

Session 11-18 a Regular Meeting of the Homer City Council was called to order on May 24, 2011 at 6:01 p.m. by Mayor Pro Tempore Beth Wythe, 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,
WYTHE

ABSENT: ZAK (excused)

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Mayor Hornaday has requested excusal.
Councilmember Zak has requested excusal.

Mayor Pro Tempore Wythe ruled Councilmember Zak's absence as excused. There was no objection from the Council.

Council met for a Worksession from 4:03 p.m. to 4:50 p.m. to discuss Water and Sewer Rates. Council met as a Committee of the Whole from 5:02 p.m. to 5:49 p.m. to hear a presentation by Lynn Whitmore, Kenai Peninsula Borough Parcel for Moose Habitat and discuss 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 agenda was amended to include the following changes:
VISITORS - Representative Paul Seaton, 10 minutes; RESOLUTIONS - Resolution 11-052, Memorandum 11-074 from Parks and Recreation Advisory Commission.

Mayor Pro Tempore Wythe called for a motion to approve the agenda as amended.

HOGAN/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Miranda Weiss, city resident, appeared with Deb Cox. They have been making improvements to the Karen Hornaday Park playground and have formed a group called HOPP (Homer Playground Project). They need a lot of help and ideas and would like to include anyone that has a stake in the playground. Contact Deb Cox at 299-1516.

Beth Cumming, city resident, commended the residents that are renovating the playground. She supports Ordinance 11-22 and would like to see an improved entrance with a trail paralleling Woodard Creek.

RECONSIDERATION

- A. **Ordinance 11-16(A)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$20,000 from the ~~Fund Balance of the General Fund~~ **Water Sewer Depreciation Reserves** to Purchase a Used Allman Light Tower and a Used Dynapac Diesel Plate. City Manager/Public Works Director. Introduction April 25, 2011, Public Hearing and Second Reading May 9, 2011, Reconsidered May 9, 2011 by Councilmember Lewis.

Mayor Pro Tempore Wythe called for a motion to reconsider the vote on Ordinance 11-16(A).

LEWIS/HOWARD - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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 Special and Regular Meeting Minutes of May 9, 2011. City Clerk. Recommend adoption.
- B. **Memorandum 11-070**, from Deputy City Clerk, Re: Liquor License Transfer from Uncle Thirsty's to Grog Shop East End.
- C. **Memorandum 11-071**, from Mayor Pro Tempore, Re: Appointment of Lindianne Sarno to the Economic Development Advisory Commission and Reappointment of Marianne Aplin and Gaye Wolfe to the Public Arts Committee.

ROBERTS/LEWIS – MOVED FOR APPROVAL OF THE RECOMMENDATIONS OF THE CONSENT AGENDA.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

A. Representative Paul Seaton, 10 minutes

Representative Paul Seaton distributed his newsletter and information on Vitamin D. The Legislature recommended \$400M for funding scholarships, \$15M to divert Battle Creek water into Bradley Lake, geothermal at Mt. Spurr, \$12M for tourism marketing, and funds for an instate gas bullet line for the North Slope to South Central, including Anchor Point to Homer. Representative Seaton encouraged residents and businesses to write to the Governor to make sure the gas line stays in the budget. Funding for the Diamond Ridge Fire Station and increased funds for education and revenue sharing were referred to the Governor. Legislators are being asked if they wish to participate in a special session on coastal zone management. By unanimous consent, Legislature passed HCR 5 supporting prevention of disease as a priority for the State and encouraging supplementation of vitamin D for its long term preventative health benefits.

Councilmember Hogan asked how the relations between the Governor, Senate, and House were. Representative Seaton answered there is tension, with the Governor new in the job. He is hopeful everyone will learn each other's method of operation and will be able to work together better in the future.

Councilmember Roberts expressed appreciation to Representative Seaton for his work on the gas line. She asked if there were projects on the list subject to veto. Representative Seaton answered he does not expect vetoes on source funded items. The Governor indicated he will look for all projects shovel ready; the gas line is shovel ready. If approved, Enstar will look at boring this winter along the Old Sterling Highway. The project will take place next summer with gas anticipated next fall.

