

**ACTION AGENDA
Committee of the Whole
Regular Meeting
June 25, 2018**

COMMITTEE OF THE WHOLE AGENDA

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

Mayor Zak called the meeting to order at 5:00 p.m.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

The agenda was approved by consensus of the Council.

3. Ordinance 18-16, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 18.08, Codifying Certain Lease Policy and Procedures; Expanding Lease Review to include Recommendations by Appropriate City Commissions; Removing References to the Lease Committee; and Requiring Essential Lease Terms to be Approved by City Council. Erickson/Smith. Introduction March 27, 2018, Public Hearing and Referred to Port and Harbor Advisory Commission May 14, 2018, Public Hearing and Second Reading June 11, 2018.

Ordinance 18-16(S), An Ordinance of the City Council of Homer, Alaska, Repealing Homer City Code Chapter 18.08 and the Homer Property Management Policies and Procedures Manual and Reenacting Chapter 18.08 Codifying Certain Policies From The Property Management Manual, Clarifying Homer's Land Allocation Process, Expanding Lease Review to Include Additional Recommendations By Appropriate Commissions, Removing The Lease Committee, Removing the Requirement that all Leases may be Increased to Reflect Inflation as Determined in the Consumer Price Index, And Expanding Council's Role by Requiring it's Approval Prior To Execution of a lease, Early Termination of a Lease or Termination of Lease Negotiations. Erickson/Smith. Page 157

Memorandum 18-076(A) from City Manager as backup
Memorandum 18-035 from City Attorney as backup

4. CONSENT AGENDA

5. REGULAR MEETING AGENDA

6. COMMENTS OF THE AUDIENCE

There were three who commented.

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

Next Regular Meeting is Monday, July 23, 2018 at 6:00 p.m., Committee of the Whole at 5:00 p.m. and a Special Meeting July 2, 2019 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.

Mayor Zak adjourned the meeting at 5:45 p.m.

REGULAR MEETING AGENDA

Committee of the Whole 5:00 p.m. in Homer City Hall Cowles Council Chambers.

Session 18-15 a Regular Meeting of the Homer City Council was called to order on June 25, 2018 at 6:00 p.m. by Mayor Bryan Zak at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: ADERHOLD, ERICKSON, LORD, SMITH, STROOZAS, VENUTI

STAFF: CITY MANAGER KOESTER
CITY CLERK JACOBSEN
PORT DIRECTOR HAWKINS
CITY PLANNER ABBOUD
CITY ATTORNEY WELLS

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 2.08.040.)

The following changes were made: **MAYORAL PROCLAMATION** Chamber of Commerce July 4th Parade. **CONSENT AGENDA** Pull Resolution 18-056 A Resolution of the City Council of Homer, Alaska, Authorizing a Memorandum of Agreement Between the City and the Alaska Department of Fish and Game for Fishing Lagoon Handicap Ramp Improvements. The City has received notice from ADF&G there is not funding available this year for the project; and Pull Resolution 18-057 awarding the Contract for the Fish Dock Waterline and Heat Trace Replacement Project, an updated resolution will come back following an Ordinance authorizing additional funding. **PENDING BUSINESS** Pull Resolution 18-053 Approving and Accepting the Donation from the

Kachemak Bay Family Planning Clinic/R.E.C Room of a Mural at Ben Walters Park, the applicant has requested the application be withdrawn.

APPROVED without discussion.

3. MAYORAL PROCLAMATIONS AND RECOGNITIONS

A. Mayoral Recognition - Parks and Recreation Month, July 2018

Mayor Zak read and presented to Recreation Manager Mike Illg and Parks Maintenance Coordinator Matt Steffy. Mr. Illg thanked all the volunteers who make help make the recreation program work and commented regarding the upcoming Pickle Ball Tournament. Mr. Steffy thanked Mayor Zak and commented our parks provide good passive recreation that members of the community appreciate and benefit from benefiting mental health, along with opportunities for physical health.

B. Mayoral Recognition - July 4th Parade

Mayor Zak read and presented to Jan Knutson of the Chamber of Commerce. Mrs. Knutson commented this year's theme is "Celebrating Homer's Volunteers" and highlighted the parade sponsors.

4. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were seven who commented.

