

manages the endowment fund and grants program for no fees. The earnings from the endowment fund are distributed to the nonprofits. Between January and October 2009 there was over \$16,000 in growth. This year there are over \$6,800 in earnings that will be distributed. If the allocation is approved per Resolution 10-15 there will be \$27,400 for distribution.

Rika Mouw, city resident, commented on Resolution 10-14. There are 14 easements needed. More clarification is needed on the 10 ft. easement in addition to the 50 ft. easement. The City has failed to address concerns of property owners and the negative impacts. Seventy-five percent of costs are borne by property owners. The Corps permit requires that trenching to be done when the ground is completely frozen. She does support Kenny Moore's need for services at the eastern end of Kachemak Drive. The development in the wetlands is fraught with challenges and unintended consequences. After closer review of the petition phase, it appears the City does not have sufficient signatures to form this LID. When formed there were 72 owners within the boundary, with 51% of owner of record signatures required. Even with a four month extension, the number received was 35, or 48.6% of owners of record. The boundary could be revised to serve the eastern end of the area.

RECONSIDERATION

None.

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 January 11, 2010. City Clerk. Recommend adoption.
- B. **Memorandum 10-18**, from Clerk, Re: Liquor License Renewal for The Alibi, Duggan's Waterfront Bar, and BPO Elks Lodge #2127.

Mayor Hornaday called for a motion for the adoption and/or approval of the recommendations of the consent agenda as read.

WYTHE/LEWIS - SO MOVED

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

None.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. Borough Report

Bill Smith, Kenai Peninsula Borough Assemblyman, reported upcoming business with the Borough. At the February 16th meeting they are slated to pass the Borough share of the head tax from cruise ship passengers. Homer will receive \$2,897; and Seward \$345,747. They are accepting a DEC grant for \$250,000 for the Cook Inlet RCAC for a Cook Inlet marine traffic vessel risk assessment. Hopefully someday they will have enough pressure to have additional escort tugs in Cook Inlet. Mr. Smith and other Assembly Members will be attending AML in Juneau next week. They will be working to support both the Borough and cities Capital Improvement Projects.

Mayor Hornaday commented he attended the Economic Development Forum and a good bit of the economic development was focused on Homer with the proposed nine cruise ships for this year. He offered kudos to the Nordic Ski Club and Homer Hockey and Ice Rink for bringing activities in the wintertime.

B. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission

Dean Ravin, Economic Development Advisory Commission, reported they have a full quorum and are excited to get to work after being done with the lease policies and Comp Plan. He suggested a road race through town two weeks before the Rondi Grand Prix. They could bring the cars to Homer for a pre-season race. It would bring a couple thousand people to town and would be a big draw.

4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission

PUBLIC HEARING(S)

- A. **Ordinance 09-40(S)**, An Ordinance of the Homer City Council Adopting the 2008 Homer Comprehensive Plan and Recommending Adoption by the Kenai Peninsula Borough. City Manager. Introduction September 14, 2009, Public Hearings October 12 & 26, November 23, 2009, January 25, 2010, Worksession November 9, 2009 and Second Reading February 8, 2010.

Memorandum 10-11 from City Planner and Planning Technician as backup.

Mayor Hornaday opened the public hearing.

Roberta Highland, city resident, noted deficiencies in the plan in pre-zoning, as verified by Deputy Attorney Holly Montague's comment in the Homer News. Affected property owners should be notified with a map of the present zoning and proposed changes. A larger and improved land use designation map needs to be designed to be included in the Comp Plan and mail out notification. The plan should include: the functional assessment of Homer wetlands as depicted in Resolution 07-09, the green structure suitability map of Appendix B-3, and naming some important areas for landmarks and benchmarks, including Beluga Lake, the reservoir, parks, recreational and conservational land, and critical moose habitat. The plan should do away with new ideas of residential transitional, residential urban, and neighborhood commercial on West Hill.

Kathy Hill, city resident, asked that the neighborhood commercial section at the West Hill area be eliminated and restored to the current rural residential. She does not want the amenities of downtown when it is so close.

Candice Cornett, city resident, commented on the proposed changes to West Hill. There is no economic need for retail businesses. Most of the land is wetland designated for moose, bear, wolf, and cranes.

