

Session 11-10 a Regular Meeting of the Homer City Council was called to order on March 14, 2011 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,
WYTHE, ZAK

STAFF: CITY CLERK JOHNSON
CITY MANAGER WREDE
CITY ATTORNEY KLINKNER
CITY PLANNER ABBOD
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 as a Committee of the Whole from 5:00 p.m. to 5:55 p.m. to discuss Homer Accelerated Roads and Trails Program (HART) Annual Review and 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 approved by consensus of the Council with the following changes:

CONSENT AGENDA - Memorandum 11-031, Kenai Peninsula Borough notice of non-objection to Mermaid Café liquor license renewal; ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS - Prince William Sound Regional Citizens' Advisory Council by John Velsko; Letter to Mayor Hiroshitaka Asara, City of Teshio from Mayor Hornaday; PENDING BUSINESS - Ordinance 11-03(A), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.03.040, Definitions Used in Zoning Code; Homer City Code 21.12.020, Rural Residential (RR), Permitted Uses and Structures; Homer City Code 21.14.020, Urban Residential (UR), Permitted Uses and Structures; and Homer City Code 21.16.020, Residential Office (RO), Permitted Uses and Structures; and Homer City Code 21.61.060, Termination of Nonconforming Use or Structure; Regarding the Accessory Use of Storage in Residential Zoning Districts - Public Comments; and Resolution 11-023(S), A Resolution of the Homer City Council Finding the Need to Create the Kachemak Drive Phase Two Water and Sewer Local Improvement District, and Scheduling a Public Hearing on the Necessity of the Improvement and Proposed Improvement Plan at the April 11, 2011 Regular City Council Meeting. City Manager/Public Works Director.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Bumppo Bremicker, city resident, voiced opposition to Ordinance 11-03(A), defending that construction and commercial fishermen need a lot of stuff.

Dean Ravin, Homer resident, opposes Ordinance 11-03(A) as it is cross purpose with the Climate Action Plan of reducing, recycling, and reusing things. He questioned how far the city can take zoning.

Scott Adams, city resident, spoke in opposition to Ordinance 11-03(A). He was annexed against his will and there was never discussion that he would lose property rights.

Steve Gibson, city resident, opposes Ordinance 11-03(A) as there are too many unaddressed variables. Annexed people were told grandfathering was part of the deal.

Leonard Wells, city resident, opposes Ordinance 11-03(A). He questions the notification given to property owners and neighboring properties.

Wesley Phelps, Homer resident, opposes Ordinance 11-03(A). The ordinance is ill-conceived and restrictive of property rights.

Nancy Hillstrand, Homer resident, spoke in opposition to Ordinance 11-03(A). It is trying to standardize and harass long time Alaskans.

Sue Butler, city resident, opposes Ordinance 11-03(A) to prevent all the regulations for the kids that will buy land here. Homer is a free and beautiful place.

Jim Henry, city resident, spoke in opposition to Ordinance 11-03(A). His family spanned 300 years in Maine until property prices became too high to remain. This ordinance is the next step in destroying the fabric and traditional businesses and way of life.

Stephon George Sefcih, Homer resident, spoke in opposition to Ordinance 11-03(A). People and stuff are inseparable. You stifle stuff, you stifle creativity, and in so doing you crush the spirit.

Steve Zimmerman, city resident, opposes Ordinance 11-03(A) due to storage restrictions on larger lots and removal of grandfather rights.

Michael Kennedy, city resident, spoke against Ordinance 11-03(A). It has nothing to do with safety and health. It is an effort to take Alaskan out of Homer and take private property by ordinance.

Otto Kilcher, city resident, opposes Ordinance 11-03(A). A lot of people come to Homer to get away from America, because it is quaint with stuff around. He asked Council to examine the concept of the working man in the bowels, instead of the paper pushers.

Brad Faulkner, city resident, opposes Ordinance 11-03(A) as it would be enforced haphazardly. He see changes to zoning based around Mike Kennedy and the real estate type moving into his neighborhood not wanting to look at junk.

Patrick Lane, Homer resident, is against Ordinance 11-03(A). As a commercial fisherman he has junk in his yard, but the junk are his treasures. It will be hard for the next generation to buy land in Homer when they can go to Anchor Point or Kenai without all the restrictions.

