

Session 19-15 a Regular Meeting of the Homer City Council was called to order on June 10, 2019 by Mayor Ken Castner at 6:00 p.m. 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
CITY ATTORNEY WELLS

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 changes were made: Memorandum 19-073 from Finance Director Approving the 2020 & 2021 Budget Schedule moved to the Consent agenda Item k; Resolution item a corrected to read Resolution 19-041; **Public Hearings** Ordinance 19-19, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 14.08, "Water Rules and Regulations" to add HCC 14.08.015, "Water Service Area" and Prohibiting the City from Providing Water Service Outside the City of Homer Unless Authorized by Ordinance or Required by Law and Requiring the Adoption of Extraterritorial Public Utility Agreements by Resolution. Aderhold. Water/Sewer Map as backup. Ordinance 19-25, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of the Homer Public Library Lot Located at 3713 Main Street and Authorizing the City Manager to Execute the Appropriate Documents to Dispose of the Lot. Aderhold. Written public comment. Resolution 19-036(S), A Resolution of the City Council of Homer, Alaska, Amending **Maintaining** the City of Homer Water and Sewer Rates and Updating the Homer Fee Schedule Accordingly. Stroozas. "No Change" rate schedule included as backup; **Resolutions** Resolution 19-041(S), A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Replacement of the A-Frame PRV Station to the firm of Steiner's North Star Construction of Homer, Alaska, in the amount of \$296,512, and Authorizing the City Clerk to Execute the Appropriate Documents. City Clerk. Memorandum 19-076 from Public Works Director as backup; Resolution 19-042(S), A Resolution of the City Council of Homer, Alaska, Awarding the City Hall Roof Replacement Project to the firm of Anchorage Roofing and Contracting of Anchorage, Alaska in the Amount \$195,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Memorandum 19-077 from Public Works Director as backup

LORD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

- a. Recognition of Dr. Bell's Service to the Homer Volunteer Fire Department

Mayor Castner read and presented a recognition to Dr. Bell that included his service to the Homer Volunteer Fire Department and also his efforts as the Homer High School Girls Softball Coach.

Dr. Bell expressed his appreciation for all the volunteers and staff he's worked with over the years, he's enjoyed working with all of them and he'll miss it. He also thanked to Mary Lou for putting up with his pager going off in the middle of the night.

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Joel Cooper, KHLT Stewardship Director, commented in support of Ordinances 19-28 and 19-29. They've received the state funding for the project and construction is scheduled to begin July 12 and be completed in September. They are working to secure additional funding for signage.

Dave Brann, city resident, commented in support of Ordinances 19-28 and 19-29 and the use of HART funds to make this happen.

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a 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 Meeting Minutes of May 28, 2019. City Clerk. Recommend adoption.
- b. Memorandum 19-067 from Mayor Re: Appointment of Annalynn Brown to the Economic Development Advisory Commission as Student Representative. Recommend approval.
- c. Memorandum 19-068 from City Clerk Re: Application for Restaurant Designation for Homer Spit Oyster Bar. Recommend approval.
- d. Ordinance 19-26, An Ordinance of the City Council of Homer, Alaska Adding Rural Residential Zoning District 21.12.060 Lighting Standards And Urban Residential Zoning District 21.14.060 Lighting Standards. Planning Commission. Recommended dates Introduction June 10, 2019, Public Hearing and Second Reading June 24, 2019

Memorandum 19-069 from City Planner as backup

- e. Ordinance 19-27, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 11.36, "Vegetation in Rights-of-Way" to amend HCC 11.36.020 And Add HCC 11.36.030 "Removal for Compliance-Public Works Director Discretion," to Permit Public Works Director to Authorize Removal of Vegetation to Bring Roads Constructed Prior to City Regulation into Compliance with City Laws and Construction Procedures. Stroozas. Recommended dates Introduction June 10, 2019, Public Hearing and Second Reading June 24, 2019

Moved to Ordinances a. Aderhold

- f. Ordinance 19-28, An Ordinance of the City Council of Homer, Alaska, Authorizing the Expenditure in an Amount up to \$6,000 from the HART Funds for Construction of an ADA Accessible Trail on City of Homer Property and Kachemak Heritage Land Trust Property. Mayor. Recommended dates Introduction June 10, 2019, Public Hearing and Second Reading June 24, 2019

