

Session 20-36 a Regular Meeting of the Homer City Council was called to order on December 14, 2020 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: COUNCILMEMBER ADERHOLD, EVENSEN, HANSEN-CAVASOS, LORD, SMITH, VENUTI

STAFF: CITY MANAGER DUMOUCHEL
CITY CLERK JACOBSEN
SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
PUBLIC WORKS DIRECTOR KEISER
FINANCE DIRECTOR WALTON
CITY ATTORNEY GATTI
PORT DIRECTOR/HARBORMASTER HAWKINS

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

The following changes were made: **Consent Agenda Ordinance 20-93**, An Ordinance of the City Council of Homer, Alaska Amending the 2021 Operating Budget to Provide for Necessary Mid-Biennium and 2021 Truncated Budget Adjustments. City Manager. Memorandum 20-205 from Finance Director as backup **Resolution 20-132**, A Resolution of the City Council of Homer, Alaska Accepting the 2019 Basic Financial Statements and Acknowledging the Management Letter Submitted by the City's Independent Auditor, BDO USA, LLP and Authorizing the City Manager to Execute the Financial Report. City Manager/Finance Director. Memorandum 20-206 from Finance Director as backup, **Resolution 20-133**, A Resolution of the City Council of Homer, Alaska Expressing Intent to Participate in the Purchase of Kenai Peninsula Borough Parcel Number 17936032, T06S R13W SEC 22 Seward Meridian HM 2017050 Hodnik Subdivision Lot 4, by Kachemak Bay Moose Habitat, Inc. and Directing the City Manager to Negotiate the City's Financial Contribution and Assure the Binding Public Purpose Conditions are met. Mayor. **Resolution 20-133(S)**, A Resolution of the City Council of Homer, Alaska **Authorizing the City Manager to Waive Unpaid Utility Assessments as part of the Sale** Expressing Intent to Participate in the Purchase of Kenai Peninsula Borough Parcel Number 17936032, T06S R13W SEC 22 Seward Meridian HM 2017050 Hodnik Subdivision Lot 4, by Kachemak Bay Moose Habitat, Inc. **with the Understanding that in the Unlikely Case of the Property being Transferred out of Conservation Protection, the City Will Reinstate the Assessments to the Subsequent Owner** and Directing the City Manager to Negotiate the City's Financial Contribution and Assure the Binding Public Purpose Conditions are met. Mayor/**Aderhold City Manager's Report** Written public comment and CIRCAC Director's Report **Resolutions Resolution 20-134**, A Resolution of the City Council of Homer, Alaska Supporting Regional Aquaculture Associations and Strongly Opposing Proposed Changes to Management Plan of Kachemak Bay State Park and State Wilderness Park that would Disproportionately and Negatively Impact the Homer Community. Evensen/Hansen-Cavasos/Mayor. Written public comment **Resolution 20-135**, A Resolution of the City Council of Homer, Alaska Approving the Lease Assignment Originally held by Harbor Leasing LLC and Assumed by Alaska Growth Capital BIDCO, Inc. to Salmon Sisters Holding LLC and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents for a 20 Year

Lease with Options for two Consecutive Five Year Renewals for Lot 12C, Port Industrial Subdivision No. 4, Plat 99-43. City Manager. Memorandum 20-207 from City Manager 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

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Penelope Haas, Kachemak Bay Conservation Society Board Member, commented they support what the State Park has done, and despite their support for commercial fishermen the society they do not believe the Tutka Bay Hatchery operation fits with the State Park. The park is designated as a scenic park, which preserves outstanding natural features, and doesn't allow for any major modifications of the land, forest, or waters, after the creation of a State Park.

Lynn Whitmore, of Kachemak Moose Habitat, Inc., commented in support of Resolution 20-133 regarding Lampert Lake. Kachemak Moose Habitat, Inc. has been trying to acquire this property to retain the wildlife and wetlands around the lake, and keep public use in the picture. There is an investment group willing to buy the property, and they're asking that the assessments to be deferred, and they're hoping to work with the City to address the utility assessment deferment, until such time as the property changes hands to a non-habitat organization, should that occur.

Malcolm Milne commented that he submitted written comments regarding Resolution 20-134 and the Tutka Bay Hatchery that included links to the hatchery program he hopes they'll review.

Nina Faust commented in support of Resolution 20-133(S), she's happy to see Kachemak Moose Habitat, Inc. working with the City to protect Lampert Lake and purchase the Hodnik property for conservation values. It's an important wetlands system and moose habitat area. She supports the substitute in that it doesn't promote any additional enhancement of the area.

Derotha Ferraro, South Peninsula Hospital Public Information Officer, commented in support of Resolution 20-129 extending the emergency disaster declaration. We don't know what our needs will be in the coming months or what the lack of a local declaration might mean, and this demonstrates the City's commitment to a community wide response, a sense of urgency to the situation, and sends a message to the Borough and State Government leaders.

Rika Mouw commented in support of Resolution 20-133(S). Kachemak Moose Habitat, Inc., isn't in a place to provide or facilitate recreation, parking, and a binding easement. They are open to public use and maintain the traditional use, and this is a way to maintain that status quo.

