

ACTION AGENDA
Monday, July 24, 2017
Committee of the Whole
Regular Meeting

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

Mayor Zak called the meeting to order at 5:00 p.m.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

3. CONSENT AGENDA

4. REGULAR MEETING AGENDA

5. COMMENTS OF THE AUDIENCE

There was one who commented.

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

Next Regular Meeting is Monday, August 14, 2017 at 6:00 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.

Mayor Zak adjourned the meeting at 5:45 p.m.

REGULAR MEETING AGENDA

Committee of the Whole 5:00 p.m. in Homer City Hall Cowles Council Chambers.

Session 17-18 a Regular Meeting of the Homer City Council was called to order on July 24, 2017 at 6:00 p.m. by Mayor Zak at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: ADERHOLD, ERICKSON, LEWIS, REYNOLDS, SMITH,
STROOZAS

STAFF: CITY MANAGER KOESTER
CITY CLERK JACOBSEN
CITY ATTORNEY DAVIES
PORT DIRECTOR HAWKINS
LIBRARY DIRECTOR DIXON

PUBLIC WORKS DIRECTOR MEYER
FIRE CHIEF PAINTER

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

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 2.08.040.)

The following changes were made: **CONSENT AGENDA Ordinance 17-30**, An Ordinance of the City Council of Homer Alaska, Approving a Contract with Homer Real Estate for Real Estate Services to Market and Sell Lot 1 Harry Feyer Subdivision, Section 14, Township 6 South, Range 13 West, Seward Meridian, KPB Parcel No. 179-110-05 And Authorizing the City Manager to Adjust the Sales Price, the Balance of the Assessments, and the Realtor's Commission to Facilitate a Sale. Memorandum 17-110 from City Manager as backup. **Resolution 17-072**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Renewal of the Contract for Special Services for FY2018 with the Alaska Department of Public Safety in the Amount of \$36,000 and Authorizing the City Manager to Execute the Appropriate Documents. Copy of Special Services Contract as backup. **ORDINANCES Ordinance 17-31(S)**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount of \$1,121,591 from the Homer Permanent Fund to Pay Off the Library Construction Loan **and Designating the Remainder of the Fund Balance of the Permanent Fund for Construction of the New Police Station. Smith.** Written public comment and Memorandum from City Attorney Klinkner as backup. **RESOLUTIONS Resolution 17-073(S)**, A Resolution of the Homer City Council Awarding the Contract for the Construction of the Soundview Sidewalk and Pedestrian Safety Improvement Project to the Firm of East Road Services, Inc. of Homer, Alaska, in the Amount of \$442,083 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director. Memorandum 17-109 from Public Works Director as backup. **Resolution 17-074(S)**, A Resolution of the City Council of Homer, Alaska, Authorizing Stantec Architecture to Prepare 10% Concept Design Including Preliminary Cost Estimates for Three Options for Construction of a New Police Station and Scheduling a Facilitated Worksession with Council. Written public comment.

The agenda was approved as amended.

3. MAYORAL PROCLAMATIONS AND RECOGNITIONS

A. Mayoral Proclamation – Homer, Alaska, City of Peonies

Mayor Zak read the proclamation and presented it to Jan Knutsen with the Homer Chamber of Commerce and Pioneer Avenue Task Force members.

4. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were three who commented.

5. RECONSIDERATION

6. CONSENT AGENDA

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

- A. Homer City Council unapproved Regular Meeting Minutes of June 26, 2017 City Clerk. Recommend adoption.

- B. **Memorandum 17-102** from Mayor, Re: Re-appointment of Tom Bos to the Advisory Planning Commission, Appointments of Dale Banks to the Advisory Planning Commission and Kate Finn to the Library Advisory Board.

