

Session 11-28 a Regular Meeting of the Homer City Council was called to order on September 12, 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 ATTORNEY KLINKNER  
LIBRARY DIRECTOR DIXON  
CITY PLANNER ABOUD

Council met for a Worksession from 4:00 p.m. to 4:40 p.m. to discuss the 2012-2017 Capital Improvement Plan & FY 2013 Legislative Requests. From 5:00 p.m. to 5:44 p.m. Council met as a Committee of the Whole to 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 reverse the order of the visitors. Amendments included: RESOLUTIONS - Resolution 11-087(S), A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Coast Guard Parking and Access Improvements to the Firm of Collins Excavation and Services of Homer, Alaska, in the Amount of \$8,940 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk; Memorandum 11-125 from Public Works Director as backup; Resolution 11-088(S), A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Fire Station Drainage Improvements to the Firm of Paul's Service of Anchor Point, Alaska, in the Amount of \$18,450 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk; Memorandum 11-131 from Public Works Director as backup; Resolution 11-089, A Resolution of the Homer City Council Requesting the National Oceanic and Atmospheric Administration Include the Results of its Socio-Economic Study in the Formulation of the Proposed Halibut Catch Sharing Plan. Zak. Written public comment; Resolution 11-090, A Resolution of the City Council of Homer, Alaska, Supporting the Concept and Construction of Non-Motorized Pathways to Increase the Safety for Motorized and Non-Motorized Users Along Kachemak Drive Located Within the City Limits, from the Base of the Homer Spit to East End Road. Lewis/Zak/Parks and Parks and Recreation Advisory Commission. Written public comment.

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

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

Catriona Lowe, city resident, supports Resolution 11-090. She suggested painting road shoulders a different color, 25 mph speed limits, and creative and interesting uses.

Ayla Schulz, city resident and Homer High School varsity cheerleader, commented the track is a safety hazard. The school district provided money for unnecessary expenditures including new lockers and tile floors.

Bjorn Olson supports Resolution 11-090. Last spring he was riding his bicycle on Kachemak Drive and was struck by a motorist. Although he was fine, someone else might not be so fortunate.

Don Lane, city resident and commercial fisherman, commented on Resolution 11-089. It is an allocation battle, a rebalance of the catch. The commercial industry has lost almost 10M lbs. since 2008. Mr. Lane commented on the Chamber's letter requesting the 60-day comment period and the special meeting where only 78 members out of the 540 chamber members voted for it.

Greg Sutter, owner and operator of Captain Greg's Charters, urged Council to support Resolution 11-089. It will dramatically affect the City of Homer and greater Kenai Peninsula Borough by killing jobs and discouraging tourism without saving a single fish. The shift in fish quota will result in a 6% increase for commercial, and reduce the Guideline Harvest Level (GHL) by 30%. He encouraged Council to support NMFS (National Marine Fisheries Service) and NOAA (National Oceanic and Atmospheric Administration) who are in town conducting an economic study. The previous study was 13 years old and not a comprehensive economic study.

Rex Murphy, city resident and owner of Winter King Charters, provided a picture showing the allocations. The courts affirmed the GHL to be fair and equitable; the proposed Catch Sharing Plan (CSP) is a big difference. The GHL decreases and increases with abundance. The allocation under the CSP is 30% less.

Jim Martin, Recreational Fishing Alliance, commented on Resolution 11-089. It is hard to justify a trip to Homer with the limited catch. It will affect the economy and Council will need to come up with more ways to support the city. The cities of Whittier and Seward both wrote letters.

Gerri Martin, North Country Charters, supports Resolution 11-089. Her husband and her have collected sales tax since 1979. The first year they collected \$932.40. To date this year they have collected \$49,993 in city and borough sales tax revenue. For the past 33 summers they have collected and paid \$680,269 in sales tax revenue. In these economic times she would think the City needs sales tax revenue as much as she needs her livelihood.

David Morris, Homer resident, has had a fishing business here for 22 years. He employs 12 or more people. If we lost half of the customers the community would suffer a \$9M loss next year. We are in dire need of an economic study to determine a good course of action.