5. RECONSIDERATION

6. CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

A. Homer City Council unapproved Special Meeting Minutes of May 29, 2018. City Clerk. Recommend adoption.

B. **Memorandum 18-069** from Mayor Zak Re: Appointment of Ethan Benedetti to the Library Advisory Board as Student Representative

- C. **Memorandum 18-070**, from Deputy City Clerk Re: Confirming Election Judges for June 26th Special Election
- D. **Memorandum 18-071**, from Finance Director Re: 2019 Budget Schedule
- E. **Ordinance 18-30**, An Ordinance of the City Council of Homer, Alaska, Amending the 2018 Capital Budget by Appropriating \$35,911 from the Harbor Depreciation Reserve Fund for the Relocation of the Ramp 2 Harbor Backflow Prevention Facilities, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director. Recommended dates: Introduction June 25, 2018, Public Hearing and Second Reading, July 23, 2018.

Memorandum 18-072 from Public Works Director as backup

- F. **Ordinance 18-31**, An Ordinance of the City Council of Homer, Alaska, Amending the FY2018 Capital Budget by Appropriating \$473,829 from the Police Station Reserve for the Purpose of Funding 100% Design for the New Police Station Contingent Upon the Passage of Ballot Proposition 1 at the June 26. 2018 Special Election. Smith. Recommended dates: Introduction June 25, 2018, Public Hearing and Second Reading, July 23, 2018.
- G. **Ordinance 18-32**, An Ordinance of the City Council of Homer Alaska, Amending the 2018 Operating Budget to Appropriate \$34,488.80 from the Water/Sewer Inventory Account for the Purchase of Concrete Septic Tanks. City Manager/Public Works Director. Recommended dates: Introduction June 25, 2018, Public Hearing and Second Reading, July 23, 2018.
- H. **Ordinance 18-33**, , An Ordinance of the City Council of Homer, Alaska, Authorizing the Expenditure of Accumulated Commercial Passenger Vessel Funds and Funds from the Port and Harbor Fund to Complete the Ramp 2 Restroom Replacement Project. City Manager. Recommended dates: Introduction June 25, 2018, Public Hearing and Second Reading, July 23, 2018.
- I. **Ordinance 18-34**, An Ordinance of the City Council of Homer, Alaska, Amending the 2018 Capital Budget by Appropriating \$3,500 from Police Reserves for the Purchase of a Traffic Speed Monitoring Device. Lord. Recommended dates: Introduction June 25, 2018, Public Hearing and Second Reading, July 23, 2018.
- J. **Ordinance 18-35**, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 3.05.005, Budget Assumptions, by Adding a Requirement the City Manager Present the Council with Information on Inflationary Pressures on the City Budget. Lord.

Recommended dates: Introduction June 25, 2018, Public Hearing and Second Reading, July 23, 2018.

- K. **Resolution 18-056**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Execute a Memorandum of Agreement Between the City of Homer and the Alaska Department of Fish and Game for the Nick Dudiak Fishing Lagoon Handicap Ramp Improvements. City Manager/Public Works Director.

Memorandum 18-073 from Public Works Director as backup.

Pulled under agenda approval.

- L. **Resolution 18-057**, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Fish Dock Waterline and Heat Trace Replacement Project to Peninsula Plumbing and Heating, Inc. of Soldotna, Alaska, in the amount of \$92,290, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Port Director.

Memorandum 18-077 from Port Director as backup

ADOPTED without discussion.

7. VISITORS

- A. Homer Steps Up Trophy Award to the City of Homer (5 minutes)

Derotha Ferraro, Director of Public Relations & Marketing for South Peninsula Hospital, commented 90,214,266 steps were taken throughout the month of May during the Homer Steps Up Challenge, just shy of the 100 million step goal. She listed all the participating teams, high step winners, and sponsors, and presented the trophy to the City of Homer team for the highest step average for the challenge.

- B. Opioid Task Force (10 Minutes)

Stephanie Stillwell commented that June is the 2 year anniversary of the Exchange Program, and July marks one year since the Opioid Task Force began. They have grown to over 100 people and continue to work with multiple agencies, participate in community events, and have had many successes over these last two years.

Kari Ann Baker shared regarding her family's loss of her younger brother to a heroin overdose in 2016. Her brother was an engaged student in school, played sports, had a strong family base, but came to Homer two years ago to fish and left addicted to heroin. She emphasized how

anyone can become addicted to heroin, regardless of their lifestyle, and the importance of families reaching out when they're in crisis.

Brian Baker commented on July 4th at the Harbor Fest on the spit they are having a Sober Soda Station, offering alternatives to drinking alcohol. This is a way for them to bring awareness to their organization "The Bearded Sister" whose goals are to have all of their directors become behavioral health technicians to be able to provide immediate assistance to the community and be able to help intervene and help an addict get pointed in the right direction for help. They'd also like to raise money to provide scholarships to send people to get help and to participate in education programs, sports programs, and to help ensure sobriety is celebrated.

