

Session 15-10 a Regular Meeting of the Homer City Council was called to order on March 9, 2015 at 6:00 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, LEWIS, REYNOLDS, ROBERTS, VAN
DYKE, ZAK

STAFF: ACTING CITY MANAGER/CITY CLERK JOHNSON
CITY ATTORNEY WELLS
COMMUNITY & ECONOMIC DEVELOPMENT
COORDINATOR KOESTER
DEPUTY CITY PLANNER ENGBRETSSEN
FIRE CHIEF PAINTER
LIBRARY DIRECTOR DIXON

The Council held a Worksession on Strategic Doing from 4:00 p.m. to 4:58 p.m. They met as a Committee of the Whole from 5:01 p.m. to 5:18 p.m. to discuss Consent Agenda and Regular Agenda Meeting items. From 5:20 p.m. to 5:40 p.m. they held a Special Meeting to take action on the City Manager Recruitment.

Department Heads may be called upon from time to time to participate via teleconference.

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: **CITY ATTORNEY REPORT** - City Attorney Report of February 2015; **RESOLUTIONS - Resolution 15-012**, A Resolution of the City Council of Homer, Alaska, Amending the Preliminary Assessment Roll for the Homer Natural Gas Special Assessment District by Exempting One Property and Correcting Errors in The Assessment Roll. City Clerk. Memorandum 15-036 from Deputy City Planner; Amended Attachment A; and Written public comments.

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

LEWIS/REYNOLDS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Larry Slone, city resident, expressed opposition to Resolutions 15-004 and 15-004(S). He opposes using any funds for the design of the public safety building, which he views as an overly ambitious design that will not be supported by enough people to pass a bond issue.

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 February 23, 2015. City Clerk. Recommend adoption.
- B. **Ordinance 15-06**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2015 Operating Budget by Appropriating \$179,892.97 From the Harbor Reserve Fund to Satisfy the City's Matching Grant Requirement Associated With the Completion of the Deep Water Dock Expansion Feasibility Study. City Manager/Port and Harbor Director. Recommended dates: Introduction March 9, 2015, Public Hearing and Second Reading March 23, 2015.
- C. **Resolution 15-013**, A Resolution of the Homer City Council Awarding the Contract for the Preparation of the Deep Water Dock Expansion Feasibility Study to the Firm of R&M Consultants, Inc. of Anchorage, Alaska, in the Amount of \$1,060,092 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Recommend adoption.
- D. **Resolution 15-014**, A Resolution of the Homer City Council Awarding the Contract for the Construction of the Homer Small Boat Harbor Launch Ramp Renovation to the Firm of Harris Sand & Gravel of Valdez, Alaska, in the Amount of \$3,412,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum 15-029 from Public Works Director as backup.

Moved to Resolutions.

Item D, Resolution 15-014 was moved to Resolutions, Item C. Burgess.

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

LEWIS/ZAK - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Wythe called for a motion to amend the agenda to accommodate Senator Stevens when he arrives.

LEWIS/ROBERTS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

A. Senator Gary Stevens, Legislative Update

Senator Gary Stevens reported there are very serious budget problems with a \$3.5 billion or greater deficit. In 2002 we had a \$2 billion deficit. When oil prices were high we put a lot of money in savings; the \$16 billion in savings will help over the next two to four years. The budget is so bad that if everyone that works for the State of Alaska was fired it would only solve half of the problem. We need to look at reductions seriously. If we realize a \$2.2 billion revenue from oil this year, \$1.3 billion goes to education, \$700,000 to Medicare, and the loan debt of \$200,000 there is nothing left. Added money will come from savings. This year the Governor is cutting the budget and next year it will be cut even more. We will have to talk about revenues. We cannot cut our way out of this; it won't solve all the problems by cutting

the budget. Even if we had an income tax at 20% of the federal rate it would be less than \$1 billion dollars. No one is suggesting or proposing that, but it is a very tough time we face.