Tom Taffe, city resident, commented the sewer and water infrastructure buildup exceeds what the growth will support. The Borough's projected growth is 1% for the next 10 years, or 600 more people and 125 to 150 new houses. There are already hundreds of lots in development. We are trying to make up for the annual \$750,000 shortfall on water and sewer services. There must be a major effort in communication.

Devony Lehner, city resident, commented on effective public participation. It is the heart of community planning, builds trust, respect, shared knowledge and collaboration. Poor public participation builds alienation and distrust. The Citizens Advisory Committee was a small element of public participation and open houses is a least effective tool. Notices in the paper do not constitute public participation. If a number of upset citizens show up at the 11th hour, it is a sure sign something went wrong at the public participation level.

Steve Gibson, city resident, told Council the proposed neighborhood commercial zoning up West Hill Road is a big mistake. He lives within 1,000 ft. of the boundaries. In the area you see a big gravel lot, with connexes and dump trucks on the wetlands. There is a lack of sussing out the neighborhood's wishes.

Roger Cornett, city resident, commented on the lot owned by Joe Super on Eagle View and West Hill. He is a great neighbor and there to help people. He is afraid the property will be turned into a convenience or liquor store.

Robert Archibald, city resident, does not know Joe Super, but knows what he did up on West Hill before it was annexed. It is a mess and was built on top of wetlands. Council needs to slow down on the Comp Plan and disseminate and answer questions.

Nancy Hillstrand, city resident, commented it takes time for people to understand what is going on and that is why they come at the 11th hour. The Comp Plan is not taking care of the local people; we are looking for money. The Comp Plan says the most important of all is to attract wealthy people. What about the local people and those that have been here forever? Her land next to Joe Super is flooded due to infill of the wetlands. She's had it with the Hotsy Totsy.

Rika Mouw, city resident, noted the importance of the process; if it is flawed, the outcome will be incomplete and inconsistent. The land use allocation map does not reflect the text, the wetland assessment map and trails map are not included and the land use designation map does not reflect community input. She recommended all transitional neighborhoods be left as residential and the existing conservation land be included.

Bill Smith, Kachemak city resident, was on the Planning Commission in 1998 and on the CAC when they worked with the contractor. The public has to take some responsibility of keeping up with things they are interested in within the community. It is not all the City's business to reach out to everyone. Transitional zoning is a regulation yet to be written. It may result in rural residential having less density than what is currently allowed. Neighborhood commercial serves those that do not drive and kids with small businesses. The Comp Plan is not a beginning, nor an end. It is just in the middle of the process.

Doug Westphal, city resident, owns five acres on Jeffery, half that is slated for rezone. He echoed the opposition expressed from the neighbors on commercial zoning.

Jeannie Fabich, city resident, asked for postponement. Improvements are needed to the land designation map and more notification to landowners.

Mayor Hornaday closed the public hearing.

- B. **Ordinance 10-01(S)**, An Ordinance of the City Council of Homer, Alaska, Amending the Title of Homer City Code Chapter 21.54 and the Title of Subchapter 1 of Homer City Code Chapter 21.54, repealing Homer City Code 21.54.060 Standards for Mobile Home Structures, and Enacting Homer City Code 21.54.100 Standards for Mobile Home Structures. City Manager/Planning. Introduction January 11, 2010, Public Hearing and Second Reading January 25, 2010.

Mayor Hornaday opened the public hearing.

There was no public testimony.

Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-01(S) for second and final reading by reading of title only.

LEWIS/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 10-03**, An Ordinance of the City Council of Homer, Alaska, Adopting Homer City Code Chapter 19.02, Large Special Events, Requiring Permits for Large Special Events in the City, and Authorizing Charges for City Services Required for Large Special Events. City Manager. Introduction January 11, 2010, Public Hearing and Second Reading January 25, 2010.

Mayor Hornaday opened the public hearing.

There was no public testimony.

Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-03 for second and final reading by reading of title only.

WYTHE/HOWARD - SO MOVED.

Mayor Hornaday called for a recess at 6:56 p.m. and reconvened the meeting at 7:08 p.m.

WYTHE/ROBERTS - MOVED TO INSERT AS THE FIRST WHEREAS STATEMENT: "WHEREAS, THE CITY OF HOMER DESIRES TO ATTRACT AND SUPPORT SPECIAL EVENTS FOR THE COMMUNITY SUPPORTING CULTURAL AND RECREATIONAL OPPORTUNITIES AS A MEANS OF ENCOURAGING ECONOMIC DEVELOPMENT; AND".

