

## **ACTION AGENDA**

Monday, June 24, 2013

Worksession

Committee of the Whole

Regular Meeting

### **WORKSESSION AGENDA**

#### **1. CALL TO ORDER, 4:00 P.M.**

Councilmember Dolma has requested excusal.

Mayor Wythe called the meeting to order at 4:00 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. Water and Sewer Rates**

#### **4. COMMENTS OF THE AUDIENCE**

There were three who commented.

#### **5. ADJOURNMENT NO LATER THAN 4:50 P.M.**

Mayor Wythe adjourned the meeting at 4:57 p.m.

### **COMMITTEE OF THE WHOLE AGENDA**

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

Councilmember Dolma has requested excusal.

Mayor Wythe 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. **CONSENT AGENDA**
- 4. **REGULAR MEETING AGENDA**
- 5. **COMMENTS OF THE AUDIENCE**

There were two who commented.

- 6. **ADJOURNMENT NO LATER THAN 5:50 P.M.**

Mayor Wythe adjourned the meeting at 5:23 p.m.

### **REGULAR MEETING AGENDA**

Session 13-14, a Regular Meeting of the Homer City Council was called to order on June 24, 2013 at 6:00 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

<b>PRESENT:</b>	<b>COUNCILMEMBERS:</b>	BURGESS, HOWARD, LEWIS, ROBERTS, ZAK
	<b>ABSENT:</b>	DOLMA (excused)
	<b>STAFF:</b>	CITY MANAGER WREDE CITY CLERK JOHNSON COMMUNITY AND ECONOMIC DEVELOPMENT COORDINATOR KOESTER FINANCE DIRECTOR LI IT MANAGER POLOS POLICE CHIEF ROBL PORT AND HARBOR DIRECTOR HAWKINS PUBLIC WORKS DIRECTOR MEYER

Mayor Wythe declared Councilmember Burgess' absence at the June 10<sup>th</sup> meeting as excused instead of unexcused. Email notice was sent to the Clerk on Sunday before the meeting, however, the Clerk was out of the office.

Councilmember Dolma has requested excusal.

Mayor Wythe declared Councilmember Dolma's absence as excused. There were no objections from Council.

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 approved by consensus of the Council with the following changes: **CONSENT AGENDA - Ordinance 13-22**, An Ordinance of the City Council of Homer, Alaska, Dedicating the Oil and Gas Property Tax Revenues to be Paid in 2013 by the Owners of the Drill Rig Endeavour (\$181,087.16) to the City of Homer Permanent Fund. Mayor. **Ordinance 13-23**, An Ordinance of the City Council of Homer, Alaska, Dedicating and Transferring All Port Tariff Fees Generated by the Drill Rig Endeavor's Moorage at the Deep Water Dock in 2012 and 2013 (\$576,815.53) to the Port and Harbor Depreciation Reserve Fund. Mayor. **Ordinance 13-24**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2013 Capital Budget by Appropriating \$98,500 From the Homer Accelerated Roads and Trails Program Fund (HART) for Road Improvements, Trail Construction, and Pedestrian Safety and Walkability Enhancements in Old Town. Lewis/Roberts. **Resolution 13-072**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Dispose of a Used and Surplus Deep Water Dock Fender Units Pursuant to HCC 18.30.010-020 and HCC 18.30.040(b). City Manager/Port and Harbor Director. Memorandum 13-097 from City Clerk as backup to Ordinances 13-22, 13-23, 13-24 and Resolution 13-072. **ANNOUNCEMENTS/PRESENTATIONS** - Thank you from the Kachemak Nordic Ski Club for Grant Funds from The Homer Foundation. **PUBLIC HEARINGS** - Public Hearing Notice for Monday, June 24, 2013. **Resolution 13-048**, A Resolution of the Homer City Council Amending the City of Homer Fee Schedule Under Water and Sewer Fees. City Clerk. Written public comments. **RESOLUTIONS - Resolution 13-067(S)**, A Resolution of the Homer City Council Awarding the Contract for the Homer Spit Trail Shore Protection Project to the Firm of **Endries Company** of **Soldotna, Alaska**, in the Amount of **\$884,624** and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Memorandum 13-095 from Public Works Director as backup. **Resolution 13-071(S)**, A Resolution of the Homer City Council Awarding the Contract for the Homer Deep Water Dock and Spit Trail Extension Project to the Firm of **North Star Paving and Construction** of **Soldotna, Alaska**, in the Amount of **\$1,883,998** and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Memorandum 13-096 from Public Works Director as backup.

