

Session 10-17 a Regular Meeting of the Homer City Council was called to order on May 24, 2010 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, WYTHER, ZAK

STAFF: CITY MANAGER WREDE (telephonic)
CITY CLERK JOHNSON
FINANCE DIRECTOR HARVILLE
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

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

Council met for a Worksession from 4:00 p.m. to 4:50 p.m. to discuss Lease Policy Amendments. Council met as a Committee of the Whole from 5:04 p.m. to 5:34 p.m. to hear Diane Converse, Executive Director, Pratt Museum, and discuss Regular Meeting Agenda items.

AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The agenda was amended to add: **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS - Memorandum 10-75**, From Economic Development Advisory Commission, Re: Store Size Limit; and **ORDINANCES - Ordinance 10-28(S)**, An Ordinance of the Homer City Council Accepting and Appropriating an Alaska Small Cities Energy Efficiency and Conservation Block Grant in the Amount of \$227,800.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Item B, Mayor and City Council Proclamation - Mary Epperson Day – June 6, 2010 under **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS** and Item A - Maggie LaRue, Winner of the FireWise Poster Design under **VISITORS** were moved to be heard right after agenda approval.

Mayor Hornaday called for a motion for the adoption of the agenda as amended.

WYTHER/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. Mayor and City Council Proclamation - Mary Epperson Day – June 6, 2010

Mayor Hornaday read the proclamation to Mary Epperson, honoring her for the contributions she has made to the arts and music community. Her family was in attendance.

VISITORS

- A. Maggie LaRue, Winner of the FireWise Poster Design

Maggie LaRue, winner of the FireWise poster design, and Meg Ciccarella, Kenai Peninsula Borough FireWise Program, were present. Art students at Kenai Peninsula College created a tile mural based on Maggie's award-winning FireWise poster. The tile mural is to be placed at the Fire Hall (Resolution 10-46). Maggie stated the idea for her award winning design came from living next to the forest and her parents telling her it's important to have all your things ready, just in case.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Mike Dye, city resident, supports Ordinance 10-29. It will provide a community wide benefit; it is much needed for the private sector to have input on utility rates.

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 May 10, 2010. City Clerk. Recommend adoption.

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

LEWIS/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

A. Maggie LaRue, Winner of the FireWise Poster Design

Heard earlier following agenda approval.

B. Trent Dodson, Cook Inlet Regional Citizens Advisory Council, 10 minutes

Trent Dodson, CIRCAC, provided a PowerPoint presentation on the advisory council. CIRCAC represents the citizens of Cook Inlet in promoting environmentally safe marine transportation. They were formed in 1990, Oil Pollution Act 1990 (OPA 90), Sec. 5002, with their first USCG certification in 1992. CIRCAC is responsible for Cook Inlet. They provide environmental monitoring of the terminal facilities and crude oil tankers operating in Cook Inlet. Carla Stanley is Homer's CIRCAC representative; Mayor Hornaday is the alternate representative. The PROPS committee focuses on projects and studies designed to minimize oil spill risk in Cook Inlet. They review and monitor spill response efforts and the use of the best available technology to recover oil. Prevention, response, operations, and safety of daily operations is the committee's focus. The EMS committee performs environmental monitoring. They cover a broad range of scientific issues (oceanography, near-shore ecosystems) and conduct a monitoring program that provides early detection of environmental effects due to oil industry operations. There are digital videos and photos of the entire coastline by helicopter that will be available soon. The Protocol committee reviews contingency spill plans for Cook Inlet.

Councilmember Zak asked if oil and gas representatives could be on the CIRCAC. Mr. Dodson answered they could not be on the board due to OPA 90 regulations. Oil companies in the area are to fund CIRCAC, up to \$1M, to be used only for monitoring oil related activity. Other funding is through State and Federal grants or Fish and Wildlife Service. The PROPS committee receives updates from oil and gas representatives at their meetings.

