

Session 23-02 a Regular Meeting of the City Council of Homer, Alaska was called to order on January 23, 2023 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, DAVIS, ERICKSON, HANSEN, LORD, VENUTI
- ABSENT:** COUNCIL MEMBER DAVIS (excused)
- STAFF:** CITY MANAGER DUMOUCHEL  
CITY CLERK JACOBSEN  
FINANCE DIRECTOR WALTON  
PORT DIRECTOR HAWKINS  
PERSONNEL DIRECTOR BROWNING  
PUBLIC WORKS DIRECTOR KEISER  
SPECIAL PROJECTS & COMMUNICATIONS DIRECTOR CARROLL  
ECONOMIC MANAGER ENGBRETSSEN  
NETWORK ADMINISTRATOR SULCZYNSKI  
CITY ATTORNEY GATTI

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

Mayor Castner announced the supplemental items: **CONSENT AGENDA** Kenai Peninsula Borough non objection letter for Retail Store Marijuana License Renewal for Uncle Herb's. **ANNOUNCEMENTS/REPORTS/PRESENTATIONS** Planning Commission written report. **CITY MANAGER'S REPORT** Memorandum from Council Members Lord and Aderhold re: HERC Priority and Plan to Address

ADERHOLD/LORD MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

3. **MAYORAL PROCLAMATIONS AND RECOGNITIONS**

4. **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

5. **RECONSIDERATION**

6. **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.)

- 6.A. Homer City Council Unapproved Regular Meeting Minutes of January 29, 2023. City Clerk. Recommend adoption.
- 6.B. Liquor License Renewal for Best Western Bidarka Inn/Otter Room and Beluga Lake Lodge. City Clerk. Recommend approval.
- 6.C. Retail Store Marijuana License Renewal for Uncle Herb's. City Clerk. Recommend approval.
- 6.D. Travel Authorization for Mayor Castner and Council Members Lord, Aderhold, and Erickson to attend the AML Winter Legislative Conference in Juneau, Alaska, February 22-24, 2023. City Clerk. Recommend adoption.
- 6.E. Ordinance 23-05, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$20,239 from the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund for the Purpose of Obtaining Short Term Rental Tracking Services from GovOS. Aderhold/Davis. Recommend introduction January 23, 2023, public hearing and second reading February 13, 2023.
- 6.F. Ordinance 23-06, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Accepting a Donation from Homer Rotary in the Amount of \$8,112 and Appropriating \$6,115 for the Purchase of Motorola Pagers and \$1,997 for Restoration of an Antique Water Tanks. City Manager/Fire Chief. Recommend introduction January 23, 2023, public hearing and second reading February 13, 2023.
- 6.G. Ordinance 23-07, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$6,950 from the General Fund Fleet Capital Asset Repair and Maintenance Allowance (CARMA) Fund for the Purchase of a Mobile Radio from ProComm Alaska. City Manager/Police Chief. Recommend introduction January 23, 2023, public hearing and second reading February 13, 2023.
- 6.H. Resolution 23-006, A Resolution of the City Council of Homer, Alaska Declaring Certain City Owned Equipment Surplus, Obsolete and Unneeded and Authorizing the City Manager to Dispose of the Used and Surplus Equipment in Accordance with Homer City Code 18.30.010-020 and 18.30.040(B). City Manager. Recommend adoption.
- 6.I. Resolution 23-007, A Resolution of the City Council of Homer, Alaska Approving a Memorandum of Understanding with the Alaska Invasive Species Partnership and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.
- 6.J. Resolution 23-008, A Resolution of the City Council of Homer, Alaska Encouraging the Kenai Peninsula Borough to have the Homer Solid Waste Transfer Facility Open on Sundays to Accept Household Waste. Mayor. Recommend adoption.

City Clerk Jacobsen read the consent agenda and recommendations.

