

**ACTION AGENDA**  
**Monday, June 23, 2014**  
**Committee of the Whole**  
**Regular Meeting**

**COMMITTEE OF THE WHOLE AGENDA**

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

Mayor Wythe 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. 5)

The agenda was approved by consensus of the Council.

**3. Citizens Academy Final Report**

Memorandum 14-099 from Community & Economic Development Coordinator Katie Koester

**4. Greatland Street Extension**

Memorandum 14-105 from Public Works Director Carey Meyer

**5. CONSENT AGENDA**

**6. REGULAR MEETING AGENDA**

**7. COMMENTS OF THE AUDIENCE**

There were three who commented.

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

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

**REGULAR MEETING**

Session 14-17 a Regular Meeting of the Homer City Council was called to order on June 23, 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, HOWARD, LEWIS, ROBERTS,  
VAN DYKE, ZAK

STAFF: CITY MANAGER WREDE  
CITY CLERK JOHNSON  
CITY PLANNER ABOUD  
COMMUNITY & ECONOMIC DEVELOPMENT  
COORDINATOR KOESTER  
IT MANAGER POOLOS  
PORT AND HARBOR DIRECTOR HAWKINS  
PROJECT MANAGER NELSEN

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** - **Resolution 14-077**, A Resolution of the City Council of Homer, Alaska, Approving Amendment One to the Cooperative Agreement Between the Alaska Department of Fish and Game and the City of Homer Regarding Renovation of the Homer Harbor Boat Launch Facility. City Manager/Port and Harbor Director/Public Works Director. Amendment One of Draft Cooperative Agreement Number 12-085. **Resolution 14-075**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation From the Bunnell Street Arts Center of a Fanciful Loon Windssock Sculpture by Alaskan Artist Rachelle Dowdy to be Placed at Bishop's Beach Park. City Clerk/Public Arts Committee. Memorandum 14-107 from Parks and Recreation Advisory Commission as backup. **Resolution 14-076** A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation From the Bunnell Street Arts Center of a "Marine Debris Relief Sculpture of Silver Salmon" by Homer Artist Lynn Marie Naden to be Placed at Bishop's Beach Park. City Clerk/Public Arts Committee. Recommend adoption. Memorandum 14-107 from Parks and Recreation Advisory Commission as backup. **VISITORS** - Written comments on bed tax. **PUBLIC HEARINGS** - **Resolution 14-060**, A Resolution of the Homer City Council Maintaining the Water and Sewer Fees at the 2014 Rate and Updating the Homer Fee Schedule Accordingly. City Manager/Finance Director. Written public comments. **CITY MANAGER'S REPORT** - City Manager's Report of June 23, 2014. **RESOLUTIONS** - **Resolution 14-078(S)**, A Resolution of the Homer City Council Awarding the Contract for the Construction of the Homer Harbormaster's Building / Deepwater Dock Trail Boardwalk to Steiner's North

Star Construction, Inc. of Homer, Alaska, in the Amount of \$2,082,697 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Memorandum 14-106 from Project Manager as backup.

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

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

There were 12 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 June 9, 2014. City Clerk. Recommend adoption.
- B. **Memorandum 14-100**, from Mayor, Re: Reappointment of Tom Bos to the Homer Advisory Planning Commission.
- C. **Memorandum 14-101** from Mayor, Re: Recommendation to Mayor Navarre for the Appointment of Franco Venuti to the Kenai Peninsula Borough Planning Commission to Fill the City of Homer Seat.
- D. **Ordinance 14-30**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Grant From the U.S. Fish and Wildlife Service In the Amount of \$110,000 for Reconstruction of a Section of the Beluga Slough Trail, and Providing an In-Kind Match in the Form of Design, Permitting, and Project Management Services, Having a Total Value of \$25,000. City Manager/Public Works Director. Recommended dates: Introduction June 23, 2014, Public Hearing and Second Reading July 28, 2014.
- E. **Ordinance 14-31**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2014 Budget by Appropriating \$84,000 From the Homer Accelerated Roads and Trails Fund (HART) for a Traffic Calming Pilot Project in Old Town. Van Dyke/Howard. Recommended dates: Introduction June 23, 2014, Public Hearing and Second Reading July 28, 2014.

