



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

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MEMORANDUM AGENDA CHANGES/SUPPLEMENTAL PACKET

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

FROM: JO JOHNSON, MMC, CITY CLERK 

DATE: NOVEMBER 25, 2013

SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

PUBLIC HEARINGS

Ordinance 13-44, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2014 for the General Fund, the Water-Sewer Fund, the Port/Harbor Fund, Debt Funds, and Capital Reserve Funds (Conditional Expenditures). City Manager.

Written public comments

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CITY ATTORNEY REPORT

City Attorney Report for October 2013

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RESOLUTIONS

Resolution 13-113, A Resolution of the City Council of Homer, Alaska, Approving a New Two Year Contract in the Amount of \$40,000 Per Year with Anderson Group, LLC for Legislative Consulting and Lobbying Services. City Manager.

Written public comments

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RECOMMENDATION:

Voice consensus to changes under Agenda Approval.

Fiscal Note: N/A

NOV 13 2013

November 13, 2013

Beth Wythe, Mayor
Homer City Council Members
City of Homer
491 East Pioneer Avenue
Homer, Alaska 99603

Dear Madam Mayor and City Council Members,

The Homer Arts and Culture Alliance (HACA) is expressing our support for an inclusive assessment for recreation and cultural needs in Homer. The ReCreate Rec group is taking a broad approach to addressing this community's need for activity spaces.

We are fortunate to live in a place rich with natural beauty and many recreational and cultural activities. Healthy communities incorporate many things including diverse recreation opportunities, access to inspirational art and performances, engaging hands-on learning activities, and the preservation and celebration of our cultural heritage. A vibrant arts and culture community creates a ripple effect throughout the area it serves. This goes beyond the direct economic impacts to such diverse benefits as building critical thinking skills in our young people to helping us build stronger connections with each other through shared understanding.

We encourage the City to build on existing plans along with the current work of individual organizations and groups like ReCreate Rec and HACA to continue to enhance this community's quality of life and economic development in a sustainable way. Considering recreation and cultural needs together makes sense as there are shared and mutual goals and programming. This approach comes with the broad base of support that will be needed to secure the necessary operating funds.

Thank you for your consideration of ReCreate Rec's request. We appreciate your efforts on behalf of Homer and look forward to working with you in the future.

Sincerely,

Homer Arts and Culture Alliance

*Bunnell Street Art Center, Homer Council on the Arts, Kachemak Bay Campus of KPC,
Kenai Peninsula Orchestra, Pier One Theater, Pratt Museum*

Jo Johnson

To Mayor
11/20/13

From: Whytal, Sharon K (HSS) <sharon.whytal@alaska.gov>
Sent: Wednesday, November 20, 2013 11:46 AM
To: Beauregard Burgess; David Lewis; Francie Roberts; Barbara Howard; Bryan Zak; Gus Van Dyke; Department Clerk
Subject: early learning in Homer

Dear Homer City Council Members and Honorable Mayor Beth Wythe:

As a public health nurse and in collaboration for Best Beginnings of Homer, I am writing at this time because the community is grappling with how to re-open Boys and Girls Club and how to expand Community Recreation space available. Meanwhile, our children's library is a precious resource that is well-utilized and under-staffed to meet the current and expanding need. As nurses, we know that it makes good economic sense for a community to invest in its youth; building resilience in our young people will pay off in healthy behaviors and productive citizenship later. Libraries are in a unique position to respond to changing resources and technology over time.

Our recent MAPP health needs assessment showed that citizens value healthy activities for youth, as a deterrent to substance abuse and other community problems. Our public library fosters early learning, literacy and language skills at a time when children are developing their habits for life. In a time where new taxes are unpopular, I appreciate your hard work to keep our community strong and forward-thinking, and that you are using data to make decisions. Please consider continuing your strong support for the children's library, and especially if new resources become available.

Sincerely,

Sharon

Sharon Whytal, Public Health Nurse

Team Leader, Homer Public Health Center

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Join Green Dot in Homer—preventing violence in our community, one individual choice at a time. What's your GREEN DOT? Go to livethegreendot.com

11/23/13

NOV 25 2013

Dear Homer Mayor Beth Wythe,

My name is Sharon Friesen Schulz, and I have been a resident of Homer for the past 27 years. I am writing to request funding for a much needed **Full-time Youth Services/Children's Librarian** at our Homer Public Library.

