

Session 17-01 a Regular Meeting of the Homer City Council was called to order on January 9, 2017 at 6:00 p.m. by Mayor Bryan Zak at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

**PRESENT:** COUNCILMEMBERS: ADERHOLD, ERICKSON, LEWIS, REYNOLDS, SMITH, STROOZAS

STAFF: CITY MANAGER KOESTER  
CITY CLERK JOHNSON  
POLICE CHIEF ROBL  
PORT AND HARBOR DIRECTOR HAWKINS

Councilmember Reynolds has requested excusal.

Mayor Zak ruled Councilmember Reynolds' absence as excused. There was no objection from the Council.

Council met for a Worksession from 4:00 p.m. to 4:53 p.m. to discuss New Police Station/Public Safety Building. From 5:00 p.m. to 5:37 p.m. Council met as a Committee of the Whole to discuss Consent Agenda and Regular Meeting Agenda items.

Department Heads may be called upon from time to time to participate via teleconference.

## **AGENDA APPROVAL**

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The following changes were made: **CONSENT AGENDA - Resolution 17-008**, A Resolution of the Homer City Council Awarding Icicle Seafoods, Inc. a New 20-Year Lease With Two, 5-Year Options to Renew for Lot 41, Homer Spit Subdivision Amended ADL 18009, With an Annual Base Rent of \$35,070.00, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager. Memorandum 17-013 from Port and Harbor Advisory Commission. **CITY ATTORNEY REPORT** - Amended City Attorney Report for the Last Quarter in 2016. **PENDING BUSINESS - Ordinance 16-57**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.95.060 and Homer City Code 21.95.070 to Require the Homer Advisory Planning Commission to Review Amendments to Title 21 or the Official Zoning Map Before Such Amendments are Adopted by City Council But Not Necessarily Before Such Amendments are Submitted to City Council for Review. City Manager. Memorandum 17-012 from City Planner. **Resolution 16-131**, A Resolution of the Homer City Council Approving an Economic Development and Tourism Marketing Agreement Between the City of Homer and the Homer Chamber of Commerce. City Manager. Homer Chamber of Commerce 2016 Marketing Expenditures. **NEW BUSINESS - Memorandum 17-011**, from City Clerk, Re: Request for Executive Session Pursuant to AS 44.62.310(a-c)(1), Matters, the

Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Public Entity (Briefing of Homer Police Department Confidential Investigation). **RESOLUTIONS - Resolution17-002**, A Resolution of the City Council of Homer, Alaska, Supporting Sustainable Fisheries in Kachemak Bay Through Fisheries Enhancement and Habitat Rehabilitation. Lewis/Smith. Written public comments.

New Business Memorandums 17-006 and 17-011 for Executive Sessions were moved to be heard following Comments of the City Council.

Visitor West Homer Elementary Students was moved to be heard following Agenda Approval.

Mayor Zak called for a motion for the approval of the agenda as amended.

LEWIS/ADERHOLD – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **VISITORS**

A. West Homer Elementary Students – Lego Robotics Group

West Homer Elementary Students provided a summary of their work in the Lego Robotics Group.

## **MAYORAL PROCLAMATIONS AND RECOGNITIONS**

### **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

Roberta Highland, city resident and Kachemak Bay Conservation Society representative, urged Council to reject Resolution 17-002. It is a controversial subject and pits neighbors against neighbors.

Matthew Hambrick, city resident and general contractor, supports Resolution 17-002 as local businesses benefit from sustainable fisheries in Kachemak Bay.

Kristen Dixon, Tutka Bay lodge owner, expressed opposition to Resolution 17-002. Kachemak Bay has a remarkable and stunning beauty. The net pens will upset the experience of the area.

Steve Vanek, Ninilchik resident and Cook Inlet Aquaculture Association (CIAA) board member, supports Resolution 17-002. We need an alternate place for fish.

Debbie Rehder, city resident and commercial fisher, supports Resolution 17-002. Fishing supports the economy and hatcheries are a good way to enhance salmon populations.

Mimi Tolva, city resident, asserted a fish farm is not the same as a hatchery. She supports Resolution 17-002 as it will increase the number of fish for the 21.1% of the local population that fishes.

Robert Archibald, city resident and Kachemak Bay State Park Board Member, expressed opposition to Resolution 17-002. The science is not here for a hatchery and we don't know what it will do to the fish diversity of the bay.

