

REGULAR MEETING
May 8, 2023

Session 23-10 a Regular Meeting of the City Council of Homer, Alaska was called to order on May 8, 2023 by Mayor Ken Castner at 6:06 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

STAFF: CITY MANAGER DUMOUCHEL
CITY CLERK JACOBSEN
PORT DIRECTOR HAWKINS
FINANCE DIRECTOR WALTON
PUBLIC WORKS DIRECTOR KEISER
SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
FIRE CHIEF KIRKO
RECREATION MANAGER ILLG
CHIEF TECHNOLOGY OFFICER JIRSA
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** Resolution 23-047, A Resolution of the City Council of Homer, Alaska Establishing a Policy of Funding Improvements to Various Recreational Facilities within Homer, Resolution 23-047(S) A Resolution of the City Council of Homer, Alaska Establishing Recreation as a Funding Priority in the FY23/24 Budget and Directing the City Manager to Deliver a Strategic Financial Plan and Services Vision for Parks and Recreational Facilities and Services within the City of Homer to the City Council by November 2023. Resolution 23-048, A Resolution of the City Council of Homer, Alaska Amending the Water and Sewer Utility Financial and Rate Setting Policies and Utility Financial Plan. City Manager/Public Works Director. Memorandum CC-23-135 from Finance Director as backup and Public Works draft policy revisions **PUBLIC HEARING(S)** Ordinance 23-20, An Ordinance of the City Council of Homer, Alaska Appropriating Funds for the Fiscal Years 2024 and 2025 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, and Internal Services Funds and, Ordinance 23-23, An Ordinance of the City Council of Homer, Alaska Appropriating the Funds for the Fiscal Years 2024 and 2025 Capital Budget. Budget Amendments, Memorandum from PARCAC, Written Public Comments; **CITY MANAGER'S REPORT** Homer Harbor Expansion Study Monthly Written Update; **PENDING BUSINESS** Resolution 23-046, A Resolution of the City Council of Homer, Alaska Authorizing a Task Order in the amount of \$379,661 to HDR Engineering, Inc. for the Homer Harbor Expansion Study's In-Kind Engineering Support Services and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Memorandum 23-134 from City Clerk with Port & Harbor Commission excerpts. **RESOLUTIONS** Resolution 23-050 A Resolution of the City Council of Homer Alaska Directing the Homer Mayor and/or City Manager to Meet with the Kenai Peninsula Borough Mayor to be part of a Work Group to Develop Recommendations Regarding Potentially Merging Kachemak Emergency Services Area, Western Emergency Service Area, and Homer Volunteer Fire Department into a Single Service Area of the Kenai Peninsula Borough. Information on Fire Incident Types.

ADERHOLD/VENUTI MOVED TO APPROVE THE AGENDA.

There was no discussion.

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VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

3. MAYORAL PROCLAMATIONS AND RECOGNITIONS

4. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA (The public may comment for three minutes on agenda items not schedule for public hearing.)

Scott Adams, city resident, commented regarding the wish list for departments was in the March 28th packet and Public Works asked for \$500,000 matching funds for non-motorized transportation improvements.

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 Council Member.)

- 6.A. 2024-2029 CIP and FY25 Legislative Priorities Development Schedule. Recommend approval.
- 6.B. Ordinance 23-25, An Ordinance of the City Council of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Total Transfer of \$438,315 to include \$200,000 from Water Capital Asset Repair and Maintenance Allowance (CARMA) Fund, and \$238,315 from Sewer CARMA Fund to Utility Operations Fund Fund Balance. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.
- 6.C. Ordinance 23-26, An Ordinance of the City Council Of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Transfer of \$500,000 from Port Reserves to Establish a Port Match Reserves. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.
- 6.D. Ordinance 23-27, An Ordinance of the City Council of Homer, Alaska, Amending the FY23 Operating Budget by Redirecting \$993,675 of the Port Reserves Transfer to Port Match Reserves. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.
- 6.E. Ordinance 23-28, An Ordinance of the City Council Of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Transfer of \$500,000 from Homer Accelerated Roads and Trails (HART) Roads to Establish a HART Roads Match Reserves. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.
- 6.F. Ordinance 23-29, An Ordinance of the City Council of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Transfer of \$500,000 from Homer Accelerated Roads and Trails (HART)

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Roads to Establish a Non-Motorized Transportation Opportunity Program within HART Roads. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.