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 February 28, 2011 and Special Meeting of March 3, 2011. City Clerk. Recommend adoption.
- B. **Memorandum 11-031**, from Deputy City Clerk, Re: Liquor License Renewal for American Legion Post #16 and Mermaid Café.
- C. **Memorandum 11-032**, from Mayor, Re: Reappointment of John Velsko to the Prince William Sound Regional Citizens' Advisory Council (PWSRCAC).

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

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Hornaday called for a recess at 6:45 p.m. and reconvened the meeting at 6:53 p.m.

VISITORS

- A. **Lobbyists' Report** - Linda Anderson and Yuri Morgan

Lobbyists Linda Anderson and Yuri Morgan reported there are 34 days left in the Legislative Session and things will move quickly now. The operating budget passed the House (House Bill 108) and is now in the Senate. Subcommittee reports will close by the end of March. Revenue sharing monies are pegged to be the same as in FY11. Senate Bill 97 for new revenue sharing was introduced and pegged to the price of oil, although the Governor is trying to change the tax rate impacting revenue sharing. The Senate responded with a price of oil at \$89 per barrel.

Anything over will be added to education and revenue sharing. The current budget for FY12 was built on \$83-\$84 per barrel. Senate Bill 46 (the capital budget) will be initiated in the Senate.

At the end of February priorities had to be listed by each Legislator. Homer projects are in the capital budget, with Representative Seaton and Senator Stevens prioritizing their own projects. The gas line and cruise ship dock are in good placement.

There are half a dozen municipal tax exemptions between the House and Senate. A ballot initiative for the primary election 2012 may spur movement on the exemptions. Other bills are to create a transportation fund to assist with the money that comes as matched federal dollars to the state. The City of Homer testified on Senate Bill 47; it has now moved from the transportation committee to finance, awaiting a hearing. House Bill 184 to refund fish business taxes back to municipalities and distribute funds amongst the communities has been introduced.

House Bill 30 goes with Senate Bill 37. House Bill 30 would require a constitutional amendment. A constitutional amendment requires a 2/3 vote from the entire Legislature. It would then go on the statewide ballot.

With the passage of Resolution 11-027(S) the involvement of the community builds a good base to work with the Governor. The message is loud and clear to get the homework done at home.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. Borough Report
- B. Commissions/Board Reports:
 - 1. Library Advisory Board
 - 2. Homer Advisory Planning Commission
 - 3. Economic Development Advisory Commission
 - 4. Parks and Recreation Advisory Commission
 - 5. Port and Harbor Advisory Commission
- C. Prince William Sound Regional Citizens' Advisory Council, John Velsko
- D. Letter to Mayor Hiroshitaka Asara, City of Teshio from Mayor Hornaday

PUBLIC HEARING(S)

- A. **Ordinance 11-09**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 19.12.020, Definitions; Amending Homer City Code 19.12.040,

Reference to Materials Plat—Permits; and Amending Homer City Code 19.12.050, Exceptions; Regarding the Use and Disposal of Dredge Material from City Port and Harbor Facilities. City Manager/Port and Harbor Director. Introduction February 28, 2011, Public Hearing and Second Reading March 14, 2011.

Memorandum 11-016 from Port and Harbor Director as backup.

Mayor Hornaday opened the public hearing.

Steve Zimmerman, city resident, commented it was a good ordinance. The Port needs to deal with overflow of dredge spoils.

Mayor Hornaday closed the public hearing.

Mayor Hornaday called for a motion for the adoption of Ordinance 11-09 for second and final reading.

LEWIS/HOWARD – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 11-10**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$11,000 from the General Fund for the Purchase and Installation of New Data Collection and Management Software for the City Hall Servers. City Manager. Introduction February 28, 2011, Public Hearing and Second Reading March 14, 2011.

Memorandum 11-027 from Systems 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 11-10 for second and final reading.

LEWIS/HOWARD - SO MOVED.

Councilmember Hogan asked if the software purchase was RFP'd and in compliance with the Procurement Policy. City Manager Wrede answered the software was purchased by the same firm as previous software and was in compliance with the policy.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

None.