The amendments will incorporate Councilmember Hogan's ideas.

WYTHE/ROBERTS - MOVED TO AMEND LINES 14 AND 69 TO PRECEDE WITH "PROFESSIONAL" SPORTING EVENT.

Councilmember Wythe noted the abundance of sporting events that bring 500+ people to town. The language will not be restrictive to amateur type activities.

Councilmembers Roberts and Hogan voiced opposition to differentiating between amateur and professional events. Opening day of snagging at the Fishing Hole will require the attendance of a lot of police officers. Events that will affect the City's finances are what require regulations.

VOTE: YES. WYTHE

VOTE: NO. ROBERTS, ZAK, HOWARD, HOGAN, LEWIS

Motion failed.

WYTHE/ROBERTS – MOVED TO INSERT UNDER THE EXISTING THIRD WHEREAS: “WHEREAS, THE COST TO THE CITY OF DELIVERING SERVICES MAY BE REDUCED BY ADVANCED PLANNING THROUGH VERIFICATION OF ITEMS SUCH AS PERMITS, BONDING, INSURANCE COVERAGE, PLAN REVIEW, SECURITY REQUIREMENTS, SANITATION PREPARATION, AND EXTERNAL AGENCY APPROVALS; AND”.

There was brief discussion where the amendment would be placed.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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

Motion carried.

ORDINANCE(S)

- A. **Ordinance 10-04**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 1.30.010 to Provide for Appointment of the City Clerk by the Council. Hogan. Recommended dates: Introduction January 25, 2010, Public Hearing and Second Reading February 8, 2010.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-04 for first reading by reading of title only.

HOGAN - SO MOVED.

Motion died for lack of a second.

- B. **Ordinance 10-05**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.40.060 Bridge Creek Watershed Protection District Conditional Uses and Structures to Include More Than One Building Containing a Permitted Principle Use On a Lot as a Conditional Use. City Manager/Planning. Recommended dates: Introduction January 25, 2010, Public Hearing and Second Reading February 8, 2010.

Memorandum 10-22 from City Planner and Planning Technician as backup.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-05 for first reading and introduction by reading of title only.

ROBERTS/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 10-06**, An Ordinance of the City Council of Homer, Alaska, Amending the Following Sections of the Homer City Code Regarding the Residential Office District: 21.16.030, Conditional Uses; 21.16.040, Dimensional Requirements; 21.16.060 (Renumbered 21.16.070), Site Development Standards; and Enacting the Following Sections of the Homer City Code Regarding the Residential Office District: 21.16.060, Traffic Requirements; 21.16.080, Nuisance Standards; and 21.16.090, Lighting Standards. City Manager/Planning. Recommended dates: Introduction January 25, 2010, Public Hearing and Second Reading February 8, 2010.

Memorandum 10-23 from City Planner and Planning Technician as backup.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-06 for first reading and introduction by reading of title only.

WYTHE/ZAK - SO MOVED.

City Planner Abboud was asked to explain the Planned Unit Development. Mr. Abboud clarified it was a provision in code to allow any type of development within a zoning boundary. Requirements could be met of something not traditionally allowed in zoning with a Planned Unit Development. It is a public process that goes through the Planning Commission. Public utility structures such as towers or water distribution would require a Conditional Use Permit.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

A. City Manager's Report

1. Climate Action Plan: The Kachemak Bay Research Reserve is organizing and hosting a Climate Change Adaption Workshop at the Islands and Ocean Visitor Center on February 17 and 18. Megan Murphy of KBRR attended the City Department Head meeting last week to inform us about the Workshop and to ask for City participation. A draft agenda is

attached for your information. The City is planning to participate and at a minimum will have a table at the workshop to discuss what has been done so far at the City level. Information provided to the public will include the Climate Action Plan, parts or all of the Deerstone Report, and information regarding concrete steps the City has already taken to reduce energy consumption. Also last week, PW had a third party engineering firm visit the Library to review the Deerstone Report and its recommendations. We expect a report soon and will then proceed with implementing some of the recommendations, especially those that can be done with changes in computer programs and settings. Anne Marie is carefully monitoring funding sources for implementing the Climate Action Plan. We have submitted a preliminary application for Block Grant Funding.