Marijuana is an issue for this session. In Homer marijuana got 1,000 more votes than Senator Stevens got. Marijuana got 2,000 more votes than the Governor got. The public said decriminalize marijuana and the process is moving ahead. The commercialization of marijuana is not so clear. There can be a shop in Homer where people can buy marijuana products. As a father and grandfather he is very concerned about the impact it will have on kids. In Colorado they can spray THC on gummy bears causing harm to a small child. There is also a question about driving under the influence, what it means to businesses, and employers.

Another big issue is Medicaid expansion that impacts a lot of single people earning under \$20,000. It could help a lot of folks who are not presently covered. It is being tied to Medicaid reform and the expansion would cover prisoners, saving a considerable amount of money.

The Marine Highway System is looking at reductions, up to \$25 million dollars throughout the system. It is damaging and we could see less service and longer periods of time with no service. We have had the marine system since statehood. We have had to subsidize it with federal and state contributions.

Most people want to get rid of daylight savings time. A survey monkey indicated 70% of responders want to get rid of it.

Senator Stevens is pleased and impressed with Governor Walker. He is the right person at the right time. He has appointed excellent people as commissioners and has not made a misstep in terms of appointments to commissions and boards. He is a good, strong leader.

B. Derotha Ferraro, South Peninsula Hospital, Emergency Response Exercise Update

Derotha Ferraro, Director of Public Relations for South Peninsula Hospital, and Bob Painter, Fire Chief, provided an overview of the upcoming emergency response exercise. The multi-day, multi-agency exercise will be conducted from March 19 – 21 beginning on the 19th where weather issues compromise the facility and public safety. It moves to rock slides and flooding to pressure response. The hospital will reach mass casualty and eventually the facility will become compromised with a land slide. The National Guard will fly in tents to set up in the lower parking lot. An alternative care site will be set up on Bartlett Street and a mock evaluation of the hospital will begin. Mock patients will be transported to Central Peninsula Hospital. They want to challenge us and will have a pocket full of cards with new elements. There is an opportunity for the community to get involved. They will be using 75-100 volunteers to serve as mock patients for four, six, and eight hour shifts on Friday and Saturday. The community can expect to see the big tent, helicopters flying, and extra signage.

Operations at the hospital will not be affected. If you wish to participate call Derotha Ferraro at 235-0397 or email her at dbf@sphosp.org.

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. Borough Report

B. Commissions/Board Reports:

1. Library Advisory Board

Patricia Utley, Library Advisory Board Member, read an email written to the Finance Committee in support of the OWL (Online With Libraries) Program that is scheduled to be cut. Last month the Library saw 1,000 more people. They are proud to be presenting the Fahrenheit 451 movie at 7:00 p.m. March 11th and on March 19th Sam Weller, biographer for Ray Bradbury, will present at Islands and Ocean Visitor Center.

2. Homer Advisory Planning Commission

a. Minutes of February 18, 2015

3. Economic Development Advisory Commission

4. Parks and Recreation Advisory Commission

Dave Brann, Parks and Recreation Advisory Commissioner, reported the commission is working on Bishop's Beach concerns and have received a lot of good public input. He encouraged people to visit the city website and write emails. There will be a KBBI Coffee Table on April 1. Tentative recommendations are for bringing back beach patrol, seasonal traffic restrictions on the beach, improved signage, establishing permanent fire rings, and outreach and education related to dogs and dog owners. There will be a trail symposium April 18th at Homer High School. The commission supports a picnic pavilion by the water trail site at the Fishing Hole. They are drafting letters to potential funders as they have estimated costs now. The commission is planning for the 2015 Alaska Parks and Recreation Association Conference and the PARC Needs Assessment is moving forward with phone survey beginning this week.

5. Port and Harbor Advisory Commission

C. Correspondence with Russian Sister City Yelosivo

PUBLIC HEARING(S)

Mayor Wythe passed the gavel to Mayor Pro Tempore Roberts.