Scott Glosser, Captain Scott's Fishing, has been involved with fishing since 1983. He asked Council to take a stand against the CSP as it will ruin the local economy by affecting the tourism industry. Halibut fishing is the number one item on visitors' itinerary.

Mike Barth, city resident, is supportive of repairs to the high school track. The track generates revenue from events and track meets providing revenue for restaurants, bed and breakfasts, and hotels. The track also provides a safe place for people to exercise.

Valerie Mastolier, Homer High School junior, supports the track. The track is also used for the Relay for Life, Run for Leo, and warm-ups for the Spit Run.

Chris Donich, Daniel's Personalized Guide Service, noted the GHL is 4% under. If the catch is cut in half, next year there would be a catch limit of 1.46M lbs. There are a lot of problems with the CSP. The scientific and statistical communities have already said the plan won't work.

Buck Laukitis, President of North Pacific Fisheries Association (NPFA), noted NPFA was incorporated in Homer in the early 1950's. Membership is made up mostly of long liners, salmon and herring fishermen. They participate in the IPHC (International Pacific Halibut Commission), are members of the Halibut Coalition, UFA (United Fishermen of Alaska), and North Pacific Council and Board of Fish. Decisions on fish are made in a different venue and Council is not qualified, nor is this the venue to make these decisions.

Mayor Hornaday referenced the Bradner Economic Report where Southeast charter operators are trying to work out an arrangement with commercial fishermen in leasing quota shares. Mr. Laukitis commented part of the CSP is to allow leasing of quota and compensation for it.

Mayor Hornaday called for a recess at 6:52 p.m. and reconvened the meeting at 6:58 p.m.

Councilmember Zak asked Mr. Laukitis if he had any suggestions other than what is being proposed. Mr. Laukitis answered he does not have any suggestions. Larger fish are scarce near Homer and most times you have to fish a ways out to find larger fish.

Brian Bandioli, Captain B's Alaskan Adventures, has built a successful charter business over the last 20 years, bringing visitors to Homer to spend their money. In February 2011 the North Council and NMFS implemented a limited entry program, eliminating over 30% of the existing fleet. Negative economic impacts to the community are unknown. Annually 13M lbs. of commercial halibut is landed in Homer; the community of Homer realizes less than \$600,000. Homer sees an average of 51,000 charter clients that spend between \$28M and \$34M in Homer as compared to \$19.5M spent by commercial fishermen.

Kyle Lints, city resident, spoke in opposition to Resolution 11-089. It would be shortsighted of Council to send a letter. The conservation plan would be more beneficial to the overall economy. The CSP is a good one and should be implemented.

Todd Hoppe, Homer resident, is a commercial fisherman and B&B owner. He testified before Council in 2007 or 2008 when the CSP came together. Council does not need to get into the

fight. The Chamber of Commerce did a great job dividing the community. The CSP was put together by both the charter and commercial side. People are coming here at the 11<sup>th</sup> hour when they have had three years to ask for a study. In the last 5 years there has been a 37% deduction in 3A. If we were not in a downward trend we would not be here today.

Daniel Donich, Homer resident and sport fisherman, commented on Resolution 11-089. There are so many halibut now, but unfortunately they are small. The biomass is assessed in poundage; they assess fish over 32", not looking at fish under 32". He does not support the CSP.

Eric Fellows, commercial fisherman, commented on Resolution 11-089. It is important Council stay out of it as it is not the correct forum. He would hate to see the community divided more than it is. Council should remain neutral to properly represent businesses.

Jessie Nelson, Homer resident, opposes Resolution 11-090. There has not been much testimony on the bike path on Kachemak Drive because most people don't know it is happening. The thought of 25 mph to the Gear Shed and end of the Spit is ridiculous and would be an outcry. She favors bike paths going down utility easements or around Beluga Lake. As to Resolution 11-089, it does not say anything about conservation. Conservation has been borne by the long line fleet for several years. All people that make money off the resource should share in its conservation.

Mike Mans, Man's Charter Service, believes in conservation. The charters took a hit on cutting the fleet, but we keep bouncing back about the bycatch thing. If it is that important to take the cuts, get rid of the bycatch. It is a slap in the face they do not touch that. He fishes 700 people a year in his business. After hearing of the CSP, this year people are saying they are not coming back.