Kim McNett commented in support of Resolution 20-133(S). She echoes the previous comments about the substitute resolution. She agrees the wetlands system deserves conservation status and this group is ready to step forward and take that action, while maintaining historical use. She's been involved in the Homer Drawdown Project, which chose peatlands as their topic, which speaks to how people value them as part of our natural surroundings.

Len Fabich, a commercial and sport fisherman, commented in support of the efforts to keep the Tutka Bay Hatchery open. He believes it is compatible with the use of the State Park, there are a few people with an agenda that will impact many. He fished his season this year on the hatchery returns, and is a part of commercial fishermen's livelihood. Benefits go beyond the hatchery itself.

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 Regular Meeting Minutes for November 23, 2020 and Special Meeting Minutes of November 25, 2020. City Clerk. Recommend adoption.
- b. Memorandum 20-198 from Deputy City Clerk Re: Liquor License Renewal Fat Olives and Land's End. Recommend approval.
- c. Memorandum 20-204 from Councilmember Venuti Re: Moving Forward on the Wayfinding Streetscape Capital Project in 2021. Recommend approval.
- d. Ordinance 20-92, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing Expenditure of \$18,696 from the Sewer Reserve Fund and \$16,546 from the Water Reserve Fund to Retrofit High Energy Light Fixtures at the Sewer Treatment Campus and at the Water Treatment Plant. City Manager/Public Works Director. Recommended dates Introduction December 14, 2020 Public Hearing and Second Reading January 11, 2021.

Memorandum 20-199 from Public Works Director
Memorandum 20-200 from Public Works Director

- e. Ordinance 20-93, An Ordinance of the City Council of Homer, Alaska Amending the 2021 Operating Budget to Provide for Necessary Mid-Biennium and 2021 Truncated Budget Adjustments. City Manager. Recommended dates Introduction December 14, 2020 Public Hearing and Second Reading January 11, 2021
- f. Ordinance 20-94, An Ordinance of the City Council of Homer, Alaska Amending the FY2021 Operating Budget by Appropriating Funds in the Amount of \$78,579 in order to fund Emergency Temporary Hires at the Homer Volunteer Fire Department for an Additional 6-Months, Associated with COVID-19 Response. City Manager. Recommended Dates Introduction December 14, 2020 Public Hearing and Second Reading January 11, 2021

Memorandum 20-201 from Fire Chief as backup

- g. Resolution 20-128, A Resolution of the City Council of Homer, Alaska Establishing the 2021 Regular Meeting Schedule for City Council, Economic Development Advisory Commission, Library Advisory Board, Parks Art Recreation and Culture Advisory Commission, Planning Commission, Port and Harbor Advisory Commission, and Americans with Disabilities Act (ADA) Compliance Committee. City Clerk. Recommend adoption.

Memorandum 20-203 from City Clerk as backup

- h. Resolution 20-129, A Resolution of the City Council of Homer, Alaska Extending the City of Homer Disaster Emergency Declaration to March 9, 2021 due to Current and Expected Impacts of the COVID-19 Novel Coronavirus Pandemic. Mayor. Recommend adoption.
- i. Resolution 20-130, A Resolution of the City Council of Homer, Alaska Supporting and Encouraging all forms of Outdoor Recreation Especially during the 2020-2021 Winter with the Ongoing COVID-19 Pandemic. Lord. Recommend adoption.

Moved to resolutions item d. Evensen.

- j. Resolution 20-131, A Resolution of the City Council of Homer, Alaska Urging Businesses and Individuals to Employ Basic COVID-19 Safety Measures such as Masking and Social Distancing to Reduce the Spread of COVID-19 and Protect our Public Healthcare Systems and Healthcare Workers. Lord. Recommend adoption.

Moved to resolutions item e. Evensen.

- k. Resolution 20-132, A Resolution of the City Council of Homer, Alaska Accepting the 2019 Basic Financial Statements and Acknowledging the Management Letter Submitted by the City's Independent Auditor, BDO USA,LLP and Authorizing the City Manager to Execute the Financial Report. City Manager/Finance Director. Recommend adoption.

- l. Resolution 20-133, A Resolution of the City Council of Homer, Alaska Expressing Intent to Participate in the Purchase of Kenai Peninsula Borough Parcel Number 17936032, T06S R13W SEC 22 Seward Meridian HM 2017050 Hodnik Subdivision Lot 4, by Kachemak Bay Moose Habitat, Inc. and Directing the City Manager to Negotiate the City's Financial Contribution and Assure the Binding Public Purpose Conditions are met. Mayor. Recommend adoption.

Moved to resolutions item c. Venuti.

Items i. j. and l. moved to Resolutions c. d. and e. Venuti and Evensen.

City Clerk Jacobsen read the consent agenda and its recommendations.

LORD/ADERHOLD MOVED TO ADOPT THE RECOMMENDATIONS OF THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

- a. BDO Audit Report (10 minutes)

Bikky Shrestha, Assurance Partner with BDO, reviewed the audit wrap up document and highlighted key points in the financial statement to give the results of the 2019. They issued a clean opinion on the financial statements, all records requested during the audit were available for inspection, and management cooperation was excellent throughout.

