

Session 12-14 a Regular Meeting of the Homer City Council was called to order on May 14, 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,  
WYTHE, ZAK

STAFF: ACTING CITY MANAGER PAINTER  
CITY CLERK JOHNSON  
DEPUTY CITY CLERK JACOBSEN  
CITY ATTORNEY WELLS  
ACTING FINANCE DIRECTOR MOORE  
POLICE CHIEF ROBL  
PORT AND HARBOR DIRECTOR HAWKINS  
PUBLIC WORKS DIRECTOR MEYER  
COMMUNITY & ECONOMIC DEVELOPMENT  
COORDINATOR KOESTER

## **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: **RESOLUTIONS - Resolution 12-043**, A Resolution of the City Council of Homer, Alaska, Accepting and Approving Recommendations Submitted by the Port and Harbor Improvement Committee Regarding Capital Improvements in the Harbor and the Funding Thereof and Authorizing the City Manager to Prepare the Documents Necessary for Grant Funding, a Revenue Bond Sale, and the Fee Adjustments Necessary to Service the Bonds. Howard, Lewis, Wythe. Memorandum 12-082 from Economic Development Advisory Commission as backup.

## **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

Bumppo Bremicker, Chair of the Kachemak Drive Path Committee, commented in support of resolution 11-090(S). He addressed HART fund availability as one avenue for financing noting residents voted to include funding trails in the program. He said he heard vocal support for the Kachemak Drive Path and noted that one criterion, when looking at trails, is connectivity. This path will connect the two biggest trails we have now, East End Road pedestrian and bike path and the Spit bike and pedestrian path, and it will make a big difference in the number of users and in convenience of making a circular route. The committee working on this is not sure of the cost but guesses less than \$1 million and funds can be borrowed on the revenue stream and be paid back with those funds. Most of the path runs in the utility easement, there is a lot that needs to be looked at, but he thinks they have done a pretty good job of determining location and have a lot of volunteer labor that is available. He hopes the Council will support the resolution.

Beth Cumming, committee member and city resident, commented in support of resolution 11-090(S). If it is passed it will allow the beginning of implementing planning and putting it into practice for the trail. If the plan is approved she encourages starting the trail at the spit side because it can be developed one and one quarter mile down Kachemak Drive and not involve any land owners as the property is DOT and city land. She explained they have been advised that bike trails are not allowed on aviation leasing land, but have been told through two good sources that there are exceptions to that, particularly when a safety issue is involved. The remaining properties are privately owned and many have industrial type businesses. She has talked with many of them as she believes this would be to their advantage and she thinks they would tend to support a bicycle/pedestrian trail removed from the road.

Deb Lowney, city resident, commented in support of resolution 11-090(S). She emphasized that as we look around town we see people trying to use modes of transportation besides motorized vehicles through all seasons. The more that can be encouraged the better. She encourages the trail for the safety component. Kachemak Drive is a heavily used road by bikers and hikers and it is critical that we take care of that need. She agrees that it makes sense to connect the two trails on each end of Kachemak Drive and hopes Council will support the resolution.

Lindianne Sarno, city resident on Kachemak Drive, commented in support of the safety and economic benefits of the Kachemak Drive path. A dozen or so surveys came in and responses showed support of a separate path. Because Kachemak Drive connects the East End and Spit trails there is already heavy use on the road and as a resident there, she sees them daily. There is a lot of vehicle traffic with all the businesses and residents, and with no shoulder on the road it is a very dangerous place to ride bikes. It should be a priority for these reasons and because there is funding through the HART program. It isn't a huge project and could probably be built out in a year. In an economic development light, studies show that in many cities where bike and pedestrian trails are put in, traffic to businesses increases. Anchorage's path system is full of people of all ages. Basically a bike path is a long safe park. She noted that City Manager Wrede has been very positive when talking to the bike path committee about getting rights-of-way. She hopes he will give Council the facts about plans to get permission from property owners. She hopes the Council supports the project because it will be very popular, not terribly expensive, and will have good safety benefits.

