

ACTION AGENDA
Monday, January 27, 2014
Special Meeting
Worksession
Committee of the Whole
Regular Meeting

SPECIAL MEETING AGENDA

Session 14-02 a Special Meeting of the Homer City Council was called to order on January 27, 2014 at 4:00 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, LEWIS, ROBERTS, VAN DYKE, ZAK
	ABSENT:	HOWARD (excused)
	STAFF:	CITY MANAGER WREDE CITY CLERK JOHNSON CITY ATTORNEY KLINKNER (telephonic in Executive Session) IT MANAGER POOLOS PERSONNEL DIRECTOR PETERSEN

Councilmember Howard has requested excusal.

Mayor Wythe declared Councilmember Howard's absence as excused. There was no objection from the Council.

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.

Councilmember Burgess arrived at 4:03 p.m.

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

There were two who commented.

4. **NEW BUSINESS**

- A. **Memorandum 14-012**, From City Clerk, Re: Request for Executive Session Pursuant to AS §44.62.310(A-C)(1 & 5), Matters, the Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Government Unit and Attorney/Client Privilege (A Legal Briefing on Castner vs. City of Homer).

APPROVED without discussion.

Council adjourned to Executive Session at 4:10 p.m. and reconvened at 4:36 p.m.

Mayor Pro Tempore Roberts stated the attorney briefed us on the Castner case and we gave the attorney advice on how to proceed.

5. COMMENTS OF THE AUDIENCE

There were no comments of the audience.

6. ADJOURNMENT NO LATER THAN 4:30 P.M.

Mayor Wythe adjourned the meeting at 4:37 p.m.

WORKSESSION AGENDA

1. CALL TO ORDER, 4:30 P.M.

Mayor Wythe called the meeting to order at 4:37 p.m.

Councilmember Howard has requested excusal.

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. EMPLOYEE COMPENSATION PACKAGE

Memorandum 14-025, from Personnel Director, Re: Compensation.

4. COMMENTS OF THE AUDIENCE

There were two who commented.

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

Mayor Wythe adjourned the meeting at 4:59 p.m.

COMMITTEE OF THE WHOLE AGENDA

2. CALL TO ORDER, 5:00 P.M.

Mayor Wythe called the meeting to order at 5:03 p.m.

Councilmember Howard has requested excusal.

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. **REGULAR MEETING AGENDA**
5. **COMMENTS OF THE AUDIENCE**

There were six who commented.

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

Mayor Wythe adjourned the meeting at 5:46 p.m.

REGULAR MEETING AGENDA

Session 14-03 a Regular Meeting of the Homer City Council was called to order on January 27, 2014 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, LEWIS, ROBERTS, VAN DYKE, ZAK
	ABSENT:	HOWARD (excused)
	STAFF:	CITY MANAGER WREDE CITY CLERK JOHNSON COMMUNITY & ECONOMIC DEVELOPMENT COORDINATOR KOESTER DEPUTY HARBORMASTER CLARKE FINANCE DIRECTOR LI IT MANAGER POOLOS LIBRARY DIRECTOR DIXON PROJECT MANAGER NELSEN

Councilmember Howard has requested excusal.

Mayor Wythe declared Councilmember Howard's absence as excused. There was no objection from the Council.

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: **CONSENT AGENDA** - **Ordinance 14-06**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2014 Operating Budget by Appropriating \$300,000 from the General Fund Balance for the Purpose of Providing a Loan to the Port and Harbor Enterprise Fund to Complete the Financing Package for the New Port and Harbor Building. City Manager. Memorandum 14-026 from Port and Harbor Advisory Commission as backup. **PUBLIC HEARINGS** - **Ordinance 14-03**, An Ordinance of the Homer City Council, Amending HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100, to Repeal the Exemption From City Sales Tax of Sales of Nonprepared Foods From September 1st Through May 31st; Amending HCC 9.16.010 to Dedicate a Sales Tax of One-Quarter Percent (.25%) to Fund a Parks and Recreation Department; and Submitting the Question of Repealing Such Sales Tax Exemption and Such Sales Tax Dedication to the Qualified Voters of the City at the October 7, 2014 Regular City Election. Burgess. Written public comments. **RESOLUTIONS** - **Resolution 14-023**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation of a Life-Size Bronze Bust of Brother Asaiah Bates by an Anonymous Donor and Created by Homer Artist Leo Vait for Permanent Placement in WKFL Park. City Clerk/Public Arts Committee. Written public comments.