Gary Fandrei, Kenai resident and Executive Director of CIAA, supports Resolution 17-002. The net pens would be in for two months and then removed. It would provide \$2.5M in fish value. He invited the Mayor, Council, and City Manager for a tour to see what's going on in Tutka Bay.

Bruce Friend, city resident, opposes Resolution 17-002. He provided timelines of fisheries over the last 46 years. Some zones in Tutka Bay are dead zones.

Brent Johnson, Clam Gulch resident, set netter, and CIAA President, supports Resolution 17-002. This is building a program to contribute to the economy.

David Nelson, Homer resident, commercial fisherman, and 45-year member of the CIAA Board, supports Resolution 17-002. He provided a comparison of the Valdez hatchery that was one of the most successful pink salmon hatcheries in the world.

David Martin, Ninilchik resident, supports Resolution 17-002. The economic benefits are in the millions of dollars along with a few jobs. People are spreading fake data of negative impacts to the fish.

Dick Dunn, Homer resident, lived in Tutka Bay in the 70's when it was a lively place and a seafood paradise. He doesn't know if he's for or against Resolution 17-002.

Ray Kranich, city resident, supports Resolution 17-002. He hiked a mile up the stream that comes into Tutka Bay and found zero pink salmon or Dolly Varden. Butter and steamer clams have disappeared from Kachemak Bay. The nets would not add to depletion in the lagoon.

Larry Slone, city resident, opposes Resolution 17-002 from a philosophical perspective. When man interferes with the natural process we have no idea of the effects. We probably don't have the science to determine what the long term benefits are.

Malcolm Milne, Homer business owner and alternate CIAA Board Member, supports Resolution 17-002. Fish enhancement activities are a compatible use within the park management plan.

Glen Carroll, city resident, commercial fisher in Cook Inlet. Net pens are already in Tutka Bay; this would just be moving them three miles. He supports Resolution 17-002. We already enjoy the enhancement of fish in Homer from net pens in British Columbia.

Zack Bennett, Homer resident, supports Resolution 17-002. The CIAA helped his business and brought business to him. The net pens will bring revenue here.

Dan Miotke, city resident, City employee, and fisherman, supports Resolution 17-002. Big boats go away to make a living while little boats fish here. He spent over 90% of his fishing funds in the community. This may keep the big boats here to fish.

Alan Parks, retired commercial fisherman, commented there is a complex dynamic thing going on. Proponents could work for consensus for each stakeholder instead of bringing it forward this way. Resolution 17-002 should be amended to show support to the fishing industry and be receptive to those concerned about future development. He offered an amended resolution.

Glen Hollowell, Fritz Creek resident and fisheries biologist, supports Resolution 17-002. In March 2013 Alaska Department of Fish and Game (ADFG) asked to locate a pink salmon release site outside Tutka Lagoon. The ADFG prefers the site at the back of Tutka Bay for a timely harvest and more efficiency. The plan will increase recreational fishing opportunities.

Nancy Hillstrand, Homer resident, has been in the fisheries for 40 years. She opposes Resolution 17-002 because hatcheries are not sustainable. Tutka Bay is a critical habitat area, but it is also a state park who has authority. The definition of a scenic park prevents anything artificial. It would be overlapping jurisdictions in the park and critical habitat.

Jeff Lee, Seldovia resident, opposes Resolution 17-002. The net set expansion in the bay is a CIAA business plan. Outdoor recreation is big business and preserving areas for scenic beauty is essential. There is a conflict between the CIAA and the state parks.

Duff Hoyt, Homer resident and Icicle Seafoods Manager, asked Council to support Resolution 17-002. The Tutka Bay hatchery will provide \$6M to \$10M return in pink salmon production.

Chris Perry, Homer resident, fished Cook Inlet for 33 years. He supports Resolution 17-002. Tourists enjoy seeing commercial fisheries and hatcheries up close. He will support red salmon and other hatchery projects around Kachemak Bay.

John McCombs, city resident, supports Resolution 17-002. The polarization is surprising since the benefits are broad.

Mayor Zak called for a recess at 7:40 a.m. and reconvened the meeting at 7:50 p.m.

