

Session 12-24 a Regular Meeting of the Homer City Council was called to order on August 27, 2012 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: BURGESS, HOWARD, LEWIS, ROBERTS,
WYTHER, ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
COMMUNITY & ECONOMIC DEVELOPMENT
COORDINATOR KOESTER
FINANCE DIRECTOR MAURAS
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER
SYSTEMS MANAGER POOLOS

Council met as a Committee of the Whole from 5:00 p.m. to 5:53 p.m. to hear Employee Wellness Program presentation by Matt Clarke & Melissa Jacobsen of the Employee Committee and Katie Koester provided information on the Online Calculator. Other agenda items included Budget 2013 - Revenue Sources for General Fund, Regina Mauras, and Regular Meeting Agenda items.

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

AGENDA APPROVAL

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

The agenda was approved by consensus of the Council with the following changes:

PENDING BUSINESS - **Ordinance 12-33(A)**, Amending the FY 2012 Operating Budget, Including Appropriations to the General Fund and the Port and Harbor Fund and Funding New Projects from Various Reserve Accounts, Appropriating \$10,567 for the Homer Hockey Association Zamboni Batteries. Written public comment. **Ordinance 12-36**, Enacting Homer City Code Chapter 5.42 Prohibiting Sellers from Providing Customers with Disposable Plastic Shopping Bags. Written public comment. **Resolution 12-074**, Authorizing the City Manager to Negotiate a Transfer of Responsibility Agreement with the Alaska Department of Transportation and Public Facilities which Designates the City as the Entity Responsible for Engineering, Design, and Construction of Traffic Control Improvements at the Intersection of Main Street and the Sterling Highway. Written public comment. **RESOLUTIONS** - **Resolution 12-077(S)**,

Awarding the Contract for the Relocation of the Mariner Park Driveway to the Firm of **Collins Excavation and Services** of **Homer, Alaska.** Memorandum 12-136 from Public Works Director as backup.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Carol Hamik, city resident, advocated for roundabouts which are safe, keep traffic flowing, and are aesthetically pleasing. They can handle large trucks and are fuel efficient.

Judy Marley, city resident, opposes Resolution 12-074 and supports seeking a roundabout as a safer solution. Roundabouts eliminate serious accidents as most crashes are glancing blows.

Franco Venuti, city resident, commented on Resolution 12-074. A lot of businesses would be affected by the bottleneck of traffic at a traffic light. There are other solutions without spending the \$2M such as right turns only and one way streets.

Mike O'Meara, Board Member of Cook Inletkeeper, commented on the Buccaneer big rig that is sitting out in critical habitat area. When the City acts as the host for the machine the City takes on a huge responsibility. It is up to the City to oversee their visit to make sure it is done safely and no incidents affect the bay.

Larry Slone, city resident, commented on Resolution 12-074. Roundabouts are natural and appropriate for here. He opposes traffic lights.

Tammie Shrader, Homer resident, commented on Ordinance 12-36 and advocated for the ban on plastic bags. It is a good start to raise awareness.

Deb Lowney, city resident, commented on Ordinance 12-36 and Resolution 12-074. She supports a ban of plastic bags and a roundabout at the Main Street/Sterling Highway intersection.

William Marley, city resident, commented on Resolution 12-074. He is supportive of a roundabout that is much more efficient. To reduce costs roundabouts can be designed in an oblong fashion.

Meghan Murphy, city resident, supports Ordinance 12-36. The whole population bears the cost of disposable bags with marine debris and solid waste in landfills. Retailers could put the cost onto buyers, or buyers can furnish reusable bags. A ban can provide an educational opportunity that our community values coastal environment and resources.

Angie Newby, Chair of the Public Arts Committee, asked for support of Memorandum 12-133 for a review committee for 1% art in the public restrooms.

Charlie Stewart, city resident, commented on Ordinance 12-33. Homer Hockey Association is a great asset to the community. They have a ton of tournaments and bring in a ton of people.