Councilmember Lewis commented on the bluff erosion just north of Anchor Point and asked if anything could be done to get the process moving sooner. Representative Seaton answered DOT is measuring the area closely and accurately. The rate at which the erosion is approaching the highway is not nearly as fast as we perceive it. DOT has temporary plans in the event something happens. The project is on the STIP, and public comments are needed. There are some funds for roads.

B. Brent Johnson, Kenai Peninsula Borough Assemblyman, re: KPB Ordinance 2011-07 Reducing the Number of KPB Planning Commissioners

Brent Johnson cancelled his presentation.

C. Duane Bannock, Kenai Peninsula Borough, Spruce Bark Beetle Program

Duane Bannock, Spruce Bark Beetle Program, and Wade Wahrenbrock, Forester and Fire Specialist, provided an update on the Spruce Bark Beetle Program. Work is finished on the 83 acres of Bald Mountain, Easy Street, and Spruceview. Dead and dying sprucebark beetle has been fallen from the right-of-way and up to 90 ft. of owners' properties adjacent to the right-of-way. The Bridge Creek Watershed area project was completed by Paul Roderick of Paul's Services. Care was taken to protect the stream. All standing trees were treated and laid on the ground. Although there are a lot of fallen trees, the fire threat to the entire canopy is much reduced. Areas that remain on the project are close to the water; they will be done this summer with a hand crew.

The federally funded Spruce Bark Beetle Program was promoted two years ago and will close this fall or winter. The offerings for Homer were near Greer Road and the Baycrest area. Over 2,000 cords of firewood were taken at no cost. The Baycrest job was done in conjunction with the Kachemak Nordic Ski Club.

City Manager Wrede commented it was a pleasure working with Mr. Bannock and Mr. Wahrenbrock. They were responsive to any requests including the sensitive areas, complying with the conditional use permit and lots of comments from the environmental community. They did a great job.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. **Mayor's Proclamation** – Mary Epperson Day – June 6, 2011

Mrs. Epperson was not present.

B. Borough Report

Kenai Peninsula Borough Assemblyman Bill Smith reported the Borough health care task force is ongoing. Health insurance has been defined as a benefit and they don't want to see it go to a defined contribution like PERS. There is a shared responsibility for health insurance, with both the employer and employee.

Assemblyman Smith urged everyone to make their wishes known to the Governor to prevent reductions from the Legislature's appropriation for the natural gas line. We need the entire project to go forward and it will take a concerted community effort to get it forward.

Councilmember Roberts asked about Assemblyman Brent Johnson's proposed ordinance to reduce the number of planning commissioners. Assemblyman Smith answered Mr. Johnson is working on an amendment to recommend an increase in commissioners. He is exploring the option of using the plat committee, with the planning commission meeting just once a month.

The plat committee would meet twice per month and be planning commissioners from the Central Peninsula. If a planning commissioner felt they had an issue to address in their area, they could go to the plat committee meetings. It would reduce the cost of operation. The State mandates a balance of the representatives from inside and outside the cities. Councilmember Roberts asked about the lack of representation on the platting process from the City of Homer. Assemblyman Smith answered the plat committee takes members that volunteer to serve. Most are practical issues with the municipal planning commission weighing in on all the issues before they go to the Borough. Councilmember Roberts encouraged Mr. Smith to make sure there is representation for Homer.

C. Commissions/Board Reports:

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

Dave Brann, Parks and Recreation Advisory Commissioner, provided pictures of the Karen Hornaday Park workday last Saturday. The commission had a presentation from the disc ball group and has had lots of good volunteer help. Last week bike to work week was used as a research tool to collect information as to what is important to bicycle people. The commission supports Ordinance 11-22. Although it is not enough money to do everything, a portion should go to figuring out the major things that need to be done. Some of the funds should be set aside for the future for matching grants. The commission supports Resolution 11-052. There are six logs peeled and staged, ready to repair the picnic shelter near the Pier One Theatre. A work party needs to be scheduled to make it happen.