Trina Fellows has had a commercial business here since 1980. She does not want the City to take one stand over the other in regard to the proposed halibut CSP. She asked Council to do as much as they could with the track and to not turn Kachemak Drive into a bike path due to the oversized traffic.

Ann Bayes, Anchor Point resident and partner in charter fishing business, commented on Resolution 11-089. Commercial fishermen fought for the IFQ's (Individual Fishing Quota) and charters are fighting for what they believe a fair and equitable share. She questioned the mortality of fish. There is a lack of economic impact data and that is Council's business as it is the health of the community. She asked for Council's support on the extension. Total charter permits are 530 with 3,468 passengers per day staying at hotels, eating at restaurants, and buying bait.

Ginny Espenshade, city resident, commented on Resolution 11-089. Her husband is a commercial fisherman and both daughters have worked in that industry. It is a complex issue that she does not understand. What she does understand is community and if we let this issue tear the community apart it will. If you can help friends and neighbors in distress do so in a way that values the diversity of our community and economy.

Roland Maw, Executive Director of United Cook Inlet Drift Association, commented half of their membership has commercial IFQ holdings and some of the membership are charter operators. The overall biomass of halibut in Area 3A has gone down 20% over the last 3 years. A portion of that population is the catchable portion. That portion is big enough in the commercial or sport fishery. That portion has gone down faster than the biomass. The fish population of 32" and larger has reduced by half in the last 6 years. The big biomass is growing slower, a fish that would be 15 lbs. are taking twice as long to grow. In some selected areas there is a huge shift in the male/female ratio. The biomass that is declining slowly is 80% males.

David Martin has commercial fished halibut, salmon, and herring since 1971. In the 70's there was a low number of halibut; in the 80's they started increasing. It was the same with herring. Herring has been closed in Kamishak Bay since 1995. That was based on conservation, had it been based on economics there wouldn't be anything left over there. Local governments should stay out of it; it should be based on science specific. It is a war on economics vs. conservation; fish lose out in the long run.

Beth Cumming, city resident, spoke in support of Resolution 11-090. She is on the Parks and Recreation Advisory Commission, Kachemak Drive Path Committee, and Karen Hornaday Park Committee. She is frustrated with being on mere committees and wonders how much longer she can be on committees. She read one letter of comment and has talked to people that support the passageway but are against narrowing lanes or something that would affect commercial traffic.

Frank Griswold, city resident, is an avid sport fisherman and has been commercial fishing since the 70's. Everyone is well aware of the economic impacts to the community. We need to look at the long term effects if nothing is done. He is grateful the stocks are being managed and there are fish to catch. People will have a good time fishing as long as the fish are there. The focus should be long term and it should not be a Council issue.

Erik Velsko, commercial fisherman, hopes Council will stay neutral. It is not the proper forum and no one here is educated enough to make the decisions. If the letter is written it will sound like Homer is more concerned about the economics than the resources. People are coming to fish for the fun of it, we are not providing meat for all these people. It is a federal and international issue, not a city issue.

Rob Hislip commented on Resolution 11-089. We do not want to be known as the ex-halibut capital of the world. People come here to go halibut fishing. He bought a business and if things go wrong it is a bad investment. If a commercial fisherman buys quota and has to catch less we need to get it back somewhere else. He doesn't want to see the stocks wiped out. He does not want it to be the us against them as it is detrimental to the community. Of the information that is there what is truth and what is skewed. This needs to be evaluated to know what we are getting into before we do it.

## **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 22, 2011. City Clerk. Recommend adoption.

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

LEWIS/WYTHE - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## VISITORS

- A. **Bill Steyer**, Homer High School Coach, Homer High School Track

Sandra Hudson, educator and coach, stepped in for Bill Steyer who had gone to the Kenai Peninsula Borough School District meeting to testify. Advocates for upgrading the high school track will be reporting at upcoming Assembly meetings and have written a letter to First Lady Michele Obama. The Homer High School track sustained flood damage in 2008. It has not been resurfaced in 26 years. In 2008 track meets were cancelled due to the poor condition of the track. If repairs are not made, the track and field team will be terminated after this school year and shut down. The track is an economic asset to Homer. Various track meets bring people to town who spend money on hotels and food. The track also generated revenue for the Relay for Life in the amount of \$86,000 and \$5,000 for Children's Tumor. Other schools within the borough have been funded, with the exception of tracks on the Lower Peninsula. The current estimate for renovation is \$750,000. With support, the high school can receive funding for the renovation.

