

Session 12-16 a Regular Meeting of the Homer City Council was called to order on June 11, 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, LEWIS, ROBERTS,
WYTHE, ZAK

ABSENT: HOWARD (excused)

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY ATTORNEY KLINKNER
COMMUNITY & ECONOMIC DEVELOPMENT
COORDINATOR KOESTER
FINANCE DIRECTOR MAURAS
LIBRARY DIRECTOR DIXON
POLICE CHIEF ROBL
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Councilmember Howard has requested excusal.

Mayor Hornaday ruled Councilmember Howard as an excused absence. There was no objection from the Council.

Council met for a Worksession from 4:04 p.m. to 4:57 p.m. to discuss Natural Gas Line Distribution System Financing. From 5:01 p.m. to 5:49 p.m. Council met as a Committee of the Whole to discuss Regular Meeting agenda items.

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

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.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Kevin Walker, Homer resident, supports the concept of the water trail, as does the Yacht Club. A system of trails and facilities on shore will make sailing and boating better.

Kris Holdried, city resident, supports the water trail. There are possibilities for marketing, making boating more safe, and building recreation beyond what Homer offers. It will give folks a chance to enjoy Kachemak Bay and spend their money.

Donna Rae Faulkner, city resident, opposes being in the Ocean Drive Loop special service district and asked Council to remove them from the roll or abolish the district. Grounds for removal are cited in her letter. She is asking for a good faith transfer and to be left alone.

Don McNamara, city resident, told Council they were given a price of \$450 per lineal ft. to build the Seawall, quoted \$630 when done, and paid \$518. The material, Superlock, had a 50 yr. warranty. Maintenance was not talked about; homeowners knew they were responsible 100%. They paid \$140 per lineal foot for the wall. The City was supposed to stay above the 19.5 ft. tide line and moved the wall below. They bought 2,000 feet and got 1,733 ft. of seawall. An estimate from Carey Meyer is around \$20,000 per year for maintenance on the wall. Three-fourths of the steel plates are missing at \$500 apiece. They have maintained their lot.

Paul Hueper, city resident, opposes Resolution 12-051 as it will put them at the highest mill rate within the state. The City mismanaged the project. He will pay five times as much as his neighbor for maintenance of the Seawall even though everyone paid the same for the wall. It is pure socialism. The City now wants to attach a mill rate of 10 at the same time asking the Corps of Engineers to drop the permit altogether. The City does not have easements to maintain the wall, never has had them. The City dropped insurance last year.

RECONSIDERATION

- A. **Reconsideration issued by Councilmember Howard - 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.

Mayor Hornaday called for a motion to reconsider Resolution 12-037.

WYTHE/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

See Resolutions.

- B. **Reconsideration issued by Councilmember Howard - 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.

Mayor Hornaday called for a motion to reconsider Resolution 12-038.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

See Resolutions.

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 May 29, 2012. City Clerk. Recommend adoption.

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.

VISITORS

- A. **Dave Brann**, Kachemak Bay Water Trails Association, proposed Water Trail, 10 minutes.

Memorandum 12-091 from Parks and Recreation Advisory Commission as backup.

Dave Brann, Co-Chair of the Kachemak Bay Water Trail Steering Committee, thought the resolution for the water trail was before Council for approval. He is here to support it. The Kachemak Bay Water Trail is envisioned as an adventure at the end of the road for visitors and residents. It is an economic driver, point of pride, and will create recreational experiences. The

trail is 125 miles of scenic boating from the Homer Spit to Seldovia. One could do a loop or a combination of transport on the trail. A logo has been developed and the committee has applied for and received a \$25,000 grant for a website to serve as a model for water trails around the country. Vision and goals include promoting safety on the water and stewardship dedicated to low impact on flora and frond in the bay (leave no trace). The water trail will be an economic development possibility. He is not asking the City to maintain the trail, but may ask for designation of a trailhead point. He would like to see the City utilize a how can we help you achieve your goal attitude.