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

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were eleven who commented.

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 January 13, 2014. City Clerk. Recommend adoption.
- B. **Memorandum 14-013**, from Mayor, Re: Reappointment of Cathy Ulmer, Bob Hartley, and Mike Stockburger to the Port and Harbor Advisory Commission; Appointment of Barbara Howard, David Lewis, Mike Stockburger, Bryan Hawkins, Todd Hoppe, and John Michael Pate to the Vessel Haul-Out Task Force; and Mayor Wythe to the Public Safety Building Review Committee.

- C. **Memorandum 14-014**, from City Manager, Re: City Representation at Board of Fisheries Meeting.
- D. **Memorandum 14-021**, from City Clerk, Re: Travel Authorization for Councilmember Zak to Attend the Alaska Municipal League Winter Legislative Conference in Juneau, Alaska, February 17 – 19, 2014.
- E. **Ordinance 14-05**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2014 Operating Budget by Appropriating \$500,000 from the Port and Harbor Enterprise Fund Depreciation Reserves for the Purpose of Providing the City's 25% Local Match for the New Port and Harbor Building. City Manager. Recommended dates: Introduction January 27, 2014, Public Hearing and Second Reading February 10, 2014.

Memorandum 14-003 from Project Manager as backup.

- F. **Ordinance 14-06**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2014 Operating Budget by Appropriating \$300,000 from the General Fund Balance for the Purpose of Providing a Loan to the Port and Harbor Enterprise Fund to Complete the Financing Package for the New Port and Harbor Building. City Manager. Recommended dates: Introduction January 27, 2014, Public Hearing and Second Reading February 10, 2014.

Memorandum 14-003 from Project Manager as backup.

Memorandum 14-026 from Port and Harbor Advisory Commission as backup.

Moved to Ordinances.

- G. **Ordinance 14-07**, An Ordinance of the City Council of Homer, Alaska, Amending the 2014 Operating Budget by Appropriating \$34,089 from the Airport Reserve Fund for the Replacement of the Boilers at the Airport Terminal and Authorizing the City Manager to Execute All Appropriate Documents. City Manager/Public Works Director. Recommended dates: Introduction January 27, 2014, Public Hearing and Second Reading February 10, 2014.

Memorandum 14-022 from Public Works Director as backup.

- H. **Resolution 14-022**, A Resolution of the City Council of Homer, Alaska, Approving a New Five Year Lease at the Homer Airport Terminal Between the City of Homer and Era Aviation, and Finding that it is in the Public Interest to Award the Lease Without a Competitive Bidding Process. City Manager. Recommend adoption.

Memorandum 14-015 from City Manager as backup.

- I. **Resolution 14-025**, A Resolution of the Homer City Council Awarding the Contract for the Homer Harbor Facilities Improvements 2014 to the Firm of Harris Sand & Gravel, Inc. of Valdez, Alaska, in the Amount of \$4,834,748.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Port and Harbor Director. Recommend adoption.

Memorandum 14-020 from Project Manager as backup.

Ordinance 14-06 was moved to Ordinance A. (Van Dyke)

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

6. VISITORS

A. Lisa Roberts, United Way, 10 minutes.

Lisa Roberts, Executive Director for United Way, provided an overview of the benefits of the program.

B. James Hornaday & George Matz, Kachemak Bay Research Reserve, 10 minutes.

James Hornaday and Ralph Broshe provided an update on Kachemak Bay Research Reserve and the need for the State to support the programs the organization oversees.

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. **Mayor's Proclamation**, "Congenital Heart Defect Awareness Week" February 7 – 14, 2014

Mayor Wythe read and presented the proclamation to Dottie Zopp, grandmother of baby Chloe.

B. Borough Report

C. Commissions/Board Reports:

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

a. Letter from Kate Crowley, Re: ReCreate Rec Fundraising

Dave Brann, Parks and Recreation Advisory Commissioner, reported the commission discussed the sculpture of Brother Asaiah and agreed the City should accept the commission. The placement of the bust should have more public discussion. They talked about the recreation needs assessment and the City Manager provided them information about forming a steering

committee to get things moving quickly. Chair Steffy asked to join the Alaska Recreation and Parks Association, and the commission agreed to become a member. The ribbon cutting ceremony for the Kachemak Bay Water Trail will be Friday, June 6th. An agreement with the Little League for park usage is being worked on. Lastly, it is an ongoing effort to get hosts at Karen Hornaday Park. The commission is exploring options for providing utilities or a better site.