## **RECONSIDERATION**

## **CONSENT AGENDA**

(Items listed below will be enacted by one motion. If 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 December 5, 2016. City Clerk. Recommend adoption.
- B. **Memorandum 17-001** from Mayor Zak, Re: Appointments of Charles Evans and Rachel Lord to the Economic Development Advisory Commission.
- C. **Memorandum 17-002** from Deputy City Clerk, Re: Liquor License Renewals for Patel's, Patel's 2, Rum Locker, Homer Liquor & Wine, Grog Shop, Fat Olive's, Fresh Catch Café, La Baleine Café, and Land's End.
- D. **Ordinance 17-01**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.08.040 to Remove Limitations Placed Upon Public Commenting Before City Council. City Manager. Recommended dates: Introduction January 9, 2017, Public Hearing and Second Reading January 23, 2017.
- E. **Ordinance 17-02**, An Ordinance of the City Council of Homer, Alaska, Amending the Official Road Maintenance Map of the City of Homer by Adding Grubstake Avenue and Snowbird Street as Urban Road. City Manager/Public Works Director. Recommended

dates: Introduction January 9, 2017, Public Hearing and Second Reading January 23, 2017.

Memorandum 17-004 from Public Works Superintendent as backup.

- F. **Ordinance 17-03**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 1.16.040, Disposition of Scheduled Offenses—Fine Schedule; and Repealing Subsection (F) of Homer City Code 5.20.020, Open Burning – Permit Requirement, Homer City Code 5.24.060, Violation – Penalty, Homer City Code 8.08.150, Violation – Penalty, Homer City Code 8.11.080, Violation – Penalty, Homer City Code 13.08.170, Violation – Penalty, Homer City Code 14.08.170, Violation – Penalty, Homer City Code 18.20.090, Penalty, Homer City Code 19.04.100, Violation – Penalty, Homer City Code 19.08.120, Violation – Penalty, and Homer City Code 19.12.100 Violation – Penalties, to Provide for the Disposition of Additional Offenses by Bail Forfeiture Without a Court Appearance. City Manager. Recommended dates: Introduction January 9, 2017, Public Hearing and Second Reading January 23, 2017.

Memorandum 17-005 from City Clerk as backup.

- G. **Resolution 17-001**, A Resolution of the Homer City Council Establishing the Final Cost for the Shellfish Avenue/South Slope Drive Water Main/PRV Project to be \$590,314 and the Per Lot Fair Share as \$11,292. City Manager/Public Works Director. Recommend adoption.

Memorandum 17-010 from Public Works Director as backup.

- H. **Resolution 17-003**, A Resolution of the Homer City Council Confirming the Appointments of Jenna deLumeau as Treasurer and Andrea Browning as Deputy Treasurer for Calendar Year 2017. City Manager. Recommend adoption.

- I. **Resolution 17-004**, A Resolution of the Homer City Council Designating Signatories of City Accounts and Superseding Any Previous Resolution So Designating. City Manager. Recommend adoption.

- J. **Resolution 17-005**, A Resolution of the Homer City Council Awarding the Contract for the Construction of the East Bunnell Avenue Storm Drain Rehabilitation Project to the Firm of Construction Unlimited, Inc. of Anchorage, Alaska, in the Amount of \$405,372 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. Recommend adoption.

Memorandum 17-007 from Public Works Director as backup.

- K. **Resolution 17-006**, A Resolution of the City Council of Homer, Alaska, Amending the City Council Operating Manual to Remove Limitations Placed Upon Public Commenting Before City Council. City Manager. Recommend postpone to January 23, 2017 to follow Ordinance 17-01.
- L. **Resolution 17-007**, A Resolution of the City Council of Homer, Alaska, Approving a Memorandum of Agreement Between the City of Homer and the Kachemak Nordic Ski Club Regarding the Maintenance and Operation of Nordic Ski Trails on City Owned Land in the Baycrest Ski Area. City Manager. Recommend adoption.
- M. **Resolution 17-008**, A Resolution of the Homer City Council Awarding Icicle Seafoods, Inc. a New 20-Year Lease With Two, 5-Year Options to Renew for Lot 41, Homer Spit Subdivision Amended ADL 18009, With an Annual Base Rent of \$35,070.00, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager. Recommend adoption.

Memorandum 17-013 from Port and Harbor Advisory Commission as backup.

Moved to Resolutions, Item B. Stroozas.

