INC. ENGINEERS AND CONSULTANTS		

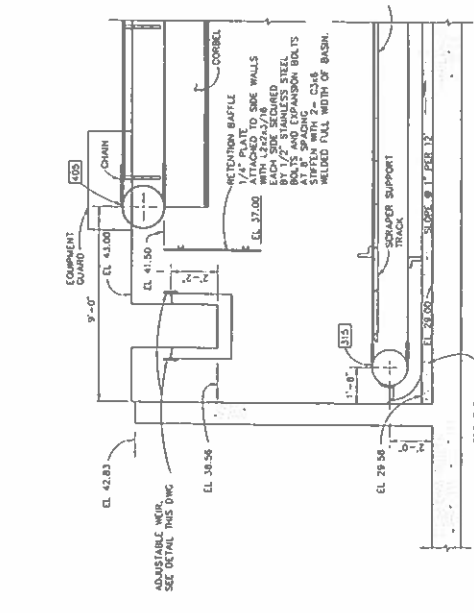
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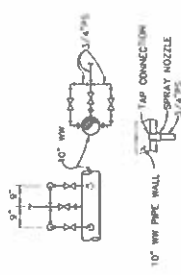
- 315 SLUDGE COLLECTOR DRIVE NO. 1
- 316 SLUDGE COLLECTOR DRIVE NO. 2
- 317 SLUDGE COLLECTOR DRIVE NO. 3
- 405 FLOAT SHAMMER NO. 1
- 406 FLOAT SHAMMER NO. 2
- 410 MUDS DISTRIBUTOR MOTOR NO. 1



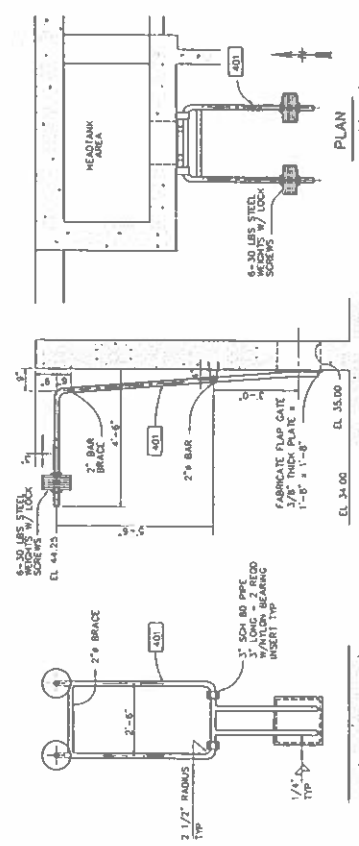
SECTION
SCALE: 3/8"=1'-0"



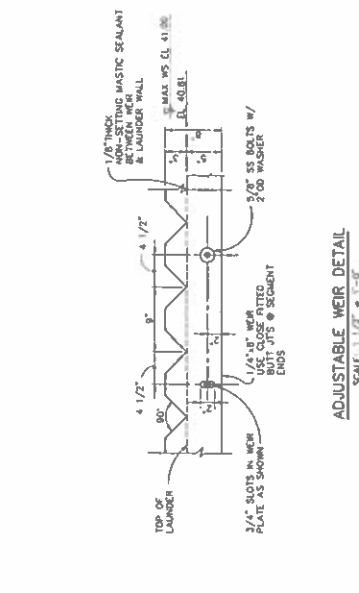
SECTION
SCALE: 3/8"=1'-0"



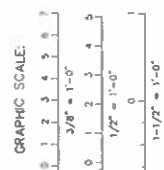
POLYMER INJECTION DETAIL
NO SCALE



RETURN ACTIVATED SLUDGE RECYCLE VALVE DETAIL
SCALE: 1/2"=1'-0"



ADJUSTABLE WEIR DETAIL
SCALE: 1/2"=1'-0"



DRAWING CONFORMS TO
CONSTRUCTION RECORDS
DATE: 8/18/88 BY: R.W.B. FOR: R.W.B. & ASSOCIATES

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CITY OF HOMER, ALASKA - WASTEWATER TREATMENT FACILITIES		01184	824-M-211.2
TREATMENT BUILDING		SECTIONS AND DETAILS	
DESIGNED	CHECKED	APPROVED	DATE
DRAWN	REVISIONS	ELECTRICAL	DATE
RECORD	DATE	APPROVED	DATE
R. W. BECK AND ASSOCIATES, INC. ENGINEERS AND CONSULTANTS			



APPENDIX B

EVOQUA EQUIPMENT QUOTE



Proposal For: CITY OF HOMER
Dave Welty
3575 HEATH ST
HOMER, AK 99603-7833
Phone: 907-519-3706
dwelty@ci.homer.ak.us

James Moore
Evoqua Water Technologies
N19W23993 Ridgeview Pkwy, Suite 200
Waukesha, WI 53188
Phone: 262-521-8368
james.a.moore@evoqua.com

Item Pricing Summary

Item	Part No Description	Qty	Net Price	Ext. Price
1	field material	1	\$744.93	\$744.93
2	W3T488570 Limit Switch Kit, SS S/P Hub, NEMA 4/4X7 Reference #: 603-100011	4 EA	\$1,479.53	\$5,918.12
3	W3T561111 engineering	1 EA	\$1,500.00	\$1,500.00
4	W2T119027 COLLAR-SET,SPLIT,2.44"DIA.,BLK STL Reference #: 841-24105	6 EA	\$88.05	\$528.30
5	W2T120206 COLLAR-SET,SPLIT,1.94"DIA.,BLK STL Reference #: 841-24075	8 EA	\$50.36	\$402.88
6	W3T23628 BEARING-WALL,2.437"DIA,SA,BABB,W/GRS FTG Reference #: A65749-BC1	4 EA	\$872.64	\$3,490.56
7	W2T118523 WASHER-PLAIN,.75"DIA,2.75"OD, SS18-8 Reference #: 103-81621-1	32 EA	\$16.23	\$519.36
8	W2T121733 WASHER-RND,1.062"ID,2.75"OD,0.125"THK,PU Reference #: 303-1396-1	32 EA	\$25.84	\$826.88
9	W3T23625 BEARING-WALL,1.937"DIA,SA,BABB,W/GRS FTG Reference #: A65749-BB1 for the collector mechanism	8 EA	\$1,140.18	\$9,121.44

10	W3T553369 SPROCKET,26T,21.64"PD,2.44"B,KW&SS Reference #: 403-65-3 collector mechanism	2 EA	\$1,850.02	\$3,700.04
11	W3T385107 SPROCKET,NCS720S 23T KEYED 2.44"B PU Reference #: 603-81164-81 collector mechanism	4 EA	\$1,231.72	\$4,926.88
12	W2T319566 SPROCKET,NCS720S 17T 16.61"PD 1.94"B BLK Reference #: 603-81165-80 collector mechanism	4 EA	\$1,685.80	\$6,743.20
13	W2T313940 CHAIN-CHABELCO, 578 PIN & COTTER Reference #: 841-28007	50 FT	\$439.75	\$21,987.50
14	W3T23631 BEARING-WALL,2.937"DIA,SA,BABB,W/GRS FTG Reference #: A65762-BB1 skimmer mechanism	4 EA	\$843.78	\$3,375.12
15	303-70215-92 skimmer sprocket skimmer mechanism	4	\$3,159.73	\$12,638.92
16	303-70215-86 skimmer sprocket skimmer mechanism	2	\$3,094.72	\$6,189.44
17	303-70215-81 skimmer sprocket skimmer mechanism	2	\$3,033.86	\$6,067.72
18	W3T515086 SPROCKET,78 30T 24.96"PD 2.440"B STL Reference #: 303-2068-3 skimmer mechanism	2 EA	\$2,215.16	\$4,430.32



19	W2T315348 PIN-SHEAR, .375"DIA X 1.50", 2240 SH.VAL Reference #: CA1943-26	24 EA	\$13.23	\$317.52
20	W2T315339 PIN-SHEAR, .375"DIA X 1.50", 1015 SH.VAL Reference #: CA1943-10	24 EA	\$11.41	\$273.84
21	K87 R57 variable speed gearbox gearbox includes inverter, with optional ProfiNET plug in card. Also included our dongle (line07) to connect to our LT Shell software for diagnostics and some start up parameters, ref#419620063REV1. also includes sprocket	2	\$13,941.56	\$27,883.12
22	SEW K87 gear box collector collecgtor drives, one left hand one right hand	2	\$10,074.02	\$20,148.04
23	drive bases for skimmer drive	2	\$486.48	\$972.96
24	drive bases for collector drive	2	\$486.48	\$972.96
25	W2T269844 WEAR STRIP, .38 X 3.00 X 120.00, UHMW Reference #: 303-80410-1 collector mechanism	52 EA	\$51.48	\$2,676.96
26	W2T269847 WEAR STRIP, .38 X 3.00 X 120.00, UHMW Reference #: 303-80410-2 collector mechanism	4 EA	\$110.28	\$441.12
27	W2T269849 WEAR STRIP, .38 X 3.00 X 60.00", UHMW Reference #: 303-80410-3 collector mechanism	4 EA	\$55.37	\$221.48
28	W2T121891 WASHER-DISHED, .38", 1.4"OD, .40"ID, 316SS Reference #: 303-2041-2	250 EA	\$1.68	\$420.00
29	303-1907-1 SRD196 chain upper	68	\$1,846.65	\$125,572.20

30	10105-118-100 upper flights	68	\$2,942.28	\$200,075.04
31	W3T422183 CHAIN,NCS720S-NX POLY 6"P 120" F26 ATT(1 Reference #: 303-80515-1	60 EA	\$244.70	\$14,682.00
32	W2T319411 TOOL-CHAIN ASSY,NCS720S/-NX/NCS360S,STL Reference #: 603-31204-80	2 EA	\$165.74	\$331.48
33	10105-112-100 3x6 lower flights	30	\$289.30	\$8,679.00
34	W3T413282 WEARSHOE,CARRY,2.5X2.5X5.5,92A ETHER-PUR Reference #: 303-70493-1	60 EA	\$15.06	\$903.60
35	W3T413284 WEARSHOE,RTRN,3X3X4, 92A ETHER-PUR Reference #: 303-70493-3	60 EA	\$14.04	\$842.40
36	W2T118751 SPACER-FLT,6"SIG,4.88X5.25 X 2.19"T,POLY Reference #: 303-70156-1	60 EA	\$7.81	\$468.60
37	W2T319430 KIT-HRDWR(6"/8" SIGMA FLGHT,W/RTRN SHOE) Reference #: 303-60662-80	30 EA	\$30.14	\$904.20

Currency: USD

Item(s) Subtotal:	\$499,898.13
Shipping and Handling Charges:	\$56,000.00
Total Net Price:	\$555,898.13

Proposal Notes
 overall lead time is 18-24 weeks ARO

Material Escalation

Due to volatility in steel costs, prices quoted in this proposal will be adjusted to reflect changes in the Metal and Metal Products Index (MMPI) published by the U.S. Department of Labor, Bureau of Labor Statistics. The most recent published MMPI is 345.5 for May 2022. If the MMPI exceeds 352.4 at the time the Equipment is released for manufacture, then the price will be increased by the same percentage as the MMPI exceeds 352.4.

Further Evoqua's price does not account for increased costs, delays and inefficiencies associated with current regulations and guidelines concerning COVID-19. Should these, or any additional,

restrictions be implemented by any governing body, the CDC, or the customer or user of the Equipment to address COVID-19, Evoqua reserves the right to request a change order to the extent its costs or time for performance are increased by additional restrictions

please provide tax exempt certificate with purchase order.

Our Manufacturer Rep in your area is:

Representative: William M. Reilly
Company: William H. Reilly & Co., Inc.
List Address: 910 SW 18th Avenue
Portland, OR, 97205
Phone:
Email: billjr@whreilly.com

Payment Terms and Delivery

PO Terms

Purchaser acknowledges that Seller is required to comply with applicable export laws and regulations relating to the sale, exportation, transfer, assignment, disposal and usage of the goods and/or services provided under the Contract, including any export license requirements. Purchaser agrees that such goods and/or services shall not at any time directly or indirectly be used, exported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with such applicable export laws and regulations. It shall be a condition of the continuing performance by Seller of its obligations hereunder that compliance with such export laws and regulations be maintained at all times. PURCHASER AGREES TO INDEMNIFY AND HOLD SELLER HARMLESS FROM ANY AND ALL COSTS, LIABILITIES, PENALTIES, SANCTIONS AND FINES RELATED TO NON-COMPLIANCE WITH APPLICABLE EXPORT LAWS AND REGULATIONS.

Shipping Information

- Prepaid and Add: Shipping and Handling Charge

Terms

- This quote is valid until 08-19-2022
- Payment terms are N30 - Net 30 days with proper credit, and are subject to the attached Evoqua Water Technologies Terms and Conditions

Sales Tax & GST:

- The pricing provided in this proposal does not include applicable Sales Tax or GST.
- If your company is exempt from Sales Tax or GST, or eligible for a reduced rate of tax, a tax exemption certificate must be provided no later than with your purchase order.
- If a timely, valid exemption certificate or other documentation is not provided, any applicable Sales Tax or GST will be invoiced and payable.
- New customers may be required to supply a signed credit application to be approved for credit terms.
- **NOTE:** Effective May 2022, you may be assessed a 3% fee if paying via Credit Card. Find more info on our website here > <https://www.evoqua.com/en/about-us/terms-conditions-sale-products-services/credit-card-fee-faqs/>. Ask us how to avoid paying fees by migrating to ACH CTX payment type.
- We require hard documentation of your ordering for Evoqua to process your order. For your convenience, we can start processing your order by signing and returning:
 - Fax to:
 - or Email to: james.a.moore@evoqua.com
- You may also mail to:
 - Evoqua Water Technologies
 - N19W23993 Ridgeview Pkwy, Suite 200
 - Waukesha, WI 53188



Evoqua Water Technologies Banking Details

ACH - CTX

Evoqua's preferred payment method is via ACH - CTX:

JP Morgan Chase Bank
Attn: Evoqua Water Technologies, LLC
Account #: 603148011
Swift Code: CHASUS33
ACH Routing / ABA: **044000037**
Wire Routing / ABA: **021000021**
Remittance details should go to: **electronicfunds@evoqua.com**

Paper checks via Postal Service

Paper checks via Postal Service:

Send to our Lockbox, address is:
Evoqua Water Technologies LLC
28563 Network Place
Chicago, IL 60673-1285

Paper checks via Overnight / Courier

Paper checks via Overnight / Courier:

JP Morgan Chase Bank
Attn: Evoqua Water Technologies Lockbox 28563
131 S Dearborn, 6th Floor
Chicago, IL 60603
Remittance details should go to: **electronicfunds@evoqua.com**

**** If ever instructed to change banking information, contact us immediately at 1-800-466-7873 ****

Standard Terms of Sale

1. **Applicable Terms.** These terms govern the purchase and sale of equipment, products, related services, leased products, and media goods if any (collectively herein "Work"), referred to in Seller's proposal ("Seller's Documentation"). Whether these terms are included in an offer or an acceptance by Seller, such offer or acceptance is expressly conditioned on Buyer's assent to these terms. Seller rejects all additional or different terms in any of Buyer's forms or documents.
2. **Payment.** Buyer shall pay Seller the full purchase price as set forth in Seller's Documentation. Unless Seller's Documentation specifically provides otherwise, freight, storage, insurance and all taxes, levies, duties, tariffs, permits or license fees or other governmental charges relating to the Work or any incremental increases thereto shall be paid by Buyer. If Seller is required to pay any such charges, Buyer shall immediately reimburse Seller. If Buyer claims a tax or other exemption or direct payment permit, it shall provide Seller with a valid exemption certificate or permit and indemnify, defend and hold Seller harmless from any taxes, costs and penalties arising out of same. All payments are due within 30 days of invoice date. Buyer shall be charged the lower of 1 ½% interest per month or the maximum legal rate on all amounts not received by the due date and shall pay all of Seller's reasonable costs (including attorneys' fees) of collecting amounts due but unpaid. All orders are subject to credit approval by Seller. Back charges without Seller's prior written approval shall not be accepted.
3. **Delivery.** Delivery of the Work shall be in material compliance with the schedule in Seller's Documentation. Unless Seller's Documentation provides otherwise, delivery terms are ExWorks Seller's factory (Incoterms 2010). Title to all Work shall pass upon receipt of payment for the Work under the respective invoice. Unless otherwise agreed to in writing by Seller, shipping dates are approximate only and Seller shall not be liable for any loss or expense (consequential or otherwise) incurred by Buyer or Buyer's customer if Seller fails to meet the specified delivery schedule.
4. **Ownership of Materials and Licenses.** All devices, designs (including drawings, plans and specifications), estimates, prices, notes, electronic data, software and other documents or information prepared or disclosed by Seller, and all related intellectual property rights, shall remain Seller's property. Seller grants Buyer a non-exclusive, non-transferable license to use any such material solely for Buyer's use of the Work. Buyer shall not disclose any such material to third parties without Seller's prior written consent. Buyer grants Seller a non-exclusive, non-transferable license to use Buyer's name and logo for marketing purposes, including but not limited to, press releases, marketing and promotional materials, and web site content.
5. **Changes.** Neither party shall implement any changes in the scope of Work described in Seller's Documentation without a mutually agreed upon change order. Any change to the scope of the Work, delivery schedule for the Work, any Force Majeure Event, any law, rule, regulation, order, code, standard or requirement which requires any change hereunder shall entitle Seller to an equitable adjustment in the price and time of performance.
6. **Force Majeure Event.** Neither Buyer nor Seller shall have any liability for any breach or delay (except for breach of payment obligations) caused by a Force Majeure Event. If a Force Majeure Event exceeds six (6) months in duration, the Seller shall have the right to terminate the Agreement without liability, upon fifteen (15) days written notice to Buyer, and shall be entitled to payment for work performed prior to the date of termination. "**Force Majeure Event**" shall mean events or circumstances that are beyond the affected party's control and could not reasonably have been easily avoided or overcome by the affected party and are not substantially attributable to the other party. Force Majeure Event may include, but is not limited to, the following circumstances or events: war, act of foreign enemies, terrorism, riot, strike, or lockout by persons other than by Seller or its sub-suppliers, natural catastrophes or (with respect to on-site work), unusual weather conditions.
7. **Warranty.** Subject to the following sentence, Seller warrants to Buyer that the (i) Work shall materially conform to the description in Seller's Documentation and shall be free from defects in material and workmanship and (ii) the Services shall be performed in a timely and workmanlike manner. Determination of suitability of treated water for any use by Buyer shall be the sole and exclusive responsibility of Buyer. The foregoing warranty shall not apply to any Work that is specified or otherwise demanded by Buyer and is not manufactured or selected by Seller, as to which (i) Seller hereby assigns to Buyer, to the extent assignable, any warranties made to Seller and (ii) Seller shall have no other liability to Buyer under warranty, tort or any other legal theory. The Seller warrants the Work, or any components thereof, through the earlier of (i) eighteen (18) months from delivery of the Work or (ii) twelve (12) months from initial operation of the Work or ninety (90) days from the performance of services (the "Warranty Period"). If Buyer gives Seller prompt written notice of breach of this warranty within the Warranty Period, Seller shall, at its sole option and as Buyer's sole and exclusive remedy, repair or replace the subject parts, re-perform the Service or refund the purchase price. Unless otherwise agreed to in writing by Seller, (i) Buyer shall be responsible for any labor required to gain access to the Work so that Seller can assess the available remedies and (ii) Buyer shall be responsible for all costs of installation of repaired or replaced Work. If Seller determines that any claimed breach is not, in fact, covered by this warranty, Buyer shall pay Seller its then customary charges for any repair or replacement made by Seller. Seller's warranty is conditioned on Buyer's (a) operating and maintaining the Work in accordance with Seller's instructions, (b) not making any unauthorized repairs or alterations, and (c) not being in default of any payment obligation to Seller. Seller's warranty does not cover (i) damage caused by chemical action or abrasive material, misuse or improper installation (unless installed by Seller) and (ii) media goods (such as, but not limited to, resin, membranes, or granular activated carbon media) once media goods are installed. **THE WARRANTIES SET FORTH IN THIS SECTION 7 ARE THE SELLER'S SOLE AND EXCLUSIVE WARRANTIES AND ARE SUBJECT TO THE LIMITATION OF LIABILITY PROVISION BELOW. SELLER MAKES NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE.**
8. **Indemnity.** Seller shall indemnify, defend and hold Buyer harmless from any claim, cause of action or liability incurred by Buyer as a result of third party claims for personal injury, death or damage to tangible property, to the extent caused by Seller's negligence. Seller shall have the sole authority to direct the defense of and settle any indemnified claim. Seller's indemnification is conditioned on Buyer (a) promptly, within the Warranty Period, notifying Seller of any claim, and (b) providing reasonable cooperation in the defense of any claim.
9. **Assignment.** Neither party may assign this Agreement, in whole or in part, nor any rights or obligations hereunder without the prior written consent of the other party; provided, however, the Seller may assign its rights and obligations under these terms to its affiliates or in connection with the sale or transfer of the Seller's business and Seller may grant a security interest in the Agreement and/or assign proceeds of the agreement without Buyer's consent.



10. **Termination.** Either party may terminate this agreement, upon issuance of a written notice of breach and a thirty (30) day cure period, for a material breach (including but not limited to, filing of bankruptcy, or failure to fulfill the material obligations of this agreement). If Buyer suspends an order without a change order for ninety (90) or more days, Seller may thereafter terminate this Agreement without liability, upon fifteen (15) days written notice to Buyer, and shall be entitled to payment for work performed, whether delivered or undelivered, prior to the date of termination.

11. **Dispute Resolution.** Seller and Buyer shall negotiate in good faith to resolve any dispute relating hereto. If, despite good faith efforts, the parties are unable to resolve a dispute or claim arising out of or relating to this Agreement or its breach, termination, enforcement, interpretation or validity, the parties will first seek to agree on a forum for mediation to be held in a mutually agreeable site. If the parties are unable to resolve the dispute through mediation, then any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in Pittsburgh, Pennsylvania before three arbitrators who are lawyers experienced in the discipline that is the subject of the dispute and shall be jointly selected by Seller and Buyer. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. The Arbitrators shall issue a reasoned decision of a majority of the arbitrators, which shall be the decision of the panel. Judgment may be entered upon the arbitrators' decision in any court of competent jurisdiction. The substantially prevailing party as determined by the arbitrators shall be reimbursed by the other party for all costs, expenses and charges, including without limitation reasonable attorneys' fees, incurred by the prevailing party in connection with the arbitration. For any order shipped outside of the United States, any dispute shall be referred to and finally determined by the International Center for Dispute Resolution in accordance with the provisions of its International Arbitration Rules, enforceable under the New York Convention (Convention on the Recognition and Enforcement of Foreign Arbitral Awards) and the governing language shall be English.

12. **Export Compliance.** Buyer acknowledges that Seller is required to comply with applicable export laws and regulations relating to the sale, exportation, transfer, assignment, disposal and usage of the Work provided under this Agreement, including any export license requirements. Buyer agrees that such Work shall not at any time directly or indirectly be used, exported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with such applicable export laws and regulations. It shall be a condition of the continuing performance by Seller of its obligations hereunder that compliance with such export laws and regulations be maintained at all times. BUYER AGREES TO INDEMNIFY AND HOLD SELLER HARMLESS FROM ANY AND ALL COSTS, LIABILITIES, PENALTIES, SANCTIONS AND FINES RELATED TO NON-COMPLIANCE WITH APPLICABLE EXPORT LAWS AND REGULATIONS.

13. **LIMITATION OF LIABILITY.** NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY, SELLER SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER INDIRECT DAMAGES, AND SELLER'S TOTAL LIABILITY ARISING AT ANY TIME FROM THE SALE OR USE OF THE WORK, INCLUDING WITHOUT LIMITATION ANY LIABILITY FOR ALL WARRANTY CLAIMS OR FOR ANY BREACH OR FAILURE TO PERFORM ANY OBLIGATION UNDER THE CONTRACT, SHALL NOT EXCEED THE PURCHASE PRICE PAID FOR THE WORK. THESE LIMITATIONS APPLY WHETHER THE LIABILITY IS BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER THEORY.

14. **Rental Equipment / Services.** Any leased or rented equipment ("Leased Equipment") provided by Seller shall at all times be the property of Seller with the exception of certain miscellaneous installation materials purchased by the Buyer, and no right or property interest is transferred to the Buyer, except the right to use any such Leased Equipment as provided herein. Buyer agrees that it shall not pledge, lend, or create a security interest in, part with possession of, or relocate the Leased Equipment. Buyer shall be responsible to maintain the Leased Equipment in good and efficient working order. At the end of the initial term specified in the order, the terms shall automatically renew for the identical period unless canceled in writing by Buyer or Seller not sooner than three (3) months nor later than one (1) month from termination of the initial order or any renewal terms. Upon any renewal, Seller shall have the right to issue notice of increased pricing which shall be effective for any renewed terms unless Buyer objects in writing within fifteen (15) days of issuance of said notice. If Buyer timely cancels service in writing prior to the end of the initial or any renewal term this shall not relieve Buyer of its obligations under the order for the monthly rental service charge which shall continue to be due and owing. Upon the expiration or termination of this Agreement, Buyer shall promptly make any Leased Equipment available to Seller for removal. Buyer hereby agrees that it shall grant Seller access to the Leased Equipment location and shall permit Seller to take possession of and remove the Leased Equipment without resort to legal process and hereby releases Seller from any claim or right of action for trespass or damages caused by reason of such entry and removal.

15. **Miscellaneous.** These terms, together with any Contract Documents issued or signed by the Seller, comprise the complete and exclusive statement of the agreement between the parties (the "Agreement") and supersede any terms contained in Buyer's documents, unless separately signed by Seller. No part of the Agreement may be changed or cancelled except by a written document signed by Seller and Buyer. No course of dealing or performance, usage of trade or failure to enforce any term shall be used to modify the Agreement. To the extent the Agreement is considered a subcontract under Buyer's prime contract with an agency of the United States government, in case of Federal Acquisition Regulations (FARs) flow down terms, Seller will be in compliance with Section 44.403 of the FAR relating to commercial items and those additional clauses as specifically listed in 52.244-6, Subcontracts for Commercial Items (OCT 2014). If any of these terms is unenforceable, such term shall be limited only to the extent necessary to make it enforceable, and all other terms shall remain in full force and effect. The Agreement shall be governed by the laws of the Commonwealth of Pennsylvania without regard to its conflict of laws provisions. Both Buyer and Seller reject the applicability of the United Nations Convention on Contracts for the international sales of goods to the relationship between the parties and to all transactions arising from said relationship.

Accepted by: _____

Print: _____

Date: _____



APPENDIX C

EVOQUA INSTALLATION QUOTE





Homer, AK
Flotation Clarifier No. 1 & 2 Rehab

**INSTALLATION OF CHAIN AND SCRAPER
EQUIPMENT**

Quotation #**2022-539176** - Installation

Questions relative to this Quotation should be directed to
Evoqua's local area sales representative:

Bill Reilly | Wm. H. Reilly & Co.
503-223-6197 Office | 503-223-0845
Fax | 503-314-8386 Cell
Bill@whreilly.com



FIELD ERECTION:

- Evoqua proposes to furnish labor, equipment and expendable materials to install the equipment for clarifier No. 1 & 2. Two purchase option are given.

Option 1 will be to Replace the upper steel Flights, Chain, Wear Strips & sprockets. Includes installing new drive and gear boxes. Field Wiring will be by others. Shafts and chain track angles shall be reused.

Option 2 will be to Replace the upper steel Flights, Chain, Wear Strips & sprockets. Lower Fiberglass Flights, Sprockets, Chain & Wear Strips. Includes installing new drive and gear boxes. Field Wiring will be by others. Upper and Lower Shafts and chain track angles shall be reused.

- Customer is responsible for having tank drained and cleaned before Evoqua arrives onsite to begin work. One Clarifier at a time, leaving one in operation until demo and install of the first clarifier is complete.
- All materials/equipment removed during demolition to be disposed of on site.
- Evoqua is responsible for installing purchased equipment into the existing DAF basins by normal installation procedures.
- Evoqua is responsible for providing the necessary construction equipment for erection (fork truck, welding machines, cutting equipment, etc.).
- Work hours by Evoqua Water Technologies LLC at the site shall be as determined by Evoqua Water Technologies LLC. The purchaser shall not define working hours, number of work days per week or prohibit Evoqua Water Technologies LLC from working evenings, weekends, holidays, etc., when deemed to be advisable.

PRICING: (prevailing wages do not apply)

Installation of Clarifier equipment Option 1 Upper mechanisms on Clarifier # 1&2	<u>\$311,845</u> (Taxes not included)
Installation of Clarifier equipment Option 2 Upper & Lower mechanisms on Clarifier # 1&2	<u>\$496,480</u> (Taxes not included)

NOTE:

1. There may be other items in need of repair that are not known at this time. Evoqua will give customer a quote for any additional repairs before work is to be done.

QUOTATION VALID: This quotation is valid for a period of Sixty (60) days unless extended in writing by Evoqua.

All of the information set forth in this quotation (including drawings, designs and specifications) is confidential and/or proprietary and has been prepared for your use solely in considering the purchase of the services described herein. Transmission of all or any part of this information to others, or use by you, for other purposes is expressly prohibited without our prior written consent.

PAYMENT AND PRICE TERMS: The terms of payment are Net 45 after completed installation.

Price does not include:

- Concrete modifications to existing basin.
- Field Electrical work of any kind
- Disposal of existing materials of site
- Taxes, Permits, and bonds.

SCHEDULE: Construction is an estimated 2 to 3 weeks on site per Clarifier Basin.

WARRENTY: Evoqua shall warrant all materials and labor for one year after successful installation

Quotation Submitted by Evoqua Water Technologies LLC: Bryan Davis

Signature below indicates acceptance of this quotation, including the Standard Terms of Sale attached hereto.

Accepted by Buyer:

Acknowledged by Seller:

Evoqua Water Technologies LLC

Company Name

By: _____

by: _____

.....

Date: _____

Date: _____

**Evoqua Water Technologies LLC
GENERAL TERMS AND CONDITIONS
FOR ERECTION WORK**

1. Equipment location and staking, including plant orientation, influent and effluent location, is the responsibility of the Purchaser and/or his engineer.

2. The elevation of equipment above or below grade must be determined by the Purchaser and/or his engineer and entered upon the approved drawings. Purchaser is responsible for establishing benchmark at site for Evoqua Waste Technologies erection crew.

3. Purchaser agrees to provide a clear level work area at least 35 feet wide around the periphery of the erection site. Prior to starting erection, any obstructions in the work area, such as excavations, overhead lines, fences, trees, shrubbery, etc., shall be removed by and at the expense of the Purchaser. The Purchaser shall keep the site properly drained and free from surface water during erection, and until the work has been completed and accepted. The site and site access shall be capable of supporting a crane up to and including 50-ton capacity and other erection equipment. Any fill or dewatering necessary to accomplish the above, or additional costs of oversized or special equipment required due to poor site conditions, will be the responsibility of the Purchaser. Site leveling, grading, etc., after erections, shall be the responsibility of the Purchaser. Evoqua Water Technologies shall be responsible for the clean-up and removal of trash, scrap materials, etc., left from Evoqua Water Technologies erection work.

4. Purchaser agrees to provide site access and site working area capable of supporting the delivery trucks (70-75,000 pounds gross weight). Purchaser agrees to maintain site access and working area, daily if required, to allow Evoqua Water Technologies erection crew to perform work during all weather conditions. Should Evoqua Water Technologies have to stop work and return to the site when access and/or work area permits or experience delays due to the site and site access being unsuitable for work due to Purchaser's failure to prepare and/or maintain the above, the Purchaser agrees to compensate Evoqua Water Technologies for cost incurred and agrees Evoqua Water Technologies shall be indemnified and held harmless from all loss or damages resulting from delays of job progress, that are directly or indirectly a result of the Purchaser's responsibility.

5. Evoqua Water Technologies' erection personnel are non-union and all work will be by non-union personnel. In case of interference in erection work due to labor problems by persons not employed by Evoqua Water Technologies, or the imposition of requirements concerning labor, working conditions, wage rates, etc., which were not clearly defined prior to Evoqua Water Technologies acceptance of the erection job, Evoqua Water Technologies shall have the right to stop work without prejudice until such interference or condition is satisfactorily removed or resolved. If additional costs are incurred by Evoqua Water Technologies due to such conflict the Purchaser hereby agrees to reimburse Evoqua Water Technologies for the additional costs incurred.

Evoqua Water Technologies is an Equal Opportunity Employer and shall comply with government regulations pertaining to fair and equal employment.

Work hours by Evoqua Water Technologies at the site shall be as determined by Evoqua Water Technologies. The purchaser shall not define working hours, number of work days per week or prohibit Evoqua Water Technologies from working evenings, weekends, holidays, etc., when deemed to be advisable by Evoqua Water Technologies.

6. INSURANCE

During the period of erection of the equipment contemplated herein, Evoqua Water Technologies will maintain the following insurance: Per Englewood Water District Insurance requirement, (copy attached).

- (a) Workmen's Compensation and Employer's Liability.
- (b) Occupational Disease.
- (c) Contractual Liability.
- (d) Public Liability Insurance, Personal Injury and Property Damage.
- (e) Automobile Liability, Personal Injury and Property Damage.

Any insurance required by Purchaser in addition to the above mentioned coverage shall not be considered to be included in the purchase price as set forth herein and shall be charged to the Purchaser.

7. UNLOADING OF EQUIPMENT: Evoqua Water Technologies is responsible for unloading of equipment which is to be erected by Evoqua Water Technologies. Purchaser is responsible for unloading any equipment or accessories shipped to Purchaser for his installation. (Such as base channels to be embedded in concrete foundation by Purchaser, blowers or other accessories to be installed by Purchaser).

8. PURCHASER ACCEPTANCE OF ERECTED EQUIPMENT: When erection of the equipment nears completion Evoqua Water Technologies shall give Purchaser seventy-two hours verbal notice that the equipment shall be ready for inspection and acceptance. Purchaser agrees to provide, on seventy-two hours notice, an authorized agent to meet at the site with Evoqua Water Technologies erection personnel, to inspect the erected equipment, and accept same for/or on behalf of the Purchaser. Any backordered items not installed at that time shall be listed on the acceptance agreement with written understanding that Evoqua Water Technologies is responsible for installing the subject equipment. Backordered items shall be received by the Purchaser at the "Backordered Address" previously provided and stored until Evoqua Water Technologies installation is scheduled.

9. PREPARATION FOR START-UP OF ERECTED EQUIPMENT: Upon completion of erection Evoqua Water Technologies shall inform the Purchaser that the erected equipment is ready to be placed in service. The Purchaser shall make all preparations for which he is responsible, such as: Influent and effluent connections, installation of the required electrical power supply and circuitry, filling tanks with clean water for testing and start-up, etc. If any deficiencies in materials or workmanship by Evoqua Water Technologies are discovered by the Purchaser while performing this work, the Purchaser shall immediately notify Evoqua Water Technologies so that corrective action can be taken. Evoqua Water Technologies is responsible for providing start-up supervision as defined in the equipment proposal. For scheduling purposes, ten days notice of desired start-up date is required.

10. SECURITY AND PROTECTION OF EQUIPMENT: Purchaser is responsible for security of equipment stored on his site after delivery prior to arrival of Evoqua Water Technologies crews to begin erection; and for any backordered material delivered to Purchaser after departure of Evoqua Water Technologies erection crews. Evoqua Water Technologies shall not be responsible for deterioration, theft, vandalism or damage to equipment which is stored on site or left inoperative after installation due to delays in start-up. Purchaser agrees to be responsible for security and protection of such equipment.

11. BACKCHARGES: Evoqua Water Technologies will accept no back charges for any reason which has not been approved prior to any work being performed in writing by an authorized manager of the company. Purchaser agrees to contact Evoqua Water Technologies and receive written authorization prior to incurring any costs related to back charges.

12. LICENSES AND PERMITS: Unless specifically stated in Evoqua Water Technologies erection proposal, Evoqua Water Technologies is not responsible for licenses, permits or fees required to perform the work defined in this proposal.

13. (a) Evoqua Water Technologies shall not be liable for delays due to: (1) causes beyond its reasonable control or (2) acts of God, acts of customer, prerequisite work by others, acts of civil or military authority, government priorities, fires, strikes or other labor disturbances, floods, epidemics, war riot, delays in transportation or (3) Inability to obtain or delay in obtaining, due to causes beyond its reasonable control, suitable labor, materials, or facilities. In the event of any such delay; the time of performance shall be extended for a period equal to the time lost by reason of the delay.

(b) In the event Evoqua Water Technologies is delayed by acts of the customer or by prerequisite work by other contractors or suppliers of the customer, Evoqua Water Technologies shall be entitled to an equitable price adjustment in addition to extension of the time of performance.

14. Evoqua Water Technologies reserves the right to subcontract any of the work to one or more subcontractors.

15. Purchaser shall protect all gauges, controls and factory finishes from the painting operation. Purchaser shall be responsible for the removal and reinstallation of any assembly that affects the painting operation.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-56

An Ordinance of the City Council of Homer, Alaska Amending the FY23 Operating Budget by Appropriating \$93,750 from the Water/Sewer Inventory Account for the Purchase of Concrete Septic Tanks.

Sponsor: City Manager/Public Works Director

1. City Council Special Meeting September 12, 2022 Introduction

Memorandum 22-148 from Public Works Director as backup

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

3 City Manager/
4 Public Works Director

5 **ORDINANCE 22-56**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY23 OPERATING BUDGET BY APPROPRIATING
9 \$93,750 FROM THE WATER/SEWER INVENTORY ACCOUNT FOR
10 THE PURCHASE OF CONCRETE SEPTIC TANKS.

11
12 WHEREAS, Properties served by sewer in Kachemak City require concrete septic tanks;
13 and

14
15 WHEREAS, The City purchases the tanks, places them in inventory, and sells them to
16 property owners as they are needed; and

17
18 WHEREAS, The City last purchased 16 tanks in 2018, which have all been used and new
19 residential development in Kachemak City requires the City procure more tanks; and

20
21 WHEREAS, The previous Alaska supplier has gone out of business and Gregoire
22 Construction has acquired the concrete fabrication assets and will be able to supply the City
23 with concrete tanks at a cost of \$3,750 per 1000 gallon concrete tank; and

24
25 WHEREAS, The City will purchase 25 tanks for inventory.

26
27 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

28
29 Section 1. The Homer City Council hereby authorizes \$93,750 to be expended from the
30 water/sewer inventory account as follows:

31
32

<u>Account</u>	<u>Description</u>	<u>Amount</u>
200-0000-1417	Concrete Septic Tank Purchase (25)	\$93,750

33
34
35 Section 2. This is a budget amendment ordinance, is temporary in nature, and shall not
36 be codified.

37
38 ENACTED BY THE HOMER CITY COUNCIL this ____ day of _____, 2022.

39
40 CITY OF HOMER

41
42 _____
43 KEN CASTNER, MAYOR

44

45 ATTEST:

46

47

48

49 _____
MELISSA JACOBSEN, MMC, CITY CLERK

50

51 YES:

52 NO:

53 ABSENT:

54 ABSTAIN:

55

56 First Reading:

57 Public Hearing:

58 Second Reading:

59 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 22-148

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, PE, Director of Public Works
DATE: August 23, 2022
SUBJECT: Sole Source procurement of concrete septic tanks

I. **Issue:** The purpose of this Memorandum is to request authorization to award a sole-source purchase order to Gregoire Construction for concrete septic tanks.

II. **Background:**

A. **History of concrete septic tanks:** The City of Homer and Kachemak City entered into an agreement, which allowed residents of Kachemak City to connect to the City of Homer's sewage collection system and Waste Water Treatment. One of the provisions of this agreement was that the Kachemak City residents could use "effluent-only" connections; that is, the individual homes would install septic tanks, which would collect the solids from the household, and the effluent from the septic tanks would be discharged into the City of Homer's sewage collection system. This system has continued for many years and is working fine.