- F. **Resolution 14-070**, A Resolution of the Homer City Council Accepting the 2013 Comprehensive Annual Financial Report with Audit and Financial Statements and Acknowledging the Management Letter Submitted by the City's Independent Auditor, BDO, USA, LLP and Authorizing the City Manager to Execute the Financial Report. City Manager/Finance Director. Recommend adoption.
- G. **Resolution 14-071**, A Resolution of the Homer City Council Electing to Participate in the AMLJIA Loss Control Incentive Program for the City of Homer for the 2014-2015 Policy Year. City Manager/Finance. Recommend adoption.
- H. **Resolution 14-072**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Sign a Grant Agreement With the U.S. Fish and Wildlife Service (USFWS) for Reconstruction of a Section of the Beluga Slough Trail. City Manager/Public Works Director. Recommend adoption.
- I. **Resolution 14-073**, A Resolution of the City Council of Homer, Alaska, Expressing Its Support for the Kachemak Bay Research Reserve and Urging the Governor and Department of Fish and Game Commissioner Campbell to Hire an Interim On-Site Director and Expedite Efforts to Identify a New State Partner. City Manager. Recommend adoption.
- J. **Resolution 14-074**, A Resolution of the Homer City Council Renaming and Dedicating the Rotary Garden at the Homer Public Library to the Peter Larson Memorial Rotary Garden. City Clerk/Library Advisory Board. Recommend adoption.

Memorandum 14-102 from Library Advisory Board as backup.

- K. **Resolution 14-075**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation From the Bunnell Street Arts Center of a Fanciful Loon Windsock Sculpture by Alaskan Artist Rachelle Dowdy to be Placed at Bishop's Beach Park. City Clerk/Public Arts Committee. Recommend adoption.

Memorandum 14-103 from Public Arts Committee as backup.

Memorandum 14-107 from Parks and Recreation Advisory Commission as backup.

Moved to Resolutions.

- L. **Resolution 14-076** A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation From the Bunnell Street Arts Center of a “Marine Reso 14-076 Debris Relief Sculpture of Silver Salmon” by Homer Artist Lynn Marie Naden to be Placed at Bishop’s Beach Park. City Clerk/Public Arts Committee. Recommend adoption.

Memorandum 14-103 from Public Arts Committee as backup.

Memorandum 14-107 from Parks and Recreation Advisory Commission as backup.

Moved to resolutions.

- M. **Resolution 14-077**, A Resolution of the City Council of Homer, Alaska, Approving Amendment One to the Cooperative Agreement Between the Alaska Department of Fish and Game and the City of Homer Regarding Renovation of the Homer Harbor Boat Launch Facility. City Manager/Port and Harbor Director/Public Works Director. Recommend adoption.

Resolutions 14-075 and 14-076 were moved to Resolutions B and C. (Lewis)

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

## 6. VISITORS

- A. Shanon Hamrick – Kenai Peninsula Tourism Marketing Council, 10 minutes.

Shanon Hamrick provided an overview on the Kenai Peninsula Borough Ordinance 2014-25 introduced by Assembly Member Bill Smith. The ordinance proposes to designate a 4% bed tax borough wide.

Mayor Wythe called for a recess at 7:01 p.m. and reconvened the meeting at 7:07 p.m.

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

- A. **Mayor’s Proclamation**, July as Parks and Recreation Month

Mayor Wythe read and presented the proclamation to Parks and Recreation Advisory Commissioner Roger MacCampbell.

## B. Borough Report

Bill Smith, Kenai Peninsula Borough Assemblyman, reported an ordinance for the expansion of the South Peninsula Hospital (SPH) service area was introduced. The ordinance proposes to expand the service area to the waters of the southern Kenai Peninsula borough, but not take in additional land area. Oil rigs moored over the winter would be subject to the SPH service area taxes. The proposed service area expansion will not increase taxes for oil rigs, it will just allocate taxes to the appropriate service area. The question of the proposed service area expansion will go to the voters.

