

Session 19-01 a Regular Meeting of the Homer City Council was called to order on January 14, 2019 at 6:00 p.m. by Mayor Ken Castner at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

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

STAFF: CITY MANAGER KOESTER
CITY CLERK JACOBSEN
HARBORMASTER HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Council met for a Worksession at 4:00 p.m. and discussed the Homer Education and Recreation Complex (HERC) next steps, and as Committee of the Whole at 5:00 p.m. for a presentation of the new Police Station 35% Design, and discussion of consent agenda and regular agenda items.

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 2.08.040.)

The following change was made: **CONSENT AGENDA Memorandum 19-003** from City Clerk, Re: Travel Authorization for Councilmembers to Attend the Alaska Municipal League/Alaska Conference of Mayors Winter Legislative Conference Held February 19-21, 2019 in Juneau, Alaska. Draft with corrected memorandum subject line.

Mayor Castner asked for a motion for the approval of the agenda as amended.

ERICKSON/VENUTI SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

A. Alaska Legislative Recognitions

Representative Paul Seaton presented Legislative Recognitions to Roberta Highland for her community involvement, conservation efforts, and activism working to protect our community; and to Robert Archibald for his efforts to promote and preserve recreational opportunities and appreciation of art, history, and natural surroundings of Kachemak Bay.

Mayor Castner and City Manager Koester read and presented a City of Homer Recognition to Representative Paul Seaton for his sixteen years of service on the Alaska State Legislature.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Malcolm Milne, President of the North Pacific Fisheries Association, commented in support of Resolution 19-004 supporting the reappointment of Robert Ruffner to the Alaska Board of Fisheries. He noted Mr. Ruffner's qualities including his scientific background and objectivity, and he makes decisions for the fish. He's always prepared, asks appropriate questions, is approachable, and explains his point of view and backs up his decisions with factual evidence.

Matthew Alward, commented in support of Resolution 19-004. In his opinion Mr. Ruffner is the ideal board member. He comes from a scientific background, meets with everyone on all sides of the issues, does his homework, and always looks out for the fish, which is number one. He noted Mr. Ruffner would be here tonight, but he's at a Board of Fish meeting.

Tim Moore, commercial fisherman, small business owner, and city resident, commented in support of Resolution 19-004. He's participated at Board of Fish meetings with Mr. Ruffner and his real qualification is his strong interest in supporting habitat issues which is important to the sustainability to our fisheries and the people of Alaska. That's what sets him apart from others.

Steve Zimmerman, city resident, posed a question on Resolution 19-003, if it would also mean any other businesses in the state, such as people sending stuff down from Anchorage, will also be subject to collection sales tax for the Borough or is it just for the online people. He hopes the Council will have some discussion on this resolution.

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 December 10, 2018. City Clerk. Recommend adoption.
- B. **Memorandum 19-001** from Mayor Re: Appointment of Connor Schmidt to the Library Advisory Board. Recommend approval.
- C. **Memorandum 19-002** from City Clerk Re: Liquor License Renewals for the Best Western Bidarka Inn/Otter Room, Land's End, Alice's Champagne Palace, Fat Olives, and Wild Honey Bistro. Recommend approval.
- D. **Memorandum 19-003** from City Clerk, Re: Travel Authorization for Councilmembers to Attend the Alaska Municipal League/Alaska Conference of Mayors Winter Legislative Conference Held February 19-21, 2019 in Juneau, Alaska. Recommend approval.

- E. **Memorandum 19-004** from City Clerk Re: Approval of a letter from City Council to the Commissioner of AKDOT&PF Addressing Drainage Concerns in Baycrest Subdivision, Homer, Alaska. Requested by Erickson. Recommend approval.

- F. **Ordinance 19-01**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Capital Budget to Provide for Replacement of the Water Treatment Plant Chlorine Generation Cell by Appropriating Funds from the Water Reserve Fund in the Amount of \$23,600. City Manager/Public Works Director. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019.

Memorandum 19-005 from Public Works Director as backup

- G. **Ordinance 19-02**, An Ordinance of the City Council of Homer, Alaska, Amending the 2019 Capital Budget to Provide for Rehabilitation of the Spit Fish Grinding Lift Station by Appropriating Funds from the Harbor Reserve Fund in the Amount of \$31,275. City Manager/Harbor Master. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019.

