

ACTION AGENDA
Monday, September 26, 2011
Committee of the Whole
Regular Meeting

COMMITTEE OF THE WHOLE AGENDA

1. CALL TO ORDER, 5:00 P.M.

Mayor Hornaday called the meeting to order at 5:00 p.m.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

The agenda was approved by consensus of the Council.

3. REGULAR MEETING AGENDA

4. COMMENTS OF THE AUDIENCE

There were no comments of the audience.

5. ADJOURNMENT

Mayor Hornaday adjourned the meeting at 5:52 p.m.

REGULAR MEETING AGENDA

Session 11-29 a Regular Meeting of the Homer City Council was called to order on September 26, 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
FINANCE DIRECTOR MAURAS
LIBRARY DIRECTOR DIXON
PERSONNEL DIRECTOR PETERSEN
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

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

2. 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: PUBLIC HEARINGS – Memorandum 11-135, from Parks and Recreation Advisory Commission, re: Recommendation and Support to Include Construction of a New Track at the Homer High School. Resolution 11-093 was pulled due to lack of bids received.

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

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were two who commented.

4. RECONSIDERATION

5. 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 September 12, 2011. City Clerk. Recommend adoption.

APPROVED without discussion.

6. VISITORS

- A. **Carol Kerkvliet and Jim Hasbrouck**, Alaska Department of Fish and Game, re: Fishing Hole, 10 minutes.

Jim Hasbrouck, Regional Supervisor of Alaska Department of Fish and Game (ADF&G), Division of Sport Fish, and Carol Kerkvliet, Sport Fish Assistant Area Management Biologist in Homer addressed the Council on the Nick Dudiak Fishing Lagoon, aka the Fishing Hole. The lagoon's salmon enhancement program is popular with city residents, attracts visitors, and provides outdoor recreation that stimulates the economy. The decrease of salmon runs is a complex matter, but the Department and the City acting together can help improve salmon runs to the fishing hole. Fish were first stocked in the lagoon in the 1980's. The lagoon was expanded in 1994 to its current size. Nick Dudiak, the local Fish and Game sport fish biologist, helped pioneer the fishing lagoon. Mr. Dudiak knew the lagoon must be excavated or dredged to provide suitable depth for both rearing juvenile salmon and providing angling opportunities for

returning salmon. When designed, the lagoon was 12 ft. in depth throughout during low tide. Presently, 60% of the lagoon is 4 ft. or less in depth, creating a poor environment for salmon smolt and reducing their survival rate. It also reduces the area returning salmon will swim in and the area for sport fishing.

The primary cause of the lower smolt survival is the high density of a Chaetoceros algae which has spines that lacerate fish gills, increasing the stress of the smolt. The smolt are already under stress from the transport from Anchorage to Homer. Additionally, the fish are adjusting from living in fresh water to salt water. The algae has a fast population growth rate and is exacerbated with the combination of shallow water, buildup of nutrients in the lagoon, and increased sedimentation.

ADF&G has taken steps to improve the smolt condition, including delaying the smolt stocking when the algae was in high density in the lagoon. They can release the smolt immediately if a die off begins to occur in the lagoon. ADF&G is transitioning into the new William Jack Hernandez Sport Fish Hatchery in Anchorage, which will improve the quality of the smolt. Mr. Hasbrouck encouraged Council to prioritize the dredging of the Nick Dudiak Fishing Lagoon in their CIP request. Dredging will increase the water depth and flushing will decrease Chaetoceros algae, improving the salmon survival.

Other forces contributing to the poor smolt survival rate include Pollock that may be eating the smolt. Council asked Mr. Hasbrouck questions including the amount of sediment to be dredged, cost of dredging, and what season the silt buildup occurs. Mr. Hasbrouck did not have the information available to respond. Council noted the popular fishing hole is great for handicapped people and kids, and takes the pressure off the rivers. Asked how much support ADF&G would provide in the dredging project, Mr. Hasbrouck answered he could not speak for what the department can do in the Legislature, although they support the dredging of the lagoon. He encouraged the City to talk with Legislators, as the power is with the people themselves. The voice of the public speaks louder than ADF&G.

Mayor Hornaday encouraged people to submit letters of support for the dredging project to the Governor and Legislature.