Councilmember Zak asked Mr. Dodson what the key results of CIRCAC were. Mr. Dodson answered CIRCAC started the geographic response strategy within Cook Inlet. The shore zone mapping started in the state of Washington and was brought to Cook Inlet. The coastline from Washington state, through British Columbia, up through Alaska, to Cook Inlet and the Peninsula has been mapped from flying at low tide and videotaping the shoreline. They can monitor wave action and plant life along the shores.

Councilmember Zak asked if CIRCAC has participated in the Gulf spill. Mr. Dodson has notified Gulf spill folks of their willingness to help. Limited funds prevent the local group from traveling to help in the Gulf coast.

Mayor Hornaday commented the citizen's advisory council makes reports on incidents, independent of news broadcasts.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A Mayor's Recognition Kevin & Donna Maltz, Fresh Sourdough Express, Alaska Small Business of the Year

The Maltz's flight to Homer was delayed and this item was continued to June 14, 2010.

- B. Mayor and City Council Proclamation - Mary Epperson Day – June 6, 2010

Heard earlier following agenda approval.

- C. Borough Report

Bill Smith, Kenai Peninsula Borough Assemblyman, reported the Assembly increased the minimum funding to give the KPSD an additional \$2M. It is still \$2M below the possible maximum they could be funded. There has been no reduction in the number of positions or a change in the pupil/teacher ratio. Mayor Carey has proposed to give non departmental entities the same or more funding than received last year. He has suggested a 3/10% mil rate reduction; the out years are projected to go up by almost 1 mil. The fund balance is established within a certain range. For the Borough it is between \$12M and \$23M. The last few years we wound up at the top of the fund balance; this year there is a \$6M reduction due to an increase in insurance and labor. Projections say next year we will be at the bottom; the subsequent year we will be below the fund balance. There will not be easy choices in the coming years. The KPB looked at the City's Comprehensive Plan and received several good compliments of its quality and readability. It goes to the KPB Planning Commission for review and then back to the Borough. Mayor Carey proposed KESA's budget at \$2.25M, up from \$1.75M. The KPB Assembly supported a request for pass through funds for CIRCAC to do a risk assessment. The City of Homer has never put forth more than one person as a recommendation for the KPB Planning Commission. If the current Planning Commissioner Rick Foster wishes to continue, there are no issues at the Borough side. Mr. Foster has received positive comments on his service.

- D. Commissions/Board Reports:

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

Ruth Dickerson, Parks and Recreation Advisory Commissioner, reported the commission met last week. They have a new member Elias Garvey, yet still have two open seats. Mike Illg was at the last meeting and reported on his liaison work with Angie at the Parks. Mike sees a need for a recreational needs assessment and parks and recreation master plan. They are proud the Karen

Hornaday Park Master Plan is in place to allow for grants. A home is needed for the soccer players in town. Hundreds of people are involved and are sent from field to field. At the next meeting the commission will do a park walk-through and plan for a work party for Park Day. They will have a discussion of the Homer Spit Comprehensive Plan and provide feedback.

5. Port and Harbor Advisory Commission

PUBLIC HEARING(S)

- A. Ordinance 10-23**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2010 Operating Budget by Re-Appropriating \$161,979.77 Received in American Recovery and Reinvestment Act (Stimulus) Funds to Several Parks and Recreation Capital Projects Within the City. City Manager. Introduction May 10, 2010, Public Hearing and Second Reading May 24, 2010.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 10-23 by reading of title only for second and final reading.

WYTHE/LEWIS – SO MOVED.

WYTHE/ROBERTS - MOVED TO AMEND THE AMOUNT ON THE NICK DUDIAK FISHING LAGOON TO BE \$15,000 AND DIRECT THE \$40,000 REMAINING INTO AN ENERGY EXPENSE RESERVE FUND.

Councilmember Wythe commented \$15,000 was the actual cost of the work done. With increased rates it is prudent to save for energy costs.