Memorandum 19-070 from Deputy City Planner as backup

- g. Ordinance 19-29, An Ordinance of the City Council of Homer, Alaska, Authorizing the Expenditure in an Amount up to \$13,900 from the HART Funds for Construction of an ADA Accessible Trail on City of Homer Property and Kachemak Heritage Land Trust Property. Venuti. Recommended dates Introduction June 10, 2019, Public Hearing and Second Reading June 24, 2019

Memorandum 19-071 from Parks Art Recreation and Culture Advisory Commission as backup

- h. Ordinance 19-30, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Vessel Passenger Tax Program Pass Through Grant from the Kenai Peninsula Borough for Calendar Year 2018 in the Amount of \$35,815 and a Commercial Vessel Passenger Tax Appropriation from the State of Alaska For \$35,815 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended Dates Introduction June 10, 2019, Public Hearing and Second Reading June 24, 2019
- i. Resolution 19-039, A Resolution of the City Council of Homer, Alaska, Approving the Kenai Peninsula Borough School District Agreement for Joint Use of Equipment and Facilities for the Period July 1, 2019 through June 30, 2022, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommend adoption.
- j. Resolution 19-040, A Resolution of the City Council of Home, Alaska Awarding the Contract for the Homer Volunteer Fire Department Firefighting Turn Out Gear to L.N.

Curtis & Sons of Kent, Washington in the Amount of \$41,625.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Recommend adoption.

Memorandum 19-074 from Interim Fire Chief as backup

Memorandum 19-075 from City Clerk as backup

- k. Memorandum 19-073 from Finance Director Approving the 2020 & 2021 Budget Schedule. Recommend approval.

Item e. moved to Ordinances a. Aderhold

VENUTI/ADERHOLD MOVED TO APPROVE THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

- a. Homer Steps Up Challenge - Derotha Ferraro, South Peninsula Hospital Director of Public Relations and Marketing

Derotha Ferraro reported that participants exceeded the community goal of 100,000,000 steps during the month long Homer Steps Up Challenge. The groups were divided up into small teams of 5-25 people and large teams of 25 + people. The winning small team was the M&M&M's a team made up of Staff and friends of Paul Banks Elementary School. The winning large team was the City of Homer, for the third year in a row. Ms. Ferraro thanked the prize donors and sponsors, and identified statistics from the American Heart Association related to the benefits of walking at least 30 minutes per day.

- b. Economic Contribution of Bear Viewing to Southcentral Alaska - Dave Bachrach, Drew Hamilton, and Dave Aplin (10 minutes)

Drew Hamilton, Friends of McNeil River Board President, addressed highlights from a study by the University of Alaska, Fairbanks on the strong and growing economic value of bear viewing on the west side of Cook Inlet. Bear viewing related services bring in \$35.5 million in sales and hire 371 employees. Direct purchases by service providers and household spending supports approximately \$36.3 million in economic production in the region. Mr. Hamilton raised the concern of the potential impacts of the Pebble Mine Production to the area and the failure of the Pebble Mine draft Environmental Impact Statement to consider the jobs and economic impacts of bear viewing. The full report can be viewed at www.friendsofmcneilriver.org

ANNOUNCEMENTS / PRESENTATIONS / REPORTS (5 Minute limit per report)

a. Committee of the Whole Report

Councilmember Smith reported council discussed Ordinance 19-27, Vegetation in Rights-of-Way and heard a report from the City Manager on General Fund and Reserve Balance Policies.

b. Worksession Report

City Manager Koester reported Council started an in-depth review of Ordinance 19-23, Title 14 and 17 re-write. They only got through the Title 14 section tonight, but had good discussion and questions on definitions and parameters.

c. Special Meeting Report

d. Mayor's Report

- i. Letter from AKDOT Re: Response Baycrest Sub.
- ii. Alaska Marine Highway Survey Response

Mayor Castner reviewed the information regarding the letter from AKDOT letter and his response to the Alaska Marine Highway Survey.