Bob Malone, city resident, commented on Ordinances 12-33 and 12-36. The money for the hockey rink is well spent as it is great for local kids and brings a lot of people here in the winter. He is against the ban on plastic bags as 90% of Americans reuse the plastic bags and he has not seen debris on the roads.

Al Waddell, city resident, commented on Ordinance 12-36. He opposes the ban on plastic bags as people reuse them for many purposes.

RECONSIDERATION

CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Special and Regular Meeting minutes of August 13, 2012. City Clerk. Recommend adoption.

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

WYTHE/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

- A. **Keren Kelley**, Homer Senior Center

Keren Kelley, Executive Director of the Homer Senior Center, reported the center has been in existence since 1973 serving senior citizens of the community. There has not been a lot of support from agencies until recently. Last year they served 11,451 meals, with 46 people receiving delivered meals 7 days a week. They have adult day services and house 30 assisted living seniors, provide 24/7 assisted living care, employ 30 members of the community, and purchase supplies and services from the community. Other individuals and organizations are supported by the center and nonprofits use the facility. The Homer Senior Center is a nonprofit organization and they request \$50,000 in financial support from the City. On September 19th at 6:00 p.m. they will have a community wide strategic planning meeting. She invited everyone to the senior facility to see what the seniors have given to Homer.

B. Diane Converse, Pratt Museum Building Project Update

Diane Converse, Director of the Pratt Museum, provided a PowerPoint presentation showing the site plan of Phase I of the new museum. There will be an expanded gallery, dedicated education and community gathering space, expanded gallery spaces and collection storage space, an additional restroom, and will be fully ADA compliant. Phase II will be done after the Woodard Creek restoration project is complete.

Ms. Converse asked Council to place the museum project high on the City's CIP list. By doing so it will help keep the project on schedule, will allow leverage of millions of dollars to benefit the community, lead the way in providing state of the art care for our community's past, and provide a gathering place that will help ensure a sustainable future.

C. Steve Lombard, Cardno Entrix, Mark Landt, Buccaneer Alaska Operations, LLC, Drilling Project in Cook Inlet

Steve Lombard of Cardno Entrix and Mark Landt of Buccaneer Alaska Operations provided a PowerPoint presentation of the Cook Inlet Exploratory Drilling Program. Cardno Entrix was established in 1987 in Anchorage. They are a professional environmental consulting company with offices in the U.S., Canada, and South America. Buccaneer Alaska Operations has been working with Entrix representatives for many years. Buccaneer acquired acreage in 2010 and drilled their first well in Kenai near Walmart in 2012 to provide gas sales to Enstar.

The Upper Cook Inlet Exploration Project included four wells planned for the summer of 2011. That was postponed due to jackup rig availability. The wells will be call Northwest Cook Inlet #1 and #2 and Southern Cross #1 and #2. The Lower Cook Inlet Exploration Project acquired two leases in 2012 and two wells are planned for the winter of 2012/2013. Those wells are names Cosmo #1 and #2. Drilling vertical offshore wells with the Endeavour will allow for penetration of shallow gas formations that are not reachable from onshore locations.

Buccaneer's operations include environmental management to protect Beluga whales and comply with the Endangered Species Act, Marine Mammal Protection Act, and Marine Mammal Monitoring and Mitigation Plan. Additionally they have obtained permitting with the Alaska Department of Environmental Conservation, Alaska Department of Natural Resources, Alaska Oil and Gas Conservation Commission, National Marine Fisheries Service, U.S. Army Corps of Engineers, U.S. Coast Guard, and U.S. Environmental Protection Agency.

Buccaneer has contracted with Archer Drilling that will manage the jackup rig. Fifty percent of their crew are Alaska residents.

Mayor Hornaday called for a recess at 7:17 p.m. and reconvened the meeting at 7:23 p.m.

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

A. **Mayor's Proclamation** – September 2012 as Senior Center Month

Mayor Hornaday read and presented the proclamation to Keren Kelley.

