

Action Agenda
Special Meeting
Committee of the Whole
Regular Meeting
September 25, 2017

SPECIAL MEETING AGENDA

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

Session 17-22 a Special Meeting of the Homer City Council was called to order on September 25, 2017 at 4:00 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, REYNOLDS, SMITH, STROOZAS

ABSENT: LEWIS (excused)

STAFF: CITY MANAGER KOESTER
CITY CLERK JACOBSEN
CITY ATTORNEY WELLS

Councilmember Lewis is excused (timely notice of absence)

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

APPROVED without discussion.

3. Memorandum 17-126, from City Clerk, Request For Executive Session Pursuant to AS 44.62.310(A-C)(1&5) Matters, The Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Public Entity and Matters that are Attorney Client Privilege.

APPROVED with discussion.

Council Adjourned into Executive Session at 4:03 p.m. and the Special Meeting Reconvened at 5:01 p.m.

Councilmember Reynolds stated at the Executive Session they discussed water and sewer billing data. The City of Homer has recently discovered that a water and sewer billing data entry error has resulted in at least one large volume utility customer being under billed for over ten years. This error appears to only impact commercial customers. The City is taking steps to

correct the error, notify customers, and will be adjusting bills to reflect accurate amounts. The incorrect rate was detected when City staff used the business as a reference for the large meter identifier and the City's utility billing system. When staff recognized the meter code was incorrect, further investigation found that the account was set up incorrectly. The error resulted in the business being billed for ten times less water usage versus actual usage, essentially a zero was dropped from gallon usage upon set up of the account. While it is difficult to believe an error like this could occur, I commend the current finance department staff for detecting the mistake. It revealed a vulnerability within our billing system which requires many points of manual data entry. As a result the finance department is instituting procedural safeguards to prevent improper account set up in the future. Additionally the City is conducting an in-depth audit of our 1720 water and sewer customers in order to identify any discrepancies and flag these accounts for billing review. If similar data input errors are verified, the affected account holders will be notified. The City deeply apologizes for the hardship that a sudden increase places, not only on the business, but also on the customers. The City will share any new information on water and sewer billing as soon as it becomes available.

4. COMMENTS OF THE AUDIENCE

There was one who commented.

5. ADJOURNMENT

Next Regular Meeting is Monday, October 9, 2017 at 6:00 p.m. Worksession at 4:00 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 5:05 p.m.

COMMITTEE OF THE WHOLE AGENDA

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

Mayor Zak called the meeting to order at 5:10 p.m.

Councilmember Lewis is excused (timely notice of absence).

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

APPROVED without discussion.

3. CONSENT AGENDA

4. REGULAR MEETING AGENDA

5. COMMENTS OF THE AUDIENCE

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

Next Regular Meeting is Monday, October 9, 2017 at 6:00 p.m. Worksession at 4:00 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 5:30 p.m.

REGULAR MEETING AGENDA

Special Meeting 4:00 p.m. Committee of the Whole 5:00 p.m. in Homer City Hall Cowles Council Chambers.

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

Session 17-23 a Regular Meeting of the Homer City Council was called to order on September 25, 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, REYNOLDS, SMITH, STROOZAS

ABSENT: LEWIS (excused)

STAFF: CITY MANAGER KOESTER
CITY CLERK JACOBSEN
CITY ATTORNEY WELLS

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 Resolution 17-081**, A Resolution of the City Council of Homer, Alaska, Authorizing the City to Accept Alaska Tidelands Survey No. 1373 and 1609 from the State of Alaska and Authorizing the City Manager to Execute All Appropriate Documents. City Manager. Final Finding and Decision for Conveyance of Tide and Submerged Land. **PUBLIC HEARING Ordinance 17-33(S)**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 9, Taxation, by Adding a New Section 9.04.049 to Exempt Disabled Veterans and Surviving Spouses from Real Property Taxes. Stroozas. Memorandum 17-128 from City Manager as backup. **Resolution 17-079**, A Resolution of the Homer City Council Adopting the 2018-2023 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2019. Mayor/City Council. Memorandum 17-127 from Special Projects & Communications Coordinator as backup

APPROVED as amended.

3. MAYORAL PROCLAMATIONS AND RECOGNITIONS

- A. Mayoral Recognition of Barb Brodowski for her Clean-Up Efforts Around the Harbor

Mayor Zak read and presented the Mayoral Recognition to Barb Brodowski.

4. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There was one 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 September 11, 2017 City Clerk. Recommend adoption.
- B. **Memorandum 17-120** from Deputy City Clerk Re: Confirmation of Election Judges for the October 3, 2017 Regular Election. Recommend approval.
- C. **Memorandum 17-121** from City Clerk Re: New Retail Marijuana Store License for Uncle Herb's. Recommend approval.
- D. **Memorandum 17-122** from Councilmember Aderhold Re: Approval of Submitting a Letter to the Marijuana Control Board to Oppose Smoking of Marijuana Onsite but Allowing Consumption of Marijuana to Include the Method of Vaping. Recommend approval.

Moved to New Business item A. Stroozas.

- E. **Memorandum 17-123** from City Manager Re: Rescheduling the Monday, October 23, 2017 Regular Meeting to Monday, October 30, 2017. Recommend approval.
- F. **Ordinance 17-34**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2017 Operation Budget to Provide for Necessary Mid-Year Adjustments by Increasing Revenue Projections and Appropriating and Transferring Funds from the General and Port and Harbor Funds. City Manager/Finance Director. Recommended dates:

Introduction September 25, 2017 Public Hearing and Second Reading October 9, 2017.

Memorandum 17-125 from City Manager as backup.

- G. **Ordinance 17-35**, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of Lot 47 Homer Spit Subdivision Amended, KPB Parcel No. 18103408 to Land's End Acquisition Corporation for \$30,000 Cash and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction September 25, 2017 Public Hearing and Second Reading October 9, 2017.
- H. **Ordinance 17-36**, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of Govt. Lot 36, Section 14, Township 6 South, Range 13 West, Seward Meridian, KPB Parcel No. 17910001 to Betty Gambone for \$25,000.000 Cash, Plus Associated Water and Sewer Assessments, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction September 25, 2017 Public Hearing and Second Reading October 9, 2017.
- I. **Ordinance 17-37**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an FY 2017 State Homeland Security Grant for Upgrading the City's Radio Communication System and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction September 25, 2017 Public Hearing and Second Reading October 9, 2017.

Memorandum 17-124 from Special Projects & Communications Coordinator as backup

- J. **Resolution 17-080**, A Resolution of the City Council of Homer, Alaska, Disbanding the Police Station Building Task Force. City Clerk. Recommend adoption.
- K. **Resolution 17-081**, A Resolution of the City Council of Homer, Alaska, Authorizing the City to Accept Alaska Tidelands Survey No. 1373 and 1609 from the State of Alaska and Authorizing the City Manager to Execute All Appropriate Documents. City Manager. Recommend adoption.
- L. **Resolution 17-082**, A Resolution of the City Council of Homer, Alaska, Directing the Homer Advisory Planning Commission to Consider a Natural Hazards Overlay District or Other Appropriate Zoning Regulations In and Around the Baycrest Subdivision. Erickson. Recommend adoption.

Item D moved to New Business Item A. Stroozas.

ADOPTED as amended.

7. VISITORS

- A. Kenai Peninsula Borough Sales Tax Information – Larry Persily, Borough Mayor Chief of Staff

Larry Persily provided an overview of the ballot proposition to increase the cut-off on borough sales tax from \$500 to \$1000. He explained the current limit has been in place since 1965, it would only affect purchases over \$500, and the increase would not apply to residential rent, it would remain at \$500. The new cut off would earn \$3.6 million a year for the borough and the funds are needed to help cover the \$4 million budget gap. Mr. Persily touched on reasons for the budget gap that include loss of revenue from the seasonal sales tax exemption on non-prepared food, residential property tax exemption increase, and sales tax receipts have been flat since FY 2014. He pointed out education funding takes up almost 2/3 of the borough budget and operations funding has increased, but capital and debt service spending has decreased of the last 18 years. Mr. Persily reviewed FY18 school expenditures, total borough expenditures, and fund balance projections related to the sales tax cut off increase. An adequate fund balance is important because it protects against reduction of services due to unplanned events, it ensures adequate cash flows, maintains a favorable credit rating and low interest rate, and avoids annual audit "Adverse Opinion". Homer's estimated annual increase is \$358,000.

Mr. Persily noted that also on the Borough's ballot is the new heating system for the borough building in Soldotna. The boilers in place now are the original system from 1971 and need to be upgraded to more energy efficient equipment. The borough would take on \$5 million in debt and the energy savings would help pay for the upgrade. Repayment is estimated at \$14 per year in property taxes on a \$200,000 residence.