Councilmember Zak questioned putting the money in reserves instead of putting it to work. If the money is not put to work it could be lost.

The stimulus funds were accepted as reimbursement for energy costs via Ordinance 10-15. Finance Director Harville explained we have the energy reserve fund. Monies will remain in the general fund and be used to reimburse energy costs already expended.

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

Motion carried.

VOTE: (main motion as amended) YES. ROBERTS, WYTHE, ZAK, HOWARD, LEWIS
VOTE: NO. HOGAN

Motion carried.

- B. **Ordinance 10-24(S)**, An Ordinance of the City Council of Homer, Alaska, Purchasing Tax Foreclosure Property Owned by the Kenai Peninsula Borough (KPB) for the Amount of \$386.83, Legal Description T 6S R 13W Sec 14 Seward Meridian HM S1/2 of Govt Lot 30 Lying West of Kachemak Dr, KPB Tax Parcel Number 179-080-50, Last Owner of Record Elmer Daarud, Located at 4757 Kachemak Drive, Finding That a Public Need for the Property Does Not Exist, Determining to Offer the Property for Sale, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Introduction May 10, 2010, Public Hearing and Second Reading May 24, 2010.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 10-24(S) by reading of title only for second and final reading.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 10-25**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 4.01.050, Notice of Election, and Homer City Code 4.01.060, Precincts and Polling Places, Regarding Election Notice Requirements; and Amending Homer City Code 4.30.030, Application for Ballot, Regarding the Time to Apply by Mail for an Absentee Ballot. City Clerk. Introduction May 10, 2010, Public Hearing and Second Reading May 24, 2010.

Memorandum 10-65 from City Clerk as backup.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 10-25 by reading of title only for second and final reading.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- D. **Ordinance 10-26**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.75.010 Storm Water Plan – When Required, Amending Homer City Code 21.75.020 Standards for Storm Water Plan, and Repealing and Reenacting Homer City Code 21.75.030 Financial Responsibility, Regarding Storm Water Plan Requirements. City Manager/City Planner. Introduction May 10, 2010, Public Hearing and Second Reading May 24, 2010.

Memorandum 10-66 from City Planner and Planning Technician as backup.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 10-26 by reading of title only for second and final reading.

WYTHE/LEWIS - SO MOVED.

Councilmember Hogan questioned if the storm water plan was for all zoning districts and what triggered it. Memorandum 10-66 does not answer his questions.

City Manager Wrede answered he was not up to speed on the ordinance. There was no representative from the Planning Department in attendance.

HOGAN/ZAK – MOVED TO POSTPONE TO THE NEXT MEETING.

Councilmember Wythe commented it requires that you have the storm water plan engineered so it will be a workable plan. It does not amend the zones it applies to, but merely provides a higher level of oversight for the plan.

VOTE: (postponement) YES. ZAK, HOGAN

VOTE: NO. LEWIS, ROBERTS, WYTHE, HOWARD

Motion failed.

VOTE: (main motion) YES. LEWIS, ROBERTS, WYTHE, HOWARD

VOTE: NO. HOGAN, ZAK

Motion carried.

- E. **Ordinance 10-27**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2010 Operating Budget by Appropriating \$11,200 from the Information System Budget for the Purpose of Purchasing Computer Equipment. City Manager/Public Works Director/Finance Director. Introduction May 10, 2010, Public Hearing and Second Reading May 24, 2010.

Memorandum 10-70 from Finance Director as backup.

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

Mayor Hornaday called for a motion for the adoption of Ordinance 10-27 by reading of title only for second and final reading.

ROBERTS/WYTHER - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- A. **Ordinance 10-28**, An Ordinance of the Homer City Council Accepting and Appropriating an Alaska Small Cities Energy Efficiency and Conservation Block Grant in the Amount of \$227,800.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction May 24, 2010, Public Hearing and Second Reading June 14, 2010.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-28 for introduction and first reading by reading of title only.