- b. Cook Inlet Aquaculture Report - Dan Miotke and Dean Day (10 minutes)

Dan Miotke and Dean Day reported on behalf of Cook Inlet Aquaculture Association (CIAA). They provided an overview of CIAA, which is a board managed organization out of Kenai with two areas of focus, special projects, primarily invasive species and monitoring habitat, and operations, including hatcheries. They are funded by salmon enhancement tax, cost recovery licensing, contract fish production, and grants. Mr. Day reviewed CIAA facilities and projects, habitat and special projects, adult enumeration to ensure spawning escapement, evaluation and monitoring, the hatcheries they monitor, and salmon stocking.

- c. Unified Command Report (20 minutes)

Lorne Carroll, State of Alaska Public Health Nurse, reported roughly 5% of the US population has reported to have had COVID, there have been over 300,00 deaths, over four times the

number of deaths by overdose. In Alaska about 5% of our our population have also reported to have had COVID. There is now an approved and authorized COVID vaccine available in the US. Alaska received their first shipment last night. The rollout of the vaccine is a complex process and the primary goal of the vaccine is to decrease deaths and hospitalizations due to COVID. The vaccine is a two dose series, the state received its 6200 doses, and will receive the second 6200 doses when appropriate. Regular shipments are anticipated to continue through 2021. The major groups to be offered the vaccine first are front line health care workers, elders and long term care facilities, EMS and Fire Response System, Community Health Aides, and individuals responsible and required to perform vaccinations.

Derotha Ferraro, South Peninsula Hospital Public Information Officer, reported the hospital plans to start administering vaccines on Thursday morning, the priority is long term care residents, members of staff who volunteered to be in the first group, and also CAN and nursing students who are in the hospital doing training. They received 215 doses in the first round, and will get the second dose in three weeks. They have to consider numbers and make sure everyone's available to work since there are expected flu like symptoms, and the hospital is a symptom free workspace. The State has a great website for vaccination information, just Google State of Alaska Vaccine for more information, and there's a link on the hospital website. She reported testing is still available 9-5 daily with limited hours on Christmas day. Turnaround time is about 4 days right now. They've done 500 tests in the last week 24 were positive putting them at a 5% positivity rate. Ms. Ferraro touched briefly on the hospital availability, statewide numbers slowing down, and visitation status at the hospital.

Jenny Carroll, City of Homer Public Information Officer, reminded that the vaccine won't be widely available through the community for quite some time, so our mitigation measures are still as important as ever. She thanked Council for participating in outreach to help make our community safer and healthier through public service announcements, the last ones for the year are airing. The messaging continues to stay with the masking and social distancing, recognizing we still need to be resilient and support each other through this time, especially with the holidays coming up. The City participated in a planning meeting with the Borough and other municipalities on vaccination planning. The City webpage has a COVID vaccination page to help keep the public updated. Lastly Ms. Carroll shared that December 20th at 5:00 p.m. the community is encouraged to participate in Light Up the Night. Every Alaskan is invited to go out to their yard or their favorite place and shine a light into the night to welcome the beginning of the return of the sun and the hope for the future of the pandemic to slow down, also to recognize those who have suffered from or loss from COVID-19.

Mark Kirko, HVFD Fire Chief, reported the Incident Management Team remains focused on public health and safety of Homer resident, businesses, and visitors. They continually assess the conditions of COVID and what means locally, looking at mitigation processes, and assuring we're staying current as much as possible. Going forward with vaccination planning and availably will be more prevalent in the community. The City departments have done great in

updating continuity of operations plans and ensuring sustainability throughout the rest of the pandemic.

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

a. Committee of the Whole Report

Councilmember Lord reported at Committee of the Whole Council had a presentation from BDO on the audit report. They also discussed Resolution 20-133 regarding the Lampert Lake property, and received public comments on that and other topics.

b. Worksession Report

City Manager Dumouchel reported Council discussed Resolution 20-077(S) and 20-078(S) with Public Works Director Keiser. Staff has requested time to engage with utility rate specialists regarding 20-077(S).

c. Mayor's Report

Mayor Castner reported about a year ago we rekindled our connection with Teshio, Japan through the Sister City Program. Megumi Beams traveled there with gifts and a letter, then COVID hit. The Japanese Council in Anchorage has established a series of session where there's opening communication with the 9 cities in Alaska participating through teleconference with the cities and interested people. The next teleconference should involve our partners in Japan. Rachel Tussey is the City representative to the Council and Megumi Beams is our Ambassador to Teshio.

d. Borough Report

Borough Assembly Member Lane Chesley reported the Assembly is having a Special Meeting to consider extending their emergency declaration, plans are developing for the Assembly meeting to return it in person on January 5th in the newly remodeled chambers, an In Person Remote Hybrid Public Meeting COVID Mitigation Plan has been developed explaining how and what to expect when attending in person or remotely, and they'll be holding a special meeting on an appeal of Echo Trading Company action of the Homer Planning Commission regarding Vacation of a Drainage Easement on Heidi Court. He commented regarding is meeting with Mayor Pierce and their robust discussion about things going on in Homer, and touched on some budget issues. Mr. Chesley said he'd like to be invited to attend one of Council's budget sessions to discussion requests the City may have of the Assembly.