- B. **Roland Maw**, Executive Director, United Cook Inlet Drift Association

Roland Maw, Executive Director of the United Cook Inlet Drift Association, represents 585 commercial salmon fishing permit holders from Anchor Point to Nikiski. A large number of the permit holders live in Homer and base some operations out of the Homer harbor for salmon fishing. Dr. Maw referenced a second map handed out representing a new corridor. At the last annual meeting in February the Board of Fish was contemplating taking the entire drift fleet out of Area 1 to the corridor. With no time for public testimony, the board decided to close the drift fleet out of Area 1 and put them in the corridor up the coast between Ninilchik and the tank farm in Nikiski. The effect of putting the drift fleet out of Area 1 caused the drift fleet to move north a week earlier and prevented them from returning to the Homer harbor. About 70 to 100 boats

were affected meaning they are not using the harbor, not buying groceries or fuel, or paying taxes. The economic impact was brought to the attention of the Board of Fisheries. It was not done for fish stock conservation; it was a straight allocation of fish. This was done to allocate fish to the Mat-Su Valley. The Department of Fish and Game are looking at revising and revisiting those recommendations. Dr. Maw encouraged Council to engage those issues in the future.

Councilmember Hogan asked how much the Mat-Su Borough spent lobbying the Board of Fish. Dr. Maw answered on the high side of \$120,000; \$60,000 was set aside to hire consultants to study the biology and make their case, and \$60,000 was used to hire people to be at the Board of Fisheries. They spent public money to lobby the Board of Fish to take money from Homer.

Asked by Councilmember Lewis if any study was done as to the damage the pikes do to the salmon stocks. Dr. Maw answered there were some studies in the past, but there were no current studies before the board.

Asked by Councilmember Zak if there was any benefit to the fishery rather than redirecting the location, Dr. Maw answered the escapement goals in the MatSu were obtained and exceeded. There was no necessity for this. By putting us in the corridor out of Area 1 it delayed the harvest of sockeyes. When they got back into Area 1 the drift fleet averaged 1,600 – 1,700 fish per boat. There are consequences to the quality of the fish by sticking up to 28,000 pounds of fish without ice in a hold. The price dropped from 20 cents to \$1.50 per pound. Changing the location had a secondary effect of lowering the economy of all of the fish. Processors did not make money either. Once this happens fish are being trucked all over the country to locations the buyers are not familiar with. Processors and fishermen lost \$15M directly.

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

### **A. Borough Report**

Bill Smith, Kenai Peninsula Borough Assemblyman, reported on the upcoming elections and ballot measures. The next assembly meeting is September 20<sup>th</sup> in Homer.

### **B. Mayor's Proclamation – Sea Otter Awareness Week, September 25 – October 1, 2011**

### **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 11-23(A)**, 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; Addressing Permitted Uses and Structures; to Add Hostel as a Permitted Use in the Rural Residential, Urban Residential, Residential Office, Central Business, Town Center, Gateway Business District. Wythe. Introduction June 13, 2011, Referred to Planning Commission. Public Hearing and Second Reading September 12, 2011.

Memorandum 11-118 from City Planner as backup.

Mayor Hornaday opened the public hearing.

Frank Griswold, city resident, questioned the City's definition of hostel, calling it vague. If hostels are allowed as a permitted use there would be no provisions to protect the integrity or safety of a neighborhood. Hostels should only be allowed as a conditional use.

Councilmember Roberts questioned if Mr. Griswold brought a definition for hostels. Mr. Griswold answered most definitions of hostels include a traveling aspect such as youth and elder. There should be more than one definition for such a wide range of hostels.

Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-23(A) by reading of title only for second and final reading.

WYTHER/ZAK - SO MOVED.

Asked by Councilmember Hogan whether there was a definition for both profit or non profit making businesses, City Planner Abboud answered there is no reference to the ability to make or not make money.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **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. Introduction August 22, 2011, Public Hearing and Second Reading September 12, 2011.