WYTHER/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Hogan called for a point of order to address Substitute Ordinance 10-28.

WYTHER/HOGAN – MOVED TO SUBSTITUTE ORDINANCE 10-28(S) FOR 10-28.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 10-29**, An Ordinance of the City Council of Homer, Alaska, Enacting Homer City Code Chapter 1.77, Utility Advisory Commission, to Establish the Utility Advisory

Commission and Prescribe its Duties. Hogan. Recommended dates: Introduction May 24, 2010, Public Hearing and Second Reading June 14, 2010.

Mayor Hornaday called for a motion for the adoption of Ordinance 10-29 for introduction and first reading by reading of title only.

HOGAN/ZAK - SO MOVED.

WYTHE/ROBERTS –MOVED TO AMEND TO REMOVE LINES 18 AND 19 AND LINES 77-81. I WOULD PROPOSE TO STRIKE THOSE REFERENCES TO THE WATER AND SEWER UTILITIES.

Councilmember Wythe commented it was premature; we don't have the \$4.8M appropriated yet. She is concerned having people on the water/sewer board that are not city residents. They would have no direct benefit speaking to the rates.

Councilmember Hogan defended we do allow non residents to serve on the Port and Harbor Commission. People that are not in the city do benefit from the water/sewer utility, as they have a stake in it as consumers and businesses. It is important to have an advisory committee for our utilities. He has no objection to striking lines 18 and 19, but opposes striking lines 77-81. Public input is important as to how we are setting water and sewer rates.

Councilmember Roberts expressed support for the amendment. Council looked at water/sewer rates extensively with a lot of public input. She does not see the Council as non public people; they are representing the public. She does not see how a commission that oversees the gas rates would look at water/sewer rates simultaneously.

Finance Director Harville reported she recently went to the Institute of Public Utilities Regulatory Research and Education class on rate setting upon the recommendation of Councilmember Wythe. They used the water/sewer mock model in the class. The class consisted of commissioners, judges, and highly educated people in rate setting. Having a commission is a huge responsibility. The State of Alaska has a commission (RCA) that regulates utilities. It consists of administrative law judges, engineers, financial and tariff analysts, consumer protection officers, administrative staff and support. We do not fall under the RCA as a water utility because we are a small governmental owned utility. There is no reason we can't follow the guidelines on rates. To take citizens and expect them to have the knowledge of administrative law judges, engineers, and financial analysts and people that have worked in the field for 20 years is putting a big burden on those that don't have the education.

Councilmember Hogan replied at the last round of rate setting there was a lot of input from staff, and very little from the public. This community belongs to the citizens, not the

staff. It is important to have the citizens input on setting rates. It is not a mystery that a common layman cannot figure out. If we make changes, it entirely changes the scope of the commission.

Councilmember Howard recalled when going through the last utility rate discussion, she came up with the prospect of a utility commission. At budget time she withdrew the concept due to staff cutbacks and eliminating overtime. She asked how the commission will be staffed, whether the enterprise fund will be used to fund staff time.

Councilmember Zak supports the amendment and hopes Council will pass it. The utility commission would be advisory, allowing the people in the community a chance to provide information. The commission is not setting the rates; they are giving advice to the Council. With natural gas coming, there is a real need for an advisory commission.

LEWIS/HOWARD - MOVED TO DIVIDE THE QUESTION INTO TWO SEPARATE QUESTIONS.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE: (remove lines 18-19) YES. HOWARD, HOGAN, LEWIS, ROBERTS, WYTHE, ZAK

Motion carried.

VOTE: (remove lines 77-81) YES. ROBERTS, WYTHE
VOTE: NO. ZAK, HOWARD, HOGAN, LEWIS

Motion failed.