The City of Homer promulgated design standards for the septic tanks. These standards stipulate that the tanks need to be made of concrete because plastic septic tanks "float" out of the ground and metal tanks corrode. At some point, the City decided keep a small inventory of concrete septic tanks that met its standards and make them available to builders and homeowners as part of the sewer connection permit process. Historically, these tanks were procured from a company in Wasilla, which was the only source of concrete septic tanks in the state. In early 2021, the Wasilla company went out of business. Meanwhile, in 2020-21, a new residential subdivision, The Meadows, was developed in Kachemak City, in which an "effluent only" sewage system was installed. It wasn't long before people were asking Public Works to provide concrete septic tanks. We soon exhausted our supply and have been struggling to find a new one ever since.

B. **New opportunity to acquire septic tanks.** In early 2022, a local construction contractor, Richard Gregoire, Gregoire Construction, told us he was negotiating with the defunct company to buy the concrete septic tank fabrication assets, such as the forms, which had

already been approved by the AK Dept. of Environmental Conservation. Recently, Mr. Gregoire told us he had done the deal, which gives us a local source for these tanks.

III. We propose to replenish our stock of concrete septic tanks so they will be available to the Meadows' land owners and other residents who need them to connect to the City's system. Gregoire's price is \$3,750 for each 1000-gallon septic tank. In 2018, which was the last time we bought septic tanks, they cost \$2,200 each, which included the cost of shipping. Gregoire's price, considering the costs of inflation over the past 4 years and the fact that these tanks are not available anywhere else, is higher, but not unreasonable. Further, Gregoire will store the tanks until someone orders one. The initial purchase would be for 25 septic tanks at the cost of \$3,750 each, for the total price of \$93,750.

IV. Recommendations: We request that the City Council (1) authorize \$93,750 for the procurement of concrete septic tank and (2) once the funding is authorized, issue a sole source contract to procure concrete septic tanks from Gregoire Construction.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-57

An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$15,000 from the General Fund Capital Asset Repair and Maintenance Allowance Fund for Fencing at the Skyline Drive Fire Station.

Sponsor: City Manager/Fire Chief

1. City Council Regular Meeting, September 12, 2022 Introduction

Memorandum 22-149 from Fire Chief as backup

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Fire Chief

ORDINANCE 22-57

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY23 CAPITAL BUDGET BY APPROPRIATING \$15,000 FROM THE GENERAL FUND CAPITAL ASSET REPAIR AND MAINTENANCE ALLOWANCE (CARMA) FUND FOR FENCING AROUND THE SKYLINE DRIVE FIRE STATION.

WHEREAS, The Skyline Fire Station provides for improved emergency response times for residents up East and West Hill Roads and improves Homer area ISO ratings; and

WHEREAS, The security existing fencing was already in place when the fire station was built on the Water Treatment Plant Campus however the current layout creates access challenges, particularly during the winter months when there is snow accumulation; and

WHEREAS, It would be in the City's best interest to modify the existing security fencing to better accommodate access to the fire station by volunteers and still provide necessary security to the Water Treatment Plant.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The FY23 Capital Budget is hereby amended by appropriating \$15,000 for fencing around the Skyline Drive Fire Station as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
156	General Fund CARMA	\$15,000

Section 2. This is a budget amendment ordinance, 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

43 ATTEST:

44

45

46 _____

47 MELISSA JACOBSEN, MMC, CITY CLERK

48

49

50 YES:

51 NO:

52 ABSENT:

53 ABSTAIN:

54

55 Introduction:

56 Public Hearing:

57 Second Reading:

58 Effective Date:



City of Homer

www.cityofhomer-ak.gov

Volunteer Fire Department

604 East Pioneer Ave
Homer, Alaska 99603

fire@cityofhomer-ak.gov

(p) 907-235-3155

(f) 907-235-3157

Memorandum 22-149

TO: Rob Dumouchel, City Manager
FROM: Mark Kirko, Fire Chief
DATE: August 24, 2022
SUBJECT: Skyline Fire Department Access

My goal is to provide unobstructed access to the Skyline fire station in order to improve emergency response capabilities from that station. The fire department was built on the footprint of an old water department building after the new water department facility was constructed. The new fire station was built with the concept of future growth in the Skyline area and to improve Homer area ISO ratings.

With the new fire station being on the water department campus, security fencing was already in place and was not considered in how it would affect emergency response. We are seeing that the current gate access is too small which is creating a hazard to road traffic and delaying response times. During winter months the gate opening is hampered by snow accumulation reducing the opening size causing further delays in response.

Having a locked gate is also a problem for volunteer responders living in that area because they can't access the property and get to the emergency response equipment when it's needed.

I am proposing to use the existing fencing and redirect it in a way that allows access to the fire station while still providing the required security of the water department facilities and grounds.

The company that installed the original fencing has been contacted and is providing a summary of required work and materials needed along with a quote.

My intent is to complete this project before winter to avoid any further delays in emergency response from that station.

CITY OF HOMER
FINANCIAL SUPPLEMENT

PROJECT NAME	<u>Skyline Drive Fire Station Fencing</u>	DATE	<u>09/07/2022</u>
DEPARTMENT	<u>Fire</u>	SPONSOR	<u>City Manager/Fire Chief</u>
REQUESTED AMOUNT	<u>\$ 15,000</u>		

DESCRIPTION	<p>The existing security fencing was already in place when the fire station was built on the Water Treatment Plant Campus however the current layout creates access challenges, particularly during the winter months when there is snow accumulation.</p> <p>It would be in the City's best interest to modify the existing security fencing to better accommodate access to the fire station by volunteers and still provide necessary security to the Water Treatment Plant.</p>
-------------	---

FUNDING SOURCE(S)	OPERATING	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	0%	100%	0%	0%	0%
	HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA
	0%	0%	0%	0%	0%

FUNDING SOURCE 1: GF CARMA	FUNDING SOURCE 2:	FUNDING SOURCE 3:
Current Balance <u>\$ 2,302,800</u>	Current Balance _____	Current Balance _____
Encumbered <u>\$ 485,020</u>	Encumbered _____	Encumbered _____
Requested Amount <u>\$ 15,000</u>	Requested Amount _____	Requested Amount _____
Other Items on Current Agenda <u>\$ 10,000</u>	Other Items on Current Agenda _____	Other Items on Current Agenda _____
Remaining Balance <u>\$ 1,792,780</u>	Remaining Balance _____	Remaining Balance _____
FUNDING SOURCE 4:	FUNDING SOURCE 5:	FUNDING SOURCE 6:
Current Balance _____	Current Balance _____	Current Balance _____
Encumbered _____	Encumbered _____	Encumbered _____
Requested Amount _____	Requested Amount _____	Requested Amount _____
Remaining Balance _____	Remaining Balance _____	Remaining Balance _____

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-58

An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Authorizing a Total Transfer of \$208,000 from the Utility Operations Fund Fund Balance to Include \$52,000 to the Water Capital Asset Repair and Maintenance Allowance (CARMA) Fund and \$156,000 to the Sewer CARMA Fund.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting September 12, 2022 Introduction

Memorandum 22-150 from Public Works Director as backup.

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

3 City Manager/
4 Finance Director

5 **ORDINANCE 22-58**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AMENDING THE FY23 CAPITAL BUDGET BY AUTHORIZING A TOTAL
9 TRANSFER OF \$208,000 FROM UTILITY OPERATIONS FUND FUND
10 BALANCE TO INCLUDE \$52,000 TO WATER CAPITAL ASSET REPAIR
11 AND MAINTENANCE ALLOWANCE (CARMA) FUND AND \$156,000 TO
12 SEWER CARMA FUND.

13
14 WHEREAS, The Water CARMA and Sewer CARMA Funds provide for repair and
15 replacements of the city's capital assets and infrastructure; and

16
17 WHEREAS, Necessary water and sewer utility repair and maintenance has significantly
18 impacted these CARMA Funds; and

19
20 WHEREAS, The Utility Operations Fund Fund Balance is an accumulation of operating
21 surpluses or deficits over time; and

22
23 WHEREAS, There are funds available in the Utility Operations Fund Fund Balance to
24 jump start replenishing the Water and Sewer CARMA Accounts.

25
26 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

27
28 Section 1. That the FY23 Capital Budget is hereby amended by transferring \$208,000
29 from the Utility Operations Fund Fund Balance as follows:

30
31 Transfer from:

<u>Fund No.</u>	<u>Description</u>	<u>Amount</u>
200	Utility Operations Fund Fund Balance	\$208,000

34
35 Transfer to:

<u>Fund No.</u>	<u>Description</u>	<u>Amount</u>
256-0378	Water CARMA	\$52,000
256-0379	Sewer CARMA	\$156,000

36
37
38
39
40 Section 2. This ordinance is a budget ordinance only, it is not permanent in nature and
41 shall not be codified.
42

43 ENACTED BY THE HOMER CITY COUNCIL this ____ day of ____, 2022.

44

45

CITY OF HOMER

46

47

48

KEN CASTNER, MAYOR

49

50

51 ATTEST:

52

53

MELISSA JACOBSEN, MMC, CITY CLERK

55

56 YES:

57 NO:

58 ABSENT:

59 ABSTAIN:

60

61 First Reading:

62 Public Hearing:

63 Second Reading:

64 Effective Date:



Memorandum 22-150

TO: Mayor Castner and City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, PE, Director of Public Works
DATE: August 31, 2022
SUBJECT: Recommended Transfer of Utility Fund Balance to Water/Sewer CARMA Funds

Issue: A transfer of the Utility Fund Balance to the Water/Sewer CARMA Funds is needed.

Background: The Utility Fund Balance is an accumulation of the surpluses (or deficits) in the Utility Operating Budget over time. Historically, the Fund Balance sits on the books, with no dedicated purpose. Council is in the process of making decisions about how to administer the Fund Balance as part of their work to establish water/sewer rates, implement the Water/Sewer Financial Policies adopted with Resolution 21-066, and otherwise update how the Utility's financial affairs should be managed. There is currently a substantial surplus in the Fund Balance, collected over multiple years.

The City maintains a Water Capital Asset Repair and Maintenance Allowance (Water CARMA) Fund and a Sewer Capital Asset Repair and Maintenance Allowance (Sewer CARMA) Fund for the purpose of funding repair and replacements of capital assets in the water and sewer systems that serve existing customers. For some years, the City added a 15% fee to the water and sewer rates and directed these funds into the CARMA accounts, allowing the CARMA funds to build into a reliable safety net. This fee was deleted from the rates in 2020 and a replacement CARMA funding mechanism has not yet been put in place. The CARMA Funds have dwindled because both the water and sewer utilities have needed repairs/replacements of critical equipment. The Sewer CARMA Fund is completely depleted and the Water CARMA Fund is at a much reduced level. Without a source of funding for capital repair/replacements, the reliability of the utilities is at risk.

It is critical to rebuild the CARMA Funds by reinstating an element in the water/sewer rate model to fund capital repairs/replacements effective with the next new rate schedule. In the meantime, we can use the existing surplus in the Fund Balance to provide an immediate injection of revenue into the CARMA Funds.

Recommendations: We recommend that the City Council do the following

- a. Authorize the transfer of the existing Utility Fund Balance, to be distributed 75% to the Sewer CARMA and 25% to the Water CARMA.
- b. Reinstated a CARMA element as a line item in the water/sewer rate model, the value of which would be based on the value of the repair/replacement projects allocated for the budgeted year.



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 22-158

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 8, 2022
SUBJECT: Utility Operations Fund Fund Balance Transfer to Utility CARMA

The purpose of this memo is to provide a financial position of various Utility funds (Operations, Water CARMA, and Sewer CARMA). This information is necessary for understanding the impacts of Ordinance 22-58.

Below details the financial position of each of the funds impacted by Ordinance 22-58, which proposes transferring \$208,000 out of the Utility Operations Fund into the Utility CARMA Fund. Included as supplemental information to this memo is a visual representation of the financial impacts and historical fund balance information.

Utility Operations Fund (Fund 200):

The purpose of the Utility Operations Fund is to fund operational expenses associated with the Water and Sewer Utilities. As fiscal years end, there is either a residual operating surplus or deficit. The accumulation of these surpluses/deficits over previous years has lead towards the current fund balance of \$1,205,126.

Water CARMA (Fund 256-0378):

The purpose of the Water CARMA Fund is to fund capital expenses associated with maintaining current water infrastructure.

The current fund balance for the Water CARMA fund is \$2,032,054. Of which, \$359,155 is currently encumbered through council appropriations. This balance is further reduced by a pending encumbrance of \$270,000 (ORD 22-54, Extending Capital Project Appropriations). If you also factor in the proposed \$52,000 transfer, the estimated balance available in the Water CARMA Fund is \$1,454,899. It is also worth mentioning that the FY23 Amended Budget included a Water CARMA transfer totaling \$106,804.

Sewer CARMA (Fund 256-0379):

The purpose of the Sewer CARMA Fund is to fund capital expenses associated with maintaining current sewer infrastructure.

The current fund balance for the Sewer CARMA fund is \$1,356,081. Of which, \$907,689 is currently encumbered through council appropriations. This balance is further reduced by a pending encumbrance of \$156,000 (ORD 22-54, Extending Capital Project Appropriations). If you also factor in the proposed \$156,000 transfer, the estimated balance available in the Sewer CARMA Fund is \$396,392. It is also worth mentioning that the FY23 Amended Budget included a Sewer CARMA transfer totaling \$234,166.

Ordinance Walkthrough:

Ordinance 22-58 serves to begin the replenishment of the Utility CARMA funds, as both the Water and Sewer CARMA funds have been heavily depleted (without restoration) over the last couple years.

The methodology behind determining the amount to transfer is as follows:

(1) Establish available balance	\$1,205,126
(2) Reduce for WWTP Clarifiers	(\$370,263)
(3) Reduce for 50% Utility Rate Buyback	(\$417,432)
(4) Reduce for 25% Operating Reserve	(\$208,716)
Total Allowable Transfer to CARMA	\$208,716

This amount was rounded to \$208,000 to allow for easier splits between the Water and Sewer CARMA funds. This amount was then split 25% to Water CARMA (\$52,000) and 75% to Sewer CARMA (\$156,000).

This ordinance is written to be in alignment with the passage of Scenario 2 in the proposed Utility Rate Model, which is formalized in Ordinance 22-61 establishing those rates.

Recommendation:

Introduce Ordinance 22-58 with a public hearing on September 26, 2022 to allow for public hearings on two Ordinances (22-60 Appropriating ARPA funds and 22-61 Establishing Utility Rates). These three Ordinances go in tandem and should pass in numerical order (Utility Fund Fund Balance transfer (ORD 22-58), appropriating ARPA funds (ORD 22-60), and ending with establishing utility rates (ORD 22-61)). It is worth mentioning that changes to any of these ordinances individually could have impacts on the others.

Utility Fund
 Unaudited Fund Balance Summary
 Presented 9/8/22

Utility Operations Fund (200)					
	FY18	FY19	FY20	FY21	FY22
Beginning Fund Balance	\$ 3,291,818	\$ 3,325,819	\$ 673,608	\$ 1,030,917	\$ 979,016
Ending Fund Balance	\$ 3,325,819	\$ 673,608	\$ 1,030,917	\$ 979,016	\$ 1,205,126
Net Change	\$ 34,001	\$ (2,652,211)	\$ 357,309	\$ (51,901)	\$ 226,110

Water CARMA Fund (256-0378)						
	FY18	FY19	FY20	FY21	FY22	FY23
Beginning Fund Balance	\$ 2,593,246	\$ 2,650,270	\$ 2,615,008	\$ 2,555,103	\$ 2,391,139	\$ 2,044,196
Ending Fund Balance	\$ 2,650,270	\$ 2,615,008	\$ 2,555,103	\$ 2,391,139	\$ 2,044,196	\$ 2,032,054
Net Change	\$ 57,024	\$ (35,262)	\$ (59,905)	\$ (163,964)	\$ (346,943)	\$ (12,143)
					Encumbered	\$ 359,155
					Pending Encumbrance (ORD 22-xx)	\$ 270,000
					Pending Transfer (ORD 22-xx)	\$ 52,000
					Estimated Balance Available	\$ 1,454,899
					FY23 Budgeted CARMA Transfer	\$ 106,804

Sewer CARMA Fund (256-0379)						
	FY18	FY19	FY20	FY21	FY22	FY23
Beginning Fund Balance	\$ 2,153,985	\$ 1,979,619	\$ 2,065,381	\$ 1,929,114	\$ 1,792,300	\$ 1,357,240
Ending Fund Balance	\$ 1,979,619	\$ 2,065,381	\$ 1,929,114	\$ 1,792,300	\$ 1,357,240	\$ 1,356,081
Net Change	\$ (174,366)	\$ 85,762	\$ (136,267)	\$ (136,814)	\$ (435,060)	\$ (1,160)
					Encumbered	\$ 907,689
					Pending Encumbrance (ORD 22-xx)	\$ 208,000
					Pending Transfer (ORD 22-xx)	\$ 156,000
					Estimated Balance Available	\$ 396,392
					FY23 Budgeted CARMA Transfer	\$ 234,166

**CITY OF HOMER
FINANCIAL SUPPLEMENT**

PROJECT NAME	<u>Utility CARMA Funding</u>	DATE	<u>09/07/2022</u>
DEPARTMENT	<u>Public Works</u>	SPONSOR	<u>City Manager/Finance Director</u>
REQUESTED AMOUNT	<u>\$ 208,000</u>		

DESCRIPTION	<p>The City maintains a Water Capital Asset Repair and Maintenance Allowance (Water CARMA) Fund and a Sewer Capital Asset Repair and Maintenance Allowance (Sewer CARMA) Fund for the purpose of funding repair and replacements of capital assets in the water and sewer systems that serve existing customers. For some years, the City added a 15% fee to the water and sewer rates and directed these funds into the CARMA accounts, allowing the CARMA funds to build into a reliable safety net. This fee was deleted from the rates in 2020 and a replacement CARMA funding mechanism has not yet been put in place. The CARMA Funds have dwindled because both the water and sewer utilities have needed repairs/replacements of critical equipment. The Sewer CARMA Fund is completely depleted and the Water CARMA Fund is at a much reduced level. Without a source of funding for capital repair/replacements, the reliability of the utilities is at risk.</p> <p>It is critical to rebuild the CARMA Funds by reinstating an element in the water/sewer rate model to fund capital repairs/replacements effective with the next new rate schedule. In the meantime, we can use the existing surplus in the Fund Balance to provide an immediate injection of revenue into the CARMA Funds.</p>
--------------------	--

FUNDING SOURCE(S)	Utility Operations	GF CARMA	GF FLEET CARMA	PORT RESERVES	WATER CARMA
	100%	0%	0%	0%	0%
	HAWSP	HART-ROADS	HART-TRAILS	PORT FLEET RESERVES	SEWER CARMA
	0%	0%	0%	0%	0%

FUNDING SOURCE 1: Utility Operations FB	FUNDING SOURCE 2:	FUNDING SOURCE 3:
Current Balance <u>\$ 1,205,126</u>	Current Balance _____	Current Balance _____
Encumbered <u>\$ 0</u>	Encumbered _____	Encumbered _____
Requested Amount <u>\$ 208,000</u>	Requested Amount _____	Requested Amount _____
Other Items on Current Agenda <u>\$ 370,263</u>	Other Items on Current Agenda _____	Other Items on Current Agenda _____
Remaining Balance <u>\$ 626,863</u>	Remaining Balance _____	Remaining Balance _____
FUNDING SOURCE 4:	FUNDING SOURCE 5:	FUNDING SOURCE 6:
Current Balance _____	Current Balance _____	Current Balance _____
Encumbered _____	Encumbered _____	Encumbered _____
Requested Amount _____	Requested Amount _____	Requested Amount _____
Remaining Balance _____	Remaining Balance _____	Remaining Balance _____

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-59

An Ordinance of the City Council of Homer, Alaska Amending the City of Homer Fee Schedule under City-Wide Administrative Fees for City Lease Fees.

Sponsor: City Manager/City Clerk

1. City Council Regular Meeting September 12, 2022 Introduction

Memorandum 22-151 from Deputy City Clerk as backup.

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

3 City Manager/City Clerk

4 **ORDINANCE 22-59**

5
6 AN ORDINANCE OF THE OF THE CITY COUNCIL OF HOMER,
7 ALASKA, AMENDING THE CITY OF HOMER FEE SCHEDULE UNDER
8 CITY-WIDE ADMINISTRATIVE FEES FOR CITY LEASE FEES.
9

10 WHEREAS, Staff in the City Manager’s Office, City Clerk’s Office, Port and Harbor, and
11 Economic Development have been meeting to internally restructure how City leases are
12 managed; and
13

14 WHEREAS, Changes to the standard operating procedures for lease applications and
15 lease management have made it clear the lease fees the City charges no longer match the
16 procedures or the amount of staff time required to process amendments or new leases; and
17

18 WHEREAS, Proposed lease fees are made with the intention of aligning the fees with
19 actual lease procedures and recouping more of the costs from staff time, while understanding
20 that the fees still remain considerably lower than actual staff time costs.
21

22 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
23

24 Section 1. The City Council of Homer, Alaska, hereby amends the City Fee Schedule
25 under City-Wide Administrative Fees as follows:
26

27 City-Wide Administrative Fees:
28

Lease Application Fee	\$30.00 \$1,000.00
Lease-Fee	\$300.00
Lease Amendment/Transfer Fee	\$500.00

29
30 Section 2. This ordinance is a budget ordinance only, it is not permanent in
31 nature and shall not be codified.
32

33 ENACTED BY THE HOMER CITY COUNCIL this ____ day of ____, 2022.
34

35 CITY OF HOMER
36

37 _____
38 KEN CASTNER, MAYOR
39

40

41 ATTEST:

42

43 _____

44 MELISSA JACOBSEN, MMC, CITY CLERK

45

46 YES:

47 NO:

48 ABSENT:

49 ABSTAIN:

50

51 First Reading:

52 Public Hearing:

53 Second Reading:

54 Effective Date:



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 22-151

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
FROM: RACHEL TUSSEY, CMC, DEPUTY CITY CLERK II
THROUGH: ROBERT DUMOUCHEL, CITY MANAGER
DATE: JUNE 2, 2022
SUBJECT: AMENDING CITY LEASE FEES

Staff in the City Manager's Office, City Clerk's Office, Port and Harbor, and Economic Development have been meeting to internally restructure how City leases are managed. Changes to the standard operating procedures for lease applications and lease management have made it clear the lease fees the City charges no longer match the procedures or the amount of staff time required to process amendments or new leases.

City Staff is proposing a one-time, non-refundable "Lease Application Fee" of \$1,000 at the time an official new lease application is submitted to more adequately cover the costs of staff time from the beginning of the process, and remove the \$300 "Lease Fee" that's charged at the end of the process when a final lease is signed. A new "Lease Amendment/Transfer Fee" of \$500 will be for less time-consuming lease processes where an existing lease is being amended or transferred, rather than a whole new lease, and charged at the time a lessee submits a lease amendment or transfer proposal.

Proposed lease fees are made with the intention of aligning the fees with actual lease procedures and recouping more of the costs from staff time, while understanding that the fees still remain considerably lower than actual staff time costs.

Recommendation

Adopt Ordinance 22-59 amending the City Fee Schedule under City-Wide Administrative Fees.

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

3 City Clerk/
4 PARCAC

5 **RESOLUTION 22-064**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
8 ACCEPTING A DONATION OF ART BY JACK SMITH OF HELOTAS,
9 TEXAS, DEPICTING A MOTHER BALD EAGLE AND HER EAGLET FOR
10 INCLUSION IN THE MUNICIPAL ART COLLECTION.

11
12 WHEREAS, The City Clerk's Office received a donation proposal application from Mr.
13 Jack Smith of Helotas, Texas to donate his artwork of a mother eagle and her baby for
14 placement in a location to be determined; and

15
16 WHEREAS, Mr. Smith photographed the eagles depicted at the Homer Small Boat
17 Harbor in the Summer of 2019 and the artwork was displayed locally at the Islands and Ocean
18 Visitor Center; and

19
20 WHEREAS, Mr. Smith was unable to travel to Alaska in June 2022, found that the artwork
21 was no longer displayed by the Visitors Center, and felt that it should remain in Homer; and

22
23 WHEREAS, The Parks, Art, Recreation & Culture Advisory Commission reviewed the
24 application at their regular meeting on August 18, 2022 and determined that the artwork
25 should be accepted into the Municipal Art Collection and displayed at a location to be
26 determined.

27
28 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby accepts the
29 donation of artwork by Mr. Jack Smith of Helotas, Texas, depicting a Mother Bald Eagle and
30 her Eaglet into the Municipal Art Collection.

31
32 PASSED AND ADOPTED by the Homer City Council this 12th day of September, 2022.

33
34 CITY OF HOMER

35
36 _____
37 KEN CASTNER, MAYOR

38 ATTEST:

39
40 _____
41 MELISSA JACOBSEN, MMC, CITY CLERK

42
43 Fiscal note: N/A



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 22-153

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: PARKS ART RECREATION & CULTURE ADVISORY COMMISSION

THRU: ROB DUMOUCHEL, CITY MANAGER

DATE: SEPTEMBER 12, 2022

SUBJECT: DONATION OF ARTWORK FOR INCLUSION IN THE CITY OF HOMER
MUNICIPAL ART COLLECTION

The Parks, Art, Recreation & Culture Advisory Commission reviewed the application for a donation of artwork created by Jack Smith of Helotas, Texas. The picture is of a mother eagle and her eaglet in their nest in the Small Boat Harbor located on the Homer Spit. This was original photograph taken by Mr. Smith and locally framed in Homer. It was displayed for some time at the Visitors Center. Mr. Smith was unable to properly store the artwork during his travels and determined that it should remain in Homer and donated it to the City.

Commissioners expressed that it was very impressive and sure to find a home in one of the city buildings. They agreed with staff suggestion of displaying the artwork in Council Chambers.

RECOMMENDATION

City Council review the application, accept and approve the donation of art to be included in the Municipal Art Collection and displayed at a location to be determined.



MUNICIPAL ART COLLECTION GIFT PROPOSAL APPLICATION

PLEASE TYPE OR PRINT CLEARLY AND MAKE YOUR RESPONSES COMPLETE AND THROUGH.

DATE 6-24-2022
CONTACT PERSON Jack Smith TITLE Professional Photographer
ORGANIZATION IF APPLICABLE Smith's Uncommon Images
ADDRESS 14220 Auberry Dr. CITY Helotes STATE TX ZIP 78023
PHONE (210) 854-4632 FAX None CELL
EMAIL jacksmithsa@hotmail.com

TELL US WHY YOU WISH TO DONATE THIS ARTWORK TO THE CITY OF HOMER?

I captured this photograph in the summer of 2019 of the bald eagle and her eaglet in their nest in the Homer Small Boat Harbor. I had it made in a 24" x 36" gallery wrap (photo on canvas). I donated it to Islands and Oceans. When I found it was being stored in a closet and no longer being displayed, I decided it needed a new home

PROPOSED ARTWORK

in Homer, Alaska,

TITLE OF ARTWORK

Homer, Alaska Bald Eagles In Nest

ARTIST(S) NAME

Jack Smith

YEAR COMPLETED

2019

DIMENSIONS

24" X 36" X 2"

MATERIALS USED TO CREATE ARTWORK

Printed Photo on Canvas

PHYSICAL DESCRIPTION OF THE PROPOSED PIECE-

Mother Bald Eagle and Her Eaglet in Their Nest

NARRATIVE DESCRIPTION OF THE PROPOSED ARTWORK - TELL US THE STORY BEHIND THE PIECE OR SIGNIFICANCE -

I waited patiently for the eaglet to sit up tall in the nest beside mother bald eagle with the perfect sunlight to capture an ideal portrait of the pair of eagles.

RESTRICTIONS

ARE THERE ANY KNOWN COVENANTS, REQUIREMENTS OR RESTRICTIONS THAT COME WITH THE PIECE? _____

DNA

WHAT EXPECTATIONS DO YOU HAVE FOR THE CITY OF HOMER IN ACCEPTING THIS ARTWORK? _____

(p/1990) ton 2006

COMMUNITY INVOLVEMENT

WAS THERE ANY COMMUNITY OR USER INVOLVEMENT IN SELECTING THE RECOMMENDED LOCATION? _____

DNA

PLEASE INCLUDE ANY LETTER(S) OF SUPPORT FOR THE PROJECT OR PROPOSED DONATION.

DNA

APPLICANT MUST SUBMIT THE FOLLOWING SUPPORTING DOCUMENTATION WITH THIS APPLICATION.

- AN RESUME OR BIO FROM THE ARTIST WHO CREATED OR WILL CREATE THE ARTWORK.
- FIVE TO TEN IMAGES OF PAST WORK FROM THE ARTIST. THESE CAN BE PHOTOGRAPHS.
- _____ THREE TO FIVE CLEAR IMAGES OF THE PROPOSED ARTWORK *★ See Photographer Website:*
- _____ SCALE DRAWING/MODEL OF THE PROPOSED ARTWORK *https://mountainwildlife.zenfolio.com*
- _____ IF YOU HAVE A SITE(S) IN MIND PLEASE INCLUDE PHOTO AND DESCRIPTION OF THE SITE(S) AND A SCALED DRAWING OF THE PROPOSED ARTWORK IN THE RECOMMENDED LOCATION.
- _____ A COPY OF A FORMAL APPRAISAL IF AVAILABLE
- _____ TECHNICAL SPECIFICATIONS, MAINTENANCE MANUAL OR DRAWINGS/RECOMMENDATION FROM STRUCTURAL ENGINEER.

APPLICATIONS ARE TO BE SUBMITTED TO:

THE CITY OF HOMER
CITY CLERKS OFFICE
491 E. PIONEER AVENUE
HOMER, AK 99603

OR YOU MAY SUBMIT VIA FAX AT 907-235-3143 TO SUBMIT VIA EMAIL PLEASE SEND TO clerk@ci.homer.ak.us

IF YOU HAVE ANY QUESTIONS PLEASE FEEL FREE TO CONTACT THE CLERK'S OFFICE AT 235-3130.



1

Large 24"W x 36"H x 2" Photo on canvas by Jack Smith, Professional photographer

Smith's Uncommon Images, Helotes, Texas

Picture: 2019 photo of parent eagle and eaglet

Homer Spit near the Homer Small Boat Harbor

Jack Smith
14220 Auberry Drive
Helotes, Texas 78023
210-854-4632
jacksmithsa@hotmail.com

Employer:

Smith's Uncommon Images
Professional Photographer

Experienced Owner with a demonstrated history of working in the photography industry. Skilled in Event Photography, Nature and Wildlife Photography, Travel Photography, Commercial Photography, and Weddings. Strong business development professional graduated from Central High School, Angelo State University, and University of Texas, San Antonio.

Education

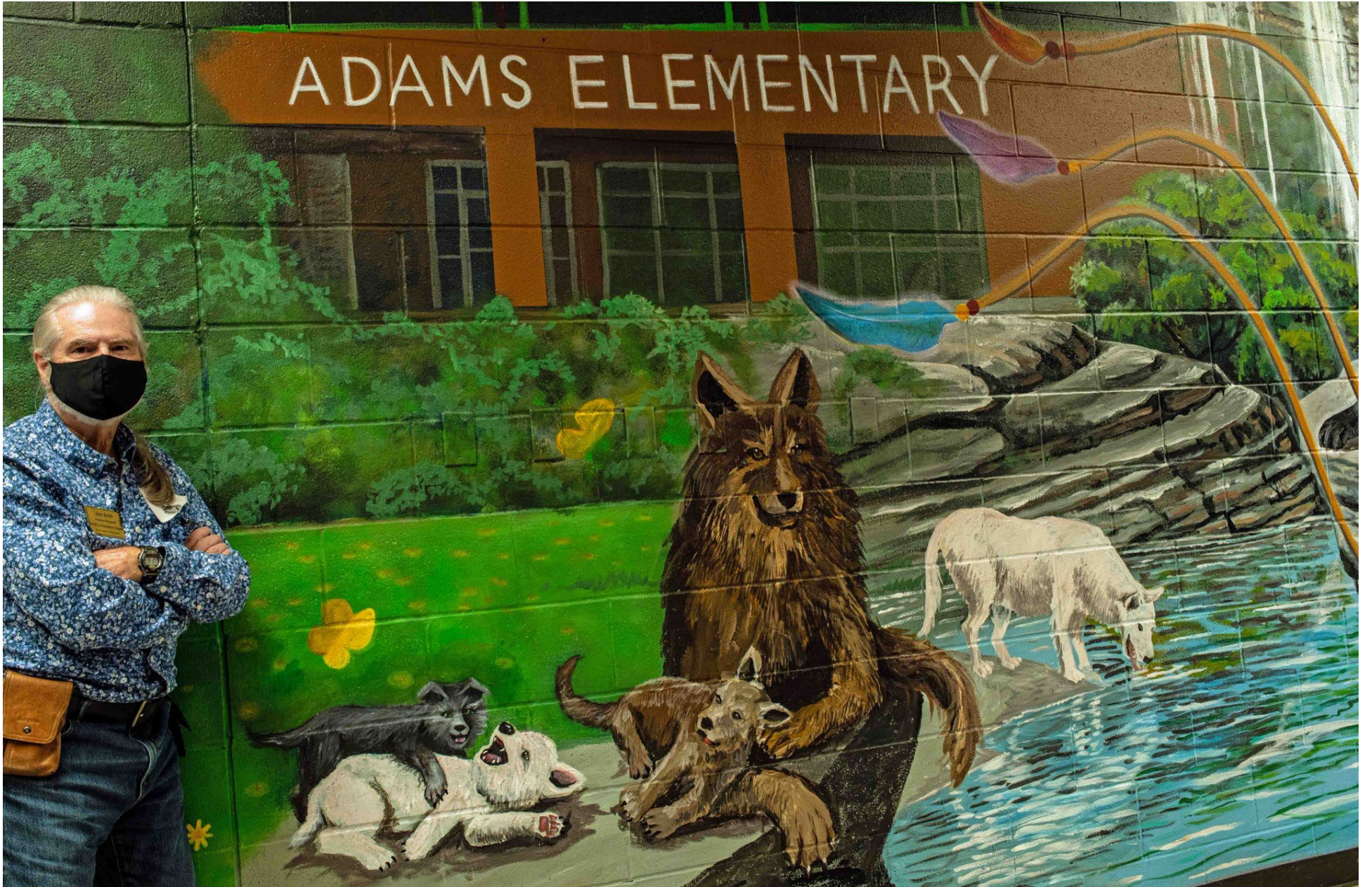
The University of Texas at San Antonio
Master of Arts - MA, Educational Psychology, Guidance and Counseling

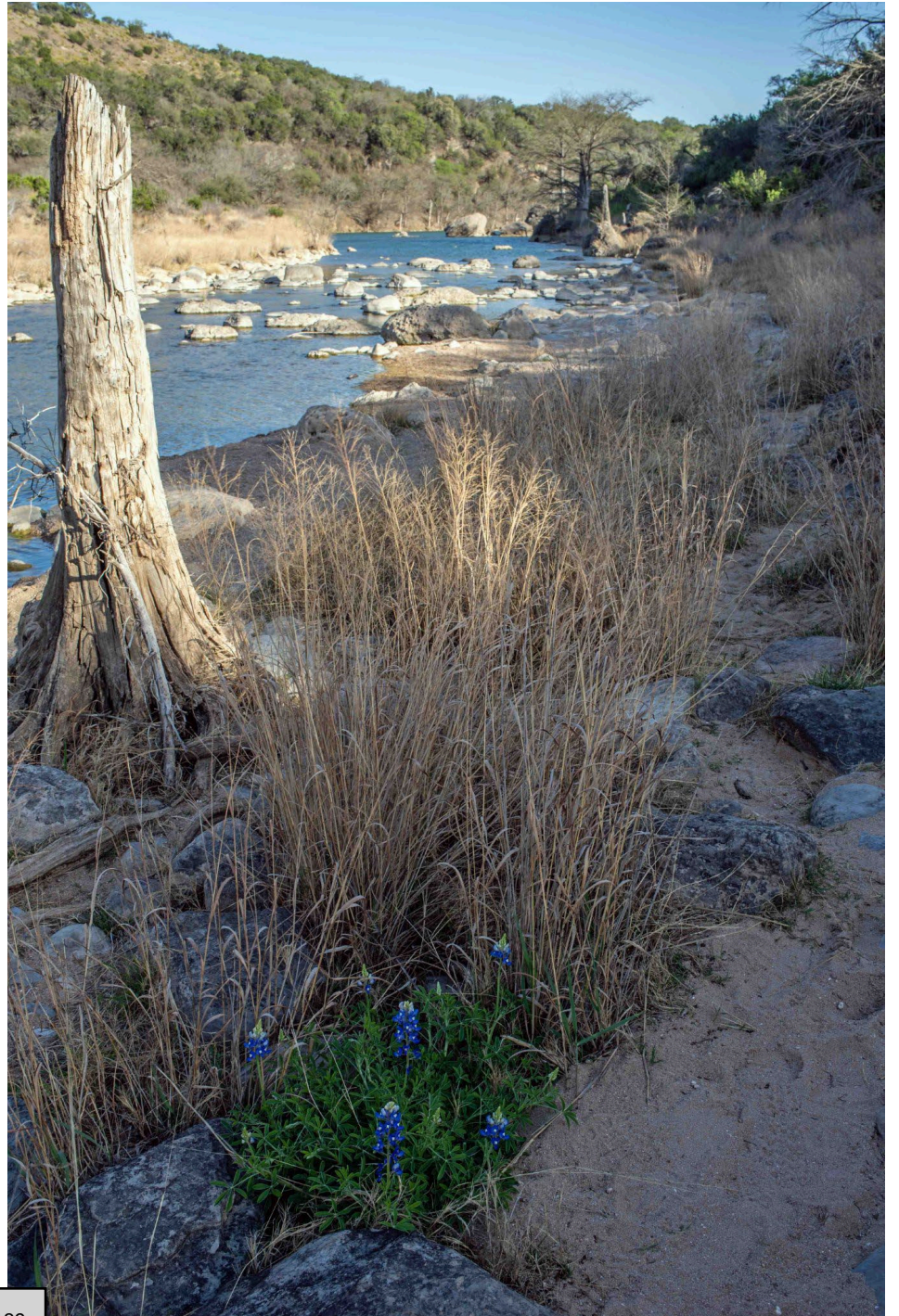
Angelo State University
Bachelor's degree, Health and Physical Education/Fitness Pre K – 12th grade

Central High School

Previous work:









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

3 City Manager/
4 Public Works Director

5 **RESOLUTION 22-065**

6
7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
8 AWARDING A TERM CONTRACT IN AN AMOUNT NOT TO EXCEED
9 \$25,000 FOR PROFESSIONAL SERVICES TO THE INDEPENDENT
10 LIVING CENTER, AND AUTHORIZING THE CITY MANAGER TO
11 NEGOTIATE AND EXECUTE THE APPROPRIATE DOCUMENTS.

12
13 WHEREAS, The City is working hard to increase its network of non-motorized
14 transportation routes and is developing a Master Transportation Plan, which will include non-
15 motorized transportation as a key element; and

16
17 WHEREAS, The Independent Living Center recently the hired Brad Parsons, an advocate
18 of the “People First” school of transportation, who can help inform our work to make Homer’s
19 transportation planning efforts more inclusive; and

20
21 WHEREAS, The Independent Living Center is interested in entering into a Term Contract
22 with the City to make Mr. Parsons’ expertise available to the City via Task Orders that would be
23 issued for specific scopes of work; and

24
25 WHEREAS, The billing rate for Mr. Parsons is less than \$35/hour; and

26
27 WHEREAS, The costs for Term Contract should be funded from the Non-motorized
28 Transportation Opportunity Program, which Council recently created with the adoption of
29 Ordinance 22-25(A), on May 24, 2022.