- N. **Resolution 17-009**, A Resolution of the City Council of Homer, Alaska, Approving Port and Harbor Enterprise's Implementation of Newly Revised Crane Use Agreements. City Manager/Port and Harbor Director. Recommend Public Hearing January 23, 2017.

Memorandum 17-008 from Port and Harbor Director as backup.

Moved to Resolutions, Item C. Stroozas.

- O. **Resolution 17-010**, A Resolution of the City Council of Homer, Alaska, Amending the Fee Schedule Under Planning and Zoning to Add Fees for Technical Review of Communication Tower Applications. City Clerk/City Planner. Recommend Public Hearing January 23, 2017.

Memorandum 17-009 from City Planner as backup.

- P. **Resolution 17-011**, A Resolution of the City Council of Homer, Alaska, Approving an Automatic Aid Agreement and Operational Plan Between Kachemak Emergency Service

Area and the City of Homer Volunteer Fire Department for Fire Apparatus and Personnel. Recommend adoption.

Item M, Resolution 17-008 was moved to Resolutions, Item B. Stroozas.

Item N, Resolution 17-009 was moved to Resolutions, Item C. Stroozas.

Mayor Zak called for a motion for the approval of the recommendations of the consent agenda as amended.

LEWIS/ADERHOLD – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **VISITORS**

A. West Homer Elementary Students – Lego Robotics Group.

Heard following Agenda Approval.

B. Catie Bursch, Kachemak Bay Research Reserve, Saltwater Invasive Species

Catie Bursch, Kachemak Bay Research Reserve Coordinator of the Harmful Species Program, presented on the correlation between invasive species and Jackup rigs.

## **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS (10 minute limit per report)**

A. Borough Report

B. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission



Planning Commissioner Roberta Highland reported on the commission's January 4<sup>th</sup> meeting. The commission agreed with Ordinance 16-57 where the City Council may introduce an ordinance and refer to the Planning Commission for review. It may gauge support of a proposal and flush out amendments. They approved a plat subdividing a lot on Kachemak Drive and a plat vacating a lot line west of East Hill Road. Additionally, the commission discussed and recommended zero HART funds be used for maintenance unless taken to the City Council first. They discussed sidewalks and the availability of grant programs and cost sharing in the expenses. The Planner was asked to do some more research on those subjects. The commission discussed and reviewed port and harbor recommendations on harbor overslope development. There are areas available for overslope, but there should be no development in front of Boardwalk businesses, except for Lots 88-2 and 88-4. The commission would prefer to see overslope lots available for both individual development and development by the City.

3. Economic Development Advisory Commission

Economic Development Advisory Commission Chair Karin Marks thanked Council for appointing new members to the commission; the commission is now full. A subcommittee is reviewing business retention and expansion, looking for the detailed needs of Homer businesses. Chair Marks has been appointed to the Kachemak Peninsula Economic Development District Board. Her service on the board will be an additional conduit for the City and businesses.

4. Parks Art Recreation and Culture Advisory Commission

5. Port and Harbor Advisory Commission

6. Cannabis Advisory Commission

C. Homer Council on the Arts 2017 Arts Awards Nominations

D. Letter to Mayor Bryan Zak from Mayor Hirotaka Asada, Teshio, Japan

**PUBLIC HEARING(S)**

- A. **Ordinance 16-58(A)**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.08.100 to Clarify That the Mayor Retains the Right to Cast a Tie-Breaking Vote Even When Attending a Council Meeting Telephonically. Lewis. Introduction December 5, 2016, Public Hearing and Second Reading January 9, 2017.

Mayor Zak opened the public hearing.

Roberta Highland, city resident, agrees with the ordinance and would like to see it pass.

Mayor Zak closed the public hearing.

Mayor Zak called for a motion for the adoption of Ordinance 16-58(A) by reading of title only for second and final reading.

LEWIS/ADERHOLD - SO MOVED.

There was no discussion.

VOTE: YES. LEWIS, SMITH, ADERHOLD, STROOZAS, ERICKSON

Motion carried.

B. **Memorandum 17-003**, from Deputy City Clerk, Re: New Liquor License for Bluff Point Lighthouse Grill.

Mayor Zak opened the public hearing. In the absence of public testimony, Mayor Zak closed the public hearing.

Mayor Zak called for a motion for the approval of the recommendations of Memorandum 17-003 to approve the new liquor license.

