

Session 11-27 a Regular Meeting of the Homer City Council was called to order on August 22, 2011 at 6:00 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,
WYTHE, ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY PLANNER ABOUD
FINANCE DIRECTOR MAURAS
LIBRARY DIRECTOR DIXON
PERSONNEL DIRECTOR PETERSEN
POLICE CHIEF ROBL
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

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 approved by consensus of the Council.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Traven Apiki, Homer High School Student Body President, and Kirsten Swanson, Student Body Vice President, thanked Council for sponsoring Resolution 11-084. A blue and gold day tells the students the town supports them.

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 Special and Regular Meeting minutes of August 8, 2011. City Clerk. Recommend adoption.
- B. **Memorandum 11-116**, from Clerk, Re: Liquor License Restaurant Designation Permit for Alice's Champagne Palace.

- C. **Memorandum 11-117**, from Mayor, Re: Appointment of Adi Davis to the Economic Development Advisory Commission as Student Representative.

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

HOWARD/WYTHE - SO MOVED.

Councilmember Hogan expressed appreciation in seeing a student apply for the EDC seat. There is also a student seat on the Port and Harbor Advisory Commission.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. Borough Report
- B. **Mayor's Proclamation** - National Preparedness Month, September 2011

Mayor Hornaday read the proclamation and presented it to Tricia Davis, Community Emergency Response Team (CERT) volunteer.

- C. 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 11-33**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 8.12.300 to Include Exemptions for Public Transportation Companies Serving More Than 15 Passengers. Roberts/Lewis. Introduction August 8, 2011, Public Hearing and Second Reading August 22, 2011.

Memorandum 11-120 from Police Chief as backup.

Mayor Hornaday opened the public hearing.

Sally Oberstein commented on Police Chief Robl's memorandum, stating it was 100% valid. The City's background check is more in depth than what is required from the State. Juneau, Fairbanks, Anchorage, and Kenai all require special licensing, fingerprinting, and a background check for taxi drivers. None of those cities require a check for public transporters that carry more than 15 passengers. Taxi drivers have more access to private homes and one on one contact. They can drive to a private home in the middle of the night to pick up a child, thus the stringent regulations for taxi drivers.

ROBERTS/LEWIS - MOVED TO ADOPT ORDINANCE 11-33.

Councilmember Howard asked Chief Robl how we could guarantee the private business could only hire state school bus drivers. Chief Robl answered to be certified to operate a vehicle that carries over 15 passengers the drivers have to meet state requirements.

The Homer police has no access to background checks or fingerprints that the State has requested. The City's background check for taxi drivers is more thorough than the State's background check for school bus drivers.

Councilmember Howard questioned why we are amending this section of code so drastically. Councilmember Roberts explained she sponsored the ordinance as there were duplicate requirements for city and state passenger vehicles with over 15 passengers. The State asks for more testing than cities in certain areas. It is an extra expense for businesses to be certified by both the state and city.

Councilmember Wythe noted the ordinance was narrowly designed for school bus operators. If you are a CDL holder you are not required to go through the chauffeur's proceedings. Councilmember Roberts explained the ordinance covers the exception section. School bus drivers were exempted in the past, but now we have transportation businesses that move more than 15 passengers. A lot of the drivers are already licensed as school bus drivers.

Chief Robl clarified any driver in the state that drives a vehicle that holds 16 passengers or more is required to have the same certification and background check that a school bus driver has. The requirement is not a classification of the CDL, but rather falls into the chauffeur's license requirement.

Councilmember Wythe expressed opposition, yet would be in favor of a modification to the chauffeur's requirement. A background check by the City provides a level of coverage for the City.

Councilmember Hogan questioned why we need a finger in every pot. The Department of Licensing has stringent requirements and the City is not a liability.

VOTE: YES. ROBERTS, ZAK, HOGAN, LEWIS

VOTE: NO. WYTHER, HOWARD

Motion carried.