For the past 29 years I have been employed by the State of Alaska public schools as a nationally certified Speech-Language Pathologist, primarily at Paul Banks Elementary School. This past July, I retired from the Kenai Peninsula School District so I could spend more time with my family, friends, and other projects in our Homer community. My husband, Steve Schulz, is a self-employed carpenter/builder. We have a daughter, Ayla Schulz, who is 20 years old and is currently attending college, and son Luka, age 15, who is a full-time student at Homer High. We are very proud to say that both of our children were born and raised in Homer.

As a parent, educator, and Homer community member, one of the best changes in our town has been the creation of our new Homer Public Library. Besides enjoying the Homer Public Library's services myself, I have also been pleased with our Children's Library and Youth Services program. My own children have heard stories read aloud, participated in summer reading programs, and have checked out many a book from the Children's library. The Children's Library services have educated many children and families in the Homer area. This has been especially beneficial for low-income families that would not otherwise have access to quality books and literacy activities.

Current research shows that developing early literacy skills in young children gives them a head start in their long term academic and social success. The Homer Public Library Children's Librarian plays such an important role in our community, not just for direct literacy services to children, but also to model for parents how to do literacy activities at home. For further information on literacy and language development, please refer to the American Speech and Language Association's "Gateway to Literacy" at www.asha.org.

At this time, the Homer Public Library's Children's Librarian is funded for a part-time position. However, as our community is increasingly aware of the importance of early literacy skills, these services have become so popular that the current Librarian position cannot meet the needs of our youth and their families. I am requesting that you please use any funding available to increase the very **important Homer Public Library's Children's Librarian position to Full-time**. It will benefit us all in the long run.

Sincerely,

Sharon Friesen Schulz

2525 Paradise Place, Homer, Alaska 99603

(907) 299-2461

Jo Johnson

From: Stan Eller <stan.eller@gmail.com>
Sent: Monday, November 25, 2013 10:54 AM
To: Department Clerk
Subject: Proposed insurance increases

Dear Mayor Wythe:

Thank you very much for meeting with us concerning the proposed changes to the insurance program at the City of Homer. To reiterate some points we discussed as well as to examine a few new points, I thought I'd send you this email before the next city council work session and council meeting.

As the father-in-law of a current city employee, I am extremely concerned about the newly proposed insurance program. Not only will it have a devastating effect on employees and their families, it will also have a huge effect on the City of Homer when you lose qualified, well trained workers to private industry and to other public institutions that have better wages and/or insurance packages. Homer has already lost a number of police officers, police dispatchers, mechanics, and Public Works employees – even before these massive insurance rate increases take place. I can only imagine the employee exodus after the insurance premiums double, triple or quadruple and the deductibles increase from 4 times to 15 times for a program with reduced insurance coverage. Getting worse insurance coverage for 15 times the price is not going to help attract nor retain qualified employees. Employee morale will also suffer for those who remain after seeing these massive rate increases. Furthermore, a high turnover rate will incur many hidden but very real costs to the city when they have to train new employees at a much higher frequency. And if you think funding a skilled workforce is expensive, try paying the liability costs for mistakes an unskilled workforce makes when you have a constant stream of new workers operating heavy equipment on a daily basis in very public areas.

My son-in-law quit a job just over a year ago to take a job with the City of Homer in order to get better insurance coverage for his young family. With a wife and 3 small children at home, Mike took a \$4.00 per hour pay cut in order to get the better insurance for his family. He was not told at the time of his hire that the City of Homer employees would soon see huge increases in premiums and deductibles for much inferior actual insurance coverage.

Under the current city insurance program, Mike and Chrissy pay \$170 per month for their insurance premium to be covered at the 90/10 percent rate. Under Walt's new proposal, their premium would increase to over \$400 per month for the Core program that covers at a 70/30 percent rate or to roughly \$800 per month on the Buy Up plan that covers at an 80/20 percent rate. Mike and Chrissy can't afford to spend \$800 per month for health insurance. When Mike decided to take the City job last year at \$4.00 less per hour than what he was making in private industry, they had to tighten their belts just to get by. This past year, they have already cut out cable TV, their land line telephone, one cell phone, and internet services. They don't eat out, they buy their kids clothing at second hand stores, they drive vehicles that are 13 years old or older with over 100,000 miles each, and they hunt, fish and garden to reduce food costs. They are fiscally conservative with no credit cards and the five of them live in a modest 800 square foot home. They've already trimmed the fat right out of their budget just to get by.