e. Borough Report

f. Library Advisory Board

Mark Massion reported on the Summer Reading program events. He recognized the Homer Elks for a Gratitude Grant to purchase food and some backpacks for youth the summer.

g. Homer Advisory Planning Commission

Kalie Petska-Rubalcava reported the Commission held a public hearing on the vacation of a portion of right-of-way on Greatland Street that was approved, the remand of CUP 18-09 for a medical clinic and amended findings, and a draft ordinance to add medical clinic as a permitted use in the CBD. They reviewed and made recommendations on two plats, and continued to discuss building heights in the East End Mixed Use district and requirements for as-builts for zoning permits.

h. Economic Development Advisory Commission

i. Parks Art Recreation and Culture Advisory Commission

Ingrid Harrald, Parks Art Recreation and Culture Advisory Commission Chair, recognized the community minded approach and the effort and work that's put into planning the accessible trail addressed in Ordinances 19-28 and 19-29. This is important for our visitors, but more important to the people who live here and find joy in experiencing our parks and open spaces.

j. Port and Harbor Advisory Commission

k. Americans with Disabilities Act Compliance Committee

PUBLIC HEARING(S)

- a. Ordinance 19-19, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 14.08, “Water Rules and Regulations” to add HCC 14.08.015, “Water Service Area” and Prohibiting the City from Providing Water Service Outside the City of Homer Unless Authorized by Ordinance or Required by Law and Requiring the Adoption of Extraterritorial Public Utility Agreements by Resolution. Aderhold. Introduction April 22, 2019, Postponed to May 28, 2019, Public Hearing and Second Reading June 10, 2019.

Ordinance 19-19(S), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 14.08, “Water Rules and Regulations” to add HCC 14.08.015, “Water Service Area” and Permitting the City to Provide Water Service Outside the City of Homer so Long as the Property Served is Adjacent to a Water Main Installed to Serve City Property and Such Service is Required by Law or Authorized by Ordinance and Requiring a Council Approved Agreement Regulating Use, Operation, Installation, and Maintenance of Water Service on the Property. Aderhold.

Memorandum 19-072 from Councilmember Aderhold as backup

Mayor Castner opened the public hearing.

Larry Slone, city resident commented in support of the substitute ordinance and supports submitting it to Commissions for their consideration and input.

Jack Cushing, city resident, commented in support of the substitute ordinance and the next steps outline in the accompanying memorandum.

ADERHOLD/LORD MOVED TO ADOPT ORDINANCE 19-19.

ADERHOLD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 19-19(S) FOR 19-19.

Councilmember Aderhold commented that after their last discussion and based on public testimony she worked with the City Attorney on this substitute. In addition they had some specific recommendations that aren’t in the substitute because this is an overarching policy, and addressing specifics for properties would be addressed through an ordinance from the adjoining jurisdiction and this Council’s ordinance in response.

Councilmember Stroozas commented this is being addressed in the Title 14 re-write. Councilmember Lord noted that the re-write does not provide clarification regarding on the process because it’s being addressed through this ordinance and there are many other topics to move through in the re-write.

Councilmember Venuti commented in support of the substitute ordinance and it going to the Commissions for their consideration.

Councilmember Lord commented for clarification if the motion to substitute is approved then they will make another motion to postpone and send it to the commissions with a copy of the memorandum and map.

VOTE (substitute): YES: VENUTI, SMITH, ADERHOLD, LORD, STROOZAS, ERICKSON

Motion carried.

Councilmember Smith commented he supports this only for the matter of it being sent on to the Commissions. He still has issues with the language in the ordinance, but that won't be addressed until after the Commission's report back.

Councilmember Aderhold asked Councilmember Smith to outline his concerns to be reflected in the minutes for the Commissions to evaluate as well.

Councilmember Smith objects to the prohibitive language, citing reference to the statement "water may not"; the full authority to regulate any use of the property is nebulous; before city owned water service may be extended outside its borders under this section, he thinks there are things that need to be discussed as far as what the Extraterritorial Water System Agreement is. He added the title reads "the property served is adjacent to a water main installed to serve city property and such service is required by law", he thinks it could say "or" instead of "and", simple little things. He thinks lines 24-26 don't apply when it comes to the utility, so that needs to be cleaned up as far as what it represents.