Resolution 13-068 was removed from the Consent Agenda to Resolutions.  
Resolutions 13-067 and 13-067(S) were pulled.

**3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

There were twelve 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 June 10, 2013. City Clerk. Recommend adoption.

Moved to New Business, Item B.

- B. **Memorandum 13-090**, from Mayor, Re: Reappointment of Jennifer Sonneborn to the Homer Advisory Planning Commission.
- C. **Ordinance 13-20**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Legislative Grant in the Amount of \$4,200,000 for Harbor Projects. City Manager. Recommended dates: Introduction June 24, 2013, Public Hearing and Second Reading July 22, 2013.
- D. **Ordinance 13-21**, An Ordinance of the Homer City Council Accepting and Appropriating a Legislative Grant in the Amount of \$2,000,000 for the Port and Harbor Office and Skyline Fire Station. City Manager. Recommended dates: Introduction June 24, 2013, Public Hearing and Second Reading July 22, 2013.
- E. **Ordinance 13-22**, An Ordinance of the City Council of Homer, Alaska, Dedicating the Oil and Gas Property Tax Revenues to be Paid in 2013 by the Owners of the Drill Rig Endeavour (\$181,087.16) to the City of Homer Permanent Fund. Mayor. Recommended dates: Introduction June 24, 2013, Public Hearing and Second Reading July 22, 2013.

Memorandum 13-097 from City Clerk as backup.

Moved to New Business, Item C.

- F. **Ordinance 13-23**, An Ordinance of the City Council of Homer, Alaska, Dedicating and Transferring All Port Tariff Fees Generated by the Drill Rig Endeavor's Moorage at the Deep Water Dock in 2012 and 2013 (\$576,815.53) to the Port and Harbor Depreciation Reserve Fund. Mayor. Recommended dates: Introduction June 24, 2013, Public Hearing and Second Reading July 22, 2013.

Memorandum 13-097 from City Clerk as backup.

- G. **Ordinance 13-24**, An Ordinance of the City Council of Homer, Alaska Amending the FY 2013 Capital Budget by Appropriating \$98,500 From the Homer Accelerated Roads and Trails Program Fund (HART) for Road Improvements, Trail Construction, and Pedestrian Safety and Walkability Enhancements in Old Town. Lewis/Roberts. Recommended dates: Introduction June 24, 2013, Public Hearing and Second Reading July 22, 2013.

Memorandum 13-097 from City Clerk as backup.

- H. **Resolution 13-064**, A Resolution of the Homer City Council Awarding the Art Work Contracts for the Homer Spit Trail Phase II to Tarri Thurman and Marlon Prazen of Mooserun Metalsmiths of Homer, Alaska, in the Amount of \$11,000, and Melisse Reichman of Homer, Alaska, in the Amount of \$11,000, and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Recommend adoption.

Memorandum 13-092 from Art Selection Committee as backup.

- I. **Resolution 13-065**, A Resolution of the City Council of Homer, Alaska, Approving an Amendment to the Kachemak Bay Seafoods Lease on Lot 88-3, Homer Spit No. 2, to permit Commercial Subleases in Two Buildings Located on the Leased Property, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommend adoption.

- J. **Resolution 13-066**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting a Regional and Community Jails Services Contract for FY 2014 With the Alaska Department of Corrections in the Amount of \$753,410.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Police Chief. Recommend adoption.

Memorandum 13-094 from Police Chief as backup.

- K. **Resolution 13-068**, A Resolution of the City Council of Homer, Alaska, Amending the Land Allocation Plan to Make Lot 2, Tract 1-A, Fishing Hole Subdivision Available for Lease, Establishing the Parameters for Such an Offering, and Authorizing the City Manager to Proceed With a Request for Proposals. City Council. Recommend adoption.