LEWIS/ADERHOLD - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **ORDINANCE(S)**

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

A. City Manager's Report

There were no questions for the City Manager relating to her report.

### **Industry Outlook Forum Jan 11**

Kenai Peninsula Economic Development District is offering the Industry Outlook Forum for 2017 at the Soldotna Chamber of Commerce on January 11 from 8:30 a.m. to 7:30 p.m. The forum is open to the public and offers a variety of topics and speakers discussing the economic outlook for the Kenai Peninsula and the State of Alaska and the impact oil, gas, mining, gas pipeline projects, education, tourism, fishing and medical projects have on peninsula communities. For more information and to register visit [www.kpedd.org](http://www.kpedd.org)

### **Harbor Vessel Fire**

On December 19, 2016 harbor officers and the Homer Volunteer Fire Department responded to a 42' charter vessel on D float on fire. As you recall, this is the second vessel fire this winter. Vessel fires are more common in the winter when owners use heaters to keep vessels warm. Crew did a great job working together to quickly extinguish the fire and keep the damage contained to the vessel. The smooth and efficient response demonstrates the benefits of training together and the usefulness of the investment in fire apparatus such as harbor fire carts and dry lines.

### **ETT Training for City Employees**

Twelve city employees completed a 40 hour emergency trauma technician (ETT) course the week of January 1 including employees in harbor operations, maintenance, ice plant and a police officer. Harbor officers are often first to respond to a scene and have to be trained in emergency response. We are fortunate to be able to offer the training locally.

### **2016 Major Capital Projects Completed**

Public Works submitted the attached summary of major capital projects completed in 2016. It includes over \$5.2M in major infrastructure projects funded through a combination of city funds and grant funding. Major expenditures include water and sewer lines, road rehabilitation, and improvements to the staging area at the Deep Water Dock. The most recent project completed is the new fish cleaning table at the Nick Dudiak Fishing Lagoon. The timber frame structure is larger than the old station it replaced and will have amenities such as overhead hoses, webbing, and lighting for ease of cleaning. Visitors to the lagoon this summer will be sure to notice this huge improvement. A big thanks to Public Works Director Meyer for managing these projects through to successful fruition.

### **Employee Anniversaries (December)**

I would like to thank the following employees for the dedication, commitment and service they have provided the City and taxpayers of Homer.

|               |               |    |       |
|---------------|---------------|----|-------|
| Mark Robl     | Police        | 32 | Years |
| Will Hutt     | Police        | 22 | Years |
| Bryan Hawkins | Port & Harbor | 17 | Years |

|               |                |   |       |
|---------------|----------------|---|-------|
| Todd Cook     | Public Works   | 7 | Years |
| Chris Cushman | Fire           | 7 | Years |
| Katie Koester | Administration | 5 | Years |
| Sean Perry    | Police         | 2 | Years |
| Mike Zelinski | Public Works   | 2 | Years |

B. Bid Report

**CITY ATTORNEY REPORT**

A. Last Quarter 2016 Report

**COMMITTEE REPORT**

A. Employee Committee Report

B. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported the committee will meet on Thursday. She welcomed people to the committee to fill the vacancy.

**PENDING BUSINESS**

- A. **Ordinance 16-57**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.95.060 and Homer City Code 21.95.070 to Require the Homer Advisory Planning Commission to Review Amendments to Title 21 or the Official Zoning Map Before Such Amendments are Adopted by City Council But Not Necessarily Before Such Amendments are Submitted to City Council for Review. City Manager. Introduction November 21, 2016, Public Hearing December 5, 2016, Referred to Planning Commission, Second Reading January 9, 2017.

Memorandum 17-012 from City Planner as backup.

Motion on the floor from December 5: MOTION FOR THE ADOPTION OF ORDINANCE 16-57 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no additional discussion.

VOTE: YES. ADERHOLD, LEWIS, STROOZAS, SMITH, ERICKSON

Motion carried.

- B. **Resolution 16-131**, A Resolution of the Homer City Council Approving an Economic Development and Tourism Marketing Agreement Between the City of Homer and the Homer Chamber of Commerce. City Manager. Postponed from December 5, 2016.

**Resolution 16-131(S)**, A Resolution of the Homer City Council Approving an Economic Development and Tourism Marketing Agreement Between the City of Homer and the Homer Chamber of Commerce. City Manager.