e. Library Advisory Board

Marcia Kuzmaul, Library Advisory Board Chair, reported at their last meeting they discussed how best to jumpstart the Endowment Fund. She was happy report that an anonymous donor

has come forward with a matching challenge grant, and any contributions through December 31 will be matched, up to \$10,000. Donations can be made through the Homer Foundations or accepted at the library's curbside pickup. She reported on other programs going on at the library including the Makers to Mentors program, the Little Library has been moved to a location outside the library, and that library services continue while the library building is closed.

f. Planning Commission

g. Economic Development Advisory Commission

Nicole Arevalo, Economic Development Advisory Commissioner, reported staff has been working to familiarize the Commission with Green Infrastructure concepts as part of their overall short term goals to be better able to consider opportunities that may come their way. The KPEDD Comprehensive Economic Development Strategy 5 year update is getting underway with surveys and public outreach. The Commission appreciates Council putting Wayfinding and Streetscapes on the table for 2021 and will be putting thought into groups or individuals to bring into planning and evaluation for that. They've task themselves to check in with local businesses on COVID impacts, to keep their finger on the pulse for those issues.

h. Parks Art Recreation and Culture Advisory Commission

i. Port and Harbor Advisory Commission

j. Americans with Disabilities Act Compliance Committee

k. Economic Relief Grant Report

Sara Perman, ERG Program Coordinator, reported the Fisherman's Economic Relief Grant Program (FERG) on November 29th. There were 323 applications, 63 were denied, 257 were eligible, and there's funding for 205, and about 50 applicants waiting to find out if they were funded pending the appeal process which will be completed by December 18th. The \$1.3 million allocated will be fully spent.

Special Projects & Communications Coordinator Carroll reported she and City Manager Dumouchel have been addressing appeals for FERG, which are primarily from Homer area fishermen who do not moor or have a mooring bill from the Homer Harbor, but live and do boat work here. She shared her appreciation for Ms. Perman and Ms. Mastey for their work on the ERG programs, they'll be ending their work with the City when these programs close out.

Ms. Carroll added that the Mortgage and Rent Relief Grant applications have increased to 206, the application period closed December 10th and those applications are being processed. The total payout has increased to over \$126,000 and given historical conversion rates about 60 to

70 percent of applications are converted into payouts. She anticipates a 63% conversion rate to totally expend funds allotted.

Jody Mastey, SBERG Coordinator, SBERG2 closed today and checks issued in two weeks. There were 20 appeals and were able to award seven of those. Most appeals were due to issues with the award worksheet because they didn't collect 4th quarter revenue. She reviewed the program award options. In total the SBERG programs awarded \$3,980,374 to 403 businesses.

PUBLIC HEARING(S)

- a. Ordinance 20-89, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 3.05 Budget; Section 3.01.010 Fiscal Year, Section 3.05.050, Budget Assumptions and Section 3.05.010 Budget Submission-Content, Regarding a Fiscal Year Budget Schedule. Smith. Introduction November 23, 2020 Public Hearing and Second Reading

Memorandum 20-202 from City Manager as backup

Memorandum 20-192 from Finance Director as backup

Mayor Castner opened the public hearing.

There were no comments and the hearing was closed.

LORD/SMITH MOVED TO ADOPT ORDINANCE 20-89 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Lord appreciated in the City Manager's memo the request we have patience with Finance and staff. She's expressed concern about the capacity and stress on the departments to make this happen. She's comforted by the plan afoot in the truncated budget in terms of absorbing costs associated with this move. She also appreciates the level of work that's already been done and continues. She supports this, she highlighted in her packet to be mindful of demands on finance and will take it under advisement in her role on Council.

Councilmember Smith commented going forward he wants to impress on the City Manager and Finance Department that if we need additional help to make this transition happens smoothly, that we don't wait too long to do, so as not get behind in the process.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- b. Ordinance 20-90, An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating a Donation from Friends of Woodard Creek in Karen Hornaday Park in the Amount of \$7,025 for Woodard Creek Nature Trail Maintenance and Improvements in Karen Hornaday Park. City Manager. Introduction November 23, 2020 Public Hearing and Second Reading December 14, 2020

Mayor Castner opened the public hearing.

Robert Archibald commented in support of Ordinance 20-90. He shared some history of the Friends of Woodard Creek which started years ago. People have come and gone and some of the energy has gone away, so some project they'd envisioned aren't possible in today's budget environment. This money has been sitting, and the thought it could go to some good use in the park.

There were no further comments and the hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 20-90 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Aderhold appreciates the Friends of Woodard Creek for entrusting the City with these funds. The trails along Karen Hornaday Park that was built a few years ago are wonderful and are going to require maintenance. She thinks these will be funds well used.