**Ordinance 11-36(S)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Reappropriating ~~\$15,000~~ **\$20,000** for Drainage and

Associated Improvements at the Fire Hall Parking Lot. City Manager/Fire Chief.  
Introduction August 22, 2011, Public Hearing and Second Reading September 12, 2011.

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

Mayor Hornaday called for a motion to substitute Ordinance 11-36(S) for Ordinance 11-36.

WYTHE/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

WYTHE/ZAK - MOVED TO AMEND LINE 13 BY STRIKING THE CHANGE TO \$20,000  
AND RETAINING THE \$15,000.

There was no discussion.

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

Motion carried.

City Manager Wrede explained we want to appropriate \$20,000 instead of \$15,000. The 2008 budget had \$15,000 budgeted, but the work will cost \$20,000.

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

Motion carried.

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

- A. **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. Recommended dates: Introduction September 12, 2011, Public Hearing and Second Reading September 26, 2011.

Memorandum 11-122 from Library Director as backup.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-37 for introduction and first reading by reading of title only.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **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. Recommended dates: Introduction September 12, 2011, Public Hearing and Second Reading September 26, 2011.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-38 for introduction and first reading by reading of title only.

LEWIS/WYTHE - SO MOVED.

Councilmember Zak asked for a vote.

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

VOTE: NO. ZAK

Motion carried.

Mayor Hornaday called for a recess at 8:23 p.m. and reconvened the meeting at 8:28 p.m.

- C. **Ordinance 11-39**, 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. Recommended dates: Introduction September 12, 2011, Public Hearing and Second Reading September 26, 2011.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 11-39 for introduction and first reading by reading of title only.

LEWIS/WYTHE - SO MOVED.

City Manager Wrede suggested amendments to the third whereas from 2012 budget to 2011 budget and the fourth whereas to say "this amendment will avoid or preclude a budget shortfall."

Mayor Hornaday called for a motion for the amendments as stated by City Manager Wrede.

LEWIS/WYTHE – SO MOVED.

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.

- D. **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. Recommended dates: Introduction September 12, 2011, Public Hearing and Second Reading September 26, 2011.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 11-40 for introduction and first reading by reading of title only.

WYTHE/LEWIS - SO MOVED.

Asked by Councilmember Hogan if the survey could go out for RFP, City Manager Wrede explained there are only two Alaskan companies that provide basin surveys. Bids were solicited from both companies. Due to the type of equipment needed for underwater surveys and the company already having a contract with the Corps they would not have to mobilize twice. It provides a better price for the City.

Councilmember Hogan expressed a hard time believing magical equipment is needed for a depth survey on the harbor basin when it could be done with a fathometer.

City Manager Wrede indicated the survey would provide more than depth; it would provide the contours around the basin.

Port and Harbor Director Hawkins reported the goal is to come up with quantities for materials that need to be removed. The harbor has not been surveyed or dredged since it was built. A detailed survey will give a solid amount of data. The product will be the actual amounts of materials that need to be removed to get the harbor back to its original design.

Councilmember Hogan would prefer putting local people to work, but does not oppose the company selected since the work is specific enough that it cannot be performed locally.

Councilmember Howard commented it is smart business. The Corps, who uses the same contractors, may find the data reliable for a permit.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **CITY MANAGER'S REPORT**

### A. City Manager's Report

City Manager Wrede reported the lobbyists, Anderson Group, will attend the October 10<sup>th</sup> meeting to talk about their contract. On September 26<sup>th</sup> Fish and Game will make a presentation on the Fishing Hole. New fire hose was purchased in this year's budget to replace hose that failed the pressure test. A Drainage Master Plan is needed as we run into drainage issues all the time. The plan will focus on ditches, culverts, and manholes. Council could have a worksession with the Planning Commission.

Councilmember Howard expressed appreciation to have the Library Director's report included. She heard City Manager Wrede gave impressive testimony to the Borough at their last meeting on the number of Planning Commissioners. Councilmember Howard asked that Soundview Avenue be filled and packed down, as it is nearly impassable.

### B. Bid Report

## **CITY ATTORNEY REPORT**

Council had no questions for City Attorney Klinkner.