30
31 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, awards a
32 Term Contract to the Independent Living Center in the Not To Exceed amount of \$25,000 and
33 authorizes the City Manager to negotiate and execute the appropriate documents.

34
35 PASSED AND ADOPTED by the Homer City Council this 12th day of September, 2022.

36
37 CITY OF HOMER

38
39
40
41
42 _____
43 KEN CASTNER, MAYOR

44 ATTEST:

45

46

47

48 _____
MELISSA JACOBSEN, MMC, CITY CLERK

49

50 Fiscal note: Ordinance 22-25(A)



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907- 235-3170

(f) 907-235-3145

Memorandum 22-154

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, PE, Director of Public Works
DATE: August 23, 2022
SUBJECT: Proposed Term Contract with Independent Living Center

Issue: The purpose of this memorandum is to propose a Term Contract with the Independent Living Center to help the Public Works Department better understand how to humanize some elements of its work, such as planning for non-motorized transportation and creating accessible public spaces.

Background: The City is working hard to increase its network of non-motorized transportation routes and is developing a Master Transportation Plan, which will include non-motorized transportation as a key element. The Independent Living Center recently hired Brad Parsons, an advocate of the “People First” school of transportation. Mr. Parsons’ expertise can help inform our work to make Homer’s transportation planning efforts more inclusive. He can do this by (1) helping to describe the vision and (2) reviewing plans and designs for actual projects, sidewalks, trails, etc., from his unique perspective.

For example, we recently received the 35% drawings for the Ben Walters Way Sidewalk. Public Works’ staff reviewed them, looking for utility conflicts, drainage impacts and other technical matters. Mr. Parsons looked at them from the perspective of how a child or elderly person walking on the sidewalk would experience the journey; his perspective “humanizes” the asphalt and concrete that make up the project.

The strategy, if approved, would be to enter into a Term Contract with the Independent Living Center, just as we have with the Homer Soil & Water Conservation District as well as other professional service providers. Then, we would issue Task Orders for specific scopes of work. The billing rate for Mr. Parsons is expected to be less than \$35/hour. We recommend a \$25,000 contract, to be expended over the next year.

The costs for Term Contract should be funded from the Non-motorized Transportation Opportunity Program, which Council recently created with the adoption of Ordinance 22-25, on May 24, 2022.

Recommendations: That the City Council authorize a Term Contract to the Independent Living Center in the NTE amount of \$25,000, funded from the Non-Motorized Transportation Opportunity Program.

**CITY OF HOMER
HOMER, ALASKA**

Aderhold/City Clerk

RESOLUTION 22-066

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
APPROVING THE 2022 COUNCIL OPERATING MANUAL UPDATE.

WHEREAS, Homer City Council established the Council Operating Manual in 1983 and has been amended by resolution as needed over the years; and

WHEREAS, The Council Operating Manual was thoroughly reviewed and edited to remove redundancies, clarify language, add additional information, and give it a modern and fresh look; and

WHEREAS, Council reviewed the draft 2022 Council Operating Manual update and provided recommendations at their Committee of the Whole meeting on July 25, 2022.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby approves the 2022 Council Operating Manual Update.

PASSED AND ADOPTED by the Homer City Council this ___day of ____, 2022.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal note: NA



CITY COUNCIL OPERATING MANUAL

Revised xx/xx/2022



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89

The City Council Operating Manual was approved by City Council on October 10, 1983, and has been amended regularly by resolution with the growth of the City and Council requirements. This manual is a reference point for directives not appropriately placed elsewhere, a standard operating procedure for questions most frequently asked by Council Members, and an outline and tool for orientation of new Council Members. The balance of these policies are as follows and should be reviewed and updated regularly. The manual is also useful to the public for understanding how the Council operates and what to expect from Council Members.

I. Policies of the Homer City Council

In 1983 the Homer City Council directed that policy directives be drafted to promote routine handling of various categorical business practices. Personnel policies were amended in accordance with policy directives dealing specifically with personnel matters and are found in the City of Homer Personnel Regulations Manual. The balance of these policies are as follows and will be updated regularly.

General Statements

The City of Homer is a first class general law city incorporated March 31, 1964.

Mayor and Council are elected officials. The Mayor is not a member of the Council and may vote only in the case of a tie vote.

The Mayor of the City of Homer presides over meetings of the City Council, has the power to veto action of the Council (which may be overridden with a 2/3 vote of the Council), and acts in an official capacity through the City Clerk.

The City Council is a body of six elected officials empowered by State Statute and Homer City Code to represent the citizenry in decisions on their behalf. Four members of the Council constitute a majority for quorum and voting purposes.

Alaska Statute Title 29 is the chapter that addresses municipal government. Mayor and Council Members are strongly encouraged to familiarize themselves with Title 29 and the rules that are explicit in the statute.

The City of Homer adopted a manager plan form of government. The Homer City Council appoints the Manager by a majority vote of its membership and the Manager takes direction from the Council as a whole.

Elected Officials from Homer typically take part in the Alaska Municipal League (AML) Annual Conference (December), Winter Legislative Conference (February), and Summer Legislative Conference (August). The Annual Conference is held in Anchorage and provides valuable training for newly elected officials, opportunities for city leaders to meet on a wide variety of topics important to municipalities across the state, and voting to set municipal legislative priorities. The Winter Legislative Conference, held in Juneau during the legislative session, is an important opportunity to hear from state agencies and to meet with state legislators on city priorities. The Summer Legislative Conference rotates among municipalities and discussion topics vary based on current legislative issues.

90 **Policy Directives**

91

- 92 • [Council Relations with Employees & Department Heads:](#)

93

94 The Council acts as a whole, not as individuals, when interacting with employees regarding City business.

95

- 96 • [Council Relation with City Attorney](#)

97

98 Contact with the Attorney by individual Council Members is expected to be judicious, always considering the
99 fiscal impact. ~~Specific information requested from the City Attorney by an individual must be in writing to the~~
100 ~~City Attorney and copied to each Council Member.~~ **The City Attorney is hired by Council and Council works**
101 **with the Attorney through the City Manager.**

102

103 Legal opinions on sensitive, controversial, or potentially costly matters will be brought before the full Council
104 for action and should be in written form whenever possible. "Legal Opinions" are defined as paper products
105 and not intended to include advice/information provided verbally. Legal opinions will be given to all members
106 at the same time it is given to the individual member.

107

108 When more than one solicited legal opinion exists on the same subject, the City Attorney's opinion overrides.

109

- 110 • ~~[Council Conduct](#)~~ [Statement of Mayor and Council on Behalf of the City of Homer & Use of City Letterhead](#)

111

112 Statements of the Mayor and Council on behalf of the City are based on consensus and resolve of the Council
113 body and substantiated by official record.

114

115 **Council Members should not distribute letters independently on City letterhead. Letters sent on behalf**
116 **of the City Council must come before the Council for review and approval.**

117

- 118 • [Council Member/Mayor Absences](#)

119

120 Every effort should be made to give advance notice of absences. Absences should be coordinated in order to
121 provide the highest possible attendance at Council Meetings. Notice may be given under Council Member
122 Comments at the end of a council meeting, or by contacting the City Clerk, Mayor, or City Manager.

123

- 124 • [City Council and Commission and Board Minutes](#)

125

126 It is a general consensus that the official record of proceedings, the minutes of City Council and Commission
127 meetings, will be in the "action" format which state clearly the subject considered and the action. Points made
128 in deliberation shall be reflected only. Individual comments of the Council, Commissions and Board are
129 summarized under "Council Comments", "Commission Comments" or "Board Comments". Statements for the
130 record are prefaced with a directive that the comment "is for the record." Public Comments, Public Testimony
131 on Public Hearing Items and Audience Comments shall reflect the subject of the comment or testimony,
132 whether the commenter/testifier is for or against the subject of his/her comments/testimony and shall reflect,
133 in synopsis format, any historical perspective.

134

- 135 • [City Council Meetings](#)

136

137 **Homer City Council meets regularly on the second and fourth Monday of each month. The regular**
138 **meeting schedule for City Council and Advisory Bodies is adopted annually by resolution and it has been**
139 **a practice to schedule one Council meeting in the months of July, November and December.** It is the policy
140 of the City Council to avoid holding regular or special meetings on State and Federal holidays. ~~It is the custom~~
141 ~~of the Homer City Council to cancel the second regular meeting in December.~~

- [Mayor Pro Tem](#)

144
145 At the first meeting of the Council following certification of the municipal election each year, there shall be
146 appointed a Mayor Pro Tempore, by majority vote of Council, to act as Mayor during the Mayor's temporary
147 absence or disability. HCC 2.08.080

148
149 The Mayor Pro Tem shall, in the absence of the Mayor, act as Mayor of the City of Homer ~~as though they~~
150 ~~themselves had taken the Oath of Office of Mayor~~ with all duties, responsibilities and power of the Office of the
151 Mayor for the City of Homer, including agenda deadline and review, appointments to boards and commissions,
152 Mayoral Proclamations and Recognitions, and other duties of the Mayor.

153
154 The Mayor Pro Tem, when acting in that capacity, does not lose the privilege or duty to discuss and vote as
155 Council Member.

156
157 In the event both the Mayor and Mayor Pro Tem are unable to preside, the most senior member will serve as
158 the Presiding Officer and assume the duties as identified for Mayor Pro Tem.

- [Orientation of New Council Members](#)

161
162 A general orientation to municipal government, Council conduct and expectations will take place in close
163 proximity to being sworn into office. The **City Manager, City Clerk, Information Technology Manager, and**
164 **Mayor (unless newly elected)** is responsible for providing orientation program **for newly elected officials.**

- [Release of Telephone, Mailing Address and Location of City Council and Commissions](#)

167
168 It is the policy of the City of Homer to release all available information on any **elected** official unless otherwise
169 directed by the individual **elected** official.

- [Fiscal Notes](#)

172
173 Every action item on Council's Agenda is to include both negative and/or positive financial impact. If a fiscal
174 note is not required or not applicable the action item is to be so marked. (Memorandum 90-239)

- ~~[Use of City Letterhead](#)~~

177
178 ~~Council Members should not distribute letters independently on City letterhead. Letters sent on behalf of the~~
179 ~~City Council must come before the Council for review and approval.~~

- [Political Endorsement](#)

182

183 The Homer City Council takes no position in the endorsement of any political race. Since the Mayor is not a
184 member of the voting body and is an elected official, there is nothing to prohibit his using his title to endorse a
185 political candidate.

- 186
- 187 • [Political Agendas](#)
- 188

189 **The Homer City Council will take no position on political agendas that would have an adverse impact on**
190 **the City of Homer.**

- 191
- 192 • [Lobbying Activities](#)
- 193

194 City Council annually adopts by Resolution the City’s five year Capital Improvement Plan (CIP) and Legislative
195 Priorities for the upcoming fiscal year.

196

197 When working with a contract lobbyist or lobbying on behalf of the City, the City Council will adopt resolutions
198 or approve memorandums in support of capital projects or legislation which will direct Council’s position.

199

200 When opportunities arise for Mayor and Council Members to lobby on behalf of the City, City staff and/or the
201 contract lobbyist will prepare a schedule of meetings with legislators and other State officials to address
202 specific matters related to Council supported capital projects or legislation. If a Council Member chooses to
203 address non-city related legislative issues or positions, they should make separate appointments outside of
204 and so as not to conflict with the staff/lobbyist prepared schedule.

205

206 Upon returning from travel on City business, including lobbying trips or other trips made on behalf of the City,
207 the City Manager, Council Members and Mayor will file written reports for inclusion in the next Council meeting
208 packet under Announcements/Presentations/Reports

- 209
- 210 • [Amendments to the Council Operating Manual](#)
- 211

212 Amendments to City Code that are adopted by Ordinance and are referenced in this manual and in the
213 Appendices will be updated by the City Clerk and will not require approval by resolution. All other amendments
214 to the Council Operating Manual will be approved by resolution.

215

216 II. Procedures and General Information

217 Robert's Rules, Homer City Code (HCC) and Alaska State Statues (AS) govern powers and operations of the
218 Council. Title 29 specifically deals with municipalities; however, other State Statutes can affect specific
219 subjects of consideration. The following is a quick reference for Council Members confronted with the first
220 exposure as an elected government official.

221 Bylaws

222 By-laws for Council procedure govern the procedures of the City Council are found in HCC 2.08.040.

223 Attendance

224 ~~By laws for Council procedure provides that~~ Unexcused absences from three consecutive meetings is adequate
225 basis for declaring the seat vacant. Notification of intent to be absent is the primary prerequisite to being
226 excused.

227 Notification of future absences can be made at any Council meeting under Comments of the Council.

228
229 Notification of absence between meetings is accomplished by advising the Mayor, City Clerk or City Manager.
230
231 During opening remarks, the Mayor, or designated presiding officers declares the status of any absence for the
232 record.
233
234 Council Members may state objections to absences either when authorization for an absence is required by a
235 Council Member or declared excused by the Mayor.
236

237 **Teleconference**

238 The preferred procedure for City Council meetings is that the Mayor and all Council Members should be
239 physically present at the designated time and location within the City for the meeting. However, physical
240 presence may be waived and the Mayor and any member(s) may participate in a Council meeting by
241 teleconference, subject to the procedures and limitations provided in HCC 2.08.

242 Mayor and Council Members may attend a maximum of three meetings telephonically during the twelve month
243 period commencing November 1st of each year.

244 Mayor or Council Members shall notify the City Clerk at least 5 days prior to the scheduled time for the meeting
245 their request to participate telephonically. The City Clerk will notify the Mayor and Council Members of the
246 request three days prior to the scheduled meeting time.

247 *Procedures regarding telephonic participation are in HCC 2.08.100-2.08.120.*

248 **Executive Session**

249 An executive session is an agenda item of a special or regular meeting that provides an opportunity for Council
250 to meet privately to discuss and possibly provide direction to the City Manager and/or the City Attorney
251 regarding sensitive and confidential issues. Alaska Statutes and Homer City Code govern matters that may be
252 discussed in an executive session as follows:

- 253
- 254 (1) Matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the
255 government unit;
 - 256 (2) Subjects that tend to prejudice the reputation and character of any person, provided the person may
257 request a public discussion;
 - 258 (3) Matters which by law, municipal charter, or ordinances are required to be confidential;
 - 259 (4) Confidential records, matters involving consideration of government records that by law are not subject
260 to public disclosure;
 - 261 (5) Attorney-client privilege;
 - 262 (6) Exemption for adjudicatory deliberations and decision-making; and
 - 263 (7) Organizational votes.

264 On the Council's Agenda only the Statute number and section are required to be listed as the reason for
265 Executive Session. The issue to be discussed is to be listed in parenthesis after the reason for executive session.

266 This section is not applicable to quasi-judicial bodies.

267 ~~A regular or special meeting may be recessed or adjourned to executive session. Future times for executive~~
268 ~~sessions may be set by motion.~~ A duly constituted, called meeting with a quorum present is required for
269 consideration of an executive session motion. Vote on the motion is taken by roll call **and if it passes, Council**
270 **will enter into executive session.**

271 When the executive session is complete, the Mayor will reconvene in the public meeting and Council may take
272 action if necessary.

273 Any Council Member, the Mayor or City Manager may place consideration of an executive session on the
274 agenda. ~~When placed before agenda closing, the question is decided by 2/3 vote.~~

275 During Executive Session:

276 (1) Stick to the issue

277 (2) No action; limited exceptions

278 (3) Decision-making in ad judicatory proceeding (quasi-judicial matters)

279 It's imperative to remember that discussion that takes place in executive session is confidential and is not to
280 be shared with anyone outside of executive session.

281 **Conflict of Interest, Partiality, and Code of Ethics**

282 HCC 1.18.010 explains that the proper functioning of democratic government requires ethical behavior by
283 public officials. Ethics involves the commitment to take individual responsibility in creating a government that
284 has the trust and respect of its citizens. The purpose of HCC 1.18 is to set reasonable standards of conduct for
285 City officials and the City Manager so that the public may be assured that its trust in such persons is well placed
286 and that City officials and the City Manager themselves are aware of the standards of conduct demanded.

287
288 However, recognizing that Homer is a small community, with a limited number of people interested in serving
289 as community leaders, it is not the intent of HCC 1.18 to set unreasonable barriers that will serve only to deter
290 aspirants from public service.

291
292 Mayor and Council Members must familiarize themselves with HCC 1.18 to understand when Council business
293 may present a conflict and the process for addressing conflict of interest.

294
295 At the meeting after the Mayor announces the business item and before a motion or discussion takes place the
296 Council Member announces they have a conflict of interest and states the conflict and the Mayor will make a
297 ruling on the conflict. The Mayor's ruling may be overridden by a majority of the Council. A Council Member
298 may move to disqualify another member if they do not disqualify themselves.

299
300 If a Council Member is determined to have a conflict of interest, they must leave the dais and return upon
301 completion of the business item.

302
303 Key Steps are:

304 1) notification of substantial financial interest which then leads to

305 2) Mayor or Presiding Officer determination of whether financial interest is substantial.

306 To abstain from voting without giving notice may be a disservice to the other Council Members. An abstention
307 counts as a negative vote (Robert's Rules of Order).

308 *All procedures regarding conflict of interest and code of ethics are in HCC Chapter 1.18 Conflicts of Interest,*
309 *Partiality.*

310 **Council Vacancy**

311 Alaska Statute 29.20.180 and HCC 2.08.050 delegate responsibility for the appointment to a vacated Council
312 seat exclusively to the City Council. Upon the Council's acceptance of a vacancy the City Clerk shall prepare an
313 advertisement soliciting applications for candidates for appointment to the vacated seat to be submitted
314 within a time certain. Applications, which are a public record, shall be submitted on a form approved by Council
315 who shall schedule interviews of the candidates. Upon conclusion of the interviews Council shall appoint in its
316 sole discretion the candidate to fill the vacated seat. A Council Member appointed in accordance with HCC
317 2.08.050 shall serve until the next regular election, when a successor shall be elected to serve the balance of the
318 term.

319 **Public Comment/Testimony and Audience Comment Time Limits for City Council, Commission, and Board** 320 **Meetings**

321 The meeting chairperson shall note for the audience's benefit that there is a three-minute time limit each time
322 there is a place in the agenda for public comment/testimony or audience comments. Any individual wishing to
323 address the City Council or any of its Advisory Bodies shall adhere to a three-minute time limit. It is the
324 responsibility of the Chair to announce under Public Comments, Public testimony on public hearing items and
325 Audience Comments that there is a three-minute time limit. Time limits may be adjusted by the two minutes
326 up or down with the concurrence of the body in special circumstances only such as agenda content and public
327 attendance.

328
329 Any person making personal, impertinent, threatening or slanderous remarks or who shall become boisterous
330 while addressing the Council, shall be forthwith, by the presiding officer barred from further audience at the
331 meeting before the Council, unless permission to continue be granted by a majority vote of the Council.

332 Any Council Member may rise to a Point of Order regarding this issue.

333 **Emergency Operations**

334 **The Mayor has the authority to declare an emergency as outlined in the City's Emergency**
335 **Operations Plan (EOP). The EOP outlines the role of the Mayor and Council Members in the event**
336 **of an emergency within the City of Homer. The Mayor and Council Members are strongly**
337 **encouraged to familiarize themselves with the National Incident Management System (NIMS)**
338 **and completed IS-700 NIMS: An Introduction and ICS-100 AN Introduction to ICS Training**
339 **Courses available online at <http://training.fema.gov/emiweb/IS/crslist.asp>**
340

341 **Updates to the Council Operating Manual**

342 **The Council Operating Manual will be reviewed annually in June. Any revisions will be adopted by**
343 **resolution.**

344

345 **III. Open Meetings Act**

346 Alaska Statute 44.62.310 requires that all meetings of a governmental body of a public entity be open to the
347 public, and that reasonable notice of such meetings (including regular and special meetings, work sessions,
348 and committee meetings) must be given. This law is commonly referred to as the Open Meetings Act (OMA).

349
350 The OMA defines a meeting as a gathering of more than three members, or a majority of the members of the
351 governing body, whichever is less. Public officials should exercise caution when engaged in discussion about
352 municipal issues among themselves outside of a publicly noticed meeting, or on social media. This kind of
353 discussion can be construed as violating the OMA.

354
355 As a practical matter, people talk to one another about the things they have in common, and Council Members
356 are no exception. When members pass each other on the street or visit one another at home, it is natural that
357 the conversation includes City business. Council Members must be careful not to commit a vote or seek another
358 member's commitment on an issue before a topic can be discussed at a public meeting. Exchanging
359 information, ideas, and viewpoints can be valuable, but Council Members, and all public officials, must be
360 mindful of the provisions of the OMA.

361
362 Alaska courts have ruled strongly in favor of the OMA. Actions must be taken only at a properly noticed meeting
363 or the actions may be subject to voidance. It can cost cities a great deal of money to defend officials against
364 charges of OMA violations. (*Excerpt from State of Alaska Primer for City Council Members*)
365

366 **IV. Agenda and Packet Deadline and Distribution Information**

367 **Tentative Agendas and Final Packet Documents**

368 Tentative and Preliminary Agenda items deadline is 5:00 p.m. on Thursday of the week preceding Council
369 packet week. Type of enactment, a working title, and draft documents must be submitted to the City Clerk
370 before the deadline. Tentative agendas are posted online the following day and distributed to the Library and
371 City Clerk's office kiosk.

372 All final packet materials are due no later than 11:00 a.m. on the Wednesday prior to the Council meeting for
373 packet review.

374 Any late agenda item from a Council Member not meeting the tentative agenda deadline must have approval
375 from the Mayor for inclusion in the packet.

376 **Agenda and Agenda Packet**

377 The Regular Council Meeting Agenda closes at 11:00 a.m., Wednesday preceding the meeting. Allowances will
378 be made for holidays.

379 The City Manager, Mayor and City Clerk review the agenda at 11:00 a.m. on Wednesday, preceding the meeting.

380 Agenda packets are typically posted on the City's website and available for downloading to devices on
381 Thursdays by 5:00 p.m. but no later than 5:00 p.m. on the Friday preceding the regular meeting.

382 **Special City Council Meeting**

383 Special Meetings may be called and agendas established by the Mayor or four (2/3) City Council
384 Members. Adequate notice must be given to provide for materials preparation and delivery of meeting notice
385 thirty-six (36) hours prior to the meeting.

386 **Emergency City Council Meeting**
387 Emergency Meetings may be called by unanimous consent of a quorum of Council, four Council Members. An
388 Emergency Meeting requires a justifiable reason, and the agenda will be limited to the emergency matter.
389 Public notice broadcast as soon as possible and repeated at least two times prior to meeting.

390 **Worksession, Special Meetings, and Executive Sessions**

391 A worksession may be called at any time, including beginning at 4:00 p.m. and ending not later than 4:50 p.m.
392 before a Regular Council Meeting, with proper notice to the public. The agenda and packet information may
393 be handed out at the worksession depending on the nature of the session. No formal action may be taken. A
394 worksession may be called by the Mayor or four Council Members. ~~Public notice requirements are relaxed but~~
395 ~~should be at least broadcast as soon as possible and repeated at least two addition times prior to the~~
396 ~~session. Reference: HCC 1.14.~~

397 **Committee of the Whole**

398 Committee of the Whole (COW) meets prior to every Regular Council Meeting beginning at 5:00 p.m. and ending
399 not later than 5:50 p.m. ~~when scheduled worksessions do not exceed 4:50 p.m.~~ **COW provides a forum for**
400 **Mayor and Council Members to discuss and ask questions of City Department Heads and Division**
401 **Directors regarding items noticed on the regular agenda and on the COW agenda.** This is a device to enable
402 the full Council to give detailed consideration to a matter under conditions of freedom approximating those of
403 a committee. The results of any votes taken are not the final action of the Council and are recommendations.
404 The Mayor shall be the presiding officer. No text may be altered in any agenda item for Council's Regular
405 meeting; however, amendments may be recommended. No official action is taken at Committee of the Whole.

406 The Committee of the Whole is the Mayor and Council's opportunity to ask questions of City Department Heads
407 and Division Directors regarding department issues on the regular agenda.

408 The agenda shall be noticed the same as a Council's Regular meeting. Only those matters on the noticed
409 **consent and regular** agenda shall be considered; however, other items not on the Council's Regular meeting
410 agenda may be considered if **noticed on the Committee of the Whole agenda.** The agenda item is received
411 by the City Clerk no later than the Wednesday prior to the meeting. "Old business" shall be added to the
412 Committee of the Whole agenda and shall be those items that are not on Council's Regular Meeting agenda and
413 that were not discussed at the previous Committee of the Whole meeting due to insufficient time.

414 **V. City Council Agenda and Meeting Conduct Guidelines**

415 **Call to Order, Pledge Allegiance**

416 Four Council Members are required for a quorum. The Pledge of Allegiance will be said for **recited at** all Special
417 and Regular meetings.

418 **Approval of the Agenda**

419 The agenda may be approved by consensus of the Council. Only items on the noticed agenda may be
420 considered. Items may be removed by unanimous consent of the Council. The Mayor will read supplemental
421 items into the record prior to agenda approval.

422 **Mayoral Proclamations and Recognitions**

423 Mayoral recognitions and mayoral proclamations must be approved by the Mayor. A request must be made
424 timely for inclusion in the City Council packet. Official action of the City Council is not taken under this agenda
425 item.

426 **Public Comments on Items Already on the Agenda**
427 The public may comment for three minutes on items listed on the consent agenda or regular agenda, except
428 for public hearing items (heard under public hearings). No prior notice is required to comment. Members of the
429 public must state their first and last name and whether they are a city resident, for the record.

430 **Reconsideration**

431 Reconsideration is an opportunity to bring a motion back before Council after it's been dispensed with. A
432 member must have voted on the prevailing side to move for reconsideration.

433 If a member wishes to reconsider a motion during the meeting that it was voted on, the member may be
434 recognized by the Mayor when no other motions are pending and move for reconsideration. If the motion to
435 reconsider passes, the motion in question is back on the floor at that time.

436 If the meeting at which the motion was made is over, a member has 48 hours of the decision to give notice of
437 reconsideration to the Mayor, City Manager, or City Clerk. At the next Council meeting reconsideration will be
438 noticed on the agenda and the member will move for reconsideration. If the motion for reconsideration passes
439 the motion will be taken up under Pending Business, Ordinances or Resolutions - depending on the item.

440 **Consent Agenda**

441 Routine and non-controversial items may be included on the consent agenda and the items are
442 approved/adopted with one motion. These items may include minutes approval, advisory body appointments,
443 liquor and marijuana license renewals, travel authorizations, introduction of ordinances, and resolutions of a
444 general nature. Any item on the consent agenda can be moved to the regular agenda for consideration, at the
445 request of a Council Member.

446 **Visitors**

447 Visitor requests must be approved by the Mayor or City Manager. To be placed in the visitor's category, an
448 outline, letter, or other descriptive material must be provided (timely) for distribution in the City Council
449 Packet. No action is taken under this item and no questions from the audience are permitted.

450 **Announcements/Presentations/Reports**

451 Reports may include, but are not limited to, Kenai Peninsula Borough Assembly report, Advisory Body reports,
452 Worksession and Committee of the Whole reports, Mayor's report, and Travel reports. No action by Council will
453 be made here, although the Council may request a matter brought to their attention in a report be placed on
454 an agenda for a future meeting.

455 **Public Hearings**

456 The Mayor opens the public hearing. The public may comment for three minutes on each public hearing item.
457 No prior notice is required to comment. The public must state their first and last name and whether they are a
458 city resident, for the record. When public comment is complete, the Mayor will close the public hearing and
459 open the floor to Council for action.

460 **Ordinances**

461 Introduction (when not on the consent agenda) and subsequent readings of ordinances. Ordinances may be
462 placed on the agenda by the Mayor, Council Members, and City Manager.

463 **City Manager's Report**
464 The City Manager or his designee reports to the City Council. Questions and answers between the Council and
465 Manager are appropriate. Official action is not taken by the Council under this agenda item.

466 **Pending Business**
467 Matters postponed from previous meetings are taken up under pending business, except for subsequent
468 readings of ordinances.

469 **New Business**
470 Matters requiring Council action that are not resolutions or ordinances are taken up under new business.

471 **Resolutions**
472 Resolutions may be placed on the agenda by the Mayor, Council Members, and City Manager.

473 **Comments of the Audience**
474 The public may comment for three minutes on any matter. No prior notice is required to comment. Members
475 of the public must state their first and last name and whether they are a city resident, for the record.

476 **Comments of Attorney, Clerk, Manager, Mayor, Council**
477 Reserved for comments of the City Attorney, City Clerk, City Manager, and Mayor. Each Council Member may
478 comment regarding any subject whether or not on the agenda. This is an appropriate place to note or bring to
479 the attention of the Mayor, Council and Administration any miscellaneous business or point of interest.
480 Miscellaneous announcements, notifications of absence from future Council meetings, and requests for items
481 to appear on the agenda, are other areas appropriately covered. Notice of reconsideration may be given at this
482 time. No action is taken under comments.

483 **Adjournment/Notice of Next Regular Meeting**
484 Meetings will be concluded by or recessed by midnight, unless Council votes to suspend the rules. The balance
485 of any business will be held over until call of the Chair. Notice of the next regular, and/or special meeting will
486 appear on the agenda following "adjournment".

487 **VI. Advisory Bodies**

488 City Council may create or abolish boards and commissions. Council shall create or abolish boards and
489 commissions via ordinance. Council shall establish the number of members of each board or commission, their
490 terms of office, and the purpose for which the board or commission is created via ordinance.

491 **Appointment to Board & Commissions**
492 Members of Boards and Commissions are appointed by the Mayor and confirmed by City Council.
493

494 Applications for appointment to board and commissions will be on file in the City Clerk's office for those
495 considered for appointment. The Mayor will submit a list the names of those considered to the City
496 Council. Representation of a wide community cross-section is desirable on the commissions and
497 boards. Replacements for vacancies may be recommended by the appropriate Commission or Board.
498

499 Appointment of a City representative on a board, commission, etc., that is not advisory to the City is made by
500 the Council.
501

502 **Creating Task Forces**

503 A city Task Force is a temporary body appointed by the City Council to study or work on a particular subject or
504 problem. Task Forces serve only in an advisory capacity to City Council; they retain no official, independent
505 authority and may not speak or act for the City Council.

506

507 Task Forces are created solely by City Council Resolution. At a minimum, the establishing resolution shall:

508

- 509 • Clearly articulate the Task Force purpose, scope of work and deliverables;
- 510 • Provide a timeframe for completion. Unless otherwise stated, a Task Force will cease to exist upon
511 completion of its charge as given by the City Council; and
- 512 • Fix an odd number of Task Force members of no less than five and no more than nine.

513

514 Additionally, City Council will consider whether it is in the best interest of the City to define requirements for
515 serving on the Task Force such as:

516

- 517 • A residency requirement to ensure that membership on the Task Force is representative of people in
518 the community (e.g., all appointees to a task force shall be residents of the City of Homer, defined as
519 maintaining their principal place of residence within Homer City limits or own and operate a business
520 within City limits);
- 521 • And/or any additional requirements or qualifications (e.g., professional qualifications or stakeholder
522 group representation).

523

524 **Appointment Structure**

525 The Mayor nominates appointees to a Task Force from a list of applicants; nominees must be approved by City
526 Council. All appointees shall serve at the pleasure of the Council and may be removed from their position by a
527 majority of the Council at any time without cause.

528

529 Advisory Boards or Commissions may request a Task Force be formed by submitting a memorandum to City
530 Council that includes their recommendations for the items listed above.

531

532 **VI. Tablet Usage Policy**

533 **Purpose**

534 The City of Homer recognizes that the use of digital communications has become necessary to conduct official
535 business. This policy strives to ensure that the Mayor and Council Members can be issued a device which will
536 enable them to utilize digital communications in a manner consistent with their role as an elected official and
537 applicable law.

538

539 **Ownership**

540 One tablet computer and accessory package (tablet) will be issued to the Mayor and each member of Council.
541 Tablets issued under this policy will remain the property of the City of Homer. The Mayor and members of
542 Council will have no ownership, interest, or right to title of the tablet.

543

544 Each recipient issued a tablet is responsible for the security and care of that tablet, regardless of where the
545 tablet is used.

546

547 All tablets will be covered by a hardware warranty and supplemental support plan through the manufacturer
548 or a third party. The exact details of the coverage and remaining term will be outlined on the equipment receipt
549 form.

550
551 Upon vacating elected or appointed seat, each tablet recipient will ensure that their tablet is returned to the
552 City Clerk, who will ensure that the tablet is reimaged and will reissue the unit to the next holder of that seat.
553

554 **License Agreements**

555 The City of Homer is the sole licensee of the software included with the tablet. Any copying, modification,
556 merging, or distribution of the software by the recipient, including written documentation, is prohibited. The
557 recipient is responsible for complying with any and all hardware, software and service provider licensing
558 agreements, terms of use, and applicable state and federal copyright and other intellectual property
559 protections. Violation of any such licenses, terms, or laws shall constitute a violation of this policy.
560

561 **Liability**

562 Recipients are responsible for all material sent by and/or stored on the tablet issued to them which they will
563 knowingly and intentionally send or store/install. Recipients accept responsibility for keeping their tablet free
564 from all inappropriate or dangerous files.
565

566 The City of Homer is not liable for any inappropriate material sent by and/or stored on tablets issued under this
567 policy outside of the scope of use expected by a city official.
568

569 **Email Usage**

570 The recipient of a device under this policy agrees to conduct all email communications which are stored on this
571 device through their assigned City email account. All emails sent through the City's email system are archived
572 and retained by the City in a manner consistent with the City's Record Retention Policy.
573

574 Syncing personal email accounts to the issued device, other than the recipient's assigned City email account,
575 is prohibited.
576

577 **Acceptable Use**

578 The City of Homer only authorizes use of its tablets in a manner that supports the recipient's role as an elected
579 official of the City.
580

581 The device may only be used for limited personal use; that does not interfere with the ability of the device to be
582 used for official intended purposes.
583

584 Use of the tablet for any political use including but not limited to campaigning is expressly forbidden.
585

586 **Privacy**

587 All communications made via devices covered under this policy are subject to disclosure under the Open
588 Records Act or for litigation purposes unless a privilege or exception exists that justify withholding the records.
589

590 **Installation of applications**

591 The installation of applications is limited to applications that are consistent with the terms listed in this policy
592 and are available through the tablet's application store.
593

594 Applications will only be licensed and installed by the Information Technology Manager and his staff.
595

596 Modification of the tablet's operating system to allow installation of applications not approved by the
597 manufacturer and/or not available through the "application store" is prohibited.

598

599 Applications for personal use that do not interfere with city use may be allowed by the IT Manager on a case by
600 case basis.

601

602 **Care of the Device**

603 Recipients are responsible for the general care of the device issued under this policy. The tablet must remain
604 free of any writing, drawing, stickers, or labels that are not property of the City. Only a clean microfiber cloth,
605 like what is used to clean eyewear, should be used when cleaning the screen.

606

607 **Loss and Damage**

608 Recipients of tablets under this policy are encouraged to keep the device safe and in good working order. If a
609 user demonstrates extreme negligence with a device, or loses a replacement device within 18 months of being
610 issued a replacement, then he or she may be financially responsible for the cost of the replacement.

611

612 Loss of or damage to a City of Homer tablet and/or accessory must be reported immediately to City staff.

613

614 Recipients must not modify, upgrade, or attempt to repair tablets and/or accessories issued under this policy
615 without the express permission of the City of Homer Information Technology Manager. All repairs must be made
616 through the provided protection plan. Repairs not covered by the supplied protection plan which are
617 determined to be caused by negligence, shall be covered by the recipient.

618

The Council Operating Manual has been amended by the following legislative enactments:

Reso 95-78(A)	Reso 03-81	Reso 09-116	Reso 21-017(A)
Reso 00-08	Reso 03-118(A)	Reso 13-035(A)	
Reso 01-24	Reso 03-140	Reso 16-122	
Reso 01-08(S)	Reso 06-54	Reso 19-012(S)(A)	
Reso 01-61	Reso 06-115(A)	Reso 19-051	

619



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 22-155

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
FROM: MELISSA JACOBSEN, MMC, CITY CLERK
DATE: SEPTEMBER 2, 2022
SUBJECT: 2022 COUNCIL OPERATING MANUAL UPDATE

Council reviewed the 2022 Council Operating Manual Update at their July 25th Committee of the Whole the Whole Meeting. The following changes are reflected in this final draft presented for Council's approval.

Line 73 – Information regarding Title 29 was added (Council Member Lord)

Line 81 – Information regarding attendance at AML (Council Member Aderhold)

Line 187 - Reference to political agendas (Council Member Erickson)

Line 332 - Reference to Emergency Operations (Mayor)

Line 340 – Annual review information (Council Member Aderhold)

Line 385 - Cleaned up emergency meetings verbiage (Council Member Lord)

Line 389 - Remove special meetings from this section, its referenced in different section and this paragraph is specific to worksessions, not special meetings (Clerk)

Recommendation: Adopt resolution approving the 2022 Council Operating Manual updates.

Attachments: FEMA Fact Sheet
July 25th Committee of the Whole Memorandum



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

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
FROM: MELISSA JACOBSEN, MMC, CITY CLERK
DATE: JULY 21, 2022
SUBJECT: COUNCIL OPERATING MANUAL UPDATE

At the 2020 Council Visioning Retreat Council Member Aderhold proposed the Council Operating Manual be revised to flow more logically, aid user friendliness, and include useful information not currently included. This is a project that moved to the back burner during COVID but the need wasn't forgotten. Council Member Aderhold and I have worked through sections and prepared this revised draft for your review. A link to the current version is included at the end of this memo.

Overall:

- The manual has been reformatted, a revised purpose statement was added, and redundancies were taken out so information appears once in its most relevant section.
- The appendices were removed and replaced with references to City Code in the appropriate places.
- The basic agenda layout for advisory bodies was removed as those are found in their orientation packets.
- Council bylaws were taken out and replaced with reference to their location in City Code.
- A table of contents has been added, but not finished. Since sections of the manual are still being adjusted, the table of contents will be completed when the final draft comes to you for adoption.

Specific to sections:

The Policies section remain in place at the beginning with minor revisions as follows:

- *Council Relation with City Attorney* was re-worded to reflect current practice.
- *General Statement of Mayor & Council* and *Use of City Letterhead* policies were combined with no changes to the verbiage.
- *Council Member absences* was updated to include how to give notice of absence.
- *City Council Meetings* was expanded to include meeting schedule information.
- *Mayor Pro Tem* reference to the oath of office was stricken, elected officials are administered the same oath.
- *Orientation of New Council Members* was changed to add staff members who are involved in orientation.
- *Lobbying Activities* was updated to reflect current practice.

Procedures and General Information updates include:

- *Executive session* was updated to include clarifying information to explain what it is, how it works, and to bring awareness to the confidentiality of e-sessions.
- *Conflict of Interest, Partiality, and Code of Ethics* was reworded and makes the reader aware that HCC 1.18 addresses the topics and how disclosing conflict of interest is dealt with at the meeting.

Open Meetings Act was added as a section and includes a reference to social media.

Agenda and Packet Deadline & Distribution Information updates include edits under *Worksessions, Special Meetings and Executive Session* and *Committee of the Whole* as reflected by the strikeout and bold underlined language.

Recommendation: Review, discuss, and provide feedback and a final draft will come back to Council for approval.

[Current 2021 Council Operating Manual](#)



FEMA

Fact Sheet

Revised: March 2007
NIMS Integration Center
202-646-3850

ELECTED OFFICIALS: WHAT YOU NEED TO KNOW ABOUT NIMS

The National Incident Management System (NIMS) was published by the Department of Homeland Security on March 1, 2004. It provides a comprehensive and consistent national approach to all-hazard incident management at all jurisdictional levels and across all functional emergency management disciplines.