Mayor Castner encouraged if you've never walked along Woodard Creek to do so, it's a surprising creek in the middle of Homer.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- c. Ordinance 20-91, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Operating Budget and Authorizing the Expenditure of \$42,000 for the Purpose of Contracting with a Lobbyist for the City of Homer. Smith. Introduction November 23, 2020 Public Hearing and Second Reading December 14, 2020

Mayor Castner opened the public hearing.

There were no comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-91 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Castner called for a break at 7:56 p.m. and called the meeting back to order at 8:06.

ORDINANCE(S)

CITY MANAGER'S REPORT

a. City Manager's Report

City Manager Dumouchel reiterated the Library Endowment matching donation, where the donor will match dollar for dollar up to \$10,000. He commented regarding winter recreation, he's put together a group of staff to talk about winter recreation, both indoor and outdoor opportunities for folks to work on mental and physical health, it ties in well with Councilmember Lord's resolution on tonight's agenda. He reported letters went out to businesses regarding the reinstatement of the plastic bag ban, it's also out in local media as part of local outreach. He included a note from Water/Wastewater Superintendent Todd Cook, and on Friday he received a very nice letter that's included in the supplemental packet, thanking staff for their work on Thanksgiving to deal with sewer problems on Kachemak Drive. The City remains in red status and there is a group of staff that evaluates it on a regular basis, we continue to mask and social distance. It helps us keep services running and keep staff healthy and safe. We continue to review our continuity of operations plans (COOP), looking at what's been working and what needs to change, and making updates accordingly as we move through this time.

There was brief discussion regarding the 3rd quarter sales tax report and online sales tax and remote sales tax reporting. Finance Director Walton responded to questions and suggested further detailed discussion at a future worksession on the differences between the two.

Councilmember Aderhold acknowledged the letter from the McCarthy's and shared her appreciation for Public Works staff. She also commented on the council dais update and is interested in a timeline when they'll be back in Council chambers.

PENDING BUSINESS

- a. Resolution 20-077(S), A Resolution of the City Council of Homer, Alaska Adopting a Reserve Fund Policy for the Collection and Use of Water and Sewer Depreciation Reserve Funds **Capital Asset Repair And Maintenance Allowance Fund.** Lord/Aderhold. (Postponed from November 23rd)

Memorandum 20-205 from Public Works Director as backup
Memorandum 20-165 from Finance Director as backup

Mayor Castner noted there's a motion on the floor to adopt Resolution 20-077(S) that was postponed from the November 23rd meeting and opened the floor for discussion.

LORD/ADERHOLD MOVED TO POSTPONE TO MARCH 8, 2021.

Councilmember Lord explained their Worksession the Public Works Director recommended postponing to allow for time to get some professional help regarding best practices on utility funds.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- b. Resolution 20-078(S), A Resolution of the City Council of Homer, Alaska Amending the Homer Accelerated Water and Sewer Program (HAWSP) Policy Manual to Modernize the Language and Clarify Qualifying Criteria for using HAWSP Funds. Lord/Aderhold. (Postponed from November 23rd)

Mayor Castner noted there's a motion on the floor to adopt Resolution 20-078(S) that was postponed from the November 23rd meeting and opened the floor for discussion.

There was no further discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- c. Resolution 20-119, A Resolution of the City Council of Homer, Alaska Acknowledging the 2021 Budget will be Truncated to January 1 to June 30, 2021 to Accommodate the Transition from a Calendar Year Budget to a Fiscal Year Budget. Smith. (Postponed from November 23rd)

Mayor Castner noted there's a motion on the floor to adopt Resolution 20-119 that was postponed from the November 23rd meeting and opened the floor for discussion.

There was no further discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

NEW BUSINESS

RESOLUTIONS

- a. Resolution 20-134, A Resolution of the City Council of Homer, Alaska Supporting Regional Aquaculture Associations and Strongly Opposing Proposed Changes to Management Plan of Kachemak Bay State Park and State Wilderness Park that would Disproportionately and Negatively Impact the Homer Community. Evensen/Hansen-Cavasos/Mayor.

LORD/EVENSEN MOVED TO ADOPT RESOLUTION 20-134 BY READING OF TITLE ONLY

Councilmember Evensen explained DNR has released their plans for the State Park for next year for public feedback and public comment. It may not only include elimination of the Tutka Bay Hatchery and it includes allowance of jet ski's in the park. He feels it's important to give DNR the right feedback about this. He note Malcom Milne's letter that was provided that laid out an opinion that was well referenced and cited. He noted comments that were provided in support of eliminating the hatchery and the confusion of fish farming versus aquaculture, and they're two very different things. He shared a historical reference from a 1959 publication by a geologist named Barnes regarding a coal study in the Homer district that referenced commercial fishing as a type of supplemental income for homesteaders at that time. He continued about the importance of fishing on our economy both for commercial fishermen, sport fishermen, and tourists. He also rebutted the public comment regarding pre-hatchery numbers of fish returning and fish fry released, disparaging comments about pink salmon, and Cook Inlet Aquaculture Association taking profit from the hatchery.