There are six potential types of users: paddle boarders, kayakers, skiffs, rowboats, canoes, and yachts. There are five months to use the bay, which could for the six types of users amount to 4,500 user days. If each user group could generate \$100 per day it would amount to \$450,000 in revenues. He encouraged Council to support the concept.

Aqua Kids TV will be here filming in August in Homer and around the bay. It will be an economic stimulus to the community.

Councilmember Zak suggested a water trail from Anchor Point to Homer.

Councilmember Lewis will sponsor the resolution that will come before Council on June 25.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORTS

REPORT/COMMISSION

Mayor Hornaday gave a shout out to the Lady Mariners softball team for placing second in State.

- A. **Mayor's Recognition** - Community Recreation Kayaking Instructor Tom Pogson, National Water Safety Congress Award of Merit & Community Recreation Program Instructor.

Mayor Hornaday read the recognition and presented it to Tom Pogson.

Mayor Hornaday gave a shout out to Fire Chief Painter for inventing the Kids Don't Float program.

- B. **Mayor's Recognition** – Homer Playground Project, Deb Cox and Miranda Weiss & Community Volunteers.

Mayor Hornaday read the recognition and presented it to Deb Cox and Miranda Weiss.

- C. **Borough Report**

Kenai Peninsula Borough Assemblyman Bill Smith reported the Assembly appropriated \$73M for the FY 12 budget; \$43M for the school district. There was \$8M+ for solid waste. The South Peninsula Hospital has come to an agreement with RBM Evolution for a 20-year lease agreement for the \$4.7M radiation/oncology facility they are building. The Legislature contributed \$2M to

the project that is to be completed next April. People needing radiation will not have to travel to Anchorage. Assemblyman Smith complimented Tom Pogson for a well deserved recognition.

D. 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

PUBLIC HEARING(S)

ORDINANCE(S)

- A. **Ordinance 12-21**, An Ordinance of the City Council of Homer, Alaska, Amending the 2012 Operating Budget by Appropriating Up to \$12,000 from the Sewer Reserve Fund for the Replacement of the Bald Mountain Air Sewer Service. City Manager/Public Works Director. Recommended dates: Introduction June 11, 2012, Public Hearing and Second Reading June 25, 2012.

Memorandum 12-089 from Public Works Inspector as backup.

Councilmember Burgess declared a potential conflict of interest due to extensive financial dealings with Bald Mountain.

Mayor Hornaday ruled Councilmember Burgess as excused and there was no objection from the Council. Councilmember Burgess excused himself from discussion.

Mayor Hornaday called for a motion for the adoption of Ordinance 12-21 for introduction and first reading by reading of title only.

LEWIS/WYTHER - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Burgess returned to the bench.

- B. **Ordinance 12-22**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 4.01.030, Definitions; Homer City Code 4.30.030, Application for Ballot; Homer City Code 4.30.050, Materials for Absentee Voting; Homer City Code 4.30.060, Issuance of Ballot by Mail or In Person; Homer City Code 4.30.070, Casting Absentee Ballot; Homer City Code 4.35.010, Review of Election Documents by Canvass Board; to Provide for Absentee Voting in City Elections by Electronic Transmission. City Clerk. Recommended dates: Introduction June 11, 2012, Public Hearing and Second Reading June 25, 2012.

Mayor Hornaday called for a motion for the adoption of Ordinance 12-22 for introduction and first reading by reading of title only.

WYTHE/ROBERTS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 12-23**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an Alaska Department of Transportation (ADOT) Reimbursement of up to \$6,720.00 for Commercial Vehicle Enforcement Inspections and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Police Chief. Recommended dates: Introduction June 11, 2012, Public Hearing and Second Reading June 25, 2012.

Memorandum 12-092 from Police Chief as backup.

Councilmember Burgess declared a potential conflict of interest as he is a commercial vehicle operator and there are not too many of them.

Mayor Hornaday ruled Councilmember Burgess as excused.

City Attorney Klinkner advised that Council is accepting a grant to finance a vehicle inspection program. If the program applies to the public at large it does not implicate the ethics code. Unless the number of commercial vehicle operators is extremely limited, the general public exception would apply.