- C. **Ordinance 17-28**, An Ordinance of the City Council of Homer, Alaska Amending HCC 4.30.070(a) to Include a Commissioned Officer in the Armed Forces, as an Attesting Official and Change the Requirement for Two Attesting Witnesses who are at Least 18 Years of Age to One Attesting Witness who is at Least 18 of Age for an Absentee by Mail Ballot. City Clerk. Recommended dates: Introduction July 24, 2017, Public Hearing and Second Reading August 14, 2017.

- D. **Ordinance 17-29**, An Ordinance Of The City Council Of Homer, Alaska, Accepting And Appropriating An FY 2015 State Homeland Security Program Reallocation Grant From The Division Of Homeland Security And Emergency Management (DHS&EM) In The Amount Of \$110,000 For A Backup Generator At The Port And Harbor And Authorizing The City Manager To Execute The Appropriate Documents. City Manager. Recommended dates: Introduction July 24, 2017, Public Hearing and Second Reading August 14, 2017.

Memorandum 17-106 from Special Projects and Communications Coordinator

- E. **Ordinance 17-30**, An Ordinance of the City Council of Homer Alaska, Approving a Contract with Homer Real Estate for Real Estate Services to Market and Sell Lot 1 Harry Feyer Subdivision, Section 14, Township 6 South, Range 13 West, Seward Meridian, KPB

Parcel No. 179-110-05 And Authorizing the City Manager to Adjust the Sales Price, the Balance of the Assessments, and the Realtor's Commission to Facilitate a Sale. City Manager. Recommended dates: Introduction July 24, 2017, Public Hearing and Second Reading August 14, 2017.

- F. **Resolution 17-071**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Frisbee Court Paving Improvements Project to the Firm of East Road Services, Inc. of Homer, Alaska in the Amount of \$156,102 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director.

Memorandum 17-105 from Public Works Director as back up.

- G. **Resolution 17-072**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Renewal of the Contract for Special Services for FY2018 with the Alaska Department of Public Safety in the Amount of \$36,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Police Chief.

Memorandum 17-107 from Police Chief as backup.

The consent agenda was approved as read.

7. VISITORS

**8. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS
(10 minute limit per report)**

A. Borough Report

Kelly Cooper, Assembly President, reported there will be a public hearing on August 1 to put a ballot question on the October ballot for the issuance of a \$5 million general obligation bond based over three years to replace the antiquated heat vac system in the Borough Admin Building. It equates to \$7.28 per \$100,000 of assessed taxable property value, 3.5% average rate, and a 15 year payback. The heat vac system has not been updated since the building was built in the 60's and the utility costs will go down significantly after the upgrades. There will be public hearings August 1 and 15 regarding the bed tax. The current proposal is a bed tax up to 8% borough wide. In areas where cities institute a bed tax, the amount will be split between the borough and the city, for example if the City of Homer implements a 4% bed tax, the borough would retain the other 4%. The Homer Annex will be open for the August 1 public hearing to take testimony regarding the bed tax only. The estimated revenue is \$3.1 to 3.8 million for the borough and approximately \$500 to \$580 thousand for Homer. She will be offering a laydown ordinance asking for the sales tax cap to be increased from \$500 to \$1000 and exempting long term property rentals; the revenue returns will be comparable. She addressed measures the Borough has taken to reduce the budget including combining

departments, reducing hours at the land fill and instituting cost saving projects, but still find a \$4.1 million drawdown. This is due to flattening of the sales tax, education funding increase, state funding decrease, more residents eligible for the senior property exemption, seasonal sales tax exemptions, increase of property tax exemption from \$20 to \$50 thousand, and mill rate reductions from 8.5 in 1993 to the current 4.5. There are five assembly seats open this election and candidacy filing opens August 1 – August 15.

Discussion ensued with councilmembers and points included:

If the up to 8% bed tax passes at the Borough and the City of Homer does not implement a bed tax, the Borough will retain the full amount, up to 8% collected. The sales tax cap ordinance Assembly President Cooper is submitting will not be in addition to the bed tax, it's expected one of the two will be put on the ballot.