5. Port and Harbor Advisory Commission

Mike Stockburger, Port and Harbor Advisory Commissioner, reported there are exciting times at the port and harbor. Money is coming in and needs to be spent so more money will come in. He thanked Council for approving folks for the Large Vessel Haul-Out Task Force. Several people have voiced an interest in a larger boat haul-out facility that may attract more people to Homer. It could be a new building in a new location to facilitate the needs. There will be a new load and launch ramp with funding from Fish and Game. The five lanes will remain to allow bigger boats to come in. A steeper slope will help with the loading of boats on trailers. They are trying to get rid of the hard break at the top of the ramp and provide improved traction on both the ramp and walking ramp.

8. PUBLIC HEARING(S)

A. Crittenden Drive Road Reconstruction and Paving Special Assessment District

There was no public comment.

B. Webber Subdivision Road Reconstruction and Paving Special Assessment District

There was no public comment.

C. **Ordinance 14-01**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 1.78.010, Commission - Creation and Membership, to Make the Director of the Homer Chamber of Commerce an Ex Officio, Non-Voting Member of the Economic Development Advisory Commission. City Clerk/Economic Development Advisory Commission. Introduction January 13, 2014, Public Hearing and Second Reading January 27, 2014.

Memorandum 14-024 from Community and Economic Development Coordinator as backup.

There were four who testified.

AMENDED: After Line 30 following "meeting" add: WHEREAS, THE HOMER MARINE TRADES ASSOCIATION REPRESENTS PROFESSIONALS AND BUSINESSES IN THE MARINE TRADES THAT CONTRIBUTE TO THE ECONOMIC VITALITY OF THE COMMUNITY; AND WHEREAS, THE WORK THE ECONOMIC DEVELOPMENT ADVISORY COMMISSION DOES TO PROMOTE ECONOMIC DEVELOPMENT WOULD BENEFIT FROM THE PERSPECTIVE AND EXPERTISE OF THIS INDUSTRY. AMEND LINE 45 FOLLOWING THE WORD "COUNCILMEMBER" TO INSERT: A REPRESENTATIVE OF THE HOMER MARINE TRADES ASSOCIATION. TITLE AMENDED TO REFLECT THE PREVIOUS AMENDMENT.

POSTPONED to February 10, 2014 for Public Hearing and Second Reading.

- D. **Ordinance 14-03**, An Ordinance of the Homer City Council, Amending HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100, to Repeal the Exemption From City Sales Tax of Sales of Nonprepared Foods From September 1st Through May 31st; Amending HCC 9.16.010 to Dedicate a Sales Tax of One-Quarter Percent (.25%) to Fund a Parks and Recreation Department; and Submitting the Question of Repealing Such Sales Tax Exemption and Such Sales Tax Dedication to the Qualified Voters of the City at the October 7, 2014 Regular City Election. Burgess. Introduction January 13, 2014, Public Hearing and Second Reading January 27, 2014.

There were thirteen who testified.

Mayor Wythe called for a recess at 7:35 p.m. and reconvened the meeting at 7:41 p.m.

FAILED with discussion.

- E. **Ordinance 14-04**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2014 Operating Budget by Appropriating \$35,000 From the Port and Harbor Depreciation Reserves to Replace the Fish Grinder in the Fish Waste Grinding Facility. City Manager/Port and Harbor Director. Introduction January 13, 2014, Public Hearing and Second Reading January 27, 2014.

Memorandums 14-005 and 14-017 from Port and Harbor Director as backup.

There was one who testified.

FAILED with discussion; RECONSIDERED and ADOPTED.

9. **ORDINANCE(S)**

- A. **Ordinance 14-06**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2014 Operating Budget by Appropriating \$300,000 from the General Fund Balance for the Purpose of Providing a Loan to the Port and Harbor Enterprise Fund to Complete the Financing Package for the New Port and Harbor Building. City Manager. Recommended dates: Introduction January 27, 2014, Public Hearing and Second Reading February 10, 2014.

Memorandum 14-003 from Project Manager as backup.

Memorandum 14-026 from Port and Harbor Advisory Commission as backup.

ADOPTED with discussion.

10. CITY MANAGER'S REPORT

A. City Manager's Report

1. **Memorandum 14-023**, from Community and Economic Development Coordinator, Re: Citizens Academy.