2. Kachemak Drive Phase II Water and Sewer. This agenda contains a resolution authorizing the administration to take the first preliminary steps toward an eminent domain proceeding to obtain any remaining easements that might be needed in order to proceed with construction of the project. We bring this to you now because we really need direction from the Council. The landowners who voted for the LID are really anxious to get this project going and cannot understand why it is taking so long. Public Works has now obtained all of the environmental permits necessary to start construction. The Code contains a provision that states an LID expires after five years (this year) if construction does not proceed for some reason. The Code also provides that the City will absorb the costs of engineering, design, and permitting, if the project does not go forward. In the meantime, failing septic systems threaten the environment and the stability of the bluff and local property owners are having difficulty selling property, getting insurance and mortgages, etc. From a construction point of view, the only thing preventing us from building this project this summer is the 14 or so outstanding easements that need to be obtained. Carey's back-up memo is very informative and fills in more of the details.
3. Comprehensive Plan: At the last meeting, several residents testified that they were not aware of the proposed transition maps (Land Use Designations) and that in their view, the City had not done enough to get information about these maps out there and engage the public. It was suggested by some that the City should do things such as hold neighborhood meetings or send informational mailers out. The planning staff discussed this and decided that one thing they could do quickly and with little cost was to work with the local newspaper reporters and editors on informational stories and pieces (see attached article by Rick). The staff also attempted to pull some information together for Council consideration about what it might cost in time and resources to do some of the things suggested. For example, an informational flyer that included a color map and explanation mailed to every Homer resident would cost approximately \$3,000. Holding neighborhood meetings in at least six neighborhoods would take about 3 months to accomplish and cost approximately \$3,000 in overtime, advertising, printing, and materials. Please let us know if you wish to proceed with these or any other public information strategies.
4. Wildfire Prevention and Mitigation / Bridge Creek Reservoir and Watershed: For the past few years we have been discussing the fire danger that exists around the Bridge Creek Reservoir. These discussions have included State and Borough agencies. We have looked at both how a fire might be fought in that area and what steps might be taken to prevent

or mitigate a wildfire. This week staff from the Borough Spruce Bark Beetle Mitigation Program came down and met with Bob Painter, Rick Abboud, and I. The Borough has a new shot of stimulus funding for the Spruce Bark Beetle Program and is interested in working with the City on a possible fire mitigation program around the reservoir. The next steps include doing some fire modeling scenarios, developing range of mitigation options, and bringing some soils and water/hydrology experts on board as part of the study team. This is a very sensitive area as you know. A wildfire in this area could result in extensive erosion, siltation, and ash accumulation in the reservoir, a real challenge for the new water treatment plant. On the other hand, we would not want to take mitigation measures that resulted in soil disturbance or increased erosion either. We will provide you with more information as it becomes available. No mitigation or prevention action will be taken without approval by the Council.

5. East Boat Harbor Feasibility Study: I believe we are getting closer to decision time on the East Boat Harbor. As you may know, the feasibility study has been underway now for several years. The cost has been shared by the federal government (50%), the State (25%), and the City (25%). The agreement was that we would focus on the economics first. The preliminary economic reports indicate that this project is marginally feasible at best. We have some concerns about the assumptions and data used by the Corps and we believe the cost / benefit ratio could be improved. I went to Anchorage last week to discuss this project with members of Senator Murkowski's staff. Bryan and I are scheduled to meet with our project partners from the state this week to discuss the next steps. After that, we will likely go to Anchorage to meet again with the Corps to discuss our concerns and the future direction of this project. Regardless of what our ultimate recommendation is (keep going or pull the plug), we will ask the Corps to come down and discuss their findings with the Council.

City Manager Wrede reported the Sterling Highway Erosion Response MP 150 – 157 is now included in the Statewide Transportation Improvement Program (STIP). This year the State expects to spend \$200,000 in a reconnaissance study to evaluate the threat and options. In 2012 they are proposing to spend \$1.5 on a fix that likely includes relocating the highway. The State may have enough existing ROW to move the road to prevent any short term threat to the roadway. For the long term they may move the road up to ½ mile inland. The bluff erosion is specifically at MP 153-154 in Anchor Point.

Councilmember Hogan requested that DOT make a presentation to address the erosion issue. City Manager Wrede suggested a combined workshop to also work through the \$2M allocation for Main Street.