C. Legislative Update – Representative Seaton (10 minutes)

Representative Seaton reported the legislature passed a \$5.25 billion general fund budget, about \$1 billion less than 2015. All departments and agencies across the state have felt the effects of that. Revenue is \$2.3 billion. He highlighted information included in his [2018 End of Session Newsletter](#) relating to:

- Oil and Gas Tax Reform
- SB26 and the Permanent Fund
- Education Funding
- Alaska Marine Highway System
- Fast Track Supplemental Budget relating to Medicaid

D. PWSRCAC Update – Robert Archibald (10 minutes)

Robert Archibald explained Homer is involved with the Prince William Sound RCAC because there are tankers coming over here from Prince William Sound carrying North Slope crude oil. After Exxon Valdez there were two citizens advisory council's formed, Prince William Sound and Cook Inlet RCAC. He reported on traveling to Washington DC to advocate for rules regarding ballast water treatment, oil spill liability trust fund, and other bills that would benefit marine safety. The RCAC has been busy this year with the transition of Alyeska's marine service contract from Crowley Marine Services to Edison Chouest. The contract with Crowley ends June 30th, ADEC has accepted the Alyeska and Valdez Marine Terminal Contingency Plans and the transition plan for incorporation of all these new vessels. It includes 13 new vessels that includes 5 escort tugs, 4 general purpose tugs, and 4 open water oil spill response barges.

**8. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS
(10 minute limit per report)**

A. Borough Report

Assembly member Kelly Cooper reported at the last assembly meeting the transfer from the Land Trust for \$1.75 million was defeated a third time. The bed tax failed at the Assembly level and public comment addressed the complexity of reporting when doing vacation packages, impacts this year with no fish, and concerns that the percentage proposed keeps changing. The Hospital Service Area Boundary ordinance was replaced with a substitute that includes properties across the bay including areas outside Seldovia city limits, Nanwalek, Port Graham, and extended the north boundary to north of Ninilchik. There will be a meeting on July 11 for public to weigh in and it will go to the voters in the fall. The ordinance to change the exemption on sales tax on non-prepared food from 9 to 6 months failed. There will be a public hearing on a change to Borough Code to allow the Assembly to change the cap on sales tax rather than putting it to the voters. The Mayor vetoed reducing the flat funding for the Kenai Peninsula Tourism and Marketing Council and the additional \$650,000 the Assembly approved for the School District. A citizen's initiative was approved for putting a half cent sales tax increase before the voters, which would remove some of the dollars pulled from the general fund for education and eliminate the budget deficit the Borough is facing.

B. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission

Planning Commissioner Mandy Bernard reported on June 6th they reviewed and recommended approval on a proposed replat for parcels on the Homer Spit, and reviewed a replat of parcels on Stream Hill Park and allowed for more time for the applicants to gather information. They approved decision and findings for three separate conditional use permits for more than one principal structures at 152 Danview Avenue, 680 Sterling Highway, and 4201 Ronda Street. They continue to discuss the draft Comprehensive Plan update and anticipate having it ready for public hearing in August or September. They reviewed a conditional use permit for reduction of right of way setback at 3781 Heath Street and recommended for review at a later time so more information can be provided, also a conditional use permit for more than one permitted principal use on a lot at 1170 Lakeshore Drive, and the Commission recommended approval.

3. Economic Development Advisory Commission
4. Parks Art Recreation and Culture Advisory Commission
 - A. Memorandum from Parks Art Recreation and Culture Advisory Commission Re: City of Homer Safety Signage

Parks Art Recreation and Culture Advisory Commissioner Robert Archibald reported at their last meeting they discussed the Sister City art display and are working with the Pratt museum on the best way to curate the collection. They discussed improvements to Hornaday Park Road

and the sidewalk maintenance and matrix, and will have recommendations to Council soon. He also noted the upcoming Pickle Ball Tournament and the Highland Games.

5. Port and Harbor Advisory Commission

9. PUBLIC HEARING(S)

- A. **Ordinance 18-12(A)**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.54.325, Standards for Recreational Vehicles in the Marine Commercial District and Marine Industrial District. Erickson. Introduction March 12, 2018, Refer to Advisory Planning Commission March 27, 2018, Public Hearing and Second Reading June 25, 2018.

Memorandum 18-074 from City Planner as backup

ADOPTED Substitute submitted by Planning Commission with discussion.