B. **Mayor and City Council's Recognition** – Public Arts Committee for their role in the successful Open House for the Newly Remodeled City Hall

Mayor Hornaday read and presented the proclamation to Angie Newby.

C. Borough Report

D. Commissions/Board Reports:

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

Lars Bell, Parks and Recreation Advisory Commissioner reported the commission's recommendations for the CIP list:

- HERC Building

- Karen Hornaday Park Improvements
- Kachemak Drive Pathway
- Jack Gist Park
- Fishing Lagoon Improvements

5. Port and Harbor Advisory Commission

PUBLIC HEARING(S)

- A. **Ordinance 12-38(S)**, An Ordinance of the City Council of Homer, Alaska, Amending the 2012 Operating Budget by Appropriating Up to \$7,000 from the ~~Port And Harbor~~ **Airport Depreciation** Reserves Fund for Paving Repairs at the Airport Terminal. City Manager/Public Works Director. Introduction August 13, 2012, Public Hearing and Second Reading August 27, 2012.

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 12-38(S) by reading of title only for second and final reading.

LEWIS/WYTHER – SO MOVED.

The repairs will be for the sidewalk in front of the terminal.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 12-39**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Denali Commission Grant in the Amount of \$440,000 for Engineering Design Services for Priority Capital Improvements within the Homer Boat Harbor (Ramp 3 Float Replacement and System 5 Upgrades) with a Required Twenty Percent (20%) Local Match of \$110,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Port and Harbor Director. Introduction August 13, 2012, Public Hearing and Second Reading August 27, 2012.

Ordinance 12-39(S), An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Denali Commission Grant in the Amount of \$440,000 for Engineering Design Services for Priority Capital Improvements Within the Homer Boat

Harbor (Ramp 3, Float Replacement and System 5 Upgrades) with a ~~Required Twenty Percent (20%)~~ Local Match of \$110,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Port and Harbor Director.

Memorandum 12-110 from Community and Economic Development Coordinator as backup.

Memorandum 12-130 from Public Works 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 12-39 by reading of title only for second and final reading.

HOWARD/ROBERTS - SO MOVED.

Mayor Hornaday called for a motion to substitute Ordinance 12-39(S) for Ordinance 12-39.

HOWARD/LEWIS - SO MOVED.

There was no discussion.

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

Motion carried.

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

Motion carried.

- C. **Ordinance 12-40(S)**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Special Act Appropriations Project (SAAP) Grant in the Amount of \$881,818 and Authorizing a 45% Matching Requirement from the Homer Accelerated Water and Sewer Fund (HAWSP) in the Amount of \$396,818 for the Purpose of Completing Water Distribution/Storage Improvement Projects and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director. Introduction August 13, 2012, Public Hearing and Second Reading August 27, 2012.

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 12-40(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.

D. **Ordinance 12-41**, An Ordinance of the City Council of Homer, Alaska, Appropriating \$60,000 from the General Fund Reserve and Transferring These Funds to the Kenai Peninsula Borough to Support Renovation of the Homer High School Track Complex Including All Additive Alternatives. City Manager. Introduction August 13, 2012, Public Hearing and Second Reading August 27, 2012.

Memorandum 12-132 from City Manager 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 12-41 by reading of title only for second and final reading.

WYTHE/ROBERTS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

A. City Manager's Report

This City Manager's report will be devoted primarily to a verbal update on a number of natural gas issues. They include, but will likely not be limited to:

1. Budget Development for the assessment district
2. On-Line calculator and other public information effort topics
3. Exclusion criteria for the improvement plan
4. Exclusion criteria for the Special Assessment District
5. Trunk Line developments

City Manager Wrede reported on the resolution about decision making criteria on the gas line. When Council passed the resolution asking for the improvement plan we needed to know how much pipe was going to be built and where it would go. Until we tell Enstar what the scope of the project is they can't come up with estimates and we can't give the precise number of lots that will be served. The task force has been working on a set of criteria that is included in Resolution 12-076.