## **COMMITTEE REPORT**

### A. Public Arts Committee

### B. Transportation Advisory Committee

Memorandum 11-126 from TAC, re: Waddell Way Avenue Improvement

Councilmember Roberts reported at the last meeting the committee would like Council to consider improvements for Waddell Way using HART funds. They recommend that now is the time to start work on it.

### C. Permanent Fund Committee

### D. Lease Committee

### E. City Hall Renovation and Expansion Task Force

F. Port and Harbor Improvement Committee

## **PENDING BUSINESS**

### **NEW BUSINESS**

- A. **Memorandum 11-127**, from Deputy City Clerk, Re: Confirmation of Election Workers for the Regular City of Homer Election - October 4, 2011 and All Processes Thereof Pursuant to Homer City Code and Deemed Necessary by the City Clerk.

Mayor Hornaday called for a motion for approval of the recommendations of Memorandum 11-127.

LEWIS/WYTHER – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Memorandum 11-128**, from Public Arts Committee, Re: Members for the 1% for the Art Selection Committee.

Mayor Hornaday called for a motion for approval of the recommendations of Memorandum 11-128.

WYTHER/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **RESOLUTIONS**

- A. **Resolution 11-086**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Karen Hornaday Park Drainage Improvements to the Firm of Johnson & Sons of Anchor Point, Alaska, in the Amount of \$4,660 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 11-129 from Public Works Director as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 11-086 by reading of title only.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Resolution 11-087**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Coast Guard Parking and Access Improvements to the Firm of \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_, in the Amount of \$\_\_\_\_\_ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 11-125 from Public Works Director as backup.

**Resolution 11-087(S)**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Coast Guard Parking and Access Improvements to the Firm of Collins Excavation and Services of Homer, Alaska, in the Amount of \$8,940 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Councilmember Zak declared a possible conflict of interest as he had paid for work done by the contractor. Mayor Hornaday ruled there was no conflict of interest and there was no objection from the Council.

Mayor Hornaday called for a motion for the adoption of Resolution 11-087 by reading of title only.

WYTHE/LEWIS - SO MOVED.

Mayor Hornaday called for a motion to substitute Resolution 11-087(S) for Resolution 11-087.

WYTHE/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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

Motion carried.

- C. **Resolution 11-088**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Fire Station Drainage Improvements to the Firm of \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_ in the Amount of \$\_\_\_\_\_ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 11-131 from Public Works Director as backup.

**Resolution 11-088(S)**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Fire Station Drainage Improvements to the Firm of Paul's Service of Anchor Point, Alaska, in the Amount of \$18,450 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Mayor Hornaday called for a motion for the adoption of Resolution 11-088 by reading of title only.

WYTHE/LEWIS - SO MOVED.

WYTHE/HOWARD - MOVED TO SUBSTITUTE RESOLUTION 11-088(S) FOR RESOLUTION 11-088.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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

Motion carried.

- D. **Resolution 11-089**, A Resolution of the Homer City Council Requesting the National Oceanic and Atmospheric Administration Include the Results of its Socio-Economic Study in the Formulation of the Proposed Halibut Catch Sharing Plan. Zak.

Mayor Hornaday called for a motion for the adoption of Resolution 11-089 by reading of title only.

ZAK/HOWARD – SO MOVED.

HOWARD/ZAK – MOVED TO AMEND LINE 45 - BETWEEN THE WORD ALLOCATION IT WOULD READ “ADJUST THE CSP ALLOCATION IF NECESSARY IN ACCORDANCE WITH INDICATIVE RESULTS OF THE ECONOMIC STUDY.”

Councilmember Hogan expressed opposition, stating it is not appropriate for the City of Homer to be advising the National Marine Fisheries Service (NMFS) on any of this.

VOTE: (amendment) YES. ROBERTS, WYTHER, ZAK, HOWARD

VOTE: NO. LEWIS, HOGAN

Motion carried.

Councilmember Wythe agrees reducing the charter halibut catch to one fish will be a huge economic impact to the City. It is not a venue the City of Homer should be participating on.