Since most incidents occur and are handled by local government, the support of elected and appointed officials in the NIMS implementation process is crucial to the nation's success in preventing, preparing for, responding to and recovering from disasters – regardless of their cause.

The benefit of NIMS is especially evident at the local level, when the entire community prepares for and provides an integrated response to an incident. Elected and appointed officials need to be involved in all aspects of NIMS implementation to include the following:

- * Adopt NIMS at the community level for all government departments and agencies and encourage NIMS adoption and use by associations, utilities, non-government organizations and the private sector.
- * NIMS should be adopted through executive order, proclamation, resolution, or legislation as the jurisdiction's official all-hazards, incident response system.

The NIMS necessitates the use of the Incident Command System, the multi-agency coordination systems and a public information system. All these command and management systems rely on the direct involvement of elected and appointed officials in a community during an incident.

When implementing NIMS, all emergency plans and SOPs must incorporate NIMS components, principles and policies, including emergency planning, training, response, exercises, equipment, evaluation, and corrective action plans. Elected and appointed officials of a community need to be directly involved in these NIMS preparedness elements, especially when the community exercises its emergency management policies, plans, procedures and resources.

Jurisdictions will be required to meet the FY 2006 NIMS implementation requirements as a condition of receiving federal preparedness funding assistance in FY 2007. However, it is important to recognize that the NIMS is a dynamic system, and the doctrine as well as the implementation requirements will continue to evolve as our emergency management capabilities nationwide change based on the hazards and threats of the nation.

The NIC strongly recommends that elected and appointed officials complete IS-700 NIMS: An Introduction and ICS-100: An Introduction to ICS training courses. They are available online at:
<http://training.fema.gov/emiweb/IS/crslist.asp>

Supersedes Fact Sheet, Elected Officials, What You Need to Know About NIMS, dated Dec. 2005

###



Memorandum

TO: Mayor Castner and Homer City Council
FROM: Donna Aderhold, Council Member
DATE: August 24, 2022
SUBJECT: Alaska Municipal League Summer Meeting Report

I appreciate the opportunity to represent Homer's mayor and city council at the Alaska Municipal League's summer meeting in Sitka August 10-12. This was my first trip to Sitka and in addition to attending the meeting I enjoyed experiencing the place, learning some of its long history, and walking its streets and paths.

The day I arrived Sitka had closed a downtown street to traffic to accommodate more than five thousand cruise ship passengers in town that day. A private port outside of town opened this year that can hold two panamax sized cruise ships, and at least one smaller cruise ship anchored offshore and lightered passengers into Crescent Harbor adjacent to downtown. Sitka's mayor stated that the assembly developed the street closure plan in response to the private port opening. There have been some growing pains associated with the increase in cruise ships and they are testing the road closure system. They are planning to redesign the downtown streets to avoid closures in the future. Sitka has documented an increase in emergency department visits on cruise ship days and Sitka plans to use cruise ship revenues to support the hospital and to offset health costs to residents. On certain days I noticed a relatively high number of cruise ship passengers dependent on wheelchairs. They appeared able to navigate the downtown area fairly well because the downtown area is concentrated, mostly flat, and has adequate sidewalks.

While Sitka has its fair share of motorized traffic, a lot of people walk and ride bikes (noted after the cruise ships departed at the end of the day). Sitka is designated both as a bicycle and walk friendly community.

Alaska Conference of Mayors (August 10)

After welcomes and introductions, the ACOM meeting focused on presentations and discussions around a theme of health communities.

Affordable Housing—Mim McConnell, Sitka Community Land Trust

Sitka established a Community Land Trust and is building affordable homes on land donated by the city. The property stays with the land trust and the houses are purchased by qualifying low-income homeowners through a 99-year renewable lease between SCLT and the homeowner. Currently three houses are finished and two are under construction. They are planning on 14 total houses. The houses are set up to be permanently affordable through the ground lease conditions. SCLT is a 501(c)(3) nonprofit with a board and executive director. Homes range from 1-

bedroom to 3-bedroom and the total salary required to purchase a home is \$25-\$35/hour depending on the size of home. The homeowner pays the property tax for the house and the land under it. They use a resale formula appraisal and the homeowner is restricted on the amount of equity gained from selling the home, any amount above the restriction stays with the trust. They have received several grants: Alaska Community Foundation, Rasmuson, Catholic Campaign for Human Development. Alaska Housing Finance Corporation and a local banking partner have been key to success. They are also planning to add rental properties, both subsidized and not, to help fund SCLT long term.

Affordable Childcare—Stephanie Berglund, thread Alaska

Thread works to increase access to affordable childcare statewide. Having affordable childcare allows all other sectors to work. Overall, workers earn over \$2 billion more with childcare than is possible without childcare. Families want to work but cannot because they lack childcare. Much of Alaska is a childcare desert. Many childcare facilities closed during the pandemic. There are many different types of childcare, and the average cost of childcare is \$1,200/month/child. There is a 60% turnover rate of teachers because of low pay and lack of benefits. Thread advocates for investing in local childcare. We have a dilemma of childcare already costing more than many can afford while not paying teachers a living wage. Thread wants to create a statewide board and develop a new division of early childhood development.

Public Safety—Lt. Grant Miller, Sitka Training Academy

State Troopers are working on recruitment and retention of officers. They need competitive wages for village public safety officers (VPSOs) and state funding for the needs of VPSOs in communities (e.g., appropriate housing and equipment). They are working on work-life balance for VPSOs, including getting additional support so there is more than one VPSO in a community. On the last day of the meeting, we toured the Sitka Training Academy, a great opportunity to see where our officers train and meet our current recruit. It's an impressive facility and it was great opportunity to learn. They were in the process of setting up a virtual training room where recruits can work through a wide variety of scenarios that can be changed on the fly based on how the recruit responds to the situation. They are also implementing a wellness component that will hopefully be helpful to our officers and officers around the state.

Workforce Recruitment and Retention—Mila Cosgrove, University of Alaska

UA completed a summer workforce survey. The biggest issues are recruitment, housing, and wages. Turnover has increased and workers are no longer willing to remain in a toxic work culture. Workers are looking for flexible work schedules. To recruit and retain workers, employers (municipalities included) need to examine workplace culture, make the community an attractive place to be, and not go to war with current workforce. The culture should be hard on problems, not on people. If down on staff, employers need to triage the work that needs to get done with existing staff.

Strong Economies—Tim Dillon, KPEDD

Quality of living is important to a strong economy. Having a regional Comprehensive Economic Development Strategy (CEDS) is important for federal grant opportunities because the grants look to the alignment with the CEDS. Invest in the person who is right and train them for the position when possible to maintain flexibility. Broadband is important for business and for attracting workers. There is a broadband mapping process occurring in Alaska now and it's

important for communities to be represented to get broadband funding (many smaller Alaska communities not currently mapped).

Efficient Transportation—Marie Heidemann, Alaska Department of Transportation and Public Facilities

ADOT&PF decides on road projects to fund based on the Statewide Transportation Improvement Program (STIP) and formulas. They fund municipal projects through their Community Transportation Program (road upgrades and rejuvenation) and Transportation Alternative Program (trails, paths, sidewalks, removing barriers, closing gaps). New programs are coming through federal passage of the Infrastructure Improvement and Jobs Act (IIJA). They will be issuing public notices for these funding opportunities in September. Municipalities can submit projects to the state for funding, but should know that there are eligibility requirements, it's a highly competitive process, and local matches are required. All projects they receive for funding requests go through a scoring process based on standard criteria within each region. Only the highest scoring projects advance. ADOT&PF has developed a new MOU with AML.

Intergovernmental Cooperation (Infrastructure)—Miles Baker, Office of the Governor

Miles is the IIJA coordinator for the governor's office. Lots of work and coordination is needed to maximize IIJA funds that come to Alaska. Funds will come from a variety of federal agencies to various state agencies, tribes, electric utilities, and the university. About half the funds will come through the US Department of Transportation. Other funds will come through the Environmental Protection Agency for water and sewer projects, primarily the Village Safe Water program. Broadband is a big part of IIJA to develop equity in broadband access across the US and the funding is coming through multiple agencies and programs with different requirements. The state broadband office was just signed into law. Some funds will come through existing program. Grants through the program will be competitive and will move fast. AML and the Alaska Federation of Natives have received some funding from the state to help coordinate the process with municipalities and tribes. Alaska does not tend to do a good job with long term infrastructure and does not have good mechanisms in place now to deal with the upcoming influx of federal funds. CEDS at the regional level are helpful, but Alaska does not have a statewide CEDS, though the state is working on one now. One aspect is a state energy plan to be able to receive Department of Energy funding related to four areas: electric grid modernization, carbon sequestration, hydrogen, and critical minerals.

Effective Education—Lisa Parady, Alaska Council of School Administrators

ACSA focuses on policy and learning for Alaska's 54 school districts. Their priorities include stabilizing school district funding (reliability and predictability); increasing the base student allocation; building relationships with schools, teachers, administrators and their needs; planning for adequate housing to retain teachers (adequate internet connectivity in rural areas is a problem); supporting broadband for education (schools are the largest consumer of broadband next to health care and municipalities); growing the work force; and supporting major maintenance and capital funding for schools. Alaska education is now in crisis and needs to inflation proof school funding. Schools are no longer competitive in attracting teachers and administrators because salary and benefit packages are so low and there is not continuity. There are many positions open in most school districts and 17 superintendents are new this year.

AML Legislative Conference (August 11 &12)

Recap of 32nd Legislature

Nils Andreassen provided his observations of the legislative session that ended this year (see the attached list for a bill-by-bill assessment). He started with the 2023 state budget, noting that the budget increases that occurred this year result in a “correction” for the deficits of the previous three years and that future budgets should recognize that. There is a lot of discussion about a state spending cap and there are pros and cons to this approach; AML has worked on fiscal policy related to a cap and will continue to do so. AML was 99% successful in its approach to the budget during the session. And there was a capital budget! Match is needed for various federal infrastructure laws that passed and will overlap with match needed for STIP formula projects. He is less confident in the coming year for state budgeting relative to local governments, and nothing is inflation proofed.

There was some success on other bills during the regular session. AML tracked 10 bills closely and many others less closely. The Title 4 alcohol rewrite passed and there will be an impact to municipalities in that there is a lack of local control; there will need to be a targeted effort to make improvements in the future. AML helped write recommendations for the Office of Broadband bill. The power cost equalization (PCE) bill at the end of the session has pros and cons in that it takes funding away for community assistance and community assistance needs to be recapitalized every year; he is concerned about the future of community assistance because it will be reduced by a third next year. The cyber security bill was amended to include local governments. There were some improvements to workman’s comp that will impact local governments, the state set a presumption of compensability list that applies to municipal employees but not state employees and becomes an unfunded mandate if the state does not provide funding; it will affect the ability of fire departments to be insured. Defined benefit bills came close to passing; AML does not have a position on the issue, but it should be addressed and there needs to be an analysis of liability. The unfunded PERS/TRS liability was almost funded last year when the stock market was good and the statutory 22% may be reduced in the future. Commercial property-assessed clean energy (CPACE) and economic development bills would free up local governments to do more for economic development locally; current statute has limitations for local governments. The Planning Commission bill benefited only one AML member and is not a good way to do policy. AML members must work together to affect change.

2022 Elections

AML contract lobbyist Heather Brakes provided an overall assessment of upcoming legislative elections. The State House will have a minimum of 15 new members, a 37.5% turnover. The State Senate will have minimum of five new members, a 25% turnover. Big changes will mean challenges and opportunities to educate new legislators about local governments and our needs. Regardless of who is elected, AML will continue to build relationships and get things done. With the current variable price of oil, there is no way of forecasting revenue for the state.

Lisa Parker, Soldotna City Council, led a discussion regarding the question about a constitutional convention that will be on the ballot in November. AML passed a resolution last year that is not a strong statement for or against a constitutional convention, saying AML will work with local governments if it happens. What are local governments doing? We need to inform residents about the ramifications of a convention. It will be up to the legislature to decide how the convention will be held and could appoint themselves as delegates. What happens in the interim? If the convention happens and a new constitution is proposed to the voters and if the voters approve it, is the current constitution or the new constitution in place during any litigation that occurs? What could be the impact to local governments if the constitution is changed? Costs for a convention vary from \$3 million to \$17 million. The Juneau assembly passed a resolution opposed to a convention. AML should be ready to act if the vote is yes.

Candidate Town Hall

During the lunch break AML held a “reverse” town hall for state legislative candidates to hear from municipalities about the issues we face. At its peak about 22-23 candidates engaged live and the video will be made available to all candidates. AML members signed up to speak for up to three minutes on a variety of issues. I spoke about the Alaska Marine Highway System and the harbor matching grant program because, of the topics, these are ones our council has agreed on talking points and that we have addressed during the legislative session.

Challenging Operating Conditions

Recognizing that municipalities across the state are facing numerous issues such as skyrocketing fuel costs, inflation and possibly a recession, and recruitment, AML hosted several guest speakers to present about and discuss the issues.

Fuel costs: Curtis Thayer, Alaska Energy Authority—AEA is a public corporation with the mission of reducing energy costs, particularly in rural Alaska, related to bulk fuel, power cost equalization (PCE), a grant and loan program, and renewable energy. They own Bradley Lake hydroelectric facility and some transmission lines in the rail belt. This year saw a \$30-\$45 million PCE program increase that was not related to increased fuel costs that occurred this year. Community assistance is tied to the PCE. With the stock market down, it will affect the PCE and community assistance during the next fiscal year. AEA is watching fuel prices; benchmarks may go down but demand stay high, which would keep prices high for rural Alaska. There is a backlog of bulk fuel upgrade projects. There is \$52 million available in federal funding to Alaska for electric vehicle support; AEA has developed a statewide plan, but rural Alaska does not qualify because communities are not on the highway system (including AMHS). Every community has different issues. The EV plan is on AEA’s website and they are looking for comments. Funding is available over five years. AEA is also applying for other funds and grants.

Inflation/Recession: Kevin Berry, Institute for Social and Economic Research—There are two jobs for every person looking right now. With the increase in prime interest and bond rates, federal infrastructure funding coming to Alaska may not go as far because of the increase in all costs and everyone is spending at the same time and competing. There is lots of uncertainty right now. State revenues are dependent on two volatile sources: oil and the stock market. Personal spending has been declining nationwide, which affects Alaska because we sell things like wild fish and tourism. Since Covid, people are leaving the work force and leaving Alaska. We are losing young people and not attracting people to jobs from elsewhere. Inflation is affecting Alaska, the US, and the world.

Recruitment: Dan Robinson, Alaska Division of Labor and Workforce Development—Alaska is currently the second least desirable state behind New York based on migration (incoming and outgoing) rates. Idaho and Utah are the most desirable states because of inexpensive housing, tech jobs, and quality of life. For those interested delving into the data, DOL&WD has stats down to the community level and they publish a monthly newsletter. Over the decades, the Alaska population has increased while local government employment has stayed the same. There are lots of job openings in Alaska and the US, so we are all competing for the same pool of workers, and we need to provide a reason for individuals to choose us. There are a lot of “missing workers” coming out of Covid: 24% age 60+, 14% age 50-59, biggish group age 30-40 especially women (childcare availability). Healthcare and K-12 schools have lost more workers than other employment sectors. There are fewer people of working age living in Alaska while baby boomers age out of the workforce. We have nine consecutive years of more people leaving Alaska than coming to Alaska and people who come to Alaska aren’t staying. The available pool of job applicants has shrunk but only partly because of Covid. We need to attract people to the state to fill existing open positions. Population trends for Alaska are flat to down, including for younger generations. For the state, population growth doesn’t create tax revenue, it costs the

state more. But a thriving state is not a place with high outmigration. Oil is no longer a growth industry in Alaska; how do we do what we need to do as a state without oil revenue? How do we make Alaska an attractive state to generate new revenues?

Infrastructure Funding Buckets

AML is ramping up to support municipalities in applying for federal infrastructure funds through state agencies. AML has added three new positions and may add more from funding from the state.

ADOT&PF is building a grants website for federal and state transportation program funds. AML will receive the intake forms for federal programs and will help figure out competitiveness of projects at a national level. AML will work with municipalities to make Alaska more competitive at the national level and to get state support (match).

The state broadband office will lead broadband process and AML will have a role in digital equity planning along with Alaska Federation of Natives (AFN). The Federal Communications Commission mapped communities around the country, in Alaska 170 communities were left out. AML, KPEDD, and others are working to build these communities back into the mapping, which is needed to determine the formula funding for Alaska.

Other programs: Environmental Protection Agency, Bureau of Land Management, and US Department of Agriculture have funding for community resilience, which means community relocation; Alaska Department of Environmental Conservation has a revolving loan fund for water and sewer; Department of Energy has funding for grid resilience and the state is working on an energy plan.

The second infrastructure symposium hosted by AML, AFN, and Senator Murkowski will be held over four days September 6-9 and will include representatives from federal and state agencies.

Municipalities need to get involved to get access to federal funding through IJJA. AML needs to know the amount of nonfederal match needed for projects. There is a match portal that can be reached through the AML website.

AML Policies and Position Statement Discussion

We spent the morning of August 12 reviewing and discussing AML's current policies and draft position statements at each table. The document we discussed is attached. I sat with a group that represented Fairbanks, Kotzebue, Nome, and the Northwest Arctic Borough. Following the table discussions, each table reported out on the small group discussions. AML staff will work to incorporate all the discussions and will bring revisions back to the membership for a vote at the November meeting.

Senator Murkowski

Senator Murkowski was in Sitka and provided a closing presentation. She focused her presentation on IJJA and its impacts on Alaska. The main topics she touched on included: broadband and housing summits this week; road, rail, AMHS, and broadband connections around the state; the challenges we will face in finding the people to do all the upcoming work; and making sure municipalities have access to federal funding and figuring out how to make local matches work. She noted that municipalities can ask the federal delegation for letters of support. Grant applications need to be high quality to be competitive nationally and she is sponsoring the Infrastructure Grant Symposium 2.0 on September 7.

The US Senate is amid appropriations now. There will be a continuing resolution because the Senate will not get through all 12 sections of the appropriations before the end of the federal fiscal year on September 30. Earmarks are back and they are very targeted based on community need, based on resolutions and stated priorities. There will be full funding for Payment in Lieu of Taxes (PILT), Safe Rural Schools, and \$500 million in Congressionally directed funding to Alaska.

She is working on how to help with housing and childcare needs in relation to workforce development.

Sitka Trooper Academy Field Trip

A small group of conference participants took a tour of the Sitka Trooper Academy. This was a great opportunity to visit and learn more about where our police recruits train to be on our police force. We even briefly interrupted the current class in a session on criminal law, and Rob and I met with Homer's current recruit. The academy is an impressive, well ordered and disciplined facility full of history and I'm glad I had the opportunity to learn more about it. They were in the process of setting up a virtual training system that will allow recruits to test their skills in a variety of situations. The trainer running the program can control what happens next based on the behavior of a recruit, based on a premise of keeping situations calm and deescalating situations appropriately. They are also developing a wellness program for police officers and their families that includes peer support and more. As I understand it, the Homer Police Department intends to participate in this.

Bills that pass have potential impacts, and bills that didn't may be resurrected in the future...

Bills with Broad Impacts

Passed: HB 110/SB 45 sponsored by Rep. Hannan and Sen. Stevens, age of smoking. This bill raises the minimum legal age to purchase tobacco and nicotine products from 19 to 21 and repeals the current exception for prisoners. The bill retains the exception for electronic cigarettes used for tobacco cessation if approved by the FDA. The bill strengthens restrictions on underage access by requiring licensed tobacco retailers to verify age at the time of purchase and at delivery when transporting or shipping tobacco products in Alaska. The bill passed which raises the question if it will impact revenue to local governments. The Department of Revenue anticipates no revenue impact because sellers have already adjusted selling practices to reflect federal law that had the higher age requirement. However, due to taxing ESPs at 25% of the wholesale price an additional \$0.6 million in revenue will be collected in FY2023 (a half year), then \$1.2 million in FY2024 and beyond.

- *Consider assessment of this revenue stream, or current local taxation of nicotine/ cigarettes/ ESPs*

Passed: SB 131 sponsored by Sen. Holland expanding workers compensation. The legislation adds breast cancer to the list of presumptive cancers covered under AS 23.30.121(b) for firefighters as a compensable disease. A description of firefighter is inserted that adds state and municipal volunteer firefighters as covered workers. Additionally, monetary increases were made for disability, funeral expenses and survivors benefit payments. The National Council on Compensation Insurance (NCCI) cannot estimate the cost to employers or the workers' compensation system due to the lack of statistical data in reporting of these injuries. The prevalence of cancer is widely distributed in the general populations and complicates forecasting costs to employers.

- *Consider support for a Presumption Trust Fund to help cover these workers compensation costs, and request \$10 million in initial funding from State. See examples [Colorado](#) and [Michigan](#).*

HB 170 and SB 123, the "green bank" bill was sponsored by the Governor. HB 170 made it as far as the House Rules Committee. SB 123 made it to Senate Finance in 2021 but failed to move from there. This legislation would create and establish parameters for the Alaska Energy Independence Fund (Fund) and the Alaska Independence Program (Program) within the Alaska Industrial Development and Export Authority (AIDEA). The bill would have created a lower- cost financing mechanism (loans) for residential homeowners, commercial building owners, and municipalities for energy conservation and other energy-related improvements. This would work much like AIDEA now does in its commercial property financing development. These kind of financing structures exist in some other states and have been successful. Funding of \$20 million is needed to capitalize the fund. Two possible issues exist in the House version of the bill. A potential problem is a requirement that 35 percent of green bank loans be made to small rural communities. This could effectively stop all lending if there are insufficient qualified loans applications from rural communities. On the other hand, this would help ensure that there isn't a disparity in funding as rural areas may not have the same capacity to pursue the funding. Another requirement was that the Legislature confirm the governor's appointments to the AIDEA board, a matter unrelated to the green bank. The Senate bill has neither of these provisions.

- *Consider municipal impact and AML position on structure and governance (e.g.; AIDEA*

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administration or alternative), and opportunities for municipal financing

SB 169 sponsored by Sens. Costello and Begich and HB 218 sponsored by Rep. Tuck. Smoke, fire control systems: The bill expands what is required in periodic safety inspections in building safety systems. Sprinklers, fire alarms and fire extinguishers are currently inspected. The bill proposes adding fire dampers, smoke dampers and smoke control systems to the list of required inspections and testing. The main targets of the bills are commercial, industrial, and public buildings. Fire and smoke dampers seal off ductwork to prevent the spread of fire from one room to another. Smoke control systems pressurize air in stairwells to prevent smoke from entering. Most fatalities in fires are from smoke, not flames. The bill directs the Dept. of Public Safety to develop regulations to require testing and inspection of fire and smoke dampers and smoke control systems by certified inspectors. SB 169 was in Finance (S) and HB 218 was in State Affairs (H). The Alaska Design Professionals and the AFCA oppose the bill. The Alaska Professional Firefighters Association which represents over 500 professional fire fighters and emergency responders across the State of Alaska supports the bill.

- Consider an AML position based on AFCA concerns about actual need, costs, and implementation.

SB 121 and HB 171, addresses and prevents further harm from PFAS (per-and polyfluoroalkyl substances) contamination. The companion bills are Senate Bill (SB) 121 and House Bill (HB) 171, sponsored by Sen. Jesse Kiehl and Rep. Sara Hannan, respectively. PFAS are a complex group of synthetic chemicals used in industrial applications such as firefighting foams and in household products including non-stick pots and pans, and for stain and water resistance in apparel, carpets, furniture, personal care products, and in food packaging. There are more than 9,000 PFAS chemicals. PFAS are a highly toxic chemical even at extremely low exposure levels. PFAS has been linked to harmful health effects including immune suppression, decreased fertility, kidney and testicular cancer, increased risk of high blood pressure and pre-eclampsia, and increased risk of thyroid disease. In Alaska, the dispersive use of PFAS-based industrial firefighting foams (aqueous film-forming foams or AFFF) on military bases and airports has contaminated the drinking water of communities throughout Alaska. PFAS have been found at over 100 individual sites in nearly 30 locations across Alaska. At least ten Alaska communities have PFAS in their drinking water at levels deemed unsafe by the U.S. Environmental Protection Agency (EPA) and it is likely that the number of communities with contaminated water will grow as more sampling is completed. PFAS has contaminated groundwater and surface waters, fish, wild game, garden produce and backyard chickens in Alaska. Several Alaska lakes are now closed to fishing because of PFAS contamination. There are safe and effective PFAS-free alternatives in use at major airports, military installations, and oil and gas facilities around the world.

The bill defines and establishes concentration limits for per- and polyfluoroalkyl substances (PFAS) in drinking water. It requires the Department of Environmental Conservation to ensure the responsible party tests all drinking water in areas where PFAS has been released near a water source. If the results are above the limits established by the bill, the Department is required to ensure the responsible party provide alternative drinking water and voluntary blood testing at no cost to the impacted individuals. The bill also requires that the Department ensures PFAS-exposed responders are provided voluntary blood testing. It bans PFAS foams starting late in 2021 when the Federal Aviation Administration stops

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mandating airports to use them but exempts the oil industry for now (unless some other federal law preempts). It prohibits the use of PFAS containing firefighting substances once it is no longer required by federal law. The bill would require the Department to publish public notice when the use of a firefighting substance that contains PFAS is no longer required by federal law and accept for disposal up to 25 gallons annually of PFAS containing firefighting substances from a person domiciled in Alaska.

- *This bill is probably a necessary step in improving the State's response to PFAS and goes some way toward protecting the liability of local governments; the real concern expressed by local governments impacted by PFAS is needing funding for remediation and new clean water systems.*

HB 50 Trapping, sponsored by Rep. Kreiss-Tomkins. The bill authorizes municipalities to regulate trapping within its boundaries as authorized by A.S. 29.35.052, including types of traps or designated buffer zones where trapping is prohibited to protect animals and humans from injury. Subsistence trapping may not be unreasonably restricted. Several municipalities already restrict trapping in certain areas including Anchorage (2019) and the Mat-Su Borough (2017). Some people have argued that the municipalities regulations addressing trapping are outside their legal authority and should be addressed by the Alaska Board of Game. There are about 3,500 trappers in Alaska.

- *AML is asked for its position on this bill, and should consider whether additional local regulatory responsibilities are desired, including the cost thereof, or if that should remain with the State.*

HB 398/SB228 by request of the Governor, national waters. The bill would establish that waters of the state may only be designated and managed as an Outstanding Natural Resource Waters (Tier 3) once they have been designated as such in statute. The Environmental Protection Agency requires that states have a process by which an "Outstanding National Resource Water," or a Tier III water, may be designated, and has approved the Department of Environmental Conservation's policy to direct nominations for Tier III waters to the Legislature. The designation of a Tier III water includes significant use restrictions and requires substantial evaluations regarding the water and would exceed the Department's statutory authority to regulate the quality and purity of the water.

- *This is really about who should be in charge of naming these waters, whether it should be the Legislature, the Commissioner, or through an agency process. Who decides will have the authority to advance or slow development. AML has been asked in the past to take a position.*

SB 180/HB 303, Passenger vessel environmental compliance, coastal community waste disposal by request of the Governor. Originally approved as part of a 2006 ballot initiative, the Ocean Ranger program requires the presence of a "state-employed marine engineer (ocean ranger) licensed by the Coast Guard to observe health, safety and wastewater treatment and discharge operations" on large cruise ships. The ballot initiative implemented a \$4 per passenger fee to support program costs. The program was seen as an effective way to monitor and ensure compliance with state environmental laws, including clean water requirements. (Note that Gov. Dunleavy has twice defunded the Ocean Rangers through line-item vetoes over the objections of state lawmakers.) SB 180/HB 303 proposes to eliminate the Ocean Rangers program and change the environmental compliance program for large cruise vessels and sets up a wastewater infrastructure grant program for coastal communities funded by cruise vessel

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passenger fees. Under the new program, DEC employees and hired contractors with marine engineering expertise will inspect cruise ships as they arrive in the state early in the season. Throughout the cruise season, state workers will perform spot inspections of ships, comparing the initial records to what they see. The proposal would include megaships with thousands of passengers and crew. But unlike the Ocean Ranger program, it would also cover smaller, high-end 60-person cruises operated by boutique lines like National Geographic Expeditions and UnCruise. The agency supports funding of \$400,000 annually for marine engineers to inspect 30 to 40 ships. The money would come from a head tax paid by cruise ship passengers, which is a fraction of the \$3.4 million Ocean Ranger program that was funded out of the same head tax money. The Ocean Rangers program had marine engineers on more than half of voyages by large cruise ships with a permanent presence. Recently in Glacier Bay, the Park Service requires the cruise ship industry to pay for observers, until the State program is back.

- *AML members who are impacted have voiced support for Ocean Rangers, and AML could propose an amendment for more of a mix of using newer monitoring technology and continuing the Ocean Rangers program and include the grant funding for wastewater infrastructure.*

HB 104, Fuel Tax, Rep. Josephson

The bill originally proposed to increase state motor and marine fuel taxes. However, Gov. Dunleavy asked that the bill be amended to suspend collection of motor fuel, marine, aviation and jet fuel taxes until June 30, 2023, due to recent high oil prices. The governor proposed leaving intact a proposed increase in refined fuel products to fund the Spill Prevention and Response Division in the Dept. of Environmental Conservation and this provision along with the electric vehicle registration fee remained in the bill. Originally HB 104 proposed six changes: (1) impose new registration fees on electric vehicles, vehicles using alternative fuel sources, and plug-in hybrid vehicles by increasing registration fees from \$100 to \$200; (2) increase the motor fuel surcharge from \$0.0095 per gallon to \$0.015 per gallon; (3) increase the motor fuel tax rates for dealers and users of highway fuel and gasohol from \$0.08 per gallon to \$0.16 per gallon; (4) increase the motor fuel tax rates for dealers and users of marine fuel from \$0.05 per gallon to \$0.10 per gallon; (5) increase the refund for fuel that is used off the road system from \$0.06 per gallon to \$0.12 per gallon; and (6) create a refund for fuel used in certain commercial fishing vessels of \$0.05 per gallon. This bill does not increase the rates for aviation gasoline or jet fuel.

The Department of Administration would administer and collect the registration fees and deposit the proceeds into the special highway fuel tax account under AS 43.40.010(g). Proceeds from the motor fuel surcharge would be deposited into the General Fund but are set aside for appropriation for the benefit of the Alaska Department of Environmental Conservation's Spill Prevention and Response Division. This addresses a funding shortfall in the Prevention Account of the Oil and Hazardous Substance Release Prevention and Response Fund by increasing the Refined Fuel Surcharge from \$.0095 to \$.015. The Division anticipates that the new revenue generated by HB 104 could alleviate the projected revenue shortfall by FY2026. Proceeds from the tax on highway fuel, gasohol, and marine fuel are deposited into specific infrastructure maintenance accounts in the General Fund and can be used to upgrade and maintain highway and AMHS infrastructure across the state.

Fiscal Impact: Before subtracting the commercial fishing related refunds, the estimated motor fuel tax

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revenue increase from this bill would be \$13.3 million in FY2022 and \$34.2 million in FY2023, decreasing to \$32.4 million in FY2027. Of the motor fuel tax impacts, marine fuel (without any commercial fishing vessel related refunds) represents \$2.2 million for FY2022 and \$5.7 million for FY2023, decreasing to \$5.4 million in FY2027. The department does not have sufficient information to estimate the revenue impact of the allowed refund of \$0.05 per gallon for marine fuel used by a vessel for commercial fishing, so the fiscal note assumed that half of the marine fuel increase would be refunded. The estimated additional funds generated by the proposed motor fuel tax changes would be considered Designated General Fund revenue, as funds are deposited in the special highway fuel tax account and the special watercraft fuel tax account within the general fund. The estimated refined fuel surcharge revenue increase from this bill would be \$1.5 million for FY2022 and \$3.7 million for FY2023, decreasing to \$3.4 million in FY2027. The additional surcharge funds would be considered Unrestricted General Fund revenue, but are proposed for use to support the Department of Environmental Conservation's Spill Prevention and Response Division.

- *AML currently supports an increase to the motor fuel tax as part of a comprehensive fiscal policy, to address budget deficits, and to ensure adequate funding for infrastructure and oil spill prevention and response. AML could consider opposition to exemptions of specific industry groups or support for use of funds for municipal projects. Local governments could consider their own taxation of motor fuels in the event the State does not enact this increase.*

Passed: Senate Bill 201 sponsored by Sen. Costello addresses charitable gaming, **rolled into SB 204 and enacted**. The bill modernizes Alaska's gaming statutes to allow raffle tickets to be sold online and for winning tickets to be drawn online. The bill amends AS 05.15.640 to allow the following gaming activities to be conducted using the Internet: raffle or lottery, dog mushers' contest, derby, or type of classic defined in AS 05.15.690. These activities were allowed through June 30, 2022 due to the passage of HB76 in 2021, an Emergency Declaration bill due to the pandemic. The legislation allows for these certain charitable gaming activities to continue in the same manner. It allows currently approved gaming to be sold online instead of in person, with the proceeds going to the charity authorized. Additionally, it changes nothing with respect to pulltabs or bingo games which require paper games and in-person.

- *AML members may carefully assess implementation and potential unanticipated impacts.*

HB 55 by Representative Josephson would create a new pension fund for police and firefighters. Employees would be required to contribute a minimum of 8% of their pay and could retire at age 55 if they work for 20 years. The bill has several layers of mechanisms where contributions for employers and employees would automatically adjust based on returns creating a shared risk model that would hopefully reduce the chance of increased pension liabilities. An analysis found the program would cost the state between \$4 million to \$7 million per year. Proponents say that's less than the cost of hiring and training replacements for public safety workers who leave the state because there's no pension. **HB 220 by Rep. Hopkins** would give teachers, school officials and firefighters the option to choose a "defined benefit" or "defined contribution" retirement plan. Neither bill passed but lots of public testimony from public employees and unions supported the bills. Many see the return of the defined benefit as a way to solve workers shortages and frequent turnover of staff especially in certain fields like education and public safety.

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In the early 2000s, a stock market slump, changes in benefits and new actuarial estimates created a huge shortfall in the state's pension system. By 2013, the gap exceeded \$12 billion, and the state faced the prospect of paying up to \$1 billion per year to fill it. Lawmakers terminated defined benefit pensions for new employees in 2006 amid a multibillion-dollar shortfall in the pension fund, replacing them with a 401(k)-style retirement system. Proposals to reverse that decision have been introduced with regularity ever since. Recently, improved investment returns, a \$3 billion transfer from savings, and continued annual payments in the state budget shrank the shortfall by two-thirds, to \$4 billion, in 2021. Against this backdrop several retirement bills were introduced and made progress through committees but ultimately failed to pass. Some like Sens. Stedman and Bishop want a closer look at any fiscal implications to the retirement fund if any adjustments are made to any retirement plans.

- *While AML has a position in support of addressing PERS systemic issues and the unfunded liability of the system, we do not have a position in support or opposition to a new DB offering.*
- *Our current response has been to question the addition of a DB plan while the net pension liability remains as large as it is and employers are paying 22% of their salaries to the pension system.*
- *A reduction of the net pension liability or decrease of the employer cap would enable local governments to additionally fund or supplement employee retirement options.*

HB 167 sponsored by Rep. McCabe Gold and Silver: Allows the use of gold and silver in the payment of a debt if acceptable to the merchant. Amends AS 29.45.650 and AS 29.45.700 to add a new subsection to protect "specie" from a borough sales or use tax on the sale as well as from city sales or use tax on the sale or exchange of a specie. This legislation would direct the House Finance Committee to study and prepare legislation should it determine that any future alternative form of tender is practical and beneficial as a recognized medium of exchange for the payment of debts.

- *This bill would potentially have a negative revenue impact, and create complexity for the conduct of business within municipal boundaries.*

HB 408/SB238 by Request of the Governor regulation of virtual currency. This legislation amends and modernizes the Alaska Uniform Money Services Act (AS 06.55) and adopts pertinent sections of the Uniform Money Transmission Modernization Act (Model Law). The bill will modernize Alaska's money transmission laws to include cryptocurrency (aka "virtual currency," Bitcoin, Ethereum, Doge Coin) and allow regulation of those virtual currencies. Cryptocurrency is one of the top tools of rogue actors (Russian oligarchs, North Korean kleptocrats) to evade sanctions. 28 states currently regulate cryptocurrency but Alaska does not currently regulate virtual currency. Nearly 1/3rd of money transmission in Alaska last year was virtual. It also clarifies regulation of payroll processing.

- *Local governments should probably be involved in consideration of the State's approach to virtual currency and transactions. Municipal practices or policy may need to evolve, as cities and counties across the nation are increasingly accepting payment of taxes or fees via new forms of currency.*

SB 15 by Senator Costello – Open Meetings Act Violation: This bill creates a process for a person to file an administrative complaint with the Alaska Public Office Commission (APOC) against a person for

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knowingly violating the Alaska Open Meetings Act, and for APOC to assess a civil penalty of up to \$1,000. The bill proposes the options for a warning for the first violation; the possibility of a fine up to \$1,000 for a second violation; and a criminal referral for a class B misdemeanor for a third violation.

- *AML opposed this bill but the issue is something to watch; there might also be changes to the Open Meetings Act that we may want to consider to improve the efficacy of its use and applicability.*

HB 190 by Rep. Gillham and HB 131 by Rep. Carpenter - Recall of Public Officials: Both bills proposed adjustments to the already existing statues governing recall of public officials mostly adjusting timing of a filing and the number of signatures needed to advance a recall petition. Neither bill moved very far through the committee process.

- *Should AML consider sideboards to a recall petition, limits on when it can be filed, or a clearer definition of what constitutes a basis for recall? If there is already the opportunity for the elected official to cure the alleged violation, should that obviate the permissibility of the recall?*

HB 176, by Rep. Sara Rasmussen - Direct Health Agreements: This bill allows consumers to contract with health providers for primary care, paying a monthly fee. The arrangement avoids providers and patients having to deal with insurance and benefits individuals without insurance. An amendment in the House bill requires that annual fees must be comparable for comparable services and may not be based solely on the patient's health status or sex. The agreements are not to be considered insurance and the Division of Insurance would not have any regulatory oversight over these agreements.

- *This might be an interesting proposition for local governments to consider, in addition to or instead of current health offerings.*

SB 110, by Senator Micciche – Electric Utility Liability: The bill only passed out of one committee on the Senate side then failed to move from there. SB 110 provides complete immunity from civil liability for certain electrical utilities in the event of property damage, death, or personal injury resulting from contact between the utility's facilities and off-property vegetation. The utilities covered by this provision are those offering electric service to the public for compensation under a certificate of public convenience and necessity, issued under AS 42.05.221. The immunity provision would not apply if the vegetation at issue is entirely within the bounds of property under the control of the utility, including easements or rights-of-way, and one of two additional conditions is met. The immunity provision would not apply if the utility either does not have a written vegetation management plan or policy or fails to substantially comply with the utility's written vegetation management plan or policy. The bill defines "written vegetation management plan or policy" for the purpose of this section as a document that establishes a procedure for managing vegetation to protect reliability and safety of its electrical facilities. To the extent that SB110 would give rise to civil liability, a regulated utility that is held liable could seek to recover damages through rates charged to customers by seeking a rate increase with the Regulatory Commission of Alaska.