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

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**7. VISITORS**

7.A. SPARC Update - Ginny Espenshade (10 minutes)

Ginny Espenshade presented to Council on the history of the SPARC building and their goal for getting a new floor for the building, and project costs. Ms. Espenshade reviewed programs offered at SPARC, their efforts in trying to accommodate requests for programs whenever possible, and the importance of having recreational opportunities available to the community.

**8. ANNOUNCEMENTS/PRESENTATIONS/REPORTS (5 minutes each)**

8.A. Committee of the Whole Report

Council Member Aderhold report at Committee of the Whole, Council discussed information in the City Manager's report regarding the HERC and the Large Vessel Harbor Expansion Project. They also discussed the memorandum from Special Projects Coordinator Carroll regarding FY2023-24 Federal Infrastructure Investment and Jobs Act (IIJA) Work Plan.

8.B. Mayor's Report

- Economic Development Manager Update - Julie Engebretsen

Mayor Castner expressed his appreciation of Commissioners and Board Members for their efforts on the City's advisory bodies, noting the recent work done by the Library Advisory Board regarding the book challenge and the Port and Harbor Commission for their recent work session. He provided a Borough Report that was provided to him by Assembly Member Lane Chesley that highlighted appointment of Nikiski resident Peter Ribbens to fill Jesse Bjorkman's seat, and that the KPB budget process is underway.

Economic Development Manager Julie Engebretsen reported on her work with an AML Cohort "The Cities of Opportunity", a statewide group that meets monthly with an emphasis economic development and healthy communities. She addressed the aging demographic for our area, challenges with attracting younger workers, the need to focus on the students we have here, and thinking long term for community planning and follow through. She encouraged considering our high school students as an asset and encouraging them to stay in Alaska as adults, or come back after leaving for training or education. The Marine Trades Association is doing a great job with outreach in the schools. She encouraged business owners or managers to connect with her to talk with students about their industry. She also addressed the upcoming Comprehensive Plan process that will take place over the next two years and encouraged public participation.

8.C. Borough Report

8.D. Planning Commission Report

A written report from the Planning Commission was provided in the supplemental packet.

8.E. Economic Development Advisory Commission Report

Economic Development Advisory Commissioner Nicole Arevalo reported the recent commission meeting where they discussed the local housing situation and their strategic plan and goals.

8.F. Library Advisory Board Report

Library Advisory Board Chair Kate Finn reported on the boards last meeting where they concluded the appeal of the Library Director's decision regarding children and young adult materials. The board discussed and voted on each book that was challenged and upheld the Library Director's decision to retain them in their current locations. She expressed the board's gratitude for the communities respect and kindness in the process. She acknowledged Deputy City Clerk Tussey's work for the meeting process. Lastly Ms. Finn highlighted events at the library.

8.G. Port & Harbor Advisory Commission Report

- Memorandum from Port & Harbor Advisory Commission

Port & Harbor Advisory Commission Chair Crisi Matthews reviewed information provided in the memo that was included in the Council packet.

8.H. Lunch with a Council Member - Council Member Lord

Council Member Lord thanked City Manager Dumouchel and Public Works Director Keiser for being there and their discussion with those in attendance. She was late arriving but engaged with the group and enjoyed the discussion.

**9. PUBLIC HEARING(S)**

- 9.A. Ordinance 22-72(S), An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 19, Parks, Campgrounds, and Public Places and Section 19.08.070, Certain Acts Prohibited; Section 19.20.020 General Rules, and Title 1, General Provisions, Section 1.16.040 Disposition of Scheduled Offenses. City Manager. Introduction January 9, 2023, public hearing and second reading January 23, 2023.

Ordinance 22-72(S-2), An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 19, Parks, Campgrounds, and Public Places and Section 19.08.070, Certain Acts Prohibited; Section 19.20.020 General Rules, and Title 1, General Provisions, Section 1.16.040 Disposition of Scheduled Offenses. City Manager.

Mayor Castner opened the public hearing.