- B. **Ordinance 18-16**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Chapter 18.08, Codifying Certain Lease Policy and Procedures; Expanding Lease Review to include Recommendations by Appropriate City Commissions; Removing References to the Lease Committee; and Requiring Essential Lease Terms to be Approved by City Council. Erickson/Smith. Introduction March 27, 2018, Public Hearing and Referred to Port and Harbor Advisory Commission May 14, 2018, Public Hearing and Second Reading June 25, 2018.

Ordinance 18-16(S), An Ordinance of the City Council of Homer, Alaska, Repealing Homer City Code Chapter 18.08 and the Homer Property Management Policies and Procedures Manual and Reenacting Chapter 18.08 Codifying Certain Policies From The Property Management Manual, Clarifying Homer's Land Allocation Process, Expanding Lease Review to Include Additional Recommendations By Appropriate Commissions, Removing The Lease Committee, Removing the Requirement that all Leases may be Increased to Reflect Inflation as Determined in the Consumer Price Index, And Expanding Council's Role by Requiring it's Approval Prior To Execution of a lease, Early Termination of a Lease or Termination of Lease Negotiations. Erickson/Smith. Page 157

Memorandum 18-076(A) from City Manager as backup

Memorandum 18-035 from City Attorney as backup

ADOPTED Substitute as amended with discussion.

Amended:

- Add new subsection 18.08.075(f) **Lease amount to be adjusted annually based on the Anchorage Consumer Price Index.**
 - 18.08.160 (e) Where a lessee intends to assign the lease as part of a sale of the business located on the leased lot, the person who intends to purchase the business may apply to extend the lease term to allow the continuation of the business and to secure financing for the purchase of that business. **Any significant changes in the terms (use) of the existing lease must be reviewed by the Port and Harbor Commission and approved by City Council by Resolution as an amendment to the lease.**
 - 18.08.100(a-c):
 - a. An appraisal of the fair market rent of the property will be required before final approval of a **new lease or the transfer of a lease** and within **two years** ~~one year~~ prior to **the renewal of a lease** ~~renewal~~.
 - b. The requirement of an appraisal may be waived at the discretion of the City Manager for short-term leases.
 - c. All leased properties shall be appraised every five years from the effective date of the lease. **The City may choose to have the property appraised at less than five year intervals in order to appraise multiple properties at one time. An increase in rental rates resulting from appraisals occurring in less than five years from the last appraisal shall not be applied prior to date of appraisal permitted under 18.08.100 or the effective date of the transfer or renewal of a lease.**
 - 18.08.110(a) Leases may contain no more than two options to renew and each option must **not exceed** ~~be for less than~~ 25% of the length of the initial lease term.
- C. **Ordinance 18-29**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2018 Capital Budget by Appropriating up to \$5,200 from the Homer Accelerated Roads and Trails (HART) Fund for the Professional Design of an ADA Accessible Trail on City of Homer property known as Lot 7-A Nils O Svedlund Subdivision, (KPB Parcel #17719234) and Kachemak Heritage Land Trust (KHLT) property known as Lot 16 A-1 Nils O Svedlund Subdivision (KPB Parcel #17719231). Mayor. Introduction May 29, 2018 Public Hearing and Second Reading June 25, 2018.

There were two who commented.

ADOPTED as amended with discussion.

Amended: Line 36 WHEREAS, **Since** the southern part of the proposed trail will be on KHLT property in delineated wetlands, KHLT requests trail use of City land to both minimize the crossing of delineated wetlands and to provide potential ADA connectivity between Pioneer Avenue and Bishop's Beach; and

10. ORDINANCE(S)

11. CITY MANAGER'S REPORT

A. City Manager's Report

City Manager Koester encouraged businesses along Pioneer Avenue to contact Public Works at 235-3170 if they want to participate in the Peonies on Pioneer program. Peony growers have donated peonies to our Park Department to plant at city businesses on Pioneer.

Councilmembers thanked Special Projects and Communication Coordinator Carroll for her efforts on the annual report and materials for the special election.

B. Bid Report

12. CITY ATTORNEY REPORT

City Attorney Wells commented on future reporting to Council in a way that will identify attorney fees and cost reporting methodology for Council to review.

13. COMMITTEE REPORT

A. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported the task force didn't meet in June but they did a presentation to the Port and Harbor Advisory Commission in May on a report from the Northwest ADA Center on the harbor facilities.

B. Homer Education & Recreation Complex Task Force

Homer Education & Recreation Complex Task Force Chair Larry Slone gave a brief report on the groups opening meeting and said they'll be meeting on the 26th at the HERC buildings for a walk-through.