5. Port and Harbor Advisory Commission

D. Meeting of Kenai Peninsula Mayors and City Managers, May 16, 2011

City Manager Wrede reported on the meeting of the Kenai Peninsula Mayors and City Managers that Mayor Hornaday attended. They talked about the resolution supporting the establishment of a water infrastructure set aside funding program with the Army Corps of Engineers. When Senator Begich visited earlier he talked about it. Since there are no longer earmarks, it is a method to guarantee a certain amount of money for Alaska and Hawaii.

E. Thank you from Kachemak Nordic Ski Club

PUBLIC HEARING(S)

- A. **Ordinance 11-17**, An Ordinance of the City Council of Homer, Alaska, Amending the 2008 Homer Comprehensive Plan to Incorporate the Homer Spit Plan and

Recommending Approval of the Amendment by the Kenai Peninsula Borough. Planning. Introduction May 9, 2011, Public Hearing and Second Reading May 24, 2011.

Memorandum 11-068 from City Planner as backup.

Mayor Pro Tempore Wythe opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Wythe closed the public hearing.

Mayor Pro Tempore Wythe called for a MOTION FOR THE ADOPTION OF ORDINANCE 11-17 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

HOWARD/LEWIS SO MOVED.

Councilmember Howard thanked all the commissions that labored over the document, holding public hearings and worksessions. She views the document as outstanding and identifiable to the neighborhood.

Councilmember Hogan expressed pleasure with the final document.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Ordinance 11-18**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$7,793.75 from the Public Works Fleet Reserve for the Purpose of Sandblasting and Recoating a CAT Loader. City Manager/Public Works Director. Introduction May 9, 2011, Public Hearing and Second Reading May 24, 2011.

Memorandum 11-064 from Public Works Superintendent as backup.

Mayor Pro Tempore Wythe opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Wythe closed the public hearing.

Mayor Pro Tempore Wythe called for a motion for the adoption of Ordinance 11-18 by reading of title only for second and final reading.

LEWIS/HOWARD - SO MOVED.

Councilmember Howard expressed her intent to include all the pieces of equipment for sandblasting and recoating.

HOWARD/ROBERTS – MOVED TO AMEND THE TITLE AND THROUGHOUT THE ORDINANCE WHERE APPLICABLE BY APPROPRIATING \$25,590.35 FOR THE PURPOSE OF SANDBLASTING AND RECOATING THE CAT MOTOR GRADER 120G, CAT MOTOR GRADER 140G, AND THE CAT FRONT END LOADER 950B AND ALSO INCLUDE THE SAME LANGUAGE IN THE 3RD WHEREAS.

There was no discussion.

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

Motion carried.

Councilmember Hogan asked if bids were made for all three pieces of equipment. City Manager Wrede confirmed all three pieces were bid, but due to costs Public Works reduced the request to the Cat Loader.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 11-19**, An Ordinance of the City Council of Homer, Alaska, Establishing a Preliminary Budget and Authorizing the Expenditure of \$486,948 from Depreciation Reserves for the Renovation and Expansion of City Hall. Roberts/Wythe. Introduction May 9, 2011, Public Hearing and Second Reading May 24, 2011.

Ordinance 11-19(S), An Ordinance of the City Council of Homer, Alaska, Establishing a Preliminary Budget and Authorizing the Expenditure of \$486,948 from Depreciation Reserves for the Renovation and Expansion of City Hall. Roberts/Wythe.

Memorandum 11-066 from Public Works Director as backup.

Mayor Pro Tempore Wythe opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Wythe closed the public hearing.

Mayor Pro Tempore Wythe called for a motion to substitute Ordinance 11-19(S) for Ordinance 11-19.

ROBERTS/HOWARD - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Pro Tempore Wythe called for a motion for the adoption of Ordinance 11-19(S) by reading of title only for second and final reading.