Councilmember Wythe asked that prior to the next meeting staff provide verification that we have the powers and authorities to establish a utilities commission. If we want it to be a utilities advisory commission we need to identify specifically in the title what utilities we are advising.

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

Motion carried.

CITY MANAGER'S REPORT

A. City Manager's Report

City Manager Wrede reported Carol Swartz, South Peninsula College, has invited Mayor and Council to the ground breaking of the new building June 10th at noon. On the dredge work at the Fishing Hole, the Corps of Engineers researched their records and reported a permit was not required, as the City already had an obligation to keep it clean. The COE provided 15 days to clean the Fishing Hole. The work was completed for \$15,000. The prior \$55,000 amount was a Capital Improvement Plan (CIP) project that included more work. The training that Finance Director Regina Harville went to on water/sewer rates was valuable. If Council moves forward with a utilities commission we will find money for training. With valuable input from citizens, training on the rate setting will help. City Manager Wrede reported his trips to Juneau amounted to half of the \$7,300 Council allotted for travel. A Worksession in June or July will be needed for the East Boat Harbor. A while back the COE visited Council and provided an update on the feasibility study. A follow-up discussion on how to proceed on the East Boat Harbor is needed. The website project is moving forward with the contractor coming to Homer this week to work with directors responsible for web pages. If any Councilmember is interested in serving on the committee, they are welcome to attend.

City Manager Wrede reported on the old water treatment plant. Public Works Director Carey Meyer had two contractors up there to look at the building. A structural engineer was there over the weekend. We are trying to get a cost on what it will take to repair the building. The dollar amount will then be submitted to the City's insurance. Once we know the amount we will let Council know and determine if it is worth the repair or if it should be torn down. If we decide to repair the structure, it will be designed in a way that is more useful to the Fire Department. A preliminary estimate for repairs is \$300,000 to \$350,000. There is a \$100,000 deductible.

He applauded Councilmember Wythe for amending Ordinance 10-23 to add funds to the energy fund reserves. Another idea could have been to move the funds to the Fire Station.

City Manager Wrede had his first meeting with Enstar last week. It was a productive exchange of ideas on how the natural gas line would go (if the Governor doesn't veto the project). The initial intent is for Enstar to build the line. The City would pass the money through under a contract. They would consider it as they would any private contribution for an extension of a water distribution line. Enstar already has it engineered and designed with many of the permits. They have a pressure reducing valve (PRV) station in Anchor Point so those residents may also tie into natural gas. They would bring it down the Old Sterling Highway to tap more customers. The \$4.8M is enough to build the PRV station and to get the gas line to the first school in Homer. After that we need to figure out how to get it down Pioneer Avenue and how we would do the distribution. At this point the City administration is approaching it as though the City is not going to construct or own it. Enstar is enthusiastic about the project and discoveries of new gas along the North Fork Road. Enstar hopes the City pays attention to the regulatory commission (RCA). There is a contract before the RCA that will approve a new contract between Marathon and Enstar, similar to the contract recently approved between Marathon and Chugiak. That would supply more gas and ensure Homer will be served sooner.

Councilmember Hogan asked City Manager Wrede if he had received any information on the census. The City Manager replied the Planning Department is working directly with the Census and he is not that closely involved.

Councilmember Hogan asked the status of the Spit parking study. City Manager Wrede deferred to Port and Harbor Director Bryan Hawkins who reported the parking plan is part of the Spit Comprehensive Plan. He does not have a timeline on the plan.

Councilmember Hogan asked about the appropriation of salmon recovery funds for a restroom at Fish Dock. City Manager Wrede replied the money is still sitting there and the subject comes up every once in while. He is looking for input as to where the funds should go, whether it be a stand alone bathroom at the load and launch ramp. Two units would require more money to extend water/sewer lines to it. Carey drew up a much cheaper plan to refurbish the restroom in the ice plant. There were some concerns about security, but the plan could be modified. There is enough money for that option. The original plan was to serve the fish dock workers.