Councilmember Aderhold commented she read through the State Parks Management Plan and listened in on one of the series of calls today that they'll be doing regarding this. The reasons the State Park has determined the hatchery is incompatible is largely related to lawsuits against hatcheries around the State in State Parks, that have come up in the last 5 to 10 years. She thinks this resolution doesn't respond to that. She feels if they're going to provide comment to State Parks it needs to be more all-encompassing and provides a number of comments that relate to the City of Homer. She noted the aspect of the economics provided to the city related to the hatchery, and added that the park plan recommends additional staff for the park, addition additional campgrounds on this side of the bay and other amenities for park visitors, which are things they may want to comment on, because they will benefit the City. There's also the issue of personal watercraft. She thinks they need to be careful on how they, as a City government, comment to a State agency on their management plan. She doesn't support the resolution as written, but is interested in preparing more comprehensive comments on the management plan.

Councilmember Lord concurred with Councilmember Aderhold and noted public comments are due later in January for the Park Plan and as a City commenting as a response, she'd like to see them work toward a comment that's holistic and addresses all those things. She'd like to see that at the next meeting and a copy of the draft plan included for everyone to look at.

Councilmember Smith commented jet ski's in Kachemak Bay has already come before them and they provided comment, along with Salomon Gulch Hatchery, net pins in the Tutka Bay area, upper Cook Inlet Salmon Fishery, and Pebble Mine EIS related to bears. We've gone back and forth on what they should or shouldn't comment on and there's been no real consistency. The Tutka Bay Hatchery was established then turned over. If it's been mismanaged, that's not on the City. He looks at this as singular deal regarding the economic benefit of the hatchery. He's willing to support a resolution that addresses economic benefit to Homer and identifies how, but not muddling in every other component, he doesn't know that it needs to be done in one document. Something else can come forward that addresses other needs.

There were comments addressing the need to consider when and whether the City should weigh in on these types of issues, and comments that issues can be addressed through more than one document.

EVENSEN/SMITH MOVED TO AMEND LINE 48 BY CHANGING PINK SALMON TO PINK AND SOCKEYE SALMON.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Discussion continued in support of bringing forward a new resolution, and also comments supporting the draft provided.

VOTE: YES: SMITH, EVENSEN, HANSEN-CAVASOS
NO: VENUTI, ADERHOLD, LORD

Mayor Castner voted yes to break the tie.

Motion carried.

- b. Resolution 20-135, A Resolution of the City Council of Homer, Alaska Approving the Lease Assignment Originally held by Harbor Leasing LLC and Assumed by Alaska Growth Capital BIDCO, Inc. to Salmon Sisters Holding LLC and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents for a 20 Year Lease with Options for two Consecutive Five Year Renewals for Lot 12C, Port Industrial Subdivision No. 4, Plat 99-43. City Manager.

LORD/ADERHOLD MOVED TO ADOPT RESOLUTION 20-134 BY READING OF TITLE ONLY.

Councilmember Lord appreciates the work in moving forward on this. She noted the City Manager's memo in the supplemental packet that asks if there's a big enough public purpose defined for the lower base rent for the first year, which is a \$4,000 difference. This resolution has a reduction in the base rate to the 2018 level or \$2150 per month, versus the current value of \$2482 per month. There will be an appraisal at the end of 2021 and go back to Fair Market Value based on Homer City Code. She doesn't have much concern over the \$4000 but there has been some public comment with concerns about equity, and she has yet to hear the public purpose enunciated, it's not in the resolution so she doesn't have it on record in terms of their justification for that public purpose and use.

Councilmember Smith commented the applicants made their presentation to the Port and Harbor Advisory Commission. The Commission found it compelling enough, with enough public purpose, to vote unanimously to send Council a recommendation to negotiate a below market value for a short term period lease. He trusts the process and thinks it's unfortunate they didn't make the same presentation to Council, but it's not enough money for him to get hung up on. There's a substantial investment for them to get them going and maybe that's enough money to make up the difference. Either way, he supports it as presented based on the recommendation of the Commission.

Councilmembers Venuti concurred and appreciates the time put in by the Commission to provide a recommendation with unanimous support.

Councilmember Evensen also agreed. Regarding public purpose, he looks forward to seeing the aspects of the Harbor used as originally designed with fish process out there. It gets one portion of what the harbor does out of a period of stagnancy and active again.

Councilmember Aderhold shared she's had concerns about this since it came up. Council worked hard to get the lease policy into city code, and there isn't a lot of wiggle room on some things for good reason, because in the past leasing wasn't always fair. We need to be careful to ensure we're equitable with our leases. This property has been a thorn in our sides for a while now and she's interested in getting it back on the books and productive. She's going to support this with the 2018 rate for this coming year, but with trepidation because we need to be cautious when making these decisions.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- c. Resolution 20-133, A Resolution of the City Council of Homer, Alaska Expressing Intent to Participate in the Purchase of Kenai Peninsula Borough Parcel Number 17936032, T06S R13W SEC 22 Seward Meridian HM 2017050 Hodnik Subdivision Lot 4, by Kachemak Bay Moose Habitat, Inc. and Directing the City Manager to Negotiate the

City's Financial Contribution and Assure the Binding Public Purpose Conditions are met. Mayor.