6.G. Ordinance 23-30, An Ordinance of the City Council of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Transfer of \$100,000 from Homer Accelerated Roads and Trails (HART) Roads to Establish a Small Works Roads Maintenance Program within HART Roads. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.

6.H. Ordinance 23-31, An Ordinance of the City Council Of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Transfer Of \$20,000 from Homer Accelerated Roads and Trails (HART) Roads to Establish a Small Works Pest Management Program within HART Roads. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.

6.I. Ordinance 23-32, An Ordinance of the City Council Of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Transfer of \$100,000 from Homer Accelerated Roads and Trails (HART) Trails to Establish a Non-Motorized Transportation Opportunity Program within HART Trails. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.

6.J. Ordinance 23-33, An Ordinance of the City Council of Homer, Alaska, Amending the FY23 Capital Budget by Authorizing a Transfer of \$100,000 from Homer Accelerated Roads and Trails (HART) Trails to Establish a Small Works Trails Maintenance Program within HART Trails. City Manager/Finance Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.

6.K. Ordinance 23-34, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating an Additional \$26,383 from the Port Reserve Fund to Complete Work on the Rebuild of Crane #7 on Homer Fish Dock. City Manager/Port Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.

6.L. Ordinance 23-35 An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Appropriating \$110,000 from the Homer Accelerated Roads and Trails (HART) Roads Fund for a Non-Motorized Opportunity Project on West Fairview Avenue. City Manager/Public Works Director. Recommend Introduction May 8, 2023 Public Hearing and Second Reading May 22, 2023.

6.M. Resolution 23-047, A Resolution of the City Council of Homer, Alaska Establishing a Policy of Funding Improvements to Various Recreational Facilities within Homer. Mayor. Recommend adoption.

Moved to Resolutions. Aderhold.

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- 6.N. Resolution 23-048, A Resolution of the City Council of Homer, Alaska Amending the Water and Sewer Utility Financial and Rate Setting Policies and Utility Financial Plan. City Manager/Public Works Director. Recommend adoption.

Moved to Resolutions. Aderhold.

- 6.O. Resolution 23-049, A Resolution of the City Council of Homer, Alaska Strongly Encouraging in Person Attendance by Board and Commission Members at their Scheduled Meetings. Erickson. Recommend adoption.

Moved to Resolutions. Aderhold.

Items 6.M., 6.N., and 6.O. moved to Resolutions. Aderhold.

City Clerk Jacobsen read the consent agenda and recommendations.

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

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

7. VISITORS

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

- 8.A. Committee of the Whole

Council Member Aderhold reported Council discussed Resolution 23-047 and 23-048, Ordinance 23-35, and Ordinances 23-29 through 23-33. They also proposed some upcoming work sessions, and discussed the operating and capital budgets.

- 8.B. Mayor's Report

Mayor Castner reported he's been working on some light policy directive to support some budget amendments for recreation, the recent visit from the USS Momson, and on May 22nd the Committee of the Whole will be at 4:00 p.m. and a Work Session at 5:00 p.m. for a reception for Homer's Coast Guard City award.

- 8.C. Borough Report

- 8.D. Planning Commission

- 8.E. Port and Harbor Advisory Commission
Memorandum from PHC re: E-Bike Charging Station

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Port and Harbor Advisory Commissioner Ian Pitzman reported they had a joint work session with Council and staff focusing on Council and Commission communication and training. On April 26th they had a work session and their regular meeting. HDR attended and presented and answered question regarding work in kind related to the Homer Harbor Expansion project. April 28th there was a work session with HDR, Council, and staff to prepare the Homer Harbor Expansion project charter. He noted the Commission's memorandum regarding E-Bike charging stations on the spit.

8.F. AML Legislative Committee Report – Council Member Aderhold

Council Member Aderhold reported the end of the legislative session is May 17 and a special session will likely be scheduled because the operating budget has stalled. She reviewed statuses of Senate Bills 88 retirement and defined benefits, 133 opioid remediation funds, 29 civic education, and 127 vehicle rental taxation, and House Bills 38 government budget appropriation limit, 3 gold and silver as legal tender, 70 municipal property tax exemptions, 184 short term rental registration, and 8 e-bikes.