Jillian Rodgers, Animal Control Officer and Director of Homer Animal Services, LLC, commented in support of the ordinance. She pointed out its part of the solution as they meet with City staff to work on a larger project of updating Title 20 in city code. She shared statistics about animal calls that have been received ranging from easy things to abuse and neglect matters that require necropsy and sending heads of dogs to the state lab for testing; and touched on process with issuing citations. Homer Animal Services will continue working with administration on code updates and budget for services.

There were no further comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 22-72(S) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

ADERHOLD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 22-72(S-2) FOR 22-72(S).

It was noted the (S-2) draft needs to have the number updated.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion on Ordinance 22-72(S-2).

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- 9.B. Ordinance 23-01, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Renewing the Appropriation of Funds in the Amount of \$750,000 from the General Fund Fund Balance for the Purpose of Reinitiating and Conducting a U.S. Army Corps of Engineers General Investigation Study for the Homer Large Vessel Port Expansion. City Manager. Introduction January 9, 2023, public hearing and second reading January 23, 2023.

Mayor Castner opened the public hearing.

Larry Slone, city resident, expressed a note of caution regarding the long term financial effect on Homer related to the large vessel port expansion project, particularly regarding maintenance costs.

Rika Mouw, city resident, agrees with Mr. Slone's comments and questions whether we've had a community dialog about the direction we're going with this project. This is a lot of money for the city to be spending before we've really understood what the needs are.

Crisi Matthews commented in support of Ordinance 23-01, it's the number one project on the City's Capital Improvement Plan, the Army Corps of Engineers (ACOE) requires matching funds to begin the study. She shared some history of the project.

There were no further comments and the hearing was closed.

ADERHOLD/LORD MOVED TO ADOPT ORDINANCE 23-01 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

City Manager Dumouchel explained that unspent appropriations expire after three years and for that reason he \$750,000 appropriation that was approved by Council and needs to be reappropriated. This action accomplishes that.

Council Member Lord shared the original ordinance she and Council Member Smith brought forward and about the extensive lobbying that's happened to the state and feds, to say this is something that we as a community want to pursue.

Council Member Aderhold also reiterated that this is a reappropriation and acknowledged the valid concern's expressed. She believes the Investigation Study should address those concerns, and more, and a public involvement process will follow.

City Manager Dumouchel added the City received \$300,000 in congressionally designated spending through Senator Murkowski. Conversation has started with ACOE to iron out details in moving forward with the General Investigation Study.

Mayor Castner addressed the review process of ACOE and opportunities to share ideas about the project.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- 9.C. Ordinance 23-02, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating an Amount not to Exceed \$70,000 Divided Equally Between the Homer Accelerated Roads and Trails (HART) Trails Fund and the Land Reserves to Purchase a 4.53 Acre Parcel in the Bridge Creek Watershed Protection District. Aderhold. Introduction January 9, 2023, public hearing and second reading January 23, 2023.

Mayor Castner opened the public hearing.

Scott Adams, city resident, commented in opposition to using \$35,000 in HART Trails funds for the purchase of this property, that's not what the policy allows. He supports the purchase entirely from the Land Reserves, as that's the purpose of that account.

Karin Marks, city resident, commented in support of Ordinance 23-02 and is pleased Council is looking ahead to the potential of the types of usage in that area. There are a lot of things going on in the greater community regarding hiking and trails.

There were no further comments and the hearing was closed.

ADERHOLD/ERICKSON MOVED TO ADOPT ORDINANCE 23-02 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

ADERHOLD/ERICKSON MOVED TO AMEND ORDINANCE 23-02 TO STRIKE ALL REFERENCES TO ALLOCATING \$35,000 FROM THE HART TRAILS FUND AND CHANGE THE ENTIRE ALLOCATION OF \$70,000 TO COME FROM THE LAND RESERVES.