CITY MANAGER'S REPORT

A. City Manager's Report

1. Fire Training Facility: Attached is a report from Chief Painter which discusses training at this facility and other training and drills that HVFD has or will be participating in.
2. Bridge Creek Fire Mitigation Project: This project is moving ahead. The Borough has been advertising for bids and the deadline was March 8. The City has reviewed and submitted comments on the ITB (Invitation to Bid). The ITB incorporates the conditions and stipulations contained in the CUP approved by the Planning Commission. The CUP is attached as an addendum and the ITB states that if there are conflicts between the ITB and/or the contract and the CUP, the CUP will prevail. The Borough is advertising for bids for the mechanized work only at this time. Another ITB will go out in April for the hand felling work. After a successful bidder is selected, the next important step is for the contractor to submit an operations plan. That plan will contain some of the important details such as where the access points will be and where refueling will occur. The operations plan must be approved by the Borough and the City before a contract can be signed.
3. Staff Turnover: I have completed the process of reviewing applications and interviewing candidates for the Personnel Director position. I have offered the job to a very qualified local candidate and she has accepted. She will begin work on April 4th which will give her almost a full month working with Sheri before she departs. The closing date for applications for the Library Director position is Thursday, the 10th. At this point, I am optimistic that we will receive interest from good candidates.
4. Potential Cuts to Borough College Funding: You may already be aware that Mayor Carey has proposed eliminating Borough funding for the college system on the Peninsula. He has also proposed eliminating tuition waivers for Peninsula residents. One of the primary stated reasons for proposing this is that the Borough needs money for the Homer landfill project. The voters authorized the Borough to contribute up to one tenth of a Mil to the college system back in 1990. This year the Borough contributed \$637,570 to the University system. Of that amount, \$194,800 or about 31% came to the Kachemak Bay Campus here in Homer. Carol Swartz, the local campus director reports that if eliminated, this funding would directly affect core services such as GED programs, the college library, tutoring, student advisors, testing, and more. It is my understanding that the City of Kenai has already adopted a resolution opposing this proposal and other Cities in the Borough are considering doing the same. Supporting the local college campus is a big part of the City Comprehensive Plan and the College is a significant part of the local economy. It is my understanding that Council member Roberts will be sponsoring a resolution.

5. City Hall Expansion / Renovation: The Task Force, the Public Works Director, and the contractors are working very hard to keep us on the ambitious construction schedule established by the Council. At the last Task Force meeting, Carey, the contractor, and the architect presented revised floor plans and an updated 10% project budget. Additional funds will be needed to do some basic energy efficiency work, address some of issues identified by the UAA architects, and take care of issues already identified such as carpet replacement. All of this additional work is pretty basic and would be for the existing building. This agenda contains a resolution sponsored by Council Member Wythe which asks Council to conceptually approve the use of existing depreciation funds for these purposes. She will speak to her resolution.
6. Energy Efficiency: The contract with has been signed with Siemens. The scope of work has been amended with respect to the high mast lights. We are now planning to do a demonstration project on one pole to see how things work based upon new information received by the staff. For example, we would like to see how the loss of lumens affects overall light coverage at the port and harbor, the visual differences between the new “white” light and the old light folks are used to, the actual energy savings, the cost and amount of labor necessary to replace these bulbs more often, and the impact on “broadcast light” to other areas of town. The contract is written so that we can come back and replace all of the bulbs later if desired. The advantage to this approach is that we get some of our questions answered before we spend a whole bunch of money (This is a big ticket item). The downside is that there may be a delay before we start realizing the savings predicted.
7. SB 37: Attached is a copy of SB 37. I testified in favor of this bill at the Senate Transportation Committee hearing on Tuesday. This bill has very broad support from AML, to the Mining Association, the State Chamber of Commerce, the Truckers Association, and the Alaska General Contractors. Alaska is the only state in the union that does not have its own fund to build new transportation infrastructure and repair what it has. We rely totally on the Feds (except for maintenance and operations, which is also underfunded) and we all know those days are going away. This bill would provide seed money for such a fund, make earnings of the fund available, and add money from gas tax receipts and driver license receipts. Having a state transportation fund and not relying solely on the Federal government could have bid benefits for some of Homer’s priorities that never seen to quite make the STIP List; such as Main Street. Linda and Yuri may have more to say about this bill in their report. I am also pretty familiar with the bill and could take questions if you have them. This bill appears to have some momentum behind it and a resolution from the Council might not be a bad idea as it works its way to the Finance Committees and eventually the Governor.
8. Contracts, Contracts: Carey and Bryan are working hard to get jobs out on the street using money that Council approved or received. The past two weeks have seen a flurry of id opening and at this meeting, Council will be asked to award contracts for a wide variety of projects from demolition of the old water treatment plant to refurbishing a crane at the Fish Dock.
9. Audit: The City Auditors are here for the two weeks beginning March 7. The Finance Department staff have been working very hard the past month or so preparing for the audit. They are really busy right now so if you ask for information from Finance and it takes a little while to get to you, you will know the reason why. The audit is several