8.G. Cook Inlet Regional Citizens Advisory Council Written Report – Carla Stanley

8.H. Prince William Sound Regional Citizens Advisory Council Written Report – Robert Archibald

Robert Archibald, Homer's representative on the Prince William Sound Regional Citizens Advisory Council noted the information provided in the packet and touched on whistle blowing related to the Valdez Marine Terminal, having professionals review the matters, and concerning issues of the state of operations at the terminal that have been discovered. They are addressing this at DC, State Legislature, and the Governor.

9. PUBLIC HEARING(S)

- 9.A. Ordinance 23-20, An Ordinance of the City Council of Homer, Alaska Appropriating Funds for the Fiscal Years 2024 and 2025 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, and Internal Services Funds. City Manager. Introduction April 10, 2023, Public Hearing April 24 and May 8, 2023, Second Reading May 8, 2023.

Mayor Castner opened the public hearing.

Karin Marks commented on behalf of the Economic Development Advisory Commission in support of Small Business Development Funding for FY 24 and 25.

There were no other comments and the hearing was closed.

Council Member Davis restated his motion from April 24th DAVIS/ERICKSON MOVED TO AMEND THE OPERATING BUDGET TO ADD INCREASE THE AMOUNT OF THE CITY'S CONTRIBUTION TO THE CHAMBER OF COMMERCE BY \$24,000 TO A TOTAL OF \$75,000.

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Council Member Davis explained in addition to the Chamber's work in serving the community and bringing in tourists, they do specific work for the city through a contract to conduct tourism marketing and economic development support. They also do a number of things to support quality of life in the city.

It was confirmed the money would come from the general fund fund balance.

Council Members Lord and Aderhold commented in opposition to the amendment because it's a non-departmental expense and should be addressed in the Chamber Contract renewal.

VOTE: YES: VENUTI, ERICKSON, DAVIS, HANSEN
NO: ADERHOLD, LORD

Motion carried.

VENUTI/ERICKSON MOVED TO ADD \$15,000 TO THE FY24 BUDGET AND \$15,000 THE FY25 FOR THE HOMER BUSINESS ADVISOR POSITION.

Council Member Venuti summarized the efforts of the Small Business Development Center (SBDC) to support small businesses in our community. The funding is proposed to come from the general fund fund balance. The Economic Development Advisory Commission (EDC) supports this also.

There were comments that Council supports the efforts of the SBDC, but not supporting a line item in the budget. There are so many services in the community that are provided for, not by the city. It's a non-departmental expense. Council has supported it in the past outside of the budget process, but the available general funds and the needs for the City override this effort. The City's fund balances aren't healthy as in recent years. The support of the EDC was acknowledged, but its Council's job to look at the bigger picture and how things fit in a larger context.

VOTE: YES: HANSEN, VENUTI, ERICKSON
NO: ADERHOLD, LORD, DAVIS

Motion failed.

VENUTI/ERICKSON MOVED TO ADD \$11,000 FOR FY24 AND \$7,000 FOR FY25 TO COVER THE COST OF STREAMLINING ONLINE REGISTRATION AND PAYMENT AND TRACK PARTICIPANTS USING OUR RECREATIONAL FACILITIES.

Council Member Venuti clarified this is for software for Community Recreation and shared an overview of what the software would provide.

There were brief comments noting the need to ensure this implementation will be more successful than the last attempt, and noting the benefits to users and potential for increased program revenue to the City.

It was confirmed this would come from general fund fund balance.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

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Motion carried.

ADERHOLD/LORD MOVED TO ADD \$1,800 FROM THE GENERAL FUND FUND BALANCE FOR SIGN REPAIR AT THE LIBRARY.

Mayor Castner explained the library sign has received water damage from a spruce tree over the sign. The artist, Brad Hughes, said the repair would be \$1800 and it would be a permanent fixed.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

ADERHOLD/ERICKSON MOVED TO ADD \$4,000 TO THE FY24 BUDGET FROM THE GENERAL FUND FUND BALANCE FOR SISTER CITY ADVERTISING AND GIFTS.

Mayor Castner explained 2024 is the 40th anniversary of our Sister City relationship with Teshio and feels it's appropriate to have a few ads recognizing it and arrange a gift of significance.

There was brief discussion acknowledging the stunning gift to the City from Teshio, and supporting a significant gift to Teshio. Megumi Beams and Japanese Clubs at the elementary schools and the energy behind the cultural exchange was also addressed.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

ERICKSON/ADERHOLD MOVED TO AMEND THE OPERATING BUDGET ON THE COMMUNITY RECREATION FTE FOR FY24 TAKING THE RECOMMENDATION FROM PARCAC FOR \$43,000 AND FY25 \$45,000.