There isn't a cap proposed for tourism related activities that currently are not capped, but an amendment could be proposed in relation to the bed tax proposal. Assembly President Cooper will suggest it during the committee meeting.

Implementing a tourism tax in lieu of a bed tax hasn't had a clear consensus through the tourism industry on what direction to go timely for the ballot deadlines and were agreeable to Ms. Cooper's proposal she'll bring forward.

B. Commissions/Board Reports:

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

Karin Marks, Economic Development Advisory Commission Chair, commented the Business Retention and Expansion survey is underway, people are responding, and they intend to continue to advertise. They are pleased that people who are responding are giving good feedback to the open ended questions and some have requested follow up. Commissioners are reaching out to those people. The survey is directed towards business owners and she encouraged people to participate whether they've been in business before or are in business now.

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

Mark Zeiset, Port and Harbor Advisory Commissioner, commented that he's pleased with Ordinance 17-29 for the harbor generator and thinks it will be very beneficial. He reported the

Commission will be discussing allowing an RV's in the marine commercial district at their next meeting and invited people to attend.

6. Cannabis Advisory Commission

9. PUBLIC HEARING(S)

- A. **Ordinance 17-26**, An Ordinance of the City Council of Homer, Amending the FY 2017 Operating Budget by Appropriating \$18,095 from the Fire Donations Fund to Purchase a New ATV and Rescue Skid Unit. City Manager/Fire Chief. Introduction June 26, 2017, Public Hearing and Second Reading July 24, 2017.

Memorandum 17-094 from Training Officer/Captain as backup.

Ordinance 17-26(S), An Ordinance of the City Council of Homer, Amending the FY 2017 Operating Budget by Appropriating ~~\$18,095~~ \$10,268 from the Fire Donations Fund **and Authorizing the Expenditure of \$7,827 from the State of Alaska Fire Department Equipment Upgrades Grant** to Purchase a New ATV and Rescue Skid Unit. City Manager/Fire Chief. Introduction June 26, 2017, Public Hearing and Second Reading July 24, 2017.

No public testimony.

SUBSTITUTE ADOPTED without discussion.

- B. **Ordinance 17-27**, An Ordinance of the City Council of Homer, Alaska, Amending the 2017 Operating Budget by Appropriating Sewer Reserve Funds in the amount of \$16,000 for the Replacement of Security Fencing at the Sewer Treatment Plant. City Manager/Public Works Director. Introduction June 26, 2017, Public Hearing and Second Reading July 24, 2017.

Memorandum 17-100 from Public Works Director as backup.

ADOPTED without discussion.

10. ORDINANCE(S)

- A. **Memorandum 17-103** from City Clerk, Re: Rescind Ordinance 17-23, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount of \$2,344,784 from the Homer Permanent Fund to Pay Off the Library Construction Loan and Help Fund a New Police Station, and Repealing HCC Chapter 3.12, Permanent Fund. Lewis.

MOTION TO RESCIND FAILED with discussion.

- B. **Ordinance 17-31**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount of \$1,121,591 from the Homer Permanent Fund to Pay Off the Library Construction Loan. Lewis. Recommended dates: Introduction July 24, 2017, Public Hearing and Second Reading August 14, 2017.

NOT INTRODUCED. Ordinance 17-23 remains in effect.

- C. **Ordinance 17-32**, An Ordinance of the City Council of Homer, Alaska, Amending Chapter 3.12, Permanent Fund and HCC 3.10.130, Governance of Permanent Fund, to Remove all References of Subfunds and Establish a Balanced Fund as the Investment Mechanism for the Homer Permanent Fund. Stroozas. Recommended dates: Introduction July 24, 2017, Public Hearing and Second Reading August 14, 2017.

Memorandum 17-108 from City Manager as backup.

NOT INTRODUCED. Ordinance 17-23 remains in effect.