The Borough is considering voting by mail. Assemblyman Smith believes it should be an administrative decision to go forward with the idea. A number of people do early voting. There is the heartfelt argument from people that have gone to voting booths with their ancestors, yet the voter turnout rate is 20%. There is hope the voter turnout will increase if ballots can arrive at your door.

Assemblyman Smith introduced an ordinance for a borough-wide 4% bed tax. It is a challenging concept to impose the bed tax on businesses since visitors also go to restaurants and join in other activities. Voters rejected a proposed one-tenth percent (.10%) sales tax. He hopes the bed tax will go to the voters. Visitors cost us money in police, emergency and restroom care. Adopting a bed tax may be an opportunity to lower the property tax mill rate.

## C. Commissions/Board Reports:

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

Parks and Recreation Advisory Commissioner Roger MacCampbell expressed appreciation for the proclamation for parks month. The commission voted not to expend city funds on the buoy art. They weighed in on the silver salmon and giant loon sculptures at Bishop's Beach. They are still waiting for the park needs assessment. When it is done it will provide better guidelines on the HERC building. The commission would like to see the gymnasium keep operating as it is part of community recreation. Other business before the commission is Woodard Creek trails, Karen Hornaday Park, and Bayview Park Master Plan.

5. Port and Harbor Advisory Commission

**8. PUBLIC HEARING(S)**

- A. **Ordinance 14-27**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2014 Operating Budget by Appropriating Up to \$600,000 From the Port and Harbor Reserves as a Local Match for Repair, Replacement, and Rehabilitation of Infrastructure and Facilities at the Homer Small Boat Harbor Load and Launch Ramp. City Manager/Port and Harbor Director. Introduction June 9, 2014, Public Hearing and Second Reading June 23, 2014.

There was no public testimony.

ADOPTED without discussion.

- B. **Ordinance 14-28**, An Ordinance of the City Council of Homer, Alaska, Amending the 2014 Operating Budget by Appropriating \$179,892.97 From the Harbor Reserve Fund for the Local Match Associated With Deep Water Dock Feasibility Study and Authorizing the City Manager to Execute All Appropriate Documents. City Manager/Public Works Director. Introduction June 9, 2014, Public Hearing and Second Reading June 23, 2014.

There was no public testimony.

ADOPTED without discussion.

- C. **Ordinance 14-29**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2014 Operating Budget by Appropriating \$37,708 From the General Fund/Fund Balance to Fund a Permanent Part Time Administrative Assistant Position at Public Works. Burgess. Introduction June 9, 2014, Public Hearing and Second Reading June 23, 2014.

There was no public testimony.

ADOPTED with discussion.

- D. **Resolution 14-060**, A Resolution of the Homer City Council Maintaining the Water and Sewer Fees at the 2014 Rate and Updating the Homer Fee Schedule Accordingly. City Manager/Finance Director.

Memorandum 14-090 from City Manager as backup.

There were three who commented.

ADOPTED with discussion.

**9. ORDINANCE(S)**

**10. CITY MANAGER'S REPORT**

A. City Manager's Report

1. City of Homer Community Recreation Report

City Manager Wrede referenced the manager's report in the supplemental packet. He told Amy Springer and Ken Castner the City is looking at the judge's decision on the condominiums and is reevaluating how condos will be assessed. They should not conclude there will be one assessment per condo. He hopes to have a report at the July 28<sup>th</sup> meeting. He will be looking at a full range of options. City Manager Wrede commented the judge didn't have the correct facts. In Castner's case, the condo would not get nine assessments. The City was required to notify every property owner with an interest in a property. At that time it looked like there were eight to nine owners of the Castner condominium. That was not going to be the number of assessments the building would get. He would have to agree with the judge it would be unfair.

