

## **ACTION AGENDA**

Monday, August 12, 2013

Workession

Committee of the Whole

Regular Meeting

## **WORKSESSION AGENDA**

### **1. CALL TO ORDER, 4:00 P.M.**

Mayor Wythe called the meeting to order at 4:00 p.m.

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

The agenda was approved by consensus of the Council.

### **3. 2014-2019 CAPITAL IMPROVEMENT PLAN & FY 2015 LEGISLATIVE REQUESTS**

Memorandums 13-114 and 13-115 from Community and Economic Development Coordinator as backup.

### **4. COMMENTS OF THE AUDIENCE**

There were no comments of the audience.

### **5. ADJOURNMENT NO LATER THAN 4:50 P.M.**

Mayor Wythe adjourned the meeting at 4:30 p.m.

## **COMMITTEE OF THE WHOLE AGENDA**

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

Mayor Wythe called the meeting to order at 5:02 p.m.

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

The agenda was approved by consensus of the Council.

**3. CONSENT AGENDA**

**4. Budget Priorities for 2014**

**5. REGULAR MEETING AGENDA**

**6. COMMENTS OF THE AUDIENCE**

There was one who commented.

**7. ADJOURNMENT NO LATER THAN 5:50 P.M.**

Mayor Wythe adjourned the meeting at 5:52 p.m.

**REGULAR MEETING AGENDA**

Session 13-16, a Regular Meeting of the Homer City Council was called to order on August 12, 2013 at 6:00 p.m. by Mayor Mary E. Wythe 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, DOLMA, HOWARD, LEWIS,  
ROBERTS, ZAK

STAFF: CITY MANAGER WREDE  
CITY CLERK JOHNSON  
CITY ATTORNEY WELLS  
FINANCE DIRECTOR LI  
IT MANAGER POOLOS  
LIBRARY DIRECTOR DIXON  
PORT AND HARBOR DIRECTOR HAWKINS  
PUBLIC WORKS DIRECTOR MEYER

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

**2. AGENDA APPROVAL**

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The following changes were made:

**ANNOUNCEMENTS/PRESENTATIONS** - Letter from Senator Micciche to National Oceanic and Atmospheric Administration Fisheries Service, Re: Halibut Catch Sharing Plan. **PUBLIC HEARINGS** - **Resolution 13-048(S-2)(A-2)**, A Resolution of Homer City Council Amending the City of Homer Fee Schedule Under Water and Sewer Fees. City Clerk. Comments/Questions from City Attorney Klinkner; Written public comments. **RESOLUTIONS** - **Resolution 13-085(S)**, A Resolution of the Homer City Council Awarding the Contract for the Redwood Water Storage Tank Demolition Project to the Firm of Herndon Construction LLC of Homer, Alaska, in the Amount of \$89,897.40 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. Memorandum 13-118 from Public Works Director as backup. **Resolution 13-086(S)** A Resolution of the Homer City Council Awarding the Contract for the Karen Hornaday Park Picnic Shelter Project to the Firm of Polar North Construction of Soldotna, Alaska, in the Amount of \$78,532 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director. Memorandum 13-119 from Public Works Director as backup.

The agenda as amended was approved by consensus of the Council.

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

There were no comments of the public.

### **4. RECONSIDERATION**

### **5. 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 July 22, 2013. City Clerk. Recommend adoption.
- B. **Memorandum 13-110**, from Mayor, Re: Appointment of Matthew Steffy to the Parks and Recreation Advisory Commission; Bob Hartley, David Lewis, Barbara Howard, Bryan Hawkins, and Lisa Ellington to the Port and Harbor Building Task Force.
- C. **Memorandum 13-112**, from City Clerk, Re: November City Council Meeting Schedule.
- D. **Memorandum 13-113**, from City Clerk, Re: Correction of Account No. on Ordinance 13-20(S).
- E. **Ordinance 13-32**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 21.41.030, Definitions, HCC 21.41.040, Basis for Establishing Flood Hazard Areas, HCC

21.41.200, Standards–All Flood Hazard Areas, and HCC 21.41.220, Standards–Where Base Flood Elevation Data is Provided, to Adopt the Flood Insurance Rate Maps Dated November 6, 2013, and Code Revisions Recommended by FEMA. Planning. Recommended dates: Introduction August 12, 2013, Public Hearing and Second Reading August 26, 2013.

Memorandum 13-111 from City Planner as backup.