Kelly Cooper, non city resident and member of the Boys and Girls Club task force, commented in support of resolution 12-046 and asked for consideration to extending the lease through December. The goal of the Boys and Girls Club is to work with the city, partnering on capital funding, grant work, and inclusion in the same building with Community Recreation. In talking with Representative Seaton, he explained putting building on the top 10 of the CIP list could result in opportunities to apply for some capital funding. There is the ability to apply for grants

through the Boys and Girls Club Kenai Peninsula Board as well. She would like to make the building and project sustainable and be able to put it to bed.

Natasha Ala, non city resident and the new executive director for the Boys and Girls Club for the Kenai Peninsula, said board president Mike Navarre sends his regrets that he could not attend tonight to voice support for the resolution. The board hopes the Council supports resolution 12-046, the club would love to stay in the building and hopes they are considered a good tenant and potential partner. Their organization can bring some resources to the city for grants and collaboration with potential capital projects. The board would be happy to meet with Council to further discuss some type of a future for the building. It is a great location for serving kids and they want to maintain a club presence in Homer.

Angie Newby, city resident and Chair of the Public Arts Committee, asked for the Council's support of Ordinance of 12-20. This is a result of talking with the City Manager and letting Council know they can get tremendous bang for their buck with the Alaska State Parks doing the planning for the Baycrest Pullout. They have \$3000 from ADF&G, and this would be a match for those funds. She noted that the city was a last resort to ask for funding, they looked with state park, maritime refuge, and under every rock and cranny they could think of. She thinks this will be a huge economic benefit to the first place that is really the crown jewel as people come in to Homer.

## **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 April 23, 2012. City Clerk. Recommend adoption.
- B. **Memorandum 12-074**, from Mayor, Re: Reappointment of Roberta Highland to the Transportation Advisory Committee and Angie Newby to the Public Arts Committee.  
  
Memorandum 12-078 from Transportation Advisory Committee as backup.
- C. **Ordinance 12-19**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Vessel Passenger Tax Program Pass Through Grant from the Kenai Peninsula Borough for FY 2011 in the Amount of \$32,687.50, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction May 14, 2012, Public Hearing and Second Reading May 29, 2012.

Mayor Hornaday called for a motion to approve the recommendation of the consent agenda as read.

LEWIS/ZAK SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

## **VISITORS**

A. Michelle Drew, Mikunda, Cottrell, & Co., Auditor's Report, 10 minutes.

Michelle Drew, auditor of record from Mikunda, Cottrell, thanked the Mayor and Council for their business and thanked the finance department and the other managers of city departments. The 2011 audit resulted in a clean audit opinion, the best opinion from an external auditor. In 2011 the city spent \$2.8 million in federal assistance and \$3 million in state financial assistance necessitating a federal and state single audit in addition to the regular audit. Those audits were completed with a clean audit opinion and reported no findings and no question cost, an excellent thing. In 2011 the city's general fund increased fund balance by \$1.1 million, better than what the city had budgeted, primarily a result of higher than expected sales tax and higher than anticipated state operating grants. On the expense side, the city under spent its budget by approximately \$200,000 with most departments coming in slightly under budget. The change in 2010 of the water and sewer enterprise fund to the utility special revenue enterprise fund resulted in a 2011 net effect was a loss of \$300,000 which includes the effects of issuance of debt in the amount of \$2.1 million, payment of debt of \$1.1 million, and capital construction costs of \$3 million. The port fund is the sole enterprise activity of the city and it incurred an \$800,000 loss which includes the effects of depreciation, \$1.4 million. If it did not have deprecation running through it the port would have shown a \$600,000 increase to fund balance. Its unreserved portion of net assets is \$62,000 which is quite low. The city administers numerous smaller funds which collectively incurred a \$1 million reduction in fund balance, primarily a result of anticipated or budgeted capital projects specifically the city hall remodel and energy efficiency projects made up the bulk of that overall use of fund balance. Ms. Drew encouraged management and Council to keep an eye on the utility fund, the port fund, and health insurance internal service funds to ensure they don't swing too far one way or the other. The financial records were in good condition with minimal journal entries to books and records presented for audit. This audit document will be submitted to the Government Finance Officers Association for review in participation of the certificate of achievement for excellence in government financial reporting, an award the city has received for numerous years.

