

Session 10-25 a Regular Meeting of the Homer City Council was called to order on September 13, 2010 at 6:01 p.m. by Mayor James C. Hornaday 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: HOGAN, HOWARD, LEWIS, ROBERTS,  
WYTHER, ZAK

STAFF: CITY MANAGER WREDE  
CITY CLERK JOHNSON  
CITY ATTORNEY KLINKNER  
CITY PLANNER ABOUD  
FINANCE DIRECTOR HARVILLE  
PORT AND HARBOR DIRECTOR HAWKINS  
PUBLIC WORKS DIRECTOR MEYER

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

Council conducted a Worksession from 4:01 p.m. to 5:01 p.m. to discuss Lease Policy amendments. Council met as a Committee of the Whole from 5:10 p.m. to 5:50 p.m. to discuss Capital Improvement Plan 2011 – 2016, Proposed New Projects, Water Sales to Kachemak City, and Regular Meeting Agenda items.

### **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 agenda was amended to add:

ORDINANCES - Ordinance 10-48(S), Accepting and Appropriating a State of Alaska Legislative Grant for Use Towards Construction of Phase I of the Anchor Point to Homer Natural Gas Pipeline in the Amount of \$525,000 and Ordinance 10-49(S), Accepting and Appropriating a U.S. Fish and Wildlife Service Grant for the Beluga Slough Trail Replacement Project in the Amount of \$25,000 with a Local Match of \$30,000; CITY MANAGER'S REPORT and NEW BUSINESS - Memorandum 10-118, From City Clerk, Re: Griswold Appeal of City Manager's Response to Public Records Request – Appeal Procedure and Postponement of Appeal Hearing.

The agenda as amended was approved by consensus of the Council.

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

There were no comments of the public.

### **RECONSIDERATION**

None.

## 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 August 23, 2010. City Clerk. Recommend adoption.
- B. **Memorandum 10-114**, from Mayor, Re: Appointment of David Brann, Robert Archibald, and Thomas CarlinSchauer to the Parks and Recreation Advisory Commission.

Mayor Hornaday called for a motion for approval of the consent agenda as read.

LEWIS/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## VISITORS

- A. **Peg Coleman**, Haven House

Peg Coleman, Executive Director of Haven House, outlined the services provided:

- Child care assistance for families
- Child care food program for nutritious meals
- Batterers intervention program
- Outreach programs
- 24/7 live crisis line
- Crisis intervention
- Forensic interviewer
- Safety checks
- Partner with Kenai Peninsula Borough in sexual assault cases

Haven House is funded through the Department of Public Safety in the amount of \$380,020. The funding requires a match of \$51,000, which must be raised by Haven House. They work closely with the Homer Police Department and service agencies. The shelter has 14 people on staff, enabling them to provide 24/7 assistance. All of the staff are cross trained and passionate about their work. In the past year Haven House has provided 2,535 shelter bed nights for adults. When the ten beds contained within the shelter are full, tents are pitched in the back yard. They do not

turn anyone away. They are seeing a lot of desperation now with people staying longer in tenuous situations due to the economy. Ms. Coleman realizes the need to look at a larger building, but must proceed with caution due to tough economic times.

## **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS**

### **A. Borough Report**

Bill Smith, Kenai Peninsula Borough Assemblyman, reported the Borough participates in the prescription drug program. They provide a prescription drug discount card allowing participants to pay only 24% to 30% of the cost of drugs. The Borough voted against the proposal to sell the Central Peninsula Hospital. The hospital operating board recommended allying with a for-profit entity due to declining health care reimbursements in the next four to five years. Locally, in the coming years we may see some changes proposed to help the South Peninsula Hospital. Hopefully we will attract more doctors here and increase the use of the hospital.

### **B. Commissions/Board Reports:**

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission

## **PUBLIC HEARING(S)**

- A. **Ordinance 10-42**, An Ordinance of the Homer City Council Amending the Official Road Maintenance Map of the City of Homer by Adding 470 Linear Feet of Road Improvements to Quinault Avenue, or .09 Miles of Rural Road. City Manager/Public Works Director. Introduction August 23, 2010, Public Hearing and Second Reading September 13, 2010.

Memorandum 10-112 from Public Works Inspector as backup.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 10-42 by reading of title only for second and final reading.