- F. **Ordinance 13-33**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2013 Operating Budget to Provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds From the General Fund, Water and Sewer, and Port and Harbor Reserve Funds to the Health Insurance Fund, and the Library, Fire Department, Information Technology, and Port and Harbor Budgets. City Manager/Finance Director. Recommended dates: Introduction August 12, 2013, Public Hearing and Second Reading August 26, 2013.

Memorandum 13-116 from Personnel Director as backup.

- G. **Ordinance 13-34**, An Ordinance of the City Council of Homer, Alaska, Authorizing the Purchase of Kenai Peninsula Borough Parcel No. 17702033 (Lot 18, Block 1, Barnett's South Slope Subdivision, Township 6S, Range 13W, Section 17, Seward Meridian), in the Amount of \$70,000 from the Water Reserve Fund for the Purpose of Providing a Site for a New Water Tank for the City Water Utility. City Manager/Public Works Director. Recommended dates: Introduction August 12, 2013, Public Hearing and Second Reading August 26, 2013.

Memorandum 13-117 from Public Works Director as backup.

Item F - Ordinance 13-33 and Item G – Ordinance 13-34 were removed from the Consent Agenda and placed under Ordinances.

The consent agenda as amended was approved by consensus of the Council.

## 6. VISITORS

## 7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. **Mayor's Recognition** – Homer Kachemak Bay Rotary Club - Ben Walters Park

Mayor Wythe read the recognition and presented a plaque to Milli Martin.

## B. Borough Report

Bill Smith, Kenai Peninsula Borough Assemblyman, reported there are three initiatives on the borough ballot this year. They include raising the property tax exemption from \$20,000 to \$50,000, a \$23M bond issue for the schools, and assembly term limits.

Currently the Borough offers a \$300,000 plus \$20,000 exemption for seniors; the City of Homer offers a \$150,000 plus \$20,000 exemption for seniors. This year the Legislature increased the allowable exemption from \$20,000 to \$50,000.

A \$23M bond issue for the schools that includes artificial turf for the Homer High School football field will be on the ballot. The measure is pre-approved by the State under the 70/30 state bond program. We will bond for \$23M and pay \$7M; the State picks up 70%. The Borough is responsible for maintaining all the schools. It is better to provide maintenance now than to wait for emergencies.

The last ballot initiative is about term limits. The Borough currently has a two term limit. Some municipalities feel they should be able to choose their own assembly members.

The Assembly is also working with administration on a vote by mail ordinance that will take effect next year. It is a complicated process, and the Borough Clerk is working with city clerks for a unified approach. It should produce more voters; voters will still be able to vote on the last day. It is anticipated more people will take advantage of a mail vote and it will save the Borough money.

## C. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission

Dave Brann, Parks and Recreation Advisory Commissioner, thanked Council for the nice recognition to the Rotary Club. He thanked Planning, Public Works, the City Manager, and sponsors of the new bike awareness signs that have been installed on Kachemak Drive. The

commission's last meeting was cancelled due to lack of members. They now have a new commission member with tonight's appointment of Matthew Steffy. At their meeting on Thursday they will decide whether to reschedule Parks Day. They would like to emphasize the Adopt-a-Park program, recognize the Rotary's work on Ben Walters Park, and recruit commissioners. Commissioner Brann thanked Angie for growing the flowers for Ben Walters Park. There was a work party at Bayview Park and Karen Hornaday Park; both parks are looking good. The Highland Games and Concert on the Lawn were both held at Karen Hornaday Park. He is excited to see the new bathroom facilities around town. At the next meeting the commission will decide on a bylaw amendment to end their meetings by 8:00 p.m. in recognition of staff. By special request the meetings will still be allowed to extend to a time specific.

5. Port and Harbor Advisory Commission

- D. Letter from Senator Micciche to National Oceanic and Atmospheric Administration Fisheries Service, Re: Halibut Catch Sharing Plan.

**8. PUBLIC HEARING(S)**

- A. **Resolution 13-048(S-2)(A-2)**, A Resolution of Homer City Council Amending the City of Homer Fee Schedule Under Water and Sewer Fees. City Clerk.

Memorandum 13-073 from Water and Sewer Rate Task Force as backup.

There were ten who testified.

Mayor Wythe called for a recess at 6:52 p.m. and reconvened the meeting at 6:55 p.m.

Mayor Wythe called for a recess at 7:03 p.m. and reconvened the meeting at 7:19 p.m.

SECOND SUBSTITUTE ADOPTED and AMENDED with recommendations from City Attorney. ADOPTED as AMENDED with discussion. RECONSIDERED and ADOPTED.