weeks early this year but that is probably good for a variety of reasons, including the fact that we will have updated and audited water and sewer, HAWSP, and water and sewer debt numbers as we go into the new rate setting process this Spring.

10. Alaska Association of Harbor Masters and Port Administrators Here: Bryan Hawkins is doing his part to boost the local economy. He has convinced his professional association to hold its annual meeting in Homer this year. The meeting will take place on October 10 through 14 and 50 to 100 people are expected, not including family and friends that may come along. This could be a shot in the arm for local businesses such as hotels, restaurants, galleries, water taxis, etc.
11. Other Port and Harbor News: The Port and Harbor Commission has approved a long term parking plan that includes annual permits. This is something that has been discussed for quite some time. Probably at the next meeting, the Council will see a resolution for consideration that approves the parking plan and establishes a new fee for annual permits. Bryan has been in discussion with the owners of the jack-up drilling rig that may be doing future work in Cook Inlet. The company needs dock space to do some retrofitting and other work prior to deploying in the Inlet. Discussions about permits and the type of work anticipated are on-going. This is potentially a big money maker for the enterprise fund.

The tsunami system training exercise has been cancelled until further notice. NOAA decided there was no good reason to do it now and the timing was unfortunate.

Mayor Hornaday commented it was a disaster that the tsunami warning system didn't work at all. We should consider shutting down the Spit and having a drill. He did not receive a call and there are all kinds of people calling to say it was a total failure.

Councilmember Roberts commented we should be looking at how the Emergency Operations Plan (EOP) worked and how it didn't. A worksession could be scheduled to review those issues. City Manager Wrede will be meeting tomorrow with emergency management people to talk about things that did not work well. The alarm said it was a tsunami warning and it was time to evacuate. The alarm was set off by NOAA as there was a warning for certain parts of Alaska; it was just an advisory watch for the Kenai Peninsula Borough. Later there was a press release from the KPB indicating it was a watch. There was a two-hour period of the sirens going off. The information was announced on the radio.

Mayor Hornaday insisted it was more than a learning experience. The whole town could have been wiped out; it was a total failure.

After Council passed Ordinance 11-02(S)(A) for energy efficient measures more information was received on the high mast lights at the harbor. The lights with less lumens will be tested to see the difference between the new white light and how it broadcasts light beyond the port area. Testing the project will measure the energy savings and labor necessary to replace the bulbs, although without implementing the entire lighting system at once, some energy savings will be lost.

Port and Harbor Director Hawkins reported that replacing the current 1,000 watt lights to 750 watt, there will be a 25% savings. The lumen output is 45% less, but the human eye sees the new

white light better. Although Siemens says there will be adequate light, they want to test the new lights and move ahead slowly.

Councilmember Hogan commented he hopes the Port and Harbor Advisory Commission's long term parking plan will be ready for the March 29th packet.

CITY ATTORNEY REPORT

COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee
- D. Lease Committee
- E. City Hall Renovation and Expansion Task Force
- F. Natural Gas Distribution Task Force

PENDING BUSINESS

- A. ***Reconsidered - Ordinance 11-03(A)***, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.03.040, Definitions Used in Zoning Code; Homer City Code 21.12.020, Rural Residential (RR), Permitted Uses and Structures; Homer City Code 21.14.020, Urban Residential (UR), Permitted Uses and Structures; and Homer City Code 21.16.020, Residential Office (RO), Permitted Uses and Structures; and Homer City Code 21.61.060, Termination of Nonconforming Use or Structure; Regarding the Accessory Use of Storage in Residential Zoning Districts. Planning. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011, Reconsidered February 28, 2011.

Memorandum 11-037 and 11-017 from City Planner as backup.