HOWARD/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- A. ***(If Reconsidered)*** Ordinance 11-16(A), An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$20,000 from the ~~Fund Balance of the General Fund~~ Water Sewer Depreciation Reserves to Purchase a Used Allman Light Tower and a Used Dynapac Diesel Plate. City Manager/Public Works Director. Introduction April 25, 2011, Public Hearing and Second Reading May 9, 2011, Reconsideration issued May 9, 2011.

LEWIS/HOWARD – MOVED FOR THE ADOPTION OF ORDINANCE 11-16(A) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Howard has gone through the numbers of purchasing, renting, and shipping costs for the equipment and concluded we have the money in a reserve account that earns zip. Although we don't use these pieces of equipment every day, when we need them, we need them. Water lines break at holidays and we need the lights to work safely; compacting soil is important to avoid sinkholes. She asked for consideration of purchasing the two pieces of equipment that are in reasonably good shape. The Dynapac Diesel Plate has 300 to 400 hours use.

Councilmember Hogan asked how many hours there were on each piece of equipment. City Manager Wrede reported the equipment does not have hour meters, but the Dynapac is the 1997 model with 400 hours or less. He does not have an estimate on the number of hours on the Allman Light Tower.

Councilmember Hogan referenced the procurement policy that specifies the hours be provided. We are falling outside the policy several ways on this acquisition and have managed to survive for 40 years without the equipment. The procurement policy requires that we go through procedures to procure equipment. The policy has a section on warranties. For the light tower we are paying more for the used one than what a new one would cost, minus shipping. Without the specifications we don't know if we are getting the value. It grates him that the procurement policy is continually ignored.

Councilmember Howard stated the procurement policy addresses new equipment, not used. Although it is nice to know how many hours are on a piece of equipment, it doesn't tell whether the equipment is good or bad.

Asked by Mayor Pro Tempore Wythe the maintenance the items will need, Public Works Director Meyer answered the light tower and Dynapac are not sophisticated pieces of equipment. We have smaller versions available. They are not special items that will require additional maintenance.

VOTE: YES. ROBERTS, WYTHE, HOWARD, LEWIS

VOTE: NO. HOGAN

Motion carried.

- B. **Ordinance 11-21**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.04.010, Definitions; and Amending Homer City Code 2.08.010, Management of Public Records; Regarding the Management of City Records. City Attorney/City Manager. Recommended dates: Introduction May 24, 2011, Public Hearing and Second Reading June 13, 2011.

Mayor Pro Tempore Wythe called for a motion for the adoption of Ordinance 11-21 for introduction and first reading by reading of title only.

LEWIS/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 11-22**, An Ordinance of the City Council of Homer, Alaska, Establishing a Preliminary Project Budget and Authorizing Expenditures for Phase I Improvements to Karen Hornaday Park. City Manager/Parks & Recreation Advisory Commission. Recommended dates: Introduction May 24, 2011, Public Hearing and Second Reading June 13, 2011.

Mayor Pro Tempore Wythe called for a motion for the adoption of Ordinance 11-22 for introduction and first reading by reading of title only.

ROBERTS/HOWARD - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

A. City Manager's Report

1. Attorney Contract: Jo recently reminded me that the one year attorney services contract with Birch, Horton, Bittner et al expires at the end of July. So, it would be timely for Council to have a discussion about how it would like to proceed. It seems like the choices are to a) enter into another contract with Birch Horton b) put out an RFP for attorney

services, or c) renew discussion about an in-house attorney. Options b and c require some lead time so if Council wishes to go in either of those directions, we should have the discussion sooner rather than later. I believe that this discussion could take place in executive session if Council wishes because the legal status and strategy of certain cases and performance issues could be discussed.