Councilmember Hogan stated the Council recently passed the Comprehensive Economic Development Strategy (CEDS) which states the Council should not take sides in commercial vs. charter fishing disputes. Instead, emphasis should be placed on supporting State and Federal regulatory measures to help ensure sustainable fisheries to protect the resource for current and future generations. Unless there is clear reason to object to the veracity of information provided by regulatory agencies, Council needs to stay out of it.

HOGAN/LEWIS – MOVED TO TABLE THIS RESOLUTION.

VOTE: YES. HOGAN, LEWIS

VOTE: NO. ROBERTS, WYTHER, ZAK, HOWARD

Motion failed.

Councilmember Roberts does not plan to support the resolution. The comment period has been extended. People from NMFS are in town talking about economic issues. The resolution tells NMFS how to run the fishery by incorporating the findings and she is not qualified to do so. She has a lot of empathy for the different viewpoints heard tonight, but this is not the correct venue.

Councilmember Lewis will not be supporting the resolution and wish it hadn't been brought up. He knows reducing the catch to one fish will hurt Homer, but we are not the biologists so do not need to be weighing in. It is not Council's job to talk about allocations; that is for greater minds than his.

Councilmember Zak referenced Councilmember Hogan's comments pertaining to the veracity of information from the regulatory agencies. It is Councilmember Zak's belief the process is broken; the driftnet fishery is an example of a severely broken process. It had a huge impact on Homer's economy. Just for sports fishing the potential loss is \$9M. The driftnet fishery lost \$15M. Overall the loss is \$24M to the community which will be a huge impact to Homer. The resolution only asks for a 60-day extension on the comment period and an economic impact analysis. The community should stand for those provisions and send a letter as Whittier and Cordova did. Due to the impact it will have on the community it is worth the 60-day period and obtaining the economic impact analysis. Business owners have to have a chance to prepare. He is not taking a side either way, but we need to give it full disclosure.

Councilmember Lewis acknowledged the reduction in catch will hurt, but we are looking at the biology of species and maintaining it. The East Coast and Grand Banks areas were devastated by

overfishing. He has friends that are charter fishermen and friends that are commercial fishermen, but has no friends that are draggers in the bycatch. The whole reason is to keep the halibut.

Councilmember Zak thanked Councilmember Lewis for recognizing the bycatch that is not addressed by this issue. He is happy to see both sports and commercial fishermen agree they can come together and find some solutions. Charter fishermen could buy quota from the commercial fishermen. It is a huge thunderstorm that is about to hit the community that has not been properly addressed. Last year we saw a reduction in the charter fleet of 30%. From what he has seen the process is broken and a letter should be written.

Councilmember Hogan noted the Catch Sharing Plan is allowing the sport to lease quota from the commercial industry. Council is to stay out of it since it will divide the community by taking a side in the fish fights.

Councilmember Wythe referenced Mr. Laukidis' remarks about 20 sections in the existing document that is socio-economic data from a time where our economy was much more robust than it is now. He had a good point that we don't want to replace robust data with poor data as it will not help in the long run. We live in a diverse community and this is a dispute over who will be bringing in the fish. It is going to impact us economically either way. We need to focus on what we can do economically to prepare for the downturn if we go to one fish. The value of the letter would be less than zero since we are late in the game. In 2007 we chose not to get in the fight.

Councilmember Howard favors the resolution as it is simply asking for a current economic study. When the data comes back we will know the loss of revenue from a budgetary point of view for operating the City. She has no position on the Catch Sharing Plan.

Councilmember Hogan commented no matter what we ask for, the National Marine Fishery Service is not going to tailor their needs to meet the City of Homer. The whole idea of the 60-day comment period is to push the deadline beyond implementation.

Councilmember Zak compared the one fish ruling to a category 5 hurricane coming at the City of Homer. It is the economic future of the community. He respects that people on both sides of the issues trust that we are leaders making the correct decisions.

VOTE: YES. HOWARD, ZAK

VOTE: NO. HOGAN, LEWIS, ROBERTS, WYTHE

Motion failed.

- E. **Resolution 11-090**, A Resolution of the City Council of Homer, Alaska, Supporting the Concept and Construction of Non-Motorized Pathways to Increase the Safety for Motorized and Non-Motorized Users Along Kachemak Drive Located Within the City Limits, from the Base of the Homer Spit to East End Road. Lewis/Zak/Parks and Recreation Advisory Commission.