- B. **Resolution 13-078(S)(A)**, A Resolution of the City Council of Homer, Alaska, Directing the City Manager to Propose Projects that Utilize the Funds in Excess of \$3 Million Dollars in the HART Fund and Funds in Excess of \$3 Million Dollars in the HAWSP Fund for Consideration of the Homer City Council. Burgess/Roberts. Postponed from July 22, 2013 for a Public Hearing.

There were three who testified.

ADOPTED with discussion.

C. **2014 Budget Priorities**

There was no public testimony.

- D. **Ordinance 13-25**, An Ordinance of the Homer City Council, Amending HCC 3.10.130, Governance of Homer Permanent Fund Assets, HCC 3.12.020, Contributions, HCC 3.12.030 Allocation to Sub-Funds, HCC 3.12.060 Expenditures of Income and HCC 3.12.080, Expenditure of Principal; Enacting HCC 3.12.015, Definitions; and Repealing HCC 3.12.070, Loans from Income Sub-Fund; Regarding the Homer Permanent Fund. City Clerk/Permanent Fund Committee. Introduction July 22, 2013, Public Hearing and Second Reading August 12, 2013.

Memorandum 13-098 from Permanent Fund Committee as backup.

There was no public testimony.

ADOPTED without discussion.

- E. **Ordinance 13-26**, An Ordinance of the Homer City Council, Appropriating \$67,310.08 from the Homer Permanent Fund to the Homer Foundation City of Homer Endowment Fund. City Clerk/Permanent Fund Committee. Introduction July 22, 2013, Public Hearing and Second Reading August 12, 2013.

Memorandum 13-098 from Permanent Fund Committee as backup.

There was no public testimony.

ADOPTED without discussion.

- F. **Ordinance 13-27**, An Ordinance of the City Council of Homer, Alaska, Making Technical Corrections to Title 21 of the Homer City Code for its Republication by Code Publishing, Inc. Planning. Introduction July 22, 2013, Public Hearing and Second Reading August 12, 2013.

Memorandum 13-106 from City Attorney as backup.  
Memorandum 13-107 from City Planner as backup.

There was no public testimony.

ADOPTED without discussion.

- G. **Ordinance 13-28(A)**, An Ordinance of the City of Homer, Amending Homer City Code Chapter 11.12, Street and House Numbering, to Establish Standards and Procedures for the Naming and Renaming of Streets. Burgess. Introduction July 22, 2013, Public Hearing and Second Reading August 12, 2013.

There was no public testimony.

ADOPTED without discussion.

- H. **Ordinance 13-29**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Public Library Assistance Grant for FY 2014 in the Amount of \$6,600, with a Local Match of \$7,000 for Books and Library Materials, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Library Director. Introduction July 22, 2013, Public Hearing and Second Reading August 12, 2013.

Memorandum 13-099 from Library Director as backup.

There was no public testimony.

ADOPTED without discussion.

- I. **Ordinance 13-30**, An Ordinance of the Homer City Council, Amending HCC 14.04.040, Sewer Rate Schedule, and HCC 14.08.080, Schedule of Rates--Rules and Regulations; to Provide that Sewer and Water Rate Schedule Changes Shall Take Effect as of the Date Set Forth by Resolution. City Manager. Introduction July 22, 2013, Public Hearing and Second Reading August 12, 2013.

Memorandum 13-102 from City Clerk as backup.

There was one who testified.

AMENDED: to review rate schedule annually.

ADOPTED as AMENDED with discussion.

- J. **Ordinance 13-31**, An Ordinance of the City Council of Homer, Alaska, Amending the 2013 Operating Budget By Appropriating an Additional \$69,000 from the Water Reserve Fund for the Demolition of the Redwood Tank at the Water Treatment Plant. City Manager/Public Works Director. Introduction July 22, 2013, Public Hearing and Second Reading August 12, 2013.

Memorandum 13-101 from Public Works Director as backup.



There was one who testified.

ADOPTED with discussion.

## **9. ORDINANCE(S)**

- A. **Ordinance 13-33**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2013 Operating Budget to Provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds From the General Fund, Water and Sewer, and Port and Harbor Reserve Funds to the Health Insurance Fund, and the Library, Fire Department, Information Technology, and Port and Harbor Budgets. City Manager/Finance Director. Recommended dates: Introduction August 12, 2013, Public Hearing and Second Reading August 26, 2013.