2. Health Insurance: We are currently looking into hiring a broker to assist us with managing the City's Health Insurance Program. Most cities have brokers and it appears that hiring one would not cost any additional money since the broker would be paid by the plan administrator (Meritain Health). The broker would do some of the tasks Meritain is doing now for us. A broker would have a number of advantages including helping to shop for competitive rates and acting as a consultant on all things related to health insurance. This is very important in this time of rapidly changing rules and regulations. If the City moves ahead on this, we would issue an RFP for broker services. A sample RFP is attached so that you can see the scope of what a broker might be asked to do. We are currently evaluating a number of cost saving measures for the health care plan and will be talking with the employees about the options soon. Council will be pleased to know that at this point we project that we will likely be in a position to reduce the contribution to the health insurance fund, or at least keep it static, again this year. This is great considering that most other municipalities are experiencing huge cost increases. The primary reasons for this are the fact that Homer has a well managed self insured plan, the staff has been relatively healthy overall, and the reserve account is very healthy.
3. Lynn Whitmore Presentation: Lynn Whitmore is associated with the Kenai Moose Habitat group which owns land and advocates for conservation of moose habitat in the area bounded by Kachemak Drive and the airport complex. The Borough owns a large tract of land near the end of the airstrip on the north side which is classified as undesignated. This land has wetland and moose habitat values and it serves as a discharge area for the Bear Creek drainage. Lynn has been talking to the Borough about changing the land designation for this parcel to "habitat." A longer term goal might be critical habitat; a state designation. This proposal would assist greatly with conservation of important habitat within the City limits. It would also make more land around the airport off-limits to development. Lynn is scheduled to make a brief presentation on his idea at the Committee of the Whole. He would like to see if he can obtain City support before he goes any further. If the Council wants to take a position on this, a member could sponsor a resolution for the next meeting.
4. City Hall Construction: The City Hall Renovation and Expansion Task Force is moving ahead right on schedule. You may have noticed that some work has already begun (storage connex buildings removed and power lines placed underground.) Construction is scheduled to begin in mid-June. We will be ready to provide a full report on progress with this project if asked. It can also be discussed when the project funding ordinance is on the table (using depreciation money on the existing building). We are currently having an internal discussion about how we can most efficiently continue operations while construction is going on. The pros and cons of moving some of the staff (administration and planning) over to the old intermediate school for six months are being evaluated.
5. State Capital Projects / : The Capital Budget approved by the Legislature contains approximately \$32,000,000 for the Homer area. Of that amount, \$16,032,000 is designated for City of Homer projects. This includes \$10,032,000 for the gas pipeline and

\$6,000,000 in cruise ship tax money for improvements at the dock, around the harbor, and on Pioneer Avenue. The ball now rests in the Governor's court. No one knows what he will veto but it is pretty certain that he will eliminate some projects. Right now we are planning to get as much information as we can to the Governor to demonstrate the value of the City's projects. The City pipeline website has been updated. This week I will be drafting a letter to the Governor for the Mayor's signature touting the benefits of the project and inviting him to Homer to see the City's projects for himself.

6. Lease Committee / Old Intermediate School: The joint Lease Committee and Economic Development Committee met in executive session on May 17 to evaluate proposals received to lease the old intermediate school. No decisions were made and at present, there is no recommendation. Important information was missing from the proposals and the City Manager was asked to meet with the parties involved and report back if additional relevant information can be obtained.
7. Soccer Fields: Soccer is a rapidly growing sport in Homer and the demand for additional soccer fields is great. The Parks and Recreation Commission has been talking about this alot. I was recently contacted by the Homer Soccer Association about this. This week, Mike Illg and I met with the School District to discuss and coordinate Community Recreation programs this summer and fall. One topic that came up was soccer fields. The School District would like to build at least one soccer field, preferably with artificial turf. There are several potential alternatives but the District definitely has the land available to do this. We talked about several scenarios under which the City and the District could "partner" to achieve a community wide goal. You will likely be hearing more about this in the future and I will be happy to discuss it in more detail tonight if the Council wishes.
8. Lobbyist Visit: The City lobbyist would like to make another trip to Homer to speak with the Council and strategize about tasks and agenda items for the interim. One thing they will definitely be working on during the interim is the fish tax issue. We originally talked about bringing them down in May or June. We are now thinking that the fall might be a better time since we will be working on the CIP and getting ready for the session. Also, everyone is more likely to be around during that period. Comments from Council would be great.