Moved to Resolutions, Item C.

- L. **Resolution 13-069**, A Resolution of the City Council of Homer, Alaska, Approving a Proposed Land Sale and Easement/Long Driveway Agreement Between the City of Homer and Harmon and Pauli Hall, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommend adoption.

- M. **Resolution 13-070**, A Resolution of the City Council of Homer, Alaska, Authorizing the Allocation of Up to \$12,000 From the Reimbursable Grant Established in Ordinance 12-51(A) for the Purposes of Funding Phase 1 of the Tidal Energy Incubator Project. City Manager. Recommend adoption.

- N. **Resolution 13-072**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Dispose of a Used and Surplus Deep Water Dock Fender Units Pursuant to HCC 18.30.010-020 and HCC 18.30.040(b). City Manager/Port and Harbor Director. Recommend adoption.

Memorandum 13-097 from City Clerk as backup.

ADOPTED as AMENDED.

**6. VISITORS**

**7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS**

- A. **Mayor's Proclamation** – July as Parks and Recreation Month

Mayor Wythe read and presented the proclamation to Parks Maintenance Coordinator Angie Otteson,

- B. Borough Report

Bill Smith, Kenai Peninsula Borough Assemblyman, reported on the Borough's last meeting and initiatives.

- C. Commissions/Board Reports:

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

Tricia Lillibridge, Parks and Recreation Commissioner, thanked Council for the parks proclamation. Everyone that serves on the commission puts in many volunteer hours and shares a passion to improve parks and highlight recreational opportunities in the town. The commission had a dynamic meeting last month discussing cutting back on some committees and looking at how to set up future committees. Park Day is Saturday, August 17<sup>th</sup> at Ben Walters Park. The Rotary Club has adopted the park and has done a lot of work on the restrooms and the dock. At Park Day there will be food and the commissioners will be there; she requested the presence of the Council too. The commission reviewed the CIP list and their selections include:

- Karen Hornaday Park funds for Phase II – road work to make the park a safe place;
- Mariner Park restrooms – new restrooms there could be cheaper than originally expected due to other construction in the area this summer;
- Jack Gist Park/Cottonwood Horse Park – speed warning signs are needed to ease access to East End Road.

The commission would like to add Rogers Park Loop Trail to their bucket of parks.

The pavilion at Karen Hornaday Park has been designed and approved by the engineers. The design work was more money than anticipated. An RFP will be issued to build the pavilion with both volunteer and paid labor. The construction will likely take place in August and September.

Commissioner Lillibridge encouraged people to apply for commissioner openings. It provides opportunity to participate in enhancing parks and recreational opportunities in Homer.

5. Port and Harbor Advisory Commission
- D. Memorandum 13-093 from Community and Economic Development Coordinator, Re: Green Dot Update
  - E. Homer More Than a Fishing Town, An economically diverse city at the end of the road, Alaska Economic Trends

- F. Thank you from the Kachemak Ski Club for Grant Funds from The Homer Foundation

**8. PUBLIC HEARING(S)**

- A. **Resolution 13-048**, A Resolution of the Homer City Council Amending the City of Homer Fee Schedule Under Water and Sewer Fees. City Clerk.

Memorandum 13-073 from Water and Sewer Rate Task Force as backup.

**Resolution 13-048(S)**, A Resolution of Homer City Council Amending the City of Homer Fee Schedule Under Water and Sewer Fees. City Clerk.

There were six who testified.

**9. ORDINANCE(S)**

**10. CITY MANAGER’S REPORT**

- A. City Manager’s Report

City Manager Wrede provided his report as a laydown. He highlighted Item 7, a deed transfer agreement with the State for ownership and maintenance of West Bunnell, Mission Road and Ohlson Lane. Due to the school bus route, Mission Road will need to be plowed in the early morning during the winter months. Generally the snow removal crews start with the downtown core area and work their way up the hills to the residential areas.

Mayor Wythe called for a recess at 7:10 p.m. and reconvened the meeting at 7:15 p.m.

- 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. Port and Harbor Improvement Committee
- F. Employee Committee Report

**13. PENDING BUSINESS**

- A. **Resolution 13-048**, A Resolution of the Homer City Council Amending the City of Homer Fee Schedule Under Water and Sewer Fees. City Clerk.

