

# Office of the City Clerk

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## **M E M O R A N D U M – AGENDA CHANGES/SUPPLEMENTAL PACKET**

TO: MAYOR WYTHE AND HOMER CITY COUNCIL  
FROM: JO JOHNSON, CMC, CITY CLERK *Jo Johnson*  
DATE: FEBRUARY 11, 2013  
SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

### **PUBLIC HEARINGS**

**Ordinance 13-02**, An Ordinance of the City Council of Homer, Alaska, Creating the City of Homer Natural Gas Distribution Special Assessment District, Approving the Improvement Plan for the District, and Authorizing the City Manager to Proceed with the Improvement. City Manager.

Written public comments

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### **CITY MANAGER'S REPORT**

Lobbyist Report, February 8, 2013

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### **RECOMMENDATION:**

Voice consensus to changes under Agenda Approval.

Fiscal Note: N/A



Hello

I do not wish to put natural  
gas in these residences

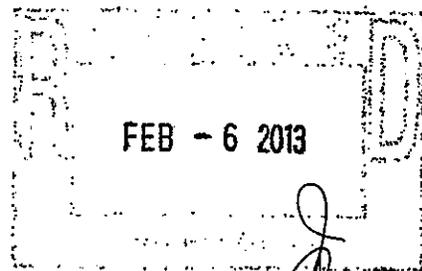
3815 East End Rd

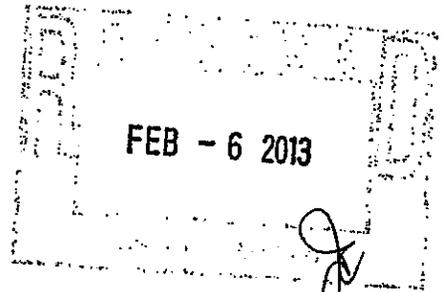
4698 Rockell

1198 Mallard Way

also I do not appreciate having  
to pay for something someone  
else wants. If they want it - let  
them pay for it.

Mr + Mrs James Claus





City Counsel

--I really think there should be a lot more thought on this natural gas issue. First its going to cost a whole lot more than they say --always does-- Why should those, who do not want it have to pay for those who do ??? Where is all the gas coming from in the future?? Already heard of potential shortest --It was asked at the meeting and it was just brushed off --no answer. Most people are having a hard time now, without more expense for something they will not use or do not want --just because a few want it and wants every one else to buy it for them -- more government ways .

These meetings they have for gas --and plastic bags etc. seems to give you the idea the only people interested are at the meetings or to write in -- the ones there are usually the young ones -and healthy and can get there and have their say so --many can not make it to be heard for one reason or other --for instance that ridiculous thing about plastic bags --I have only one person that did not want them --a single-- that rarely went to the grocery store --the rest of us had so very many used for them , from lining wastebaskets , carrying small things here and there ,so not to loose them , bringing things in from the outside freezer , storing separate foods in the freezer with them , I myself use them also for putting the feathers and innards of my cleaned chickens --no idea what I will do when I run out - NOT ONE THING HAVE I FOUND OUT SO MANY USED FOR . No more spontaneous grocery buying if you forget your bag

To think a few people telling the others how to change their lives ??? where did freedom go ?????? Forced into buying something from someone just to pad their pockets of a few -- that seems to be the reason for it --These plastic water bottles --now that I can see a little since in that .

One thing for sure I will be more careful who I vote for next time.  
Beverly

2/5/2013



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 907.586.1061 f

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## City of Homer

### Lobbyist Report – Slow and Cautious February 8, 2013

#### Overview – BUDGET PRESSUE continues to dominate Finance Committee work

The 'honeymoon' continues in the Capitol Building but divisions over major public policy decisions have surfaced. The dominate conversation in the Capitol thus far is of course involving energy projects. The Governor weighed in publicly on HB4, the so called 'bullet line', and outlined major revisions to a number of provisions he would like to see in the bill. In addition, Southcentral's impending shortage of LNG supply has held its place in the legislative hallways by utilities fearful of no legislative action to resolve this looming problem. Utilities seem to be supporting imported LNG; a tough vote for Legislators from a state rich in oil and gas. For Alaskans to benefit through lower cost energy, competing proposals including LNG imports, bullet line, AGIA line, North Slope trucked gas and Susitna hydro all require a substantial commitment of subsidized financing from the State.

Unlike previous years, many of the Governor's bills are already being heard and moving through the process. Congeniality and civility continue to carry the day, even amongst those legislators who may not be philosophically aligned with the Governor.