- *Municipal utilities may benefit from this legislation, though local governments may lose the ability to adequately enforce local provisions or response. Consider AML vetting of this issue.*

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SB 105 by Sen. Myers – Road Service Areas: The bill amends AS 29.35.450(c), which governs the abolishment, consolidation, or alteration of road, fire protection, and parks and recreation service areas. A new subsection (c)(2)(D) is added to give the boards of road service areas the ability to vote on consolidation of two areas as long as no new land is added. The bill exempts this type of consolidation from certain voting procedures allowing boards to make these changes without a wider road service area vote. The provision applies to second class boroughs. Borough assemblies do not have the power to adjust service area boundaries without voter approval. Separate elections are required for each of the RSAs subject to consolidation, and these elections typically fail to turn-out voters and cost money. FNSB has 103 RSA's each with their own commission that meet at least once monthly. The next closest is the Mat-Su with 16 RSA's. However, the bill may decrease public input.

- *Is there a non-statutory solution for this singular issue, or is there a broader impact AML should consider for this service area statute, and include this in?*

HB 120 and SB 97 – State land sales and leases by request of the Governor. In 2021, the Governor proposed a lands bill that took away local governments authorities around platting and planning, setting up a dual system that would have been cumbersome and redundant. Work over the interim headed up by AML, between interested parties resolved these issues. The bill also now clarifies statutes relating to the development of roads and minimum lot size standards. The bill's language ensures State land disposals are held to the same platting and zoning requirements as all municipal projects for both lot size and constructed access. However, the bill failed to pass. The bill does several things. First, it gives more authority to DOT&PF and DEED to acquire and transfer excess buildings and land that is no longer needed for the purposes of the original acquisition. This will streamline the disposal process and reduce multi-agency efforts. Second, it proposed increasing the Land Disposal Income Fund from \$5 million to \$12 million. The fund has not been adjusted in 20 years and personnel and development costs have increased significantly, reducing the available working capital. Third, it proposed a new section addressing the leasing and sale of state lands deemed suitable for commercial development, either within Qualified Opportunity Zones or in other areas nominated and assessed by the state as appropriate for commercial development. Land can be nominated by members of the public for development. Last, the Bill amends current statutes to allow for further flexibility in private ownership of agricultural lands conveyed by the Department by reducing the minimum parcel size (40 acres) and the number of subdivided parcels (4) after conveyance and allowing for supporting agricultural activities. The land can be subdivided into 8 parcels at a minimum of 20 acres each. Agricultural activities are not limited to the primary use; this allows for supporting uses such as a Bed and Breakfast operations to support offset agricultural development costs.

- *AML negotiated continued compliance with local platting, planning, and zoning, but there will remain questions about State decision-making as a result of this process. AML has offered a more collaborative approach that isn't reflected in this bill, as well as identified the need to finalize and further transfer State lands to municipalities.*

HB 373 – State Sales Tax by Rep. Tarr. The bill would implement a 2% sales tax, but would not allow the local & state combined tax to exceed 8%. So if the local sales tax rate is 8%, the state tax rate drops to zero. (Sec 43.44.020 of the proposed bill). Sec. 43.44.360(e) outlines agreements the state can enter into

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with local governments, including collecting and remitting local sales taxes to a local government and collecting and remitting to a state government. These are improvements to the bill and recognizes the importance of local governance and the ability of them to tax to pay for local services.

- *While AML has a stated position in support of broad-based revenue as part of the State's comprehensive fiscal policy, many members have expressed strong opposition to a State sales tax on top of their own. AML worked with the bill sponsor to protect continued municipal collection, rates, and exemptions.*

PCE & COMMUNITY ASSISTANCE

Since 1985, Alaska's Community Assistance program provides yearly funding to boroughs, cities, and unincorporated communities to support local government operations and the delivery of vital public services, as outlined in A.S. 29.60.850-879. The Department of Commerce, Community and Economic Development can also designate an incorporated nonprofit entity or Native village council to receive Community Assistance payments. Unincorporated communities must have at least 25 residents to qualify. The program has existed in different forms since 1985. Since 2006, Community Assistance has been distributed to municipalities annually, with the amount totaling not more than \$60 million.

Historically, the \$60 million sat in a "Revenue Sharing" fund, which is made up of 3 years of revenue sharing (\$60 million x 3 = \$180 million). Every year, the Legislature drew out 1/3 of the revenue sharing fund or \$60 million, whichever is less, to municipalities. The amount appropriated to revenue sharing in each year's budget, (which has historically been \$60 million) is then deposited into that fund, bringing the balance up, once more, to \$180 million. Legislation passed in 2016 reduced program funding to \$30 million per year. Now, per A.S. 29.60.850, the annual deposit into the fund may not exceed \$30 million or the amount necessary to bring the fund balance to \$90 million. So if the program is fully funded, the legislature annually deposits \$30 million into the fund and the balance of the fund on June 30th of each year is \$90 million.

Additionally, A.S. 42.45.085 allows for the use of Power Cost Equalization funds to be used as a revenue source for funding the Community Assistance Fund. If the PCE fund has sufficient earnings, the legislature may appropriate 70% of the prior year's excess earnings, after paying for the PCE program, to the Community Assistance Fund. For many years now the Community Assistance program has largely been funded by the investment proceeds from the PCE Endowment fund.

This session Sen. Hoffman introduced SB 243, which increased rural PCE payments by raising the subsidy cap on residential electricity use in rural households from 500 kWh/month to 750 kWh/month. This means household can use up to 750 kWh/month and will receive the subsidy, and be charged a rate for electricity equal to the average of the costs of power in the state's urban communities of Anchorage, Fairbanks, and Juneau. The bill passed the Senate 18-0 and the House 38-2. The bill also removed the four percent nominal target return when investing for the Power Cost Equalization Endowment Fund and replaced it with the prudent-investor rule. It is estimated that the conservative 4% return target cost the fund \$230 million dollar because of the overly conservative approach. The new investment target returns should help the fund moving forward; however, this year the fund has lost \$34 million to

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May. The increase in the PCE program will cost the program almost 50% more or a \$15.7 million increase over the yearly base of \$30-\$32 million. Based on recent poor investment returns it is clear that there will be no funding for community assistance in the FY 24 budget cycle from the PCE Endowment fund. Legislative Finance also estimated that the subsidy change reduces the likelihood of community assistance funding from the PCE fund to a yearly 50/50 chance. To nullify the impact of the bill \$250 to \$300 million needs to be added to the endowment.

Possible solutions or proposals that AML may want to consider include:

- **Base Payments:** Make base community assistance payments with no adjustments for population. Make base payments to smaller communities larger. Larger communities would receive smaller payments.
- **Payments tied to Revenue:** Tie community assistance payments to a community's ability to tax or raise revenue. Communities with less taxing authority or fewer taxable resources would receive larger community assistance payments.
- **Payments tied to Budget:** Tie community assistance payments to the proportion those payments make up the operating budget for a community, making the base year FY20. Communities that rely more on community assistance for basic operations and services would receive larger community assistance payments.
- **PCE Endowment:** Support the continuation of the Power Cost Equalization Endowment Fund and any excess earnings from the fund being used to fund community assistance payments and support adding \$250 to \$300 million to the endowment.
- **Community Dividends:** Switch to community dividends that are paid out of the Permanent Fund Earnings Reserve account and tie payments to one of the formulas above.
- **Community Assistance Endowment:** A \$600 million endowment would secure a yearly \$30 million dollar community assistance payment.

Since 1985, Community Assistance payments to communities have declined from \$141 million to \$30 million. Nationally, states allocate about a third of their budgets for intergovernmental expenses and revenue sharing. Alaska falls toward the bottom of states for revenue sharing to communities. It is time to figure out a way to secure community assistance payments for the future in a reliable manner.

ALASKA MARINE HIGHWAY SYSTEM

Reforming the organizational structure of the Alaska Marine Highway System (AMHS) is something that has been hotly debated in recent years. Decreased funding, scheduling uncertainties and COVID-19 have resulted in decreased revenue in recent years. In January 2020, a Alaska Marine Highway Reshaping Work Group was convened by administrative order and studied possible new revenue sources, ways existing revenue sources might be strengthened, how to model the fleet, and a possible public-corporate structure of the AMHS. Previous proposals have been floated to create a public corporation or a ferry authority with more independence from the executive branch. It would also allow for long-range funding rather than going to the legislature each year. The plan is to institute reform measures to add viability and sustainability to the system.

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In part, based on the findings of the steering committee, Rep. Stutes introduced HB 63 (Rep. Stutes) which passed and became law in 2021. The bill renamed the current Marine Transportation Advisory Board established under AS 19.65.110 as the new Alaska Marine Highway Operations Board, changed the composition of board members and changed board member duties. At the end of the Alaska Legislature's session, the Senate passed HB 322 and became law in June 2022. The bill keeps the state's Higher Education Investment Fund and two ferry-system- related savings accounts from being automatically drained at the end of each fiscal year. The law ensures AMHS will have a reliable source of funding and will not need to compete with other programs in the state budget.

Recent infusions of federal money have stabilized the ferry system in the near-term. Many AML member communities are very reliant on and connected by the Alaska Marine Highway System. AMHS is vital to the economies of these communities often providing the only affordable transportation mechanisms for goods, communities, and transportation to larger hubs.

- *AML considers an effective AMHS as critical to served communities and to the health of local governments therein, and supports appropriate levels of service year-round.*
- *AML may support continued reform, including the movement of AMHS away from State agency operations to something more like an independent operating authority that continues to receive adequate State support.*

SCHOOL FUNDING

Article VII, section 1 of the Alaska Constitution charges the state, through its legislature, with establishing and maintaining a system of public schools open to all Alaskan children. The state meets this obligation by funding the state's 54 school districts, including education facilities. In the unorganized borough, where there are areas that are not within any school district, the state has the direct responsibility to finance, maintain, and manage the school system. (Alaska Const. Art. X § 6; AS 14.12.020(c)). These unorganized educational service areas are divided under AS 14.08.031(a) into 19 regional educational attendance areas (REAA's) that lack taxing authority. The education budget is the second largest state budget, with the Base Student Allocation (BSA) alone costing \$1.2 billion. There are currently 13 school construction projects on the Department of Education and Early Development School Construction Grant Fund list, totaling \$192.7 million. The Major Maintenance Grant Fund has 97 projects, totaling \$196.6 million. The majority of these are unfunded.

Education has been a priority for many over the last few legislative sessions, and it has been a key element in negotiations. Many education bills passed or were at least actively moving through committee at a time when few bills managed to pass. Some of the most innovative education bills were in play this year and ultimately passed. These included HB 114, the early learning and reading bill, and SB 34, tribal school compacts, which will involve five state/tribal pilot programs. This is new for public education, as the state has continued to rank poorly in national testing and rankings.

For AML, the questions become what spillover impacts or consequences any passed legislation may have on local governments, what unfunded mandates might be included, and whether the local school

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boards' authority has been weakened. There is also the issue that increasing revenue streams for schools may reduce the overall pot of money available for all other needs, including local governments and communities. But communities also need an educated and trained workforce to thrive, so striking the balance is key in this area.

School Funding: HB 272, HB 273, BSA increase: The BSA is a funding mechanism to fund basic school operations that is based on a complicated per student calculation. HB 272 and 273 would have adjusted the Base Student Allocation for inflation, but the bills never moved out of House Finance. There was a smaller \$30 increase in the BSA as part of the reading bill, HB 114, and a one-time increment of \$57 million plus forward funding for next year. However, this leaves the issue of inflation in school funding unresolved again. The BSA has not been adjusted since 2017 and inflation is currently running at 8% or more and the cost of heating school facilities will be substantially more next year. School officials also frequently cite an increasing number of unfunded mandates that erode funding. Additionally, there is the issue of forward funding of education to give school districts stability for planning. These funding issues have been a continuous problem and unresolved for many years. New legislation addressing this issue will be filed for the next legislative session.

- *AML could consider a position in support of an increase to the BSA, consistent with the needs of municipal school districts.*
- *AML may consider that the BSA be entirely funded by the State, as it is the State's identified responsibility. Local contributions should be above and beyond the BSA.*

HB 273 – Increase Base Student Allocation – Adjust for Inflation

On July 1 each year, increase the base student allocation (BSA) using the preceding three-year period of the Consumer Price Index for urban Alaska (CPI- U) as prepared by the United States Dept. of labor. New estimated total state entitlement would increase by approximately \$4.6 mil.

- *AML could consider a position in support of annually increasing the BSA in relation to inflation, thereby preserving the purchasing power of school districts and decreasing reliance on a local contribution making up the difference.*

Impact Aid - There is a possibility that Alaska will fail the FY21 disparity test for K-12, increasing FY22 budget by \$72.3 million in FY22 and \$74.6 million in FY23 as federal funds would no longer be able to supplant state funds.

- *AML could support the review of the funding formula for fairness and equity. Examine the impact on the cap and any impacts to local governments.*

School Construction and Bond Debt:

In the early decades of the state's history, there was no formal system to determine how and where school construction would be funded across the state. As a result, school construction funding became political and highly inequitable. In order to minimize inequities, the legislature developed a new school construction funding process in 1990. To ensure that capital projects were being funded based on local need rather than political influence, legislation required the Department of Education to review,

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evaluate, and recommend projects for approval, based on a set of priorities such as school capacity, safety, and health.

A construction fund was created to provide grants for school construction projects on the Department's priority list (AS 14.11.005). The construction grant fund is funded by legislative appropriation, and also from the sale of general obligation bonds. The School Construction Debt Program (AS 14.11.100) allows incorporated cities, boroughs and municipalities to receive a reimbursed percentage of approved bond principal and interest payments for the cost of school construction debt. For years, communities across Alaska received approval from voters and the State of Alaska to issue school construction bonds. The communities relied upon 60 to 80 percent reimbursements from the state to help pay off school bond debt they had incurred.

REAs could not utilize this program, however, because they lacked the ability to issue bonds. REAs have been put at a serious disadvantage relative to urban schools, who received reimbursement funding for their school construction bonds. In 1993, the Legislature also created the "major maintenance grant fund" (AS 14.11.007). This fund was established to provide grants for the costs of major maintenance necessary to protect existing facilities and correct building code deficiencies. The major maintenance grant fund is mostly funded through legislative appropriations.

Despite the changes, inequities remained for REA's. In response to this inequity, the Citizens for the Educational Advancement of Alaska's Children, or CEAAC filed the *Kasayulie* lawsuit in 1997 challenging the method of funding capital projects for education. In 1999, the court found that the state's history and practice in funding construction of rural school facilities violated its obligations under the Education and Equal Protection Clauses of the Alaska Constitution and Title VI of the Civil Rights Act. CEAAC and the State of Alaska reached a settlement of the lawsuit in 2011. Prior to the settlement, CEAAC worked with legislators in 2010 to win passage of Senate Bill 237, which directs 24% of funds allocated to bond debt reimbursement to REA schools on the Department of Education and Early Development's construction list. The parties also agreed to construct five schools. The State agreed to fund \$146 million in capital projects for five new schools in Emmonak, Koliganek, Nightmute, Kwethluk and Kivalina, over and above the funding flowing through the mechanism. Kivalina is the last school being built. This established a systematic mechanism for identifying funding amounts for rural school construction and was expanded to include small municipal districts in 2013, and major maintenance in 2018. This legal history is important because of the plausible argument that when school bond debt reimbursement is not fully funded it is a violation of the *Kasayulie* consent decree.

Current Status:

In 2015, the state stopped reimbursing communities for new school construction bonds, placing a moratorium on new projects. However, the state did continue to help pay off existing school bond debt from past bonds. The moratorium on new projects participating in the program ends July 1, 2025. The moratorium was extended from July 1, 2020 in the prior year's legislative session. Any new bonds passed after July 1, 2025, will be eligible for reimbursement at 40% or 50%. In the past, the state had reimbursed districts at 60% or 90% depending on the project. Various legislation has been introduced to

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address or change the school bond debt moratorium but has not passed. It is likely that legislation will again be introduced next session.

Over the last several years, the State has reduced or eliminated bond debt reimbursement for existing bond obligations. For Fiscal Year 2020, the legislature reduced funding by 50 percent, appropriating just under \$49 million for bond debt reimbursement and under \$20 million for deposit into the REAA and Small School District Fund. For Fiscal Year 2021, the legislature restored funding, appropriating \$100 million for bond debt reimbursement and \$36.6 million for the REAA and Small Municipal School District Fund. However, Governor Dunleavy vetoed all of this funding, leaving a 100 percent reduction in funding. This year not only did school bond debt get fully funded all of the prior years of vetoed funds were funded as well.

Possible Positions:

- **Continue to support full funding of school bond debt reimbursement.** The State made prior commitments to reimburse a portion of school bond debt, and local governments have relied on that commitment in good faith. Any change in the state's commitment on school bond debt reimbursement poses a significant and unfair financial burden on local communities. Additionally, full school bond debt reimbursement is the funding mechanism for funding the REAA and Small Municipal District Fund and is legally required by the terms of the *Kasayulie* consent decree.
- **Support restoring the school bond debt program by eliminating the moratorium.** The State has a constitutional obligation to establish and maintain an educational system. In order to do so school facilities must be operated and maintained so that they are safe and conducive to learning. The school bond debt program is a good compromise where both the State and local governments work together on this effort.
- **Support full funding next year, followed by gradual decreases.** Bond debt would be fully funded next year, followed by a step-down approach in the reduction of bond debt support, e.g.; 75% then 50% then 25% reimbursement. This would allow communities time to prepare for the financial impacts of the reductions and to raise revenue to offset the increased costs.
- **Support a step-down approach to reduction of funding.** Bond debt reimbursement would be gradually reduced, for example: reimbursement of 75%, then 50%, then 25%. This would allow communities time to prepare for the financial impacts of the reductions and to raise revenue to offset the increased costs.
- **Support elimination of school bond debt reimbursement** and replacement with a viable alternative that protects both local governments and the State.
- **Revisit the Alaska Public School Land Trust.** Working with other educational stakeholders, support additional research into reconstitution of the Alaska Public School Land Trust, active management of the trust and the utilization of the trust money to fund education, including education facilities. Part of the *Kasayulie* lawsuit charged that the State of Alaska breached the school land trust by (1) re-designating the school lands as general grant lands and (2) failing to properly use and account for school trust funds. In 1999, the court agreed and stated that re-designation of public school lands into general grant lands is not permitted, and that a further breach of the state's obligation was

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that there was no valuation of the land prior to the action. The court called for an appraisal of the land, noting that without such a valuation it is premature to consider remedies. As part of the consent decree, this matter was left unresolved.

- **Review potential litigation.** Appeal to the courts to force the State to fund school construction and major maintenance, through such a mechanism as school bond debt reimbursement or alternatives that ensure constitutional duty, and in accordance with the *Kasayulie* consent decree.

ELECTIONS BILLS

Most election bills were focused on State elections, but they initially had connections to municipal elections. If and as the State adjusts its elections processes, there will be spillover into municipal election management. Also, for those local government officials who have some role in supporting State election activities, this may change how they operate.

Election Bills Across the Country

NCSL reports that 3,676 election bills were introduced in 2021.

- That's the highest number since NCSL started tracking election bills in 2001.
- Only 285 bills became law in 42 states and territories.
- California, Nevada, & Vermont moved to all-mail elections - 8 states now conduct by-mail
- Iowa, New York, Texas, and Utah established ballot tracking systems. (34 states)
- Florida, Georgia, and Texas approved voter identification requirements for voting absentee ballots.
- Kentucky and New York established online absentee ballot request portals.
- Indiana, Kentucky, Texas, Virginia, and Vermont created a signature curing process. (23 states)
- 9 states approved legislation related to drop boxes. Delaware enacted automatic voter registration and 21 states automatically register citizens when they do business with state agencies.
- Maine approved an online voter registration system.
- Montana repealed the policy allowing voter registration on Election Day.
- Virginia approved legislation allowing 16-year-olds to pre-register to vote.
- Wyoming enacted a voter ID law. (35 states have voter ID laws)
- A law was passed in Kentucky adding 3 days of early in-person voting. (43 states)
- 11 states passed legislation prohibiting the use of private funding for election administration
- Legislation was passed in 14 states regarding the upkeep of voter rolls.

2020 Elections:

The U.S. Elections project has released a [biennial report](#) detailing the final certified 2020 voter turnout.

- Alaska's voter turnout was 68.8% - Alaska is ranked 23rd in the nation for voter turnout.

Key Takeaways:

111 million Americans voted by mail or early in-person. (70%)

- 30% of voters voted in person on Election Day.
- 28 states, including Alaska, make it easier to use a mail ballot.
- National voter turnout was 68.8%. (*Highest voter turnout since 1900*) (*Up 7% from 2016*)

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- 20 states had voter turnout over 70%
- 599,687 Alaskans are registered to vote in Alaska.

Election Bills

Three major election bills were in play during the 32nd Alaska State Legislature. Toward the very end of session several portions of the bills below were added to HB 157 creating an omnibus elections bill.

- Senate Bill 39 sponsored by Sen. Mike Shower
- House Bill 66 sponsored by Rep. Chris Tuck
- Senate Bill 167 and House Bill 286, HB 95 and SB 82 sponsored by the Governor

HB 157 was a compromise worked out between election stakeholders, members of the House and Senate and the Lieutenant Governor's office. The bill failed in the final hours of session but merged some of the best ideas from the bills above.

Campaign Contributions

Earlier this year a federal judge ruled that the limits on how much you can donate to a political candidate were illegal and threw them out. The Legislature needed to impose new limits, if there's going to be any kind of restriction on how much somebody can donate to a candidate. In the last hours of the Legislature, that bill failed. So right now, and going into this fall's election, there's no limit on how much money someone can donate to a candidate. It remains to be seen how much effect that will have on this year's election, but it could be significant and outside money could end up having a significant impact. HB 157 by Rep. Rasmussen would have set the following limits, moving from a per-year limit to a per-election cycle:

- \$2,000 limit on contributions from individuals to single candidates
- \$4,000 limit on contributions from individuals to joint gubernatorial campaigns
- \$5,000 limit on contributions from individuals to political parties or other election groups
- \$4,000 limit on contributions from non-political party groups to individuals
- \$8,000 limit on contributions from groups joint gubernatorial campaigns

Gov. Dunleavy Election Integrity Bill SB 167 and HB 286

The bill would change the Permanent Fund Dividend – Automatic Voter Registration process to be an opt-in process where voters are given the option to request voter registration. It included changes to how the voter list is maintained. The Division of Elections will be required to consult a subject-matter expert to audit the list of registered voters. The bill includes the creation of a toll-free election offense hotline. The bill will require the Division of Election to pay the postage costs for those who return an absentee ballot. The Division of Election will be required to set up a free system to track absentee ballots. The bill includes signature verification requirements including the use of signature verification equipment. The bill allows voters to request absentee ballots for 4 years. *(HB 66 includes a permanent absentee voting system)* The Governor's bill will include a ballot curing option for those submitting absentee ballots. *(HB 66 includes a ballot curing process)*. The bill gives the Division of Elections the "ability to mail ballots should it be required to give some Alaskans the chance to vote, even during a

Bills that pass have potential impacts, and bills that didn't may be resurrected in the future...

pandemic.” The bill will include requirements for routine forensic examinations and chain of custody protocols for tabulators. The bill requires training for police officers on election offenses.

House Bill 95 and SB82 HB 95 would authorize the Alaska Attorney General to conduct civil investigations into election law violations. If approved, the Attorney General could investigate alleged election violations identified by the Director of the Division of Elections, a member of the public, or by the Attorney General. Allows the Attorney General to subpoena witnesses or documents. A member of the public would be allowed to submit a complaint alleging a violation to the Division of Elections within 30 days of the election or the violation, whichever is later. The Attorney General would be allowed to bring civil enforcement actions if a violation is found. Currently, the only option to the State of Alaska is to make a criminal referral. The bill stipulates that the records and intelligence resulting from the investigation are not public records. The bill allows the Attorney General to sue for injunctive relief and to seek a civil penalty of up to \$25,000 for each violation.

The Meyer/Dunleavy proposal would end automatic voter registration, make it easier to cull voters from the voting rolls and encourage police to investigate voter fraud. It also provides voters with postage for mail-in ballots and implement some kind of ballot tracking and ballot-curing system.

House Bill 66: The goal behind House Bill 66 is to modernize Alaska’s elections and empower voters. Provisions include the following: Authorizes same-day voter registration; Allows the use of electronic signatures for voter registration; Requires election officials to notify a voter if their absentee ballot is rejected. (*Currently, voters are notified after the election is certified*); Requires the Division of Elections to offer a voter the option to “cure” a mailed-in absentee ballot if there are errors; Allows absentee ballots to be counted as they are received instead of waiting until after the polls close on election day; Clarifies terminology for early voting to remove confusion between early voting and absentee in-person voting; Calls for the same early voting locations to be available during every election; Clarifies that candidates and groups sponsoring ballot initiatives can have poll watchers. Requires the Division of Elections to provide a postage-paid return envelope with absentee ballots; Creates an option for permanent absentee voting for individuals that plan to vote by mail in every election; Eliminates the witness requirement for absentee ballots; Increases the pay for poll workers from \$12 per hour to \$15 per hour.

Senate Bill 39 has been characterized as a voter suppression bill. This bill would eliminate the state’s Automatic Voter Registration system, criminalize the possession of ballots in a wide variety of circumstances, prohibit certain municipalities from voting by mail, and erect other barriers to the ballot. Note, Automatic Voter Registration, was approved by nearly two-thirds of voters in 2016. Provisions include the following: The bill includes provisions allowing the use of multi-factor authentication to vote in Alaska so basically proposing requiring two-factor authentication for voters in a state with low connectivity; Require a more vigorous cleaning of voter rolls; Changes the deadline to request an absentee ballot from 10 days before Election Day to 14 days; Allows tribal identification cards to be used to register to vote; The bill would allow the use of blockchain technology to protect election and voter

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data; Requires a witness signature unless “none of the officials listed are reasonably accessible.”

Sightline Institute Recommendations The Sightline Institute published an [article](#) with recommendations on how to merge the good provisions in House Bill 66 and Senate Bill 39. [ALASKA'S LAWMAKERS HAVE A BIPARTISAN ELECTION FIX AT THEIR FINGERTIPS: Can Juneau show the rest of America how to make elections inclusive and secure?](#)

Potential Takeaways

Give voters a ballot cure process: Voters should know where their ballots are, when their ballots are being questioned or rejected, and be informed of that immediately. HB 157 allows those whose absentee ballots are rejected due to minor mistakes an opportunity to cure (fix) those mistakes. All three of the major election bills under consideration this year included provisions allowing voters who cast an absentee ballot to cure (fix) mistakes on their absentee ballot envelope. The curing provisions apply only to vote-by-mail absentee ballots. The curing process applies to absentee ballots if: (1) The voter does not have a signature stored in voter registration records, (2) The signature on the certificate does not match the signature in voter registration records.

Allow for longer-term registration to receive absentee ballots by mail: Voters could register to receive absentee ballots at home every year for four years.

- HB 157 includes a permanent absentee voting system and all 3 of the major election bills under consideration this year include provisions to allow voters to receive absentee ballots for more than one election cycle. The provision gives Alaskans the option to receive absentee ballots by mail for all future state elections without having to fill out an application every year. Additionally, postage is paid for absentee ballots. The compromise also allows for same-day voter registration up until Election Day but those who register to vote in the 30 days preceding an election can only cast a questioned ballot.

Establish a tracking system for absentee ballots: Intelligent mail barcodes would allow absentee voters and election officials to track their ballot and get live updates when the Division of Election mails it out, when the voter receives it, when the Division receives it, whether they find any problems with it, and when it is counted. Many other states are doing this, why can't we? HB 157 Establishes a ballot chain of custody system including the use of intelligent mail barcodes, watermarks, and an election offense hotline for all ballots. Requires the Director of the Division of Elections to issue regulations for a system for ballot security and chain of custody for all ballots, certificates, and envelopes from the time of printing until 22 months after the applicable election is certified.

Check voter registration records using the Electronic Registration Information Center: Alaska is one of 31 states belonging to ERIC, a legitimate program for keeping voter lists clean and accurate. Using ERIC, states can remove from their rolls voters who have passed away, moved, or registered to vote in another state, or update the addresses of those who moved within Alaska.

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Audit the master vote list: A biennial third-party audit of the master voter list would ensure Alaska is using the best available information sources to keep voter lists up-to-date.

HB 157: Updating the Voter List (similar to SB 167 Gov's bill)

This portion includes language requiring the Division of Elections to adopt regulations providing for regular review and updates of the master voter registration list. However, the compromise did not address the right to return issue which has been blamed for the high voter rolls in Alaska. State law allows people to stay registered when they move away, as long as they have an "intent of returning" to Alaska and don't register to vote anywhere else. The Anchorage Daily News reports that as of April 28, Alaska had 35,923 registered voters with mailing addresses outside of Alaska. (14,344 voted in the 2020 election). The Anchorage Daily News reports that as of April 3 Alaska had 586,318 registered voters. The Alaska Department of Labor and Workforce Development estimates there are 552,462 people of voting age living in Alaska.

Election Audits: Statutorily mandated audits can give citizens confidence in the accuracy of election results. Audits must never be partisan. Two-thirds of the states have a statutory requirement to do a "post-election audit" of some kind.

Bipartisan Policy Center Recommendations:

- Audits should occur after every election and be explicitly authorized in state law.
- Audits should have a thorough, pre-established methodology.
- Audits should follow established security best practices and be conducted with trusted technology and tools.
- Election officials must maintain custody of ballots and other election peripherals in accordance with federal and state law and judicial standards for admissible evidence.
- Audits should be fully funded by state or local public resources.
- Audits should be transparent and open to the public for observation.
- Audit results should be clearly communicated to the public after their completion.
- Audits should take place before results are certified.
- [Bipartisan Policy Center Recommendations](#)

Risk-limiting Audits: Risk limiting audits are a new form of post-election audits that cut down on the number of ballots that need to be audited (statistically based). HB 157 the compromise bill gave the Division of Elections the authority to conduct a risk-limiting audit of selected election results. Risk limiting audits provide statistical confidence that an incorrect election result is not made official. Risk limiting audits are an incremental audit system. Few ballots are reviewed if the margin of the election is wide. If the margin is narrow, more will be reviewed up to the point that enough evidence is provided to confirm the declared election result. In 2021, Kentucky and Texas created risk-limiting audit pilot programs. NCSL Policy Brief: Risk-Limiting Audits

Cyber-navigators: A new trend that developed in 2021 was the use of cyber-navigators to work with local

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election officials to understand the risks of weak cybersecurity and help them be cyber-secure. Cyber-security requirements from the Cybersecurity and Infrastructure Security Agency will impact many election systems. Cyber-navigators serve as state liaisons to help local jurisdictions.

HB 157: Open-source software: This provision requires voting machines and vote tally systems used by the State of Alaska to meet the U.S. Election Assistance Commission's voluntary voting system guidelines and be certified by the commission effective Jan. 1, 2024. Open-source software doesn't change any election process and increases security.

Other provisions in HB 157:

Witness Signature Requirement - The proposed compromise eliminated the witness signature requirement for by mail absentee ballots in favor of a new signature verification system. The bill provides guidelines for the district absentee counting board to conduct signature verification on absentee ballot envelope certificates. An election official may not determine that the signature on a voter's return envelope does not match the signature stored in the voter's registration record solely based on the substitution of initials or use of a common nickname. The Division of Elections must provide training on signature recognition. In the most recent elections the number one reason a mail-in ballot was rejected was either because the voter failed to sign the envelope or the voter's signature was rejected. Obviously, this will be a big issue next session when discussion on election bills begins anew.

Election Offense Hotline identical to SB 167, Governor's bill - This provision requires the Division of Election to establish a toll-free election offense hotline to receive reports of election offenses.

Ballot watchers - Language was added ensuring that ballot question campaigns may have election watchers. Language was added clarifying that campaigns can observe all ballots being reviewed at a location.

Election Watchers - Groups sponsoring ballot initiatives can have poll watchers.

Ballot Selfies - Authorize the use of ballot selfies.

Ballot Harvesting - A number of provisions in the bill prevent the practice of "ballot harvesting." To get an absentee ballot, the voter must affirmatively ask for the ballot. (*Voters are expecting that ballot*) Ballot tracking will let them know their ballot is on the way and will be arriving in their mailbox. Signature verification is the final check. Signature verifiers are trained.

Conclusion: Changes to our election system should not only address whatever *actual* question of election security is at hand, but whether they make it harder—and thus less likely—for the average voter to cast a vote. Changes should not create an enormous hurdle for Alaskans to cast a vote. Additionally, impacts on municipalities and municipal clerks should be taken into consideration. Funding for any technology upgrades and training should be provided.

Principles

- Support the Alaska Constitution’s mandate “to provide for maximum local self-government”
- Support State policies that enable reduction of tax burdens and maintain local revenue authorities
- Support State revenue assistance as an investment in and support for municipal governance
- Support adequate State funding for basic public services and leverage federal infrastructure funding
- Oppose unfunded and underfunded State or Federal legislative, budgetary, and administrative mandates

Policy Statements

MUNICIPAL GOVERNANCE (TITLE 29)

- Support increased capacity within and professionalization of State tax assessment, including that of fisheries, alcohol, minerals, cruise ships, and property.
- Support improvements to records retention, public records access, and public notice, while reducing the administrative burden of information requests.
- Oppose the use of information requests by private companies for profit and data mining.
- Reduce the administrative burden of elections and municipal official reporting in small communities.
- Support issuance of a municipal implementation impact and fiscal note in proposed legislation.
- Reduce State policy that limits or determines municipal exemptions and other actions, and support policy that expands municipal authorities.
- Reduce the number of required city council officials from seven to five in communities under 1,000.
- Support efforts that increase governance and financial management capacity, competency, and capabilities.
- Support reimbursement for all mandatory exemptions.

COMMUNITY ASSISTANCE AND REVENUE SHARING

- Support a baseline floor of \$60 million annually, and encourage a long-term, sustainable solution.
- Support a method to waive debt, forgive loans, or otherwise bolster “stressed” communities.
- Interest rate penalties found in AS 26.45.500(b) and other statutes should be consistent with market rates, or reduced in the public interest
- The State shall conduct an annual municipal rate review, and work to lower the costs to political subdivisions by State agencies.
- Support a designated fund source for Community Assistance payments, with payments that outpace inflation

PERS/TRS CHANGES

- Support reduction of costs associated with termination studies and late payment. .
- Support the development of a pathway to decrease overall unfunded liability.
- Oppose any cost shift of the State “on behalf” payment over 22%, or any other changes that haven’t been negotiated and agreed to by municipalities.
- Oppose a return to defined benefit without addressing current unfunded liabilities.

- Work to reduce the employer cap from 22% to lower rates, encouraging greater additional contributions beyond that required by statute.
- Support additional technical assistance to Tier 4 employees for long-term planning.

FISCAL POLICY

- Support agency and programmatic efficiency and right-sizing, but oppose cost-shifting to municipalities and eliminating essential services.
- Support the development of a broad-based tax to increase state revenue.
- Oppose State management of a sales tax, and preemption of local rates and exemptions.
- Support online charitable gaming opportunities
- Consider with caution a spending cap, based on the right baseline, that accounts for inflation, is flexible in the face of economic crisis or cost spikes, is part of the ten year plan, makes adjustments based on prior year spending (or lack thereof), and/or accommodates appropriate levels of capital spending.
- Support the sustainable use of earnings from the Alaska Permanent Fund

PUBLIC SAFETY

- Increase tools available for public safety recruitment and retention, including shared State/municipal candidates and background checks.
- Support increasing the number of Village Public Safety Officers in communities without police presence, and provide pathways for municipal governance.
- Support state efforts to decrease access to and impacts from opioids and other substances, and implement local partnerships.
- Increase state funding of community jails, training for correctional officers, and technical support.
- Fund the administrative costs of municipal hosting of E911 systems.
- Elevate input from local governments in emergency/resilience planning and ensure policy supports adequate and timely state resources to support local emergency response.
- Support efforts to decrease crime, and reduce high rates of recidivism including education and substance abuse treatment.

ECONOMIC DEVELOPMENT

- Support increased investment in training and workforce development.
- Support state responsiveness to local economic development planning, including local economic diversification and small business development strategies.
- Support efforts to sustain local economies, improve quality of life, and reduce regulatory burdens.
- Support investments into and policy that increases access to and affordability of childcare and housing
- Support the transfer of State lands to local governments, completing the municipal lands program, and waiving additional survey costs.

- Support local control of licensing that contributes to economic activity, including that of alcohol, and oppose State-level population limits that bypass local planning and zoning commission responsibilities.

INFRASTRUCTURE

- Leverage federal infrastructure investment by providing access to local matching funds
- Support increased availability of teacher and public safety housing
- Support State middle-mile investments that improve access to affordable, high-speed broadband.
- Support short-term and long-term strategies for the development of broadband in Alaska, and planning efforts thereof.
- Support community relocation efforts and climate action plans.

EDUCATION

- Support early childhood education, career and technical education, and preparing, attracting and retaining qualified educators.
- Support for educational accountability and assessment that meets or exceeds federal requirements and maximizes local control.
- Oppose any reduction in school funding and support investment in school construction and deferred maintenance.
- Support amendments to the funding formula removing penalties for consolidation of school facilities within a district.
- Oppose forced consolidation of school districts and support negotiated efficiencies of operation.
- Support the continuation of a well-funded school bond debt reimbursement program.
- Support a sustainable university system capable of delivering educational opportunities, workforce development, and credible research.
- Support an increase to the BSA, including to consider and address inflationary pressures, health care costs, and fuel prices

MARITIME

- Support for appropriately funded DF&G and increased investment in fisheries monitoring, research and outreach.
- Support continued investment in port and harbor infrastructure, and the development of an Alaska Ports Strategy.
- Support full funding (equal to municipal match commitments) of the Harbor Matching Grant program
- Support an active role in federal fisheries management, including bycatch, and clean water, including through transboundary negotiations.

ENERGY

- Support for vetting of and investing in energy projects, processes and programs that decrease energy costs and improve access to renewables.

- Reimburse municipal debt or investments corresponding to and by utilizing PCE savings.
- Support for energy corridors and regional energy projects, facilitating grid resilience.
- Encourage the use of and adequate funding of the Renewable Energy Fund and AIDEA investments to promote energy project developments.
- Support the reduction of the interest rate on bulk fuel loans to not more than 2%.

TRANSPORTATION

- Support the use of State matching funds to ensure local projects are viable and competitive for federal funding opportunities.
- Support increases to the State capital budget and to address deferred maintenance, including through a mechanism such as general obligation bonds.
- Support a sustainable ferry system that continues basic, year-round, ferry service.
- Oppose the transfer of maintenance to municipalities as the requirement for road and airport projects.
- Support locally delivered, federally funded project management by local governments.
- Support the implementation of Regional Transportation Planning Organizations.
- Support waiver of DOT&PF ICAP rates on passthrough funding to local governments.

RESOURCES

- Support responsible resource development and the reduction of investment barriers alongside improved environmental risk management.
- Maintain the authority of local governments to tax the extraction or production of local resources.
- Encourage PILT agreements to the extent that these promote resource development and meet local responsibilities to tax.
- Support the ability of local governments to exercise taxing authority within their jurisdiction, on the extraction, production, and exporting of non-renewable and renewable resources
- Support current structure of the Petroleum Property Tax, to the extent that local rates are not reduced in any way.

WATER, WASTEWATER AND SANITATION

- Support increased State investment in maintenance and infrastructure upgrades.
- Support reinstatement of the Municipal Matching Grant program to help municipalities match or supplement local and federal funding.
- Support reform of the State's best practices program (RUBA) to more directly support communities
- Leverage federal funding to ensure that all communities with more than 25 residents have access to clean drinking water and sanitation.
- Expect State funding for improvements to and maintenance of facilities that comply with the Clean Water Act, including those facilities that need 301h waivers for 401 certification.
- Support continued investment in Village Safe Water and the State Revolving Loan Fund, and expanded outreach and use as possible.

Public Health

- Support sharing of State public health data and analytics to inform local decision-making.
- Support matching grants and other revenue sharing that increases the ability for local governments to support residents.
- Clarify statutory language related to the powers of local governments to make public health related decisions.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-48

An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 3 by Adding Chapter 3.15 Homer Accelerated Water and Sewer Program (HAWSP) Fund Codifying the Establishment of the HAWSP Fund and Related Matters.