Mayor thanked Ms. Drew and the Finance Department for their good work.

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

- A. **Mayor's Proclamation** – Peace Officers Memorial Day May 15 and National Police Week May 13 – 19, 2012

Mayor Hornaday read the proclamation and presented it to Police Chief Robl.

- B. **Mayor's Proclamation** - National Public Works Week – May 20 – 26, 2012

Mayor Hornaday read the proclamation and presented it to Public Works Director Meyer.

- C. **Mayor's Proclamation** - National Women's Health Week - May 13 – 19, 2012

Mayor Pro Tempore Wythe read the proclamation and presented it to Jillian Rogers.

- D. **Mayor's Proclamation** – Bike to Work Week - May 14 – 18, 2012

Mayor Hornaday read the proclamation and presented it to Catriona Lowe.

- E. Borough Report

- F. 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

- G. Letter of thanks from Hospice of Homer

## **PUBLIC HEARING(S)**

- A. **Port and Harbor Revenue Bond Project**

There was no public testimony.

- B. **Resolution 12-037**, A Resolution of the City Council of Homer, Alaska, Amending the City of Homer Fee Schedule for Port and Harbor Fees for the Purpose of Repaying a Revenue Bond and Contributing to the Port and Harbor Enterprise Reserves. City Clerk/Port and Harbor Advisory Commission.

There was no public testimony.

- C. **Resolution 12-038**, A Resolution of the City Council of Homer, Alaska, Amending the Port of Homer Terminal Tariff No. 600 for the Purpose of Repaying a Revenue Bond and Contributing to the Port and Harbor Enterprise Reserves. City Clerk/Port and Harbor Advisory Commission.

There was no public testimony.

- D. **Ordinance 12-17(S)**, An Ordinance of the City Council of Homer, Alaska, Appropriating \$30,000 from the Port and Harbor Reserves to Make Emergency Repairs and/or Replace Damaged Float Piles in the Homer Harbor and Authorizing the City Manager to Execute a Change Order to the Existing Contract with Pacific Pile and Marine to Conduct the Harbor Float Piling Repair and Replacement Work in an Amount Not to Exceed \$30,000. City Manager.

Memorandums 12-068 and 12-077 from Port and Harbor Director as backup.

There was no public testimony

Mayor Hornaday called for a motion for the adoption of Ordinance 12-17(S) by reading of title only for second and final reading.

WYTHE/HOWARD SO MOVED.

The recommendation is to vote no based on circumstances outlined in memorandum 12-077. In response to question if there is a plan B, Harbormaster Hawkins explained that in the interim they have to remove the vessels from around the affected piles and are working on a revised plan to shore up the piles until they can be replaced. This is on R & S floats, which is in the schedule for replacement if the grant and bond package is passed.

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

Motion failed.

- E. **Ordinance 12-18**, An Ordinance of the City Council of Homer, Alaska, Amending the 2012 Operating Budget to Allow for the Completion of the 2012 Streets Repaving Project Utilizing Homer Accelerated Roads and Trails Program (HART) Funds in an Amount Not to Exceed \$900,000. City Manager/Public Works Director. Introduction April 23, 2012, Public Hearing and Second Reading May 14, 2012. Memorandum 12-065 from Public Works Director as backup.

There was no public testimony

Mayor Hornaday called for a motion for the adoption of Ordinance 12-18 by reading of title only for second and final reading.

WYTHE/HOWARD SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**ORDINANCE(S)**

- A. **Ordinance 12-20**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Operating Budget by Appropriating and Transferring \$3,000 from the General Fund Reserve (Fund Balance) to the Public Arts Committee for the Baycrest Overlook Improvement Gateways Project. City Manager. Recommended dates: Introduction May 14, 2012, Public Hearing and Second Reading May 29, 2012.

Memorandums 12-070 and 12-071 from Public Arts Committee as backup.