Mayor Zak declared a potential conflict of interest as his wife, Karen, is the Executive Director at the Chamber. He passed the gavel to senior Councilmember Lewis.

Councilmember Lewis ruled Mayor Zak did have a conflict of interest due to pecuniary gain of \$5,000 in the aggregate in 12 consecutive months. Council voiced no objections. Mayor Zak stepped away from the dais.

Motion on the floor from December 5: MOTION FOR THE ADOPTION OF RESOLUTION 16-131 BY READING OF TITLE ONLY.

ADERHOLD/ERICKSON - MOVED TO SUBSTITUTE RESOLUTION 16-131(S) FOR 16-131.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ADERHOLD/ERICKSON - MOVED TO AMEND THE WHEREAS ON LINE 31 TO DELETE THE WORDS "THE AGREEMENT" RIGHT AFTER "WHEREAS."

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Zak returned to his seat at the dais and Councilmember Lewis returned the gavel to Mayor Zak.

## **NEW BUSINESS**

### **RESOLUTIONS**

- A. **Resolution 17-002**, A Resolution of the City Council of Homer, Alaska, Supporting Sustainable Fisheries in Kachemak Bay Through Fisheries Enhancement and Habitat Rehabilitation. Lewis/Smith.

Mayor Zak declared a potential conflict of interest as he serves on the Board of Directors for Cook Inlet Aquaculture Association. He derives no income from the position. He passed the gavel to senior Councilmember Lewis.

Councilmember Lewis ruled Mayor Zak did not have a conflict of interest as there was no pecuniary gain. He returned the gavel to Mayor Zak.

ERICKSON/SMITH - MOVED FOR THE ADOPTION OF RESOLUTION 17-002 BY READING OF TITLE ONLY.

Councilmember Stroozas commented this is a very contentious issue. Council heard from nearly 40 people. It is outside the ordinary area of expertise and jurisdiction of this city government. Our charge is to look out for the health, safety, and welfare of the community. We have heard a lot of things that indicate this project is a 3-year trial and if proven not to be economical, it will not continue. This program in 2019 and 2020 could be a financial asset. Maybe we could glean a new cannery. There is nothing scientific that anything will negatively affect Kachemak Bay or negatively affect the crab. There is nothing that claims only CIAA will gain; it will have a positive effect on everyone. If the net pens draw tourists who want to see fish harvests it will be economic gain. Alan Parks' laydown recommends a compromise and resolution so both parties, those in favor or opposition of net pens, could get something out of this. He spoke with a lot of people and did a lot of reading. There are pros and cons. There is no evidence it would harm the ecosystem. It will provide opportunity for financial gains for fishermen and the community. He will support Resolution 17-002.

Councilmember Lewis sponsored Resolution 17-002 and will sponsor any like resolution, but they have to stand on their own. We heard the economic benefits this could have for the city of Homer, but we also need to worry about the health of the bay. This is a state parks issue, not

the City of Homer issue. Kachemak City voted in favor of this. He recommended tabling the resolution until after the parks have dealt with it.

LEWIS - MOVED TO TABLE UNTIL AFTER THE STATE PARKS HAS DEALT WITH THIS.

Motion died for lack of a second.

Councilmember Aderhold expressed opposition to the resolution citing that the Council needs to remain neutral on a state parks decision. It is a controversial topic and adopting it means we are playing favorites to one part of the community over the other. There are potential legal ramifications associated with the state parks decision; if the state parks decides to go with the net pens there is a potential lawsuit.

Councilmember Smith co-sponsored the resolution since he recognizes the importance of the fishing industry. He values the input of fishermen. Neutrality would be an easy choice. Testimony has gone back and forth, but he does not buy into the fear mongering of what the net pens will do with the pristine Kachemak Bay. After listening to all the comments he can support the resolution. He has weighed all the information presented and finds the potential gains outweigh potential harms.

Councilmember Erickson grew up here and spent years watching fishermen and Kachemak Bay. She is supportive of the resolution. This is a trial period and it provides the opportunity to see if it will bring economic value to Homer. The fishing industry changed when crab and shrimp disappeared. We have to diversify and have different sources of revenue than tourism. If we can get some good runs we will get fish tax. This is an opportunity for the next three years. Fish will be released in a more efficient way. Tourists are excited to see the Deadliest Catch boat and the Kilchers. Commercial fishing is another thing.