Police Chief Robl commented there are hundreds of commercial vehicle operators.

Mayor Hornaday withdrew his ruling to exclude Councilmember Burgess from discussion.

Mayor Hornaday called for a motion for the adoption of Ordinance 12-23 for introduction and first reading by reading of title only.

LEWIS/WYTHE - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

D. **Ordinance 12-24**, An Ordinance of the City Council of Homer, Alaska, Adopting Homer City Code 1.16.040, Disposition of Scheduled Offenses—Fine Schedule; and Homer City Code Chapter 19.20, Parks and Recreational Facilities; to Provide Regulations for the Use of City Parks and Penalties for Their Violation. City Manager. Recommended dates: Introduction June 11, 2012, Public Hearing and Second Reading June 25, 2012.

Mayor Hornaday called for a motion for the adoption of Ordinance 12-24 for introduction and first reading by reading of title only.

WYTHE/LEWIS - SO MOVED.

WYTHE/BURGESS - MOVED TO REFER TO PARKS AND RECREATION FOR INPUT.

WYTHE/BURGESS – MOVED TO WITHDRAW THE MOTION.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

WYTHE/ROBERTS – MOVED TO AMEND LINE F TO READ: THE POSSESSION OF ALCOHOLIC BEVERAGES WITHIN THE PARK SHALL BE KEPT TO QUANTITIES REASONABLE FOR PERSONAL USE, AND CONSUMPTION SHALL BE KEPT WITHIN THE ILLEGAL ESTABLISHED LIMITS FOR DETERMINING INTOXICATION FOR DRIVING.

Mayor Hornaday commented he would veto the motion if passed.

Councilmember Wythe explained there is a mechanism in place to test the legal limits for intoxication for drivers. That is why the terminology was used.

Councilmember Burgess suggested there are already laws that prohibit disorderly conduct and inappropriate public behavior if someone was acting inappropriately in a park.

Police Chief Robl advised we have laws to govern disorderly conduct. There is no law to govern public intoxication that applies to the park.

Councilmember Lewis asked if it was possible to ban alcohol from certain areas of the park, such as the playgrounds.

Police Chief Robl answered it would make enforcement more difficult. In Wisconsin there are some parks that are connected to campgrounds and alcohol use is legal in the campground but not in the park.

Councilmember Lewis suggested alcohol could be banned when youth activities were happening, but allowed during adult activities.

Mayor Hornaday commented there are already drunks and druggies at the park. If you make alcohol legal up there it will make the situation worse.

VOTE: (amendment) YES. ROBERTS, WYTHE, LEWIS

VOTE: NO. ZAK, BURGESS

Motion failed.

WYTHE/ROBERTS - MOVED TO AMEND TO ADD ITEM L: DUMPSTERS PROVIDED AT PARK FACILITIES ARE INTENDED FOR PARK USE ONLY.

There was no discussion.

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

Motion carried.

BURGESS/ZAK - MOVED TO AMEND TO STRIKE ITEM F COMPLETELY.

There was no discussion.

VOTE: (amendment) YES. LEWIS, WYTHE, ZAK, BURGESS

VOTE: NO. ROBERTS

Motion carried.

Police Chief Robl confirmed there are no open container laws, except for within a vehicle. Disorderly conduct is a state statute and will always apply.

WYTHE/ZAK – MOVED TO SEND TO THE PARKS AND RECREATION FOR THEIR REVIEW AND INPUT WITH THE HOPE THAT IT WILL BE BACK TO US PRIOR TO THE JUNE 25 MEETING.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- E. **Ordinance 12-25**, An Ordinance of the Homer City Council Amending the Official Road Maintenance Map of the City of Homer by Adding a Portion of Ohlson Lane and West Bunnell Avenue as Urban Road; and a Portion of Mission Road as Rural Road. City Manager/Public Works Director. Recommended dates: Introduction June 11, 2012, Public Hearing and Second Reading June 25, 2012.