Councilmember Lord disagrees with the "and/or" that was just referenced in the title. She thinks it does need to say "and" because in order to serve properties outside the city limits, one, you have to be adjacent to the water main, and two, the service either has to be required by law or authorized by ordinance.

Mayor Castner commented he appreciates their working toward a process and thinks there getting close to one that he's agreeable with. He suggested the effective date be January 1, 2020.

ADERHOLD/VENUTI MOVED TO POSTPONE ORDINANCE 19-19(S) TO THE AUGUST 26, 2019 CITY COUNCIL MEETING AND REFER ORDINANCE 19-19(S) TO THE PORT AND HARBOR, ECONOMIC DEVELOPMENT, AND PLANNING COMMISSIONS.

Councilmember Lord asked that the memo be included, she'd like to make sure that's part of the discussion as they work thorough it as it's laid out. Councilmember Aderhold concurred that the memo and map should go with the ordinance.

There was no further discussion.

VOTE (postponement): YES: ADERHOLD, LORD, VENUTI, STROOZAS, SMITH, ERICKSON

Motion carried.

- b. Ordinance 19-23, An Ordinance of the City Council of Homer, Alaska, Repealing and Reenacting Homer City Code Title 14 to be Entitled “Homer Public Utility Systems” and Homer City Code Title 17 to be Entitled “Public Assessments” to: 1) Consolidate Water and Sewer System Regulations and Rates; 2) Update Definitions and Common Terms, and 3) Create Uniformity Between Service and Assessment Practices and Repealing Homer City Code Chapters 9.08, 13.24 and 13.28 to Relocate Utility Construction Practices and Fees from Homer City Code 13.24 and Homer City Code 13.28 Into Titles 14 and 17 and Move Homer City Code 9.08 to Homer City Code 17.03 and Update Assessment Lien Enforcement Provisions to Incorporate State Law Requirements. Lord/Stroozas. Introduction May 28, 2019, Worksession June 10, 2019. Public Hearing June 10, 2019, Public Hearing and Second Reading June 24, 2019.

Ordinance 19-23(S), An Ordinance of the City Council of Homer, Alaska, Repealing and Reenacting Homer City Code Title 14 to be Entitled “Homer Public Utility Systems” and Homer City Code Title 17 to be Entitled “Public Assessments” to: 1) Consolidate Water and Sewer System Regulations and Rates; 2) Update Definitions and Common Terms, and 3) Create Uniformity Between Service and Assessment Practices and Repealing Homer City Code Chapters 9.08, 13.24 and 13.28 to Relocate Utility Construction Practices and Fees from Homer City Code 13.24 and Homer City Code 13.28 Into Titles 14 and 17 and Move Homer City Code 9.08 to Homer City Code 17.03 and Update Assessment Lien Enforcement Provisions to Incorporate State Law Requirements. Lord/Stroozas.

Memorandum 19-058 from Councilmembers Lord and Stroozas as backup
Memorandum 19-063 from City Attorney as backup

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

LORD/ERICKSON MOVED TO ADOPT ORDINANCE 19-23 FOR SECOND READING ONLY

STROOZAS/LORD MOVED TO SUBSTITUTE ORDINANCE 19-23(S)

Councilmember Lord commented the substitute incorporates a number of comments from our last meeting, and the City Attorney provided a recap at their 4:00 p.m. worksession.

VOTE (motion to substitute): UNANIMOUS CONSENT

Motion carried.

Mayor Castner stated this will come back for another public hearing on June 24th.

There was discussion on the need for another worksession on a non-council meeting day so they have more time to work through the changes.

LORD/STROOZAS MOVED TO SCHEDULE A WORKSESSION AT A TIME TO BE DETERMINED BEFORE THEIR JULY 22ND MEETING.

There was brief discussion confirming their June 24th meeting will include another public hearing on Ordinance 19-23(S) and the Clerk will coordinate with Council and staff for a worksession date.