Resolution 20-133(S), A Resolution of the City Council of Homer, Alaska **Authorizing the City Manager to Waive Unpaid Utility Assessments as part of the Sale** ~~Expressing Intent to Participate in the Purchase of Kenai Peninsula Borough Parcel Number 17936032, T06S R13W SEC 22 Seward Meridian HM 2017050 Hodnik Subdivision Lot 4, by Kachemak Bay Moose Habitat, Inc. with the Understanding that in the Unlikely Case of the Property being Transferred out of Conservation Protection, the City Will Reinstate the Assessments to the Subsequent Owner and Directing the City Manager to Negotiate the City's Financial Contribution and Assure the Binding Public Purpose Conditions are met. Mayor/Aderhold~~

LORD/ADERHOLD MOVED TO ADOPT RESOLUTION 20-133 BY READING OF TITLE ONLY

LORD/ADERHOLD MOVED TO SUBSTITUTE RESOLUTION 20-133(S) FOR 20-133

Councilmember Aderhold commented she supports this parcel becoming a conservation property. She brought forward the substitute because the original resolution asks for an access easement and would require them to build parking. As a conservation property it's 100% wetlands so requiring an easement and parking would degrade the wetland. It isn't our property so the City's only decision is related to the assessments that haven't been paid, and she doesn't think it's appropriate to hold them to these requirements before releasing the assessments, when it could potentially increase the liability to the organization. For other conservation parcels in the past, the City has waived assessments. If we pay the assessments through another pot of money and the property came out of conservation and was developed, the City wouldn't be able to recoup the money.

Councilmember Smith concurred with keeping that component if the property changed hands, they'd have to pay the assessment if they want water and sewer. His issue is where the money comes from for the \$70,000 assessment and who covers it. He noted the East End Road extension where HAWSP covered the \$270,000 and tax payers had to absorb it. He doesn't agree with it coming out of HAWSP. He agrees with the value of conservation, and thinks there may be a role for the City to play. He doesn't agree with writing off \$70,000.

Councilmember Lord had question regarding HAWSP and the debt payment. The debt service has to be met and the assessment is part of that. It's important how the City addresses that because it should be well documented, and whether it's waived or deferred or the City pays for it through other funds, there's a solid community aspect for the property that's conservation, but protecting the public access through that conservation purpose. She thinks there's more work to be done on this, but she supports it.

Mayor Castner applauds the private parties coming forward to help make the conservation easement possible. His purpose of his resolution was to not spend a lot of time micromanaging details that staff is better positioned to address. He's had a lot of conversation with Mr. Whitmore and others as to what the public purpose would be if any dollars were spent. He keeps being told the public can use Lampert Lake, but not without an easement. The parking is a concern to him in that if you create a nuisance like that and don't address a parking plan and park everyone along the side of the road, that's not responsible City government. Lastly, no one worked harder to rectify the HAWSP fund than he did. One of the reasons it was wrecked is because of things like this, there's no such thing as writing it off. The City is obligated to pay the loans back, and there being paid by HAWSP so every dollar we spend writing something off, means we aren't putting in new water or sewer lines. HAWSP wasn't authorized to buy conservation easements or anything else besides water and sewer. He hopes they don't adopt the substitute and let staff work some of these things out.

Councilmember Aderhold responded it is paying off a water and sewer assessment, which is a purpose of HAWSP. She also noted from their discussion at Committee of the Whole, there was mention of a memo and map, but it wasn't provided to them in the packet, along with information about the cost of the assessments, so there's additional information they need to have. She doesn't agree with requiring an easement, her understanding from Mr. Whitmore and Kachemak Moose Habitat Inc, is that their properties are open to the public, and regardless which version they consider, they both have potential for further amendments.

Councilmember Evensen shared his support for the original draft and the process outline by the Mayor. He'd like to see what staff comes back with.

Councilmember Lord's challenge is she sees the original resolution be more prescriptive to City staff to have to negotiate a legal easement and a parking lot. She also understands that Kachemak Moose Habitat doesn't do legal easements or build parking lots on their conservation properties. She feels the substitute gives staff the direction to go forth and Council will address the financial question. She suggested postponing and making amendments regarding the HAWSP piece.

VOTE (substitute): YES: ADERHOLD, LORD, SMITH
NO: HANSEN-CAVASOS, EVENSEN, VENUTI

Mayor Castner did not vote to break the tie.

Motion failed.

There was further debate regarding opposition to the requirement of the easement and development of a parking area and in support of the resolution and having staff work through

this. Suggestion was made to postpone and have more information provided at their next meeting.

ADERHOLD/LORD MOVED TO POSTPONE TO JANUARY 11TH

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- d. Resolution 20-130, A Resolution of the City Council of Homer, Alaska Supporting and Encouraging all forms of Outdoor Recreation Especially during the 2020-2021 Winter with the Ongoing COVID-19 Pandemic. Lord.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 20-130 BY READING OF TITLE ONLY

Councilmember Lord commented there are a lot of things the City is doing now to support recreation and things they shouldn't do. This is an effort to show support and appreciation that so many members of our community do promote, encourage, and support winter recreation.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- e. Resolution 20-131, A Resolution of the City Council of Homer, Alaska Urging Businesses and Individuals to Employ Basic COVID-19 Safety Measures such as Masking and Social Distancing to Reduce the Spread of COVID-19 and Protect our Public Healthcare Systems and Healthcare Workers. Lord.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 20-131 BY READING OF TITLE ONLY.