Mayor Hornaday called for a motion for the adoption of Ordinance 12-25 for introduction and first reading by reading of title only.

WYTHE/LEWIS – SO MOVED.

City Manager Wrede told Council this is the first step in receiving the rest of the money for the Spit trail. We now have \$2.5M for the project. A fiscal note for \$13,215 is for annual maintenance.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

A. City Manager's Report

1. Load and Launch Ramp: You will recall that ADF&G has access to funding to completely rebuild and refurbish the Load and Launch Ramp at the harbor. The City will apply for funding through the Municipal Harbor Matching Grant Program to cover the 25% match required for construction. ADF&G has secured the funds to do engineering and design and the Council recently approved an MOU with authorizing the agency to take the lead on that work. This week I received a call from ADF&G informing me that they will wait until this fall to issue an RFP for engineering and design services. They cited two reasons for doing that. First, it is summer and most contractors are busy and do not have time to respond to RFP's. Second, all of the construction funding is not yet secured. So, a slight delay is not a problem. Construction was not likely to happen until 2014 anyway.
2. R&S Floats: You will recall that Bryan brought to your attention the serious condition of some of the piles on R and S floats. Three were especially bad and dangerous. Council passed an emergency appropriation to fix the problem but we were not able to execute the plan as presented. Some of the piles were so damaged that the Port and Harbor Director condemned and closed R float for safety reasons. I am very happy to be able to report that the harbor staff came up with an innovative and cost effective short term fix that should solve the problem for now and alleviate the safety concerns. The short version is that heavy 10" diameter pipes were purchased from a scrap dealer and inserted into the piles as sleeves. The pipes and sleeves were then welded together. The staff hired a local fishing boat with a crane and that, along with the harbor tug and skill were sufficient to do the job.

3. Deep Water Dock: The design for the new fendering system is essentially complete. (funded by the Cruise Ship Head Tax legislative grant). A pre-bidders meeting was held this past week. October and December is the construction window. This resolution contains a resolution authorizing us to purchase some of the fender elements directly because of the long lead time for delivery. ADOT/PF informed us this week that we can expect to see an MOU for engineering and design of the dock expansion in the next week (\$3 Million in federal and state legislative grants).
4. Cruise Ship Grant Project: The City's term contract engineers have begun engineering and design work on some of the projects elements contained in the project description (6 Million legislative grant). Work has begun on the trails and bathrooms.
5. Dredged Materials: This week Carey and Bryan were scheduled to meet with representatives from the Corps of Engineers to discuss long term plans for the beneficial use of dredged materials. Beach replenishment and creation of new uplands are on the agenda.
6. Harbor Projects: The Council has approved the recommendations of the Port and Harbor Commission and the Port and Harbor Improvement Committee. The next step is to submit the City's grant application for project funding under the Municipal Harbors Matching Grant Program. When that funding is approved, the City will prepare for a bond sale. Katie is working on the application.
7. Security Facilities Audit: The Port and Harbor staff participated in a security facilities audit this week conducted by the Coast Guard. The City has a port security plan and there are various requirements under the law for security at the Pioneer and Deep Water Dock. I am sure Bryan would be happy to elaborate if you are interested in knowing more. This is important and it requires probably more training, planning, and collaboration with other state and federal agencies and with the private sector companies operating at the port than you might imagine.
8. Gas Line Distribution System: We are continuing to gather information about financing options and about LID boundary options in preparation for the workshop prior to this meeting. We are also working with the State and with Enstar to make sure the administration of the \$8.15 Million grant for construction of the transfer line goes smoothly.
9. Employee Committee: The Employee Committee has been meeting periodically to discuss a possible wellness program for employees. We anticipate that the Committee will be prepared to make a recommendation to the Council in the near future.
10. Budget Amendments: We anticipate bringing you a mid-year budget amendment ordinance sometime soon. There will be several adjustments requested but the primary reason for doing this is to take care of transfers to the Revolving Energy Fund.
11. CIP List: Believe it or not, it is time to start talking about the CIP List again. There is a resolution establishing the review and approval schedule on this agenda.
12. 2013 Budget: Believe it or not, work will begin shortly on the 2013 operating budget. I know you are thrilled to hear that! So are we.
13. Police Department: Things have really picked up the Police Department as we move into summer. Activity at the jail has been especially brisk. Part of the reason for that is stepped up drunk driving enforcement by the State Troopers. The department is currently plagued by turnover and open positions in dispatch which directly affects the public safety and response function.