Memorandum 19-006 from Public Works Director as backup

- H. **Ordinance 19-03**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Revolving Energy Fund to Provide for Lighting Upgrades at Six City Buildings in the Amount of \$69,175. Strozgas. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019.

Memorandum 19-007 from Public Works Director as backup

- I. **Ordinance 19-04**, An Ordinance of the City Council of Homer, Alaska, Repealing Homer City Code Chapter 2.96, Civil Defense. Mayor. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019.

- J. **Resolution 19-001**, A Resolution of the City Council of Homer, Alaska, Approving a Lease Assignment from Homer Enterprises LLC to AKSnowgrl Rentals, LLC and Authorizing the City Manager to Execute the Appropriate Documents for a new Twenty Year Lease with Options for Two Consecutive Five Year Renewals for a Portion of Lot 5, as Shown on the Subdivision Plat Entitled Homer Spit Filed as Amended Plat Number 89-34, at an Annual Rate of \$16,590.48. City Manager. Recommend adoption.

Memorandum 19-008 from Port Commission as backup

- K. **Resolution 19-002**, A Resolution of the City Council of Homer, Alaska, Approving a Lease Assignment from Lee and Kim LLC to Y&C LLC and Authorizing the City Manager to Execute the Appropriate Documents for a new Twenty Year Lease with Options for Two Consecutive Five Year Renewals for Lot 32, of the Amended Plat of the Homer Spit, According to Plat No. 89-34,

at and Initial Annual Rate of \$19,888.68. City Manager. Recommend adoption.

Memorandum 19-009 from Port Commission as backup

- L. **Resolution 19-003**, A Resolution of the City Council of Homer, Alaska, Supporting Efforts of the Alaska Municipal League (AML) to Establish a Municipal Driven, Independent Arm of AML to Conduct all Online Sales Tax Administration on Behalf of Municipalities, and Approving the Appropriate Contribution Based on the City of Homer's Annual Sales Tax Revenue. City Manager. Recommend adoption.

Memorandum 19-010 from City Manager as backup

Moved to Resolutions A. Lord

- M. **Resolution 19-004**, A Resolution of the City Council of Homer, Alaska, Supporting Robert Ruffner's Reappointment to the Alaska Board of Fisheries. Aderhold/Smith. Recommend adoption.
- N. **Resolution 19-005**, A Resolution of the City Council of Homer, Alaska, Adopting an Alternative Allocation Method for the FY19 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in the Cook Inlet Fisheries Management Area. City Manager. Recommend adoption.

Resolution 19-003 moved to Resolutions A. Lord

Mayor Castner asked for a motion to approve the recommendation of the consent agenda.

ERICKSON/VENUTI SO MOVED

There was no discussion.

VOTE: NON OBJECTION UNANIMOUS CONSENT

Motion carried.

VISITORS

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION/COMMITTEE REPORTS

- A. Mayor Pro Tem Report on Committee of the Whole Discussion

Mayor Pro Tem Smith reported Council met with Project Manager Pat McNary, Public Works Director Meyer, and Police Chief Robl and they presented the 35% plan for the new police station. They discussed some elements of the plan.

B. Councilmember Report on Worksession Discussion

Councilmember Aderhold reported Council discussed the recommendations of the HERC Task Force. They came to some general consensus on a way forward including resolution at the next meeting, working toward a public, private partnership. To do this the City will request letters of interest from the public and different organizations of how they might be interested in using the building as a lessee. Based on those responses they may then look for a private partner to take on the lease from the City to take on the management and direction of the building. There will be a public forum on January 22nd from 4:00 to 5:30 p.m.

C. Borough Report

D. Commissions/Board/Committee Reports (5 minute limit per report)

1. Library Advisory Board

Library Advisory Boardmember Kate Finn reported the Board met for a worksession in January where they focused on upcoming changes at the library with the retirement of Library Director Dixon. The Board did some visioning of the library's future and the kinds of qualities they'd like in the next director to bring those vision to fruition. Ms. Finn also noted there is a job posting for a Library Technology Specialist and with the appointment of the new Board member tonight they now have a full board. She also thanked the Homer Bookstore, Spenards, and the public for their Giving Tree contributions, and reported on Flipster Digital Magazines and the upcoming Big Read events at the Library.