The motion to reconsider Ordinance 11-03(A) passed at the February 28th meeting.

Motion on the floor: MOTION FOR THE ADOPTION OF ORDINANCE 11-03 BY READING OF TITLE ONLY WITH AMENDMENT TO DELETE LINES 181 AND 182 – “THE RIGHT TO CONTINUE A NONCONFORMING STORAGE USE I THE RURAL RESIDENTIAL, URBAN RESIDENTIAL OR RESIDENTIAL OFFICE DISTRICTS SHALL TERMINATE AFTER ONE YEAR”.

WYTHE/HOWARD – MOVED TO AMEND LINES 53 THROUGH 64 THAT WE REVERT THAT SECTION BACK TO THE ORIGINAL LANGUAGE, AND THAT IS ADDRESSING THE RURAL RESIDENTIAL.

Councilmember Wythe thanked everyone for coming out and supporting their rights for their property.

Attorney Klinkner advised if Council's intent is to do away in the changes of Lines 53 through 64 it may be clearer to strike Section 2 altogether.

Asked if it were a friendly amendment, City Clerk Johnson advised that would not be a friendly amendment and a vote on the motion on the floor was needed.

Councilmember Roberts pointed out the title will need adjustment.

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

Motion failed.

WYTHE/HOWARD - MOVED TO AMEND BY STRIKING SECTION 2 WHICH RUNS FROM LINE 29 THROUGH LINE 81.

There was no discussion.

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

Motion carried.

WYTHE/LEWIS - MOVED TO AMEND THE DEFINITION OF VEHICLE BY ADDING ON THE SECOND LINE AFTER IT SAYS "VEHICULAR WAY OR AREA" TO ADD "WHICH REQUIRES LICENSING BY THE DMV". (Line 26)

Councilmember Wythe commented there were several people that brought up items that are not in the scope of a vehicle as this was intended. Adding that these vehicles are items that have to be licensed to be on a roadway would clarify the language.

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

Motion carried.

WYTHE/ROBERTS - MOVED TO AMEND THE TITLE TO STRIKE "HOMER CITY CODE 21.12.020 RURAL RESIDENTIAL (RR) PERMITTED USES AND STRUCTURES".

There was no discussion.

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

Motion carried.

LEWIS/ZAK - MOVED TO AMEND THE LENGTH OF BOAT TO 40 FT. IN LINES 110 AND 158.

Councilmember Lewis commented most pleasure craft are not much larger than 40 ft. If you build a boat larger than that it would need a shed like the one off East End Road. Councilmember Roberts and Wythe expressed agreement with the added length for boats.

VOTE: (amendment) YES. LEWIS, ROBERTS, WYTHER, ZAK, HOWARD
VOTE: NO. HOGAN

Motion carried.

WYTHER/HOWARD – MOVED TO AMEND LINES 148 AND 102 BY STRIKING 1,500 SQ. FT. AND REPLACING THAT WITH 20% OF THE TOTAL CONTIGUOUS ACREAGE HELD BY A SINGLE PROPERTY OWNER.

There are more people than obvious that have contiguous pieces of property. They may have five pieces of property with their house on one and stuff stored on the others. They need the ability to use that property as storage without it having to be the primary residential area. Property owners would still have 20% storage if they do not have a contiguous lot.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Wythe commented she had considered removing the listed restrictions of what you can put on the property if you are living within the 20% allowed for storage.

WYTHER/ZAK – MOVED TO STRIKE ITEMS 1, 2, AND 3 IN BOTH OF THOSE SECTIONS.
(Lines 104-110 and 152-158)

Councilmember Roberts expressed opposition to accepting the amendment with no limitation as to what can be stored there. This is urban residential or residential office, rural residential may be different.

Councilmember Wythe commented that even though you don't find your neighbor's yard appealing, it is still their yard. You can appeal to them to build a fence, clean up their property, or to sell you their property so you can clean it up yourself. But you don't have the right to tell someone how they will have their property.

Councilmember Roberts countered when a person buys urban residential property there is an expectation that the City will protect them in certain manners. The City has some responsibility to protect some of the generic part of the zoning ordinances. The City doesn't have a right to tell people exactly what to do. The City Planner earlier commented if the ordinance passes as slightly

amended (deletion of lines 181 and 182) it does not affect many properties. It just gives the Planning Department the ability to make things appropriate in the town.