A. Homer Natural Gas Special Assessment District

Mayor Pro Tempore Roberts opened the public hearing.

Jim Lavrakas, city resident, objected to the assessment for his condominium.

Val McLay, non resident, objected to two properties he is being assessed for as he is not receiving a benefit from the natural gas.

Bill Glynn, city resident, objected to the assessment since gas is not available to him without a lot of expense.

Gloria Corey, city resident, objected to the assessment as it is cost prohibitive for her.

Amy Springer, city resident, objected to the assessment on her condominium on the basis of it being disproportionate to her share of real estate ownership.

Tim O'Leary, city resident, asked if the assessment bill could be submitted later in the year since he is on a fixed income.

Ian Overson, city resident, objected to his two assessments.

Cheryl Tolman, city resident, requested a deferred assessment on her Kachemak Drive split lot. Resolution 06-74 granted deferred assessments to seven split lots on Kachemak Drive.

Colleen Wagner, city resident, expressed opposition to her one lot that has no access.

Mayor Pro Tempore Roberts suspended the public hearing and passed the gavel back to Mayor Wythe.

Mayor Wythe welcomed Senator Stevens. See report under Visitors.

Mayor Wythe called for a recess at 7:20 p.m. and reconvened the meeting at 7:40 p.m.

Mayor Wythe passed the gavel back to Mayor Pro Tempore Roberts who resumed the public hearing on the Homer Natural Gas Special Assessment District.

Ben Gibson, city resident, expressed opposition to the condominium assessments. He supports the judge's decision in assessing condominiums.

Margarida Kondak, city resident, objected to her condominium assessment as it is a higher than the proportional interest in her condominium.

Dave Shealy, city resident, expressed opposition to the assessment on his Main Street condominium. There is one line feeding one meter for one heater for the building.

Mayor Pro Tempore Roberts closed the public hearing and reminded the public they must file a written objection by March 16 at 5:00 p.m.

Mayor Pro Tempore Roberts passed the gavel back to Mayor Wythe.

ORDINANCE(S)

CITY MANAGER'S REPORT

A. City Manager's Report

Enstar Refund

The Finance Department received a second FMA check from Enstar in the amount of \$493,000. This covers all of 2013 connections as well as the remaining connections from the first quarter of 2014.

Recreation Service Area

There was a meeting held on February 26 to discuss a Recreation Service Area which would include the City and some areas around the City. Two KPB employees (mayor staff and attorney) attended the meeting to discuss the variables of how a service areas works.

To establish a service area would require an election by all the people who would be in the district. An exception is that the City Council could decide to be a part of the larger service area without a vote inside the City.

Questions were asked regarding administration. For instance, the Hockey Rink needs some capital funding, but the volunteer non-profit organization in charge of the operation could remain.

In answer to a question, the Borough staff said they were not interested in Parks being a part of the Recreation service area.

Borough Staff indicated that if the service area included Homer, Kachemak, Diamond Ridge and Fritz Creek, ½ mil would generate over \$350,000. Of course, all these areas would need to have recreation opportunities if they were contributing to the funding.

Gas Line Loan

The City Council approved securing a loan from the Borough in the amount of \$12,700,000. The actual construction cost to date is \$12,359,388. There may be a few other charges, however, the City will be repaying the difference between the actual expenditures and the original loan amount.

Waddell Way

The City is preparing a plat to vacate the Easement on Parcel E and plat a 60 ROW on parcel 2. Once the plat is complete it will sent to the City Planning Commission and then to the Borough Planning Commission for approval.

Letter of Support

The Kachemak Bay Family Planning Clinic is requesting a letter of support from the City for their application for a three-year grant from the State of Alaska Department of Health and Social Services (DHSS/Department), Division of Public Health (DPH/Division). The grant is titled Teen and Unintended Pregnancy Prevention. Katie will be writing a letter on their behalf.