There was brief discussion that these amounts are based on the recommendation in the memorandum from Parks Art Recreation and Culture Advisory Commission (PARCAC). It was confirmed this would come from the general fund fund balance, and it would fund a part time staff increase.

There were comments in support of the budget amendment.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

Council Member Erickson commented regarding her proposed amendment to decrease professional services and employee training and that she'd like to take it up at the next meeting because she hasn't been able to drill down on this. She noted a 200 to 300% increase on employee training. City Manager Dumouchel explained the significant increase in training is due to three line items for subsistence, travel, and training being combined into one line item called training.

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ERICKSON/LORD MOVED THAT WE REDUCE THE PLANNING FOOD AND STAPLES FROM \$10,000 TO \$2,000 FOR FY24 AND FY25.

Council Member Erickson explained that was in the Planning budget for food for the Comprehensive Plan revision. We've stepped back from that project.

There was discussion supporting the existing amount explaining that if we want people to come to participate in the public input meetings that happen around dinner time, there needs to be food provided. All of the money might not be spent but it's beneficial to have it available if needed. It was also noted that some of the Commission's meetings can sometimes be four+ hours long and it would benefit them to have access to the Council's refrigerator and food available to them. There is still \$250,000 left from the Comp Plan veto for a public process planning effort, and if it doesn't happen and the money isn't spent it can get rolled into a future budget.

VOTE: YES: ERICKSON, LORD, DAVIS, HANSEN.
NO: VENUTI, ADERHOLD

Motion carried.

ERICKSON/LORD MOVED TO REDUCE IN THE PLANNING ADVERTISING FROM \$10,000 TO \$3,000.

Council Member Erickson commented she felt this was a line item that showed an increase but could be cut back for the same reasoning as the last amendment.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Council Member Aderhold commented she wants Council to have a better idea what our budget looks like at our next meeting with the trends that were asked for and to have these amendments included so we can see how they affect the budget in the end.

ADERHOLD/VENUTI MOVED TO POSTPONE TO MAY 22 MEETING FOR PUBLIC HEARING AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Castner called for a recess at 7:38 p.m. and called the meeting back to order at 7:48 p.m.

- 9.B. Ordinance 23-22, An Ordinance of the City Council of Homer, Alaska amending the FY23 Capital Budget by Appropriating \$230,000 from the General Fund Fleet Capital Asset Repair and Maintenance Allowance (CARMA) Fund for the Purpose of Purchasing, Refurbishing, and Transporting a Ladder Truck for the Homer Volunteer Fire Department. City Manager/Fire Chief.

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Introduction April 24, 2023, Public Hearing and Second Reading May 8, 2023.

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

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 23-22 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Chief Kirko was asked to respond to questions. He explained this truck is slightly larger than the KESA ladder truck. It has a reach that's about 40 feet longer, the overall size is a little larger in capacity and we're looking at that because when we get this vehicle, we'll surplus our heavy rescue vehicle and that tooling will go on the ladder. It will be a really tight fit in the current station and we may have to make a small modification to the railing at the back of the vehicle to accommodate for the hillside where it comes out.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- 9.C. Ordinance 23-23, An Ordinance of the City Council of Homer, Alaska Appropriating the Funds for the Fiscal Years 2024 and 2025 Capital Budget. City Manager. Introduction April 24, 2023, Public Hearing May 8 and May 22, 2023, Second Reading May 22, 2023.

Mayor Castner opened the public hearing.

Karin Marks, city resident, commented in support of retaining the \$50,000 for the Wayfinding and Streetscape plan. There is Wayfinding and Streetscape work that needs to be done outside of the Homer Harbor Expansion. This plan has already been approved by Council.

There were no other comments and the hearing was closed.

Council Member Aderhold expressed the need for Council to have confirmation on what the available funds are in CARMA accounts, particularly General Fund CARMA.

Council Member Lord asked about the \$1.27 million reflected on page 23 of the Capital Budget document for General Fund CARMA 156. City Manager Dumouchel directed her to the balance of \$641,895 on page 24 as the available for general CARMA 156, assuming no other changes.

ADERHOLD/ MOVED TO AMEND THE CAPITAL BUDGET IN FY24 TO ADD \$9,739 FROM THE GENERAL FUND CARMA ACCOUNT FOR ADA ACCESSIBILITY EQUIPMENT, SPECIFICALLY MOBI MATS.

