

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 ABBOUD
COMMUNITY & ECONOMIC DEVELOPMENT
COORDINATOR KOESTER
IT MANAGER POOLOS
PORT AND HARBOR DIRECTOR HAWKINS
PROJECT MANAGER NELSEN

Council met as a Committee of the Whole from 5:00 p.m. to 5:52 p.m. to hear a report on the Citizens Academy from Community & Economic Development Coordinator Katie Koester and discuss Greatland Street Extension. The Council discussed Consent Agenda and Regular Meeting Agenda items.

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 Windsock 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.

Mayor Wythe called for a motion for the approval of the agenda as amended.

LEWIS/ZAK– SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Heather Beggs, on behalf of the Kachemak Bay Rotary Club, urged support of Resolution 14-074.

Margarida Kondak, city resident, spoke against natural gas line assessments for individual condominium units.

Brianna Allen, city resident, supports Ordinance 14-31 and Resolutions 14-075 and 14-076. She read an email from Old Town neighbors into the record.

George Matz, Chair of Kachemak Bay Research Reserve Community Council, spoke in support of Resolution 14-073.

Amy Springer, city resident, advocated for the correction of Ordinance 13-02. The per lot assessment for natural gas was changed to per owner for condominiums.

Asia Freeman, city resident, spoke in support of Ordinance 14-31 and Resolutions 14-075 and 14-076.

Jim Lavrakas, Executive Director of Homer Chamber of Commerce, supports Ordinance 14-31.

Mike Dye, Homer resident, asked that the Council not support the borough bed tax ordinance since there are a lot of better options.

Tom Stroozas, Homer resident and Homer Voice for Business, spoke in opposition of the Kenai Peninsula Borough bed tax.

Mike Warburton, city resident, spoke in opposition to the borough bed tax.

Jon Faulkner, Homer resident, spoke against the borough bed tax.

Craig Forrest, Homer resident, spoke against the borough bed tax.

RECONSIDERATION

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)

Mayor Wythe called for a motion for the approval of the recommendations of the consent agenda as read.

LEWIS/ROBERTS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

- A. Shanon Hamrick – Kenai Peninsula Tourism Marketing Council

Shanon Hamrick, Kenai Peninsula Tourism Marketing Council (KPTMC), reported on Ordinance 2014-25 introduced by Borough Assembly Member Bill Smith to levy a borough-wide 4% bed tax. The proposition will go before the voters in October. One in 13 Alaska jobs is in tourism and 25% of Kenai Peninsula Borough sales tax comes from visitors. The average amount spent by a visitor to Alaska is \$941. The national average bed tax is 13.73% and each U.S. household

would pay \$1,000 more in taxes without the revenue generated by travel and tourism. KPTMC spent two years working on a 1% tourism tax but was not able to get any traction at the administrative level.

A 4% borough-wide bed tax would generate \$2.4M and be allocated as follows:

- 33% for borough marketing
- 56% returned to cities
- 11% for school funding

The KPB Assembly will hold public hearings on July 1 and July 22.

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

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH 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 lodging 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

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.

Mayor Wythe opened the public hearing. In the absence of public testimony, Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion for the adoption of Ordinance 14-27 by reading of title only for second and final reading.

LEWIS/BURGESS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- 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.

Mayor Wythe opened the public hearing. In the absence of public testimony, Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion for the adoption of Ordinance 14-28 by reading of title only for second and final reading.

ZAK/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- 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.

Mayor Wythe opened the public hearing. In the absence of public testimony, Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion for the adoption of Ordinance 14-29 by reading of title only for second and final reading.

BURGESS/LEWIS - SO MOVED.

A correction to the job description will be made to read part-time.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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.

David Raskin, Kachemak City resident, complained about the treatment from the City of Homer as to sewer rates.

Bill Smith asked if Kachemak City residents would be charged for the rate that comes through a water meter if it were hooked up.

Bill Overway, Kachemak City Council Member, referenced City Manager Wrede's letter to Mayor Morris dated May 28, 2014 and stated he discharges 2,000 gallons of sewage per month.

Mayor Wythe closed the public hearing.

Motion on the floor from June 9: MOTION FOR THE ADOPTION OF RESOLUTION 14-060 BY READING OF TITLE ONLY.