Last week staff met with four representatives of Enstar. We showed them our criteria and a map of the lots that would be excluded. The criteria that was established is a way to make decisions and explain it to the public. The map depicts parcels that will not be served by the pipe. Either there is no road, no other utilities there, in an area that would be difficult or impossible to develop, steep areas or extreme wetlands. If someone is excluded they will have the option of coming to the Council and petitioning to be included in the Special Assessment District/LID. Or later on, two to three years, if someone decides to develop a subdivision beyond where the gas line stops they could form a new LID or go directly to Enstar. We have been spending a lot of time on it. Katie is trying to get as much information to the public as possible.

If someone wishes to join in the Special Assessment District they can petition to be included. If the land excluded is expensive to serve it would increase the costs for all people within the Special Assessment District/LID. It will be a value judgment the Council will need to make. Council has said they wanted to extend gas to the whole town with every lot owner paying the same. There are a lot of instances where extending the pipe will cost more for everyone else. The Spit is a good example. It will mean additional costs for everyone else. The Spit and bluffs raise the cost. Council has said there are good arguments to supply the whole town now. Enstar will draw the pipe in the map and provide cost estimates. We will have a more precise cost of the lots to be served. We will then take a look at the cost estimates and may seek a second opinion on some prices to ensure the public is getting the best deal for their money.

City Manager Wrede provided an update on the trunk line developments. Enstar is working on the right-of-way and permitting, along with cultural resources and wetlands. They have asked for a monetary advance to provide compensation for the work they are doing. They are on track for construction next spring. The task force compiled a schedule for getting the LID approved if

construction is to begin this spring. Good reasons to start construction next spring are for prices and the opportunity to do the whole town for the same price. Enstar will build the trunk line as fast as possible and hook up customers as they go. If we delay the process, there is the possibility the trunk line down Fairview could have a lot of people hooked up before we get around to the LID. Large consumers may contract directly with Enstar to get the gas quickly. Enstar says if we have the LID approved by the end of January it will put them in good shape to order the pipe. The schedule works to allow us to be on track. Enstar says they can do it all in two years and will let us know if they can guarantee the price for two years. The quicker the better, as they can get in and get out with cost savings. From the City's perspective getting the project done quickly will be the best. There will be real challenges with traffic control.

We are working on the budget for the gas line and costs allocated to the project. Some of the costs may be addressed with software and new automated office equipment. Some staff will be needed for the Clerk's department for four months and Public Works will need temporary people in the summertime to deal with utility locates and onsite permitting for services lines.

B. Bid Report

CITY ATTORNEY REPORT

COMMITTEE REPORT

A. Public Arts Committee

B. Transportation Advisory Committee

Councilmember Roberts reported the committee met for their quarterly meeting and made five transportation related recommendations for the CIP. People for the Kachemak Drive Path gave an excellent presentation, making the committee feel good about the things they heard.

C. Permanent Fund Committee

D. Lease Committee

E. Port and Harbor Improvement Committee

F. Employee Committee Report

G. Water and Sewer Rate Task Force

Councilmember Wythe reported the task force is meeting regularly twice a month in the Conference Room. There has been very little public input. She encouraged public participation in the meetings.

PENDING BUSINESS

- A. **Ordinance 12-33(A)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Operating Budget, Including Appropriations to the General Fund and the Port and Harbor Fund and Funding New Projects from Various Reserve Accounts, **Appropriating \$10,567 for the Homer Hockey Association Zamboni Batteries**, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Finance Director. Introduction July 23, 2012, Public Hearing August 13, 2012, and Second Reading August 27, 2012.

Ordinance 12-33(A)(S), An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Operating Budget, Including Appropriations to the General Fund and the Port and Harbor Fund and Funding New Projects from Various Reserve Accounts, **Appropriating \$10,567 for the Homer Hockey Association Zamboni Batteries**, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Finance Director.

Memorandum 12-113 from Systems Manager as backup.

Memorandum 12-114 from Port and Harbor Director as backup.

Memorandum 12-115 from Library Director as backup.