City Manager Wrede reported the gas line project has been updated on the City website. Two letters will be sent, one to the Governor discussing the project and providing him with information to make a good decision, and the other inviting him to Homer to tour the projects.

We are considering moving staff from City Hall to the HERC building while the renovation project is underway. The Lease Committee reviewed two lease proposals for the HERC building. The committee found them both deficient and instructed the City Manager to go back to the proposers. One proposal was to occupy the building in the fall of 2012. It leaves a window to move City Hall staff there during construction. Administration, IT, and Planning will relocate to the HERC building to allow the contractor to work on both the old and new building. It will greatly increase his flexibility to assign crew and could mean the job will be completed a couple months sooner. Administration, IT, and Planning could be back in the building between Thanksgiving and Christmas. The move can be done relatively cheap; the main expense will be heating in the fall and winter. City Manager Wrede asked for Council's approval for the short term move. Asked where the funds would come from to maintain the building, City Manager

Wrede answered through the general fund. A cost estimate of occupying the building will be presented at the next meeting.

Councilmember Hogan thanked Dottie in Planning for her attention to the sandwich board signs on the Spit. The situation is much improved.

Councilmember Howard asked for a 4:00 p.m. Executive Session for the June 13th meeting to discuss the attorney contract. Because the attorney is an open contract, it would preclude from having the meeting in open session. Council expressed consensus to the Executive Session.

City Manager Wrede reported momentum is growing for soccer fields. Community Recreation Coordinator Mike Illg and Mr. Wrede had their quarterly meeting with the school district (KPBSD). There are a number of pieces of land at the school where soccer fields would be appropriate. The KPBSD is discussing a partnership with the City to allow projects to remain on the City's CIP list. The City could help with grant writing and provide technical or monetary assistance. The KPBSD is to provide plans for soccer fields using artificial turf so they could be used year round. The Homer Soccer Association would like to be involved too.

Councilmember Hogan expressed the need for improvement at all high school sport venues, including the baseball field and the track. City Manager Wrede commented the track is in miserable shape. The KPBSD will need help securing money to build it, but once it is built they will open it to the public and maintain it.

Mayor Pro Tempore Wythe called for a recess at 7:27 p.m. and reconvened the meeting at 7:31 p.m.

B. Bid Report

C. Games Report

1. Cook Inletkeeper

CITY ATTORNEY REPORT

COMMITTEE REPORT

A. Public Arts Committee

B. Transportation Advisory Committee

Committee Member Francie Roberts reported the Transportation Advisory Committee met for their quarterly meeting and will be forwarding a memo to Council to encourage spending money on a right-of-way and to start improving roads on the CIP list.

C. Permanent Fund Committee

D. Lease Committee

City Manager Wrede reported the Lease Committee met last week to review the two proposals for the old intermediate school (HERC). Neither one of the proposals was deemed responsive. They will be meeting on June 19th to discuss the Spit land RFPs.

E. City Hall Renovation and Expansion Task Force

Committee Member Francie Roberts reported the task force met last Monday. They are now at the 65% design phase. The contractor has begun to clear the land; things are moving rapidly.

PENDING BUSINESS

- A. **Resolution 11-041**, A Resolution of the City Council of Homer, Alaska, Approving and Adopting a New, Amended Standard Ground Lease Document, and Authorizing the Amendment of the City of Homer Property Management Policy and Procedures Manual to Conform to the Amended Standard Ground Lease Document. City Manager/Lease Committee. (Postponed from April 25, 2011).

Memorandum 11-060 from Lease Committee Staff as backup.

Memorandum 11-058 from City Manager to Lease Committee as backup.

Motion on the floor from April 25: MOVED FOR THE ADOPTION OF RESOLUTION 11-041 BY READING OF TITLE ONLY.