- c. Ordinance 19-24, An Ordinance of the City Council of Homer, Alaska, Amending the 2019 Operating Budget by Authorizing the Expenditure of an Additional \$16,100 from the Police Fleet Reserves for the Outfitting of Two New Police Vehicles and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Police Chief. Introduction May 28, 2019, Public Hearing and Second Reading June 10, 2019.

Memorandum 19-061 from Police Chief as backup

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

VENUTI/ADERHOLD MOVED TO ADOPT ORDINANCE 19-24 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Caster called for a recess at 7:18 p.m. and the meeting resumed at 7:25 p.m.

- d. Ordinance 19-25, An Ordinance of the City Council of Homer, Alaska, Approving the Sale of the Homer Public Library Lot Located at 3713 Main Street and Authorizing the City Manager to Execute the Appropriate Documents to Dispose of the Lot. Aderhold. Introduction May 28, 2019, Public Hearing and Second Reading June 10, 2019

Mayor Castner opened the public hearing.

Don Stead, city resident, commented Grace Ridge Brewing is interested in the property and he supports passing the ordinance. He touched on the community involvement the business has

been involved in at their current location and explained the opportunities available if they're able to expand on this lot. The lot has been for sale for 12 years with no interest, and now he's interested in purchasing it.

Dave Brann, city resident, commented in support of Ordinance 19-25 and the sale of the property. Micro-Breweries are a hot ticket item throughout the world and Grace Ridge has provided a huge public service to the community.

Ingrid Harrald, city resident, commented in support of Ordinance 19-25 and the sale of the property. She shared about the many events that have been held at the current location and the non-profits she involved with who have benefitted from the tip jar donations. As a PARCAC Commissioner there hasn't been any discussion by them on considering this for a potential Rec Center location so she's not sure of the process that produced that recommendation.

Larry Slone, city resident, commented in support of Ordinance 19-25 because he thinks it benefits the city. The ordinance isn't designated for Grace Ridge, there are others who may be interested in purchasing it.

Karin Marks, city resident, commented in support of Ordinance 19-25. She supports the idea of developing downtown and location is important for this business. This location is beneficial for tourists and locals alike to be able to walk to and from. When you're in business and selling across a counter it all about location.

Mark Massion, city resident, commented in support of Ordinance 19-25 and the sale of the property. He thinks if the brewery was able to locate on the lot it would be an added attraction and the money that comes from it would be well accepted.

John Bushell, city resident, commented in support of Ordinance 19-25 and the sale of the property. He's travels around performing and it seems in every town he's in there are micro-breweries. He thinks this will help revitalize downtown and Grace Ridge has already proven themselves with social and community support in all they've already done.

Susah Phillips-Cushing, city resident, commented in support of Ordinance 19-25 and the sale of the property. The property has been for sale for 12 years and it should be sold to Grace Ridge because it's a safe location for locals and tourists, the business owners are locals, they are philanthropic, are willing to pay fair market value and costs to excavate, and the city gains property on the tax rolls. She provided a full copy of her testimony for the record.

There were no further comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 19-25 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Aderhold commented we've had some strong public testimony that we need to listen to.

Councilmember Lord clarified for people listening that this ordinance authorizes an appraisal and moving forward with a sale of the property at fair market value through the appropriate process. It has been catalyzed by an interested business in the community. It's not an ordinance to give land to Grace Ridge or to support them individually as a business, or circumvent any process.

Councilmember Stroozas commented if they say no tonight, it isn't going to stop Grace Ridge from building on another lot. This may be their first choice but they have other locations identified also. He doesn't think they need to spend money on an appraisal if they aren't going to sell it.

Councilmember Aderhold clarified the intent of the ordinance is to sell it after having an appraisal done. The City has a lot in the middle of town that had been for sale for many years, it shows as a lot to be sold in the Land Allocation Plan. This ordinance follows through with that.

Councilmember Smith commented the conversation and public testimony has been led to this being about Grace Ridge Brewery and that's not how they make decisions as Councilmember Lord said. He sees that Grace Ridge runs an excellent business and does a great service to the community. Council chose not to re-list this last year when the contract expired and his stance is the same as it was then. We have very few land holdings that have access with utilities and some developable benefit to the town center. If it were a situation where any business who wanted to do business in that proximity and had no other options and that lot presented an opportunity that didn't exist in any other area, it could be a different discussion. He's not going to change in light of the business that's showing the most interest and willingness to develop the land. It about the City and the value of its land holdings, and he doesn't want to dispose of what little we have.