2. Homer Advisory Planning Commission

A. Memorandum from City Planner Re: Update of Transportation Plan

Planning Commissioner Roberta Highland reported the Commission approved a conditional use permit amendment to a site plan and two preliminary plats at their last meeting. She noted their memo to council to start work on a Transportation Plan update. The Commission is working on a coastal bluff analysis, and they've provided support to the Department of Geological and Geophysical Survey for the submission of a two page project summary for FEMA's Cooperative Technical Partners Grant. This will assist the City in reviewing and making policy recommendations regarding development near Homer's coastal bluff. They are also working on a medical district, and will be reviewing their worklist on Wednesday.

Councilmember Lord commented in reference to the Transportation Plan, noting a letter Council received from AKDOT regarding the intersection at Lake and Pioneer on the driveway positioning and its relation to the current plan. She questions if some of the underlying assumptions of traffic engineering changed in the last 15 years or remained the same.

3. Economic Development Advisory Commission

Councilmember Smith reported the Commission continues their work on the Streetscapes and Wayfinding project. They also have talked about the Transportation Plan update and recognize its

importance to the economic development and flow of how things happen around here. They would like to see it move forward.

4. Parks Art Recreation and Culture Advisory Commission

Parks Art Recreation and Culture Advisory Commissioner Robert Archibald, reported the Commission had their last meeting in November. He noted they discussed the two new porta potties on the Spit Trail and additional ADA accessible porta potties will be placed at Mariner Park in the summer, the City taking over lawn maintenance at the parks, and an event to highlight the improvements at Ben Walter's Park on February 8th. More details will be forth coming on that.

He noted he spoke to Public Works Director Meyer about the re-routing of Mariner Park Lagoon outfall so hopefully the Mariner Park beach will improve itself over the rest of the winter.

5. Port and Harbor Advisory Commission

Port and Harbor Advisory Commissioner Steve Zimmerman thanked Council for introducing the ordinance on the LED light improvements, noting the cost savings that will benefit the harbor, and approving the resolutions for lease transfers for the Sport Shed and Happy Face. The Commission discussed both of the leases and support the transfers.

6. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported at their last meeting the Committee heard presentations on the new Police Station and gave feedback on accessibility features of the project; and on the universally accessible Poopdeck Trail project. They also discussed timelines for the Transition Plan and hope to review a final draft in March.

PUBLIC HEARING(S)

- A. **Ordinance 18-52**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 4.35.020, Votes Required to be Elected, to more Clearly Define how a Plurality of Votes is Calculated in Councilmember Elections. Smith/Aderhold. Introduction December 10, 2018, Public Hearing and Second Reading January 14, 2019.

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

Mayor Castner called for a motion for the adoption of Ordinance 18-52 by reading of title only for second and final reading.

ERICKSON/VENUTI SO MOVED

There was no discussion.

VOTE: YES: VENUTI, SMITH, ADERHOLD, LORD, STROOZAS, ERICKSON

Motion carried.

ORDINANCE(S)

- A. **Ordinance 19-05**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.08.100-2.08.120 Regarding Telephonic Participation at Meetings. Erickson. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019.

Mayor Castner asked for a motion for the introduction of Ordinance 19-05 by reading of title only.

ERICKSON/VENUTI SO MOVED

LORD/ADERHOLD MOVED TO AMEND AND STRIKE LINES 72 TO 74, LINE 78, AND LINE 137 THROUGH THE WORD TRAVEL.

Councilmember Lord commented this will maintain the components that clarify that there is some recourse for Council to be able to cut off telephonic participation if there is a bad connection, and will strike the language that requiring Council disclose their reason for telephonic participation.

There were comments in support of the amendment and noting other lines relevant to the amendment that could be deleted as well.

ADERHOLD/LORD MOVED TO STRIKE LINES 13 AND 14.

There was brief comment related to the motion.

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

Motion carried.

There was no further discussion on the amendment as amended.

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

Motion carried.

STROOZAS/ADERHOLD MOVED TO AMEND LINE 135 TO REMOVE MAXIMUM OF TWO AND GO BACK TO THE MAXIMUM OF THREE.

Councilmember Stroozas commented that allowing three opportunities to participate telephonically has seemed to work. He doesn't feel anyone on this body has abused it and there can be consequences when a member has to miss a meeting.