Sponsor: City Manager

1. City Council Regular Meeting August 22, 2022 Introduction
Memorandum 22-137 from City Manager as backup.
2. City Council Regular Meeting September 12, 2022 Public Hearing and Second Reading

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

3 City Manager/
4 Finance Director

5 **ORDINANCE 22-48**
6

7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
8 AMENDING HOMER CITY CODE TITLE 3 BY ADDING CHAPTER 3.15
9 HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP)
10 FUND CODIFYING THE ESTABLISHMENT OF THE HAWSP FUND
11 AND RELATED MATTERS.
12

13 WHEREAS, The City Council authorized the Homer Accelerated Water and Sewer
14 Program (“HAWSP”) to promote water and sewer system improvements; and
15

16 WHEREAS, HAWSP is funded by a tax levy under HCC 9.16.010(b), special assessments
17 received from benefited property owners and other available funds from time to time; and
18

19 WHEREAS, HAWSP funds are accounted for in the financial statements of the City of
20 Homer, Alaska (“City”); and
21

22 WHEREAS, it is in the best interest of the City to codify the establishment of the HAWSP
23 fund (“HAWSP Fund”), for project planning and accounting purposes;
24

25 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
26

27 Section 1. That there is hereby codified the HAWSP Fund, as a debt service fund for the
28 purpose of program planning and accounting for the receipt of funds that are or may be
29 allocated to payment of water and or sewer system improvements.
30

31 Section 2. The City Council hereby determines that the HAWSP Fund revenues shall be
32 allocated to water and or sewer system improvements from time to time. The Finance Director
33 is authorized and directed to establish financial controls required by law, and provide for audit
34 of such funds in accordance with local and state law.
35

36 Section 3. There Homer City Code is hereby amended to include Chapter 3.15 as
37 follows:
38

39 **Chapter 3.15**

40 **HOMER ACCELERATED WATER AND SEWER PROGRAM FUND**
41

42 **Sections:**
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ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

KEN CASTNER, MAYOR



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 22-137

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: August 18, 2022
SUBJECT: Codification of HAWSP Fund

In late 2021, the Mayor and I met with attorneys from JDO to discuss issues largely related to water and sewer loans through the Alaska Department of Environmental Conservation (ADEC). The intent was to ensure that we are meeting all of our obligations to ADEC and that there are no issues outstanding that could impede the City from future loans. This is particularly critical with the federal funding that is becoming available at this time.

This project became quite involved, with my office, the City Attorney, Finance, and Public Works all playing a part in doing the research and collaborating on the best ways to move forward with ADEC loans. We found that we are generally in good shape, but there were a few things we could do to strengthen our position. The ordinance codifying the establishment of the Homer Accelerated Water and Sewer Program (HAWSP) Fund was suggested by the City Attorney as one step to clarify the intent and existence of the HAWSP Fund. This ordinance does not make any substantive changes from what Council has previously approved via the HAWSP policy, but it does formally place the existence of the fund in code.

At a staff level, there are some additional follow up items to achieve which include negotiating some updates to agreements with ADEC. We will report back to Council with any significant updates.

Staff Recommendation: Introduce and approve ordinance 22-48

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-49

An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 18.08 City Property Leases to Clarify General Lease Management Procedures and Related Matters.

Sponsor: City Manager/City Clerk

1. City Council Regular Meeting August 22, 2022 Introduction
Memorandum 22-138 from City Clerk as backup.
2. City Council Regular Meeting September 12, 2022 Public Hearing and Second Reading

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

4 City Manager/
5 City Clerk

6 **ORDINANCE 22-49**

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8 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
9 AMENDING HOMER CITY CODE CHAPTER 18.08 CITY PROPERTY
10 LEASES TO CLARIFY GENERAL LEASE MANAGEMENT
11 PROCEDURES AND RELATED MATTERS.
12

13 WHEREAS, Staff in the City Manager’s Office, City Clerk’s Office, Port and Harbor, and
14 Economic Development have been meeting to internally restructure how City leases are
15 managed; and
16

17 WHEREAS, The amendments in this ordinance further clarify the lease management
18 process.
19

20 NOW THEREFORE THE CITY OF HOMER ORDAINS
21

22 Section 1. Homer City Code Chapter 18.08.020, entitled “Land allocation plan – Property
23 available for lease” is hereby amended as follows:
24

25 18.08.020 Land allocation plan – Property available for lease.
26

27 a. Unless dedicated or reserved to another purpose, all real property including tide, submerged
28 or shore lands to which the City has a right, title and interest as owner or lessee, or to which
29 the City may become entitled, may be leased as provided in this chapter. In the case of any
30 conflict between this chapter and any local, State or Federal law governing the leasing of City
31 tide and submerged lands, the law governing the leasing of City tide and submerged lands shall
32 prevail.
33

34 b. The City administration shall maintain a list of all City-owned properties authorized for lease
35 by Council. This list shall be adopted annually and contain the information required under this
36 chapter. The list may be called the land allocation plan and will be made available to the public
37 at the City Clerk’s office.
38

39 c. Council shall adopt a land allocation plan that identifies:
40

41 1. City-owned property available for lease;
42

- 43 2. The property description, lease rate, preferred length of the lease term for each available
44 parcel; and
45
46 3. Any requirements, preferences or restrictions regarding use and/or development.
47
48 d. Council may identify property in the land allocation plan that is subject to competitive
49 bidding. Property subject to competitive bidding in the land allocation plan need only identify
50 the property description in the land allocation plan but all other terms required in subsection
51 (c) of this section shall be identified in the request for proposal for such properties.
52
53 e. Prior to the adoption of the land allocation plan, Council shall hold a work session.
54 Commission members and City staff may provide recommendations to Council during the
55 work session regarding City-owned property available for lease and the terms of such leases.
56
57 f. The City shall provide public notice of the adoption of the land allocation plan and the City-
58 owned real property available for lease no more than 60 days after its adoption.
59
60 g. All uses and activities on City-owned real property available for lease are subject to all
61 applicable local, State, and Federal laws and regulations.
62
63 h. The Council may restrict specific City-owned properties to certain uses or classes of use that
64 serve the City's best interest.

65
66 Section 2. Homer City Code Chapter 18.08.045, entitled "Lease applications" is hereby
67 amended as follows:

68
69 18.08.045 Lease applications.
70

71 **a.** Except for property subject to competitive bidding under this chapter, persons interested in
72 leasing City property may submit a lease application to the City Clerk. The City Manager shall
73 consider all applications and determine if an application is complete and meets the criteria
74 identified in the land allocation plan **and in HCC 18.08.060.**

75
76 **b.** When the City receives more than one lease application for a parcel that meets the criteria
77 established for that parcel in the land allocation plan, the City Manager shall evaluate the
78 applications using the criteria in HCC 18.08.060 and award the lease most advantageous to the
79 City. If both applicants are equally advantageous to the City, the City Manager shall award the
80 lease to the applicant who submitted a completed application first.

81
82 **c.** Applicants may be charged a fee for processing a lease application **non-refundable Lease**
83 **Application Fee as set forth in the City of Homer Fee Schedule.**

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Section 3. Homer City Code 18.08.050, entitled “Requests for proposals – Competitive bidding process” is hereby amended as follows:

18.08.050 Requests for proposals – Competitive bidding process.

a. The City Manager may issue a request for proposals to lease specific property identified in the land allocation plan at any time after posting the notice required in HCC 18.08.020(f).

b. A request for proposal advertised by the City must identify the property description of the property available for lease, the time frame for the submission of requests for proposals, any preferred uses or industries, and the overall criteria the City intends to use to score and rank proposals.

c. The City Manager must obtain approval from the Council before requesting proposals to lease property not identified in the land allocation plan as property available for lease.

d. The City Manager shall consider all responses to the City’s request for proposals that are timely, responsible and responsive. Untimely submissions shall be rejected. The City Manager reserves the right to reject any and all proposals in the City’s best interest.

e. The City Manager may rescind a notice to award at any time prior to the execution of a lease if the proposer can no longer meet the terms of the proposal. If the City Manager rescinds a notice to award, the City Manager may negotiate with the next most responsive proposer and submit a new recommendation for award to Council under HCC 18.08.070 and Council may approve the award of the proposal to that recommended proposer. If negotiations with the next most responsive bidder are unsuccessful, all bids must be rejected and a new request for proposal may be issued.

f. The Council may approve other bidding or proposal procedures or exceptions to these procedures via resolution.

Section 4. Homer City Code 18.08.070, entitled “Notice to award” is hereby amended as follows:

18.08.070 Notice to award.

~~a. The City Manager shall consider all responses to the City’s request for proposals that are timely and responsive. Untimely submissions shall be returned to the proposer without review and that proposer shall not be considered.~~

125 ~~b. The City Manager may, in his or her sole discretion, and upon a determination that none of~~
126 ~~the proposals are in the City's best interest, recommend rejection of all proposals.~~

127
128 ~~a.e.~~ Upon a determination that a proposal **meets the criteria under HCC 18.08.060** is the
129 ~~most advantageous to the City~~, the City Manager shall recommend the proposal to Council for
130 acceptance. If Council approves the recommendation, the City Manager shall issue a notice to
131 award the lease to the successful proposer. The City Manager's recommendation shall be
132 presented to Council in a written memorandum identifying the recommended winning
133 proposer, the property description, the essential terms of the proposed lease, and the reasons
134 the City Manager recommended the award.

135
136 ~~b.d.~~ The City Manager shall submit any recommendation for approval of a proposal under this
137 chapter for property located on the Homer Spit ~~or in the Marine Commercial or Marine~~
138 ~~Industrial zoning districts~~ to the Port and Harbor Advisory Commission for review and
139 comment prior to recommending a proposal to Council.

140
141 ~~c.e.~~ If the Council adopts the City Manager's recommendation, the City Manager shall negotiate
142 with the winning applicant **selected proposer** and present a final lease to the Council for
143 approval. A notice to **of tentative** award is conditional upon the City Manager's successful
144 negotiation of a final written lease consistent with the terms upon which the award was based.

145
146 ~~d.f.~~ The City Manager may, ~~with Council approval~~, rescind a notice to award. A notice to award
147 becomes void on the date the City Manager provides written notice to the proposer that the
148 award has been rescinded.

149
150 ~~g.~~ The City Manager may rescind a notice to award at any time prior to the execution of a lease
151 if the proposer can no longer meet the terms of the proposal.

152
153 ~~h.~~ If the City Manager rescinds a notice to award, the City Manager may negotiate with the next
154 ~~most responsive proposer and submit a new recommendation for award to Council and~~
155 ~~Council may approve the award of the proposal to that recommended proposer. If~~
156 ~~negotiations with the next most responsive bidder are unsuccessful, all bids must be rejected~~
157 ~~and a new request for proposal may be issued.~~

158
159 ~~i.~~ The Council may approve other bidding or proposal procedures or exceptions to these
160 procedures via resolution.

161
162 Section 5. Homer City Code 18.08.080, entitled "Lease execution and final approval" is
163 hereby amended as follows:

164
165 18.08.080 Lease execution and final approval.

166
167 a. After a notice to award a lease is approved by Council or a lease application is approved by
168 the City Manager, the City Manager is responsible for finalizing and executing the lease
169 agreement with the successful applicant or proposer. After Council’s approval of the notice to
170 award but before Council approval under HCC 18.08.040, the City Manager may negotiate
171 nonessential long-term lease terms and make changes necessary to clarify the terms of the
172 long-term lease or correct clerical errors.

173
174 b. The City Manager has authority to negotiate all terms of short-term leases subject to the
175 provisions of this chapter.

176
177 c. After a lease is executed by both parties, the City Manager shall draft and the City Clerk shall
178 record a memorandum of lease. ~~Lessee is responsible for the recording fees.~~

179
180 Section 6. Homer City Code 18.08.130, entitled “Lease renewal” is hereby amended as
181 follows:

182
183 18.08.130 Lease renewal.

184
185 a. Council, upon written recommendation by the City Manager, may exempt the renewal of a
186 lease from competitive bidding if Council finds such exemption serves the City’s best interests.

187
188 b. A lessee seeking to enter into a new lease with the City exempted from competitive bidding
189 under this section must submit a lease application and a written request for a new lease to the
190 City Manager at least 12 months but no more than 18 months prior to the expiration of the
191 existing lease. The City Manager shall notify Council of new lease requests under this section.
192 The City will review the application but is under no obligation to enter into a new lease.

193
194 c. If Council approves the new lease without a competitive process, it must do so by resolution
195 within six months prior to the date of lease termination.

196
197 d. Council shall consider the following factors when determining whether to exempt a lease
198 from competitive bidding under this section:

- 199
200 1. Lessee’s past capital investment and binding commitment to future capital investment;
201
202 2. Lessee’s financial condition and prior lease history;
203
204 3. The number of persons employed and the prospect for future employment;
205

206 4. Tax revenues and other financial benefits to the City anticipated in the future if the lease
207 is renewed;

208
209 5. Consistency of past use and intended future use with all applicable laws, including land
210 use codes and regulations, the Comprehensive Plan, and overall economic development
211 plan;

212
213 6. Other opportunities for use of the property that may provide greater benefit to the City;
214 and

215
216 7. Other social, policy, and economic considerations as determined by Council.

217
218 Section 7. Homer City Code 18.08.140, entitled “Sublease” is hereby amended as
219 follows:

220
221 18.08.140 Sublease.

222
223 a. City property may be subleased if expressly permitted in the lease agreement and approved
224 ~~in writing~~ by Council.

225
226 b. Except as provided otherwise in the lease agreement, all subleases must be in writing,
227 executed by the parties, and approved by the City Manager or their designee.

228
229 c. Approval must be granted prior to occupancy of the leased premises by a subtenant.

230
231 d. Subleasing shall not be used to transfer substantially all of a leasehold interest.

232
233 e. All subleases must comply with all applicable Federal, State, and local laws.

234
235 Section 8. Homer City Code 18.08.160, entitled “Assignment” is hereby amended as
236 follows:

237
238 18.08.160 Assignment.

239
240 a. Except as provided in the lease agreement, Council must approve the assignment of a lease
241 to another party.

242
243 b. Except as otherwise provided in this section or the lease agreement, the City Manager must
244 make a determination that a lessee is in full compliance with a lease before an assignment will
245 be effective. The City Manager may, in his or her sole discretion, consent to assignment of a
246 lease where lessee is in full compliance with the lease terms except for payments owed so long

247 as assignor and/or assignee agree in writing to pay the full amount owed within 90 days of the
248 assignment. An assignment shall not be effective and shall constitute default by lessee if full
249 payment is not received within 90 days of the assignment.

250
251 c. Except as otherwise provided in the lease agreement, if the lessee is in good standing and
252 eligible to assign the lease, the following procedures apply:

253
254 1. The lessee shall file a written request for assignment and a complete new lease
255 application to the City Manager;

256
257 2. The City Manager shall review the request and new lease application and determine
258 whether the proposed assignee **can fulfill the terms of the lease and the requirements**
259 **of this chapter** ~~is qualified under this chapter and the assignment~~ is in the City's best
260 interests;

261
262 3. The City Manager shall make a recommendation on the assignment to Council for final
263 action; and

264
265 4. Council shall approve or deny the request for assignment via resolution.

266
267 5. Assignment of long-term leases on the Homer Spit ~~or within the Marine Commercial or~~
268 ~~Marine Industrial zoning districts~~ shall be reviewed by the Port and Harbor Advisory
269 Commission prior to submission to Council for approval. ~~Except as otherwise provided in~~
270 ~~the lease agreement, assignment of all other long term leases shall be reviewed by the~~
271 ~~Homer Advisory Planning Commission prior to Council approval.~~

272
273 d. Council may approve assignment of a lease to a bank or other financial institution if it
274 determines the assignment is in the best interest of the City and the City Manager recommends
275 approval.

276
277 e. Where a lessee intends to assign the lease as part of a sale of the business located on the
278 leased lot, the person who intends to purchase the business may apply to extend the lease
279 term to allow the continuation of the business and to secure financing for the purchase of that
280 business. Any significant changes in the terms (use) of the existing lease must be reviewed by
281 the Port and Harbor Commission and approved by City Council by resolution as an amendment
282 to the lease.

283
284 Section 9. Homer City Code 18.08.195, entitled "Processing and filing fees" is hereby
285 amended as follows:

286
287 18.08.195 Processing and filing fees.

288 Fees for lease applications, lease, subleases and assignments, and other related fees shall be
289 established by Council by resolution **are contained in the City of Homer Fee Schedule.**
290 Failure to pay **required** owed fees may result in the rejection of a lease application or denial of
291 lease renewal, assignment, or sublease.

292
293 Section 10. Homer City Code 18.08.200, entitled “Time is of the essence – Lease
294 applications, proposals, and negotiations” is hereby enacted to read as follows:

295
296 **18.08.200 Time is of the essence – Lease applications, proposals, and negotiations.**

297
298 **The City Manager may consider all City lease applications and proposals that are**
299 **responsive, responsible, in compliance with the provisions of this chapter and in the**
300 **City’s best interest. If the City, in its sole discretion, determines that it will be unable to**
301 **reach an acceptable agreement with a proposer within a reasonable period of time, the**
302 **City reserves the right to terminate negotiations with any proposer should it be in the**
303 **City’s best interest.**

304
305 Section 11. This Ordinance is of a permanent and general character and shall be
306 included in the City Code.

307
308 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ____ day of August, 2022.

309
310 CITY OF HOMER

311
312 _____
313 KEN CASTNER, MAYOR

314 ATTEST:

315
316 _____
317 MELISSA JACOBSEN, MMC, CITY CLERK

318
319 YES:

320 NO:

321 ABSTAIN:

322 ABSENT:

323
324 First Reading:

325 Public Hearing:

326 Second Reading:

327 Effective Date:



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 22-138

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK/DEPUTY DIRECTOR OF ADMINISTRATION

DATE: AUGUST 18, 2022

SUBJECT: ORDINANCE AMENDING HCC 18.08 CITY PROPERTY LEASES

City lease management is transferring to City Hall. Staff in the City Manager's Office, City Clerk's Office, Port and Harbor, and the Economic Development Manager have been meeting internally to work through this transition and update processes on how City leases are managed.

Ordinance 22-49 addresses changes in section 18.08 of code related to the standard operating procedures for lease applications and lease management.

RECOMMENDATION: Adopt Ordinance 22-49.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-50

An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating an Alaska State Library Interlibrary Cooperation Grant in the Amount of \$8,058 to Purchase a Microfilm Reader for the Homer Library.

Sponsor: City Manager/Library Director

1. City Council Regular Meeting August 22, 2022 Introduction
Memorandum 22-139 from Library Director as backup.
2. City Council Regular Meeting September 12, 2022 Public Hearing and Second Reading

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Library Director

ORDINANCE 22-50

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE FY23 CAPITAL BUDGET BY ACCEPTING AND
APPROPRIATING AN ALASKA STATE LIBRARY INTERLIBRARY
COOPERATION GRANT IN THE AMOUNT OF \$8,058 TO PURCHASE
A MICROFILM READER FOR THE HOMER LIBRARY.

WHEREAS, The Homer Public Library has been awarded an Alaska State Library
Interlibrary Cooperation Grant to purchase a microfilm reader; and

WHEREAS, There is no matching requirement for this grant.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby accepts and appropriates an Alaska State
Library Interlibrary Cooperation Grant as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
xxx-xxx	Alaska Public Library Interlibrary Cooperation Grant	\$8,058

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

Section 3. This ordinance is a budget amendment only, is not of a permanent 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

- 44 YES:
- 45 NO:
- 46 ABSTAIN:
- 47 ABSENT:
- 48
- 49 First Reading:
- 50 Public Hearing:
- 51 Second Reading:
- 52 Effective Date:



City of Homer

www.cityofhomer-ak.gov

Homer Public Library

500 Hazel Avenue
Homer, AK 99603

library@cityofhomer-ak.gov

(p) (907)-235-3180

(f) (907)-235-3136

Memorandum 22-139

TO: Rob Dumouchel, City Manager
FROM: David Berry, Library Director
DATE: August 9, 2022
SUBJECT: ILC Grant for Microform Reader Replacement

Homer Public Library has a collection of local newspapers stored on microfilm and a small amount of microfiche. The library's existing microform reader is roughly 20 years old and long past its service life.

The Alaska State Library has awarded us an Interlibrary Cooperation (ILC) grant in the amount of \$8,058 to buy a new, upgraded microform reader. There is no matching requirement. The new machine should work better and gives us additional features, such as adjustable magnification, exporting to PDF format and printing.

RECOMMENDATION

Adopt an ordinance to accept the grant funds.



August 5, 2022

Dave Berry
Homer Public Library
500 Hazel Ave.
Homer, AK 99603
dberry@ci.homer.ak.us

Dear Dave,

The State Library has reviewed your FY2023 Interlibrary Cooperation Grant application and has awarded **State** funds in the amount of **\$8,058.00** for the project, **Homer - Microform Reader Replacement**.

Please review this grant award packet carefully and completely. In order to start receiving payment(s) on your grant, this is what you need to do:

1. Review the Official Award Notification Document and verify that your information is correct. If changes are necessary, please submit this information to the grants administrator.
2. Arrange for two signatures on the ***Interlibrary Cooperation Grant Agreement form***. E-mail the signed agreement to eed.library.grants@alaska.gov.
3. The following will be your schedule of payment(s) for this grant:
A single payment will be made as soon as the agreement is signed and processed.

To modify schedule please contact me at eed.library.grants@alaska.gov.

4. Since this grant is funded with **State of Alaska** money, the library must give credit to the State in all publicity and advertising concerning the impact of the grant project.
5. Finally, it is understood that by signing this agreement, you understand and agree to all conditions set forth in this package ***including materials referenced within these documents***.

If you have questions or need more information, please refer to the Interlibrary Cooperation (ILC) Guidelines (available at the [Alaska State Library Grants for Libraries webpage](#)).

Please return your signed agreement or direct questions to eed.library.grants@alaska.gov, 907-465-1018.

Once again, congratulations and good luck with your project!

Sincerely,



Claire Imamura
Grants Librarian
Alaska State Library

This grant is funded by the State of Alaska



State of Alaska Funding

ILC23-013

Interlibrary Cooperation (ILC) Grant Award Notification from the Alaska State Library

Grant Recipient Information

Organization Name and Address:

Homer Public Library
500 Hazel Ave.
Homer, AK 99603

Organization Vendor Code: CIH84724**Organization UEI:** 0**Contact:** Dave Berry**Project Number:** ILC23-013

Award Information

Project Name:

Homer - Microform Reader Replacement

Grant Award Amount: \$8,058.00**Indirect Cost Rate:** 0%**Period of Performance Start Date:** July 1, 2022**Period of Performance End Date:** June 30, 2023**Payment Schedule:** A single payment will be made as soon as the agreement is signed and processed.**Award Performance Goals and Reporting:**

Grantee is to report on performance as indicated in the approved Interlibrary Cooperation Grant (ILC) application. Final financial and narrative report due September 1, 2023.

1. The Alaska State Library (ASL) provides this grant pursuant to Alaska Statutes 14.56.300 et. seq. and Alaska Administrative Code 4.57.050 et. seq. and as identified in the grantee's grant application for FY2023.
2. The grantee must request and receive ASL's prior approval for changes to the grant project activities and budget as projected in the approved ILC grant application.
3. The administration of this grant and the expenditure of grant funds are subject to the guidelines provided at the Alaska State Library Grants website (<https://lam.alaska.gov/library-grants/ilc>). The latter document incorporates by reference the uniform administrative requirements, cost principals, and audit requirements for Federal awards promulgated by the Office of Management and Budget.
4. When the organization returns the signed grant agreement to ASL, this will indicate the organization's acceptance of the award and compliance with the ILC statutory and regulatory requirements (including information detailed in *ILC Guidelines* <https://lam.alaska.gov/library-grants/ilc>).
5. If an organization has an indirect cost rate associated with a grant award that indirect cost can only apply to *actual grant funds* expended by the organization. If funds are not spent (returned), the allocated indirect cost for those grant funds must also be returned.

State Funding Information

Authorized by: CHAPTER 11 SLA 22 Pg 12 Ln 18

State of Alaska
Alaska Legislature
Department of Education and Early Development
Division of Libraries, Archives, and Museums
Alaska State Library



Questions

Claire Imamura
907-465-1018
eed.library.grants@alaska.gov

What am I agreeing to?

As a recipient of State of Alaska grant funds through the Alaska State Library, your organization is required to meet specific rules and regulations. You agree to these requirements when you submit a signed grant agreement to the Alaska State Library. This document provides additional information about the Grantee provisions on the grant agreement (page 5 of this document).

Items B-1, B-2, and B-3: Self Explanatory

Item B-4: Grant Agreement and Final Report

Two people must sign the grant agreement for the organization and submit it to the State Library before any grant funds can be awarded. The director or grant contact at the organization may sign for the organization. The city manager, mayor, or clerk, or the chair or treasurer of the non-profit board may sign for the legal entity. The organization is required to submit a grant final report on the project to the State Library by September 1 of the following year. Interlibrary cooperation grant report forms may be found at the Alaska State Library's Grants webpage.

Item B-5: Accurate Records

The organization must maintain adequate financial records to ensure complete reporting and retain project and financial records relating to the grant for a minimum of five years from the due date of the final grant report or until all audit exceptions have been resolved, whichever is longer.

Item B-6: Self Explanatory

Item B-7: Prior Approval for Changing the Grant Budget

If the organization needs to change one of the grant budget lines more than 10%, fill out an interlibrary cooperation grant budget revision form at [the Alaska State Library's Grants](#) page and send it to the State Library for approval.

Item B-8: Crediting the State of Alaska for the Grant Funds

Organizations should publicize grant-supported activities in the media and are required to credit the State of Alaska in publications and during activities paid for with State funds. Copies of publications or materials produced with grant funds must be submitted to the State Library.

Item B-9: Self Explanatory

Alaska State Library FY2023 Interlibrary Cooperation Grant Agreement

This agreement made and entered into Friday, August 5, 2022, by and between the **Alaska State Library**, hereafter referred to as the Grantor; and the **Homer Public Library**, hereafter referred to as the Grantee.

WITNESSETH: Whereas, the State of Alaska has appropriated funds for Interlibrary Cooperation grants; and whereas, the application of the Grantee for a grant, **Homer - Microform Reader Replacement**, has been approved. NOW THEREFORE, for and in consideration of the mutual covenants herein contained the parties hereto agree:

A. The Grantor will agree to:

1. Furnish funds in the amount of **\$8,058.00** from **State of Alaska** funds (Grant number: ILC23-013).
2. Provide, as necessary, advisory services in furtherance of the grant project.

B. The Grantee will agree to:

1. Complete the project as outlined in the approved grant application.
2. Abide by the conditions set forth in the application and approved (with revisions if applicable) by the Grantor.
3. Provide basic library services free of charge, if the organization is a library.
4. Submit a signed grant agreement and final report for the grant.
5. Maintain accurate records for auditing purposes.
6. Return any grant funds unexpended or unencumbered, all funds for which there is no proper accounting, and, if applicable, any indirect costs allocated to unexpended or unencumbered grant funds by June 30, 2023.
7. Receive prior approval from the Grantor for any line item change that exceeds 10% of the line item, except that no prior approval is required for line item changes of less than \$100.
8. Credit the State of Alaska for providing grant funds for the project in all project-related public events, press releases, printed materials, and Web sites.
9. Agrees to only purchase materials that promote the purpose and activities of the project and that are educational and informational in nature and have a clearly demonstrable and legitimate purpose that is directly related to the grant.

By accepting this award or agreement, the grantee may become subject to the audit requirements of State of Alaska Administrative Code 2 AAC 45.010. As a result, the grantee may be required to provide for an audit and to permit independent auditors to have access to their records and financial statements. The grantee should consult with an independent auditor for assistance in determining audit requirements for each fiscal year.

The undersigned understands and agrees to the conditions of this agreement.

Both Signatures Are Required

For the Organization

For the Legal Entity

Signature

Signature

Title

Date

Title

Date

Please copy this signed agreement for your records, then return by:

MAIL TO Grants Administrator, Alaska State Library, P.O. Box 110571, Juneau, AK 99811-0571

FAX TO 907-465-2151, **OR SCAN TO** eed.library.grants@alaska.gov

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-51

An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating the FY22 State of Alaska Community Assistance Program Payment in the Amount of \$98,714.98 to the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund for ADA Improvements.

Sponsor: City Manager

1. City Council Regular Meeting August 22, 2022 Introduction
Memorandum 22-142 from City Manager as backup
2. City Council Regular Meeting September 12, 2022 Public Hearing and Second Reading

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

3 City Manager

4 **ORDINANCE 22-51**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING THE FY23 CAPITAL BUDGET BY ACCEPTING AND
8 APPROPRIATING THE FY22 STATE OF ALASKA COMMUNITY
9 ASSISTANCE PROGRAM PAYMENT IN THE AMOUNT OF \$98,714.98
10 TO THE GENERAL FUND CAPITAL ASSET REPAIR AND
11 MAINTENANCE ALLOWANCE (CARMA) FUND FOR ADA
12 IMPROVEMENTS.

13
14 WHEREAS, In FY22 the City of Homer received \$98,714.98 from the Community
15 Assistance Program (CAP) which has not yet been accepted or appropriated; and

16
17 WHEREAS, The application for the FY22 Community Assistance Program funds
18 indicated the City of Homer would designate those funds towards City reserves, specifically for
19 ADA Improvements for City facilities; and

20
21 WHEREAS, The State's CAP program allows communities to deviate from their
22 applications as long as the resultant use will be used for a public purpose as required under AS
23 29.60.850(a) and the municipality agrees to make available a service or facility with the funds
24 under AS 29.60.855-29.60.879 to every person in the community; and

25
26 WHEREAS, During the FY22/23 Capital Budget process a handful of ADA-related projects
27 that were not funded and it was suggested FY22 CAP funds be used to complete them at a later
28 date. Those projects included:

- 29
- 30 • Citywide ADA Interior Signage and Restrooms
 - 31 • Parking Lot ADA Regrading Program
 - 32 • Parks ADA Transition Plan
 - 33 • Parks ADA Implementation

34 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

35
36 Section 1. The Homer City Council hereby accepts and appropriates the FY22
37 Community Assistance Program Payment in the amount of \$98,714.98 for the purpose of ADA
38 Improvements for City facilities as follows:

39
40 Revenue:

41 <u>Description</u>	42 <u>Amount</u>
43 FY2022 Community Assistance Program	\$98,714.98

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Transfer:

<u>Description</u>	<u>Amount</u>
General Fund CARMA	\$98,714.98

Section 2. This ordinance is a budget 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 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 22-142

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: August 18, 2022
SUBJECT: FY22 Community Assistance Program Funds

Each year the State of Alaska provides Community Assistance Program (CAP) funds to municipalities around the state. The amount is highly variable and the City chose some years back to not include CAP funds in the budget. Instead we accept and allocate upon receipt. See below for examples of CAP usage in previous years:

- FY18 - \$205,119 to the Police Station Fund
- FY19 - \$177,172 to the Police Station Fund
- FY20 - \$152,080 to the Old Middle School CARMA (HERC)
- FY21 - \$76,842 to supplement Volunteer Fire self-contained breathing apparatus system replacement

In FY22 we were awarded \$98,714.98. These funds were hung up for some time at the State, in part due to staffing shortages, but Finance Director Walton was able to get them released to us just this month. The funds have been received and are ready to accepted and appropriated. In our application we indicated that we would use the funds for ADA improvements. We do not have to follow through with the plan in the application, we just have to ensure that our use meets a public purpose as required under AS 29.60.850(a) and accurately report how the funding was spent when we submit our application for future fiscal years. That said, the staff recommendation continues to be that these funds should be put towards ADA improvements.

During the FY22/23 Capital Budget process, there were a handful of ADA-related projects that were not funded, but it was noted that we would be suggesting FY22 CAP funds be used to complete them at a later date. Those projects included:

- Citywide ADA Interior Signage and Restrooms
- Parking Lot ADA Regrading Program
- Parks ADA Transition Plan
- Parks ADA Implementation

Estimates back in 2021 place the items above at a total cost of approximately \$93,000. It is very likely inflation has pushed most of those prices upwards and it will not be able to achieve all ADA projects with the CAP funding. We are asking that the Council pass Ordinance 22-51 as a "CAP ADA Project" under which we will do our best to complete as much of the work outlined above.

Staff Recommendation: Accept CAP funds, Introduce a [] propose Ordinance 22-51

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-52

An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$275,000 from the General Fund Fund Balance as a Contribution to Settlement of a Disputed Claim in Superior Court Case Number 3HO-20-00251CI and Authorizing the City Manager to Negotiate and Execute a Full, Complete and Total Settlement Agreement in Compromise of a Disputed Claim.

Sponsor: City Manager/Finance Director

1. City Council Special Meeting August 29, 2022 Introduction
2. City Council Regular Meeting September 12, 2022 Public Hearing and Second Reading

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Finance Director

ORDINANCE 22-52

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY 23 CAPITAL BUDGET BY APPROPRIATING \$275,000 FROM THE GENERAL FUND FUND BALANCE AS A CONTRIBUTION TO SETTLEMENT OF A DISPUTED CLAIM IN SUPERIOR COURT CASE NUMBER 3HO-20-00251 CI AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A FULL, COMPLETE AND TOTAL SETTLEMENT AGREEMENT IN COMPROMISE OF A DISPUTED CLAIM.

WHEREAS, The City of Homer (City) was served with a superior court complaint in in the above referenced case which alleged damages to property; and

WHEREAS, The City answered the complaint denying the allegations and asserting numerous defenses; and

WHEREAS, The parties agreed to amicably settle the case without any admission of liability to be memorialized in a release and settlement agreement which will be executed by all the parties to the case; and

WHEREAS, The Alaska Municipal League Joint Insurance Association and the City will each contribute \$275,000 towards settlement of the above referenced case for a full, complete and total settlement of \$550,000 to be paid to the plaintiffs upon execution of a release and settlement agreement in the above referenced case.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The City Council of Homer hereby amends the FY23 Capital Budget to appropriate \$275,000 as a contribution to the settlement of the disputed claim in the above referenced case conditioned upon the execution of a Release and Settlement Agreement signed by all the parties as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
100	General Fund Fund Balance	\$275,000

Section 2. The City Manager is authorized to negotiate and execute the Release and Settlement Agreement described herein.

ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-60

An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting and Appropriating the Second Tranche of American Rescue Plan Act (ARPA) Funds in the Amount of \$716,685.16 to Capital Asset Repair and Maintenance Allowance (CARMA) to Fund Necessary Utility Infrastructure Projects.

Sponsor: City Manager/Finance Director

1. City Council Regular Meeting September 12, 2022 Introduction

Memorandum 22-152 from Finance Director as backup.

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

3 City Manager/
4 Finance Director

5 **ORDINANCE 22-60**

6
7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
8 AMENDING THE FY23 CAPITAL BUDGET BY ACCEPTING AND
9 APPROPRIATING THE SECOND TRANCHE OF AMERICAN RESCUE
10 PLAN ACT (ARPA) FUNDS IN THE AMOUNT OF \$716,685.16 TO
11 CARMA TO FUND NECESSARY UTILITY INFRASTRUCTURE
12 PROJECTS.

13
14 WHEREAS, The American Rescue Plan Act (ARPA) made COVID relief funds available to
15 local governments for uses to include funding utility infrastructure projects that meet EPA's
16 Drinking Water and Clean Water Program eligibility requirements; and

17
18 WHEREAS, These funds have to be fully expended by December 31, 2026; and

19
20 WHEREAS, City Council approved Resolution 21-046 to accept funds from the Alaska
21 department of Commerce, Community and Economic Development; and

22
23 WHEREAS, The City of Homer was awarded \$1,433,370.33 to be paid in two tranches,
24 one year apart; and

25
26 WHEREAS, The first tranche of \$716,685.17 was received in FY22 and City Council
27 approved Ordinance 21-55 appropriating this tranche as General Fund revenue replacement.

28
29 WHEREAS, The second tranche of \$716,685.16 has now been disbursed to the City of
30 Homer.

31
32 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

33
34 Section 1. The Homer City Council hereby amends the FY23 Capital Budget by accepting
35 the second tranche of ARPA funding in the amount of \$716,685.16 as follows:

36
37

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
119-0375	ARPA Funding	\$716,685.16

38
39
40 Section 2. The Homer City Council hereby amends the FY23 Capital Budget by
41 appropriating the second tranche of ARPA funding in the amount of \$716,685.16 for Drinking
42 Water and Clean Water eligible projects as follows:

- 85 First Reading:
- 86 Public Hearing:
- 87 Second Reading:
- 88 Effective Date:



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue

Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum 22-152

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 2, 2022
SUBJECT: ARPA Funding – 2nd Tranche Appropriation

Purpose of Ordinance:

The City of Homer has received the second tranche of American Rescue Plan Act (ARPA) funding totaling \$716,685.16.

ARPA Funding Background:

In 2021, the Federal Government passed the American Rescue Plan Act (ARPA). The City of Homer was awarded \$1,433,370.33 in two tranches one year apart. The City receives this funding as a pass through from the State of Alaska.

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

Council History:

City Council approved Resolution 21-046 to accept ARPA funds from the Alaska Department of Commerce, Community and Economic Development (DCCED).

The first tranche of ARPA funding (\$716,685.17) was received in FY22 and City Council approved Ordinance 21-55 appropriating this as General Fund revenue replacement.

Use of Funds for Utility Funds:

Eligible Uses:

One of the eligible uses of ARPA funds is to make “necessary investments in water, sewer, or broadband infrastructure.” The Federal Treasury’s Interim Final Rule explains this to mean “projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems.” The Interim Final Rule “provides for (State, local, and Tribal) governments with wide latitude to identify investments in water and sewer infrastructure that are of the

highest priority for their own communities, which may include projects on privately-owned infrastructure.”

The only determining factor for project eligibility is to ensure that the individual projects meet the Federal Clean Water and Drinking Water program requirements.

Ineligible Uses:

ARPA funds are not permitted to be used to cover revenue loss in a Utility Fund. The Interim Final Rule very clearly states that local utilities are not eligible for revenue replacement.

ARPA fund are also not permitted to be used for expenses associated with financing (paying interest, principle, issuing new debt, etc.).

Eligible Projects:

PW Director Jan Keiser reviewed the list of FY23 projects identified in the City’s Water and Sewer Financial Plan for eligibility. Below is a summary of that work:

Water Capital Improvement Projects:

- WTP Filter Media Train (1 each/year) \$100,000 – Eligible
- RWP-1 Balance Motor/Shaft \$50,000 - Eligible
- Hydrant Replacement (10/year) \$100,000 – Not Eligible
- Fleet Replacement \$50,000 - Not Eligible
- WTP Sludge Drying Bed \$100,000 - Eligible
- Replace Water Meters \$50,000 – Eligible

Sewer Capital Improvement Projects:

- Replace UV System \$430,000 – Eligible
- WWTP MCC Spare Parts \$30,000 - Eligible
- Replace Cracked Incinerator \$75,000 – Eligible
- Beluga Lift Station \$20,000 - Eligible
- Lagoon Liner \$25,000 - Eligible
- Replace Lift Station Access Hatch \$50,000 – Eligible
- Sludge Drying Beds \$25,000 - Eligible
- Fleet Replacement \$50,000 – Not Eligible

Recommendation:

Pass Ordinance appropriating the second tranche of \$716,685.16 into the Utility Fund to fund the following Drinking Water and Clean Water eligible projects:

Drinking Water Eligible Projects (\$250,000):

- WTP Filter Media Train \$100,000
- RWP-1 Balance Motor/Shaft \$50,000
- WTP Sludge Drying Bed \$100,000

Clean Water Eligible Projects (\$466,685.16):

- Replace UV System \$430,000
- Replace Lift Station Access Hatch \$36,685.16 (remainder of \$50,000 project will be funded through the Utility Rate Model)

The selection of these projects was based on best usage of ARPA funding that allowed for full funding of projects. City Council can adjust this list of projects as it deems appropriate. Changes to this list might have impacts on the Utility Rate Model, as everything calculated to this point factors in the aforementioned list.