FYI

- Invitation from the Coast Guard for Bryan Hawkins to be a part of the Technical Risk Assessment Group that will review the potential LNG marine traffic in Cook Inlet.
- Alaska Association of Police Chiefs position Paper on Marijuana.
- Alaska Association of Police Chiefs response to the proposed budget cuts to the Community Jails Program.
- Award to Kachemak Bay Water Trail Project
- Homer Foundation Quarterly Report
- Memorandum 15-028 from Public Works re: Road projects
- Kachemak Bay Family Planning Clinic request for letter of support
- AAHPA SCHOLARSHIP (Ports & Harbors) applications

1. Memorandum 15-027 from City Planner, Re: Regulation of Marijuana
2. Memorandum 15-028 from Public Works Director, Re: Fireweed Avenue and Cottonwood Lane Road Conditions

Councilmember Burgess commented on cannabis regulation and different concerns. He advocated that the Council form an advisory commission and will sponsor an ordinance for the next meeting. The commission could be made up of business people, concerned citizens, a planning commissioner, and law enforcement. The body can move forward in making an informed recommendation to the City Council. It is important for the Council to know what kind of businesses and activities they are encouraging or discouraging. An approach to ensure tax dollars stay in the community is needed whether it be a \$2M investor or smaller entrepreneurs. He encouraged the public to watch and contribute to the process. Interested citizens may email Councilmember Burgess if they are interested at beauburgess@ci.homer.ak.us

Attorney Wells advised the Council it is important to be deliberate, timely, and comprehensive when considering marijuana laws. Many different areas come into play. She cautioned them to avoid moving too quickly as there are too many missteps.

The Council discussed the conditions of Fireweed Avenue and Cottonwood Lane. A few residents attended the Worksession expressing concern for the poorly maintained roads. Residents were promised by the City of Homer when annexed several years ago the City would take a certain level of responsibility for maintaining roads. If residents have concerns they should notify Public Works of the road conditions. The Council decided to defer the discussion to March 23rd and notify the affected property owners of the upcoming discussion. Maps and better information on the road conditions will be provided for the next meeting.

The Council asked that the City Manager provide a report on the LNG prospects at the next meeting.

B. Bid Report

CITY ATTORNEY REPORT

A. City Attorney Report of February 2015

City Attorney Wells commented the community needs to start addressing the concerns of marijuana.

The briefing has been filed on the appeal to the Ninth Circuit Court of Appeals in Hogan vs. City of Homer. A hearing date will follow in May in Anchorage to present oral argument. That could be the end of the appeal. The Council will receive an update with more information when we know what we are looking at.

COMMITTEE REPORT

- A. Public Arts Committee
- B. Permanent Fund Committee
- C. Employee Committee Report
- D. Port and Harbor Building Task Force

Mayor Wythe visited the new harbormaster building this morning and it looks fabulous. They hope to move in next month with a ribbon cutting ceremony in May.

- E. Public Safety Building Review Committee

Mayor Wythe announced the next meeting is April 1st at 5:30 p.m.

- F. Vessel Haul-Out Task Force
- G. City Manager Selection Committee

The committee will be disbanded at the March 23rd meeting.

PENDING BUSINESS

- A. **Resolution 15-004**, A Resolution of the City Council of Homer, Alaska, Requesting That the Alaska Legislature Re-Appropriate the \$1,405,000 That the City Received for the Waddell Way Road Improvement to a New Public Safety Building. Mayor. (Postponed from January 26, 2015.)

Resolution 15-004(S), A Resolution of the City Council of Homer, Alaska, Requesting That the Alaska Legislature Re-Appropriate \$606,000 of the \$1,405,000 That the City

Received for the Waddell Way Road Improvement to a New Public Safety Building.
Mayor.

Motion on the floor from January 12: MOTION FOR THE ADOPTION OF RESOLUTION 15-004 BY
READING OF TITLE ONLY.