Memorandum 13-116 from Personnel Director as backup.

ADOPTED with discussion.

Mayor Wythe called for a recess at 8:25 p.m. and reconvened the meeting at 8:31 p.m.

- B. **Ordinance 13-34**, An Ordinance of the City Council of Homer, Alaska, Authorizing the Purchase of Kenai Peninsula Borough Parcel No. 17702033 (Lot 18, Block 1, Barnett's South Slope Subdivision, Township 6S, Range 13W, Section 17, Seward Meridian), in the Amount of \$70,000 from the Water Reserve Fund for the Purpose of Providing a Site for a New Water Tank for the City Water Utility. City Manager/Public Works Director. Recommended dates: Introduction August 12, 2013, Public Hearing and Second Reading August 26, 2013.

Memorandum 13-117 from Public Works Director as backup.

Councilmember Burgess declared a conflict of interest as his residence is located between properties.

Mayor Wythe ruled Councilmember Burgess did have a conflict of interest and excused him from participation. There was no objection from the Council.

FAILED with discussion.

## **10. CITY MANAGER'S REPORT**

- A. City Manager's Report
  - 1. August Employee Anniversaries
  - 2. Current City Capital Projects
  - 3. DOT/PF Capital Projects

City Manager Wrede noted his report was dedicated to capital projects. He has received a lot of favorable reviews about the Governor's picnic in Homer. He thanked everyone involved in the planning process, including the committee, Katie Koester, the women at City Hall, Terri Robl, Jenny Martin, Public Works, the many volunteers, and the corporate sponsors. In hearing feedback from the commissioners and the Governor they said it was the best picnic they have had.

A couple weeks ago there was a sad incident on the Poopdeck Trail. The City is having discussions with adjoining property owners in the general area. Although referred to as the problem on the Poopdeck Trail, it is really the entire Town Center. There is a lot going on that shouldn't be. Public Works will be doing some thinning and clearing of alders and underbrush on the Poopdeck Trail and the trail that goes to the library. No big trees will be cut. A meeting is planned with the land trust to plan for a broader community wide effort. We are taking a serious look at making all trails in Homer safer.

Finance Director Li presented Council with a financial report. City Manager Wrede asked that Council review it and see if it is the format they were looking for and if it provides sufficient information.

Councilmember Roberts would like to see the financial report on a regular basis and likes the fact that it refers to the last three years.

Councilmember Burgess recognized new Finance Director Li who has jumped right in on a lot of projects and taken the bull by the horns. He likes that he is straight and to the point.

Mayor Wythe recognized the eight employees' anniversaries, celebrating a combined 91 years of service to the city.

- B. Bid Report

## **11. CITY ATTORNEY REPORT**

- 1. July 2013 Report

Asked if there was any information about the Kennedy cases, City Attorney Wells answered we are moving forward in working with Mr. Kennedy. Legal action is still pending.

**12. 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

**13. PENDING BUSINESS**

**14. NEW BUSINESS**

**15. RESOLUTIONS**

- A. **Resolution 13-085**, A Resolution of the Homer City Council Awarding the Contract for the Redwood Water Storage Tank Demolition Project to the Lowest Responsible Bidder in the Amount of the Low Bid and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.

**Resolution 13-085(S)**, A Resolution of the Homer City Council Awarding the Contract for the Redwood Water Storage Tank Demolition Project to the Firm of Herndon Construction LLC of Homer, Alaska, in the Amount of \$89,897.40 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.

Memorandum 13-118 from Public Works Director as backup.

SUBSTITUTE RESOLUTION 13-085(S) ADOPTED with discussion.

- B. **Resolution 13-086**, A Resolution of the Homer City Council Awarding the Contract for the Karen Hornaday Park Picnic Shelter Project to the Lowest Responsible Bidder in the Amount of the Low Bid and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.

**Resolution 13-086(S)** A Resolution of the Homer City Council Awarding the Contract for the Karen Hornaday Park Picnic Shelter Project to the Firm of Polar North Construction of Soldotna, Alaska, in the Amount of \$78,532 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Public Works Director.

Memorandum 13-119 from Public Works Director as backup.

SUBSTITUTE RESOLUTION 13-086(S) ADOPTED without discussion.

**16. COMMENTS OF THE AUDIENCE**

There were five who commented.

**17. COMMENTS OF THE CITY ATTORNEY**

City Attorney Wells had no comment.