With \$24.5 million in increases and \$25million in funding reductions do to Medicaid cost saving measures, the Governor surprised the Capitol with a near-net zero increase in his request for supplemental funds for the current year, FY13. By his action, he drove the point home once again that money is tight this year. The Supplemental budget has already been heard in Finance committees. *Historical Supplemental budgets range from \$40 to \$100 million.*

The Governor's FY14 budget amendments are due next week. We expect to see an amendment to increase funds to the SETS program for low cost financing of energy projects.

#### FY14 Capital Budget discussions

Anderson Group met with the Homer delegation this week relative to Session priorities. There was general acknowledgement that capital budget funding was tight and that Homer fared well in SB18 with projects totalling \$10.256 million in state and federal funds.

	(millions)
Homer Harbor	\$4.206 state matching funds
Homer – Beluga Lake Float Plane Base Study	.250(DOTPF State & Fed Funds)
Homer East End Road Rehab mp 3.7 to 12.2	.800(DOTPF State & Fed Funds)
Homer Lake Street Rehab	5.000(DOTPF State & Fed Funds)

In addition to the council's legislative priorities, The City of Homer submitted a capital request for \$12.7 million in grant funds for distribution. In the event that any cash becomes available, this 'technical' step is a requirement. Not doing so could be used as an argument against funding. The Delegation was informed of this entry and are in agreement with this action.

## Legislation & Hearing Highlights

**HB4, 'Bullet Line'** legislation was presented in House Resources this week. As previously noted, the Governor qualified his support for the legislation proposing changes to the bill.

**HB35 'Home Conversion Loans'** is scheduled for a hearing on Monday. We have met with members of the House Energy Committee and there is general support for the legislation. Yet to be resolved and key to the success of this new loan program is a funding source. As of today, this has not been identified and the sponsor, Rep. Wilson is working toward a solution. The program will authorize up to \$15,000 10 year loan at 1%. Rep. Wilson is appreciative of Homer's support.

### **HB 40 'Farm Exemption'**

Rep. Hughes is gathering support for the legislation in an effort to bring it before the full House for a vote. Amendments were made to this bill to further tighten access to the exemptions while lessening the burden on local assessors. The bill now requires that an exemption is approved by an assessor if: it is used 100% for storage of farm equipment, 10% of an individual's income is generated through farming, the structure used for growing food, ie. vegetables. The bill is in House Rules.

### **Sustainable Energy Transmission & Supply loan program (SETS)**

Over the past two weeks we have been able to identify a funding option for Homer's distribution system. SB 125 passed last session and was capitalized with \$125million in state general funds. These funds are available to Homer and may be a viable lowest cost financing option for Homer's \$12.7 million project. Because Homer's project is less than \$20million, separate legislation authorizing access to these funds for Homer is not required. Any project over \$20million, requires separate legislation to be passed and signed by the Governor, a major hurdle. We are meeting with AIDEA today to more clearly understand aspects of AIDEA's proposed regulations and the timeline to advance this loan program.

### **Fish Taxes**

There is general agreement that a 'fish tax bill' does not have a chance of passage this session. However, we are working to identify like minded interests in seeking a strategy to success. As you may know, there is substantial *disagreement over many aspects* of the distribution of funds through the current fish tax programs. While there is no support for passage this year, there is general agreement that a major overhaul is long overdue. We will continue to keep this issue moving forward to see if there is enough interest to review it in depth over the interim, perhaps by the Fisheries committee or a special committee.

Please don't hesitate to call on us at anytime should you have questions or concerns.

Linda 460-6767  
Yuri 388-8611

## Jo Johnson

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**From:** yuri morgan <yuri@gci.net>  
**Sent:** Thursday, February 07, 2013 9:29 PM  
**To:** Bob Painter; Bryan Hawkins; Carey Meyer; Ann Dixon; Jo Johnson; Katie Koester; Mark Robl; Regina Mauras; Rick Abboud; Walt Wrede; Barbara Howard; Beauregard Burgess; Mary Wythe; Bryan Zak; David Lewis; Francie Roberts; James Dolma  
**Subject:** Legislative Hearings

City of Homer:

Energy-related issues remain front and center with hearings scheduled in the week ahead:

<u>HB 74</u>	AIDEA: LNG Project; Dividends; Financing	H-L&C Fri 2/8 3:15
<u>HB 35</u>	Home Heating Conversion Loans	H-ENE Mon 2/11 7:00p
<u>HB 5</u>	Board of Architects, Engineers, Surveyors	H-L&C Mon 2/11 3:15p
<u>HB 72</u>	Oil & Gas Production Tax	H-RES Fri 2/15 1:00p
<u>SB 21</u>	Oil & Gas Production Tax	S-RES Fri 2/15 3:30p

yuri  
388.8611