Mayor Wythe called for a motion to substitute Resolution 15-004(S) for Resolution 15-004.

BURGESS/ROBERTS – SO MOVED.

The Council discussed the City's commitment to follow through with Waddell Way improvements. Many people are in favor of Waddell Wall as a great shortcut across town. Concern was expressed for the impact on Heath Street when the new access from Lake Street to Heath Street is added.

Councilmember Zak referred to the comments heard from city residents at the Worksession regarding costs of a new public safety building. The total budget is \$40M and Resolution 15-004(S) will put another \$606,000 towards it. He thinks about the \$40M and what it could do for the City. There is no support from the State of Alaska and we are not ready to ask the public to support a bond issue. He is hesitant to put money toward the design of a building we are not able to afford.

Mayor Wythe clarified the public safety building project is shy of \$30M.

Councilmember Roberts approves of adding the funds to get the project to 35% design for the public to see what it is. Public safety is one of the most primary objectives of the City of Homer. The police station needs to be replaced. She agrees it will not happen tomorrow, but we can keep moving the project forward.

Councilmember Burgess expressed his appreciation to Senator Stevens for coming out and walking us through the process. For the same reason the Governor is not slashing the budget to bare bones since the price of oil went down, the price of oil will go up again due to supply and demand. When the opportunity exists to have the facility we already need it behooves us to be in the position for the infrastructure development.

Councilmember Zak again expressed his reservation at the \$30M project as the citizens cannot bear this burden. When interest rates were lower and oil prices higher he would have supported the project. We are going to be at \$1M on this project of citizens' money spent. We already pay more taxes to support our hospital and if property taxes continue to raise, what type of burden is it placing on our citizens? We have old police and fire stations and an old middle school that is a burden on the City. He is not convinced of the need to take the public safety building to design phase and a project cost of \$30M. He suggested scaling back the project.

Mayor Wythe commented on the prospect of LNG for Homer and the potential impact to the community in the next three to six years. In paying attention to what is going on in the Peninsula we need to take the entire picture into consideration. We can wait until we are not prepared and then wait, or we can be prepared and wait. As the price of oil goes up costs of this project will go up. Keeping the momentum moving forward is essential. If we stop now it would be adding millions of dollars and years to the project. We don't have years to stay in the current police department. We don't have a facility with a fire truck that will allow us to grow any differently than we are now. It is not an unreasonable or excessive projection; it is something the community will need in three to five years in light of everything that is going on in the Peninsula. We will need to provide support services for the vessels that will be coming in. She hopes the Council will continue to move forward for community's vitality for a decent facility to provide the services.

VOTE: YES. LEWIS, BURGESS, ROBERTS, REYNOLDS, VAN DYKE

VOTE: NO. ZAK

Motion carried.

Councilmember Zak reiterated his concerns to the cost to the citizens to provide the services. The state budget is being cut and it will cost the City more to pay for jail services. We will continue to see additional costs with the lack of state funding. We need to be conservative now.

Councilmember Burgess commented that currently you cannot build a structure taller than 36'. If there is a house or structure fire we cannot get people out of the higher stories of the building because we have no ladder truck. We have no place to house a ladder truck. If we have a large LNG project worth millions of dollars of tax revenue to the City we will be

restricted in the type of public service we can provide. We can do planning now and put the project on the back burner, but if we need something we may be delaying real economic progress. A half million to a million dollars is a drop in the bucket to an industry that could be worth more in tax revenues. Homer is in an interesting spot economically. Whether you believe in climate change, we already see people moving this direction, away from areas stricken by draught, hotter temperatures, fewer natural resources and industries. We could see a huge growth in population caused by lower oil prices. Homer could double in size the next five to ten years. It is up to the Council to come up with viable solutions. If you don't like the public safety building you need to offer viable solutions. The Council works towards consensus and can't all be naysayers.