B. Center for Alaskan Coastal Studies - Beth Trowbridge, Executive Director

Beth Trowbridge thanked Council for the opportunity to come and talk about Center for Alaskan Coastal Studies (CACCS) and the things they are doing. She also thanked the City for the support it gives to local non-profits through the grant program. CACS is a non-profit organization and their mission is mainly education and stewardship of Kachemak Bay. They are celebrating their 35th anniversary. Their mission is done mainly through school programs, field trips, day programs, teacher workshops, citizen monitoring, and the coast walk program.

Their facilities include the headquarters building in town on Smoky Bay Way, the Wynn Nature Center on Skyline Drive, the Peterson Bay Field Station, and the Yurt on the Spit. Ms. Trowbridge reviewed the many activities that take place at each of the locations, including the hiking trails, school field trips, family bonfires, field trips across the bay, kid programs, Creatures of the Dock tours, and more.

Ms. Trowbridge also talked about the Kachemak Bay Coast Walk that started 33 years ago with picking up vehicles off the beach. That has shifted to recreational single use plastics, like water bottles, plastic bags, cups, cigarette butts, things used once or that come down the waterways. They received a grant from NOAA to do marine debris outreach and education. She explained the amount of volunteer effort and student participation for these important programs.

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

- A. Borough Report
- 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, reported they have received 97 surveys, there are three weeks left for people who would like to participate, and the survey is available on the City of Homer website. She also commented the Commission has a few other things they are looking at, one is a request from the Alaskan Small Business Development Center for financial support. The Commission decided in these financial tight times for the City, it was probably best for the organization to go to the non-profit grant program through the Homer Foundation. The Commission felt very strongly that the ASBDC is an extremely valuable tool within our community.

In response to a question about the survey, Ms. Marks said the commission anticipates having a report to the Council in mid-January.

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

9. PUBLIC HEARING(S)

- A. **Ordinance 17-33**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 9, Taxation, by Adding a New Section 9.04.049 to Exempt Disabled Veterans and Surviving Spouses from Real Property Taxes. Stroozas. Introduction September 11, 2017, Public Hearing and Second Reading September 25, 2017.

Ordinance 17-33(S), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 9, Taxation, by Adding a New Section 9.04.049 to Exempt Disabled Veterans and Surviving Spouses from Real Property Taxes. Stroozas.

Memorandum 17-128 from City Manager as backup

SUBSTITUTE FAILED with discussion.

- B. **Resolution 17-079**, A Resolution of the Homer City Council Adopting the 2018-2023 Capital Improvement Plan and Establishing Capital Project Legislative Priorities for Fiscal Year 2019. Mayor/City Council.

There was one who commented.

ADOPTED without discussion.

10. ORDINANCE(S)

11. CITY MANAGER’S REPORT

- A. City Manager’s Report

City Manager Koester highlighted the Customer Feedback Quarterly Report. She explained at the City offices there is a post card, and that’s an opportunity for customers and constituents to provide feedback. She is pleased that this quarter, about 2/3rds of the comments were positive feedback. She noted the positive comments go a long way with staff, so please don’t underestimate the positive power of your words. She also thanked people for the suggestions or criticisms, because we’ve been able to improve here and there or let people know it’s been addressed. She said please fill out those post cards because it’s been fun to watch those comments come in.

Mayor Zak noted that the October 23rd Council meetings have been rescheduled to October 30th. City Manager Koester noted her memo on the consent agenda. She thanked Council for their approval and looks forward to being available for their first budget discussions.

12. CITY ATTORNEY REPORT

- A. Memorandum Re: Ethics Complaint Process

City Attorney Wells noted her memorandum in the packet. She added that they spent time in her office briefing the most recent Griswold case in the Alaska Supreme Court so they’ll see that as a focus of the work of the attorney’s office this last month.

13. COMMITTEE REPORT

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

Councilmember Adherhold commented the Committee met and discussed the visit with David Barton from the Northwest ADA center. They also discussed the remaining buildings left to survey and hope to finish those in October and start focusing on the Transition Plan. Lastly the Committee talked about the addressing accessibility in the Comprehensive Plan that was included in Resolution 17-075(A).

C. Police Station Building Task Force

Mayor Zak noted a Resolution was adopted earlier disbanding the Police Station Building Task Force.