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. Borough Report

Bill Smith, Kenai Peninsula Assemblyman, thanked the City for their hospitality to the Assembly on their visit last week. He is currently working on school track issues. The track is in poor condition and the process of letting it get in that condition is a problem. Repair of the track has to be a top priority for the school district and the school board. People should contact the school board of the importance of fixing the track.

Mayor Carey has a meeting with the Governor that Mr. Smith has been invited to. There is a potential of Enstar adding a \$1 per Mcf to the gas rate in this area as a means of providing partial

financing. Enstar is not sure if the rate is still valid. He asked Enstar to be prepared to answer how much they could finance with the extra tariff. Enstar's financing scheme is to finance up to ten years with their capital projects. Enstar has not yet made a commitment if they will provide financing with an increased tariff. If the Governor includes the gas line to Homer in his budget the financing information is needed. City Manager Wrede is looking at the areas that would be better served in the City. How much gets hooked up in first ten years is a big deal for Enstar.

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

8. PUBLIC HEARING(S)

A. **2012-2017 Capital Improvement Plan & FY 2013 Legislative Requests**

1. Memorandum 11-135 from Parks and Recreation Advisory Commission

There were eight who testified.

- B. **Ordinance 11-37**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Community Preparedness Outreach Award in the Amount of \$5,000 from the National Network of Libraries of Medicine and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Library Director. Introduction September 12, 2011, Public Hearing and Second Reading September 26, 2011.

Memorandum 11-122 from Library Director as backup.

There was no public testimony.

ADOPTED without discussion.

- C. **Ordinance 11-38**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$70,000 from the Water and Sewer Reserve Account to Pay the Amount Agreed Upon to Settle the Eminent Domain Action, *City Of Homer V. 4.014 Acres, More Or Less, Of Land, And Nancy J. Hillstrand*. City Manager. Introduction September 12, 2011, Public Hearing and Second Reading September 26, 2011.

There was no public testimony.

ADOPTED without discussion.

- D. **Ordinance 11-39(A)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$12,600 from the Port and Harbor Net Assets Budget for the Purpose of Reconciling a Clerical Oversight. City Manager/Port and Harbor Director. Introduction September 12, 2011, Public Hearing and Second Reading September 26, 2011.

Memorandum 11-123 from Port and Harbor Director as backup.

There was no public testimony.

ADOPTED without discussion.

- E. **Ordinance 11-40**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$10,000 from the Port and Harbor Reserves for the Purpose of a Detailed Basin Survey of the Small Boat Harbor. City Manager/Port and Harbor Director. Introduction September 12, 2011, Public Hearing and Second Reading September 26, 2011.

Memorandum 11-124 from Port and Harbor Director as backup.

There was no public testimony.

ADOPTED with discussion.

9. **ORDINANCE(S)**

10. **CITY MANAGER'S REPORT**

A. City Manager's Report

City Manager Wrede encouraged Council to attend the upcoming harbormaster conference to hear the City's lobbyist, Linda Anderson, give a presentation on the fish tax. Attorney Holly Wells will also be there to talk about the legal aspects of getting rid of derelict vessels. The public is allowed to attend the conference.

Council requested a visit from someone to explain the FEMA maps. A letter and resolution for the next meeting was requested.

City Manager Wrede is meeting with Enstar tomorrow and will provide an update at the next meeting. Mayor Hornaday asked him to remind Enstar they have a certificate, it is their responsibility and we still have no gas.

The \$1 Mcf is just an idea Representative Seaton talked to the Governor about. He is not sure Enstar agrees and we don't know if the authority still exists as the certificate was issued ten years ago. Enstar wonders how many people in Homer will hook up, and if the City is going to participate. We are working on draft maps that will show the core downtown area and businesses and institutions that will hook up quickly. He will talk to Enstar to find out the costs. The amount will then be converted to a mil rate increase and we will look at LIDs. Council will determine if we want to participate. For Enstar to upfront any money they are hoping there is a reasonable payback period. Right now it would not pay off within ten years.

Assemblyman Bill Smith has been doing some calculations at the request of Representative Seaton. The preliminary numbers are \$8 per Mcf for the price of gas, an extra \$1 per Mcf is a 12% increase. The savings would still be at 40%, including main lines, hook-up costs, and conversion costs.