City Manager Wrede referenced an email dated May 16, 2011 (Page 205) from City Attorney Klinkner answering the questions referred to him. The email includes amendments regarding Sections 8.01 Subleases and 9.04 Insurance Requirements of the ground lease document.

ROBERTS/LEWIS - MOVED TO INSERT 9.04 INSURANCE REQUIREMENTS AS WRITTEN BY THE CITY ATTORNEY TO THE GROUND LEASE DOCUMENT AND REPLACING 9.04 AS WRITTEN.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

HOWARD/ROBERTS - MOVED TO INSERT 8.01 AS WRITTEN BY THE ATTORNEY, REPLACING THIS STATEMENT WITH THE 8.01 THAT IS IN THE CURRENT DOCUMENT.

Discussion ensued on the tenant's percentage of rent to allow subleases. City Manager Wrede suggested 10% as a good number.

Roberts- if sublease to 2 different businesses do you pay two 10%^s?

HOWARD/ROBERTS - MOVED TO AMEND THE AMENDMENT TO INCLUDE THE PERCENTAGE RATE AS 10% OF THE CURRENT BASE RENT FOR THE SUBLEASED AREA.

Council discussed the proposed 10% for subleases. It will allow the lessee to develop their property and allots the City a little more revenue.

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

Motion carried.

VOTE: (amendment) YES. LEWIS, ROBERTS, WYTHER, HOWARD
VOTE: NO. HOGAN

Motion carried.

Councilmember Hogan expressed support for the new ground lease since Council has not had a boilerplate lease. He hopes it will be open to revisions.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Resolution 11-050**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Soundview Avenue/Woodard Creek Culvert Replacement Project to the Firm of _____ of _____, _____ in the Amount of \$_____ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Resolution 11-050(S), A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Soundview Avenue/Woodard Creek Culvert Replacement Project to the Firm of **Green Construction** of **Homer, Alaska**, in the Amount of **\$215,699.37** and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 11-072 from Public Works Director as backup.

Motion on the floor from May 9: MOVED FOR THE ADOPTION OF RESOLUTION 11-050 BY READING OF TITLE ONLY.

HOWARD/ROBERTS - MOVED TO SUBSTITUTE RESOLUTION 11-050(S) WITH RESOLUTION 11-050.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Pro Tempore Wythe called for a motion for the adoption of Resolution 11-050(S) by reading of title only.

HOWARD/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

- A. **Memorandum 11-073**, from Special Projects Coordinator, Re: Capital Improvement Plan Development - Schedule for 2012-2017.

Mayor Pro Tempore Wythe called for a motion for the approval of the recommendations of Memorandum 11-073 to approve the CIP schedule.

LEWIS/HOWARD - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RESOLUTIONS

- A. **Resolution 11-051**, A Resolution of the City Council of Homer, Alaska, Approving and Adopting a Transfer of Responsibility Agreement (TORA) Between the State of Alaska and the City of Homer Regarding Management and Enforcement of Parking, Loading Zones, Pedestrian Crossings, and Seasonal Speed Zones Within the Sterling Highway Right of Way on the Homer Spit. City Manager.

Mayor Pro Tempore Wythe called for a motion for the adoption of Resolution 11-051 by reading of title only.

HOWARD/LEWIS - SO MOVED.

Councilmember Howard thanked the City Manager and everyone involved in the agreement. The opportunity for us to control the Spit is important. She realizes the costs involved, but that is incidental in comparison to the flexibility and good parking in very congested areas.

Councilmember Hogan expressed appreciation and asked what took so long. City Manager Wrede answered while Council was in budget discussion there were serious reservations about the cost. We had to stop saying yes to every idea. We were cutting the budget for materials, knew we were losing the parking enforcement officer, and knew the police were strapped. There was discussion if we needed to fix problems with maps prior to Council approval and he got busy on other things and forgot for a couple months.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Resolution 11-052**, A Resolution of the City Council of Homer, Alaska, Establishing an Adopt-a-Park Program. City Manager.

Memorandum 11-074 from Parks and Recreation Advisory Commission as backup.