Councilmember Hogan doesn't know how much you can polish the ordinance; it will still be distasteful. He is concerned by the direction we are headed in zoning.

VOTE: (amendment) YES. HOWARD, HOGAN, WYTHE, ZAK

VOTE: NO. LEWIS, ROBERTS

Motion carried.

ZAK/WYTHE - MOVED TO AMEND LINES 102-148 TO ADD BACK IN 1,500 SQ. FT. OR 20%, WHICHEVER IS GREATER.

Councilmember Roberts noted the smallest lot is 7,500 sq. ft. meaning 1,500 would be the minimum anyway. The language is not needed.

Councilmember Zak defended leaving the 1,500 minimum amount.

VOTE: (amendment) YES. ZAK, HOWARD, WYTHE

VOTE: NO. HOGAN, LEWIS, ROBERTS

Mayor Hornaday broke the tie with a YES vote.

Motion carried.

WYTHE/LEWIS – MOVED TO AMEND LINE 173 TO STRIKE THE “A”.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Lewis agrees we do need zoning as there is always going to be someone that will make a mess of their lot. We need to be more careful as to how we go about it. Ordinances are advertised on the radio. People need to pay attention.

Councilmember Hogan commented he has received more comments on this ordinance than anything else since he has been on the Council. He will vote against it to send the Planning Commission a message to quit screwing around.

Asked if the ordinance needed an additional public hearing, Attorney Klinkner commented some changes are deletions and preserve the status quo therefore would not need additional consideration. The revision related to the square footage for storage is status quo since the current ordinance did not have a limitation. The only change is the increase in the length of

boats, but that was stricken too. It does not need to go back to the Planning Commission as amended.

Councilmember Roberts commented to say the Planning Commission did not do their job is not a fair statement. They were trying to help a problem the Planning Department brought to them. The ordinance as amended now is totally changed.

Councilmember Zak expressed concern since the elimination of lines 97 and 98 that says no personal fishing gear will be allowed. He is confused as to what was deleted on Lines 104-110.

HOWARD/ROBERTS – MOVED TO CONTINUE TO THE NEXT MEETING AND A CLEAN COPY OF ALL AMENDMENTS BE PRESENTED TO US SO THAT WE AND THE PUBLIC KNOW WHAT WE ARE LOOKING AT.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 11-023**, A Resolution of the Homer City Council Finding the Need to Create the Kachemak Drive Phase Two Water and Sewer Local Improvement District, and Scheduling a Public Hearing on the Necessity of the Improvement and Proposed Improvement Plan at the April 11, 2011 Regular City Council Meeting. City Manager/Public Works Director.

Memorandum 11-029 from Public Works Director as backup.

Resolution 11-023(S), A Resolution of the Homer City Council Finding the Need to Create the Kachemak Drive Phase Two Water and Sewer Local Improvement District, and Scheduling a Public Hearing on the Necessity of the Improvement and Proposed Improvement Plan at the April ~~11~~25, 2011 Regular City Council Meeting. City Manager/Public Works Director.

Motion on the floor from February 28: MOTION FOR THE ADOPTION OF RESOLUTION 11-023 BY READING OF TITLE ONLY.

Mayor Hornaday called for a motion to substitute Resolution 11-023(S) for Resolution 11-023.

WYTHE/HOWARD – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT

Motion carried.

Councilmember Howard expressed concern of starting with step 2, instead of step 1, eliminating the petition process. She asked City Attorney Klinkner if Council was on safe ground starting with step 2.

Attorney Klinkner advised city code provides for two methods of initiating a Local Improvement District (LID). There is a petition from property owners to the Council and the other is the Council initiating a LID on its own which requires a $\frac{3}{4}$ vote, or five members.

VOTE: YES. ZAK, HOWARD, HOGAN, LEWIS, ROBERTS

VOTE: NO. WYTHE

Motion carried.

NEW BUSINESS

None.

RESOLUTIONS

- A. **Resolution 11-024**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Replacement and New Installation of a Card Reader Access System to ATS Alaska of Anchorage, Alaska, in the Amount of \$53,144.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 11-033 from Port and Harbor Director as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 11-024 by reading of title only.