Council Member Erickson expressed her discomfort with using trails funds for this land purchase, noting restrictions in development in the water shed district. She agrees that funds for this purchase should be from the land reserves only.

Council Member Aderhold confirmed that HART policy allows for the purchase of land and construction of parking lots. She doesn't object to the amendment. She thanked Jay Farmwald for his work in the background to make this happen.

City Attorney Gatti suggested this may require bringing back a new ordinance for introduction. It was questioned why scheduling a second public hearing wouldn't be sufficient to proceed. Discussion ensued regarding process. City Clerk Jacobsen recommended that Council vote on the motion to amend and postpone to a second public hearing on February 13<sup>th</sup>, and staff will work with the Attorney between meetings to ensure proper process is followed.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

ADERHOLD/VENUTI MOVED TO POSTPONE THE ORDINANCE AS AMENDED TO FEBRUARY 13<sup>TH</sup>

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- 9.D. Ordinance 23-03, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$24,000 from the United States Coast Guard (USCG) Hickory Maintenance Reserves for the Purpose of Contracting with Alaska Industrial Services for Fender Repairs to the Hickory Berth and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Introduction January 9, 2023, public hearing and second reading January 23, 2023.

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

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 23-03 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Mayor Castner commented briefly about not being aware of the Hickory Maintenance Reserve Account, it doesn't appear in the audit as restricted money and he was surprised to learn about it. He thinks it's a disclosure that's necessary.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- 9.E. Ordinance 23-04, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$38,775 from the Port Reserves for the Purpose of Purchasing Two Additional Parking Pay Kiosks and UPSafety Parking Management Software Package. City Manager/Port Director. Introduction January 9, 2023, public hearing and second reading January 23, 2023.

Mayor Castner opened the public hearing.

Scott Adams commented regarding his experience with being able to use an app to pay online for parking at a beach he was visiting. He feels that's an option that deserves serious consideration.

There were no further comments and the hearing was closed.

ADERHOLD/LORD MOVED TO ADOPT ORDINANCE 23-04 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

At the request of the Mayor, Port Director Hawkins explained the need for a machine to collect payments because not all visitors pay with a card or online. The software package is a management tool to expand parking on the spit. The number of fee spaces is doubling in the next year and the goal is to continue coverage with two parking enforcement personnel, and this software package should accommodate that. He confirmed there will be an annual fee for the software, and there will be minimal impact to the IT department.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

Mayor Castner called for a recess at 7:48 p.m. and called the meeting back to order at 8:00 p.m.

**10. ORDINANCE(S)**

**11. CITY MANAGER'S REPORT**

11.A. City Manager's Report

City Manager Dumouchel reported the Homer Volunteer Fire Department set a new record for emergency calls in Homer at 785, higher than their projection for the 2022.

He reviewed the comments in his report regarding the HERC where he acknowledged that we aren't very competitive for grants for a project like this, there have been a lot of choices made over time regarding taxes that impact our revenue, and outside funders aren't likely the most likely option is we will be paying for it.



Mayor Castner opened the floor to Special Projects and Communications Coordinator Jenny Carroll and she reviewed the information she provided regarding the FY23-24 Federal Infrastructure Investment and Jobs Act work plan. Ms. Carroll responded to questions and participated in discussion with Mayor and Council regarding process and next steps. City Manager Dumouchel and Public Works Director Keiser participated in the discussion as well.

Discussion shifted to the HERC and the memo in the supplemental packet from Council Members Lord and Aderhold. It was pointed out that a key issue is we need a feasible, scalable, realistic project that Council can feel good about trying to pay for. It was suggested that Council Members Lord, Aderhold, and Erickson work with staff to come up with a framework for a work session to focus on moving this forward. Objection was expressed and following discussion it was requested that an off cycle work session should be scheduled for the Council to discuss.