**LEWIS/ROBERTS - SO MOVED.**

Councilmember Roberts asked if Quinault Avenue met the definition of having two houses on it to be included in maintenance. City Manager Wrede answered there is already another house on the street, now two houses, making it conform to policy. Quinault is dedicated as right-of-way and is constructed to standards.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 10-43**, An Ordinance of the City Council of Homer, Alaska, Authorizing the City to Grant an Easement for Residential Driveway Access Across City Property Described as Lot 34, Tulin Terrace Subdivision Upper Terrace. City Manager. Introduction August 23, 2010, Public Hearing and Second Reading September 13, 2010.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 10-43 by reading of title only for second and final reading.

HOGAN/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

#### **ORDINANCE(S)**

- A. **Ordinance 10-44**, An Ordinance of the City Council of Homer, Alaska, Accepting a 2010 Interoperable Emergency Communications Grant to the City of Homer Port and Harbor from the Alaska Division of Homeland Security and Emergency Management (DHS&EM) in the Amount of \$17,400 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Port and Harbor Director. Recommended dates: Introduction September 13, 2010, Public Hearing and Second Reading September 27, 2010.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-44 for introduction and first reading by reading of title only.

WYTHER/LEWIS - SO MOVED.

Asked by Councilmember Hogan if the funds have already been spent, City Manager Wrede answered no.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 10-45**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 1.24.040, By-Laws for Council Procedure, to Incorporate Subsequent Amendments to the Council Agenda Format. Hogan. Recommended dates: Introduction September 13, 2010, Public Hearing and Second Reading September 27, 2010.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-45 for introduction and first reading by reading of title only.

HOGAN/LEWIS - SO MOVED.

Councilmember Howard commented the ordinance makes it easier to amend the Operating Manual with the inclusive language. City Attorney Klinkner confirmed any future amendments to the manual will be incorporated.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 10-46**, An Ordinance Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Nonprepared Foods. Lewis. Recommended dates: Introduction September 13, 2010, Public Hearing and Second Reading September 27, 2010.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-46 for introduction and first reading by reading of title only.

LEWIS/ROBERTS - SO MOVED.

Councilmember Lewis stated he was going to bring forward a tax on snack foods. There is currently no tax on pop, energy drinks, ice cream, HoHos, or Twinkies. The City Attorney reviewed the idea and found the Borough did not want to touch it. With the budget coming up there is not a lot of money. Councilmember Howard would like an extra policeman. A lot of groups will be asking for money.

Councilmember Roberts noted it was time to think about the budget. Property tax is down \$160,000 and the anticipated sales tax is down.

Councilmembers Howard and Wythe will vote yes to bring the ordinance to a public hearing.

Councilmember Wythe voiced opposition to reinstating year-round sales tax. Citizens voted in good faith against the sales tax and Council distinctly commented the vote would change the way we provided services to the community. There is no public outcry about how things are going.

Councilmember Zak expressed opposition to Ordinance 10-46. He hopes citizens continue to contribute to services. In the future we will be saving a lot on utility bills. He asked that Council prove to the community they can bring things to them, placing a high priority on the gas line. This year and the following year we should follow the stakeholders' wishes; the sales tax is a disservice to community folks.

VOTE: YES. ROBERTS, WYTHE, HOWARD, HOGAN, LEWIS

VOTE: NO. ZAK

Motion carried.

D. **Ordinance 10-47**, An Ordinance Amending Homer City Code 8.12.110 "Definitions" to Subject Public Transportation Vehicles Offering Free Transportation Services in Support of an Operator's Primary Business to the Licensing and Permitting Requirements in the Homer City Code. Lewis. Recommended dates: Introduction September 13, 2010, Public Hearing and Second Reading September 27, 2010.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-47 for introduction and first reading by reading of title only

LEWIS/ZAK - SO MOVED.

Councilmember Howard voiced opposition to Ordinance 10-47.

Councilmember Wythe asked staff to contact other communities and see how they are dealing with license and registration requirements.

Councilmember Hogan will support the ordinance. People providing service need to ensure the public is getting a safe and regulated service. In the future we need to look at the whole scope of business in the community.

VOTE: YES. LEWIS, ROBERTS, WYTHE, ZAK, HOGAN

VOTE: NO. HOWARD

Motion carried.