14. Planning Department: In the recent past, the activities of the Planning Department have been confined largely to land use planning, code enforcement, and providing support for the Planning Commission. We are working to expand that role, as time and resources allow, into areas such as economic development and capital project development. The goal is to make better and more efficient use of the staff resources we have city-wide and to take advantage of the skills, training, and experience of the current planning staff.
15. Clerk's Office: The move from the HERC building to the renovated City Hall is now complete. This week, Public Works staff and the High School football team moved the archives from the old school into the new storage areas in this building. These are the files and documents that must be retained under the records retention code. The Clerk's are sorting and organizing the files so that they will be even more organized and easy to access for historians and others who need access to preserved records.
16. Records Retention: As a follow-up to the Council workshop on e-mail retention, I wanted to report that Nick has conducted some research on tablets for the Council and you will see a memorandum to that effect on this agenda. Holly is busy working on proposed amendments to the records retention code and the Council Operating Manual.

At the earlier worksession there was extensive discussion on the gas line.

Dredged materials from the Spit could be used for the creation of new uplands. In the dredging of the Fishing Hole a buyer could take the materials off the Spit. It could be written into the RFP that the contractor removes it from the Spit. The Port is required to come up with the 20-year dredge plan for the Corps of Engineers. In the past dredge materials were treated as a burden instead of a use to benefit us.

B. Bid Report

CITY ATTORNEY REPORT

City Attorney Klinkner referenced the written report to Council and asked if there were any questions. Council did not have questions of the attorney.

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

G. Water and Sewer Rate Task Force

PENDING BUSINESS

NEW BUSINESS

A. **Memorandum 12-090**, from Community and Economic Development Coordinator, Re: 2013-2018 CIP Schedule and FY 2014 Legislative Request Development Schedule.

Mayor Hornaday called for a motion for the approval of the recommendations of Memorandum 12-090.

LEWIS/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

B. **Memorandum 12-097**, from Systems Manager, Re: Tablets for Council Use.

Mayor Hornaday called for a motion for the approval of the recommendations of Memorandum 12-097.

LEWIS/ROBERTS – SO MOVED.

Councilmember Wythe explained she was not present for the meeting and reasoning behind the tablets, but wanted to make sure the community understands the reason for spending the funds.

City Manager Wrede reported the primary reason for the tablets is to retain important records and emails that Council generates or receives. Council currently is doing business on their own devices and sending and receiving emails under their own accounts. If there was a public records request it would be difficult to retrieve items if correspondence is not going through the city server. Personal data may be compromised and personal devices may be ceased. During her training session, City Attorney Holly Wells recommended a tablet for each councilmember that is passed to the next councilmember. All city-related business would be done on the tablet. Documents could be easily retrieved on the city server.

City Attorney Klinkner affirmed we are trying to comply with the public records law and protect Council's privacy.

Nick Poolos, IT Manager, reported it is hoped council packets can be put on the tablets. One of the driving reasons for specifying the Android 3 is for its high resolution, more like reading paper.

Councilmember Burgess understands the need for segregating city data. He objects to any taxpayer expenditure as there are i-map and exchange email accounts, rather than spending \$700 apiece.

