

Session 11-06 a Special Meeting of the Homer City Council was called to order on February 15, 2011 at 4:00 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 (telephonic), HOWARD, LEWIS (arrived at 4:34 p.m.), ROBERTS, WYTHER, ZAK (telephonic)

STAFF: CITY CLERK JOHNSON
CITY MANAGER WREDE
CITY ATTORNEY KLINKNER
CITY PLANNER ABOUD
FIRE CHIEF PAINTER
POLICE CHIEF ROBL
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Councilmember Zak has requested telephonic participation.

Councilmember Hogan has requested telephonic participation, or excused absence if telephonic is not possible.

Mayor Hornaday ruled Councilmembers Zak and Hogan may participate by telephone. There was no objection from the Council.

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

The agenda was approved by consensus of the Council.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were no public comments.

NEW BUSINESS

A. Lobbyists, Linda Anderson and Yuri Morgan, Anderson Group, LLC

Linda Anderson reported after a spectacular flight to Homer they spent time looking at the capital projects and getting the history about how things evolved. They attended the luncheon at the Chamber and are excited to be working with Homer. The job is to be honest with the City and if it is not in the cards they will tell us. They will guide the City through the legislative process.

An overview of the session:

- The session is in the first 30 days of the 90-day session; more Legislators want to extend the session
- Legislature and Governor relationship is key to how the session will go
- Healthy amount of competition and wrangling over the budget
- Operating budget will start closing out by next week; subcommittees will start closing out their individual budgets
- Full House will close by first week of March
- Hearings any day now on the capital budget
- Have a month to zero in and get success for Homer
- Lobbyists entered all City projects into a system and received reports from various offices that is done
- Next month will be intense as to strategy and work to make sure Legislators prioritize their projects and include in Senate version before passing to the House
- Mayor/Council have been receiving reports Homer will likely be affected by bills shown, including fish bills

Current Bills:

- No movement on Senate Bill 25 AIDEA for the Suisitna Dam Project
- House Bill 119 introduced by the Governor to expand AIDEA's ability to participate in projects including power and economic development; can zero in and identify if could work for Homer or make it work for Homer with necessary changes
- Future Maritime Academy in Homer (first the Lobbyists had heard of it and will get the resolution to bring them up to speed)
- House Bill 30 & 31 State of Alaska does not have a mechanism to fund road projects directly; STIP can only do so much. There are efforts to create an endowment and fund projects based on the allocation system around the state
- Property tax exemptions allowed for certain groups
- Homer has land powers – House Bill 52 pertains to conveyance of land from the State to municipalities with liability issues
- House Bill 103 AIDEA Suisitna Dam, not a vehicle for Homer's distribution or energy project
- House Bill 123 Clean Water Fund will allow private individuals or groups to have access to loan funds; originated in Homer
- House Bill 130 Fire Chiefs concerned single and multi family not required to have sprinklers; there is an idea that can work for both
- Senate Bill 24, sport fishing guides, there are proposals to require individuals to be licensed and experienced
- Senate Bill 65 companion to HB 119 AIDEA energy projects, introduced in both House and Senate
- Senate Bill 42 Suisitna Dam Project
- Over 350 Bills and Resolutions introduced to date
- Senate Bill 57 will increase the senior tax exemption; Legislature passes the exemption and does not pay for them

When the decision was made to fund a lobbyist it was the intent to capture the raw fish tax. Lobbyists have engaged with Representative Seaton and staff who are working on legislation to advance it. They are taking a different approach in the hope it will garner more support of the communities. It could cost the State a bit more, but will keep the communities whole. From previous politics when distributing funds there are winners and losers. They are encouraged about Representative Seaton's work and a compromise. The first proposal was that the State gets 50% with the other 50% to the communities and money would be taken from Unalaska. The new proposal raises community's shares up to 75%. There are also changes in the definitions in the works. In concept, the new proposal has more potential for success.

It is most efficient for the lobbyists to have one point of contact when they need a quick reaction. They will work political strategies out with the City Manager.

The main topic at the Chamber luncheon was the gas line. The Lt. Governor made a comment it needed to be sweetened up with a loan by the City. Discussion ensued on the benefits of moving the gas line up on the CIP list. While in Juneau, Mayor Hornaday went to meetings and saw Senator Wagoner and Representative Chenault. City Manager Wrede and Councilmember Zak met with Representative Seaton and Senator Stevens and talked about the importance of natural gas to the whole Southern Peninsula.

The Natural Gas Distribution Task Force has come up with priorities for the gas line and will be reviewing a resolution to bring to Council.

Lobbyist Linda Anderson noted the difference this year on the gas line is Borough and school district support. There is a need to put a strong grassroots support effort behind it and make the pitch to the Governor. Legislators need to be given comfort there will not be as much risk. We need to communicate it is a priority for the Southern Peninsula, not just Homer. The Legislature nor the Governor knows what a priority it is to the region.

City Manager expressed concern with putting all the eggs in one basket. The gas line is a \$10M project, a lot for Homer, and there is no guarantee the Governor will not veto it. He thought the City had a good chance on the cruise ship projects.

Assemblyman Bill Smith is working on a list of State and City buildings that could benefit from natural gas and the savings to schools and the hospitals. Some business owners plan to write letters. At \$17.90 per foot with a 2-inch line it makes economic sense to run the line down the Spit for savings to businesses. The skin of the gas line project could be the savings the State will receive in one year period.

COMMENTS OF THE AUDIENCE

There were no comments of the audience.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner had no comment.

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

Councilmembers Hogan, Howard, Lewis, Roberts, Wythe, and Zak had no comment.

ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 4:56 p.m. The next Regular Meeting is scheduled for Monday, February 28, 2011 at 6:00 p.m. The next Committee of the Whole is scheduled for Monday, February 28, 2011 at 5:00 p.m. A Worksession is scheduled for Monday, February 28, 2011 at 4:00 p.m. All meetings scheduled to be held in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

JO JOHNSON, CMC, CITY CLERK

Approved: _____