Memorandum 12-116 from Public Works Superintendent as backup.

Memorandum 12-024 from Public Works Director as backup.

Memorandum 12-110 from Community and Economic Development Coordinator as backup.

Mayor Hornaday called for a motion for the adoption of Ordinance 12-33(A) by reading of title only for second and final reading.

WYTHE/LEWIS - SO MOVED.

Mayor Hornaday called for a motion to substitute Ordinance 12-33(A)(S) for Ordinance 12-33(A).

WYTHE/LEWIS - SO MOVED.

There was no discussion.

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

Motion carried.

Councilmember Burgess expressed opposition to the \$15,000 expenditure for tablet computers. He believes there are better alternatives for tablet computers.

BURGESS/WYTHE - MOVED TO REMOVE LINE ITEM 100-113, \$15,000 FOR COMPUTER TABLETS.

Councilmember Roberts expressed opposition to the amendment. The time has come to move in the electronic direction to get everyone on one page for all the legislation issues that come before us.

Councilmember Lewis will not support the amendment due to cost savings with paper packets and separating email from home computers.

Councilmember Burgess does not oppose digital progress; computer tablets are not the best alternative. There would be benefit to find a more economically feasible alternative.

VOTE: (amendment) YES. WYTHE, BURGESS

VOTE: NO. LEWIS, ROBERTS, ZAK, HOWARD

Motion failed.

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

Motion carried.

B. **Ordinance 12-36**, An Ordinance of the Homer City Council, Enacting Homer City Code Chapter 5.42 Prohibiting Sellers from Providing Customers with Disposable Plastic Shopping Bags. Lewis/Burgess. Introduction July 23, 2012, Public Hearing August 13, 2012, and Second Reading August 27, 2012.

Mayor Hornaday called for a motion for the adoption of Ordinance 12-36 by reading of title only for second and final reading.

LEWIS/BURGESS – SO MOVED.

Councilmember Burgess has received lots of input from the business community. There are a number of people that have a large inventory of plastic bags. Rather than implement the ban on plastic bags and force people to throw out several years of inventory, he proposed an amendment to aid those retailers.

BURGESS/ROBERTS – MOVED TO AMEND TO ADD ITEM 5.42.040 EXCEPTIONS, HAVE THE AMENDMENT READ: INVENTORIES OF PLASTIC SHOPPING BAGS PURCHASED BEFORE THE DATE OF ENACTMENT OF THIS ORDINANCE MAY CONTINUE TO BE USED BY SELLERS AND PROVIDED TO CUSTOMERS AFTER JANUARY 1, 2013 UNTIL ALL SUCH INVENTORIES OF PLASTIC BAGS ARE COMPLETELY USED IN THE COURSE OF REGULAR BUSINESS OPERATIONS SELLERS PROVIDING PLASTIC BAGS UNDER THIS EXCEPTION AFTER JANUARY 1, 2013 MUST BE WILLING AND ABLE TO PROVIDE DOCUMENTATION THAT SUCH PLASTIC BAGS WERE PURCHASED ON OR BEFORE THE DATE OF ENACTMENT OF THIS ORDINANCE.

Councilmember Burgess defended it will reduce waste by not having to throw away inventories of bags and is as business friendly as possible. Small businesses provide the City tax revenue and we should do everything to accommodate them.

ROBERTS/BURGESS - MOVED FOR A FRIENDLY AMENDMENT TO CHANGE THE CURRENT 5.42.040 TO 5.42.050.

There was no discussion.

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

Motion carried.

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

Motion carried.

LEWIS/BURGESS – MOVED TO AMEND LINE 56 (PENALTY) TO REMOVE THE PERIOD AFTER \$50 AND ADD PER DAY.

Councilmember Roberts commented we are here to help the environment and \$50 per day is too steep of a fine.

Councilmember Lewis asked for alternatives.

Councilmember Howard suggested removing section 5.42.040 completely and impose no penalty.