Councilmember Lord shared this is in response to public comments regarding mandating masks. Since the City Council can't mandate masks, this is an effort to encourage citizens to follow the health guidelines given the uptick in positive cases, the need to get kids back in school, and get our local businesses open.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

COMMENTS OF THE AUDIENCE

Robert Archibald, reminded Council and listeners that the public meeting for the State Park Management Plan is January 5th, noon to 2pm and again 5pm to 7pm. It's a chance to understand what's going on with the new Park Management Plan and make comments to the team. The Governor has funding in his budget for the Land and Water Conservation Grant Management Program and hopefully has provided for an administrator for that. We've lost out on the money for the last three years because the State couldn't match the money. He encouraged Council to encourage our Legislators and the Governor to pursue that. Deferred maintenance in our parks is up to \$60 million. Without Federal assistance we're in trouble.

Dan Miotke hopes the Cook Inlet Aquaculture Association presentation was beneficial. He thanked everyone for great discussion tonight and agrees another all-encompassing resolution regarding the Park Management Plan will be great. He shared some history on funding projects over the last few years.

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti wished everyone happy holidays.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen had no comments.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel said we'll get to work on some of the things that happened tonight and see you all back here January 11th.

COMMENTS OF THE MAYOR

Mayor Castner expressed some concern about accounting and a truncated fiscal year. Council realizes that our income and expenses are not equal across the calendar year and a huge amount of our income comes in the fall. The truncated budget has normal expenses and little income. Because of that we may come into a dilemma, but others have done this before and looking for help from AML or other municipalities that have done this have experienced it. He encouraged us to get to that next level quickly and not be surprised when where half-way through the truncated year and not balance. He thinks we can figure things out and work through it. He wished everyone a safe holiday season.

COMMENTS OF THE CITY COUNCIL

Councilmember Lord noted the truncated budget was introduced on the consent agenda tonight and she appreciates the memos outlining the accounting challenges associated with doing this. She thanked everyone who worked on getting CARES money out, it's been a huge lift and time-suck, but she's glad they got all the money out to the community. There's still audit and wrap-up but thanks to everyone in the City Manager's office, Finance Department,

and temporary staff. It was great to hear the public comment and receive comments outside the meeting. She appreciates hearing everyone's voices and reading the emails, it helps provide context and background to make good decisions for the community. She wished everyone Happy Solstice, Merry Christmas, and Happy New Year. May we all be kind and patient as we move through the holiday season in both its ups and downs.

Councilmember Smith shared a text he received from a citizen about an SBERG Grant they received and what an impact it made. He thanked Council and staff for making that happen. He appreciates the School Board and education system for their decisions to move classes back into the schools, and their contingency plan to help kids who are struggling with grades. He's encouraged by the 3rd quarter report, it's a huge relief, and looks forward to better news yet. He apologized for missing the November 25th special meeting, he's glad the resolution passed. He wished everyone a Happy New Year, Merry Christmas and Happy Holidays.

Councilmember Hansen-Cavasos thanked all the health care workers for all their hard work for the community. She encouraged being kind and wearing masks. She just read Duncan House will be shutting down for a few months, they've been amazing and she's sad they have to do that. If we can just put our opinions about our mask and health aside and just do it, it would be great. She wished everyone Happy Holidays.

Councilmember Evensen reminded folks who are interested in more information the most recent newsletters from Cook Inlet Aquaculture are in the packet as back up to that resolution. He shared his appreciation for Rachel Tussey and her help with the Sister City Program, she's worn all kinds of different hats this year. He also noted the employee anniversaries in the packet and thanked them for their service to the city. He wished everyone Happy Solstice.

Councilmember Venuti commented that Terrance Cole died, there's a great article in the Anchorage Daily News and encouraged folks to read more about him. She's amazed at what Council and community did this year, we wouldn't have done it without everyone working together. She thanked Councilmembers Aderhold and Lord for their work on the HAWSP manual and congratulated them for it passing tonight. She gave a shout out to staff for all their work and wished everyone Happy Solstice, Merry Christmas, and wear a mask.

Councilmember Aderhold commented it's been a wild ride of a year, she appreciates the work of City staff in getting through this time. She thanked Councilmembers for this year, we each have very different perspectives and when we disagree are some of the most interesting times, because she learns other's perspectives and she appreciates that. The more diverse our voices are the better off we are. It's an interesting holiday time. She wished all Happy Hanukkah, Merry Christmas, Happy New Year, Happy Solstice, and whatever else is celebrated.

ADJOURNMENT

There being no further business to come before the Council Mayor Castner adjourned the meeting at 10:00 p.m. The next Regular Meeting is Monday, January 11, 2021 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: _____