Asked to explain the difference between the Android and iPad, Mr. Poolos said the first consideration looked at was putting city business on individual devices. There was a wide gamut of individual devices at the first meeting with City Attorney Wells that would put a large burden on the IT Department. With Council asked to carry a second device, portability was a concern, and got us to looking at tablets. The Library's iPads were loaded and viewed by the City Manager, City Clerk, and himself and it was quickly decided for readability they had to be larger more expensive tablets. There are Apple iPads and Android devices. Most recent market numbers had iPad at 73% of the market share and the Android market is fragmented with the highest scoring device at 8% and one at 6%. It is a big hit on the accessories that are specific to the devices. Google is racing to gain market share, with the Android device out 6-8 months. Apple carries two generations of iPads with an 18-24 month life expectancy of ability for replacement. The tablets will have to be refreshed, but hopefully it will offset the environmental costs of generating packets. The current digital packet is not the best form for long term digital archiving.

The PDF annotation app allows for reading the online packet and taking notes. The units will have a 3-5 year life expectancy, with the batteries replacement being the biggest concern. Everyone would have the same device, so if travelling they would easily adapt.

VOTE: YES. LEWIS, ROBERTS, ZAK

VOTE: NO. BURGESS, WYTHE

Motion failed.

Councilmember Wythe asked that the concept come back at budget so it can be discussed with other items. Councilmember Roberts asked it could come back at mid-year budget changes.

Councilmember Wythe is not a fan of getting the City into the technology race. There are other areas we could cut expenses that would offset this expense.

Councilmember Burgess suggested an imap or pop account could be set up in 15 minutes, could easily be monitored by the City, and costs nothing.

Councilmember Lewis asked that an accounting of how much money we spend on paper and what we could save be provided when the matter comes back.

City Manager Wrede asked IT Manager Poolos how we would find Councilmember Burgess' email if there were a public records request. Would we need to battle with the phone company or could we go through the city server. IT Manager Poolos answered those types of email accounts would work, but there would be city liability because he will be working on configuring a personal device that we do not have a contractual agreement for. What happens when the device

shows up that doesn't have the proper software on it to make the connection? Every hour spent dealing with devices costs staff time. It is a quick cookie cutter if everyone has the same device.

C. **Memorandum 12-098**, from City Clerk, Re: 2013 Proposed Budget Schedule.

Mayor Hornaday called for a motion for the approval of the recommendations of Memorandum 12-098.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RESOLUTIONS

A. **If reconsidered: 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.

Resolution 12-037(S), 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.

Motion on the floor from May 29, 2012: MOVED FOR THE ADOPTION OF RESOLUTION 12-037 BY READING OF TITLE ONLY.

WYTHE/LEWIS – MOVED TO SUBSTITUTE 12-037 WITH 12-037(S).

The dates of enactment are included in Resolution 12-037(S).

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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

Motion carried.

B. **If reconsidered: 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.

Resolution 12-038(S), 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.

Motion on the floor from May 29, 2012: MOVED FOR THE ADOPTION OF RESOLUTION 12-038 BY READING OF TITLE ONLY.

WYTHE/LEWIS – MOVED FOR THE SUBSTITUTION OF 12-038(S).

The dates of enactment are included in Resolution 12-038(S).

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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

Motion carried.

C. **Resolution 12-051**, A Resolution of the City Council of Homer, Alaska, Establishing a 2012 Mill Rate of 10.0264 Mills for the Ocean Drive Loop Special Service District. City Manager.

Mayor Hornaday called for a motion for the adoption of Resolution 12-051 by reading of title only.

ROBERTS/LEWIS - SO MOVED.

City Manager Wrede advised Council the mill rate must be set by June 15.

WYTHE/LEWIS - MOVED FOR THE REMOVAL OF THE MCNAMARA PROPERTY FROM THE ASSESSMENT ROLL.

An amended assessment roll to reflect the removal of the McNamara's was provided by Finance.

City Attorney Klinkner advised the City Council by ordinance determined what properties were to be included in the special service district. By ordinance the Council could act to remove properties from the district. He is not certain amending the resolution will successfully exclude the property from the district and tax. Council must levy a uniform tax through the district as it is constituted.

City Manager Wrede noted we have to pass a mill rate tonight, but property owners do not have to pay property tax until October. He asked the attorney if it was possible for Council to later pass an ordinance amending the special service district and remove Don and Donna Rae before property taxes become due.