City Manager Wrede congratulated the Finance Department on the Certificate of Achievement for excellence in financial reporting. It was for a good audit and very few comments.

Fire Chief Painter has been accepted into the prestigious National Emergency Management Executive Academy which will benefit the entire community.

The bid for harbor construction projects came in \$2M under the engineer's estimate. The Port and Harbor Advisory Commission will discuss if we should return grant money or put the excess funds towards other projects on the CIP list. Council could amend the contract with the contractor and do some float work and upgrades to water and electric. Adding projects now will realize less mobilization and engineering and design costs. Council will have a conversation at the next meeting. We have 18 months to expend the grant monies. One project would be to reconfigure one float to accommodate 60 ft. x 60 ft. vessels.

Councilmember Burgess issued kudos to Project Manager Nelsen on the Port and Harbor building project.

B. Games Report

1. Homer Animal Friends

11. CITY ATTORNEY REPORT

12. COMMITTEE REPORT

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

Bob Hartley, Port and Harbor Improvement Committee Member, reported the committee supports additional funds for the harbor. They can't see leaving those funds unused and sent back to the State. They can only be used for projects in the harbor. If we don't expend them now we will have to within a couple years.

F. Employee Committee Report

G. Port and Harbor Building Task Force

13. PENDING BUSINESS

- A. **Resolution 13-116**, A Resolution of the City Council of Homer, Alaska, Amending the Economic Development Advisory Commission Bylaws to Include That the Director of the Homer Chamber of Commerce May Serve as a Non-Voting, Ex-Officio Member of the Commission. City Clerk/Economic Development Advisory Commission. (Pulled from December 9, 2013.)

Memorandum 13-165 from Economic Development Advisory Commission as backup.

Memorandum 14-024 from Community and Economic Development Coordinator as backup.

AMENDED: Lines 10 and 32 after "Commerce" to say "and Marine Trades Association member".

POSTPONED to February 10, 2014 to parallel Ordinance 14-01(A).

- B. **Resolution 14-008**, A Resolution of the City Council of Homer, Alaska, Approving a New Intergovernmental Wastewater Agreement Between the City of Homer and Kachemak City. City Manager. (Postponed from January 13, 2014.)

Council will hold a Worksession at a time to be announced.

POSTPONED to March 10, 2014.

14. NEW BUSINESS

15. RESOLUTIONS

- A. **Resolution 14-021**, A Resolution of the Homer City Council Approving an Economic Development and Tourism Marketing Agreement Between the City of Homer and the Homer Chamber Of Commerce. City Manager.

ADOPTED without discussion.

- B. **Resolution 14-023**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation of a Life-Size Bronze Bust of Brother Asaiah Bates by an Anonymous Donor and Created by Homer Artist Leo Vait for Permanent Placement in

WKFL Park. City Clerk/Public Arts Committee.

Memorandum 14-016 from Public Arts Committee as backup.

Memorandum 14-018 from Parks and Recreation Advisory Commission as backup.

REFERRED to the Public Arts Committee for public hearing and recommendation.
POSTPONED to March 24, 2014.

- C. **Resolution 14-024**, A Resolution of the City Council of Homer, Alaska, Awarding the Contracts for Park Signage to Handpainted Designs by Dan Coe of Anchor Point, Alaska, in the Amount of \$1,650.00 for Jeffrey Park, Bayview Park, and Louie's Lagoon; to Lost Things Designs of Homer, Alaska, in the Amount of \$1,360.00 for the Jack Gist Park; and Approving the Uniform Sign Design Criteria as Standards for All City Parks, Trails, Beaches, and Recreational Areas. City Clerk/Public Arts Committee.

Memorandum 14-019 from Parks and Recreation Advisory Commission as backup.

ADOPTED without discussion.

16. COMMENTS OF THE AUDIENCE

There were nine who commented.

17. COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

18. COMMENTS OF THE CITY CLERK

City Clerk Johnson announced the upcoming Citizens Academy.