Council Member Aderhold noted there is information about mobi mats in one of the packets, they are mats that can be rolled out to improve access to areas for people who have mobility limitations, and she's seen them used at WKFL Park as an example. Other organizations have them and she feels it will be beneficial for the City to have some as well. It's a relatively small dollar amount that demonstrates to the community of folks with limited mobility that we're thinking of them.

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There was brief discussion regarding storage and it was confirmed that the City is able to store them. It was confirmed this is not tied to the transition plan but it could make spaces accessible that currently aren't, such as areas where the substrate is wood chips at Karen Hornaday Park.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

ADERHOLD/VENUTI MOVED TO ADD \$400,000 TO THE FY24 CAPITAL BUDGET FROM THE GENERAL FUND CARMA FOR NEW COMPREHENSIVE PLAN DEVELOPMENT.

Council Member Aderhold commented she brought this forward because in discussion during the veto conversation one of the arguments against funding the comp plan was that it was outside the budgeting cycle that was coming right up, so this is an opportunity to evaluate it in the context of the budget. The other piece is as we get into the Harbor Expansion General Investigation Study she's hearing more people concerned about how harbor expansion might change our community and we're not having any control over it. One way we can evaluate how the expansion will affect us and decide as a community to control growth that might happen is through comprehensive planning.

Council Member Erickson appreciates this coming back with the budget, but struggles with \$641,000 in the General Fund CARMA account. She recommends giving the plan sections to the relevant Commissions for review and recommendations. If they do a lot of that hard work at the end we can give it to the professionals to write it up. She doesn't support this and would like them to look at other alternatives.

Council Member Lord commented our current plan was substantively done in 2008 and Planning did an internal update in 2018. Our Comp Plan includes some great things but is disjointed and siloed as a document. There are challenges when we have all the different plans that aren't pulled in the same place. The idea of a robust updated Comprehensive Plan is important. She'd like to see this happen, we'll be required to do it in 2028, and she has no interest in a code update before the Comprehensive Plan rewrite. She thinks having a third party facilitator walk the City and community through the process is the way to go.

VOTE: YES: VENUTI, LORD, DAVIS, ADERHOLD
NO: HANSEN, ERICKSON

Motion carried.

DAVIS/ADERHOLD MOVED TO ADD TO THE CAPITAL BUDGET \$250,000 FOR REVISION TO THE TOWN CENTER PLAN.

Council Member Davis explained the idea was to take the \$250,000 for the zoning rewrite and focus it more on the town center.

It was pointed out that this will be encompassed in the Comprehensive Plan.

VOTE: YES: DAVIS

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NO: HANSEN, ERICKSON, LORD, VENUTI, ADERHOLD

Motion failed.

ADERHOLD/VENUTI MOVED TO AMEND THE CAPITAL BUDGET BY \$120,000 \$42,500 FROM HAWSP AND \$77,500 FROM GENERAL FUND UNASSIGNED FUND BALANCE FOR JACK GIST PARK WATER AND SEWER EXTENSION.

Mayor Castner explained the water and sewer aren't that far from Jack Gist Park and the \$77,500 would account for some improvements at the park and build a slab. Council Member Erickson organized a meeting of the stakeholders where a memorandum of understanding was addressed where they would take upon themselves to build the restrooms.

Council Member Aderhold agrees we need to do something and noted the upcoming resolution that speaks to some of this. She's unsure where we will be budget-wise with all the amendments.

Council Member Erickson shared that she met with Arno Construction and part of what's happening down there is time sensitive, they'll be putting water and sewer in on Adams Street this fall when the softball season is over. It will be 150 feet of water and sewer line. When the tear up the road to put water on one side and sewer on the other it will be an opportunity to fix the parking lot. It will cost more if we miss this opportunity.

There were additional comments supporting this need.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ADERHOLD/DAVIS MOVED TO AMEND THE CAPITAL BUDGET FOR KAREN HORNADAY WATER SEWER EXTENSION \$30,000 FOR FY24 AND \$500,000 FY25. IN FY24 \$10,000 WOULD COME FROM HAWSP AND \$20,000 FROM THE GENERAL FUND FUND BALANCE, FOR FY25 \$150,000 WOULD COME FROM HAWSP AND \$350,000 WOULD COME FROM THE GENERAL FUND FUND BALANCE.