- B. **Ordinance 11-34**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$21,798.25 from the Port and Harbor Reserves for Parking Improvements at the Coast Guard Parking Area Adjacent to the Pioneer Dock. Port and Harbor Director/City Manager. Introduction August 8, 2011, Public Hearing and Second Reading August 22, 2011.

Memorandum 11-112 from Port and Harbor Director 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 11-34 by reading of title only for second and final reading.

LEWIS/HOWARD - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 11-35**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$24,000 from the Public Works Depreciation Reserves for the Acquisition of New "Narrow Band" Radios for the Public Works Department in Order to Meet FCC Requirements and Improve Public Safety and Emergency Response. Public Works Director/City Manager. Introduction August 8, 2011, Public Hearing and Second Reading August 22, 2011.

Memorandum 11-113 from Public Works Superintendent 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 11-35 by reading of title only for second and final reading.

WYTHER/LEWIS – SO MOVED.

Councilmember Hogan questioned the number of radios and if there would be a cost reduction if the number of units were reduced.

Public Works Director Meyer answered that by reducing the number of radios the costs would reduce, however, they have 15 employees who need to be in contact with each other in the event of an emergency. The radios will only be given to people who need to be in the loop during emergencies.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- A. **Ordinance 11-36**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Reappropriating \$15,000 for Drainage and Associated Improvements at the Fire Hall Parking Lot. City Manager/Fire Chief. Recommended dates: Introduction August 22, 2011, Public Hearing and Second Reading September 12, 2011.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-36 for introduction and first reading by reading of title only.

WYTHE/HOGAN – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

- A. City Manager's Report

1. Employee Committee: At the last meeting, I answered several questions about the Employee Committee regarding who authorized its formation and what the purpose of the committee was. I said one thing that was incorrect and several others that I would like to clarify. First, I said that the Employee Committee was authorized by the adopted Personnel Policies. That is wrong. The Personnel Policies do not even mention an Employee Committee. The old Employee Committee was in fact very active in helping to draft the Personnel Policies and there are extensive records of that activity. However, the Committee itself was not written into the Policies. So, I apologize for the misinformation. In the end though, that does not matter. This is a committee that was formed at the request of the City Manager and the department heads. This is routine. We form committees administratively and internally all the time to discuss issues and solicit recommendations. No Council action is needed to do this and since it is not a committee formed by the Council, it is not a public meeting. Advertising and formal meeting rules do not apply. We are entering the budget cycle and I routinely ask the departments and employees for advice and recommendations on how the City can save

money. As has been noted, Employee costs are a very significant part of the budget. Council has suggested that they would like to see a reduction in employee costs, especially with respect to health care. Council members and the Mayor have also stated clearly that they would like to hear from the employees, that they think a committee is a good idea, and that they want the employees to have input into potential reductions in employee benefits. So, forming this committee is a natural outcome and is clearly within the purview and authority of the administration. Be assured this is not union organizing, or anything like that. The Committee will simply make recommendations to me and the Council.

