



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

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Memorandum Agenda Changes/Supplemental Packet

TO: MAYOR WYTHER AND HOMER CITY COUNCIL

FROM: JO JOHNSON, MMC, CITY CLERK 

DATE: JUNE 9, 2014

SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

CONSENT AGENDA

Resolution 14-064(S), A Resolution of the City Council of Homer, Alaska, Approving the Reduction of Employee Health Insurance Premiums by Twenty Percent for the Period July 1, 2014 Through December 31, 2014. City Manager. (Amendment recommended by City Attorney.) **Page 3**

Resolution 14-066, A Resolution of the City Council of Homer, Alaska, Approving a New Short Term Lease (Six Months) for Peninsula Scrap and Salvage on a Portion of Lot 12, Homer Spit Subdivision No 5, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. (Amendment recommended by City Attorney.) **Page 5**

CITY ATTORNEY REPORT

Report for May 2014

Page 7

RESOLUTIONS

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.

Letter from Kachemak City, re: sewer rates

Page 9

Resolution 14-067(S), A Resolution of the Homer City Council Awarding the Contract for the Parks, Art, Recreation and Culture (PARC) Needs Assessment to the Firm of Agnew::Beck Consulting, LLC of Anchorage, Alaska, in the Amount of \$40,000 and Authorizing the City Manager to Execute the Appropriate Documents. ***Page 11***

RECOMMENDATION:

Voice consensus to changes under Agenda Approval.

Fiscal Note: N/A

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Manager

4 RESOLUTION 14-064(S)
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6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 APPROVING THE REDUCTION OF EMPLOYEE HEALTH
8 INSURANCE PREMIUMS BY TWENTY PERCENT FOR THE
9 PERIOD JULY 1, 2014 TO DECEMBER 31, 2014.
10

11 WHEREAS, The City of Homer amended its employee health insurance plan in 2014 in
12 order to address rapidly expanding health care costs, limited fiscal resources, and a lack of
13 budget flexibility; and
14

15 WHEREAS, A major component of the plan revision was a significant increase in
16 employee premiums which had an especially big impact on employees with families; and
17

18 WHEREAS, When the plan became effective in January of 2014, the Administration said
19 that it would review the status of the health insurance fund at mid-year and if plan utilization
20 was trending downward and the fund balance was growing, a reduction in premiums might be
21 possible; and
22

23 WHEREAS, Because utilization is down for the first five months of 2014 and the fund
24 balance is slowly growing, the Administration has concluded that it is reasonable to
25 recommend a 20 percent decrease in premiums for the remainder of 2014; an action that
26 would reduce contributions to the fund by \$25,000 for those six months; and
27

28 WHEREAS, The Homer City Council has expressed an interest in reducing employee
29 premiums if feasible and prudent.
30

31 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves the
32 reduction of employee health insurance premiums by 20 percent **for the period July 1, 2014 to**
33 **December 31, 2014.**
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35 PASSED AND ADOPTED by the Homer City Council this 9th day of June, 2014.
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CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Decrease of \$25,000 in contributions to the Fund Balance.

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Manager

4 RESOLUTION 14-066(S)
5

6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 APPROVING A NEW SHORT TERM LEASE (SIX MONTHS) FOR
8 PENINSULA SCRAP AND SALVAGE ON A PORTION OF LOT 12,
9 HOMER SPIT SUBDIVISION NO. 5, AND AUTHORIZING THE
10 CITY MANAGER TO EXECUTE THE APPROPRIATE
11 DOCUMENTS.
12

13 WHEREAS, Peninsula Scrap and Salvage has been conducting operations on a portion
14 of the chip pad under the terms of a short term lease and has continued its tenancy on a month
15 to month basis under Section 2.02 of the lease; and
16

17 WHEREAS, Peninsula Scrap and Salvage has requested a new short term lease for the
18 same square footage with a term beginning July 1, 2014 and ending January 1, 2015; and
19

20 WHEREAS, Peninsula Scrap and Salvage has been a very good tenant and it has
21 generated revenue for the port, created jobs, and provided a valuable public service with its
22 community clean-up and recycling business; and
23

24 WHEREAS, Section 11 (G) (3) of the Lease Policy provides that "no consecutive short
25 term leases for the same property to the same lessee may be issued without approval of the
26 City Council"; and
27

28 WHEREAS, The administration recommends a new short term lease based upon the
29 performance and business plan of the lessee and the best interest of the City.
30

31 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves a
32 new short term lease for a term beginning July 1, 2014 and ending January 1, 2015 for
33 Peninsula Scrap and Salvage on a portion of Lot 12, Homer Spit Subdivision No. 5, and
34 authorizes the City Manager to execute the appropriate documents.
35

36 PASSED AND ADOPTED by the Homer City Council this 9th day of June, 2014.
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CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Lease revenues for six month period: \$16,335.00.