City Manager Wrede reported on the annual water quality report. There is one byproduct of the chlorination process than can cause certain types of cancer. It does not occur all the time. The normal testing is within acceptable boundaries, although there have been times when the reading has been high. *Haleocedric Acids* were occasionally exceeded with the old power plant. A new testing system with the new water treatment plant (four times per year instead of two) has resulted in zero violations. This was one of the reasons for building the new water treatment plant. There is a high range in occasion in some locations with over acceptable limits, but that is now under control.

The Chamber of Commerce is asking for help with the Winter Carnival. Asked how the City participates with in-kind donations, Police Chief Robl responded the City does not employ extra police officers for Winter Carnival. Police officers are on the clock when participating in the parade.

Councilmember Howard thanked the City Manager for the junk car removal program. She likes the idea of partnering with another entity to lessen the costs. Asked if the Borough partners for junk car removal, City Planner Abboud reported the Borough will take cars and dispose of them for free. You have to get the car there and dispose of the fluids. The junk vehicles on the Spit will be removed by a commissioned ship.

Councilmember Wythe asked about the burned pickup on the Sterling Highway and the number of auto sales on the highway. The Gateway District was formed to eliminate auto sales in the area. City Planner Abboud answered the truck will be removed soon.

Councilmember Lewis asked about the Homer Boat Harbor Feasibility Study and concerns from Administration. City Manager Wrede answered Administration and DOT have concerns with how the Corps of Engineers have gone about the process and assumptions projecting the future demand and value. There is an inability to calculate the formula for government vessels and to coax larger commercial vessels to homeport in Homer. There is concern of their cost estimates. It is an expensive project. We no longer have Senator Ted Stevens; earmarks are now frowned upon in Washington. City Manager Wrede met last week with Senator Murkowski and learned that Alaska is getting money in drips and drabs. Valdez is willing to put up \$25M for their proposed \$45M harbor project and still cannot get funding. This week he and the Harbormaster are going to Anchorage to meet with the Corps and DOT. He will ask the Corps to come talk to Council. If the harbor project will not pencil out he will pull the plug. In that case Homer would be out of the queue for twelve years or more.

- B. Question of the Week – *City Council will soon be finalizing the Comp Plan. Is there anything that should be considered?*

COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee

Councilmember Howard reported the Permanent Fund Committee met last week and will be meeting again Thursday morning. They will come to Council soon with a request for a contract to administer the Permanent Fund.

Mayor Hornaday commented we want to avoid a situation where we are paying out more for administering the fund than return.

D. Lease Committee

PENDING BUSINESS

None.

NEW BUSINESS

A. **Memorandum 10-19**, From City Clerk, Re: Travel Authorization for Mayor Hornaday to Attend the Alaska Municipal League Winter Legislative Meeting in Juneau, Alaska, February 2-4, 2010.

Mayor Hornaday called for a motion for the approval of the recommendations of Memorandum 10-19.

ROBERTS/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Memorandum 10-21**, From Councilmember Hogan, Re: Rolling Stock Activity Statistics.

Mayor Hornaday called for a motion for approval of the recommendations of Memorandum 10-21.

HOGAN/LEWIS - SO MOVED.

Councilmember Hogan requested regular odometer readings of equipment to determine if it is being utilized.

Public Works Director Meyer advised Council vehicle odometer readings are collected when the vehicles and equipment receive fuel.

HOWARD/LEWIS - MOVED TO AMEND THE REQUEST TO INCLUDE THE LISTING OF EQUIPMENT AND USE FOR AN ANNUAL REPORT.

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. **Memorandum 10-24** From City Clerk, Re: Travel Authorization for City Manager Wrede to Attend the Legislative Session in Juneau, Alaska, in March/April, 2010.

Mayor Hornaday called for a motion for approval of the recommendations of Memorandum 10-24.

ZAK/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RESOLUTIONS

- A. **Resolution 10-14**, A Resolution of the City Council of Homer, Alaska, Re-Expressing Its Support for the Construction of the Kachemak Drive Water and Sewer Improvements (Phase II) and Authorizing the Preparation of a Decisional Document Needed to Secure the Necessary Required Easements Through the Use of Eminent Domain. City Manager/Public Works Director.

Memorandum 10-20 from Public Works Director as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 10-14 by reading of title only.

LEWIS/HOWARD – SO MOVED.