14. PENDING BUSINESS

A. **Resolution 18-053**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation from the Kachemak Bay Family Planning Clinic/R.E.C Room of a Mural by Dr. Michael Struam and Homer Lead on Youth Group to be Placed on the Exterior Wall of the Ben Walter's Park Restroom and Incorporating it into the City's Artwork Collection. City Clerk/PARCAC.

Memorandum 18-068 from Parks Art Recreation and Culture Advisory Commission as backup

Pulled under agenda approval.

- B. **Resolution 18-054**, A Resolution of the City Council of Homer, Alaska, Amending Resolution 18-036(A) Establishing the Homer Education and Recreation Complex (HERC) Task Force to Include a Representative from the Parks Art Recreation and Culture Advisory Commission. Mayor.

Resolution 18-054(S), A Resolution of the City Council of Homer, Alaska, Amending Resolution 18-036(A) Establishing the Homer Education and Recreation Complex (HERC) Task Force to **Expand Advisory Membership to** Include a Representative from the Parks Art Recreation and Culture Advisory Commission and **City Council to Serve as Non-Voting Members**. Erickson.

ADOPTED Resolution 18-054 without discussion.

15. NEW BUSINESS

- A. **Memorandum 18-078** from City Clerk Re: Approval of a Natural Gas Assessment Deferral

APPROVED without discussion.

16. RESOLUTIONS

17. COMMENTS OF THE AUDIENCE

There were 13 who commented.

18. COMMENTS OF THE CITY ATTORNEY

Attorney Wells had no comment.

19. COMMENTS OF THE CITY CLERK

City Clerk Jacobsen commented about the Special Election tomorrow and that the polls are open from 7:00 a.m. until 8:00 p.m.

20. COMMENTS OF THE CITY MANAGER

City Manager Koester had no comment.

21. COMMENTS OF THE MAYOR

Mayor Zak thanked everyone for coming out tonight and encourage everyone to participate in the Bearded Sister event at Homer Fest.

22. COMMENTS OF THE CITY COUNCIL

Councilmember Stroozas commented there are July 4th events going on all over town. He encouraged everyone to celebrate and don't forget to go to the parade.

Councilmember Venuti reminded everyone to vote at the special election, she looks forward to the results. She thanked everyone for the good meeting and the comments tonight.

Councilmember Erickson commented in support of the police station. She noted the video of the police department tour on the city's website and encourage voting yes. There is a lot going on for July 4th, be safe and enjoy all that's happening.

Councilmember Lord encouraged voting yes on Proposition 1. Council has worked together going through a lot of material and difficult decision making on this as well as other things. She thinks they do a good job and use their time effectively. She noted a Facebook post by Methodist Pastor Lisa Talbott, that anyone around you may be hanging on just by a thread. She encouraged everyone to be kind and be aware of the words we use, noting the opioid presentation and issues happening throughout the community. The community is busy and there are a lot of positive things going on.

Councilmember Smith congratulated City Clerk Jacobsen on 14 years with the City. He appreciates Kari Ann Baker sharing her story and it's important to hear those stories to be able to make movement in getting people involved. He encouraged people to get out and vote tomorrow, the Council has worked together to bring this to the voters, and he thinks it's in our best interest to proceed and vote yes on the proposition to get the police force the facility they deserve.

Councilmember Aderhold read a statement she prepared in light of events two weeks ago regarding the importance of government, people's rights, and the responsibility of elected officials to show up, listen, and deal with policy and issues at hand regardless of the controversy. Also to abide by their Oath of Office and operating manual including code of ethics, conduct of meetings, and meeting absences. She included that per the operating manual, proclamations and recognitions are the purview of the Mayor and no Council action is taken on them. Councilmembers decision not to attend on June 11 resulted in loss of a quorum for conducting business and resulted in at least four breaches of public trust including. She explained them as loss of public forum to speak to Council on extremely short notice, action

taken by three councilmembers on a matter that was not theirs to take, three councilmembers decided on a Mayoral recognition outside the public forum, and matters important to the operation of the City of Homer were left hanging citing specific ordinances, resolutions, and memorandums. She continued in emphasizing the importance of their responsibility as elected officials to be present and participate to represent the citizen in the community.

23. ADJOURNMENT

Next Regular Meeting is Monday, July 23, 2018 at 6:00 p.m., Committee of the Whole at 5:00 p.m. and a Special Meeting July 2, 2019 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.

Mayor Zak adjourned the meeting at 9:00 p.m.