E. **Ordinance 10-48**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant for Use Towards Construction of Phase I of the Anchor Point to Homer Natural Gas Pipeline in the Amount of \$525,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction September 13, 2010, Public Hearing and Second Reading September 27, 2010.

**Ordinance 10-48(S)**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant for Use Towards Construction of

Phase I of the Anchor Point to Homer Natural Gas Pipeline in the Amount of \$525,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager.

Mayor Hornaday called for a motion to substitute Ordinance 10-48(S) for ordinance 10-48.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-48(S) for introduction and first reading by reading of title only.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

F. **Ordinance 10-49**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a U.S. Fish and Wildlife Service Grant for the Beluga Slough Trail Replacement Project in the Amount of \$25,000 with a Local Match of \$30,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director. Recommended dates: Introduction September 13, 2010, Public Hearing and Second Reading September 27, 2010.

**Ordinance 10-49(S)**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a U.S. Fish and Wildlife Service Grant for the Beluga Slough Trail Replacement Project in the Amount of \$25,000 with a Local Match of \$30,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director.

Mayor Hornaday called for a motion to substitute Ordinance 10-49(S) for Ordinance 10-49.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-49(S) for introduction and first reading by reading of title only.

WYTHE/ROBERTS – SO MOVED.

City Manager Wrede clarified the \$30,000 is money Council already committed as a match for another grant.

VOTE: YES. LEWIS, ROBERTS, WYTHE, ZAK, HOWARD

VOTE: NO. HOGAN

Motion carried.

## **CITY MANAGER'S REPORT**

### **A. City Manager's Report**

City Manager Wrede reported the natural gas distribution line required the City to have legislative intent language of a plan. If we get the gas line to Homer the Legislature needs to know how we intend to get distribution lines throughout the community. A resolution to form a utilities task force will be brought forward at the next meeting.

Councilmember Hogan requested the report on the City's rolling stock inventory and usage.

Councilmember Zak commented favorably on the new fence and art work at the animal shelter.

Councilmember Roberts expressed satisfaction with the nine positive items on the City Manager's report that are coming to fruition.

Councilmember Zak referenced the discussion at the Committee of the Whole of water and sewer services to Kachemak City. He asked if approval was needed from Kachemak City before bring a resolution forward. City Attorney Klinkner advised approval was needed from the Regulatory Commission of Alaska for the expansion of utilities, but prior consent was not needed from Kachemak City. The RCA records for the water service area are out of date. City Manager Wrede commented when the City built the sewer treatment plant Kachemak City made a substantial contribution. Part of the agreement was that they would be allowed to participate with sewer services. That contract needs renewal.

### **B. Bid Report**

## **COMMITTEE REPORT**

### **A. Public Arts Committee**

### **B. Transportation Advisory Committee**

C. Permanent Fund Committee

D. Lease Committee

**PENDING BUSINESS**

None.

**NEW BUSINESS**

A. **Memorandum 10-115**, From City Clerk, Re: Deferred Assessment for Ward, Fairman, Forest Glen Water and Sewer Local Improvement District.

Mayor Hornaday called for a motion for the approval of a deferred water/sewer assessment for Margaret Ann Ward (Fairman); KPB Parcel Number 175-270-09.

WYTHE/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Memorandum 10-116**, From Deputy City Clerk, Re: Confirmation of Election Workers for the Regular City of Homer Election - October 5, 2010 and All Processes Thereof Pursuant to Homer City Code and Deemed Necessary by the City Clerk.

Mayor Hornaday called for a motion for the approval of the recommendations of Memorandum 10-116.

LEWIS/ZAK - SO MOVED.

Mayor Hornaday thanked the Clerk's office and election workers.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

C. **Appeal** from Frank Griswold, Re: City Manager's Denial of Public Records

1. **Memorandum 10-118** from City Clerk, Re: Appeal Procedure and Postponement of Appeal Hearing.

Mayor Hornaday called for a motion for the approval of the recommendations of Memorandum 10-118.

WYTHE/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## RESOLUTIONS

- A. **Resolution 10-73**, A Resolution of the City Council of Homer, Alaska, Amending the Homer City Council Operating Manual to Include a City Attorney Report in the Agenda Format for Regular Council Meetings. Hogan.

Mayor Hornaday called for a motion for the adoption of Resolution 10-73 by reading of title only.