14. PENDING BUSINESS

15. NEW BUSINESS

- A. **Memorandum 17-122** from Councilmember Aderhold Re: Approval of Submitting a Letter to the Marijuana Control Board to Oppose Smoking of Marijuana Onsite but Allowing Consumption of Marijuana to Include the Method of Vaping. Recommend approval.

POSTPONED to October 9, 2017 with discussion.

16. RESOLUTIONS

17. COMMENTS OF THE AUDIENCE

There was one who commented.

18. COMMENTS OF THE CITY ATTORNEY

Attorney Wells had no comment.

19. COMMENTS OF THE CITY CLERK

City Clerk Jacobsen had no comment.

20. COMMENTS OF THE CITY MANAGER

City Manager Koester had no comment.

21. COMMENTS OF THE MAYOR

Mayor Zak thanked council for a quick meeting. He has time to make the Documentary Film Festival showing tonight.

22. COMMENTS OF THE CITY COUNCIL

Councilmember Reynolds commented that a lot of people in town may have gotten a notice of a meeting on October 12 called Pulling Together. Alaska's First Lady will be here and it's a meeting for people of faith about safe children and healthy families. All are welcome, but they are looking for RSVP's for the meeting. Family Planning has been participating, along with the hospital, Flex, and other agencies for the last year in a trauma informed care learning

community. The wrap up meeting was in Wasilla last week and it was inspiring to hear all the different things agencies are putting into place to help. In the earlier meeting we met Terry Kadel, the new Assistant Fire Chief, she welcomed him and Tim to town, he will be great addition to the fire hall and community. The Homer Mariner Cross Country team is headed to State next weekend. She wished them good luck and congratulated their Coach Annie Ridgely on winning the Kenai River half marathon and Assistant Coach Pedro Ochoa on winning the full marathon. She also reminded everyone to get out and vote. She thinks it would be great for the incoming council to have a little less of finances to worry about, so she hopes we can pass the ballot measure on HART and also the Sale Tax Cap to \$1000.

Councilmember Stroozas commented the Homer Elks lodge was proud to host the annual AK Kids to DC, the eighth graders who will be going to Washington DC next year. It was very successful with over 150 people attending. He reminded listeners that Thursday at the Homer Elks lodge there will be a forum with the seven City Council candidate. The Elks is hosting in conjunction with the Homer Chamber of Commerce from 5:30 p.m. until 7:00 p.m.

Councilmember Smith thanked Barb Brodowski for being here and the hard work she does. He recalled one summer when he was in high school there was some grant money for a program where they spent the summer cleaning. The spit was by far the worst of all and it wasn't fun picking up cigarette butts. He also appreciates the efforts of Beth Trowbridge and her group in cleaning up. He has known Beth a long time and it's amazing to him the amount of involvement she has within the community and a lot of it is centered around our young people. Larry Persily is gone, but he just wanted to say if the sales tax cap fails, he's sure a bed tax would not, so put that next on the list. Lastly he said there is an opiate task force meeting on Wednesday this week. The community is still involved and interested in making sure we make some headway. It's all based on education and that's the biggest thing, as a community we need to educate ourselves. Not just the medical community, but the community at large in understanding what the risks are when we involve ourselves in opiates. We need to own up to our own responsibility and make sure that we're part of the solution.

Councilmember Aderhold also thanked Barb Brodowski and Center for Alaskan Coastal Studies for their work cleaning up the trash in our city. It's nice to go out there and see it look clean and she's amazed at the amount of time and effort they've put into it. She wonders if having some information on some of our kiosks about the efforts of local residents to keep our spit and beaches clean, and what constitutes the trash, might have any diminishment in trash that's out there. She thanked the Friends of the Homer Public Library for hosting a media literacy forum. A former councilmember and the Library Director were on the panel and she found it a very informative event. The primary takeaway for her was that each of us as individuals needs to take responsibility for media literacy and to think critically about the accuracy of the information that we receive, in whatever form it takes.

Councilmember Erickson commented we just had our last cruise ship of the year and they're so excited they're coming back earlier next year and stay about as late as this year. She thanked the Chamber and all the volunteers that have spent time welcoming our visitors this summer. There were about 400 people on this last ship that they got into town within two hours. The biggest comment they get back is what a welcoming town and how friendly people

are, and that says a lot. They all love Homer and want to come back not for a day, but a week or longer. It says that our community is doing a good job when these people come to town. Now we have all of our fall activities to get excited about.

23. ADJOURNMENT

Next Regular Meeting is Monday, October 9, 2017 at 6:00 p.m., Worksession at 4:00 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 7:35.