Councilmember Erickson shared her concern that it's important that members be here. She also has concerns that it costs more when an IT person has to be here on overtime, it's harder when you can't see the person, and sometimes it's hard to hear the person on the phone and she doesn't feel

comfortable cutting them off. It's made the meetings longer because of the telephonic process. She wants to use telephonic as a tool, but not an easy way to be gone.

Councilmembers Aderhold and Lord both commented that they have participated telephonically, they agree that it's challenging to be the one calling in as well so it isn't something members typically do unless they have to. They both commented in support of maintaining the allowance of three.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmember Erickson thanked everyone for the good discussion.

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

Motion carried.

CITY MANAGER'S REPORT

A. City Manager's Report

City Manager Koester commented on two items that were not in her report. First, the Borough has requested City participation in an Election Stake Holders Group. City Clerk Jacobsen will be participating and they've requested a Councilmember participate. She encouraged anyone interested to contact her or Mayor Castner. Second, she reported on legislative updates she's received from AML and encouraged Councilmembers to reach out to her about what they'd like to officially comment on by resolution before traveling to Juneau.

City Manager Koester noted a change in the location of the Senior Officials Workshop & Crisis Leadership and Decision Making Seminar from the college to the council chambers on February 21st.

Councilmember Venuti asked about the City noticing that federal employees who are having difficulty paying their water bill due to the shutdown can contact the city about working with them on deferring payment and not being assessed late fees or shut off fees. City Manager Koester commented the City has been approached by a federal organization and will work with any customer on payment and will post something on the website.

Councilmember Aderhold commented she's willing to participate on the Election Stake Holder's Group unless someone else is interested in taking it on.

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

- A. **Resolution 19-003**, A Resolution of the City Council of Homer, Alaska, Supporting Efforts of the Alaska Municipal League (AML) to Establish a Municipal Driven, Independent Arm of AML to Conduct all Online Sales Tax Administration on Behalf of Municipalities, and Approving the Appropriate Contribution Based on the City of Homer's Annual Sales Tax Revenue. City Manager. Recommend adoption.

Memorandum 19-010 from City Manager as backup

LORD/VENUTI MOVED TO ADOPT RESOLUTION 19-003 BY READING OF TITLE ONLY.

Councilmember Lord noted this was also on the Borough Assembly agenda and she appreciates AML's proactive step forward on this, it's something we've talked about a lot. She asked City Manager Koester if she had any feedback on question raised earlier during public comments.

City Manager Koester commented the scope of this project is broad and has to do the the Wayfair decision and how the state can collect from online retailers. She understood the comment to be related to a circumstance where the Borough would be the regulatory body regarding outside city retailers retailing goods inside city limits.

In response to a question on local representation with the AML group, City Manager Koester explained she has participated in the teleconferences and they are meeting at the AML meetings. She can look at other possibilities as the working group develops and report back.

There were further comments in support of AML moving forward looking at state online sales tax.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

COMMENTS OF THE AUDIENCE

Robert Roth commented he heard discussion on the radio that federal workers don't have to pay their water bill if they have trouble, but when other people have trouble that isn't offered. He also questioned why are they are trying to raise taxes on Amazon and other things when they are offering for people not have to pay their bills.

Debbie Speakman, Homer Chamber of Commerce Executive Director, said she's encouraged by the discussion on sales tax for online sales. She reported the Chamber is working hard on the Winter Carnival coming up on February 9th. With the current government shut down, they are hoping the 50th anniversary of the Coast Guard being here in Homer can go on as planned. She invited organizations and community members to submit their events to the Chamber. The theme this year is Coasting into Winter. She invited everyone to come celebrate and honor the Coast Guard.

Robert Archibald, Prince William RCAC representative, commented they will be holding their board meeting on January 23rd in Anchorage, and will be going to Washington DC and Juneau in March. He encouraged people to contact him if they have any questions about PWRCAC and opportunities available through the organization. He will report back after the Board meeting.