Attachments:

National League of Cities (NLC) article “Using American Rescue Plan Act Funds for Water, Wastewater and Stormwater Infrastructure Projects”

<https://www.nlc.org/article/2021/06/01/using-american-rescue-plan-act-funds-for-water-wastewater-and-stormwater-infrastructure-projects/>

All Articles

Using American Rescue Plan Act Funds for Water, Wastewater and Stormwater Infrastructure Projects

BY: **Carolyn Berndt, Caroline Koch**

 [American Rescue Plan Act](#) [COVID-19](#) [Infrastructure](#)

Earlier this month, the U.S. Department of the Treasury released much-anticipated [guidance](#)—an Interim Final Rule—on how local governments can use the \$65.1 billion in Coronavirus State and Local Fiscal Recovery Funds (funds) established by the American Rescue Plan Act (ARPA).

With the Interim Final Rule, the Treasury Department also released [details](#) on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments and support the communities and populations hardest-hit by the COVID-19 crisis. With the launch of the Coronavirus State and Local Fiscal Recovery Funds, eligible jurisdictions are now able to access this funding to address these needs.

In addition to these eligible uses directly related to a local government’s COVID-19 response, the ARPA allows funds to be used for “necessary investments in water, sewer, or broadband infrastructure.”

The [Interim Final Rule](#) explains this to mean a broad range of projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems. “Necessary investments include projects that are required to maintain a level of service that, at least, meets applicable health-based standards, taking into account resilience to climate change.” Notably, the “Interim Final Rule provides [State, local, and Tribal] governments with wide latitude to identify investments in water and sewer infrastructure that are of the highest priority for their own communities, which may include projects on privately-owned infrastructure.”

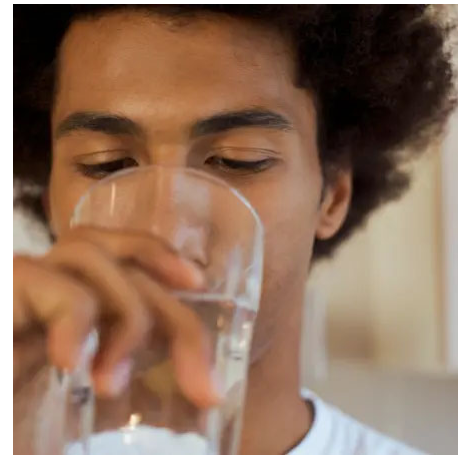
To achieve this flexibility while providing clarity on the types of projects that can be funded, Treasury’s Interim Final Rule aligns types of eligible projects with the wide range of projects that can be supported by the U.S. Environmental Protection Agency’s [Clean Water State Revolving Fund](#) (SRF) and [Drinking Water State Revolving Fund](#). There are 11 project categories under the Clean Water SRF and six under the Drinking Water SRF, including planning and design for capital projects and water quality planning likely to result in a capital project.

Under the Clean Water SRF, eligible projects include to construct, improve, and repair wastewater treatment plants; control non-point sources of pollution; improve resilience of infrastructure to severe weather events; create green infrastructure; manage and treat stormwater or subsurface drainage water; facilitate water reuse; and protect waterbodies from pollution.

Under the Drinking Water SRF, eligible projects include building or upgrading facilities and transmission, distribution, and storage systems; supporting the consolidation or establishment of drinking water systems; and repl

Additionally, Treasury outlines several other types of water, sewer and stormwater projects that are allowed or that local decisionmakers are encouraged to consider funding with these Funds:

- ◇ Lead service line replacement programs;
- ◇ Cybersecurity needs to protect water or sewer infrastructure, such as developing effective cybersecurity practices and measures at drinking water systems and publicly owned treatment works;
- ◇ Green infrastructure investments and projects that address the impacts of climate change or improve resilience to climate change, such as rain gardens, measures to conserve and reuse water or reduce the energy consumption of public water treatment facilities; and
- ◇ Projects that assist systems most in need on a per household basis and benefit the most vulnerable populations with safe drinking water that is critical to their health and, thus, their ability to work and learn in accordance with state affordability criteria and prioritization developed under the Safe Drinking Water Act.



In sum, the approach of aligning with the EPA state revolving fund programs is meant to support expedited project identification and investment so that needed relief for the people and communities most affected by the pandemic can be deployed expeditiously and have a positive impact on their health and well-being as soon as possible. At the same time, the Interim Final Rule is intended to preserve flexibility for local governments to direct funding to their own particular needs and priorities and does not preclude decisionmakers from applying their own additional project eligibility criteria.

Here are some top questions and answers about using the Funds for water, sewer and stormwater infrastructure. It's important to note that certain spending on water infrastructure is allowed under several other eligible use categories: Responding to COVID-19/Responding to Negative Economic Impacts and Revenue Loss. The Q&A below primarily focus on the "infrastructure" use category, although some responses provide additional information as it pertains to other eligible use categories.

Q: How do I determine if my drinking water, wastewater or stormwater project is eligible?

A: Recipients retain substantial flexibility to identify the drinking water, wastewater or stormwater infrastructure investments that are of the highest priority for their own communities. Therefore, local governments make the determination as to whether their water infrastructure projects are eligible and align with the Federal Clean Water and Drinking Water SRF project categories (not the State's project categories or definitions). These eligibility guides for [Clean Water](#) and [Drinking Water](#) provide details on the types of projects the Funds can be used for.

Q: Do I need to have a SRF loan in order to use these funds for my water infrastructure project?

A: No, a community does not need to have a current SRF application or loan for the water infrastructure project, nor does the project have to be on an existing SRF Intended Use Plan or Project Priority List. The reference to the SRF programs is simply to determine project eligibility. It's important to note that these funds cannot be used for expenses related to financing, such as paying interest, principle, servicing or redeeming notes, or paying fees or issuance costs associated with the issuance of new debt.

Q: My community is under a consent decree for Clean Water Act violations. Can we use these funds toward activities under our consent decree?

A: Yes. If you're using Funds pursuant to the "infrastructure provision" to meet requirements of a Clean Water Act consent decree, that is an eligible use as long as the project aligns with one or more of the Clean Water SRF categories.

If you're using Funds pursuant to the "Responding to COVID-19/Responding to Negative Economic Impacts" provision to meet requirements of a Clean Water Act consent decree, that is an eligible use as long as the project required by the consent decree responds to the public health or negative economic impacts of COVID 19 *and* is a "pay-go" project.

If you're using Funds pursuant to the "Revenue Loss" provision to meet requirements of a Clean Water Act consent decree, that is an eligible use as long as the project required by the consent decree provides a government service *and* is a "pay-go" project.

Pay-go infrastructure funding refers to the practice of funding capital projects with cash-on-hand from taxes, fees, grants, and other sources, rather than with borrowed sums.

The Funds cannot be used to pay off fines or any other settlement costs, including those associated with a consent decree.

Q: Can a local government transfer funds to a water utility or water district?

A: Yes, a local government can transfer funds to other entities, including other levels or units of government or private entities. This includes special-purpose districts that perform specific functions in the community, such as fire, water, sewer, or mosquito abatement districts. Utilities can use the funds to cover water, sewer, and stormwater infrastructure investments so long as projects receiving funding align with the broad Clean Water or Drinking Water SRF eligibilities.

Q: Does a water infrastructure project have to be COVID-related or in a qualified census tract?

A: No, investments in water infrastructure are a separate eligible use of the Funds. Water infrastructure projects under the “infrastructure” eligible use category do not need to directly relate to supporting public health expenditure, addressing the negative economic impacts caused by the public health emergency or serving the hardest hit communities. Water infrastructure projects under the “infrastructure” eligible use category do, however, need to align with Clean Water and Drinking Water SRF eligibilities.

Q: Can these funds be used to recover lost revenue to local water/wastewater/stormwater utilities?

A: No. While these funds can be used by a local government to cover revenue loss, the Interim Final Rule explicitly excludes local utilities from eligibility under this program. Therefore, utilities, including water, wastewater and stormwater utilities, cannot use the funds to cover revenue loss. NLC intends to comment and seek changes to this provision to allow local utilities to recover lost revenues.

Q: Can the funds be used for water, wastewater or stormwater infrastructure projects that were started before the pandemic and/or have an expected completion date beyond December 2024?

A: Yes. Treasury is interpreting the requirement that costs be incurred by December 31, 2024 to only require that recipients have obligated the funds by such date. The period of performance will run until December 31, 2026, which will provide recipients a reasonable amount of time to complete projects funded with Fiscal Recovery Funds.

Q: Can the funds be used for other types of infrastructure projects and/or projects related to cybersecurity or climate change that are not water/sewer projects?

A: General infrastructure spending is not covered as an eligible use outside of “water, sewer, and broadband investments” or above the amount allocated under the Revenue Loss provision.

Under the Revenue Loss provision, the Interim Final Rule gives recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue. Government services can include, but are not limited to, maintenance of infrastructure or pay-go spending for building new infrastructure, including roads; modernization of cybersecurity, including hardware, software, and protection of critical infrastructure; health services; environmental remediation; school or educational services; and the provision of police, fire, and other public safety services.

Under the Infrastructure provision, only cybersecurity or climate change projects connected to water, sewer, stormwater projects are allowed. Meaning, Funds used in this category cannot be directed to other cybersecurity projects or other climate change projects unrelated to water, sewer, or stormwater.

Q: Can the funds be used to provide utility assistance to households impacted by the coronavirus pandemic?

A: Assistance to households or populations facing negative economic impacts due to COVID-19 is an eligible use of funds under the Responding to COVID-19/Responding to Negative Economic Impacts category. This includes utility, rent, or mortgage assistance; food assistance; counseling and legal aid to prevent eviction or homelessness; cash assistance; emergency assistance for burials, home repairs, weatherization, or other needs; internet access or digital literacy assistance; or job training to address negative economic or public health impacts experienced due to a worker’s occupation or level of training.

Water and sewer infrastructure funds are a separate eligible use category and may not be used for utility assistance.

Q: Does the National Environmental Policy Act (NEPA) apply to water infrastructure projects?

A: NEPA does not apply to Treasury’s administration of the Funds. Projects supported with payments from the Funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs.

The Treasury Department has also developed [FAQs](#) related to the use of the Coronavirus State and Local Fiscal Recovery Funds.

If you have general questions about the Coronavirus State and Local Fiscal Recovery Funds, please email the U.S. Department of Treasury at SLFRP@treasury.gov or call 844-529-9527.

To help communities make the best and most appropriate use of these funds, NLC has offered some [key](#)

Visit [NLC's resource hub](#) on the American Rescue Plan for more information about the Coronavirus State and Local Fiscal Relief Fund and other programs.

Update as of January 25, 2022: The Treasury Final Rule provides [detailed information](#) on expanded on expanded eligibilities for stormwater infrastructure, private wells and septic systems, remediating lead in water, dams and reservoirs, expansion of drinking water service infrastructure, floodplain management and flood mitigation projects, and irrigation.

The information contained here is not legal advice. It will be subject to change based on updates from the U.S. Department of the Treasury, and any recipients should confirm applicability to their specific situation.

Learn More

[LEARN MORE](#)

Click for more more ARPA water infrastructure resources.



Carolyn Berndt

About the Authors

Carolyn Berndt is the Legislative Director for Sustainability on NLC's Federal Advocacy team.



Caroline Koch

Caroline Koch, WaterNow Alliance Water Policy Director, leads the organization's work in identifying and addressing policy and legal barriers to implementation of sustainable water management practices.

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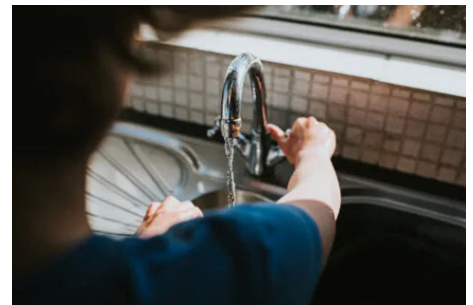
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ORDINANCE REFERENCE SHEET
2022 ORDINANCE
ORDINANCE 22-61

An Ordinance of the City Council of Homer, Alaska Amending the City of Homer Water and Sewer Rates and Updating the Homer Fee Schedule Accordingly.

Sponsor: City Manager/Finance Director

1. City Council Regular Meeting September 12, 2022 Introduction

Memorandum 22-156 from Finance Director as backup.

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

3 City Manager/Finance Director

4 **ORDINANCE 22-61**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING THE CITY OF HOMER WATER AND SEWER RATES AND
8 UPDATING THE CITY FEE SCHEDULE ACCORDINGLY.
9

10 WHEREAS, Water and sewer utility services shall be reviewed annually shall take effect
11 as of January 1, 2021; and
12

13 WHEREAS, Based on a the water sewer rate model prepared by the Water Sewer Rate
14 Task Force and adopted by the Homer City Council in Resolution 13-048(S-2)(A-3) adjustments
15 to the rates are recommended and warranted to reflect the true cost of water and sewer
16 services.
17

18 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
19

20 Section 1. The City Council of Homer, Alaska hereby amends the City Fee Schedule
21 under water and sewer fees as follows:
22

23 **SEWER**

24
25 **Customer Classification Definitions for Determining Sewer Connection and Extension**
26 **Permit Fees**

27 Single Family Residential: A unit providing housing for one household; with less than 25% of the
28 building area used for business or commercial purposes.

29 Multi-Family Residential: A building or lot occupied by more than one household: contained within one
30 building or several buildings within one complex. Examples of multi-family units includes duplexes,
31 four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one
32 lot (where units are normally rented or occupied for longer than one month at a time). Examples of
33 units not considered as multi-family include hotels, motels, B&B's seasonal rooms/cabins (where units
34 are routinely rented or occupied for less than one month at a time.)

35 Commercial: Any user not defined as Residential.

Sewer Connection Permit Fee	
Single Family	\$255.00*
Multi-Family/Commercial	\$330.00*
*All other fees for delayed or deferred services, in lieu of assessments and necessary right-of-way permits, shall be in addition to the permit fee. A property owner installing a sewer connection	

which qualifies for a deferred assessment payment or makes a payment in lieu of assessment shall pay the assessment prior to issuance of the connection permit.

36

37 **Customer Classification Definitions for Determining Sewer Rates**

38 Lift Station Zone Customer: There are eleven sewage lift/pump stations that are used for pumping
 39 wastewater or sewage from areas with lower elevation than the treatment plant. Customers who are
 40 located in these areas shall be charged additional fees for the cost added to the services (see Table I
 41 and II).

42 Non-Lift Station Zone Customer: Customers who are located in the zone that do not need lift/pump
 43 station services.

44 Sewer System Dischargers (Sewer ONLY customers): Customers who use sewer service only shall be
 45 charged a monthly fee of \$5 plus sewer usage fee based on assessed volume of 3,000 gallons per month
 46 multiplied by the applicable sewage rate (see Table II). Kachemak City Local Improvement District (LID)
 47 members have contributed to the initial cost of the sewer treatment plant and the collection system.
 48 For Kachemak City LID dischargers connected within the LID, the City of Homer shall bill Kachemak City
 49 in one single bill at the Lift-Station Zone Rate of ~~\$79.65~~ **\$85.20** (~~\$72.90~~ **\$79.20** + ~~\$6.75~~ **\$6.00**) per month
 50 per customer. Kachemak City shall be billed a \$5 monthly service charge to cover all Kachemak City
 51 sewer customers and shall be responsible for payment to the City of Homer.
 52

53 **Sewer Rate Schedule**

54 All sewer utility services shall be billed according to the following schedule (Table I, II). This schedule
 55 is for monthly sewer services and is in addition to any charges for connecting or disconnecting the
 56 service, installation of the service, or any assessment of the improvements.

Sewer Rates

Table I

Customer Classification	Monthly Service	Usage Charge/Gallon
Lift-Station Customer		\$0.0243 \$0.0264
Non-Lift-Station Customer		\$0.0143 \$0.0151
Multi-units (additional per unit)	\$5.00	N/A

Sewer ONLY Customers Rates

Table II

	Fees/Rate/Usage	Per Customer Per Month
Lift-Station Customer	\$0.0243/Gal \$0.0264/Gal	\$72.90 \$79.20
Non-Lift-Station Customer	\$0.0143/Gal \$0.0151/Gal	\$42.90 \$45.30
Monthly Service	\$5.00/customer/mo.	\$5.00 (Kachemak City customers will be exempt from \$5 monthly service fee. Kachemak City will be billed a \$5 monthly service fee to

		cover all Kachemak City sewer customers.)
Pumping Fee (If Applicable)	\$6.75/customer/mo. <u>\$6.00/customer/mo</u>	\$6.75 <u>\$6.00</u>
Assumption: Avg. Sewer Usage	3,000 Gal/Mo.	

57

58 Domestic sewer service customers who use large quantities of City water in addition to their domestic
 59 use shall be allowed, with the Public Works Director's approval, to install an additional water meter on
 60 the domestic water use line for the purpose of metering and charging for domestic sewer system use.
 61 Sewer system use will be billed monthly.

62 The City will allow, upon approval by Public Works and a permit from the Public Works Department, a
 63 second water usage meter – called a seasonal sewer meter – for each customer that desires to measure
 64 the flow of City water that is not discharged to the sewer system during the summer growing season,
 65 June 15 through September 15. Rates noted above do not apply.

66 Seasonal Sewer Meter Fee is \$251.75.

67 This second meter will be read monthly during the summer and sewer charges will be credited
 68 monthly. The meter may not be subject to read during the fall and winter months. Any charges
 69 accrued during that period will be reflected the first billing cycle the meter is read.

70

71 **WATER**

72

73 A 4.85% of total charges charged to every customer outside of city limits in lieu of city sales tax will be
 74 applied to those water accounts outside city limits.

75

76 **Customer Classification Definitions for Determining Water Connection and Extension**
 77 **Permit Fees**

78 Single Family Residential: A unit providing housing for one household; with less than 25% of the
 79 building area used for business or commercial purposes.

80 Multi-Family Residential: A building or lot occupied by more than one household: contained within one
 81 building or several building within one complex. Examples of multi-family units includes duplexes, four-
 82 plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one lot
 83 (where units are normally rented or occupied for longer than one month at a time). Examples of units
 84 not considered as multi-family include hotels, motels, B&B's seasonal rooms/cabins (where units are
 85 routinely rented or occupied for less than one month at a time.)

86 Commercial: Any user not defined as Residential.

Water Connection Fee	
Single Family	\$300.00*
Multi-Family/Commercial	\$375.00*

*All other fees for delayed or deferred services, in lieu of assessments and necessary right-of-way permits, shall be in addition to the permit fee. A property owner installing a water connection which qualifies for a deferred assessment payment or makes a payment in lieu of assessment shall pay the assessment prior to issuance of the connection permit.

87

88 **Customer Classification Definitions for Determining Water Rates**

89 Bulk Water Customers: The bulk water customers are the resellers of water or water users who
90 purchase water from the water plant directly and are not in the metered water distribution system.

91 Non-Bulk Customers: All customers who receive water from the metered water distribution system.

92 Multi-Units: An additional \$5 monthly charge shall apply to each of the units of a building or lot
93 occupied by more than one household or commercial entity contained within one building or several
94 buildings within one complex. Examples of multi-family units include duplexes, four-plexes and up,
95 apartments, condominiums, co-housing projects, and multiple structures on one lot (where units are
96 normally rented or occupied for longer than one month at a time). Examples of units not considered as
97 multi-family include hotels, motels, and B&B's seasonal rooms/cabins (where units are routinely rented
98 or occupied for less than one month at a time.)

99 This fee applies to all multi-unit structures defined in the sewer section of this for apartments, rental
100 units or multi-unit buildings where each unit would have one or more restrooms and are intended to
101 be rented on a monthly basis where there is only one meter installed, excluding a rental building
102 restroom used for shared or public use.

103

104 **Water Rate Schedule**

105 All water utility services shall be billed according to the following schedule. This schedule is for monthly
106 water service and is in addition to any charges for connecting or disconnecting the service, installation
107 of the service or any assessment of the improvements.

Water Rates

Table III

Customer Classification	Monthly Service	Usage Charge/Gallon
Lift-Station Customer	\$14.00 \$0.00	\$0.0107 \$0.0141
Non-Lift-Station Customer	\$14.00 \$0.00	\$0.0107 \$0.0141
Multi-units (additional per unit)	\$5.00	
Bulk Water	\$14.00 \$0.00	\$0.0147 \$0.0181

108

109 **Meter Size Deposits**

110 \$750 meter deposit shall apply to metered fire hydrant connections. The deposit will be returned when
111 the meter is returned undamaged. This deposit may be waived upon the recommendation of the Public
112 Works Superintendent.

113 If a bulk water customer purchases a meter from the City for measuring the quantity of water
114 purchased, it shall be exempt from the monthly meter service charge. It is the responsibility of the bulk
115 water customer to maintain that meter so the City can accurately determine the amount of water being

116 purchased. In the event the meter fails, it is the bulk water customer's responsibility, at its expense, to
117 repair it or purchase a replacement meter from the City. The City may at any time test the meter for
118 accuracy.

Size (inches)	Residential Users	Non-residential Users
5/8	\$75.00	\$220.00
3/4	\$80.00	\$230.00
1	\$90.00	\$250.00
1-1/2	\$115.00	\$310.00
2	\$150.00	\$370.00
3	\$220.00	\$525.00
4	\$310.00	\$730.00
6	\$520.00	\$1,225.00

119
120

121 Section 2. This ordinance is a budget ordinance only, it is not permanent in nature and
122 shall not be codified.

123

124 ENACTED BY THE HOMER CITY COUNCIL this ___ day of ___, 2022.

125

126

CITY OF HOMER

127

128

129

KEN CASTNER, MAYOR

130

131

132 ATTEST:

133

134

135 _____
MELISSA JACOBSEN, MMC, CITY CLERK

136

137 YES:

138 NO:

139 ABSENT:

140 ABSTAIN:

141

142 First Reading:

143 Public Hearing:

144 Second Reading:

145 Effective Date:



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum 22-156

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 8, 2022
SUBJECT: Water and Sewer Rate Model – Rate Scenarios

City staff has spent a great deal of time identifying three different scenarios that align with previous council conversations and also allowed for the following: acceptance of ARPA funds to cover eligible utility infrastructure repairs/upgrades, funding the utility operating reserve, funding a transfer to CARMA and a rate buyback.

Below are descriptions on three different rate scenarios. Included as supplemental information to this memo are detailed rate models for each scenario and a comparison chart. This chart compares each of the proposed rates with our existing rate established with Resolution 20-118(S).

Scenario 1 – Inclusion of ARPA Funding; No Usage of Utility Operations Fund Balance

This scenario removes the flat monthly service fee (due to FY23 waiver of admin fees), but keeps all other original inputs the same.

One modification to the model structure in this scenario is the inclusion of the American Rescue Plan Act (ARPA) funding that totaled \$716,675.16. This amount was split between water and sewer rates based on the selected eligible projects. These projects can be modified in Ordinance 22-60 and as such the rates could change. The ARPA funding essentially offset some of the rate increase necessary to fund requested capital projects.

The model under these terms proposes the following rates:

Water Rates:

Commodity (per gal): \$0.0157
Bulk (per gal): \$0.0197
Monthly Fees: \$0

Sewer Rates:

Non-Lift Station: \$0.0173
Lift Station: \$0.0285

Scenario 2 – Inclusion of ARPA Funding and Draw on Utility Operations Fund Balance (50% Rate Buyback, 25% Establish Utility Operating Reserve, 25% CARMA Transfer)

This scenario matches the inputs of Scenario 1, but it includes an element of drawing on Utility Operations Fund Balance to level the rates.

Scenario 2 allows for (1) full appropriation of ARPA funding to cover eligible utility infrastructure projects, (2) 50% rate buyback (\$417,432-split 50/50 between water and sewer rates), (3) 25% funding of operating reserve (\$208,716), and (4) 25% transfer to Utility CARMA (\$208,000 total - 25% to Water CARMA (\$52,000) and 75% to Sewer CARMA (\$156,000)).

The model under these terms proposes the following rates:

Water Rates:		Sewer Rates:	
Commodity (per gal):	\$0.0141	Non-Lift Station:	\$0.0151
Bulk (per gal):	\$0.0181	Lift Station:	\$0.0264
Monthly Fees:	\$0		

Scenario 3 – Inclusion of ARPA Funding and Draw on Utility Operations Fund Balance (25% Rate Buyback, 25% Establish Utility Operating Reserve, 50% CARMA Transfer)

This scenario matches the inputs of Scenario 1, but it includes an element of drawing on Utility Operations Fund Balance to level the rates.

Scenario 3 allows for (1) full appropriation of ARPA funding to cover eligible utility infrastructure projects, (2) 25% rate buyback (\$208,716-split 50/50 between water and sewer rates), (3) 25% funding of operating reserve (\$208,716), and (4) 50% transfer to Utility CARMA (\$417,000 total - 25% to Water CARMA (\$104,250) and 75% to Sewer CARMA (\$312,750)).

The model under these terms proposes the following rates:

Water Rates:		Sewer Rates:	
Commodity (per gal):	\$0.0149	Non-Lift Station:	\$0.0162
Bulk (per gal):	\$0.0189	Lift Station:	\$0.0275
Monthly Fees:	\$0		

Current Rates:

To provide additional context our current rates are as follows:

Water Rates:		Sewer Rates:	
Commodity (per gal):	\$0.0107	Non-Lift Station:	\$0.0143
Bulk (per gal):	\$0.0147	Lift Station:	\$0.0243
Monthly Fees:	\$14		

Recommendation:

Introduce Ordinance 22-61 with a public hearing on September 26, 2022 to allow for public hearings on two Ordinances (22-60 Appropriating ARPA funds and 22-58 Utility Operations Fund Balance Transfer). These two pieces of legislation need to pass before the rates can be set in order to properly reflect the allocation of funding in the rate model.

City staff recommends the selection of Scenario 2, which allows for (1) full appropriation of ARPA funding to cover eligible utility infrastructure projects, (2) 50% rate buyback (\$417,432- split 50/50 between water and sewer rates), (3) 25% funding of utility operating reserve (\$208,000), and (4) 25% transfer to Utility CARMA (\$208,716 total - 25% of this to Water CARMA (\$52,000) and 75% of this to Sewer CARMA (\$156,000)). This scenario has the least financial impact on the rate payers while still funding urgent projects, beginning the rebuild of Utility CARMA, starting the creation of the Utility Operating Reserve and buying down the rate.

City staff also recommends that these rates go into effect the first full billing period in November 2022. To achieve this and to allow for adequate public notice (send out notice with the bills being mailed on September 27th), City Council would need to pass Ordinance 22-61 by September 26, 2022. If the rates are postponed past this meeting, the rates wouldn't be able to go cleanly into effect until December.

Ordinance 22-61 has been written to match the parameters of Scenario 2. If Council decides to go a different direction, this ordinance would need to be updated accordingly. Modifications to the aforementioned ordinances could also require an update to the rate ordinance as proposed.

**Rate Calculations
Scenario 1
Presented September 8, 2022**

WATER Rate Model	
Revenues	
FY23 Operating Revenue Required - Water	\$ 2,013,046
CARMA Transfer Requirement	450,000
Deduct ARPA	(250,000)
Deduct Portion Collected through Service Fee	0
Hydrant Rents (10% of Total)	(91,734)
Surplus Water Sales (Bulk) surcharge only	(67,796)
Revenue Required for Commodity Rate Calculation	\$ 2,053,516
Water Consumption (Gallons)	
Total Estimated Water Sales	131,000,000
Water Rates:	
Commodity Rate (per gal)	\$ 0.0157
Bulk Rate (per gal)	\$ 0.0197
Monthly Fees	\$ -
Consumption Additional Information:	
FY22 Gross Meters Water Sales (Gallons)	130,971,800
SEWER Rate Model	
Revenues	
FY23 Operating Revenue Required - Sewer	\$ 1,754,682
CARMA Transfer Requirement	705,000
Deduct ARPA	(466,685)
Lift Stations Costs	(225,231)
Pumping Fee	(10,224)
Dumping Station Fees	(5,986)
Multi-Units and K-city (\$5/unit/mo.)	(76,020)
Revenue Required for Commodity Rate Calculation	\$ 1,675,536
Sewer Usage (Gallons)	
Projected Billable Volume	77,000,000
Projected Billable Volume - Lift Zone Only	20,000,000
Total Projected Billable Volume	97,000,000
Sewer Rate	
Non-Lift Station Rate	\$ 0.0173
Lift Station Rate	\$ 0.0285
Lift Station Additional Information:	
FY 22 Actually Billed Gallons (Lift-Station Zone Only)	19,581,500

**Rate Calculations
Scenario 2
Presented September 8, 2022**

WATER Rate Model	
Revenues	
FY23 Operating Revenue Required - Water	\$ 2,013,046
CARMA Transfer Requirement	450,000
Deduct Operating Fund Balance	(208,716)
Deduct ARPA	(250,000)
Deduct Portion Collected through Service Fee	0
Hydrant Rents (10% of Total)	(91,734)
Surplus Water Sales (Bulk) surcharge only	(67,796)
Revenue Required for Commodity Rate Calculation	\$ 1,844,800
Water Consumption (Gallons)	
Total Estimated Water Sales	131,000,000
Water Rates:	
Commodity Rate (per gal)	\$ 0.0141
Bulk Rate (per gal)	\$ 0.0181
Monthly Fees	\$ -
Consumption Additional Information:	
FY22 Gross Meters Water Sales (Gallons)	130,971,800
SEWER Rate Model	
Revenues	
FY23 Operating Revenue Required - Sewer	\$ 1,754,682
CARMA Transfer Requirement	705,000
Deduct Operating Fund Balance	(208,716)
Deduct ARPA	(466,685)
Lift Stations Costs	(225,231)
Pumping Fee	(10,224)
Dumping Station Fees	(5,986)
Multi-Units and K-city (\$5/unit/mo.)	(76,020)
Revenue Required for Commodity Rate Calculation	\$ 1,466,820
Sewer Usage (Gallons)	
Projected Billable Volume	77,000,000
Projected Billable Volume - Lift Zone Only	20,000,000
Total Projected Billable Volume	97,000,000
Sewer Rate	
Non-Lift Station Rate	\$ 0.0151
Lift Station Rate	\$ 0.0264
Lift Station Additional Information:	
FY 22 Actually Billed Gallons (Lift-Station Zone Only)	19,581,500
253	

**Rate Calculations
Scenario 3
Presented September 8, 2022**

WATER Rate Model	
Revenues	
FY23 Operating Revenue Required - Water	\$ 2,013,046
CARMA Transfer Requirement	450,000
Deduct Operating Fund Balance	(104,358)
Deduct ARPA	(250,000)
Deduct Portion Collected through Service Fee	0
Hydrant Rents (10% of Total)	(91,734)
Surplus Water Sales (Bulk) surcharge only	(67,796)
Revenue Required for Commodity Rate Calculation	\$ 1,949,158
Water Consumption (Gallons)	
Total Estimated Water Sales	131,000,000
Water Rates:	
Commodity Rate (per gal)	\$ 0.0149
Bulk Rate (per gal)	\$ 0.0189
Monthly Fees	\$ -
Consumption Additional Information:	
FY22 Gross Meters Water Sales (Gallons)	130,971,800
SEWER Rate Model	
Revenues	
FY23 Operating Revenue Required - Sewer	\$ 1,754,682
CARMA Transfer Requirement	705,000
Deduct Operating Fund Balance	(104,358)
Deduct ARPA	(466,685)
Lift Stations Costs	(225,231)
Pumping Fee	(10,224)
Dumping Station Fees	(5,986)
Multi-Units and K-city (\$5/unit/mo.)	(76,020)
Revenue Required for Commodity Rate Calculation	\$ 1,571,178
Sewer Usage (Gallons)	
Projected Billable Volume	77,000,000
Projected Billable Volume - Lift Zone Only	20,000,000
Total Projected Billable Volume	97,000,000
Sewer Rate	
Non-Lift Station Rate	\$ 0.0162
Lift Station Rate	\$ 0.0275
Lift Station Additional Information:	
FY 22 Actually Billed Gallons (Lift-Station Zone Only)	19,581,500
254	

City of Homer
Water and Sewer Rates Comparison
Presented September 8, 2022

	Average Volume				High Volume				Lift-Station (Year-Round)			
	City Hall				Library				Port & Harbor - Maintenance			
	Existing	Scenario 1	Scenario 2	Scenario 3	Existing	Scenario 1	Scenario 2	Scenario 3	Existing	Scenario 1	Scenario 2	Scenario 3
Consumption	3800	3800	3800	3800	6600	6600	6600	6600	1800	1800	1800	1800
Water Rate	0.0107	0.0157	0.0141	0.0149	0.0107	0.0157	0.0141	0.0149	0.0107	0.0157	0.0141	0.0149
Sewer Rate	0.0143	0.0173	0.0151	0.0162	0.0143	0.0173	0.0151	0.0162	0.0243	0.0285	0.0264	0.0275
Charges:												
Water	40.66	59.66	53.58	56.62	70.62	103.62	93.06	98.34	19.26	28.26	25.38	26.82
Sewer	54.34	65.74	57.38	61.56	94.38	114.18	99.66	106.92	43.74	51.3	47.52	49.5
Service	14	0	0	0	14	0	0	0	14	0	0	0
Total Bill	\$ 109.00	\$ 125.40	\$ 110.96	\$ 118.18	\$ 179.00	\$ 217.80	\$ 192.72	\$ 205.26	\$ 77.00	\$ 79.56	\$ 72.90	\$ 76.32
Impact		\$ 16.40	\$ 1.96	\$ 9.18		\$ 38.80	\$ 13.72	\$ 26.26		\$ 2.56	\$ (4.10)	\$ (0.68)

Scenario 1: Utilize ARPA to cover eligible projects; increased Sewer project (UV system) to maximize funding
Scenario 2: Split utility operations fund balance (50% to rate buyback; 25% to operating reserve; 25% to CARMA) plus Scenario 1
Scenario 3: Split utility operating fund balance (25% to rate buyback; 25% to operating reserve; 50% to CARMA) plus Scenario 1

Utility Fund
 Unaudited Fund Balance Summary
 Presented 9/8/22

Utility Operations Fund (200)					
	FY18	FY19	FY20	FY21	FY22
Beginning Fund Balance	\$ 3,291,818	\$ 3,325,819	\$ 673,608	\$ 1,030,917	\$ 979,016
Ending Fund Balance	\$ 3,325,819	\$ 673,608	\$ 1,030,917	\$ 979,016	\$ 1,205,126
Net Change	\$ 34,001	\$ (2,652,211)	\$ 357,309	\$ (51,901)	\$ 226,110

Water CARMA Fund (256-0378)						
	FY18	FY19	FY20	FY21	FY22	FY23
Beginning Fund Balance	\$ 2,593,246	\$ 2,650,270	\$ 2,615,008	\$ 2,555,103	\$ 2,391,139	\$ 2,044,196
Ending Fund Balance	\$ 2,650,270	\$ 2,615,008	\$ 2,555,103	\$ 2,391,139	\$ 2,044,196	\$ 2,032,054
Net Change	\$ 57,024	\$ (35,262)	\$ (59,905)	\$ (163,964)	\$ (346,943)	\$ (12,143)
					Encumbered	\$ 359,155
					Pending Encumbrance (ORD 22-xx)	\$ 270,000
					Current Balance Available	\$ 1,402,899
					FY23 Budgeted CARMA Transfer	\$ 106,804

Sewer CARMA Fund (256-0379)						
	FY18	FY19	FY20	FY21	FY22	FY23
Beginning Fund Balance	\$ 2,153,985	\$ 1,979,619	\$ 2,065,381	\$ 1,929,114	\$ 1,792,300	\$ 1,357,240
Ending Fund Balance	\$ 1,979,619	\$ 2,065,381	\$ 1,929,114	\$ 1,792,300	\$ 1,357,240	\$ 1,356,081
Net Change	\$ (174,366)	\$ 85,762	\$ (136,267)	\$ (136,814)	\$ (435,060)	\$ (1,160)
					Encumbered	\$ 907,689
					Pending Encumbrance (ORD 22-xx)	\$ 208,000
					Balance Available	\$ 240,392
					FY23 Budgeted CARMA Transfer	\$ 234,166



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: September 7, 2022
SUBJECT: City Manager's Report for September 12, 2022 Council Meeting

Main Street Sidewalk Construction

The Main Street Sidewalk project continues to march up the hill. The section from Pioneer Ave to Fairview Ave is ready to be paved and we're waiting for the confluence of asphalt availability and rain-free weather to do this. The rain is a challenge because it washes away the prepared subgrade. The upper section, from Fairview to Dehel involves some serious storm drain work, so the contractor is doing that section last.



US Coast Guard Meet and Greet

Lieutenant Commander Winterberger, who recently took command of the Coast Guard Cutter Hickory, and her executive officer Lieutenant Davis joined Harbormaster Bryan Hawkins, Deputy Harbormaster Matt Clarke, Assistant to the City Manager Christine Drais, and I for an informal lunch at City Hall to talk about how we can best work together with Coast Guard members and families while they're in Homer. We talked about a wide range of things like housing, harbor expansion, recreation, volunteer opportunities, and the City

Council priority of becoming recognized under the Coast Guard City program. I'm excited to continue to strengthen our relationship with the Coast Guard and we all look forward to next year when the USCGC Aspen will arrive in Homer as a replacement to the Hickory.



Harbor Visit with Murkowski Staffer

Kevin Swanson, a Legislative Assistant to Senator Murkowski, visited Harbormaster Hawkins and I to discuss the large vessel expansion project. We were able to share a lot of information with Kevin and he explained a lot of the bureaucratic elements required to take a project from the receipt of federal funds to an actual construction project.

Murkowski Grant Symposium

At the time of this report's writing, I am in Anchorage to attend a grant symposium hosted by Senator Murkowski's office which is followed by two more days of programming sponsored in part by the Alaska Municipal League. One take away from the first day of the event is that Alaskan municipalities should not underestimate the complexity and the challenge of competing for federal funds. I believe that Homer has taken great efforts to set ourselves up for success by partnering with firms like HDR and R&M Engineering to prepare technical grant applications and conduct studies in preparation for upcoming grant cycles. I'm currently planning to attend further sessions on transportation and water/sewer funding after this report is submitted.

4th Quarter Sales Tax

Sales tax numbers are in from the Borough, and they are strong for the 4th quarter of FY22 (or second quarter of the 2022 calendar year). We had \$76M in taxable sales which generated \$3.7M in local sales taxes (does not include remote sales tax). This is an increase of 9% over 2021 and 32% over 2019. The total expected sales tax revenue for FY22, per Kenai Peninsula Borough and ARSSTC (Alaska Remote Sellers Sales Tax Commission) reporting, should be approximately \$12.3M.

Emergency Repair at Spencer Drive/Paradise Place

Within the last 2 weeks, the road crew, conducting routine maintenance, noticed a collapsed culvert on Paradise Place. We immediately searched for replacement materials, which was not easy because the existing culvert is larger than what we normally have in our inventory or what can be sourced locally. We were able to cobble together pipe from multiple sources, so that when the culvert was ultimately washed out with last week's rain deluge, we had replacement materials on hand. Public Works did not have sufficient staff capacity to do the job in-house. East Road Services was able to provide support by delaying some of their contracted KPB road grading work to help us dig out the failed culvert and put the road back into service.

Rotary Presentation

On September 1st, I visited Rotary to give a talk on the City Council's 2022 priorities as determined by our two-day visioning work session in March. We covered a lot of ground very quickly, and the audience had some very good questions at the end of my talk. This report is accompanied by a quarterly update memo regarding the progress made so far on Council priorities.