City Attorney Klinkner answered that although he is not familiar with the Borough's property tax billing and collection procedure, because the tax is due in the future the adjustment could be made.

Councilmember Lewis asked that an ordinance to remove the McNamara's be presented at the next meeting.

VOTE: (amendment) YES. ZAK

VOTE: NO. BURGESS, LEWIS, ROBERTS, WYTHE

Motion failed.

WYTHE/ROBERTS - MOVED TO AMEND LINE 50 THE PROPOSED MILL RATE TO REFLECT THE MILL RATE WITH THEIR PROPERTIES EXCLUDED FROM THAT WHICH BRINGS THE MILL RATE TO 10.9926.

ROBERTS/WYTHE – MOVED FOR A FRIENDLY AMENDMENT TO INCLUDE THAT IN THE TITLE OF THE RESOLUTION.

Councilmember Roberts commented in the Special Service District in the past we collected tax and dissolved the mill rate, refunding the money back to the taxpayers.

VOTE: (amendment) YES. LEWIS, ROBERTS, WYTHE

VOTE: NO. ZAK, BURGESS

Motion failed.

Councilmember Burgess commented that coming into the discussion late he benefits from an outside perspective, but we are just slapping a bandaid on the issue. The real long term issue that needs to be figured out is does the City want to be responsible for defending land behind the wall, or does it not. Any haphazard solution that lets a tax base out of the situation is not in the interest of the taxpayers as a whole. Anything that punishes those in the district that are not exempt from the mill rate is unfair. He opposes any solution unless the costs can be evenly and equitably divided amongst the people on the Seawall.

Councilmember Roberts commented those are good points, but if the resolution is voted down tonight the taxpayers of Homer will be responsible for \$30,000 in repairs of the Seawall.

VOTE: YES. WYTHE, LEWIS, ROBERTS

VOTE: NO. ZAK, BURGESS

Motion failed.

- D. **Resolution 12-052**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Renewal of the Jail Service Contract for FY 2013 with the State of Alaska in the Amount of \$637,218.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Police Chief.

Memorandum 12-095 from Police Chief as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 12-052 by reading of title only.

WYTHE/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- E. **Resolution 12-053**, A Resolution of the City Council of Homer, Alaska, Extending the Contract for General Counsel Legal Services with the Firm of Birch, Horton, Bittner, Inc. for the Period of August 1, 2012 through July 31, 2013 in the Amount of \$11,000.00 per Month and Authorizing the Mayor to Execute the Contract. City Clerk.

Mayor Hornaday called for a motion for the adoption of Resolution 12-053 by reading of title only.

WYTHE/LEWIS - SO MOVED.

Councilmember Burgess noted the possible alternative contract for four years with an adjustment of 5% increase after two years. He suggested a discussion with the City Attorney to lock the rates in or negotiate a lower rate.

There are two more meetings to negotiate the contract with the City Attorney.

BURGESS/LEWIS - MOVED TO POSTPONE TO THE NEXT MEETING WITH INPUT FROM TOM.

Attorney Klinkner will be happy to be present by phone for the next meeting to discuss the contract. He made the contract suggestion to give more certainty in the future. The system that we have now with a monthly retainer amount plus an additional hourly amount for litigation is a legacy. He will be happy to discuss other options to manage the expense of legal representation. The effective hourly rate for the retainer work is less than the hourly rates quoted for litigation work. More than \$11,000 work is done under the retainer, providing Council with good value for this kind of arrangement.

A Special Meeting is needed with an Executive Session for negotiations.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- F. **Resolution 12-054**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Prepare and Sign a Purchase Offer for Lot 75, Bunnells Subdivision. City Manager/Public Works Director.

Memorandum 12-093 from Public Works Director as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 12-054 by reading of title only.

BURGESS/WYTHE – SO MOVED.

Councilmember Wythe noted the fiscal note for legislative grant cruise ship monies that can be used for construction. It is undetermined if those monies may be used for purchase of the property. There is currently \$39,586 available to purchase property.

WYTHE/LEWIS – MOVED TO AMEND TO MAKE THE \$39,586 AVAILABLE TO THIS PURCHASE IF IT'S REQUIRED.