Mayor Castner explained in FY24 the \$10,000 would be used for design of the extension and \$20,000 for design of the facilities to be installed. In the second year it will be a pricey project but Karen Hornaday Park was the fairgrounds that was donated to the City for a specific purpose and it the crown jewel of the City.

Public Works Director Keiser responded to questions that she's unsure of the status of the water and sewer lines. She was told when she came on board that the water and sewer were jerry-rigged in and if we built a new restroom facility was built we'd need new service lines. She hasn't investigated the matter but they will ascertain the condition of the existing lines to verify whether they need to be replaced.

Council Member Lord supports this project and noted that we don't have a lot of unassigned fund balance to work with. If Council approves all the amendments tonight, they'll come back to a capital budget that's overdrawing our fund balance.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

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Motion carried.

ADERHOLD/VENUTI MOVED TO AMEND THE CAPITAL BUDGET BY ADDING \$1 MILLION IN FY24 AND \$1 MILLION IN FY25 FOR A FUTURE RECREATION CENTER AND THE FUNDS COMING FROM THE GENERAL FUND UNASSIGNED FUND BALANCE.

There was discussion regarding the balance of the general fund unassigned fund balance and how to proceed.

Mayor Castner commented when he added this he thought there were more available funds, and was shocked when he saw how much they had run down the fund balance. But we should stop kidding ourselves that we'll ever build a rec center if we can't put money aside for it.

There was brief discussion regarding the status of the general fund fund balance, the need for clarification in available funds, and to look at ways to come up with a better plan.

LORD/ADERHOLD MOVED TO POSTPONE THE AMENDMENT TO THE NEXT MEETING.

VOTE (postponement): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ERICKSON/ADERHOLD MOVED TO ACCEPT THE GRID REPAIR/REPLACEMENT FOR PORT AND HARBOR IN FY24 \$25,000 IN THE DESIGN FOR THE REPAIR OF BOTH THE WOOD AND STEEL GRID AND FOR FY25 \$100,000 TO REPAIR BOTH OF THOSE.

There were brief comments that this is likely inadequate funding for both wood and steel.

Council Member Erickson commented there are repairs to be done, there is concern from Port and Harbor and if we start taking care or upgrading we can create some revenue, and it's a place to start.

In response to questions, City Manager Dumouchel explained he didn't fund the request because the design and construction will be \$275,000 to \$300,000 and he doesn't think the wood grid doesn't bring in much revenue.

Council Member Lord agrees it serve a small fleet of vessels and she appreciates the value of the grid, but with the pull on the Harbor reserves right now, they are a precious finite resource that and she can support spending those funds on the wood grid.

VOTE: YES: HANSEN, ERICKSON
NO: LORD, ADERHOLD, DAVIS, VENUTI

Motion failed.

ERICKSON/ADERHOLD MOVED TO REMOVE THE PERSONNEL REGULATIONS AND SALARY SCHEDULE OVERHAUL FOR \$75,000 AND RETURN FUNDS TO GENERAL FUND CARMA.

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Council Member Erickson tried to look critically at things we could take care of or are happening down the road that would have influence and might not hurt to wait. She feels the Council needs to be driving the salary overhaul, this allocation is premature, and we need the \$75,000 more for some of the capital budget items.

Council Member Aderhold doesn't agree with removing this. We have an HR Department of one person and she doesn't think it's reasonable to ask that person to do this with their other responsibilities to the 100+ employees. When we have our work session on the parity study, hopefully we'll get more clarity on the results of the study and the direction the City needs to go. The wage scale is rather archaic and has some constraints that need to be addressed. Having someone professionally look at it will be valuable.

Council Member Lord agreed that the salary schedule shouldn't be done in house, and she agrees with Council Member Aderhold's comments.

City Manager Dumouchel noted this hasn't gone out to bid so he's unsure of the exact cost and anticipates it will be less. He proposed this amendment, not HR, and he confirmed that our community is too large to take advantage of the services of AML.

ERICKSON/VENUTI MOVED TO POSTPONE THIS MOTION UNTIL AFTER OUR WORK SESSION ON THE PARITY STUDY.

It was noted they could potentially pass this budget at their next meeting and this may be forcing their hand to postpone it further.

VOTE (postponement): YES: HANSEN, VENUTI, LORD, DAVIS, ADERHOLD, ERICKSON

Motion carried.