City Manager Wrede noted there was a lot of discussion on dropping sewer usage for Kachemak City customers to 3,000 gallons per month and Council chose not to.

Council discussed the idea of separate meters for Kachemak City to have a more accurate reading of their sewer discharge. The meters could be for individual households or a meter for

the entire Kachemak City sewer discharge. The meters would come with a cost. The 3,500 rate billed is average usage for households in the U.S. The perspective of both councils is different.

City Manager Wrede noted it was hard to get an accurate meter reading with one sewer line as it clogs frequently and the maintenance is high. The individual water meters would need to be visible, inspected, repaired, and replaced. There are a lot of different sources of water for Kachemak City residents. He has talked to Kachemak City about them taking over the function and it is still something we could do. We can still look at cost estimates. Meters are an administrative burden for both cities, but would give a more accurate record of consumption.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

A. City Manager's Report

1. City of Homer Community Recreation Report
1. Town Center Clearing: The Community and the Police Department continue to struggle with illegal activities that are taking place in makeshift camping areas. One of the biggest problem areas for camping and illegal activity is on City land in the Town Center. One of the City lots, directly behind the laundry, is very densely wooded and it is difficult for the Police to see in there, or to leave their vehicles and walk in there safely. We are proposing to do some clearing in that area. The small, densely packed black spruce would come out. Tall healthy trees would stay but be limbed high enough that the police can see in. Carey is talking to the Corps of Engineers about possible permits due to wetlands and to various local contractors about mechanized clearing vs. hand cutting. We will have cost estimates and maybe an action item at the next meeting. Police Chief Mark Robl is prepared to discuss this problem with you in detail. This is a public safety issue that the Police feel should be a priority.
2. PARC Committee: This Committee is scheduled to meet on June 18 to provide final guidance on the contract with the selected consultant re: the needs assessment. The guidance will include the scope of work, benchmarks, deliverables, timetables, etc. Once I get that information, I will negotiate and execute the contract.
3. Load and Launch Ramp: This agenda contains a resolution which if adopted, would approve an amendment to the Cooperative Agreement between the City and ADF&G regarding repair and replacement work at the boat harbor load and launch ramp. The

purpose of the amendment is to clarify and more specifically spell out how Phase II of the project, the construction phase, will work. ADF&G, Sport Fish division has taken responsibility for all of the pre-construction work, engineering, design, permitting, through the bidding process. The City will manage the construction phase. The amended Cooperative Agreement will work like a reimbursable grant to the City. We can get into this in a little more detail at the meeting.

4. Green Dot Program: The City has provided support to the Green Dot Program in several ways. You may have noticed the big green dot outside of City Hall. On June 24th, I will meet with Tara Schmidt to talk about Green Dot Training for City staff. I believe this will be important for all City staff members but I want to concentrate first on staff members that have high contact with the public could be in positions where intervening could be helpful. The Library comes immediately to mind.
5. E-Cigarettes: Apparently, there is quite a bit of discussion going on about e-cigarettes and whether they should be included as part of smoking ban rules in public spaces. I have to admit, I am clueless on this subject and will have to get more information. Library Director Ann Dixon informed me that there is a discussion going on among Library Directors and Library Associations about how to handle this. Several Libraries have already included e-cigarettes as part of their smoking regulations, including Palmer and Juneau. Ann thought it would be wise to get out in front of this because it is only a matter of time before somebody lights up an e-cigarette in the library (or City Hall for that matter). Ann wanted to know if the City's current code on smoking was applicable and enforceable. Tom Klinkner is looking into that. So, this is just a heads-up that you might be hearing more about this later. The LAB will discuss it as a policy matter at the next meeting. If we change the code, or decide that the current code covers it, it would likely apply to all city buildings, not just the library.
6. Safety Training: On Wednesday, June 25, the City will conduct an almost all day safety training for new employees and summer temporaries. We are working hard to create a safe working environment, improve awareness of safety generally, and reduce the City's risk. The City recently formed a safety committee that includes representatives from all departments.
7. HR Position: The advertising period for this position closed on June 15th. Interviews will be conducted the week of June 23. We hope to have that position filled. In the meantime, Andrea Petersen is still on the payroll and helping us from Reno. Andrea Browning is filling in and helping also, where appropriate.
8. Natural Gas Distribution Project: You have probably noticed that the contractors are making good progress on phase two, the bluff area. It is possible that construction of the distribution system could be completed by early August. They will still be working on tie-ins, restoration work, clean-up, and service lines during that period. Only one easement remains to be obtained on Kachemak Drive and we are hopeful work can begin there soon. I think the contractors are doing an excellent job and most of the feedback I hear from property owners is very positive about what they are doing. Enstar reports that they have about 1,500 service lines either installed or applied for and around 900 meters that are "spinning." At the July 28 meeting, I hope to have a