Mayor Hornaday called for a motion for the adoption of Ordinance 12-20 for introduction and first reading by reading of title only.

WYTHE/ROBERTS SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**CITY MANAGER'S REPORT**

- A. City Manager's Report

Acting City Manager Painter explained his report was intended to bring the Council up to speed on the state of the Fire Department in Homer and would be happy to answer questions.

Mayor Hornaday commended Chief Painter on a well operating fire department. They seem to be working fine with the paid and unpaid volunteers and we very much appreciate the fire department's work.

Councilmember Burgess questioned availability of funds to recapitalize the aging equipment and a budget shortfall of 50% for ambulance services. Fire Chief Painter responded that they have looked at collections regarding ambulance service. We lost some revenue when the service area took over their own operations a few years ago, but it was not a significant impact as it only accounted for 20% of overall call volume. The finance department does the ambulance billing and they have been working with finance to recoup some of the lost revenues. There isn't much room to do anything in the fee schedules. Most clientele would be covered under some type of

insurance, which is helpful in offsetting ambulance costs. They don't charge for many other services other than fire standby and contract with the division of forestry. There hasn't been much in the way of wild land season the last couple years and this season is looking hopeful for a safe wild land season, but potential is always there. They cooperate with the division of forestry so could be called to go anywhere on the peninsula.

Mayor Hornaday noted they got a report that the Governor did not veto any of Homer's projects this year. He thanked everyone who worked on that.

B. Bid Report

**CITY ATTORNEY REPORT**

City Attorney Wells did not have a report and there were no questions from Council.

**COMMITTEE REPORT**

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee
- D. Lease Committee
- E. Port and Harbor Improvement Committee
- F. Employee Committee Report

**PENDING BUSINESS**

- A. **Resolution 11-090**, A Resolution of the City Council of Homer, Alaska, Supporting the Concept and Construction of Non-Motorized Pathways to Increase the Safety for Motorized and Non-Motorized Users Along Kachemak Drive Located Within the City Limits, from the Base of the Homer Spit to East End Road. Lewis/Zak/Parks and Parks and Recreation Advisory Commission.

**Resolution 11-090(S)**, A Resolution of the City Council of Homer, Alaska, Supporting ~~The Concept And~~ Construction of a Non-Motorized Pathways to Increase ~~The~~ Safety for Motorized and Non-Motorized Users Along Kachemak Drive Located Within the **Homer** City Limits, from the Base of the Homer Spit to East End Road. Lewis/Zak/Parks and Parks and Recreation Advisory Commission.

There was brief discussion confirming the motion on the floor from the April 23, 2012 regular meeting is as follows:



THEN MOTION ON THE FLOOR FROM SEPTEMBER 12, 2011 TO ADOPT RESOLUTION 11-090 BY READING OF TITLE ONLY WILL BE: MOTION TO ADOPT RESOLUTION 11-090(S) BY READING OF TITLE ONLY.

Councilmember Howard expressed that she is unable to support this because it has not passed through the Transportation Advisory Committee for review, she is not convinced of the priority of this trail over any others, there is no information regarding cost of maintenance, and legal costs for acquiring the rights-of-way have not been addressed. She noted rights-of-way will be no easy task when dealing with FAA, wetlands, moose habitat, private property and DOT.

There was brief discussion

VOTE: YES: ROBERTS, ZAK, BURGESS  
NO: LEWIS, WYTHER, HOWARD

Mayor Hornaday voted no to break the tie.

Motion failed.

The main motion was back on the floor as follows:

LEWIS/WYTHER SO MOVED FOR THE ADOPTION OF RESOLUTION 11-090 BY READING OF TITLE ONLY.

LEWIS/WYTHER MOVED TO AMEND TO STRIKE THE WORD CONSTRUCTION.

Councilmember Lewis appreciates the concept but we are not prepared to commit the funds until we know the total cost.

It was noted for clarification that “and construction” is to be deleted from the title and line 23.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

Councilmember Roberts supports the concept of the trail but does not feel the package presented is thorough or has been done completely. She reminded the committee the process for developing a trail is outlined in the transportation manual and one step is to work with the Transportation Advisory Committee. She recommended they look at that in their future.