Councilmember Lord agrees that public land is very valuable, but the City has land in the city center, besides this lot. The land doesn't have amenities that this small lot on Main Street does, but the cost to develop the lot is high given its topography, and there's an element of being responsive to the business community. There's a lot to the idea of being responsive, assessing interest and private sector development, and interest in growing our economy. She noted City owned properties in the area and recalled the City's been trying to sell the lot for 12 years. She shared her recollection that they didn't relist it because the realtor had suggested lowering the prices, but Council didn't see a need to lower it. She also pointed out the benefit of having a business of this type expand on the water service line.

Councilmember Venuti commented in support of selling the property to the highest bidder. She'd like to see it on the tax rolls and she thinks it would be very beneficial to our city center.

Mayor Castner noted that he voted to break a tie at the last meeting because he believed it should go to public hearing, but it will take four members of the Council to move this forward tonight.

Councilmember Erickson struggles with the idea that the fill on the property is worthless, she thinks it could be valuable to some, and she feels if it is going to be sold it has to be done through a process. She thinks there are timing issues right now and there are some things they still need to figure out with moving the police station, needs of the fire station, and whatever's going to happen with the HERC. She feels like she's getting pressured without the objectivity she needs to feel comfortable in selling the property.

Councilmember Aderhold noted this is a small lot and likely not adequate for the police, fire, or HERC asked for some clarification on her concerns regarding timing. Councilmember Erickson said she wants to see what's going to happen with the HERC. There has been a lot done with the police and fire station, and she'd like to see what else needs to be put in place. She sees it as an asset we need to sell at some point, but she's not sure now is the time.

Councilmember Lord noted that regardless of what happens with the HERC building, the City will need funds to work with. It could be argued that putting this lot on the market that the City has intended to sell for over a decade, and that now is a good time to provide the City with revenue from this lot. There have been a lot of space need conversations over the last decade related to the library, police station, fire station, and community recreation, and this lot has been on the market.

There was continued debate on both sides of the issue.

VOTE: YES: LORD, ADERHOLD, VENUTI
NO: ERICKSON, STROOZAS, SMITH

Mayor Castner did not vote.

Motion failed.

- e. Resolution 19-036, A Resolution of the City Council of Homer, Alaska, Amending the City of Homer Water and Sewer Rates and Updating the Fee Schedule Accordingly. City Manager/Finance Director. Page 261

Resolution 19-036(S), A Resolution of the City Council of Homer, Alaska Alaska, Amending **Maintaining** the City of Homer Water and Sewer Rates and Updating the Fee Schedule Accordingly **for 2020**. Stroozas. Page 269

STROOZAS/ERICKSON MOVED TO ADOPT RESOLUTION 19-036 BY READING OF TITLE ONLY.

STROOZAS/ERICKSON MOVED TO SUBSTITUTE RESOLUTION 19-036(S) FOR 19-036.

Councilmember Aderhold questioned the future impacts if they don't raise rates this year.

City Manager Koester explained staff applied the model the same way this year as they did last year. She noted the analysis that was include in the supplemental packet and that it shows what it looks like applying the model without allocated funds to reserves. She feels strongly and always advocates for transfers to reserves, but it's a policy question for Council. When working through the budget process transfers to reserves will vary from year to year.

Council discussed the status of the reserves and the need to establish a reasonable fund cap or range that represents what's responsible, but not burdensome to the rate payers. They also reviewed the process for transfers to reserves and working through the rate model and budget process.

VOTE (substitute): YES: ERICKSON, VENUTI, LORD, STROOZAS, ADERHOLD, SMITH

Motion passed.

There was no further discussion on the main motion.

VOTE (main motion): YES: STROOZAS, ERICKSON, SMITH, LORD, VENUTI, ADERHOLD

Motion carried.