progress report for you. This will include a look at the actual build-out, the status of the project budget, preliminary assessment roll adjustments, and information about the assessments. The report will also include a recommended course of action with respect to assessments for condominium buildings.

9. Mercer Meeting: On June 17th, John Li and I met with Mercer Company representatives to discuss the status of the Health Insurance Plan. They provided us with a comprehensive set of statistics which were very informative. I won't go into great detail here but so far, it looks like the changes made to the program are resulting in significant cost savings for the City. We went over the solicitation of bids from the private sector and the type of information that would be most helpful to the Council when Jeff Paxton is here in August.

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 28th 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. As presented, 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.

CITY ATTORNEY REPORT

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

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.

ROBERTS/LEWIS - MOVED TO SUBSTITUTE ORDINANCE 14-20(S) FOR ORDINANCE 14-20.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ROBERTS/ZAK - MOVED TO POSTPONE TO JULY 28 FOR PUBLIC HEARING AND FINAL READING.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

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.

Mayor Wythe called for a motion for the adoption of Resolution 14-078 by reading of title only.

LEWIS/ROBERTS – SO MOVED.

Mayor Wythe called for a motion to substitute Resolution 14-078(S) for Resolution 14-078.

LEWIS/ROBERTS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- 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.

Mayor Wythe called for a motion for the adoption of Resolution 14-075 by reading of title only.

ZAK/HOWARD - SO MOVED.

Public Arts Committee wants to accept the sculpture, but the Parks and Recreation Advisory Commission recommended against accepting it. There are no monies for maintaining it.

Roger MacCampbell, Parks and Recreation Advisory Commissioner, was asked to provide input on the sculpture.

Mr. MacCampbell provided his own thoughts on the sculpture. He inspected the site and the land is too marshy next to the boardwalk to place the sculpture. It is a huge concrete structure that will require a large base. Without a good safety plan in Old Town he is concerned with vandalism and who will pay for it. The commission is in favor of the salmon sculpture.

The loon sculpture is 9' tall. Questions need to be answered on the placement and responsible party for repairs. A criteria for accepting art work is that it include maintenance provisions.

LEWIS/ZAK - MOVED TO REFER BACK TO THE PUBLIC ARTS COMMITTEE AND HOPE THEY CAN ANSWER OUR QUESTIONS BEFORE IT COMES BACK.

There was no discussion.

VOTE: (refer to PAC) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- 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.

Mayor Wythe called for a motion for the adoption of Resolution 14-076 by reading of title only.

LEWIS/HOWARD - SO MOVED.

LEWIS/ROBERTS - MOVED TO REFER BACK TO THE PUBLIC ARTS COMMITTEE AS WE HAVE NO IDEA ON HOW WE WILL MAINTAIN IT AND THERE IS NO FUNDING MENTIONED FOR MAINTAINING THIS.

Council would like to see a better picture of the sculpture when it returns. The proposal for accepting the art needs to include a plan for maintenance.

VOTE: (refer to PAC) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Adrienne Sweeney, city resident, expressed opposition to the proposed bed tax.

Mike Dye, Homer resident, expressed opposition to the proposed bed tax.

Jim Lavrakas, Homer Chamber of Commerce, announced a Chamber sponsored educational forum on issues surrounding the bed tax ordinance. It will be held on Thursday, June 26th at Best Western Bidarka.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Wrede had no comment.

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.

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.

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.

JO JOHNSON, MMC, CITY CLERK

Approved: _____