HOGAN/LEWIS - SO MOVED.

Councilmember Howard stated a report is not part of the scope of service within the contract. She asked to consider a semi annual litigation report in executive session. She is curious about items the attorney can report about in the open session.

City Attorney Klinkner said a monthly report will fit better. After the bill goes out he can summarize his work in writing or by attendance at the meetings. It will not require an additional contract.

Councilmember Hogan stated the intent is to see the attorney reporting to City Council rather than through administration.

VOTE: YES. HOGAN, LEWIS, ROBERTS

VOTE: NO. HOWARD, WYTHE, ZAK

Mayor Hornaday broke the tie vote with a YES vote.

Motion carried.

- B. **Resolution 10-74**, A Resolution of the City Council of Homer, Alaska, Adopting Written Investment Policies for Managing the Monies of the Permanent Fund. City Manager/Permanent Fund Committee.

Mayor Hornaday called for a motion for the adoption of Resolution 10-74 by reading of title only.

HOWARD/WYTHE - SO MOVED.

Councilmember Howard noted the Permanent Fund Committee and other folks worked hard on developing the investment policies, including the objectives. She hopes Council finds it acceptable.

Mayor Hornaday stated the Permanent Fund was established from the Exxon Valdez settlement. The fund will continue to grow and provide funds for projects.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **COMMENTS OF THE AUDIENCE**

Dave Brann, city resident, thanked the Mayor for the appointment to the Parks and Recreation Advisory Commission. He looks forward to serving on the commission realizing there is a lot to learn. He looks forward to being here on a more regular basis.

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

City Attorney Klinkner reported legal work provided to the City for the month of August:

- Research and draft ordinance and resolution for Councilmember Zak for water service outside city limits
- Research and draft ordinance for Councilmember Lewis to reinstate sales tax on non prepared foods
- Fire training facility contract revisions
- Complaint in District Court to recover delinquent moorage fees on a vessel
- Worked with Planning Department to make code revisions for junked and abandoned vehicles
- Reviewed and commented on Enstar agreement for extension of natural gas service
- Commented with City Manager on proposed lease policy amendments
- Hillstrand eminent domain proceedings
- Ordinance 10-43, an easement to solve access issues near the water treatment plant
- Acquisition of neighboring property to the north of Carter Lane
- Status conference with judge on Hillstrand case to resolve outstanding issues
- Frank Griswold appeal re: request for emails
- Working with Public Works Department on finishing eminent domain proceedings to acquire easements for Kachemak Drive water/sewer project; settled with one property owner a week ago, one defendant absent from the city all summer that he hopes to serve soon; that will end the eminent domain proceedings
- Draft ordinance for Councilmember Lewis for courtesy vehicles

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

City Clerk Johnson had no comment.

## **COMMENTS OF THE CITY MANAGER**

City Manager Wrede reported the Kachemak Drive water/sewer project is out for bid. It is moving concurrently with the eminent domain proceedings. The Atwater case has settled. Attorney Frank Kozio has offered to come and talk to Council about the settlement and another pending case. An executive session will be scheduled at the next meeting.

## **COMMENTS OF THE MAYOR**

Mayor Hornaday announced \$4,000 was remaining from the Sister City visit and will be returned to the city coffers. The City of Homer presented the Teshio delegation with a beautiful crane piece. He received a nice letter from the Mayor of Teshio and Noko is drafting a return letter for him.

## **COMMENTS OF THE CITY COUNCIL**

Councilmember Lewis hopes both those against and for the sales tax ordinance will speak at the next meeting.

Councilmember Hogan thanked Peg Coleman for speaking tonight. He was moved by how few staff they have and how many hours they serve the community. It is a lot of bang for the buck.

Councilmember Zak commented there is a lot of community involvement in Homer and Peg is an example in improving the local quality of life. He thanked Council for passing the gas line resolution. A task force will now get things moving.

## **ADJOURNMENT**

There being no further business to come before the Council the meeting was adjourned at 7:10 p.m. by Mayor James C. Hornaday. The next Regular Meeting is scheduled for Monday, September 27, 2010 at 6:00 p.m. The next Committee of the Whole is scheduled for Monday, September 27, 2010 at 5:00 p.m. All meetings scheduled to be held in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

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JO JOHNSON, CMC, CITY CLERK

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