ROBERTS/WYTHE - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 11-025**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Telescopic Tool Carrier to Craig Taylor Equipment of Soldotna, Alaska, in the Amount of \$64,902.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 11-034 from Public Works Superintendent as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 11-025 by reading of title only.

LEWIS/WYTHE - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Resolution 11-026**, A Resolution of the City Council of Homer, Alaska, Re-Adopting the Investment Policies of the Permanent Fund. City Clerk/Permanent Fund Committee.

Memorandum 11-035 from Permanent Fund Committee as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 11-026 by reading of title only.

HOWARD/LEWIS - SO MOVED.

Councilmember Hogan asked what percentage of funds are deposited in maturity accounts. City Manager Wrede will provide an answer upon consulting with the Finance Director.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- D. **Resolution 11-027**, A Resolution of the City Council of Homer, Alaska, Regarding Distribution of Natural Gas Within Homer City Limits in the Event a Transmission Line is Built Through Town. Natural Gas Distribution Task Force.

Resolution 11-027(S), A Resolution of the City Council of Homer, Alaska, Approving and Adopting the Recommendations Provided in Memorandum 11-038 by the Homer Natural Gas Distribution Task Force. Howard, Zak.

Memorandum 11-038 from Natural Gas Distribution Task Force as backup.

Councilmember Wythe disclosed her employment with Homer Electric Association as a conflict of interest.

Mayor Hornaday inquired as to the nature of her conflict.

Councilmember Wythe explained with her employment with HEA there may be a perceived conflict since natural gas would be in direct competition of electric heat.

Attorney Klinkner advised it is sufficient ground for recusal.

Councilmember Wythe was excused from participation.

Mayor Hornaday called for a motion to substitute Resolution 11-027(S) for Resolution 11-027.

HOWARD/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Hornaday called for a motion for the adoption of Resolution 11-027(S) by reading of title only.

HOWARD/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Wythe resumed her seat.

- E. **Resolution 11-028**, A Resolution of the City Council of Homer, Alaska, in Support of Using City Hall Depreciation Reserves to Assist with the Costs of Renovation to the Existing City Hall Facility. Wythe.

Mayor Hornaday called for a motion for the adoption of Resolution 11-028 by reading of title only.

WYTHE/LEWIS - SO MOVED.

Councilmember Wythe explained the projected budget for the City Hall Renovation and Expansion Project. The proposed budget is categorized by construction costs for the new building, energy efficiency improvements to the existing facility, and a list of repairs and replacements as identified by the University architect's report. Most of the repairs and replacements to the current City Hall can be paid from the depreciation fund for the purpose of maintaining and extending the life of the existing facility. The resolution asks Council to consider the concept of using depreciation funds for the items that qualify.

Councilmember Hogan asked if the approval would be for a 20% cost overrun. Councilmember Wythe answered it basically would be with the energy efficiency improvements at \$92,000 and building maintenance at \$324,000.

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

Motion carried.

- F. **Resolution 11-029**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Water Treatment Plant Building Demolition Project to East Road Services of Homer, Alaska, in the Amount of \$58,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 11-036 from Public Works Director as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 11-029 by reading of title only.

WYTHE/LEWIS - SO MOVED.

Councilmember Hogan had thought the demolition project had already been awarded.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- G. **Resolution 11-030**, A Resolution of the City Council of Homer, Alaska, In Support of the Kenai Peninsula Borough's Continued Funding for the Kachemak Bay Campus. Roberts.

Councilmembers Lewis and Zak recused themselves since they are both employees of the college.

Councilmembers Lewis and Zak were excused from participation.

ROBERTS/HOWARD - MOVED TO ADOPT RESOLUTOIN 11-030.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Merlin Cordes, city resident, referenced a home on Meadow Drive built in 1988 that was changed to GC1 zoning in 2001. To rebuild or add on to the home the owners must get nonconforming use. In 2008 the nonconforming use changed so there is no allowance for replacement of existing buildings. Unable to sell the home, it has created a financial hardship for the owners; it is an unfair situation. He hopes Planning and Zoning can come to a solution that will fix the problem for numerous homeowners in the same situation.

Mike Kennedy, city resident, commented the solution is to allow residences in GC1 and GC2. Anything that is allowed in RR should be allowed in GC1 and GC2. People don't show up for the city meetings because they are not being noticed. There are many more properties in violation by the new zoning contrary to Mr. Abboud's letter. Council should drive the streets and see the number of violations.