Mayor Hornaday called for a motion for the adoption of Resolution 11-090 by reading of title only.

LEWIS/WYTHE – SO MOVED.

Councilmember Wythe commented we do not own the road, therefore, she is not supportive of using HART funds for improvement of State highways. Although the plan addresses positive things, it does not address life safety. It is a commercial area with commercial vehicles and activity. Pedestrians and bikes on the same roadway is not a good plan.

Councilmember Howard added she doesn't know any other road in the city that has more oversized vehicle traffic. It is also the tsunami route. The pathway does not make sense to her.

Councilmember Hogan is concerned about the bicycle traffic on the road and would like to find a solution to accommodate the bicyclists. Lowering the speed and narrowing traffic lanes are the wrong approach to take. He inquired if the ice tea federal program that was used to build the Spit bike path is still in effect.

Councilmember Roberts expressed support for the idea and concept. Pieces of the resolution are vague, such as what is being voted on. Discussions at the Committee of the Whole indicated the pathway may not always be parallel to the road. She questioned if support for the concept and construction would obligate Council to find the funds to build the path.

Councilmember Lewis has biked and run on Kachemak Drive. It is a dangerous road. Even though there is commercial traffic people will still run and bike the road. Since Council has questions he asked for postponement to get a clearer picture of what everyone wants. Dave Brann has started some trail work along the Spit and beach above the tide line. They have talked about adding pieces to the pathway where they can be added.

LEWIS/WYTHE - MOVED TO SEND IT BACK AND ASK FOR A CLEARER RESOLUTION.

WYTHE/LEWIS – MOVED FOR A FRIENDLY AMENDMENT TO SEND IT TO PLANNING AND ZONING.

Referral to the Planning Commission was requested due to issues of land use and utility right-of-ways. Some easements in place for sewer are water include limitations. It is a land use issue rather than recreation.

City Manager Wrede reminded Council they have expressed support for a separated pathway on Kachemak Drive (CIP page 71).

Councilmember Wythe indicated the CIP project Council endorsed is expressing support for the State to do the path as they do reconstruction or repairs to the existing road right-of-way. This proposal is substantially different, that the City take the project on at its own expense and

provide the service to the community. There are a lot of issues much bigger than what was addressed, therefore it needs to go to the Planning Commission.

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

Motion carried.

F. **Resolution 11-091**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Research the State Small Business Credit Initiative (SSBCI) and to Submit an Application for Program Funding. Hogan.

Mayor Hornaday called for a motion for the adoption of Resolution 11-091 by reading of title only.

HOGAN/WYTHER – SO MOVED.

Councilmember Hogan asked that the City Manager have the authority to investigate the SSBCI without spending a lot of time or money on it. The City Manager indicated he would have to drop everything to make the application deadline.

City Manager Wrede commented it would be a lot of work. If Council feels there is a need and small businesses could benefit he would complete the application. In the past Council has not wanted to get involved in things like this.

Councilmember Roberts believes the idea is good, although the time is not right. It would take a lot of work to apply and the City would become a banking entity. It is more appropriate at the borough level.

HOGAN/LEWIS - MOVED TO WITHDRAW.

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

VOTE: NO. ZAK

Motion carried.

#### **COMMENTS OF THE AUDIENCE**

There were no comments of the audience.

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

City Attorney Klinkner had no comment.

#### **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 had no comment.

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

Councilmember Hogan stated he is not comfortable when there is a tight time line (Resolution 11-091) and he hopes the SSBCI will come back with more time to investigate.

Councilmember Zak advocated for Resolution 11-089, stating the effects to the local economy if the fish limit is reduced. He saw a lot of representation by users of the track who were asked by Legislators to come get our support. He is glad to hear Assemblyman Smith will take the matter to the Assembly. If we have to shut down the track at the end of the season the economic impact will be huge.

### **ADJOURNMENT**

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 9:18 p.m. The next Regular Meeting is scheduled for Monday, September 26, 2011 at 6:00 p.m. The next Committee of the Whole is scheduled for Monday, September 26, 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.

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JO JOHNSON, CMC, CITY CLERK

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