2. Health Insurance: The second meeting of the Borough Task Force on Health Care Costs took place on August 15. The primary agenda item was getting into more of the details of various health insurance plans, beyond just the cost per employee. Andrea attended the meeting on behalf of the City. She reports that the group did not spend too much time talking about the details of various plans. But it did spend a significant amount of time talking about the possibility of hiring a consultant to help identify all of the feasible ways the entities could collaborate. The group also talked about ways to reduce costs by working out a deal with the Borough owned hospitals to provide care for public employees at reduced costs. (Note: the City has already negotiated a deal with South Peninsula Hospital whereby City employees get a 10% discount).
3. The Fishing Hole: A consensus seems to be building that one of the primary problems with fish survival at the Nick Dudiak Fishing Hole is its reduced depth. In short, the lagoon is filling in and needs to be dredged. This has been on the City CIP/ wish list for several years now. The problem is money, as usual. It could be as much as several hundred thousand dollars. I spoke with Monte Davis at the Chamber about this the other day. He is very concerned about this and noted that the fishing hole will become even more important to local businesses and the economy when we go to one halibut limits on charter boats. Monte resurrected an idea that has been discussed before and it seems like now might be the time to bring it back to the table. He suggested that we borrow money or sell bonds to do the dredging and other maintenance work. The bonds would be repaid through fishing licenses. The details matter of course but he indicated that the Chamber might be willing to play some sort of role in the administration of the program. There are lots of possibilities. This idea is attractive on its face for several reasons. First, it would provide for a reliable source of income to make the routine repairs and upgrades that pop up every year. Second, it would mean that we are not relying on the Port and Harbor reserves to do maintenance and repair work there. The Fishing Hole is not a part of Port and Harbor Operations and in my view, using enterprise funds to support it is questionable. The General Fund would be more appropriate however, we know that we don't have any extra money lying around there. That leaves us relying on grants and legislative appropriations.
4. Budget Priorities: The Committee of the Whole agenda contains a discussion about Council budget priorities for the 2012 budget. This is a result of the discussion we had at the last meeting. You will notice that I put a copy of the budget priorities for FY 2010 in the packet instead of drafting up new priorities for 2012. I did this for several reasons. First, I wanted to remind you about the process we went through in 2010. Those were the guidelines I used in putting together the FY 2010 Budget. Council input was a big part of it. Second, I did not want to influence you in any way by putting some draft priorities out there. I am interested in the Council's priorities and hopefully the 2010 priorities will be a good base to launch us into that discussion.

5. Library Anniversary: September 16 is the five year anniversary of the completion of the new library building. Is that possible?? Anyway, the friends of the Homer Public Library are planning a celebration and you will be hearing more about that in the new few weeks.
6. Gas Pipeline: This agenda contains a resolution approving an action plan for the Homer Area Natural Gas Pipeline Project. There are some things in the draft plan that I am sure will generate some discussion. I tried to outline and include all of the things I think we should be doing if we are serious about staying the course and moving this project forward. I know that you probably have pipeline fatigue and are enjoying the break from having to discuss this project. I apologize if I am pushing too much. However, I really think that it is important for the Council to decide if it still supports this project and to what degree. If Council does not support the project anymore, it would be good to know that. We can move on to other priority projects and not waste limited time and resources. However, if Council wants to continue making this project a top priority, I think timing is critical and we need to move ahead aggressively and in a focused way.

Items of discussion were the requirement of a city fishing license to fish the Fishing Hole. The idea of a city fishing license was suggested by Monte Davis, Executive Director of the Chamber of Commerce. The Fishing Hole is a responsibility of the City and is expensive to maintain. The city fishing license would generate revenues to help with costs associated with the popular fishing location. An iron ranger could collect fees and fishermen would need to have a ticket in their possession. It was unclear who would handle enforcement.

Monte Davis commented this plan would get the Fishing Hole up and functioning with a bond and we would have three years to work out the details. There is no need to charge for a city license until we get the fish return. It is a wonderful opportunity to keep people in Homer, and people that are taking the harvest from the pond would be helping to pay for the pond.

City Manager Wrede suggested Fish and Game be included in the discussion. There were a number of hypothesis of the lack of fish, one of the biggest was the depth. The water is heated rapidly by the sun and when the smolt are brought in after being raised in cold water they are killed from shock.

Councilmember Howard suggested the EDC take a look at the Fishing Hole proposal and come up with a good plan. She questioned if a barrier could be put up after the season to reduce the dredging.

Councilmember Hogan acknowledged the City Manager's clarification on the employee committee. His concern is staff is paid and their time should be devoted to city business. Councilmember Howard commented salary is a big ticket item on the budget and the employee committee is trying to help with cost savings to spend the money in different ways for services.