Scott Adams, city resident, spoke about missed notices to property owners and steep slope information that was removed from the website. He receives notices from the Borough, but not from the City.

Leonard Wells, city resident, asked why the City Hall was a no bid contract. He referenced comments by Council that opposed a commission recommending that taxes be kept down.

Nancy Hillstrand, city resident, commented on the wasted energy of the 112 light bulbs burning in Council Chambers.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner stated he provided Council with a report for February and was available for questions. There were no questions from Council.

COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Wrede commented the tsunami warning system did not quite work right. Council could have a worksession to go over the EOP. He doesn't want the Mayor's comments to leave people thinking we had no coverage at all. The alarms went off and there were people up all night in constant contact with the KPB monitoring the situation. They didn't have a good way to get word to people that it was just a watch, not a warning. Emergency personnel were standing by to see the wave pass the weather buoy in the Aleutian Islands. There was a four hour period after the wave passed to put out a warning. If we needed to get the word out we could have used different means including the canned system that calls every number in town, the State of Alaska emergency warning system that automatically breaks in to tell people to go to high ground quickly. There were some problems that will be worked out. He didn't want to leave people believing that the City was not paying attention and was unguarded.

COMMENTS OF THE MAYOR

Mayor Hornaday stated he was horrified by watching the tsunami going through towns in Japan. Notwithstanding the comments of the City Manager, we were not properly prepared. We need to have a worksession and shut the Spit down for a drill.

COMMENTS OF THE CITY COUNCIL

Councilmember Wythe thanked people for coming out to speak about the zoning code. More than anything, zoning brings people into the council room. There are a number of decisions made by Council that the community should be more involved in. The agenda is posted and advertised. She encouraged people to pay attention, as the Council can only lead as much as the public provides information.

Councilmember Hogan offered an apology to the Planning Commission for his harsh wording. He has been a little cranky since his road trip. He is concerned about the direction of Planning and Zoning. It should be something that makes the community better than worse and not create a lot of legal work for Tom. Mr. Hogan is not happy with what he has seen since serving on the Council with the direction of Planning and Zoning. In a lot of ways it would be better to give it back to the KPB. He understands the commissioners have a tough job to do and are doing their best. He doesn't want them to think their work is not appreciated.

Councilmember Howard commented the tsunami warning erred on the side of conservativeness. If you want to be disturbed that we went that route, it is better to be on safer ground to do that. All elected officials need to step back and professional staff needs to guide us in how this does or doesn't work. She thanked everyone that came tonight and the City Attorney for his guidance. The next meeting is Tuesday, March 29th.

Councilmember Roberts thanked everyone that came out with their opinions. A number of people testified since we are doing zoning changes notifications should be sent out to people for changes. The City does send out changes of zoning and conditional use permits. The City does not send notices every time we pass an ordinance. She asked that people pay attention as it is important to hear their input. It would be a good time to look at the EOP to see how we can make it better. She would like a meeting with the Council to discuss it. Ms. Roberts thanked the Planning Commission for doing a lot of work for Council in the last year. They have contributed a lot to the community.

Councilmember Zak is looking forward to a worksession on the EOP. He appreciates those that came out tonight and gave a clear picture. There were some good points made such as recycling all the metal and shipping it all to China. What are we going to do when we need it? Tonight Council did good work by passing Resolution 11-027(S) for the gas line. The Natural Gas Distribution Task Force will be ready to take on any task. Planning and Zoning tries to do their best, unfortunately there are real life examples like Meadow Drive that affect people adversely. He appreciates everyone's effort and the Mayor, as each ship needs a captain. Council does their best and puts in a lot of hours. It is the community working together with the Council. He doesn't want to be considered a bureaucrat.

Councilmember Lewis had no comment.

ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 8:18 p.m. The next Regular Meeting is scheduled for Tuesday, March 29, 2011 at 6:00 p.m. The next Committee of the Whole is scheduled for Tuesday, March 29, 2011 at 5:00 p.m. A Worksession is scheduled for Tuesday, March 29, 2011 at 4:00 p.m. Special Meetings are scheduled for Thursday, March 24, 2011 at 5:15 p.m. and 5:30 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: _____