**12. PENDING BUSINESS**

**13. NEW BUSINESS**

**14. RESOLUTIONS**

**15. COMMENTS OF THE AUDIENCE (3 Minutes)**

Ginny Espenshade, city resident, acknowledged the City Attorney for standing by his opinion regarding Ordinance 23-02. She commented regarding the HERC process, emphasizing the need to keep the public informed of the process. She hopes they include key stakeholders and recognize there are champions in the community who aren't sitting at the council table. Ms. Espenshade also expressed concern about closing a campground in the summer when seasonal housing is hard to find.

Jan Knutsen, Homer Chamber of Commerce Visitor Center Director, invited the community to participate in the Winter Carnival Celebration and Parade, Saturday, February 11<sup>th</sup>. The theme this year is *Breaking out of Hibernation*.

Sunrise Sjoberg, city resident, thanked Council for the discussion tonight and commented briefly about the importance of considering community benefit when considering the HERC project compared to others.

Larry Slone, city resident, commented regarding the large vessel harbor proposal and the \$750,000 appropriation. He didn't object to the appropriation as a necessary first step to the process, he hopes the comments remind them of the importance of reviewing other items of uncertainty as it progresses.

**16. COMMENTS OF THE CITY ATTORNEY**

City Attorney Gatti appreciates being at the meeting tonight and he always enjoys the rigorous discussion this Mayor and Council engages in. The community should be proud of them for the hard work they're doing.

**17. COMMENTS OF THE CITY CLERK**

City Clerk Jacobsen announced absentee voting for the Borough Special Election is open January 30 through February 13 at the Borough Annex Building and Election Day is February 14 at regular polling locations.

**18. COMMENTS OF THE CITY MANAGER**

City Manager Dumouchel had no comments.

**19. COMMENTS OF THE MAYOR**

Mayor Castner commented there are distinctions between planning for the HERC and Port expansion. The Port expansion has to have all the fiscal notes attached to it. Part of the reason for the expansion is to allow opportunities for income for leasing, additional harbor space, wharfage as examples; and that income helps repay bonds. He emphasized the importance of the Port work session (charrette) and it was a seminal event in getting people talking about options that will be needed. No deals have been made and no contracts have been let.

**20. COMMENTS OF THE CITY COUNCIL**

Council Member Aderhold expressed appreciation for the discussion tonight. She's in Anchorage attending the Alaska Marine Science Symposium and shared about interesting topics they're discussing. She's joined the Alaska Municipal League Legislative Committee that meets Fridays at noon and provided a brief overview of their last meeting where their discussion focused on impacts to municipalities related to school construction and major maintenance, PERS and TERS retirement systems, and the State pool of funds for non-federal match.

Council Member Lord announced the Junior Nordic Ski program starts next weekend with 170 kids signed up, and they're still needing coaches. If anyone's interested contact the Kachemak Nordic Ski Club. The ski club offers season long ski rental for youth for \$25 per season.

Council Member Venuti thanks those attending the AML Winter Conference, its important work. She announced an upcoming Himalayan dinner fundraiser the Methodist Church tomorrow in support of Lynn Temple to be part of a base camp and raise awareness of ovarian cancer research.

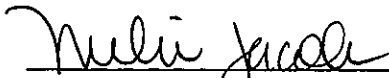
Council Member Erickson wished everyone a great couple of weeks and enjoy the outdoors.

Council Member Hansen shared about attending high school basketball games and how great it was to see so many people out supporting the teams. She appreciated Ms. Espenshade's comments about the importance of recreation. She's had conversations about the need to keep kids in the community busy, it's good for their mental health and physical health. Today is her 22<sup>nd</sup> anniversary at Homer Medical. In her years there she's seen the seasonal effects to the community members of all ages and it's important that we continue to champion the HERC.

**21. ADJOURN**

There being no further business to come before the Council Mayor Castner adjourned the meeting at 9:28 p.m. The next Regular Meeting is Monday, February 13, 2023 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.

  
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Melissa Jacobsen, MMC, City Clerk

Approved: February 13, 2023