The bike path on Kachemak Drive was on Council's CIP list a while ago. DOT came out with the costs and what it would cost for permitting and acquisition. The idea was dropped. Since that time a subcommittee from the Parks and Recreation Advisory Commission is looking at an alternative way for the path. They are trying to patch together a footpath with utility and electric

easements, a much less formal process. They have charted out a path from the intersection of Kachemak Drive and the Spit Road that would come up close to the road by the research reserve.

B. Bid Report

CITY ATTORNEY REPORT

COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee
- D. Lease Committee
- E. City Hall Renovation and Expansion Task Force
- F. Port and Harbor Improvement Committee

Port and Harbor Improvement Committee Chair Barbara Howard reported the committee convened last week and developed a meeting schedule and identified resources needed. They plan to have a presentation for Council on October 24. They will meet each Thursday at 5:30 p.m. at the West Campus. The public is welcome.

PENDING BUSINESS

- A. **Ordinance 11-23**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Sections 21.12.020; 21.14.020; 21.16.020; 21.18.020; 21.20.020; 21.22.020; 21.24.020; 21.26.020; Addressing Permitted Uses and Structures; and Homer City Code 21.28.030 Conditional Uses and Structures; to Add Hostel as a Permitted Use in the Rural Residential, Urban Residential, Residential Office, Central Business, Town Center, Gateway Business, General Commercial 1, and General Commercial 2 Zoning Districts, and to Add Hostel as a Conditional Use in the Marine Commercial Zoning District. Wythe. Introduction June 13, 2011, Referred to Planning Commission. Recommended dates: Public Hearing and Second Reading September 12, 2011.

Memorandum 11-118 from City Planner as backup.

Ordinance 11-23 was introduced on June 13, 2011 and referred to the Planning Commission. It was returned to Council with their recommendations of amendments to the title and sections 7, 8 & 9 (council packet page 111).

Mayor Hornaday called for a motion to discuss Ordinance 11-23 and the recommendations of the Planning Commission.

WYTHE/ROBERTS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

WYTHE/ROBERTS – MOVED TO REPLACE ORDINANCE 11-23 OR AMEND IT IN ACCORDANCE OF THE RECOMMENDATIONS OF THE PLANNING COMMISSION BEGINNING ON PAGE 111 OF THE PACKET.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

WYTHE/ROBERTS – MOVED TO DEFER RESOLUTION UNTIL THE SEPTEMBER 12TH MEETING AND HAVE A PUBLIC HEARING ON ORDINANCE 11-23 AS AMENDED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

RESOLUTIONS

- A. **Resolution 11-083**, A Resolution of the City Council of Homer, Alaska, Approving and Adopting a 2011-2012 Homer Area Natural Gas Pipeline Project Action Plan. City Manager.

Mayor Hornaday called for a motion for the adoption of Resolution 11-083 by reading of title only.

LEWIS/HOWARD – SO MOVED.

Councilmember Wythe questioned recusing herself due to her employment with HEA. Mayor Hornaday asked if her employment with HEA would have any effect on her vote. Councilmember Wythe answered it would not.

Mayor Hornaday ruled Councilmember Wythe did not have a conflict of interest and was allowed to participate. There was no objection from the Council.

ROBERTS/LEWIS– MOVED TO AMEND THE HOMER AREA NATURAL GAS PIPELINE PROJECT 2011-2012 ACTION PLAN UNDER LOBBYING AND PUBLIC INFORMATION (THE LAST BULLET) TO ADD “ADJACENT COMMUNITIES”.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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

Motion carried.

B. **Resolution 11-084**, A Resolution of the Homer City Council Declaring Friday, September 23, 2011 as Blue and Gold Day in Homer, Alaska. Roberts.

ROBERTS/LEWIS - MOVED TO ADOPT RESOLUTION 11-084.