Councilmember Zak again expressed his concerns with the \$30 project and said it was about stewardship. He suggested looking at the land behind the existing jail and fire hall. He has heard of alternatives that are a lot less expensive and there may be some options we haven't yet considered. We have moved quickly to take the white elephant building. He doesn't comprehend or understand. The price tag is too high.

Mayor Wythe told Councilmember Zak his implication of stewardship was offensive. The committee looked at dozens of alternatives and this was the recommendation of moving forward. Stewardship takes on a bigger role than just guarding the funds. It takes the role of looking to the future for the long term and spending the least amount of money for the long term. We considered the lot next door, other alternatives, and exhaustively talked about a number of items. It was determined to be the least cost, one of those being the cost to maintain one building instead of two. The new facility as opposed to refurbishing an old one gives the ability to take some environmental economics into consideration to reduce the operating costs. It is not going to get any cheaper. We don't want to pay for anything but still like all the services and think someone else should pay for them. The someone else's are going away but there are alternatives that can allow us to do. We have to be prepared to take advantage of future revenue streams.

Councilmember Van Dyke asked why it costs almost \$1M to get to a 35% plan. Anyone in private sector could do that for a quarter of the cost.

Mayor Wythe explained getting to 35% design will get through some of the permitting, property development assessments, a bond proposition, community outreach and

development, package preparations, and budget alignment. The preliminary work will be done and it opens other doors of funding.

VOTE: YES. ROBERTS, REYNOLDS, LEWIS, BURGESS, VAN DYKE

VOTE: NO. ZAK

Motion carried.

NEW BUSINESS

RESOLUTIONS

- A. **Resolution 15-012**, A Resolution of the City Council of Homer, Alaska, Amending the Preliminary Assessment Roll for the Homer Natural Gas Special Assessment District by Exempting One Property and Correcting Errors in The Assessment Roll. City Clerk.

Memorandum 15-036 from City Planner as backup.

Mayor Wythe called for a motion for the adoption of Resolution 15-012 by reading of title only.

LEWIS/BURGESS – SO MOVED.

ROBERTS/BURGESS – MOVED TO AMEND TO ATTACH THE AMENDED ATTACHMENT A.

There was no discussion.

VOTE: YES. (amendment) NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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

Motion carried.

- B. **Resolution 15-015**, A Resolution of the City Council of Homer, Alaska, Approving an Amendment to Bob's Trophy Charter Lease on Tract 1-B Fishing Hole Subdivision No. 2, to Permit Transfer of the Lease to Wilson Stick, Inc., Extend the Lease for a Period of

20 Years, and Authorizing the City Manager to Execute the Appropriate Documents.
City Manager.

Memorandum 15-030 from Port and Harbor Advisory Commission as backup.

Mayor Wythe called for a motion for the adoption of Resolution 15-015 by reading of title only.

LEWIS/ROBERTS – SO MOVED.

Councilmember Burgess declared a perceived conflict of interest. He is a board member of an organization that has no formal agreement with the lessee of the structure. Those in city administration assert the organization does. For the sake of perception he requested excusal.

Mayor Wythe ruled Councilmember Burgess was recused and there was no objection from the Council.

Councilmember Burgess stepped down from his seat.

The Council discussed the provision on Line 64 that if the parcel was needed for another purpose the City will offer a comparable parcel to the lessee for the duration of the lease term. The location is very visible and the new lessee plans to run a charter agency. The Council questioned if they were asked to move would it need to be to an area that was very visible and accessible.

Attorney Wells advised the City has an obligation of good faith and good dealing. There may be things that keep us from the extreme, such as a location that is hidden. The City has to use its best efforts and good faith in finding a reasonable comparable location. The ramification standard is different than dealing with a lease; we are not looking at taking implications for the sale of property. If there is confusion as to the implications of the resolution it is always better to get clear language when someone's interests are at stake.