VOTE: (amendment) YES. BURGESS, LEWIS, WYTHE
VOTE: NO. HOWARD, ROBERTS, ZAK

Mayor Hornaday broke the tie with a NO vote.

Motion failed.

HOWARD/LEWIS - MOVED TO REMOVE LINE 56: 5.42.040 PENALTY.

Councilmember Howard noted if we cannot enforce it is bad public policy. Until we can prove that we can actively enforce it should be removed.

VOTE: (amendment) YES. ZAK, HOWARD, WYTHE
VOTE: NO. BURGESS, LEWIS, ROBERTS

Mayor Hornaday broke the tie with a NO vote.

Motion failed.

Councilmember Wythe expressed opposition as she doesn't feel it is the place of the City Council to be organizing or directing the ethics or values of individuals. The community is good at grass roots movements and can get rid of the plastic bags by that means. By ordinance it is a penalty against a select group of people as there are all kinds of plastic bags that are exempted.

Councilmember Lewis reflected it was 1982 when plastic bags first started appearing in stores. The landfill is now closed and we are transferring garbage up the road. This is a small step in a long journey. It is getting rid of one thing. It is a movement around the world. He has mixed feelings on it and does his best not to use the plastic bags. At the landfill plastic bags are blowing all around. We don't recycle and do not have an answer to where the recyclables go.

Councilmember Howard opts for getting the grassroots group together. It is each person's option all along. As a community we could decide not to have plastic bags and eliminate them because we want to do it. She expressed appreciation for raising it up to the community level.

Councilmember Burgess expressed support for the same reason you would take lead out of gasoline, think about air quality, or the food you eat. There are plenty of voices in the community

that support the ban for economic and quality of life issues. It is a good compromise for both sides. Five to six cents more per bag is worthwhile.

VOTE: YES. ZAK BURGESS, LEWIS, ROBERTS

VOTE: NO. WYTHE, HOWARD

Motion carried.

- C. **Resolution 12-074**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Negotiate a Transfer of Responsibility Agreement with the Alaska Department of Transportation and Public Facilities which Designates the City as the Entity Responsible for Engineering, Design, and Construction of Traffic Control Improvements at the Intersection of Main Street and the Sterling Highway. City Manager. (Postponed from August 13, 2012.)

Memorandum 12-127 from City Manager as backup.

Motion on the floor from August 13th: MOTION FOR THE ADOPTION OF RESOLUTION 12-074 BY READING OF TITLE ONLY.

Councilmember Wythe expressed the need to put something in place at the intersection soon. If DOT decides to put in a round-about, a traffic signal could be moved. In the last few years there have been accidents at the intersection and nothing has been done for the last eight years (during her tenure on the Council). Some type of traffic control is needed for the intermediate time. A traffic light would suffice without upgrading the entire turning lane. Crossing the Bypass (Sterling Highway) as a pedestrian is dangerous. The community of Homer will continue to grow and we want to be a walkable town. For DOT to come through with millions of dollars for the intersection it could be another 5-10 years.

Councilmember Roberts noted if we spend \$2M on the intersection those funds won't be there to make an improved intersection.

Councilmember Howard asked if the funds must be turned over to DOT prior to them applying for the project.

City Manager Wrede reported DOT has already applied for the funds and the project scored highly on its own. If the City pledges money to match State funding we could get a better intersection with a turning lane with construction soon. The \$2M will expire soon as we have been sitting on it for at least four years. We will have to ask for an extension or re-appropriation.

Councilmember Howard believes it is the worst intersection for a round-about due to the grade separations. A round-about does not do anything for pedestrians or bikers. She requests we move ahead and take care of this ourselves.

Councilmember Wythe commented the \$2M appropriation came in with Town Center. We asked for it to be re-appropriated for Main Street upgrades.

City Manager Wrede reported Main Street upgrades were in the original request to the Legislature. The money was in the budget for Town Center. The vote happened and the bond sale failed so our Legislatures switched the money to the Main Street/Sterling Highway intersection project. The City has never built a stoplight.