Mayor Hornaday provided the following ten points for the Kachemak Drive Phase II Water and Sewer project:

- 70% of the landowners voted for the project.
- A number of landowners have contacted the Mayor personally and want to project to go, and go now. They do not like coming to the Council meetings, as they don't like arguing with their friends and neighbors.
- Thirty of the 44 required easements are already obtained.
- The City's Engineer and a separate hired engineer both say the project should not cause additional problems with drainage and erosion. There has not been a single engineer that has told us it will cause problems with drainage and erosion.

- Geoff Coble was here and we asked him directly if the project would cause problems with drainage and erosion, and his response was, "It's an open question." Even he did not say that it would cause a problem.
- There are serious sewage problems out there.
- The suggestion of a study – several months ago 1 ½ hours was set aside. Before that meeting, Mayor Hornaday went out and tried to find money for the study. He talked to local, State, and Federal people and found out there is no money for this study.
- Council set aside 1 ½ hours and tried to hit all of this.
- The Mayor hopes we don't have to use eminent domain, but it is important for the project to continue that we authorize the use of it.
- If we don't go ahead with the project we will not be reimbursed for the costs that have been expended.

Councilmember Roberts noted the earlier testimony about a 50 ft. easement and the City's quest for an additional 10 ft. She asked for an explanation from Public Works Director Meyer.

Mr. Meyer reported they tried to design the water and sewer mains to stay within a 100 ft. wide corridor normally centered on the ROW. A 100 ft. ROW is DOT's standard width. When the mains are installed, services are run right to the property line. For the contractor to install the service right to the property line, they need a little extra room to walk around the trench. They asked for a temporary construction easement outside of the 50 ft. permanent easement to provide service right to their property corner. The extra 10 ft. starts as a request for temporary construction easement in the front of the property. In most cases, once we know where services are going to be the additional 10 ft. is confined only to where the services are run over to the property. None of the facilities are installed in the 10 ft. easement. When the trench opens up the vegetation is disturbed and property owners have the right to know that. They try to limit the temporary construction easement to just the portion they need.

Asked by Councilmember Hogan what is the concern for holdouts, Mr. Meyer answered there is not one unique issue between everyone. There has been concern early on that environmental permits have not been acquired, and how issues of moose and wildlife habitat and wetlands would be dealt with. The drainage issue has been another factor and some feel they should get more money. All environmental permits have been acquired. The geo-technical experts say installation of the utilities should not affect bluff erosion. A few have signed recently, stating they received the info, but that it didn't seem urgent.

Council reviewed a color map of the defined project. Public Works Director Meyer told Council eminent domain would not be used for a temporary construction easement (TCE on the map). Fourteen parcels are needed for permanent easements for the line itself.

There is 4,500 linear ft. between Phase I that was completed a couple years ago and the southern end of Phase II.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 10-15**, A Resolution of the City Council of Homer, Alaska, Expressing Its Approval of the Distribution and Allocation Plan Submitted by The Homer Foundation for the Funds Appropriated to The Foundation in the Adopted 2010 City Operating Budget. City Manager.

Mayor Hornaday called for a motion for the adoption of Resolution 10-15 by reading of title only.

LEWIS/ZAK - SO MOVED.

Council expressed the importance of supporting the nonprofits in a difficult economic year. The City's contribution to The Homer Foundation was cut by 50% of their normal allotment. The resolution will support the expenditure of distributed funds and interest earned from the fund.

City Manager Wrede commented Joy Steward relayed to him if they were asked to divide \$10,000 for the endowment fund and \$10,000 for distribution, they would put it all in the fund. There is a long process for them to get all board members together and go through the grant criteria.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Resolution 10-16**, A Resolution of the City Council of Homer, Alaska, Approving the Modification of the Contract for Bid Preparation/Construction Assistance Services for the Homer Sanitary Sewer Rehabilitation Project to the Firm of Bristol Environmental and Engineering Services Corporation of Anchorage, Alaska, Increasing the Maximum Contract Amount to \$112,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director.

Mayor Hornaday called for a motion for the adoption of Resolution 10-16 by reading of title only.

HOWARD/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Dean Ravin, Homer resident, commented on Councilmember Roberts' idea at the last meeting for a monthly city treasurer's report. He would like to see the report include general fund balance

of payroll, fuel, electricity, equipment maintenance, property and sales tax revenue at least quarterly.