LEWIS/SMITH - MOVED TO POSTPONE UNTIL THE NEXT MEETING.

Reason for postponement is for Councilmember Reynolds to return to have a full council voting.

VOTE: YES. ADERHOLD, SMITH, LEWIS

VOTE: NO. ERICKSON, STROOZAS

Motion failed.

Councilmembers Smith and Stroozas reaffirmed they will stand with our fishermen and go to bat for them. There has been no proof the net pens will be harmful to the local waters or Kachemak Bay.

Councilmember Lewis recalled when past councilmembers were asked to provide a letter in support of the charter fishermen. They found out what the fish wars were like. It is mentioned in one of our plans we would avoid getting into the fray. He co-sponsored the resolution since it is local government. He would support it if we come up with our own resolution.

Councilmember Aderhold reaffirmed the biology is not our decision; it is the decision of state parks and Fish and Game. There is no evaluation and we cannot make the assessment. Areas in the bay are anoxic and are impacted by human activities.

VOTE: YES. ERICKSON, STROOZAS, SMITH

VOTE: NO. LEWIS, ADERHOLD

Motion failed.

B. **Resolution 17-008**, A Resolution of the Homer City Council Awarding Icicle Seafoods, Inc. a New 20-Year Lease With Two, 5-Year Options to Renew for Lot 41, Homer Spit Subdivision Amended ADL 18009, With an Annual Base Rent of \$35,070.00, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager. Recommend adoption.

Memorandum 17-013 from Port and Harbor Advisory Commission as backup.

Mayor Zak called for a motion for the adoption of Resolution 17-008 by reading of title only.

LEWIS/ADERHOLD – SO MOVED.

The new lease puts everyone on the same level playing field. The City will be using the basic ground lease for all tenants on the Spit. Preferential treatment is not given to anyone, including special services for crane use or ice.

VOTE: YES. STROOZAS, ERICKSON, SMITH, LEWIS, ADERHOLD

Motion carried.



- C. **Resolution 17-009**, A Resolution of the City Council of Homer, Alaska, Approving Port and Harbor Enterprise's Implementation of Newly Revised Crane Use Agreements. City Manager/Port and Harbor Director. Recommend Public Hearing January 23, 2017.

Memorandum 17-008 from Port and Harbor Director as backup.

Mayor Zak called for a motion for the adoption of Resolution 17-009 by reading of title only.

LEWIS/ADERHOLD – SO MOVED.

Minutes of the Port and Harbor Advisory Commission discussing the crane use agreements will be included in the January 23<sup>rd</sup> council packet.

LEWIS/ADERHOLD - MOVED TO POSTPONE TO JANUARY 23<sup>RD</sup> FOR A PUBLIC HEARING.

There was no discussion.

VOTE: (postponement) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **COMMENTS OF THE AUDIENCE**

Roberta Highland, city resident, supports wild species fisheries. Studies show hatcheries are damaging to wild stock. We have issues in the bay and nobody knows why it is happening. Scientific data is needed.

Larry Slone commented nobody can argue with the proposal to enhance fishery's livelihood. We don't know if the short term benefit is offset by degrading of the environment. Council did the right thing by voting it down. He would want a full council to vote on the controversial fishery.

Debbie Rehder, city resident, said there were good arguments on both sides. All areas have changed over Alaska in recent years. Years ago sea otters and octopus were rarely seen, now they are everywhere. The benefits of the fish pens outweigh the repercussions.

Glen Carroll, city resident, commented there is a huge infestation of whales. These are dynamic systems that take care of themselves.

Beaver Nelson, city resident, said the original decision by the state parks was to deny the permit. It was a political decision and has nothing to do with science. Decisions are not made based on science.

Chris Perry, Homer resident and local salmon biologist, told Council the regional Alaska Department of Fish and Game Planning Committee approved of the plan. Department of Natural Resources initially approved the permit and must have considered the legal ramifications for state parks and plans. He would like Council to reconsider their decision.

Nancy Hillstrand, Homer resident, told Council the commissioner was seated for three days when he made this decision. The law was made in 1970.

Alan Parks, city resident, told Council they did the right thing. Politics is all about compromise. He provided suggestions to amend the resolution knowing Council supports fish and their voices are being heard.

#### **COMMENTS OF THE CITY ATTORNEY**

City Attorney Wells was not present.