There was no discussion.

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

Motion carried.

VOTE: (main motion as amended) YES. ROBERTS, WYTHE, BURGESS, LEWIS

VOTE: NO. ZAK

Motion carried.

- G. **Resolution 12-055**, A Resolution of the City Council of Homer, Alaska, Authorizing the Purchase of Cylindrical Rubber Fender Units for the Deepwater Dock Fender Replacement Project from the Firm of Fenderteam Americas, Inc. of Lansdowne, Virginia, in the Amount of \$58,672 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director.

Memorandum 12-094 from Public Works Director as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 12-055 by reading of title only.

WYTHE/LEWIS - SO MOVED.

Councilmember Burgess asked if it was possible to keep one fender unit on hand since we go through them frequently and there is such a long lead time to order them.

Port and Harbor Director Hawkins answered the fender unit is a new design we are upgrading and a larger fender unit. We do keep spares on hand.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

H. **Resolution 12-056**, A Resolution of the City Council of Homer, Alaska, Amending the Homer Public Library Policies, Fines and Fees Policy, for Overdue Items, Photocopies, Library Cards, Interlibrary Loan, Replacement and Damage Charges, and Digital Devices. City Clerk/Library Director.

Memorandum 12-096 from Library Director as backup.

Mayor Hornaday called for a motion for the adoption of Resolution 12-056 by reading of title only.

LEWIS/WYTHE – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Kevin Walker, Homer resident, is involved in the Kachemak Drive path. In accessing airport land we need to tell them it is access to the terminal. It will provide access for those arriving from Port Graham, Nanwalek, and Seldovia. On the Spit bike trail you have to cross the main road twice. He asked for a crosswalk at the base of the Spit. In the Canyon Trails subdivision they are allowed 1.5% steep back slopes. Almost all the steep slopes failed. He is going to ask the Transportation Advisory Committee to readdress steep slopes.

Donna Rae Faulkner, city resident, told Council they need clearance on the Seawall. She invited Council to Oceanside Farms tomorrow to take a tour. She would like to have Councilmembers Burgess and Zak know about removing them from the Seawall district. They entered into an agreement saying they will maintain the wall and they have been doing so.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner commented if Council has concerns about restructuring his contract he would appreciate them letting him know before the next meeting.

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

Councilmember Wythe expressed disappointment of not reaching a resolution on the mill rate. It exposes the entire community to the expense of maintaining the Seawall with no potential this year of making a recovery on the funds we have already spent. She recognizes and understands the concerns of the people that live on Seawall for the maintenance and expense it requires. She has no doubt the City will continue to help them and the City find resolution so we are no longer the bearers of their expense. In the short term of trying to see a long term resolution we have done a poor job for our citizens.

Councilmember Roberts echoed Beth's comments; she is disappointed too. She reminded those on the prevailing side they still have the opportunity to reconsider the resolution. In light of the resolution not passing tonight, she does not support eliminating anyone from the Seawall in the future. Unless there is a better resolution than everyone in town taking care of the Seawall, she won't be voting to change anything. She would be happy to support the water trail which is a good idea for Kachemak Bay. She congratulated the Homer High School girls' softball team; everyone knows they did a great job at State this year. Council had a good discussion on tablets and she thinks we erred in the wrong direction. We have left ourselves in the position where if something comes up she has to turn her technology over to the City. She doesn't believe that is what she was elected to do. We should revisit that issue. She missed Nick's monitor tonight.

Councilmember Burgess commented on the Seawall. He takes full responsibility for being on the side that has imposed a financial short term cost on the City. Somebody needs to step up and advocate for a long term solution to this problem. We have had 10 – 15 years of people batting the ball around. The City needs to put its money where its mouth is and make the call that we are either going to walk away from it or totally take care of it.

Councilmembers Lewis and Zak had no comment.

ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 7:47 p.m. The next Regular Meeting is Monday, June 25, 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.

JO JOHNSON, CMC, CITY CLERK

Approved: _____