City Manager Wrede assured the public he will come out with a recommendation soon. The new assessment roll will go before the Council in October. We are continually scrubbing the assessment roll, comparing as-builts to the roll. He is hearing as much from the other property owners to make the decision if they are going to have to pay for condos assessments. How is it fair? We have to explain to all the property owners we are trying to do what is fair for everybody. No matter how the assessments were set up, someone would think it was not fair. We are not just trying to be fair to condo owners; we are trying to be fair to other property owners. It is a balancing act.

Currently e-cigarettes are not part of the smoking ban rules in public spaces. If Council wants to include e-cigarettes, there will need to be an amendment to the ordinance. Council would like to wait until there is evidence one way or other about e-cigarette risks before banning them in public spaces. Council prefers to follow the State and Borough guidelines.



There is a proposal to clear trees in Town Center due to safety reasons. The City and police are experiencing illegal campsites around town; some are on private city land. The worst place on city-owned land is directly behind the laundromat lot on Main Street. It is heavily wooded and thick making police officers leave their cars and walk in. It is hard to monitor. The police have been hauling lots of camping materials out. City Manager Wrede will come to Council with a resolution to proceed with clearing to remove black spruce and limb the healthy larger trees. It will allow the officers to see in or shine a flashlight in. Some of the land may be wetlands so Carey is checking with the Corps of Engineers if mechanized treatment is needed. He is talking to contractors and Enstar contractors to see what the best manner of treatment is.

**11. CITY ATTORNEY REPORT**

**12. COMMITTEE REPORT**

- A. Public Arts Committee
- B. Permanent Fund Committee
- C. Port and Harbor Improvement Committee
- D. Employee Committee Report
- E. Port and Harbor Building Task Force
- F. Public Safety Building Review Committee

Mayor Wythe announced the meeting is tomorrow at 5:30 p.m. in the Conference Room. She encouraged public participation.

- G. Vessel Haul-Out Task Force

**13. PENDING BUSINESS**

- A. **Ordinance 14-20**, An Ordinance of the Homer City Council Amending Homer City Code 21.18.030, Conditional Uses and Structures, 21.24.030, Conditional Uses and Structures, and 21.26.030, Conditional Uses and Structures, to Add Farmers' Market as a Conditional Use in the Central Business District, General Commercial 1 and General Commercial 2 Zoning Districts. Roberts. (Introduction May 12, 2014, Referred to the Planning Commission)

**Ordinance 14-20(S)**, An Ordinance of the Homer City Council Amending Homer City Code 21.26.020, Permitted Uses and Structures, to Add Open Air Business as a Permitted Use in the General Commercial 2 Zoning District. Roberts. (Substitute recommended by the Planning Commission)

Memorandum 14-105 from City Planner as backup.

SUBSTITUTE ORDINANCE ADOPTED without discussion.

**14. NEW BUSINESS**

**15. RESOLUTIONS**

- A. **Resolution 14-078**, A Resolution of the Homer City Council Awarding the Contract for the Construction of the Homer Harbormaster's Building / Deepwater Dock Trail Boardwalk to a Firm to be Announced of City and State in an Amount to be Announced and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

**Resolution 14-078(S)**, A Resolution of the Homer City Council Awarding the Contract for the Construction of the Homer Harbormaster's Building / Deepwater Dock Trail Boardwalk to Steiner's North Star Construction, Inc. of Homer, Alaska, in the Amount of \$2,082,697 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 14-106 from Project Manager as backup.

SUBSTITUTE RESOLUTION ADOPTED without discussion.

- B. **Resolution 14-075**, A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation From the Bunnell Street Arts Center of a Fanciful Loon Windssock Sculpture by Alaskan Artist Rachelle Dowdy to be Placed at Bishop's Beach Park. City Clerk/Public Arts Committee. Recommend adoption.

Memorandum 14-103 from Public Arts Committee as backup.

Memorandum 14-107 from Parks and Recreation Advisory Commission as backup.