LEWIS/REYNOLDS - MOVED TO POSPTONE TO OUR NEXT MEETING.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Burgess returned to his seat.

- C. **Resolution 15-014**, A Resolution of the Homer City Council Awarding the Contract for the Construction of the Homer Small Boat Harbor Launch Ramp Renovation to the Firm of Harris Sand & Gravel of Valdez, Alaska, in the Amount of \$3,412,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum 15-029 from Public Works Director as backup.

Mayor Wythe called for a motion for the adoption of Resolution 15-014 by reading of title only.

LEWIS/REYNOLDS – SO MOVED.

Councilmember Burgess declared a potential conflict. As a subcontractor he may offer services to the perspective bidder.

Attorney Wells advised the Council it may be a substantial financial interest.

Mayor Wythe ruled Councilmember Burgess was excused due to the conflict and there was no objection from the Council.

Councilmember Burgess stepped down from his seat.

Council discussed the bids in regard to the 5% local bidder preference.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Councilmember Burgess returned to his seat.

COMMENTS OF THE AUDIENCE

Larry Slone, city resident, commented on Resolution 15-004(S) and the \$1.5M to get to 65% design phase. Any decision to go forward with funding will have to come from the citizens. The building is overdesigned to accommodate three times more staff than we have. He suggested scaling back the building.

Katherine George, city resident, commented on the Council's ability to work well together by thinking things through and exchanging information. People are stressed by the \$3,000 gas assessment and now we are talking \$30M for a building. If the project is going forward there needs to be a lot of education.

Julie Engebretsen, non-resident and city employee, announced the low income deferred assessment option for low income residents. People may contact the city clerk for more information.

Jenni Medley, Homer resident, expressed her full support of the need for the public safety building to be updated and improved. Things go wrong in an outdated public facility. We need to keep it on the forefront of where we are spending money and investing time in the facility.

COMMENTS OF THE CITY ATTORNEY

City Attorney Wells had no comment.

COMMENTS OF THE CITY CLERK

City Clerk Johnson announced objections to the natural gas assessment roll are to be filed with the City Clerk by March 16th at 5:00 p.m.

COMMENTS OF THE CITY MANAGER

Acting City Manager Johnson had no comment.

COMMENTS OF THE MAYOR

Mayor Wythe thanked everyone for coming out for the gas line. She realizes it is stressful for the Council and the community. She thanked Senator Stevens for coming to town and spending a couple of days to meet with the community. He shared good news about things going on at the Capitol. She thanked the City Council and knows they are taking a beating on the gas line. She thanked the Council for their support in moving forward with the Public

Safety building. Her family moved to Alaska in 1973 at the beginning of the pipeline. We are on the cusp of substantial change with the possibility of the LNG within the next five to seven years. We get one chance in being prepared and one chance in being the port of choice. It is lighting a good fire without a lot of smoke stack industry in our backyard. We need to be prepared and not be afraid. She has been studying a lot of things about austerity in the United States. The biggest attachment to it is economic depression. We do not have a great economy, but do not need to be overly cautious that we stymie it even more than we have.

COMMENTS OF THE CITY COUNCIL

Councilmember Van Dyke commented he is a fiscal conservative and hates spending as much money as this city spends on different things. We do need a better police and fire station. The building has gone through a committee that has worked its tail off to find the best solution for the city's needs. Although he was not a part of the committee, he believes they came up with the best thing for the city. He will support it even though he doesn't agree with the amount of money. The building will have a 50-year life span to serve the city's needs.