#### **COMMENTS OF THE CITY CLERK**

City Clerk Johnson had no comments.

#### **COMMENTS OF THE CITY MANAGER**

City Manager Koester had no comments.

#### **COMMENTS OF THE MAYOR**

Mayor Zak wished the Lego Robotics Group good luck.

#### **COMMENTS OF THE CITY COUNCIL**

Councilmember Lewis announced the high school hockey team will be playing on Thursday, Friday, and Saturday at the hockey rink.

Councilmember Smith appreciates the people that testified tonight. He would rather not look at it as contentious or divisive; people just have different opinions. He hopes we are all friends since we have to live together in a tight knit community.

Councilmember Stroozas said there was lots of good thought provoking conversation. The fisheries are outside the realm of our jurisdiction. He thanked everyone for their attendance and input and asked them to come back often.

Councilmember Aderhold thanked everyone for coming out and the feedback. She learned a lot about the Tutka Bay fishery and would love to have a tour. She appreciates where the economy comes from and appreciates the commercial fishermen, but it is not our issue to weigh in on. She listens to everyone that comes and comments and thanked everyone for participating in local government.

Councilmember Erickson enjoyed getting to know about the fisheries and talking to people. She would love to have a tour at the head of Tutka Bay where the pens would be. It is nice to hear from both sides. She told people not to be afraid to come again. We need to work together to make this place more profitable.

## **NEW BUSINESS**

- A. **Memorandum 17-006**, from Mayor Zak, Re: Request for Executive Session Pursuant to AS 44.62.310 (A-C)(2), Matters, Subjects that Tend to Prejudice the Reputation and Character of Any Person, Provided the Person May Request a Public Discussion. (City Manager Koester Annual Performance Evaluation/Employment Contract.)

Mayor Zak called for a motion for the approval of the recommendations of Memorandum 17-006 to meet in Executive Session to discuss City Manager Koester Annual Performance Evaluation/Employment Contract.

STROOZAS/LEWIS - SO MOVED.

City Manager Koester requested her evaluation be conducted in Executive Session.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Memorandum 17-011**, from City Clerk, Re: Request for Executive Session Pursuant to AS 44.62.310(a-c)(1), Matters, the Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Public Entity (Briefing of Homer Police Department Confidential Investigation).

Mayor Zak called for a motion for the approval of the recommendations of Memorandum 17-011 to meet in Executive Session to discuss briefing of Homer Police Department confidential investigation.

LEWIS/ADERHOLD - SO MOVED.

Asked if the Executive Session was properly noticed, City Clerk Johnson told Council the memorandum was posted on the City's website on Friday and Executive Sessions are sometimes scheduled after the agenda is posted.

Asked what the adverse effect upon the City's finances would be to mandate an Executive Session, City Manager Koester advised the Council there is potential litigation for the matter.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

LEWIS/ADERHOLD - MOVED TO POSTPONE TO A TIME CERTAIN OF 5:00 P.M. TOMORROW NIGHT.

There was no discussion.

VOTE: (postponement) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Zak called for a recess at 9:40 p.m.

The meeting was postponed to Tuesday, January 10, 2017 at 5:00 p.m.

Session 17-01 a Regular Meeting of the Homer City Council reconvened on January 10, 2017 at 5:00 p.m.

LEWIS/ADERHOLD – MOVED TO ADJOURN TO EXECUTIVE SESSION.

There was no discussion.

VOTE: YES. SMITH, LEWIS, STROOZAS, ADERHOLD, ERICKSON

Motion carried.

Council adjourned to Executive Session at 5:02 p.m. to discuss Memorandums 17-006 and 17-011.

Following Executive Session Councilmember Lewis issued the following statement for Memorandum 17-006: We met with the City Manager and completed her evaluation.

Councilmember Lewis issued the following statement for Memorandum 17-011: We met with the City Manager and the Police Chief on a confidential police investigation.

### **ADJOURNMENT**

There being no further business to come before the Council, Mayor Zak adjourned the meeting at 7:05 p.m. on Tuesday, January 10, 2017. The next Regular Meeting is Monday, January 23, 2017 at 6:00 p.m., Committee of the Whole 5:00 p.m., and Worksession 4:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

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JO JOHNSON, MMC, CITY CLERK

Approved: \_\_\_\_\_