MEMORANDUM

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: THOMAS F. KLINKNER

RE: CITY ATTORNEY REPORT FOR MAY 2014

CLIENT: CITY OF HOMER

FILE NO.: 506,742.18

DATE: JUNE 5, 2014

The following summarizes our activities as City Attorney during the month of May 2014.

City Council. I attended the May 12, 2014 City Council meeting, and reviewed the agenda packet for the May 27, 2014 City Council meeting. Holly and I each advised the Board of Adjustment on separate appeals from Planning Commission decisions. I also advised the Ethics Board regarding ethics complaints that were filed in April.

City Clerk. I drafted an ordinance regarding the frequency of meetings of the Parks and Recreation Advisory Commission.

City Manager. I advised the City Manager regarding the responses to public records requests for attorney billing records and video recordings. I drafted documents to transfer City property for an equestrian center.

Port and Harbor. I prepared documents and advised the City Manager to facilitate seller financing of an assignment of a lease of City property in the harbor area.

Holly Wells will be available to answer questions regarding these matters at the June 9, 2014 Council meeting.

cc: Walt Wrede
Jo Johnson

KACHEMAK, ALASKA

P.O. BOX 958, (VIA) HOMER, ALASKA 99603

PH. (907) 235-8897 FAX (907)235-8854

kachemak@xyz.net

June 5, 2014

Mr. Walt Wrede, City Manager
City of Homer
491 E Pioneer Avenue
Homer, AK 99603

Dear Walt:

Thank you for your letter of May 28, acknowledging our withholding of excess sewer user payments! We have been at our wits end trying to address this issue since last year. The problem is that we are being charged for more sewer usage than we are generating into the system. In addition, there is no mechanism to reduce fees by conservation or for extended times when homes are vacant.

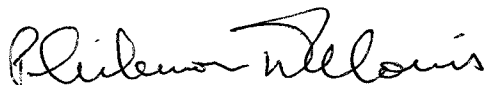
The new rate model, based on water usage does not work if no attempt is made to adequately estimate Kachemak flows. We went to considerable lengths to generate accurate measurements for a representative sample of 55 homes and one business out of 131 connections. The results of the study averaged 2039 gallons per month including the Bear Creek Winery. We are thus being charged for 59% more water than we are using. This discrepancy cannot be blown off by an inattentive council.

According to your letter of May 28, there will not be an opportunity for further negotiations this year. We are under considerable pressure from our constituents to resist these arbitrary and capricious charges which completely flaunt the intent of fair and equal treatment outlined in our existing Memorandum of Understanding. We have had legal advice that this issue goes against both the existing IGA and MOU, but we would like to settle it internally between our two communities and not get into a lengthy and costly legal battle, but we do not know how to do that if your council refuses to negotiate.

After last fall's performance I am in no mood to give a three minute lecture on simple math to your council.

In a final attempt to get his issue resolved we would like to suggest a meeting with representatives from our council, your council, and City of Homer public works to come up with a solution. At our meeting next Wednesday I will be appointing two Kachemak City Council members to work with your council on such a proposal, should your council be interested in a resolution.

Sincerely,



Philemon D. Morris, Mayor

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**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 14-067(S)

A RESOLUTION OF THE HOMER CITY COUNCIL AWARDING THE CONTRACT FOR THE PARKS, ART, RECREATION AND CULTURE (PARC) NEEDS ASSESSMENT TO THE FIRM OF AGNEW::BECK CONSULTING, LLC OF ANCHORAGE, ALASKA, IN THE AMOUNT OF \$40,000 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, In accordance with the Procurement Policy, Request for Proposals were advertised in the Homer News on April 10 and 17, 2014, the Peninsula Clarion and the Anchorage Daily News on April 13, 2014, and posted on the Clerk's home page; and

WHEREAS, Proposals were due on May 8, 2014 and an addendum was issued to extend the due date to May 15, 2014; and

WHEREAS, Five proposals were received and were studied by a review team who determined two proposers would be invited to interview; and

WHEREAS, Interviews were conducted on June 5, 2014 and the firm of Agnew::Beck Consulting, LLC of Anchorage, Alaska, was determined to be the lowest responsive bidder and found to be qualified to complete the work; and

WHEREAS, The adopted FY 2014 operating budget contained an appropriation of \$35,000 for a Parks and Recreation Needs Assessment and private donations of \$5,000 will provide the \$40,000 to fund the PARC Needs Assessment; and

WHEREAS, This award is not final until written notification is received by Agnew::Beck Consulting, LLC from the City of Homer.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, approves the contract award for the Parks, Art, Recreation and Culture Needs Assessment to the firm of Agnew::Beck Consulting, LLC of Anchorage, Alaska, in the amount of \$40,000 and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 9th day of June, 2014.

CITY OF HOMER

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MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: PARC Needs Assessment \$40,000; Account No. 156-0372-5210