Councilmember Roberts thanked Senator Stevens for coming to Homer. She thanked everyone that testified on the gas line and reminded people to file their written objection by March 16 at 5:00 p.m. As to the city manager hiring process, the last time the Council convened they deliberated in public about the candidates they were considering. She voted not to deliberate in public. It was extremely difficult to conduct the process in public and talking about people getting a job. One of the council members found it so difficult they didn't speak to it. We live in a small town and saying things may hurt feelings or make enemies. The privacy of candidates concerns her. The Council offered the candidates to have the deliberations done in the public or private. Any candidate was forced to say they wanted public deliberation, otherwise it would appear they had something to hide if they wanted it in private. We didn't gain anything. For all the testimony here there was very little interest. We saw five members of the public, five employees, and two news media persons. Although interviews should occur in public, the Council should be deliberating privately about candidates. She asked that we think about the process as we move forward.

Councilmember Lewis told the community the Homer High School girls took regions and are now going to State. Three young ladies are playing hockey on the U-14 Kenai team. They went to regions in San Jose and won after three overtime periods with two of the Homer girls going all three goals for the team. They leave for nationals in two weeks in Michigan. There will be fundraising going on. This coming weekend the Squirt Tier 3 hockey tournament is here with games Friday, Saturday, and Sunday out at the rink.

Councilmember Zak commented about daylight saving time. If the Legislature voted to do away with it there would be a five-hour difference between here and the east coast. The difference may be a big deal for business owners. He urged people to email Senator Stevens

with their input. He appreciated Senator Stevens taking his time in Homer at the Legislative Information Office and Senior Center and welcomed him back to the Homer district. On the city manager position it is nice to know we are looking internally. When talking about stewardship he thinks about himself, his feelings, and is talking for himself, but greatly appreciates the opportunity to work and serve with the Council. He appreciates all of the Council and is sorry that didn't come out tonight. He is the least person to move in a direction of austerity; he strongly believes in the economy. If we move in that direction it could create a much worse situation. He is an optimist and is sure we will see wonderful things ahead of us. As reported from the Port and Harbor, the Coast Guard is interested in the Deep Water Dock.

Councilmember Reynolds thanked everyone for coming to the meeting including those that listened and those that braved the microphone. It was great to have Senator Stevens here. On daylight savings, one idea is to retain daylight savings time but switch to Pacific time, making it darker in the morning. The western part of the state may remain on Alaska time. On Medicaid expansion, it makes long term sense for individual Alaskans and the state of Alaska.

Councilmember Burgess commented on the priorities of government. When he first got on the Council he didn't like the idea of owning a certain topic another council member liked. The longer he is here he has respect for it now. The Mayor never has been enthusiastic about the natural gas project, but she acknowledges some good benefits to gas. There is nothing more fundamental for the government than public safety. It is not something most will get excited about, but it's at the core of what people expect from us. We are trying to plan for the long term which will save the community money in the long run. The committee has come up with the best viable alternative. Councilmember Roberts' point on deliberations for the city manager process is well taken. There is a cost to transparency. The cost is the ability to invite people into the process and provide a framework to do so. That is why public buildings cost more than private sector buildings. In reading Mr. Trinker's letter of resignation the process was too transparent. He knew he would be working for a council, two of which at some point opposed his appointment. He realized he did not want to work for a council that did not unanimously appoint him. If you have an opinion about cannabis send Councilmember Burgess an email at beauburgess@ci.homer.ak.us. He sent hugs and kisses to everyone, especially Bryan. There was no offense taken. As to natural gas whether you like it or not, the community can be proud of it. We recognize the community need and have been talking on it for 20+ years. The Council recognized the need, took initiative, and put it in every street within the city. A lot of people don't like that and feel the assessments are unjust. There are very few people in Homer that are not realizing an economic benefit from it. He encouraged people to realize the Council may not have chosen the perfect solution, but they chose something that did a lot for the community and will have long term ramifications.

ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 9:17 p.m. The next Regular Meeting is Monday, March 23, 2015 at 6:00 p.m., Committee of the Whole 5:00 p.m., and a Worksession 4:00 p.m. Special Meetings are scheduled for Monday, March 16 at 6:00 p.m., Tuesday, March 17 at 5:00 p.m., and Tuesday, March 24, 2015 at 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: _____