REFERRED to Public Arts Committee.

- C. **Resolution 14-076** A Resolution of the City Council of Homer, Alaska, Approving and Accepting the Donation From the Bunnell Street Arts Center of a "Marine Debris Relief Sculpture of Silver Salmon" by Homer Artist Lynn Marie Naden to be Placed at Bishop's Beach Park. City Clerk/Public Arts Committee. Recommend adoption.

Memorandum 14-103 from Public Arts Committee as backup.

Memorandum 14-107 from Parks and Recreation Advisory Commission as backup.

REFERRED to Public Arts Committee.

**16. COMMENTS OF THE AUDIENCE**

There were three who commented.

**17. COMMENTS OF THE CITY ATTORNEY**

City Attorney Klinkner was not present.

**18. COMMENTS OF THE CITY CLERK**

City Clerk Johnson had no comment.

**19. COMMENTS OF THE CITY MANAGER**

City Manager Wrede had no comment.

**20. COMMENTS OF THE MAYOR**

Mayor Wythe commented on the bed tax, stating she has never traveled anywhere outside Homer that does not have a bed tax. Homer has a lot to offer and some type of revenue to support economic development would be helpful. Voters will make the decision; the City Council doesn't need to make it.

**21. COMMENTS OF THE CITY COUNCIL**

Councilmember Lewis thanked the Library Advisory Board for bringing up the garden and naming it after Peter Larson. He saw Peter working there a number of times and it is appropriate. Councilmember Lewis is in favor of keeping the HERC gym open since it is well used and people deserve it. Other areas of Alaska don't mind taking his money as a bed tax. He announced Aaron Selbig's presence at the meeting. KBBI is having a goodbye party for Aaron on Thursday at 5:30 p.m.

Councilmember Burgess had no comment.

Councilmember Zak asked for a moment of silence for Peter Larson.

Councilmember Roberts noted someone testified that the 7.5% sales tax went to the hospital. She corrected that the mill rate goes to the hospital, not the sales tax. She appreciates the Planning Commission working with her to sort out the ordinance she sponsored to allow

Farmers' Markets in other areas besides Town Center. She is looking forward to the report from City Manager Wrede on the gas line. It has been underway for two to three years. Councilmember Roberts thanked Rick Foster, the City's representative on the Kenai Peninsula Borough Planning Commission. He has given a lot to the area. She said goodbye to Aaron Selbig of KBBI. He has done a good job to help us. She congratulated Mayor Wythe on receiving her bachelor's degree. She referenced Katie Koester's remarks on the Citizens Academy that it is necessary to feed people if you expect to hold their attention over dinner time. That should be considered in other venues.

Councilmember Howard thanked Project Manager Dan Nelsen for a sharp pencil on the harbormaster's project along with Bryan Hawkins. It is exciting and by this time next year we will have had an open house and occupancy. Aaron Selbig posted on Facebook that he is sitting in his last city council meeting. She is going home and pretending to book a hotel room since she is interested to see if there are listings that have no bed tax. She did not hear the tsunami alarms today after the large earthquake. She congratulated the City on the annual water report. It was well done and has great ideas.

City Manager Wrede commented if there is no threat to Homer the tsunami sirens do not sound. Today the 8.1 earthquake was off the Aleutian Islands. Tsunami warnings were issued, but there was no threat to Homer. It was a deep earthquake that didn't generate much wave. If there are news reports all over about a giant earthquake there should be a way to tell people about it.

Councilmember Van Dyke commented we will continue working on the water and sewer rates. The current model is flawed as it is a 1:1 ratio water/sewer usage. There are certain times of the year when you are watering the lawn and washing cars. He understands the frustration of both Kachemak City and City of Homer residents. He would like to be on the board when the rates come up again. He applauded Steiner's North Star Construction for saving the City \$217,000 on the harbormaster's building. He was adamant about not spending the additional \$300,000.

## **22. ADJOURNMENT**

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 8:30 p.m. The next Regular Meeting is Monday, July 28, 2014 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.