LEWIS/ WYTHER MOVED TO STRIKE LINE 32.

Councilmember Wythe concurred that lowering of the speed limit is not appropriate as it is not a city street.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmember Wythe note that the package provided has a lot of information, but as it has been pointed out there is no cost association information, one of the committee members said they were advised they would not be able to gain access through the DOT lands related to the airport, and she recalled when the City received access for many properties for water and sewer they were very specific in that that property would not be used for other purposes. There are a lot of access issues to overcome. The concept is good but a lot of work is yet to be done.

WYTHE/HOWARD MOVED TO ADD BE IT FURTHER RESOLVED ADD THEREFORE BE IT FURTHER RESOLVED THAT THE TRAILS COMMITTEE WORK WITH THE TRANSPORTATION ADVISORY COMMITTEE AND DEVELOP THE PACKAGE MORE FULLY RECOGNIZING AND IDENTIFYING WHAT ARE THE PERMITS, WHAT HAS TO GO INTO IT, AND A ROUGH COST.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

Councilmember Roberts expressed concern about building a gravel path for a bike path and is interested in hearing more about that. She also noted that in discussions with Kachemak Drive residents about the water and sewer line there have been issues with getting access for water and sewer lines so she is surprised to hear that everyone on Kachemak Drive is going to give right-of-way for the bike trail where they refused to for water and sewer. She hopes in the future they can tie the two together to complete the water and sewer line as the trail is built. Councilmember Roberts added while she applauds the volunteers who want to help build the trail, she questions the liability in relation to doing the work on private property.

Councilmember Burgess also supports the concept but agrees that they need to know the cost before moving forward.

Councilmember Wythe concurred and raised the issue of understanding there will be ongoing maintenance costs which also has to be considered. This is a long term expense.

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

Motion carried.

## **NEW BUSINESS**

## **RESOLUTIONS**

- A. **Resolution 12-039**, A Resolution of the City Council of Homer, Alaska, Accepting the 2011 Comprehensive Annual Financial Report with Audit and Financial Statements and Acknowledging the Management Letter Submitted by the City's Independent Auditor, Mikunda, Cottrell, & Co. and Authorizing the City Manager to Execute the Financial Report. City Manager/Finance.

Mayor Hornaday called for a motion for the adoption of Resolution 12-039 by reading of title only.

BURGESS/WYTHE SO MOVED.

Councilmember Wythe complemented the Finance staff on doing a great job. In her time on the Council they haven't had an exception report on the budget and she appreciates that. To the Council she encourages they continue to support ensuring the reserve fund is healthy enough to support us if we have a time of trouble.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 12-040**, A Resolution of the City Council of Homer, Alaska, Extending the City of Homer Prisoner Meal Service Contract for One Year to the Firm of Caribou Family Restaurant of Homer, Alaska, and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 12-075 from Police Chief as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 12-040 by reading of title only.

BURGESS/LEWIS SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- C. **Resolution 12-041**, A Resolution of the City Council of Homer, Alaska, Designating Community Economic Development Strategy (CEDS) Priorities and Requesting that the City Economic Development Advisory Commission Review These Priorities and Provide Recommendations Regarding Implementation Strategies Including Timetables, Responsible Parties, and Funding. Wythe.

Mayor Hornaday called for a motion for the adoption of Resolution 12-041 by reading of title only.

WYTHE/ZAK SO MOVED.

Councilmember Wythe read the list of priorities for the listening audience.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- D. **Resolution 12-042**, A Resolution of the City Council of Homer, Alaska, Requesting That the Kenai Peninsula Borough Transfer its Share of State Fisheries Business Tax Proceeds that are Collected in the City of Homer to the City of Homer to Assist It with Maintenance, Repair, and Replacement of Critical Port and Harbor Infrastructure. Howard, Lewis, Wythe.

Mayor Hornaday called for a motion for the adoption of Resolution 12-042 by reading of title only.