Lease Management

In April, staff began discussing lease management challenges and potential solutions. We have moved the bulk of the front-end lease administration to City Hall instead of the Port. The Clerk's Office and Economic Development will team up to help new applicants vet ideas for code compliance and navigate the City's lease process. Attached to this report is a memo from Deputy City Clerk Rachel Tussey to the Port & Harbor Commission explaining what's changing and what's staying the same.

AML Visit – We're Hosting the 2023 Summer Conference

Homer is slated to host the 2023 Alaska Municipal League summer conference. The City had bid on this a couple years before I arrived in Homer, but COVID delayed our turn to host by a few years. As part of the preparation for the conference, we hosted AML staffer Portland Highbaugh and helped her scout locations for the conference, receptions, etc. Assistant to the City Manager Christine Drais will be assisting Portland on the City-side of the conference. We look forward to hosting AML next year!

Fire Fleet Challenges

As we have discussed in the past, much of our fire fleet is quite old and beyond what would be the typical service life for these types of emergency vehicles. During the week of August 29th, we found ourselves in a fire fleet dilemma caused by the age and condition of these vehicles. Four out of five pumping apparatus were out of commission simultaneously. There was a period of time during which we had to notice our mutual aid partners that we would be unable to respond for requests involving pumps or water. We would still provide personnel in rescues or utility vehicles if needed. Public Works motor pool has been working with the Volunteer Fire Department to get our pumping apparatus back on the streets, but we will need to continue to work towards replacements for our fire fleet.

Short Term Rentals – Work Session in October

The special projects team is preparing to discuss short term rentals (STRs) with Council in October. We've completed some research related to the current context in Homer and various cases throughout the western United States. We are aiming to get in brief discussions with the Economic Development Commission and Chamber of Commerce before engaging the Council on the topic in a work session. We anticipate a follow up work session will be held to work on potential solutions.

Enclosures:

1. FY22 Q4 Report from Finance Director
2. 2022 Visioning Session Follow Up #2
3. Letter from the Department of the Navy Re: Alaska Navy Training Activities Final Supplemental EIS/OEIS Statement



City of Homer

www.cityofhomer-ak.gov

Finance Department

491 East Pioneer Avenue
Homer, Alaska 99603

finance@cityofhomer-ak.gov

(p) 907-235-8121

(f) 907-235-3140

Memorandum

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Elizabeth Walton, Finance Director
DATE: September 7, 2022
SUBJECT: Calendar Year 2nd Quarter Sales Tax Analysis

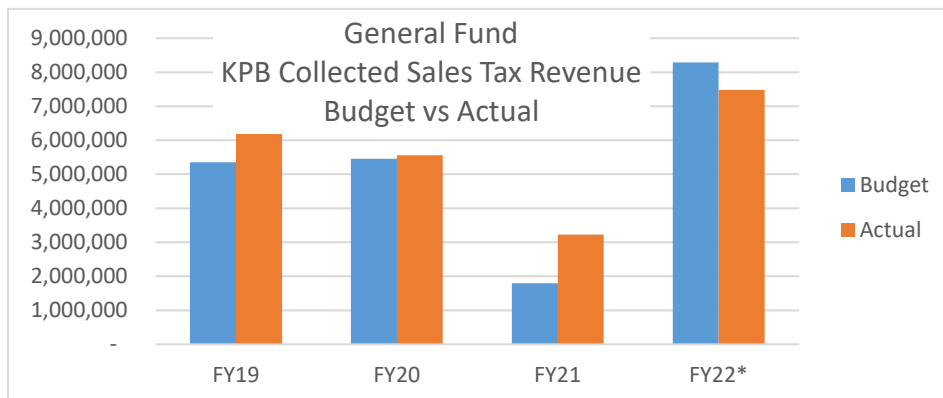
The purpose of this memo is to provide an analysis of sales tax revenue received to date for Fiscal Year 2022. Also provided in this memo is contextual information associated with taxable sales figures for the 2nd quarter of calendar year 2022 (now 4th quarter of fiscal year 2022 with the change in City fiscal year which went into effect on July 1, 2021).

Citywide Sales Tax Revenue Analysis:

The City of Homer had another stellar year in sales tax revenue. For the first time in history, the City was able to generate over \$12 million in revenue factoring in both sales tax collected by Kenai Peninsula Borough (KPB) and Alaska Remote Sellers Sales Tax Commission (ARSSTC).

General Fund Sales Tax Revenue Analysis:

City Council approved Ordinance 22-20 to provide for necessary mid-biennium budget amendments. The General Fund FY22 budgeted sales tax revenue was increased to \$8,285,547, with an additional \$207,225 budgeted for remote sales tax. Actual current sales tax revenue for FY22 (July 1, 2021 – June 30, 2022) for the City's General Fund is \$7,480,018 in KPB collected sales tax and \$358,088 in ARSSTC collected sales tax.



***FY22 data is reflective of sales tax revenue received July 2021 – June 2022.**

We took an aggressive amendment approach in sales tax and, unfortunately we didn't meet those marks. However, the General Fund is still estimated to end FY22 with an operating surplus of roughly \$595k.

Basic Sales Tax Information:

Sales tax is one of the primary drivers of revenue for the General Fund as it represents roughly 57% of total projected revenue for the FY22 amended budget. Consumers in Homer pay a sales tax rate of 7.85%. Of that, 3% goes to the Kenai Peninsula Borough while the other 4.85% is remitted to the City of Homer. The majority of City sales tax (3%) collected goes to the General Fund to cover the expenses associated with providing core services. Other dedicated purposes of the City of Homer share of sales tax are as follows: HART (0.75%), HAWSP (0.75%), Public Safety Operations and Infrastructure (0.35%).

Sales Tax Destination	Sales Tax Amount Charged to Consumers*
Kenai Peninsula Borough	3%
Homer General Fund	3%
Homer Accelerated Roads and Trails	.75%
Homer Accelerated Water and Sewer Program	.75%
Homer Police Station	.35%

*Sales tax is only charged on the first \$500 of a single purchase

An important reminder is that the City of Homer does not collect sales tax directly. The City elects for the Kenai Peninsula Borough to collect, administer and then remit sales tax revenue to us. 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. Finance makes an accounting entry at the end of the year to adjust for this delay. This is important to keep in mind when comparing sales tax revenue received vs. taxable sales.

Enclosures:

Accompanying this memo are three documents to help provide context to the historical trends associated with sales tax revenue.

Attachment A provides a data set of Line of Business (LOB) taxable sales for the calendar year 2nd quarter going back to 2019. The LOB categories are determined and reported by the Kenai Peninsula Borough. The biggest dollar share in taxable sales has historically come from the Retail Trade sector and this quarter is no different. This sector experienced a 10% increase in taxable sales value comparative to the 2st quarter in 2021 and a 33% increase over 2019. Overall, the City experienced a roughly 9% increase in taxable sales comparative to the 2nd quarter in 2021 and a 32% increase over 2019.

Attachment B provides a data set comparing the LOB taxable sales on a calendar year quarterly basis back to 2018.

Attachment C provides a comparison of ARSSTC sales tax revenue collected in FY22 versus the same time period for the previous year (July 1, 2020 – June 30, 2021).

Attachment A
 LOB Taxable Sales
 Calendar Year 2nd Quarter
 Presented September 7, 2022

	2019	2020	2021	2022	% Δ 2022 - 2021	% Δ 2022 - 2019
ADMINISTRATIVE, WASTE MAN	211,749	115,955	200,697	324,802	62%	53%
AGRICULTURE, FORESTRY, FI	160,020	111,415	163,842	176,334	8%	10%
ARTS AND ENTERTAINMENT	548,940	165,688	514,908	666,826	30%	21%
CONSTRUCTION CONTRACTING	373,100	392,005	416,849	567,424	36%	52%
EDUCATIONAL SERVICES	56,928	42,283	44,623	44,104	-1%	-23%
FINANCE AND INSURANCE	36,654	19,785	25,729	36,268	41%	-1%
GUIDING LAND	125,677	42,822	88,796	221,001	149%	76%
GUIDING WATER	2,985,820	1,359,274	4,896,767	5,320,656	9%	78%
HEALTH CARE AND SOCIAL AS	62,473	15,422	52,394	51,501	-2%	-18%
HOTEL/MOTEL/BED & BREAKFA	4,629,194	2,828,851	6,938,219	6,826,494	-2%	47%
INFORMATION	978,052	883,165	747,268	683,772	-8%	-30%
MANAGEMENT OF COMPANIES	126,214	10,508	-	-	0%	-100%
MANUFACTURING	756,819	505,214	713,612	745,971	5%	-1%
MINING/QUARRYING	1,150	14,961	28,586	39,106	37%	3301%
PROFESSIONAL, SCIENTIFIC	785,571	767,048	857,983	1,066,768	24%	36%
PUBLIC ADMINISTRATION	1,432,737	1,368,423	1,466,313	1,484,029	1%	4%
REMEDATION SERVICES	-	-	-	-	0%	0%
RENTAL COMMERCIAL PROPERT	99,765	80,696	72,545	99,435	37%	0%
RENTAL NON-RESIDENTAL PRO	184,240	90,896	155,709	175,069	12%	-5%
RENTAL PERSONAL PROPERTY	221,419	194,678	214,495	262,709	22%	19%
RENTAL RESIDENTAL PROPERT	1,632,238	1,402,570	1,703,802	1,656,775	-3%	2%
RENTAL OF SELF-STORAGE &	272,863	271,739	289,507	349,083	21%	28%
RESTAURANT/BAR	6,848,886	3,762,292	8,170,597	9,253,459	13%	35%
RETAIL TRADE	29,033,873	27,598,497	34,839,450	38,480,818	10%	33%
SERVICES	2,701,456	2,196,866	2,875,372	3,342,943	16%	24%
TELECOMMUNICATIONS-CABLE	6,282	516	1,389	3,110	124%	-50%
TELECOMMUNICATIONS	337,618	440,569	490,947	511,475	4%	51%
TIMBERING	-	-	-	-	0%	0%
TRANSPORTATION AND WAREHO	925,578	347,778	1,209,752	1,279,464	6%	38%
UTILITIES	2,114,934	2,197,539	2,348,284	2,244,714	-4%	6%
WHOLESALE TRADE	398,831	338,319	450,299	518,681	15%	30%
TOTAL	58,049,081	47,565,777	69,978,734	76,432,789	9%	32%

Applied Sales Tax 4.85%*

General Fund	1,770,497	1,450,756	2,134,351	2,331,200	196,849	560,703
HAWSP	435,368	356,743	524,841	573,246	48,405	137,878
HART-Roads	391,831	321,069	472,356	515,921	43,565	124,090
HART-Trails	43,537	35,674	52,484	57,325	4,841	13,788
Police Station - Debt Service	174,147	142,697	209,936	229,298	19,362	55,151
Total Applied Sales Tax	2,815,380	2,306,940	3,393,969	3,706,990	313,022	891,610

*Applied rate of 4.85% is used here for comparison purposes only. This value is derived by multiplying the total taxable sales by the sales tax rate.

This chart represents taxable sales that are collected by KPB and does not include taxable sales collected by ARSSTC.

Attachment B
 LOB Taxable Sales
 Calendar Year - Quarterly
 Presented September 7, 2022

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
ADMINISTRATIVE, WASTE MAN	136,996	211,749	202,322	166,876	126,571	115,955	162,542	152,225	158,366	200,697	317,064	229,764	295,790	324,802	-	-
AGRICULTURE, FORESTRY, FI	640,248	160,020	202,286	44,149	18,712	111,415	187,204	41,097	18,509	163,842	221,045	47,153	24,724	176,334	-	-
ARTS AND ENTERTAINMENT	253,475	548,940	731,228	303,677	216,312	165,688	477,017	145,134	147,074	514,908	879,483	259,658	240,471	666,826	-	-
CONSTRUCTION CONTRACTING	333,640	373,100	336,222	364,590	367,431	392,005	397,914	487,741	491,123	416,849	473,646	538,442	565,053	567,424	-	-
EDUCATIONAL SERVICES	58,316	56,928	75,184	90,528	72,931	42,283	44,879	58,566	53,019	44,623	52,725	52,301	55,009	44,104	-	-
FINANCE AND INSURANCE	28,275	36,654	29,481	26,563	26,553	19,785	40,410	25,265	24,390	25,729	22,441	20,505	26,599	36,268	-	-
GUIDING LAND	-	125,677	258,602	-	-	42,822	79,186	477	-	88,796	188,069	99	-	221,001	-	-
GUIDING WATER	187,753	2,985,820	5,988,975	120,809	110,697	1,359,274	4,822,074	193,829	274,578	4,896,767	9,582,806	368,104	318,865	5,320,656	-	-
HEALTH CARE AND SOCIAL AS	78,958	62,473	45,090	38,063	21,795	15,422	28,941	16,437	11,280	52,394	112,550	16,517	15,647	51,501	-	-
HOTEL/MOTEL/BED & BREAKFA	1,543,084	4,629,194	8,375,973	1,734,109	1,279,481	2,828,851	6,389,397	1,710,573	1,865,239	6,938,219	10,468,820	2,195,084	1,922,123	6,826,494	-	-
INFORMATION	984,852	978,052	1,037,924	992,162	983,669	883,165	935,171	710,741	669,902	747,268	716,705	696,968	632,312	683,772	-	-
MANAGEMENT OF COMPANIES	-	126,214	311,026	-	-	10,508	-	-	-	-	-	-	-	-	-	-
MANUFACTURING	281,903	756,819	715,234	406,462	344,961	505,214	687,424	428,970	417,190	713,612	850,127	381,130	361,202	745,971	-	-
MINING/QUARRYING	150	1,150	10,926	19,981	3,220	14,961	26,838	21,611	3,618	28,586	42,077	21,916	5,727	39,106	-	-
PROFESSIONAL, SCIENTIFIC	648,929	785,571	761,163	635,037	702,504	767,048	823,623	763,313	856,513	857,983	819,924	801,164	906,461	1,066,768	-	-
PUBLIC ADMINISTRATION	829,928	1,432,737	2,845,900	1,022,188	971,581	1,368,423	3,105,875	874,562	866,942	1,466,313	2,921,998	1,262,184	884,360	1,484,029	-	-
REMEDATION SERVICES	33,767	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RENTAL COMMERCIAL PROPERT	196,565	99,765	95,207	60,191	58,935	80,696	81,163	71,944	62,633	72,545	92,538	93,266	76,753	99,435	-	-
RENTAL NON-RESIDENTIAL PRO	138,064	184,240	234,955	126,417	92,816	90,896	129,139	96,490	89,296	155,709	201,955	132,963	103,531	175,069	-	-
RENTAL PERSONAL PROPERTY	141,046	221,419	229,691	174,262	165,835	194,678	216,695	192,495	172,735	214,495	287,696	190,524	282,384	262,709	-	-
RENTAL RESIDENTIAL PROPERT	1,077,295	1,632,238	1,834,018	1,116,156	1,101,887	1,402,570	1,708,348	1,140,114	1,085,363	1,703,802	2,044,382	1,174,940	161,082	1,656,775	-	-
RENTAL OF SELF-STORAGE &	217,415	272,863	537,757	294,635	231,287	271,739	570,643	322,683	230,502	289,507	683,119	337,600	1,232,743	349,083	-	-
RESTAURANT/BAR	3,179,549	6,848,886	9,553,633	3,501,273	2,514,895	3,762,292	6,529,920	2,851,904	2,841,878	8,170,597	11,337,427	3,827,710	3,349,204	9,253,459	-	-
RETAIL TRADE	14,151,272	29,033,873	34,490,183	18,463,774	15,612,943	27,598,497	34,754,701	20,013,292	17,584,839	34,839,450	41,805,658	21,707,718	17,438,724	38,480,818	-	-
SERVICES	1,749,725	2,701,456	2,586,137	2,001,089	1,608,833	2,196,866	2,465,235	2,059,134	1,742,283	2,875,372	2,980,616	2,246,554	2,144,883	3,342,943	-	-
TELECOMMUNICATIONS-CABLE	495	6,282	691	429	861	516	809	1,932	694	1,389	2,386	1,680	495,135	3,110	-	-
TELECOMMUNICATIONS	401,118	337,618	332,138	334,477	335,461	440,569	468,600	462,880	446,343	490,947	495,505	528,912	984	511,475	-	-
TIMBERING	505	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANSPORTATION AND WAREHO	196,800	925,578	1,410,586	165,792	195,409	347,778	1,072,654	252,295	201,873	1,209,752	1,918,578	190,942	237,814	1,279,464	-	-
UTILITIES	2,503,521	2,114,934	1,727,760	2,028,860	2,710,459	2,197,539	1,812,700	2,365,856	2,683,123	2,348,284	1,958,574	2,437,793	2,849,169	2,244,714	-	-
WHOLESALE TRADE	296,494	398,831	280,016	223,920	273,328	338,319	291,360	208,920	303,219	450,299	295,931	257,298	326,650	518,681	-	-
TOTAL	30,290,138	58,049,081	75,240,308	34,456,469	30,149,367	47,565,777	68,310,460	35,670,480	33,302,524	69,978,734	91,773,846	40,018,888	34,953,399	76,432,789	-	-
Applied Sales Tax 4.85%*																
General Fund	923,849	1,770,497	2,294,829	1,050,922	919,556	1,450,756	2,083,469	1,087,950	1,015,727	2,134,351	2,799,102	1,220,576	1,066,079	2,331,200	-	-
HAWSP	227,176	435,368	564,302	258,424	226,120	356,743	512,328	267,529	249,769	524,841	688,304	300,142	262,150	573,246	-	-
HART-Roads	204,458	391,831	507,872	232,581	203,508	321,069	461,096	240,776	224,792	472,356	619,473	270,127	235,935	515,921	-	-
HART-Trails	22,718	43,537	56,430	25,842	22,612	35,674	51,233	26,753	24,977	52,484	68,830	30,014	26,215	57,325	-	-
Police Station - Debt Service	90,870	174,147	225,721	103,369	90,448	142,697	204,931	107,011	99,908	209,936	275,322	120,057	104,860	229,298	-	-
Total Applied Sales Tax	1,469,072	2,815,380	3,649,155	1,671,139	1,462,244	2,306,940	3,313,057	1,730,018	1,615,172	3,393,969	4,451,032	1,940,916	1,695,240	3,706,990	-	-

*The applied rate of 4.85% is used here for comparison purposes only. This value is derived by multiplying the total taxable sales by the sales tax rate.

This chart represents taxable sales that are collected by KP&B and does not include taxable sales collected by ARSSTC.

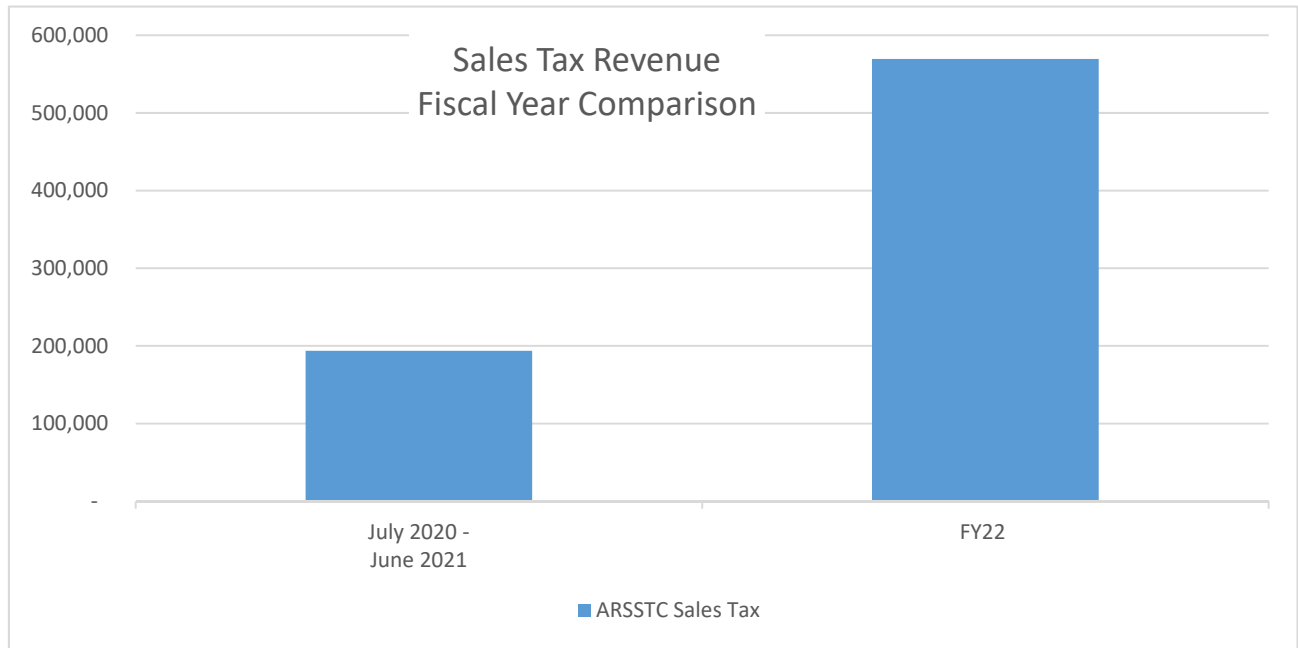
Attachment C

Sales Tax Revenue

Fiscal Year Comparison

Presented September 7, 2022

ARSSTC Sales Tax	July 2016 - June 2017	July 2017 - June 2018	July 2018 - June 2019	July 2019 - June 2020	July 2020 - June 2021	FY22
General Fund					130,154	358,088
HAWSP					26,480	88,055
HART-Roads					23,832	79,249
HART-Trails					2,648	8,805
Police Station					10,592	35,222
Total					193,707	569,419





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: September 7, 2022
SUBJECT: 2022 Council Visioning Follow Up #2

Staff continues to work diligently to achieve 2022 Council visioning priorities. This is the second installment of what are intended to be quarterly updates on project progress. As noted in my last update, most of the visioning work session concepts were heavily interdependent, and it's hard to work on one item without triggering an action within one or more of the other items. It has taken a while to get our capacity built up and to gain momentum, but we're seeing real movement. Expect to see more and more discussion and action items make their way to the Council table and the year goes on.

- **Fiscal Policy Improvements** – Our project related to debt service found that we're in a good place for the most part, no observed violations of loan contract terms, but some potential improvements were identified by our legal team. This resulted, in part, in the introduction of Ordinance 22-48 (scheduled for public hearing at the September 12th meeting) which codifies the HAWSP fund as a debt service fund that can also be used for water and sewer improvements (as allowed by the HAWSP manual). This ordinance was suggested and written by our attorneys at JDO. We will also be following up with ADEC about some contract clarifications related to our various water/sewer loans.

We continue to make progress on the procurement policy goal from 2020. The Finance Stakeholder Group has conducted research, including an internal survey, which has been forwarded to my office. Clerk/Deputy Administration Director Melissa Jacobsen is attending procurement training through the Government Finance Officers Association (GFOA) in September and will then be shepherding that project to a conclusion.

In late August, we released a financial services term contract RFP. If successful, Council may see legislation at the September 26th meeting accepting one or more firms to our approved list of financial service providers.

- **Comprehensive Plan Fast Forward** – After hiring Special Project Coordinator Ryan Foster, we worked on getting the RFP sketched out for a firm to help us complete this very large and complicated task. The draft is under review by staff right now, and Councilmembers Aderhold and Davis will be providing review/comments before we advance the project to the Council.
- **Zoning Code Modernization** – This item is split into two pieces, pre- and post-comprehensive plan. As a pre-comprehensive plan item, the West Hill rezone is complete (Ordinance 22-35). Additionally, the conditional use permit reform project is almost ready to move from the Planning Commission up

to the City Council for review. As for post-comprehensive plan zoning, we are including the zoning code in the comprehensive plan RFP for the most streamlined approach to getting this massive project completed.

- **Building Code Adoption and Implementation** – This project has been assigned to new Special Projects Coordinator Ryan Foster. We are starting with regulations related to earthwork and will move up to structures afterwards. We are currently evaluating the BRIC (Building Resilient Infrastructure and Communities) Grant Program through FEMA as a possible source of funding to get our building program off the ground. I was able to speak with staff related to the BRIC program at the Murkowski grant symposium and through that contact will be setting up a meeting soon to discuss our project further.
- **Housing Challenges** – The Special Projects Team, along with Economic Development Manager Julie Engebretsen are preparing to begin some targeted outreach on the topic of short term rentals (STR). David Parker has completed research regarding current housing and STR data. Ryan Foster has completed research regarding STR case studies from around the western U.S. Expect a Council work session in October that presents all of our background data and sets us on a course to create an STR program.
- **Water and Sewer Expansion** – Public Works has been putting significant effort into the general concept of expanding our utilities for the last two years. Expect more detailed updates in the future as we work to secure funding for significant expansion opportunities.
- **Expansion of Sidewalks and Trails** – This topic remains a very popular with Council. We have numerous projects underway, including the construction of a new Main Street sidewalk. Perhaps most importantly, Council approved funding for a master transportation plan which is already underway with Kinney Engineering. More details on the many transportation projects underway are available in memos attached to the July 27th City Manager’s report.
- **Emergency Preparedness and Training** – The All Hazards Plan has been completed and accepted by Council. Likewise, the tsunami brochure design project with UAF has been complete. We are awaiting printed copies. There remains much work to do related to the Emergency Operations Plan (EOP) and future training opportunity development. I have staff actively looking for funding opportunities related emergency preparedness. I was also able to speak with an Emergency Management Specialist from the Alaska Division of Homeland Security and Emergency Management who is in charge of supporting EOPs at the Murkowski grant symposium. He has offered to provide some materials to help us move the project forward.
- **Public Safety Conversations** – We are still look at fall or later to get this idea in motion. Both public safety departments lack the capacity right now to host such an event, but the chiefs and I are actively discussing how it could work later this year. We may see an open house at the Fire Hall as early as October.
- **Volunteer Action Plan** – Special Project Coordinator David Parker has been out front on this project collecting data, drafting reports, and building forms and databases for future volunteer programs. I am currently reviewing drafts and expect that we will be conducting some more stakeholder outreach before finalizing the report.
- **Coast Guard City Designation** – Recently, City staff met with the Commander and Executive Officer of the USCGC Hickory to discuss how we can better partner together. I expect that we’ll likely be

submitting an application to the Coast Guard at the end of the year. Assistant to the City Manager Christine Drais has been moving this project forward.

- **Harbor Float Replacements** – Council passed Ordinance 22-19(A) which made \$56,540 available from the Port Reserves Fund for grant and engineering assistance related to a harbor float replacement project. While prep work will happen in calendar year 2022, it is likely that any grant submissions will occur in calendar year 2023.
- **Recreation Priorities and Planning** – While this is a bigger conversation than the HERC/Pioneer Gateway Redevelopment Project, much of the general recreation conversation is occurring in parallel to those work sessions/discussions. We did host a presentation by Community Recreation Manager Mike Illg on August 22 that covered the City’s recreational relationship with the Kenai Peninsula Borough School District.
- **Cybersecurity Improvements** – A key part of improving City cybersecurity is having sufficient staff to manage our digital infrastructure. Ordinance 22-20 provided funding for a Network Administrator position. That position was filled internally and a new recruitment for an IT Support Specialist is underway.

2022 Council Priorities

Fiscal Policy Improvements					
Comprehensive Plan Fast Forward		Zoning Code Modernization		Building Code Adoption and Implementation	
Expansion of Sidewalks and Trails			Water and Sewer Expansion		
Housing Challenges			Emergency Preparedness and Training		
Public Safety Conversations	Volunteer Action Plan	Coast Guard City Designation	Harbor Float Replacements	Recreation Priorities and Planning	Cybersecurity Improvements

2020 Council Initiated Priorities

HERC Demolition/Community Recreation Center			Stormwater Management Plan and Implementation		
Climate Action Plan			Wayfinding/Streetscape		
Water and Sewer Policy	Reserve Funding (Water and Sewer)	Election Code	City Council Operating Manual	Procurement Policy	
Funding for Large Vessel Harbor Study					



DEPARTMENT OF THE NAVY

COMMANDER
UNITED STATES PACIFIC FLEET
250 MAKALAPA DRIVE
PEARL HARBOR HI 96860-3131

IN REPLY REFER TO:

5090

Ser N46/1080

August 26, 2022

Dear Sir or Madam:

SUBJECT: NOTICE OF AVAILABILITY OF THE GULF OF ALASKA NAVY TRAINING ACTIVITIES FINAL SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT/OVERSEAS ENVIRONMENTAL IMPACT STATEMENT

This letter is to inform you that the Department of the Navy (Navy) has completed a Final Supplemental Environmental Impact Statement/Overseas Environmental Impact Statement (EIS/OEIS) for Navy training activities in the Gulf of Alaska (GOA) to update previous environmental impact analyses with new information and analytical methods the Navy developed and has used since 2016. New information includes an updated acoustic effects model, updated marine mammal density data and sea turtle hearing criteria, and other emergent best available science.

The Navy prepared a Supplemental EIS/OEIS to renew required federal regulatory permits and authorizations under the Marine Mammal Protection Act and the Endangered Species Act. The Supplemental EIS/OEIS supports naval training requirements to achieve and maintain fleet readiness as required by Title 10 of the U.S. Code. The Final Supplemental EIS/OEIS includes the analysis of at-sea training activities projected to meet readiness requirements beyond 2022 and into the reasonably foreseeable future, and reflects the most up-to-date compilation of training activities deemed necessary to accomplish military readiness. These activities were previously analyzed in the March 2011 GOA Navy Training Activities Final EIS/OEIS and the July 2016 GOA Navy Training Activities Final Supplemental EIS/OEIS.

The Navy's Proposed Action is to continue periodic military training activities in the Gulf of Alaska Temporary Maritime Activities Area and Western Maneuver Area, collectively referred to as the GOA Study Area, enclosure (1). Proposed activities include the use of active sound navigation and ranging, known as sonar, in the Temporary Maritime Activities Area and weapon systems at sea that may use non-explosive or explosive munitions. The Navy would continue to implement mitigation measures to avoid or reduce potential impacts on marine species and the environment from training activities, including the implementation of a new mitigation area within the continental shelf and slope of the Temporary Maritime Activities Area.

The completion of the Final Supplemental EIS/OEIS follows years of research, analysis, stakeholder and tribal engagement, and public involvement. The Navy welcomed public involvement and input on the scope of the analysis during the 2020 scoping process. Additionally, the Navy held two virtual public meetings in early 2021, and requested public review and comments on the 2020 Draft Supplemental EIS/OEIS and the 2022 Supplement to the Draft Supplemental EIS/OEIS. Comments received from the public, government agencies and officials, and tribes during the Draft Supplemental EIS/OEIS and Supplement to the Draft

5090
Ser N46/1080
August 26, 2022

Supplemental EIS/OEIS public review and comment periods were considered, and the Navy's responses to those comments are included in the Final Supplemental EIS/OEIS. Changes made in the Final Supplemental EIS/OEIS reflect the Navy's consideration of all substantive comments received; information provided during ongoing regulatory consultation processes; and new, relevant information and updated scientific literature published since the release of the Draft Supplemental EIS/OEIS and Supplement to the Draft Supplemental EIS/OEIS.

The Navy invites you to view the Final Supplemental EIS/OEIS, which will be available to the public beginning September 2, 2022 on the project website at www.GOAEIS.com. Additionally, enclosure (2) lists public information repositories where printed copies of the document may be viewed. If you need assistance accessing the document, please contact Ms. Julianne Stanford, Navy Region Northwest Public Affairs Office, at julianne.e.stanford.civ@us.navy.mil or 360-867-8525. In accordance with National Environmental Policy Act regulations, the Navy will wait a minimum of 30 days after publication of the Final Supplemental EIS/OEIS before making a final decision on the action.

If you have questions or require additional information, please visit www.GOAEIS.com or contact:

Naval Facilities Engineering Systems Command Northwest
Attention: GOA Supplemental EIS/OEIS Project Manager
1101 Tautog Circle, Suite 203
Silverdale, WA 98315-1101

Please help the Navy inform the community about the availability of the Final Supplemental EIS/OEIS by sharing this information with your staff and interested individuals.

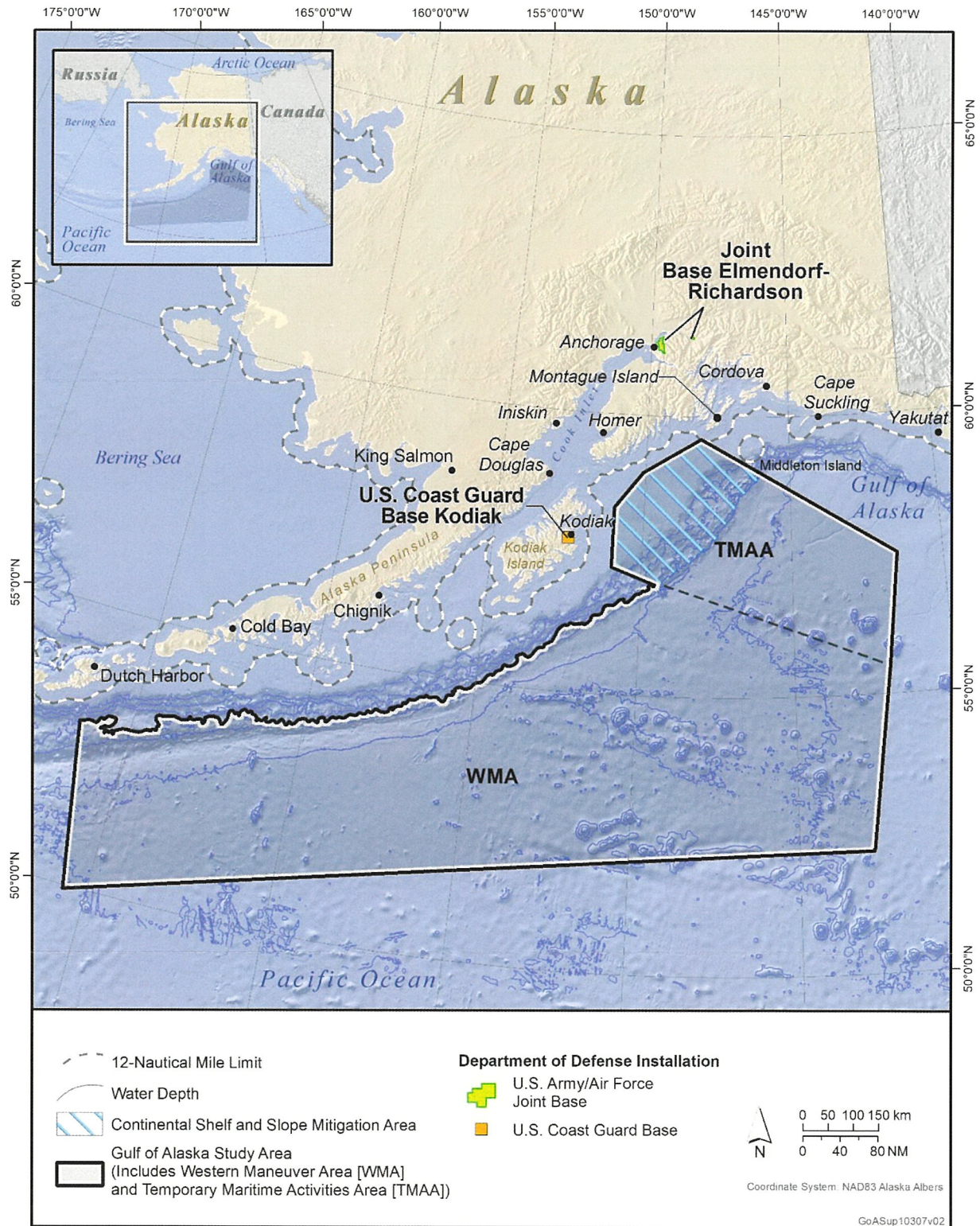
Sincerely,



A. K. HUTCHISON
Captain, U.S. Navy
By direction

- Enclosures: 1. Gulf of Alaska Navy Training Activities Supplemental Environmental Impact Statement/Overseas Environmental Impact Statement Study Area
2. Gulf of Alaska Navy Training Activities Final Supplemental Environmental Impact Statement/Overseas Environmental Impact Statement Information Repositories

Enclosure 1: Gulf of Alaska Navy Training Activities Supplemental Environmental Impact Statement/Overseas Environmental Impact Statement Study Area



Enclosure (1)

Enclosure 2: Gulf of Alaska Navy Training Activities Final Supplemental Environmental Impact Statement/Overseas Environmental Impact Statement Information Repositories

Interested parties may view the Gulf of Alaska Navy Training Activities Final Supplemental Environmental Impact Statement/Overseas Environmental Impact Statement at the following locations:

Alaska State Library
395 Whittier St.
Juneau, AK 99801
907-465-2920

Copper Valley Community Library
Mile 186 Glenn Highway
Glennallen, AK 99588
907-822-5427

Cordova Public Library
601 First St.
Cordova, AK 99574
907-424-6667

Homer Public Library
500 Hazel Ave.
Homer, AK 99603
907-235-3180

Kodiak Public Library
612 Egan Way
Kodiak, AK 99615
907-486-8686

Seward Community Library
239 Sixth Ave.
Seward, AK 99664
907-224-4082

University of Alaska Fairbanks/Elmer E. Rasmuson Library
310 Tanana Loop
Fairbanks, AK 99775
907-474-7481

Z.J. Loussac Library
3600 Denali St.
Anchorage, AK 99503
907-343-2975

Enclosure (2)

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

3 Mayor/Aderhold

4 **RESOLUTION 22-067**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
7 OPPOSING A CONSTITUTIONAL CONVENTION.
8

9 WHEREAS, Article X of Alaska’s Constitution aims to create maximum local self-
10 government with a minimum of local government units. By explicitly stating that a liberal
11 construction shall be given to the powers of local government units, Section 1 of Article X
12 rejects the traditional legal doctrine that local governments are powerless to act without
13 delegated authority; and
14

15 WHEREAS, Alaska is unique in that its Constitution guarantees that our resources must
16 be managed as a public trust, adhering to the principles of Common Use and Sustained Yield
17 Management in a way that balances development and conservation, (Article VIII); and
18

19 WHEREAS, Article IV of Alaska’s Constitution creates a unified and centralized court
20 system which balances the need for an independent judiciary with the need for judicial
21 accountability to the public, provides for merit based judicial selection, and allows the
22 legislature to expand the court system to keep pace with the state’s growth; and
23

24 WHEREAS, Dozens of Amendments to the Alaskan Constitution have been presented to
25 the public for their vote, from our explicit right to privacy (Article I, Section 22: Right of Privacy,
26 added by amendment 1972) to the creation of the Permanent Fund (Article IX: Finance and
27 Taxation, added by amendment in 1976). The Amendment process is accessible, transparent
28 and specifically limited to the exact language of any given amendment; and
29

30 WHEREAS, As a plenary process, a Constitutional Convention would allow the
31 introduction of unlimited changes to our Constitution and its unique provisions about our
32 rights, lands, resources, local governments and institutions which have protected our Alaskan
33 way of life. Changes such as those would threaten the economic and social stability of the state
34 and upend many areas of settled law; and
35

36 WHEREAS, Changes to the constitutional foundation of the existing local ordinances
37 and regulations would lead to numerous and expensive lawsuits.
38

39 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
40 opposes a Constitutional Convention because it may lead to unexpected and negative effects
41 for our community, and is unnecessary at this point in time.
42

43 PASSED AND ADOPTED by the Homer City Council this 12th day of September, 2022.

44

45

CITY OF HOMER

46

47

48

KEN CASTNER, MAYOR

49 ATTEST:

50

51

52 MELISSA JACOBSEN, MMC, CITY CLERK

53

54 Fiscal note: N/A

55