ERICKSON/ADERHOLD MOVED TO REMOVE THE WAYFINDING AND STREETScape IMPLEMENTATION FOR \$50,000.

Council Member Erickson feels there is adequate signage now. If we do the Comp Plan it's going to change downtown Homer and there are a lot of things happening on the spit. She hates to see them spend money and won't hurt them to wait.

There were comments in support of retaining the funding, the businesses in our community are expecting this to be a finished project. It was noted this is coming from HART Trails and the description is focused on pedestrian trailheads, wayfinding downtown, spit campgrounds, major spit facilities, and Baycrest visitor kiosk. It doesn't appear things happening with the harbor expansion will change this. The HART fund has a healthy balance, members of the community have been working on this for a very long time, and it's close to implementation.

VOTE: NO: DAVIS, HANSEN, ERICKSON, LORD, VENUTI, ADERHOLD

~~Motion failed.~~

ERICKSON/ADERHOLD MOVED TO REMOVE THE TRAILS DESIGN CRITERIA MANUAL UPDATE IN THE AMOUNT OF \$50,000.

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Council Member Erickson reiterated her effort to find places to reinvest money back into actual dirt and trails, not just another manual.

There were comments in support the Trails Design Criteria Update. We have a lot of people who help build our trails and it's important to make sure we have an updated set of standards. The funding is coming from HART Trails and it's one of the specific purposes. A well designed trail is going to last a lot longer and design criteria changes over time. We are building a number of trails and are asking developers to build trails through their neighborhoods. ADA standards need to be met as well.

Mayor Castner finds it irritating to spend \$50,000 on a manual when you can find the information on line.

LORD/ERICKSON MOVED TO POSTPONE THIS AMENDMENT TO THE NEXT MEETING.

This will provide time for the City Manager and Public Works Director to bring back a refined number.

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

Motion carried.

ERICKSON/DAVIS MOVED TO REMOVE THE PUMPER TANKER CONTINGENCY FOR \$25,000 AND RETURN THE FUNDS TO GENERAL FUND FLEET CARMA.

Council Member Erickson commented we received around \$600,000 back on the tanker we just bought. If we left the \$25,000 in the fleet CARMA it would pay off the 2nd in command vehicle they're asking for.

Council Member Aderhold responded its contingency money and hopefully they don't spend it all, but if things end up more expensive than anticipated, the money is there for that purpose.

City Manager Dumouchel explained Council appropriated an amount not to exceed \$800,000 to purchase the pumper tanker, we saved money by paying up front and want to send a majority of that savings back to fleet CARMA, but hold on to \$25,000 in case something is needed for the truck that they can update.

Chief Kirko feels the contingency amount is a reasonable expectation looking at the cost to build a commercial vehicle, and the build won't happen until 2024.

VOTE: NO: VENUTI, ERICKSON, ADERHOLD, LORD, DAVIS HANSEN

Motion failed.

ERICKSON/ADERHOLD MOVED TO REMOVE THE FUEL ISLAND REPLACEMENT FOR \$190,000.

Council Member Erickson commented this feels premature with the potential move of the public works campus.

City Manager Dumouchel explained this was appropriated once before but wasn't done because we are looking for a new location for public works. He noted there is a parcel they may be talking about soon. The fuel island

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is included because we're hopeful to be able to this. It will have to happen within the next few years whether it's at this location or a new one.

VOTE: YES: HANSEN, VENUTI, ERICKSON, DAVIS
NO: ADERHOLD, LORD,

Motion carried.

City Clerk Jacobsen reminded Council that they'll need to vote to extend the meeting past 10:00 p.m. per their operating manual.

ADERHOLD/VENUTI MOVED TO EXTEND THE MEETING TIME TO 10:30 P.M.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- 9.D. Ordinance 23-24, An Ordinance 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. Introduction April 24, 2023, Public Hearing and Second Reading May 8, 2023.

Mayor Castner opened the public hearing.

Scott Adams, city resident explained he owns a piece of property that needs a lift station. He expressed concern about the \$82.50 for lift stations where a non-lift is \$50. He thinks rates should be by the gallon.

There were no other comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 23-34 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Council Member Aderhold noted they wanted to have the policy document move with the ordinance.

ADERHOLD/VENUTI MOVED TO POSTPONE ORDINANCE 23-24 TO THE MAY 22ND MEETING.