Memorandum 13-073 from Water and Sewer Rate Task Force as backup.

**Resolution 13-048(S)**, A Resolution of Homer City Council Amending the City of Homer Fee Schedule Under Water and Sewer Fees. City Clerk.

SUBSTITUTE RESOLUTION 13-048(S) AMENDED with discussion:

Sewer lift station commodity rate amended to \$0.0218.  
Sewer non lift station commodity rate amended to \$0.0147.

RESOLUTION 13-048(S) as amended FAILED and RECONSIDERATION ISSUED by Councilmember Lewis (July 22, 2013).

**14. NEW BUSINESS**

- A. **Memorandum 13-091**, from City Clerk, Re: Referendum Petition to Repeal Ordinance 12-36(A) Prohibiting Sellers from Providing Customers with Disposable Plastic Shopping Bags.

The referendum will go to the voters at the October 1, 2013 election.

- B. Homer City Council unapproved Regular meeting minutes of June 10, 2013. City Clerk. Recommend adoption.

AMENDED to reflect Councilmember Burgess' absence of June 10<sup>th</sup> as excused.

- C. **Ordinance 13-22**, An Ordinance of the City Council of Homer, Alaska, Dedicating the Oil and Gas Property Tax Revenues to be Paid in 2013 by the Owners of the Drill Rig Endeavour (\$181,087.16) to the City of Homer Permanent Fund. Mayor. Recommended

dates: Introduction June 24, 2013, Public Hearing and Second Reading July 22, 2013.

Memorandum 13-097 from City Clerk as backup.

ADOPTED with discussion.

## 15. RESOLUTIONS

- A. **Resolution 13-067**, A Resolution of the Homer City Council Awarding the Contract for the Homer Spit Trail Shore Protection Project to the Firm of \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_, in the Amount of \$\_\_\_\_\_ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

**Resolution 13-067(S)**, A Resolution of the Homer City Council Awarding the Contract for the Homer Spit Trail Shore Protection Project to the Firm of **Endries Company** of **Soldotna, Alaska**, in the Amount of **\$884,624** and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 13-095 from Public Works Director as backup.

Pulled.

- B. **Resolution 13-071**, A Resolution of the Homer City Council Awarding the Contract for the Homer Deep Water Dock and Spit Trail Extension Project to the Firm of \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_, in the Amount of \$\_\_\_\_\_ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

**Resolution 13-071(S)**, A Resolution of the Homer City Council Awarding the Contract for the Homer Deep Water Dock and Spit Trail Extension Project to the Firm of **North Star Paving and Construction** of **Soldotna, Alaska**, in the Amount of **\$1,883,998** and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 13-096 from Public Works Director as backup.

SUBSTITUTE RESOLUTION 13-071(S) ADOPTED without discussion.

- C. **Resolution 13-068**, A Resolution of the City Council of Homer, Alaska, Amending the Land Allocation Plan to Make Lot 2, Tract 1-A, Fishing Hole Subdivision Available for Lease, Establishing the Parameters for Such an Offering, and Authorizing the City Manager to Proceed With a Request for Proposals. City Council. Recommend adoption.

AMENDED: Every reference to Lot 2, Tract 1-A will include southwest 2/3 of the parcel available for lease.

ADOPTED as AMENDED with discussion.

**16. COMMENTS OF THE AUDIENCE**

There were three who commented.

**17. COMMENTS OF THE CITY ATTORNEY**

City Attorney Klinkner was not present.

**18. COMMENTS OF THE CITY CLERK**

City Clerk Johnson had no comments.

**19. COMMENTS OF THE CITY MANAGER**

City Manager Wrede had no comments.