Donna Rae Faulkner, city resident, requested Council to rescind the ordinance as the City Attorney agreed upon, or cross them off the roll. The HCEC (Homer Citizens for Erosion Control) is not an eligible entity. She thanked Council for the prior Committee of the Whole meeting and for moving funds to an interest bearing account. The Council paid the City Attorney to rewrite the bylaws for HCEC. She assumes the City Attorney will go through the Articles of Incorporation too. There are no basic questions answered in the document, the two year budget is ridiculous. The City is taking on the fiduciary responsibility of the Seawall by keeping the ordinance in place. At the October meeting, Walt told everyone the City would be happy to upfront money for deductibles or expenses and then raise the mill rate. If you are doing it for HCEC, will you do it for other groups?

Don McNamara, city resident, dittoed his wife's comments. He asked Council to rescind the ordinance. At one HCEC meeting he suggested property owners get together and do an LID for armor rock and their response was, why should we do that when the City has such a good insurance plan that if it blows out they just come and fix it for us.

Leonard Wells, city resident, commented on setting the sewer and water rates this year. Council advised the rates are now set on a biennial basis with the next date 2011.

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 stated Regina has been providing quarterly financial reports to Council. He asked if they were not getting the reports they wanted or would like more information.

COMMENTS OF THE MAYOR

Mayor Hornaday commented at the economic seminar there was talk about the beluga whale study. Colorado College is conducting studies about whales in Kachemak Bay. He cannot understand why locals are not involved. The Borough received monies for studies. The beluga protection takes in the whole inlet and Kachemak Bay. The Borough is sending out RFPs and the Borough will award the contracts. He believes local scientists should put together joint proposals.

COMMENTS OF THE CITY COUNCIL

Councilmember Lewis asked the public to get out there and read the Comp Plan and find out what it says. He congratulated the High School hockey team and Coach Laukitis in their first region win in 2 ½ years over Colony.

Councilmember Hogan commented it would be good for Administration to provide quarterly financial reports to the public.

Finance Director Harville said the reports could be included in the Council packets to make them public. Finance lost a staff member and to ask for monthly reports would be a lot more work.

Councilmember Hogan stated he had talked with the Police Chief about an issue, who in turn followed it up with DOT to a dead end. It is the line of sight on Sabrina Avenue intersecting with East End Road. If in a sedan, the guardrail blocks out your line of sight for westbound traffic. He asked that DOT follow-up be done for the dangerous situation. As to the Comp Plan, he will throw out his intended amendments. He would like to put it to a vote of the public and in the vote include the recommendations of EDC whether or not to include the Town Center development plan as part of the Comp Plan.

Councilmember Roberts commented on the earlier public testimony about people saving water when on water cisterns. She is on water/sewer, but saves water which is to her advantage. She didn't mean to create chaos in the Finance Department requesting regular quarterly financial reports. She thinks monthly reporting is way too much as the money ebbs and flows too much for a good indication. A quarterly report to include sales tax and a general overall of Port/Harbor and Water/Sewer funds is requested. She thanked Walt for agreeing to go to Juneau as it will benefit the City greatly. He will do a good job.

Councilmember Zak reported the Mayor and he attended the Economic Development Symposium at the Challenger Learning Center. The Mayor represented us well, and played his ukulele. People appreciate the Mayor and all his experience. His original business was in the Kenai area so he still has a lot of friends there. Economic development issues are focused across the bay. There is lots of momentum on the Peninsula as having our own perspective as to what needs to be done for economic development. We have the Kachemak Bay which is a tremendous resource that draws tourists. We have Assembly Members that have a tough job with future plans for development across the bay. Tonight we heard from a past planning commissioner about the importance of public input on the Comp Plan. There are many different views, but Council does a good job of listening. The Borough has emergency response teams; he urged everyone to have their own kits available in the event of a disaster like Haiti. We need to be prepared and reach out and help each other.

Councilmembers Wythe and Howard had no comment.

ADJOURNMENT

There being no further business to come before the Council the meeting was adjourned at 8:08 p.m. by Mayor Hornaday. The next Regular Meeting is scheduled for Monday, February 8, 2010 at 6:00 p.m. The Next Committee of the Whole is scheduled for Monday, February 8, 2010 at

HOMER CITY COUNCIL
REGULAR MEETING MINUTES
JANUARY 25, 2010

5:00 p.m. A Special Meeting is scheduled for Monday, February 8, 2010 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: _____