Mayor Hornaday commented if the City does this we will have to handle the bid, contract, and eminent domain issues.

Councilmember Wythe stated we can contract the project to someone qualified. There will be no upgrade to the intersection, just a stoplight. Pedestrians will be able to cross the road and drivers will have to stop to make a conscious view.

Mayor Hornaday warned if the City takes it on, it is a City project. The City will have to coordinate and supervise it and if things go wrong it will come right back to the City.

VOTE: YES. WYTHE, HOWARD,

VOTE: NO. ROBERTS, ZAK, BURGESS, LEWIS

Motion failed.

NEW BUSINESS

- A. **Memorandum 12-133** from City Manager, Re: Failed Memorandum 12-124, Public Art Selection Committee.

Mayor Hornaday called for a motion for approval of the recommendations of Memorandum 12-133 to approve the art selection committee.

LEWIS/BURGESS - SO MOVED.

Councilmember Burgess believes some portion of the art money should be interactive bathroom art.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Memorandum 12-134** from Community and Economic Development Coordinator, Re: Online Calculator - Providing the Public with Information on How Much Converting Their Home to Natural Gas Will Cost.

Mayor Hornaday called for a motion for approval of the recommendations of Memorandum 12-134 to expend funds for an online calculator tool.

Administration recommended it be voted down as there are too many variables for the cost of conversion to natural gas.

LEWIS/BURGESS – SO MOVED.

Councilmember Wythe asked to be recused since discussion is on the natural gas line.

Mayor Hornaday ruled Councilmember Wythe was recused. There was no objection from the Council.

Councilmember Wythe was excused from the table.

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

Motion failed.

Councilmember Wythe returned to her seat.

RESOLUTIONS

- A. **Resolution 12-075**, A Resolution of the City Council of Homer, Alaska, Approving the City of Homer Employee Wellness Program, Authorizing Enrollment with the Virgin Health Miles Program Facilitated by the Horton Group, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager.

Memorandum 12-135 from the Employee Committee as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 12-075 by reading of title only.

HOWARD/BURGESS - SO MOVED.

Councilmember Howard thanked the committee for the wonderful presentation and all the hard work they have done. There is enthusiasm and it will be a good thing.

Councilmember Wythe commented generally a wellness incentive program of less than 90 days resulting in a long term change of lifestyle is nonexistent. Instead of doing the monthly incentive programs she suggests four per year to see if they can get the 2013 price of the program lowered.

Councilmember Burgess commented the committee did an excellent presentation. The ultimate objective should be to reduce health costs for the City. Alternatives that minimize staff time and reduce costs should be paramount.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Resolution 12-076**, A Resolution of the City Council of Homer, Alaska, Approving Exclusion Criteria for Parcels Within the City Limits That Will Not be Directly Served by Natural Gas Distribution Mains Constructed Under the Proposed Natural Gas Special Assessment District. City Manager.

Mayor Hornaday called for a motion for the adoption of resolution 12-076 by reading of title only.

LEWIS/BURGESS – SO MOVED.

Councilmember Wythe asked to be recused.

Mayor Hornaday ruled Councilmember Wythe was recused. There was no objection from the Council.

Councilmember Wythe was excused from the table.

Councilmember Burgess asked City Manager Wrede for a guarantee that everyone not included in the draft build out plan will get notice and an opportunity to appeal for inclusion.

City Manager Wrede answered the Planning Department will send a letter to those people not included in the LID. There are opportunities in the LID process to petition Council for inclusion before the final assessment roll. After the project is built people can apply for an LID later or work directly with Enstar. For people that have plans for development and wish to be included, we can have that discussion. It will be a matter of where we want to draw the line, do they have wetlands permits or roads in place. There is a lot of concern of tearing up the roads later to put in

utilities separately. As the criteria is written now, if someone has a real development plan they can come in to get gas.

Councilmember Lewis asked if there will be a timeline to appeal so people will know what it will cost per parcel.

City Manager Wrede answered when we get maps back from Enstar to show where the pipe is we will know how many lineal feet are needed and will have reasonable cost estimates before the neighborhood meetings.