Furthermore, for the past year since taking the city job at it's reduced wage, Mike has worked an average of one day per week at Coal Point Seafoods in order to bring in enough money to break even. There is no more fat to cut in their budget and they just plain cannot afford an \$800 per month insurance premium so the Buy

Up plan is completely out of their range. Under Walt's new proposal, the only option they could possibly afford is the Core plan in which they would pay 2.5 times what they currently pay for premiums, a \$230 increase per month. Mike is already working 6 days per week to get by so this increase is going to be extremely difficult to pay for. He only has three options - work 7 days per week or to go in the hole each month or to look for a job with better wages or insurance. Mike likes working for the City very much so the last option is not very attractive but then again, working 7 days per week or going in the hole each month aren't very attractive either.

Even if Mike and Chrissy can hold on, work 7 days each week and manage to pay for the Core plan premium, they still have to somehow have enough money to pay for the Core plan deductible. Under the current insurance program, Mike's deductible is \$300 for the family per year. Under Walt's new proposed Core program, the deductible will skyrocket to \$4500 per year, an increase of 15 times beyond their current deductible! Year in and year out, with five people in their family, the chance that they will have a medical situation is fairly high. Do the math. Their proposed Core plan premium is \$400 per month times 12 months equals \$4800 per year in premium payments. Added to the proposed Core deductible of \$4500, Mike and Chrissy would pay \$9300 per year out of pocket for insurance coverage at a reduced 70/30 rate. Mike and Chrissy's current out of pocket maximum is \$1500 per family per year. The proposed Core plan would raise that maximum to \$9000, an increase per year of \$7500 which they don't have. Like I said, if Mike has to work 7 days a week just to pay for the increased premium, he has no realistic way to make an additional \$7500 per year to pay for the increased deductible. Walt's proposed insurance program is not just pulling the rug out from under them, it is cutting them off at the knees.

As a tax paying citizen of Homer for the past 29 years, I understand well that city council members and the city manager have hard decisions to make with a reality of rapidly increasing insurance costs. However, please keep in mind that the workers for the City of Homer are real people, not numbers. And they have real budgets to meet. At the time of his hire a little over a year ago, Mike was not informed in any way that his insurance premiums would soon go up 2.5 times and his deductible would increase 15 times at the same time his coverage would decrease by 20%. I cannot believe that this is the best that this city can offer its own employees. To ask city employees to shoulder massive insurance increases in the span of one year with no prior warning is not only impossible for some of them, it is also unethical for the City to do to them with no warning in such a short period of time.

I attended the last city council meeting in October. During that meeting, citizens who requested additional city services were asked how they proposed to pay for their requests. My request to the city is to not give massive insurance increases to your employees with such little notice. Do whatever it takes to get by for a year or two. Nationwide, our insurance industry is in a huge state of confusion and change. Help your employees get through this period and see where things settle out. After they stabilize, thoroughly research the options and pick the best one for the city and for the employees. Self-insurance might not be the best option for the city in the future. But suddenly imposing massive financial burdens on your employees is not the wisest option at this time before things settle out and your best options have been thoroughly investigated.

To pay for that, I would curtail or cease all capital projects for the next year or two. During the city council meeting in October, project manager Dan gave an update on capital projects the city of Homer presently has under construction. I was surprised how many capital projects are currently underway in our small city. I am sure each and every one of them is in some way needed but they are expensive to build, some very expensive, and will be expensive to maintain. As a private citizen, when the money gets tight, I pull back. Identify the needs and the wants. Then prioritize and do what you can with what you have. We don't have to have

everything immediately. I am not against building these expensive projects but it doesn't pass the smell test to say the city can't afford to give their workers a decent salary and benefits at the same time they are spending hundreds of thousands or millions of dollars on new capital projects.

On the City of Homer Department Budget Requests for 2014, the Public Works department requested \$425,000 to expand the Public Works building to provide additional office/conference room capacity and renovate existing heating and ventilation. I am not at all disputing that Public Works might need more office space, a new conference room and especially heat renovation work. But at a time when you are asking your own employees to shoulder a massive health insurance increase, couldn't we just do the heat renovation work and get by for the next year or two without the additional office space and new conference room? And if Public Works really is pinched for conference room space, couldn't they just drive 4 blocks up to city hall and use their conference room for the next year or so until this insurance problem is resolved? That might save us \$300,000 or \$350,000 of the requested \$425,000 and we would still have \$100,000 to pay for heating renovations down at Public Works.