ORDINANCE(S)

- a. Ordinance 19-27, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 11.36, "Vegetation in Rights-of-Way" to amend HCC 11.36.020 And Add HCC 11.36.030 "Removal for Compliance-Public Works Director Discretion," to Permit Public Works Director to Authorize Removal of Vegetation to Bring Roads Constructed Prior to City Regulation into Compliance with City Laws and Construction Procedures. Stroozas. Recommended dates Introduction June 10, 2019, Public Hearing and Second Reading June 24, 2019

STROOZAS/VENUTI MOVED TO INTRODUCE ORDINANCE 19-27

Council discussed verbiage related to ditching. City Attorney Wells explained city code has provisions that address removal of vegetation and suggested that is how they should address it related to this ordinance, rather than referring to ditching.

Councilmember Stroozas agreed to work to bring back a substitute at the next meeting to help clarify verbiage related to removal of vegetation. Councilmember Lord asked to be added as a co-sponsor.

It was suggested that the reference with three feet of a City-owned right of way in line 71 be clarified as well.

VOTE (introduction): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

CITY MANAGER'S REPORT

a. City Manager's Report

Councilmember Lord asked whether there has been discussion or analysis of the impacts to the land adjacent to the Seafarer's Memorial parking area from the hardening and use of rip rap for the new parking area. City Manager Koester said there has been discussion but an engineer's analysis has not been done. She explained the rip rap will be fronted with another buffer made up of sea grass and other materials to keep the front of the area in a more natural state. Councilmember Aderhold shared that she understands the desire for parking on the Spit, but also understands that the Spit is natural wonder and we need to keep in mind its longevity.

In response to other questions, City Manager Koester shared that she and the Mayor will be looking at necessary code amendments as we transition into a two year budget cycle, and she briefly commented about the online sales tax meeting she attended last week. She'll have a full summary in her next written report.

b. Bid Report - Informational Only

PENDING BUSINESS

NEW BUSINESS

- a. Memorandum 19-073 from Finance Director Approving the 2020 & 2021 Budget Schedule

Moved and approved under Consent Agenda.

RESOLUTIONS

- a. Resolution 19-041, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Replacement of the A-Frame PRV Station to a firm to be Announced in an Amount to be Disclosed, and Authorizing the City Clerk to Execute the Appropriate Documents. City Clerk.

Resolution 19-041(S), A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Replacement of the A-Frame PRV Station to the firm of Steiner's North Star Construction of Homer, Alaska, in the amount of \$296,512, and Authorizing the City Clerk to Execute the Appropriate Documents. City Clerk.

Memorandum 19-076 from Public Works Director as backup

SMITH/ADERHOLD MOVED TO ADOPT RESOLUTION 19-041 BY READING OF TITLE ONLY.

ADERHOLD/VENUTI MOVED TO SUBSTITUTE RESOLUTION 19-041(S) FOR 19-041.

There was no discussion.

VOTE (substitute): VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no discussion on Ordinance 19-041(S)

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

Motion carried.

- b. Resolution 19-042, A Resolution of the City Council of Homer, Alaska, Awarding the City Hall Roof Replacement Project to a Firm to be Announced in an Amount to be Disclosed and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Resolution 19-042(S), A Resolution of the City Council of Homer, Alaska, Awarding the City Hall Roof Replacement Project to the firm of Anchorage Roofing and Contracting of Anchorage, Alaska in the Amount \$195,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 19-077 from Public Works Director as backup

ERICKSON/VENUTI MOVED TO ADOPT RESOLUTION 19-042 BY READING OF TITLE ONLY.

ERICKSON/VENUTI MOVED TO SUBSTITUTE RESOLUTION 19-042(S) FOR 19-042.

There was no discussion.

VOTE (substitute): VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no discussion on Ordinance 19-042(S)

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

Motion carried.

COMMENTS OF THE AUDIENCE

Dave Brann, city resident, announced starting January 1, 2020 is the 50th birthday of Kachemak Bay State Park and there will be things happening all year related to it.

Don Stead, city resident, appreciated tonight's discussion and he understands Grace Ridge was not being singled out for this. He's disappointed though because he felt the vote was based on fear. He doesn't think scarcity of land is a valid reason not to sell property that you don't have a purpose for. He didn't think it was a positive action.