Councilmember Hogan commented a few months ago a resolution was passed for accounting of the City's rolling stock in vehicle inventory. He would like to see it come forward prior to the budget. He asked for hour meter or mileage usage of all the rolling stock we have.

Councilmember Zak asked City Manager Wrede if Homer would receive the same natural gas utility rates as an Anchorage customer. City Manager Wrede answered Enstar's intent is to provide the same rates as anyone else on their system. They are willing to come and talk to the Council directly. They could start construction next spring. Mr. Wrede told Enstar Homer residents would expect the exact same rates and people would be upset if the project was delayed because they said they did not have enough gas, yet continued to hook up other customers. They are hooking up giant buildings in Anchorage, Kenai, and the MatSu almost every day. There is no reason why Homer residents should not have the same rates. Enstar does not finance improvements; they do build them since they end up owning them. The Borough has been in the business of doing this for some time. The Borough will upfront the money and finance it and they charge the prime rate plus 2% on a 10-year payback. Enstar would like the City to consider this.

Councilmember Zak asked if Enstar had been asked if HEA rates would be affected. City Manager Wrede answered we may need to hear HEA comments along with Enstar's.

City Manager Wrede said we have started looking at our own buildings. If you can get the big consumers hooked up first that is the way to get it started and gas into town. It can then branch off into the neighborhoods and to East End Road. It would be a big savings to convert the Police Department to gas. Bill Smith did an energy audit on the Homer High School and calculated they would save \$500,000 per year by converting to natural gas.

Mayor Hornaday called for a recess at 7:33 p.m. and reconvened the meeting at 7:36 p.m.

B. Bid Report

COMMITTEE REPORT

A. Public Arts Committee

B. Transportation Advisory Committee

1. Memorandum 10-73 from Transportation Advisory Committee, re: A Petition to the City of Homer from Businesses and Residents in Old Town Re: Bishops Beach Area Traffic Control Measures.

Councilmember Roberts reported the Transportation Advisory Committee gained a new member. Memorandum 10-73 supports ideas of traffic control for Old Town. Patty Boily from the mass transportation group forming on the Kenai Peninsula Borough spoke to the committee.

C. Permanent Fund Committee

D. Lease Committee

PENDING BUSINESS

NEW BUSINESS

- A. **Memorandum 10-71**, from Special Projects Coordinator, Re: CIP List Development - Schedule for 2011-2016.

Mayor Hornaday called for a motion for the approval of the recommendations of Memorandum 10-71.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Memorandum 10-74**, from Mayor Hornaday, Re: Refer to Planning Commission for Recommendation of Candidates for the Kenai Peninsula Borough Planning Commission.

Mayor Hornaday called for a motion for the approval of the recommendations of Memorandum 10-74.

WYTHE/LEWIS - SO MOVED.

Brief discussion ensued on the recommendation of a planning commissioner for the KPB. The Homer Advisory Planning Commission will make a recommendation and forward it to Council for their consideration.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RESOLUTIONS

- A. **Resolution 10-46**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting Maggie LaRue's FireWise Poster Design Fashioned as a Ceramic Tile Mosaic by Kenai Peninsula College Students to be Installed at the Fire Hall. City Manager.

Mayor Hornaday called for a motion for the adoption of Resolution 10-46 by reading of title only.

WYTHE/HOGAN - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 10-47**, A Resolution of the Homer City Council Extending the City of Homer Prisoner Meal Service Contract for One Year with the Firm of Homer Senior Citizens, Inc. of Homer, Alaska, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Police Chief.

Mayor Hornaday called for a motion for the adoption of Resolution 10-47 by reading of title only.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Doug Stark, city resident, commented that the change to the Town Center section (size limits) goes to the City Council who refers it to the Planning Commission. The City Council cannot adopt or reject it until the Planning Commission reviews it and recommends approval. He thought Memorandum 10-75 would go directly from EDC to the PC.