**20. COMMENTS OF THE MAYOR**

Mayor Wythe announced Katie is looking for volunteers to work two to three hour shifts at Karen Hornaday Park on July 25<sup>th</sup> for the Governor's Picnic. Call Katie at 435-3101. The Mayor thanked everyone that came out for public comments. Council and the public that comments have the best interests of the community in mind. Council's decisions run the business that you have hired them to run. But, there are no funds to pay for anything the citizens do not provide. We have repeatedly restricted those funds. It is very difficult to operate a business if you don't have qualified employees, yet we constantly hear how overpaid and overprovided our employees are. Yet the City has a hard time finding employees because we do not pay enough and we do not have enough benefits. The water and sewer system was built to meet a need that has not yet developed. We have miles of water and sewer line in subdivisions that have not yet filled up, yet we still have to pay to maintain the water and sewer system. She invited those that point fingers to step up to the table for election. As you voice opinions, keep in mind that we have a very silent majority that may not share your opinion. The property that is considered Pier One belongs to the Port and Harbor enterprise fund. They purchased the property. When we allot the parcel to uses outside of their business, we are not looking out for their interests. It is not good business to take their profit centers away. The port is a multi-million dollar asset industry that requires revenues beyond slip fees. When something is purchased with funds for a specific use, it is disingenuous for user groups to come back 25 years later and say we're glad you bought this so we can use it. We are not trying to eliminate green space; we just have a small pot with a smaller portion to allocate to parks, recreation, and trails. Council is trying to do business first and fun things later.

## 21. COMMENTS OF THE CITY COUNCIL

Councilmembers Roberts is disappointed the water and sewer rates did not pass. She wanted to postpone it. The committee worked hard and is being criticized, even though they thought very thoroughly about it. During her tenure on the council she has been through the meter and bucket methods of water and sewer rates. The new proposal is one of the fairest methods she has seen in a long time. To throw it away is not our best choice. Enstar is building gas lines all over the place. Enstar said they would notify the public as to what neighborhoods they would be working in, but they are not. Information on their website has remained stagnant for ten days. The locations posted on the web are nowhere near where they said they would be. She has asked questions of Enstar and has not gotten answers.

Councilmember Burgess clarified Council's intent for the RFP on Lot 2, Tract 1-A. No one wants to eliminate green space, recreational activities, or Pier One Theatre; they want to assess the best use of the lot and solicit information in making that decision. Council is trying to make the most informed decision possible to balance the recreational needs and the economic benefits of the lot. It is not Council's intent to throw Pier One out. On the water and sewer rate model, by voting it down we have failed the citizens of Homer and city staff. He encouraged those that voted it down to bring it back for reconsideration. He served on the task force and they worked really hard on this. The information they relied on was the same that a contractor or private rate setter would have. Councilmember Burgess fails to see how a private contractor or another body could make a different model unless they were slipped money by a large special interest organization to come to a different conclusion. Under the current proposed rate model about 75% of users will experience cost savings. The rate model is not anti-business; it transfers costs to the actual commodity. Small businesses that use a low volume of water save money. You can't commend the task force out of one side of your mouth and then call them incompetent on the other side. It doesn't work. We owe it to the citizens to agree on models well in advance, inform them of the models well in advance, and then move forward and not allow the process to be derailed or influenced by misinformation or interest of a particular group. Council needs to reconsider this and we owe it to the people to give them a model that is sustainable moving forward that is apolitical.

Councilmember Lewis issued notice of reconsideration to be voted on at the July 22<sup>nd</sup> meeting.

Councilmember Howard commented on the strategic planning event. She feels strongly that we need to hire a facilitator. The City Manager needs to be part of the conversation instead of facilitating it. She knows a couple facilitators in Anchorage that work with the hospital and are familiar with Homer. She referred the Clerk to doodle.com for scheduling meetings. Otherwise the task is harder than herding cats. Councilmember Howard thanked the Police Chief for his good negotiation for a very good jail contract. She expressed an interest on signing up for the

Port and Harbor Building Task Force. The Port and Harbor Advisory Commission will be considering their appointment to the task force in July.

Councilmember Zak commented the sun is still shining so he would like to go see his new grass grow.

Councilmember Lewis would like to be appointed to the Port and Harbor Building Task Force.

## **22. ADJOURNMENT**

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 8:13 p.m. The next Regular Meeting is Monday, July 22, 2013 at 6:00 p.m., Committee of the Whole 5:00 p.m., and a Worksession 4:00 p.m. A Worksession is scheduled for June 27, 2013 at 5:15 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.