LEWIS/HOWARD SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- E. **Resolution 12-043**, A Resolution of the City Council of Homer, Alaska, Accepting and Approving Recommendations Submitted by the Port and Harbor Improvement Committee Regarding Capital Improvements in the Harbor and the Funding Thereof and Authorizing the City Manager to Prepare the Documents Necessary for Grant Funding, a Revenue Bond Sale, and the Fee Adjustments Necessary to Service the Bonds. Howard, Lewis, Wythe.

Memorandum 12-076 from Port and Harbor Improvement Committee as backup.

Memorandum 12-079 from Port and Harbor Advisory Commission as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 12-043 by reading of title only.

HOWARD/LEWIS SO MOVED.

Councilmember Roberts appreciated the memorandum from the Committee that explained what was going on. She questioned if the Committee has any future plans or suggestions on how to work toward getting the Harbormaster's building.

Councilmember Howard explained the Committee was in a difficult spot as they wanted to keep it on, but it isn't eligible for matching funds, and the Port and Harbor Advisory Commission

recommended removing it. There are some options to consider for the building and they will continue to look for a solution.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- F. **Resolution 12-044**, A Resolution of the City Council of Homer, Alaska, Expressing Its Intent to Initiate a Broad and Inclusive Community Review Process on the Merits of Public Financing for Construction of a Natural Gas Distribution System Within the City and Setting a Workshop Date for June 4, 2012 to Begin the Process. Burgess.

Memorandum 12-080 from Economic Development Advisory Commission as backup.

After discussion with City Attorney Wells, Councilmember Wythe was recused from participating based on a previous determination and left the room.

Mayor Hornaday called for a motion for the adoption of Resolution 12-044 by reading of title only.

BURGESS/LEWIS SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

Councilmember Wythe returned to the table.

- G. **Resolution 12-045**, A Resolution of the City Council of Homer, Alaska, Awarding the Wastewater Treatment Plant Boiler Replacement Project to the Firm of Orca Specialties, Inc. of Homer, Alaska, in the Amount of \$17,437.50 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.

Memorandum 12-081 from Public Works Director as backup.

Mayor Hornaday disclosed that he did legal work for Orca Specialties many years back. He has no financial interest at this time. Mayor Pro Tempore Wythe found he had no conflict and could participate and there was no objection from Council.

Mayor Hornaday called for a motion for the adoption of Resolution 12-045 by reading of title only.

WYTHER/LEWIS SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

H. **Resolution 12-046**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Enter Into a New Short Term Lease with the Homer Boys and Girls Club and to Extend the Club's Occupancy of the Lower Level of the Homer Education and Recreation Complex Building (HERC) Until September 1, 2012. Burgess/Howard.

Mayor Hornaday called for a motion for the adoption of Resolution 12-046 by reading of title only.

BURGESS/HOWARD SO MOVED

LEWIS/ZAK MOVED TO AMEND SEPTEMBER 1 TO DECEMBER 31 THROUGHOUT THE RESOLUTION.

Councilmember Wythe expressed concern about extending the agreement as there have been others who may want to use the building and remove the expense from the city, which was their objective two and half years ago. She is not opposed to the summer when the cost of utilities should be negligible and offset by rent, but into the winter is not in their interest knowing their budget.

Councilmember Lewis stated his intent is to give them the ability to apply for grants and raise funds so they can pay a higher rent and cover utilities.

Councilmember Burgess added that this buys time to finish negotiations with Community Recreation in an effort to move forward with a more long term solution.

Councilmember Howard said this is it. She understands what they are trying to do, but no more after December 31 on these leap frog, short term amendments.

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

There was no further discussion on the main motion as amended.

VOTE: (Main motion as amended) YES: ZAK, HOWARD, BURGESS, LEWIS, ROBERTS,  
WYTHE

Motion carried.

**COMMENTS OF THE AUDIENCE**

Bumppo Bremicker commented it was interesting discussion regarding the Kachemak Drive Path. He acknowledged that if he heard correctly it went to the original resolution that the Council sent back to the Committee and to Parks and Recreation Commission for more work. He is unsure where they stand now. He appreciates the direction to work with the Transportation Advisory Committee. They understand there are a lot of questions but he thinks they succeeded in taking the step to get the City to help them work on it. He thinks that is what they need to move forward with sending letters to property owners and gathering information to address Council's concerns.