Councilmember Roberts asked if the map will be online for view.

City Manager Wrede answered the map will soon be online. A software program where all lots are listed by their Borough parcel number would make it helpful for people to know if they will be included or not.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

C. **Resolution 12-077**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Relocation of the Mariner Park Driveway to the Firm of _____ of _____, _____, and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.

Memorandum 12-105 from Public Works Director as backup.

Resolution 12-077(S), A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Relocation of the Mariner Park Driveway to the Firm of **Collins Excavation and Services** of **Homer, Alaska**, and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.

Memorandum 12-136 from Public Works Director as backup

Councilmember Zak disclosed a possible conflict of interest as Collins Excavation did work for him that exceeded \$1,000.

Mayor Hornaday ruled Councilmember Zak did have a financial conflict and was excused.

Mayor Hornaday called for a motion for the adoption of Resolution 12-077 by reading of title only.

WYTHE/HOWARD - SO MOVED.

Mayor Hornaday called for a motion to substitute Resolution 12-077(S) for Resolution 12-077.

WYTHE/LEWIS - SO MOVED.

Discussion ensued on Councilmember Zak's conflict of interest. A conflict would not apply when one is paying for services rather than being compensated for services.

WYTHE/HOWARD – MOVED TO OVERRULE THE MAYOR'S DECISION ON THE CONFLICT OF INTEREST.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Zak resumed his seat to vote.

Councilmember Lewis asked about the low bid, \$5,000 less than the next lowest bid. Public Works Director Meyer answered he talked with Collins Excavation this morning and reviewed the bid items. The company is committed to complete the project for that price and has a history of completing work with the City.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

D. **Resolution 12-078**, A Resolution of the City Council of Homer, Alaska, Approving the Award of the 2012 Septic Tank Pumping Contract to Homer Septic Services of Homer, Alaska, in the Amount of \$33,655 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.

Memorandum 12-131 from Public Works Inspector as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 12-078 by reading of title only.

HOWARD/LEWIS - SO MOVED.

Councilmember Howard asked why we are pumping on the Spit when we have sewer out there and three lift stations.

Public Works Director Meyer explained there are two customers on the Spit that have similar systems to Kachemak City. There is a pressure force main coming off the Spit with a couple services that connect. The septic tanks on the Spit similar to Kachemak City hold solids that need to be pumped.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Larry Slone, city resident, commented as a potential user of natural gas he has to actively solicit information to see if it will be beneficial. He asked the Mayor what he meant by saying we will be in for interesting times.

Mayor Hornaday answered just that, we will be in for interesting times.

Bill Smith, Homer resident, commented on septic tank pumping. He asked that we don't charge Kachemak City for pumping tanks on the Spit. Since Representative Seaton was the force behind getting the gas line here, he would like Council to write him a letter thanking him.

Mayor Hornaday commented a letter was sent to Representative Seaton, Mayor Navarre, and Representative Chenault, but not Senator Stevens.

Julie Marie Anderson, Homer resident, has no running water. She lives on Bunnell Street and can't go around without running water or heat. She currently has to get water from Safeway.

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 had no comment.

COMMENTS OF THE MAYOR

Mayor Hornaday had no comment.

COMMENTS OF THE CITY COUNCIL

Councilmember Lewis commented tomorrow is voting day and he hopes everyone gets out to vote so we can have a large turnout.

Councilmember Roberts said she voted yes on budget amendment Ordinance 12-33(A)(S). She voted to fund the hockey for their Zamboni. She was voted down two meetings ago when the ordinance was considered. It is very problematic to keep funding non profits in this manner.

Councilmembers Wythe, Zak, Howard, and Burgess had no comment.

ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 8:46 p.m. The next Regular Meeting is Monday, September 10, 2012 at 6:00 p.m., Special Meeting 4:00 p.m., Worksession 4:20 p.m., and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

JO JOHNSON, CMC, CITY CLERK

Approved: _____