Councilmembers Hogan and Wythe expressed appreciation at the idea of the blue and gold day and asked local newspapers to provide information to the community.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

C. **Resolution 11-085**, A Resolution of the City Council of Homer, Alaska, Amending the Homer Advisory Planning Commission Bylaws to Amend their Meeting Time to Begin at 6:30 p.m. and End at 9:30 p.m. City Clerk/Planning Commission.

Memorandum 11-119 from City Planner as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 11-085 by reading of title only.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Pat Melone, city resident and owner of Spyglass Inn Bed and Breakfast, urged Council to oppose the cap share plan proposed by the National Marine Fisheries on the following:

- They extend the comment period beyond September 6
- Consider the economic impact of the proposed rule
- Halibut limit currently in effect is working; it promotes conservation of the resource

The City would suffer a sales tax loss of \$106,000. She recommends the City Council write a comment.

Senator Begich and the head of NOAA will be at the Bidarka tomorrow at noon to answer questions about the impact to Homer with the reduced catch.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Wrede had no comment.

COMMENTS OF THE MAYOR

Mayor Hornaday offered kudos to students and teachers for high scores on the tests, the highest in Alaska. He also commended on the Beethoven concert and thought he heard Bryan Hawkins' voice.

COMMENTS OF THE CITY COUNCIL

Councilmember Hogan thanked the students for coming today. He reminded them there is a student position on the Port and Harbor Advisory Commission.

Councilmember Roberts echoed Kevin's comments to the students. She appreciates the treasurer's report in the City Manager's report. It is good to have it quarterly in that manner.

Councilmember Zak thanked Pat Melone and Monte Davis for coming. There was a board meeting at the Chamber of Commerce earlier in the week. Even though the Chamber did not take action on the proposed one fish limit, it has caused a large economic impact on them. Tomorrow's meeting at noon may be most significant to Homer's economic future. At the Committee of the Whole Councilmember Hogan mentioned changes to commercial fishing for next year that may have an impact on Homer. He asked community leaders to step up and get involved.

Councilmember Howard asked Council to direct the City Manager to prepare a letter asking NOAA Pacific Management to extend the public comment time and encourage them to do an economic study. It is simply asking for fair time for all to be heard. Most environmental impact reports have an economic component, but this one does not. She asked that the City Manager write a letter if Council agrees.

Councilmember Wythe noted on many occasions we have given direction to the City Manager by consensus.

Councilmember Hogan objected.

City Attorney Klinkner was contacted by phone at 7:03 p.m. to advise Council on the matter.

Councilmember Howard explained citizens have come under public comment on items not on the agenda. She asked Council for support in directing the City Manager to write a letter with specific ideas and comments.

City Attorney Klinkner advised it is good to make sure it is a majority view of the Council when statements are made on behalf of the City. The City Manager has broad discretion to do things like this, and often does in the course of normal daily activities. Many things need to be resolved in between council meetings. If he understands from past dealings there is a general feeling of the Council about the issue, he may exercise his own discretion to respond appropriately. If it is unclear what the majority view is, that is problematic. Mr. Klinkner advised it is not a legally binding action, nor does it affect anyone's private rights. It can be done informally by consensus. The only way views of the majority can be determined is by a more formal vote.

Mayor Hornaday stated it is a very controversial issue in Homer. Attorney Klinkner stated he was aware of that.

Councilmember Hogan stated Council is not allowed to discuss and debate issues not noticed to the public on the agenda.

Councilmember Zak stated Council has asked the City Manager to take action. Letters of support have been written in the past; providing a little direction is not out of the ordinary process. Mayor Hornaday called for a vote on whether the Council wants to take a vote.

Councilmember Hogan excused himself from the meeting.

By a raise of hands, Council did not want to take a vote. Four members were against taking a position.

ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 7:11 p.m. The next Regular Meeting is scheduled for Monday, September 12, 2011 at

6:00 p.m. The next Committee of the Whole is scheduled for Monday, September 12, 2011 at 5:00 p.m. A Worksession is scheduled for Monday, September 12, 2011 at 4:00 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: _____