Larry Slone, city resident, talked about the presentation that highlighted the economic contribution of bear viewing to the Kenai Peninsula. He noted they didn't address any of the drawbacks. He noted their reference to the highway from Pebble Mine to the tide water having negative effects on the bears, but the North Slope haul road, has virtually no effect on the caribou living up there to his knowledge. Typically during bear viewing, people are within 15 feet of the bears, so if a bear has habituated itself to humans, surely it won't be affected by a dirt road. Also, as we keep increasing the number of people in the immediate vicinity of bears, it's just a matter of time before a bear gets upset and seriously injures or kills a person. He also commented regarding the increased noise of the aircraft and the noise impacts on the residents.

COMMENTS OF THE CITY ATTORNEY

City Attorney Wells had no comment.

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 that he's been working with the City Clerk on a calendar of events and apologized for not announcing Mary Epperson Day prior to June 6th. Mary is someone he remembers fondly, he had lunch with her every Tuesday when she was at Senior Housing. She contributed greatly to the community.

COMMENTS OF THE CITY COUNCIL

Councilmember Venuti commented that researchers are continuing to find plastics in the deepest parts of our oceans and in logging the debris that's found, its plastic bags in particular. She noted that Homer will be voting on whether or not to ban single use plastic bags in October and encouraged everyone to spend some time educating themselves on the issue.

Councilmember Smith shared his appreciation for Dr. Bell and shared some experiences with their time working together in the softball programs. He also shared about the positive input Dr. Bell has had as coach of the girl's high school softball team for his daughter, and other players as well. He congratulated the City on the third year of winning the Homer Steps Up Trophy, and thanked everyone for the good input from the audience and from around the table.

Councilmember Lord commented about last week's meeting with the Homer Foundation and local non-profits that she attended. It was an effort to discuss the City of Homer's grant program and get feedback from non-profit programs to help them be as successful as possible. There were representatives from several local non-profits who attended and their input was very helpful. She thanked Dr. Bell for his efforts with the Volunteer Fire Department and the community over all. The Farmer's Market is going on and as they continue to work through dealing with the crowds on Saturday she reminded listeners that the Wednesday Market is going on and encouraged taking advantage of that less crowded day. She hopes as they talk about asset management and the HERC space that they also have an earnest conversation about the old police station building.

Councilmember Erickson congratulated Dr. Bell and thanked him for his service and wished they'd done a recognition when Mary Lou retired also. There is a lot to talk about with the title 14 and 17 rewrite and she looks forward having a worksession where they can work through it for a couple hours. Sometimes it looks like they are divided at the table but she thinks they're close on a lot issues, it's just the process of how they work through it. The sun is shining and she encouraged everyone to get out and enjoy it.

Councilmember Aderhold thanked the Chamber of Commerce for the bed tax forum. She wished there had been a more diverse perspective but she learned a lot from listening to what people had to say. Kachemak Bay Research Reserve held their annual meeting here and there were members from Hawaii where the newest reserve is. It was great to have the opportunity to discuss what Alaska and Hawaii share in relation to migratory birds and whales. She's excited about the Writer's Conference this weekend and she shared some of the upcoming events. Homer is privileged to have such diverse and phenomenal writers gather here once a year. She noted that she loves the recognitions at the Council meetings and thinks they are a valuable part of what they do, she encouraged the Mayor to do more of them and to include them in the packet for everyone to read.

Councilmember Stroozas reminded everyone that June 14th is Flag Day. The Homer Elks will be hosting a ceremony at 6:00, it's open to the public and there will a ceremony that includes the Boy Scouts demonstrating how to fold a flag. The Elks started Flag Day in 1885 and in 1949 President Truman signed an Act of Congress designating June 14th as National Flag Day.

Tomorrow morning the cruise ship Amsterdam for their first visit of the season. The ship will be back four or five times this season.

ADJOURN

There being no more business to come before the Council Mayor Castner adjourned the meeting at 9:16 p.m. The next Regular Meeting is Monday, June 24, 2019 at 6:00 p.m., Worksession at 4:00 p.m. and Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Melissa Jacobsen, MMC, City Clerk

Approved: _____