**18. COMMENTS OF THE CITY CLERK**

City Clerk Johnson reminded the audience of the candidacy filing period that remains open through Thursday, August 15 at 5:00 p.m. for two city council seats.

**19. COMMENTS OF THE CITY MANAGER**

City Manager Wrede hopes someone does apply for the council seats. He referenced Adrienne Sweeney's comments about the \$3M in assessments. It sounds like a lot and he doesn't know the situation. He clarified water and sewer assessments are not used for day to day operation costs; they are used for an expansion of the system. There must have been big water and sewer lines that went through their property.

**20. COMMENTS OF THE MAYOR**

Mayor Wythe added the assessment is not issued or collected until after construction has been completed. You don't collect the funds in advance and then not build the project. She thanked the Councilmembers, committee members, and the members of the public that sat on the Water and Sewer Rate Task Force. Water and sewer rates are always contentious. They were put on an alternate year review to spread out some of the tension. There is always a winner and always a loser. The new rate schedule makes the philosophical change to a commodity base. The new rates will go into effect January 2014. Mid year in 2014 the rates will be looked at again and a mid-year adjustment may be made. There are two positions open on the council this year. She

would like to see some members of the Homer Voice for Business apply. Her tenure on the council has been a rewarding period of time for her. To be a business owner and say, "I cannot sit on the council because it may impact my business," is a wrong position to take. Choosing not to sit on the council or the Economic Development Advisory Commission is already impacting your business. She encouraged those in the business group to consider committing to a 3-year term. They will see from the other side of the table what it is like to make these decisions. She can guarantee Council makes 30% to 50% of the people unhappy for every decision they make. Along with that guarantee Council receives a monthly stipend of \$46 after taxes.

## **21. COMMENTS OF THE CITY COUNCIL**

Councilmember Lewis said if he offended any of those about his comments on the water rate ad he is sorry. If we are going to talk water and sewer lets have all the words there, not just one and make it look like something else. Maybe it was not intended, but that is the way it was taken by a lot of people.

Councilmember Burgess is encouraged the business community is here to participate and would like to see the business community apply for an open council seat. We need community discussion with rational and thoughtful discussion of the issues to make informed decisions. Deliberate misinformation and deception on the part of one or two parties for the sake of advancing their own agenda is not constructive to the community process. When you misrepresent things people get frustrated and it hinders Council's ability to make positive decisions and have debates about the facts. If any business person wants to come and propose how businesses can self regulate to get rid of the omnibus sign code or expand the water and sewer system in an equitable way he would love to stand behind it. There are a lot of receptive ears on the Council. Approach us with what you want; let's focus on being pro business. It is interesting on the water and sewer debate that Kachemak City called frustrated that their rates will go up. The Council represents the citizens of Homer. If in a situation where they have to make a decision between passing the costs on to the people that vote for them and costs onto the people that are customers, Council has to weigh and balance the concerns. He appreciates everyone coming out tonight and looks forward to working with one or two of them.

Councilmember Dolma is glad to see everyone that came out tonight and wishes he had seen them three to four months ago. We came to resolution on the water and sewer rates. There are differing opinions on every issue; there are winners and losers. We have a lot more to do. We were just working on one small issue, how to divide up expenses. For everyone that wants to volunteer there is a place for you here in the city.

Councilmember Zak thanked all the people that worked on the Water and Sewer Rate Task Force. Their hearts were in the right place when they came up with the model. He is glad

discussion went on longer to hear people's opinions. We know there are problems with the system and we need to lower rates to make it more affordable. There were good comments from the citizens that spoke tonight. It is the City of Homer and the citizens working together for the local economy that makes some wins. We are optimistic about the future. We had the Governor and his staff here this summer. We want to maintain a good quality of life, good rapport with the city employees, city council, and business owners.

Councilmember Roberts is glad we concluded the water and sewer issue and that we took the extra time to review the rates. She appreciates the testimony. There are lots of things to think about and to fix. She appreciates what the Rotary Club did at Ben Walters Park and thanked the group that was responsible.

Councilmember Howard had no comment.

Mayor Wythe introduced Corbin Arno, candidate for City Council. She announced the Saturday meeting Council has scheduled to talk about improving the way we do our Capital Improvement Plan. Jo will extend an invitation to the candidates.

## **22. ADJOURNMENT**

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 9:08 p.m. The next Regular Meeting is Monday, August 26, 2013 at 6:00 p.m. and Committee of the Whole 5:00 p.m. A Worksession is scheduled for Saturday, August 17, 2013 from 9:00 a.m. to 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.