Kelly Cooper thanked the Council for their support and commitment to the community. She promised no more leap frogging and they will bring forward a solution.

#### **COMMENTS OF THE CITY ATTORNEY**

City Attorney Wells said she enjoys being here and hopes to come more often.

#### **COMMENTS OF THE CITY CLERK**

City Clerk Johnson had no comment.

#### **COMMENTS OF THE CITY MANAGER**

Acting City Manager Painter thanked the Council for going easy on him tonight.

#### **COMMENTS OF THE MAYOR**

Mayor Hornaday had no comments.

#### **COMMENTS OF THE CITY COUNCIL**

Councilmember Wythe stated that she is not opposed to the Boys and Girls Club, she is not opposed to trails and parks, or any of these projects, she thinks they are all great. The problem is this city has decided they don't want to collect sales tax year round on food. That in and of itself doesn't sound like an onerous thing to do, but the impact of that on the city's finances is sizable and puts the people at this table in a position to have to say we just cut our revenue by five or six hundred thousand dollars, but two years later we have yet to cut a program and every time we try to change anything with a program we have the same out crying of we need this program or all of our children will be on the streets behaving badly. She doesn't necessarily believe that is true as there are activities and programs in the community for our children. Boys and Girls Club and Community Recreation are great opportunities and she appreciates and understands all of them, but the big picture is eventually something has to go. She doesn't feel we can quit having police or fire department support, or quit plowing roads or providing a water and sewer system. In looking what has to be done to make up for the revenues that have been lost, it has to start somewhere. Every time we have this discussion, she always feels like she walks away being the bad guy because she says we can't afford to pay for all of this yet we continue taking money out of reserves to make sure these things happen. Eventually we will come to the end line and she hopes they find that place before they really get to far into the reserves.

Councilmember Lewis echoes Councilmember Wythe and that if we want certain things we have to be willing to pay for them. That is the bottom line. He congratulated the boys and girls high school soccer teams and wished the boys luck at regions. It is the boys first undefeated season since becoming a regular sanctioned sport and they have a good chance of taking regions.

Councilmember Zak commented that the water tastes great. He has never felt better about what is happening in the community. With the passage of the gas line in the capital budget they will be looking at proposal options and looking at what the savings will be for the business owners, government entities and the overall community. The Kachemak Drive path needs a little more thought put into it, and consideration by the Transportation Committee but the key points of connectivity and safety were brought up. In the future if it could be moved up on the CIP and they can continue to support it. He commented regarding the HOPP project and build week coming up at Hornaday Park, he has never seen more community energy and positive up beat people getting involved. He also commented about the Shorebird Festival and Chamber bringing so many people to the community. He is optimistic about our future and was pleased with the report from the auditors.

Councilmember Roberts said she is glad to hear the gas line in moving forward and thanked Representative Seaton for working with the city on that. She congratulated the Police Department and Public Works for their good work for the city, they are unseen but the community relies on them and she is glad to see they are celebrating them this week. She wanted to remind everyone about the HOPP building program next week and encouraged people to sign up on line and help. She has heard that people from other communities say it is an experience to be remembered.

Councilmember Howard noted that the problem with being nearly last is that she has nothing else to add.

Councilmember Burgess wanted to reiterate for the bike path people that they would like to help them move forward and let them know if they can better articulate their needs. Gas distribution to Homer is great, he looks forward to talking about what they are going to when it gets here. He commented in regard to Councilmember Wythe's comments that it is hard to be in the position to say no because we don't have the money, he respects her position and thinks we need to acknowledge if that's the case. He hopes they can find a way for her not to be recused from discussion on the gas distribution system.

## **ADJOURNMENT**

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 7:25 p.m. The next Regular Meeting is Tuesday, May 29, 2012 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.

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MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: \_\_\_\_\_