There was brief discussion on the heating costs of keeping the Boys and Girls Club in the current building. Mayor Hornaday commented the Borough should step in. City Manager Wrede has a meeting tomorrow with the Superintendent to talk about the building and the proposal from Fireweed Academy.

City Manager Wrede commended Port and Harbor Director Hawkins and the City's legal department for a great job in getting rid of the derelict vessels. The City has title to two more vessels that are to be disposed of with Peninsula Scrap. They get the boats in exchange for reduced rent on the chip pad. It gets rid of the vessels at no cost to the City and frees up the moorage space. The initial scrap work will be done on the beach near Pier One Theatre. On Wednesday the boats will be hauled out. The Corps of Engineers, DEC, and Cook Inlet Keeper have all been notified. It may take a month to break the boats to smaller pieces, move to the chip pad, and then to the dock.

The City has a new collection agent that is more assertive in collecting overdue debt. We haven't been as aggressive as we should have been in the past. People are not happy that they are getting bills and are contacted by collection agents. The collection agency is the same firm the hospital hired. They have experts on their team that are good in insurance.

The meter ordinance (Ordinance 11-26) that passed earlier in the summer allowed collection for apartments and multi-family units. Since its passage there have been problems that were not anticipated. Amendments will be brought forward that will reduce costs to contractors and the administrative costs to the City.

B. Bid Report

11. CITY ATTORNEY REPORT

12. 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

Councilmember Howard reported the Port and Harbor Improvement Committee is working very hard and will bring something to Council on October 24.

13. PENDING BUSINESS

14. NEW BUSINESS

- A. **Memorandum 11-132**, from Permanent Fund Committee, Re: Amend Regular Quarterly Meeting Dates for the Permanent Fund Committee.

APPROVED with discussion.

- B. **Memorandum 11-133**, from City Clerk, Re: Vacate a Portion of Spruce Lane “Knuckle”, the Curved Radius Section Adjacent to a 60-Foot Right-of-Way Designed to Provide Access to Interior Lots 1-5 and Associated Utility Easement, Dedicated by Cooper Subdivision No. 4 Replat (Plat HM 93-62), within Section 15, Township 6 South, Range 13 West, Seward Meridian, Alaska, within the City of Homer and the Kenai Peninsula Borough; KPB File No. 2011-124; Location: City of Homer. Page 89

APPROVED without discussion.

15. RESOLUTIONS

- A. **Resolution 11-092**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for an Insurance Benefit Broker and Consulting Services to the Firm of Mercer Health Benefits of Spokane, Washington, in the Amount of \$48,000 Annually and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 11-134 from Personnel Director as backup.

ADOPTED without discussion.

- B. **Resolution 11-093**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for 2011 Dredge Spoils to the Firm of _____ of _____, _____, in the Amount of \$_____ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Page 101

PULLED.

16. COMMENTS OF THE AUDIENCE

There was one who commented.

17. COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

18. COMMENTS OF THE CITY CLERK

City Clerk Johnson reminded the listeners of election day on Tuesday and asked everyone to get out and vote.

19. COMMENTS OF THE CITY MANAGER

City Manager Wrede had no comment.

20. COMMENTS OF THE MAYOR

Mayor Hornaday seconded the Clerk, urging everyone to vote.

21. COMMENTS OF THE CITY COUNCIL

Councilmember Roberts commented on the really exciting homecoming ball game at Homer High School. Go Mariners!

Councilmember Zak said it seemed like a short meeting although there were critical items for discussion including the gas pipeline. There is community involvement with the Karen Hornaday Park and the leveraging by people in the community is wonderful to see. This council meeting was productive. It is great to hear of the derelict boats being removed from the harbor. He remarked about the winning football game and the fact that we need to get the Mariners to State.

Councilmembers Wythe, Lewis, Hogan, and Howard had no comment.

22. ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 7:23 p.m. The next Regular Meeting is scheduled for Monday, October 10, 2011 at 6:00 p.m. The next Committee of the Whole is scheduled for Monday, October 10, 2011 at 5:00 p.m. A Special Meeting is scheduled for Monday, October 10, 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.