I also noticed in the budget requests for 2014 that the Fire Chief had asked for money to paint the outside of the fire hall. Maintenance is a necessary evil. However, he also remarked that he wasn't at first totally convinced it would be a wise expenditure because he thought that he would be in a new fire hall building within 5 years anyway. The cost to build a new fire hall or new fire hall/police department building would run in the hundreds of thousands or millions of dollars and if the fire chief is correct when he stated he expects to be in a new building within 5 years, the preliminary studies and architectural work would need to start soon. I just think it would be incredibly hypocritical for the city of Homer to say they can't fund an adequate insurance program for their workers but they can afford a new million dollar fire hall. I've also heard talk of a new Harbor Masters office. I'm sure a need exists for each of these huge projects but I think all new capital budget expenditures should cease effectively January 1st - the same day Walt's insurance increases are proposed to go into effect - and they don't restart until this insurance matter is fairly taken care of. If we can't take care of our own workers, we have no business adding even more huge projects to the picture.

I wonder if it wouldn't be wise to involve an insurance committee composed of workers, supervisors and administration. The city of Homer already supposedly has such a committee but its actual functions seem to be more figurehead than effective. You might even add a city council member to the committee and a citizen or two. Bring things out in the open, shine the light on it, and pick the best option for the city, for its workers, and for its citizens.

In closing, I do hope this insurance mess can be corrected before the massive increases take effect in January. With the current state of upheaval and uncertainty in the insurance industry at the national level, I just hope the city of Homer can wisely and prudently find a way to navigate through the next year or so and let things settle out before making any huge, dramatic changes that could be so detrimental to our young workers and families in Homer.

Thank you for your consideration of this issue, Stan Eller 299-2509

MEMORANDUM

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: THOMAS F. KLINKNER

RE: CITY ATTORNEY REPORT FOR OCTOBER 2013

CLIENT: CITY OF HOMER

FILE NO.: 506,742.18

DATE: NOVEMBER 22, 2013

The following summarizes our activities as City Attorney during the month of October 2013.

City Council. I attended the October 14, 2013 City Council meeting, and reviewed the agenda packet for the October 28, 2013 City Council meeting.

City Clerk. I drafted an ordinance that creates a schedule of fines for traffic offenses, and revises related sections of the City Code. I advised the City Clerk regarding the procedure for a recount of the vote for members of the Council, and administering the oath of office to Council members who could not attend the next Council meeting. I researched and prepared information for the City Clerk and the Council regarding the procedure for electing a charter commission. I researched and drafted an opinion to the City Clerk regarding telephonic participation by members at board and commission meetings.

Planning. I advised the Council regarding changes to the standard for discontinuance of a nonconforming use, and drafted a Code amendment to change that standard. We advised the Planning Department regarding the scheduling of conditional use hearings, and the imposition of conditions on subdivision approval.

Water and Sewer Utilities. I revised an ordinance providing for deferred assessments for a sewer main extension.

Port and Harbor. I compiled and extended research on the Harbormaster's authority to exclude vessels from the harbor.

City of Homer v. Grant Aviation. Adam began to negotiate a settlement of the City's claim for damages from Grant Aviation resulting from its abandonment of its lease at the Homer airport.

City of Homer v. Shadle. Holly prepared for a hearing scheduled for November 25, 2013 regarding the penalties that are to be imposed for Mr. Shadle's zoning violation.

I will be available to answer questions regarding these matters at the November 25, 2013 Council meeting.

cc: Walt Wrede
Jo Johnson

Jo Johnson

From: Mary Griswold <mgrt@xyz.net>
Sent: Tuesday, November 19, 2013 8:10 AM
To: Jo Johnson
Subject: Resolution 13-113 Lobby contract

please include in the supplemental council packet:

I urge you to end the lobbying contract. Modern communication and transportation improvements allow even the common citizen to keep close tabs on the actions in Juneau. I was pleased when the council required regular reports from the Anderson Group, but I was surprised that they often knew no more than I did about issues I was following. We are very fortunate to have convenient access to the legislative bill tracking system and first name access to our legislators. Local officials are well qualified to represent our interest in Juneau whether they travel there or communicate by phone and e-mail or visit with our representatives during their frequent visits to Homer. \$40,000 a year can be put to much better uses than a lobbying contract: how about a recreational needs assessment for starters?

Mary Griswold
city resident