19. COMMENTS OF THE CITY MANAGER

City Manager Wrede commented on the proposed amendment to limit commissioners to the 99603 zip code. Cutting out Anchor Point would cut out a lot of commissioners. As to the procurement policy, one guy comes to every meeting saying we don't follow the procurement policy. The first question City Manager Wrede asks department heads if we are going sole source is if we have a good reason. The policy needs to be rewritten, as it is a little outdated. For increased revenues there are ways outside the box. Maybe we should have a community discussion. Charlie Davis raised one, increasing the \$500 limit on sales tax. It hasn't been raised since 1964. We asked the Borough to look into this and the estimated tax revenue is estimated at \$700,000 to \$800,000, about the same as reinstating sales tax on nonprepared food. There is a required ratio between property and sales tax with 6 mils being the limit. Sales tax is our biggest revenue source. The first meeting on the group working with the recreation needs assessment was held. There are strong feelings about keeping the HERC building, especially the gym. The site for the Public Safety building is not blocked in stone. The engineers will look at all the sites identified. The HERC site was preferred since the City already owns it and it has gas and utilities. Council has talked about the HERC building quite a bit and has looked at the

costs to fix it up and tear it down. We have talked about getting together with contractors or cost estimators where improvements could be phased in. There is still a lot of debate to be had about the HERC.

20. COMMENTS OF THE MAYOR

Mayor Wythe commented to do anything different to the HERC building from the current classrooms, it has to be brought up to code. The \$7M estimate to do that could be used to build a new building. We do not have \$200,000 a year to expend just to keep it open. We do not have money for parks and recreation. The Public Safety building has been on the CIP for a number of years. It was elevated since there are potentially funds available. It is a five year project and we need to move forward. The existing public safety buildings are not meeting the needs of the community; they do not have adequate space. Public safety is a number one responsibility of a First Class city. We are not asking the community to come up with \$15M. Mayor Wythe congratulated Fire Chief Painter on his acceptance to the FEMA academy and Finance Director Li for the good audit report. Council is committed to doing a long range strategic plan and we need to get it on the agenda sooner than later. The meetings will be open to the public. There are currently two openings on the Public Safety Building Review Committee.

21. COMMENTS OF THE CITY COUNCIL

Councilmember Lewis commented he keeps bringing up the sales tax to bring Mike (Kennedy) here to keep him from doing other things. The college rented the HERC building for a number of years paying \$60,000 a year and performed the maintenance work on it. That is what kept the Boys and Girls Club there. Tomorrow night is senior night at the hockey rink with the high school hockey team. They beat SoHi the last two games and are playing Kenai. He invited people to come out and watch the game.

Councilmember Burgess said the City does work hard to honor the bid and procurement policy, but it could use a good revamp. If you are a member of the business community and have things to offer, please email him. The CIP process is quite inclusive with feelers sent to the commissions and non-profits. Council then prioritizes the list as to where we can get funding. A new public safety building is being sought, as it is a good opportunity for the State to supply funding without spending our own tax dollars. The site is not set in stone and HERC is not on the verge of getting demolished. It costs more money to remodel the HERC than it would cost to build something new. Council doesn't want to tear down the building or get rid of it unless it has a means to do so. We are limiting ourselves by not exploring more building site options. We need to think outside the box for feasible options that the community can get behind.

Councilmember Van Dyke commented the port does need the new building. Although he is set in his ways that it should be done within the budget, he can bend.

Councilmember Zak commented tonight is an excellent example of why we serve on the council. It is the characters that make up the community. A meeting ago we learned the drift netters were affected by changes to Area 1A; city representatives are going to talk to the Board of Fisheries. That is Wisdom. We gained Knowledge when Kachemak Bay Research Reserve shared the importance of their organization and the need to keep the economic base strong. We have Faith by Lisa Roberts' presentation of the United Way, and Love for the little

girl with the congenital heart condition and the many ways the community reaches out to the citizens. It is a unique and wonderful community with all those elements and the citizens all working together to bring it together. The budget process worked well; we have to make tough decisions.

Councilmember Roberts congratulated Fire Chief Painter for being selected for the FEMA academy. She worked with him on the Emergency Operation Plan last year. She thought the Borough Assembly had to raise the \$500 sales tax limit. During budget time a lot of people came to us asking for things and Council felt frustrated. There were a lot of comments on the sales tax and people are adamantly opposed to sales tax, yet people want recreation. Everyone needs to remember we don't know how we are going to do it. The Citizens Academy is about to come to fruition with city employees giving a lot of their time to explain their functions.

22. ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 9:49 p.m. The next Regular Meeting is Monday, February 10, 2014 at 6:00 p.m., Committee of the Whole 5:00 p.m., and a Worksession at 4:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.