11. CITY MANAGER'S REPORT

- A. City Manager's Report

Councilmember Stroozas asked for clarification regarding the status of the permanent fund. City Manager Koester explained Ordinance 17-23 remains in effect and that the library loan will be paid off and the balance will go into the Police Station building fund.

Councilmember Smith asked how much money is left from the community assistance to help with the SPARC building and if the balance could be used for the expanded use of the HERC facility. City Manager Koester said she would check the status and report back.

Question was raised regarding the timeline for the Greatland Extension and a left turn lane. At the request of the City Manager, Public Works Director Meyer touched on the current workload for the department and explained there are a lot of permits that need to be acquired before they can move forward with design and put the project out to bid. The left turn lane option will be decided during the design of the project.

Councilmember Lewis asked about the other City Manager's reaction to the proposed bed tax. City Manager Koester explained that Seward, Kenai, and Soldotna are home rule cities. Seward has a bed tax and Kenai has a bed tax on their books and has been considering it. Soldotna recently became home rule to be able to tax food year round and to be able to consider the bed tax.

Mayor Zak expounded on his and City Manager Koester's recent meeting with the Governor. He added that the Governor's wife will be here again in October for Opioid Task Force meetings.

12. CITY ATTORNEY REPORT

Attorney Davies had no report but Attorney Wells will have a written report for their next meeting.

13. COMMITTEE REPORT

- A. Employee Committee Report
- B. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported on the recent survey work that has been completed on the Library and most of the restrooms on the spit. They have been compiling questions throughout the process to address when David Barton from the Northwest ADA center visits next month.

- C. Police Station Building Task Force

14. PENDING BUSINESS

15. NEW BUSINESS

- A. **Memorandum 17-104** from City Clerk, Re: Vacation of the North 10 Feet of the Existing 20-foot Wide Easement Along the South Boundary of Lots 115 and 116 as dedicated on Bay View Subdivision, Plat HM 839; Located Within the SW1/4 SW1/4 of Section 21, T06S, R13W S.M., Alaska Within the KPB; file 2017-062V.

APPROVED without discussion.

16. RESOLUTIONS

- A. **Resolution 17-073**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Soundview Sidewalk Improvements Project to the Firm to be Named the Amount to be Disclosed and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director.

SUBSTITUTE ADOPTED with discussion.

- B. **Resolution 17-074**, A Resolution of the City Council of Homer, Alaska, Authorizing Stantec Architecture to Prepare 10% Concept Design Including Preliminary Cost

Estimates for Three Options for Construction of a New Police Station and Scheduling a Facilitated Worksession with Council. Aderhold.

POSTPONED to August 14, 2017 Worksession.

17. COMMENTS OF THE AUDIENCE

There were five who commented.

18. COMMENTS OF THE CITY ATTORNEY

Attorney Davies had no comment.

19. COMMENTS OF THE CITY CLERK

City Clerk Jacobsen announced the candidacy filing period opens for two city council seats on August 1st through noon on August 15th, and that applications are available on line.

20. COMMENTS OF THE CITY MANAGER

City Manager Koester had no comment.

21. COMMENTS OF THE MAYOR

Mayor Zak acknowledged Daisy Lee Bitter in the audience and thanked her for attending the meeting.

22. COMMENTS OF THE CITY COUNCIL

Councilmember Stroozas said he's glad to be back. He recently attended the National Elks Convention in Reno, Nevada.

Councilmember Smith commented on the visit from the Borough's sister city delegation from Akita Japan. He appreciated the meeting and spending time with them and thanked Assembly President Cooper for bringing them to Homer.

Councilmember Erickson commented it's been fun being outside in the sun. This weekend there is a big city league softball tournament that's always fun to go to.

Councilmembers Reynolds, Lewis, and Aderhold had no comments.

23. ADJOURNMENT

Mayor Zak adjourned the meeting at 7:38 p.m.

Next Regular Meeting is Monday, August 14, 2017 at 6:00 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.