Chris Moss, city resident, spoke on behalf of the Seafarer's Memorial committee. The memorial started with the late Drew Scalzi. Land was set aside for the memorial in 1988; the memorial was completed in 1994. It was included in the Homer parks for maintenance in 1996. Thousands of dollars and hours of volunteer work have been donated to bring the dream to completion. The City waters the flowers and volunteers continue to plant flowers, perform maintenance, and plant bricks. The memorial is a tribute to only those that died at sea; all are equal at the Seafarer's Memorial. Their concern is about the precedent of setting monuments at the Seafarer's location. The committee has rejected numerous requests by families for additional memorials outside the memorial. Drew Scalzi's name can only be found on the paved bricks in front of the memorial. Mr. Moss presented the book, "Seafarer's Memorial" to the City Clerk to be maintained as history.

City Manager Wrede commented the general agreement amongst parties is that the monument for Jean would go elsewhere. Artist Brad Hughes was contacted by the City Clerk and Mr. Wrede has talked to committee members and apologized that no one had gone to the memorial committee before they went to City Council. Currently he is working on a solution.

Lu Lovelace represents Time Bandit Productions and Cannery Row Boardwalk. Parking is an issue on the Spit. She asked that Council consider making diagonal parking from the Boardwalk to past the Salty Dawg 2-hour parking. Those of us that work there would be happy to park further away so customers can find a place closeby.

Bill Smith, KPB Assemblyman, clarified Homer High School will save \$108,000 by conversion to natural gas. He sent the rate comparison to the Governor and urged others to write to the Governor about natural gas rates. Residential gas rates would save slightly over 50% of what #1 fuel oil is running. It is even more of a savings in comparison with electric and propane.

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 thanked Mayor and Council for allowing him to participate by teleconference. He apologized to Bill Smith for bungling his study numbers on the high school energy usage.

COMMENTS OF THE MAYOR

Mayor Hornaday commented it was good to be back. On Wally Hickel's passing, the Mayor said he was an interesting guy, whether you agreed or disagreed with him. He had a lot of energy. When he first ran for Governor they gathered at the Captain Cook. There was a young lawyer

there that asked if a guy named Wally who parts his hair in the middle could be Governor. He sure was, as he was elected to two terms.

COMMENTS OF THE CITY COUNCIL

Councilmember Wythe commented on the relocation on the Jean Keene memorial. There will be a proposal or resolution before Council at the next meeting. Some of the locations to consider are the Coal Point Park, at one of the bird viewing stations on the Spit Trail, or the Mariner Park near the gazebo.

Councilmember Hogan appreciates Chris (Moss) coming down to give his eloquent talk. The Seafarer's Memorial is a special place and he has said goodbye to far too many friends there. As for the recommendations of EDC, at the next meeting he will have a memo in proper form to carry it through.

Councilmember Zak thanked the presenters at the Pratt Museum and CIRCAC. He told the Pratt he is partly responsible for their storage problem. He found a prehistoric horse bone at the bottom of Baycrest along the beach that he added to the museum's collection. They are happy with the new building as they have many citizens with historical artifacts. He appreciates CIRCAC knowing what is going on in the gulf, and that they are there with committee members learning and sharing.

Councilmember Howard said she will be working with staff on the website project. She asked Council to visit a few websites and give her some input. She asked if there was interest in having the annual police report at a worksession to review and have the Police Chief walk Council through. She asked to be excused June 14th to attend a family reunion.

Councilmember Lewis and Roberts had no comment.

ADJOURNMENT

There being no further business to come before the Council the meeting was adjourned at 8:00 p.m. by Mayor James C. Hornaday. The next Regular Meeting is scheduled for Monday, June 14, 2010 at 6:00 p.m. The next Committee of the Whole is scheduled for Monday, June 14, 2010 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.

JO JOHNSON, CMC, CITY CLERK

Approved: _____