Mayor Pro Tempore Wythe called for a motion for the adoption of Resolution 11-052 by reading of title only.

HOWARD/LEWIS - SO MOVED.

Councilmember Howard voiced approval of the program as a great means for non profits or service organizations to get involved. We pride ourselves for having all the parks, with no wherewithal to take care of them. It is a great idea and she looks forward to beautiful parks.

Councilmember Hogan asked for an estimate on required staff time. City Manager Wrede answered it will be minimal as there are not that many parks. The parks are assets that are owned by the City and we need to make sure no one is hurt and everything is done right. Angie and Mike will be project managers who will work with the groups.

ROBERTS/LEWIS - MOVED TO AMEND TO INSERT ON LINE 23 MAY 19, 2011.

There was no discussion.

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

Motion carried.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Resolution 11-053**, A Resolution of the City Council of Homer, Alaska, Expressing Support for the Establishment of a Water Infrastructure Set Aside Funding Program Within the Army Corps of Engineers, Pacific Ocean Division, Civil Works Program. City Manager/Port and Harbor Director.

Mayor Pro Tempore Wythe called for a motion for the adoption of Resolution 11-053 by reading of title only.

LEWIS/HOWARD - SO MOVED.

Councilmember Roberts explained the resolution is the same matter Senator Begich brought forward on his earlier visit to Homer. The City of Homer does not always get money since we are so small.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Carey Meyer, Public Works Director, commented Parks and Recreation lost two parks maintenance people during the last budget. The Adopt-a-Park concept is a good addition, but unfortunately the volunteer efforts usually don't occur during normal business hours. Angie, Mike and he have donated lots of weekend hours. He hopes some additional resources could be brought to parks and recreation in the future to provide needed resources for support, as the commission is very active now too.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

COMMENTS OF THE CITY CLERK

City Clerk Johnson complimented Mayor Pro Tempore Wythe for running a great meeting that was clear and concise.

COMMENTS OF THE CITY MANAGER

City Manager Wrede commented Parks Maintenance Coordinator Angie Otteson was having difficulty getting all the bathrooms cleaned as her staff doesn't come on until June 1st. This year there will be no beach patrol which means if there is trouble on the beaches we will have a hard time responding. In response to Councilmember Hogan's comments on the Procurement Policy, we do take it seriously. It has been repeated over and over again that we are consistently ignoring the procurement policy. We make mistakes from time to time.

COMMENTS OF THE MAYOR

Mayor Pro Tempore Wythe had no comment.

COMMENTS OF THE CITY COUNCIL

Councilmembers Roberts reminded people it was a good time to tell the Governor is you care about the gas line project.

Councilmember Howard commented the Ramp 4 restrooms have been out of order for quite a while, and now it is getting to be a busy time. The Spit Plan will now move to the Borough to be included in the general plan. She would like to keep track of it. She is impressed with the federal water quality report; the graphics are great and easy to read. Mrs. Howard wished all a happy Memorial Day.

Councilmember Lewis extended congratulations to the class of 2011 at both Homer Flex and Homer High School that graduated last night.

Councilmember Hogan in addressing the City Manager's comments, appreciates the respect for the Procurement Policy. He will not ease up, but will do it with a smile, as he will be watching. He extended his gratitude to the harbor office for their response to the accident by the fuel dock. They were very professional; it could have been worse. He wants a report at the next meeting at the costs incurred by the City and terminal use agreements. He is glad we finally got the TORA agreement passed and in the books. Safety on the Spit is of the foremost importance. He encouraged Administration to get the parking enforcement people out of the jeep and onto a bike.

ADJOURNMENT

There being no further business to come before the Council, Mayor Pro Tempore Wythe adjourned the meeting at 8:02 p.m. The next Regular Meeting is scheduled for Monday, June 13, 2011 at 6:00 p.m. The next Committee of the Whole is scheduled for Monday, June 13, 2011 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.

JO JOHNSON, CMC, CITY CLERK

Approved: _____