Steve Zimmerman, city resident, clarified his earlier question that he's more concerned about sales in general that come down from outside the Borough that don't get taxes charged on them. It may not fit into the AML project, but it might be something that needs to be addressed. He has a small business in town and has been caught up in some of this as he consolidates freight in Washington and they have a sales tax. People are trying to charge him 10% sales tax on things he's having delivered to a freight forwarder in Washington. It's a lot of money and if the City is giving suggestions to AML, he'd like to suggest they make sure that re-sale is addressed. They have Borough re-sale cards and it's important as it's a hassle on the vendor's side.

COMMENTS OF THE CITY ATTORNEY

City Attorney Wells was not in attendance.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Koester had no comment.

COMMENTS OF THE MAYOR

Mayor Castner commented five weeks seemed like a long stretch without having a Council meeting. He has an upcoming speaking engagement with the Kachemak Board of Realtors on Wednesday. He thanked everyone for a very nice meeting.

COMMENTS OF THE CITY COUNCIL

Councilmember Stroozas commented he is unable to attend the AML Winter Conference as noted in Memo 19-003. He also commented that Saturday, January 26th from 5:30 to 8:00 p.m., Kachemak Bay Masonic Club is hosting the 4th Annual Spaghetti Feed at the Elks Lodge to benefit Hospice of Homer. Its \$10 in advance \$15 at the door and there will be a silent auction.

Councilmember Aderhold commented she attended Lunch with a Councilmember today. Assembly member Willy Dunn was there as well along with 2 members of the public and they had good conversation about the HEA power line arc fire and City response, Ordinance 19-05, and moving forward with HERC and its benefit to the community. She thanked KPEDD for holding the Industry Outlook Forum in Homer and also the businesses that presented, it was great information and she wished more people had attended. Councilmember Aderhold also congratulated Nita Reardon, a Homer resident who received a 2019 Governor's Arts and Humanities Award for Arts Education. It's a privilege to get to live in a community of people who are so interested in sharing their cultural knowledge through art.

Councilmember Erickson commented she recently worked with Port and Harbor staff on EMT and First Aid type training and our Port employees are really impressive. Not only was it a lot of fun but it's great to know we have such qualified people at the end of the spit. It was great getting to know the staff and

see what they do. She enjoyed the Industry Outlook Forum, it was informative looking at what's going on within our state, and great to watch the next generation taking hold of their own businesses and moving Homer forward in some really exciting ways. She shared how much she appreciates what people are bringing to our community, it's an exciting time to be living and being a part of what's going on.

Councilmember Lord thanked KPEDD for the Industry Outlook Forum, it was fun, interesting, and diverse. Next weekend the Alaska Peony Grower Association Winter Conference will be in Homer at Land's End. There will be some pre and post events, she'll be teaching a floral design class, and there will be Lean Farming Management workshop. Council got to see the 35% design of the Police Station tonight and she encouraged the public to take a look at the information and reach to Council or staff with questions or comments. Councilmember Lord commented about her grandmother having a severe stroke over a year ago and passing away recently and the significance of the family caregiving effort. The Big Read book this year, *Can't We Talk About Something more Pleasant?*, is directly related and is an amazing read. The events the Friends of the Library have planned over the next two months addressing these topic are really amazing. She's realizing how common it is for people in our society to be caring for family members at home and appreciates this subject.

Councilmember Smith commented the KPEDD Industry Outlook Forum was enjoyable and also wished they'd had better attendance. He thanked Representative Seaton for his years of service to the community and for the recognitions for Roberta Highland and Robert Archibald. He congratulated Chris Perk for being elected into the Alaska State Sports Hall of Fame. Councilmember Smith also recognized people in Anchorage who were impacted by the recent earthquake. In talking with co-workers who live up there, there are people who have been severely traumatized by the experience and whose homes are no longer safe to live in. These are things we didn't see here, but that may not be the case next time. He gave a shout of support to those impacted by the earthquake encouraged that we need to be prepared to come together when things like this happen.

Councilmember Venuti commented she's happy for the recognitions of Roberta Highland, Robert Archibald, and Representative Seaton. She also commented about the Big Read and that there is so much to do here in the winter. She thanked the people who come to the meetings and those who comment, she appreciates them.

ADJOURN

There being no further business to come before the Council Mayor Castner adjourned the meeting at 7:35 pm. The next Regular Meeting is Monday, January 28, 2019 at 6:00 p.m., Committee of the Whole 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.

Melissa Jacobsen, MMC, City Clerk

Approved: _____