There was no discussion.

VOTE (postponement): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

10. ORDINANCE(S)

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11. CITY MANAGER'S REPORT

11.A. City Manager's Report

City Manager Dumochel highlighted the City's receipt of the Large Wastewater System of the Year award, AML Summer Conference Planning visit by AML staff, the first report of the Harbor Expansion Study is in the supplemental packet, and going through the PIDP process we found that at least 47 non road connected communities are being served by freight coming out of Homer.

12. PENDING BUSINESS

12. A. Resolution 23-046, A Resolution of the City Council of Homer, Alaska Authorizing a Task Order in the amount of \$379,661 to HDR Engineering, Inc. for the Homer Harbor Expansion Study's In-Kind Engineering Support Services and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director.

Mayor Castner announced there is a motion on the floor to adopt Resolution 23-046 by reading of title only that was postponed from the April 24th meeting and opened the floor for discussion.

Mayor Castner expressed his objection to having line of communication stop at staff. We need something that's more open because the line of communication goes both ways.

It was noted this isn't something that would be addressed through this resolution. There was discussion of other ways to address the Mayor's concern.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

13. NEW BUSINESS

14. RESOLUTIONS

- 14.A. Resolution 23-050, A Resolution of the City Council of Homer Alaska Directing the Homer Mayor and/or City Manager to Meet with the Kenai Peninsula Borough Mayor to be part of a Work Group to Develop Recommendations Regarding Potentially Merging Kachemak Emergency Services Area, Western Emergency Service Area, and Homer Volunteer Fire Department into a Single Service Area of the Kenai Peninsula Borough. Erickson/Hansen.

ERICKSON/LORD MOVED TO ADOPT RESOLUTION 23-050 BY READING OF TITLE ONLY.

Council Member Erickson commented this is in response to a laydown from the Mayor a few meetings ago because there's conversation going on about potentially merging. She's never been a fan of that, but with increasing costs and the volunteer pool getting smaller it's worth discussion.

It was clarified the draft KPB resolution in the packet has not been introduced yet.

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LORD/ADERHOLD MOVED TO AMEND LINES 6 AND 7 IN THE TITLE TO DELETE THE WORDS DIRECTING THE HOMER CITY MAYOR AND/OR CITY MANAGER TO MEET WITH THE KENAI PENINSULA BOROUGH MAYOR TO BE PART AND REPLACE IT WITH SUPPORTING THE CREATION AND MIMIC THAT ON LINES 33 AND 34.

Council Member Lord explained the borough resolution that would establish this task force stipulates how they would appoint people.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

In response to questions Chief Kirko commented about working with fire district, that he sees pros and cons, but he's not sure of the motivation and what we expect to get from it. He doesn't think the conversation will hurt anyone, there's a lot to consider on both sides.

There was suggestion to postpone to hear from Assembly Member Chesley on the status of the KPB Resolution, but no motion was made.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- 6.M. Resolution 23-047, A Resolution of the City Council of Homer, Alaska Establishing a Policy of Funding Improvements to Various Recreational Facilities within Homer. Mayor.

Resolution 23-047(S), A Resolution of the City Council of Homer, Alaska ~~Establishing a Policy of Funding Improvements to Various~~ **Establishing Recreation as a Funding Priority in the FY232/24 Budget and Directing the City Manager to Deliver a Strategic Financial Plan and Services Vision for Parks & Recreational Facilities and Services within Homer to the City Council by November 2023.** Mayor/**Erickson.**

ADERHOLD/VENUTI MOVED TO ADOPT RESOLUTION 23-047 BY READING OF TITLE ONLY.

LORD/ADERHOLD MOVED TO SUBSTITUTE RESOLUTION 23-047(S) FOR 23-047.

There was no discussion.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

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Motion carried.

- 6.N. Resolution 23-048, A Resolution of the City Council of Homer, Alaska Amending the Water and Sewer Utility Financial and Rate Setting Policies and Utility Financial Plan. City Manager/Public Works Director. Recommend adoption.

ADERHOLD/ MOVED TO POSTPONE RESOLUTION 23-048 BY READING OF TITLE ONLY TO OUR NEXT MEETING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- 6.O. Resolution 23-049, A Resolution of the City Council of Homer, Alaska Strongly Encouraging in Person Attendance by Board and Commission Members at their Scheduled Meetings. Erickson.

ERICKSON/LORD MOVED TO ADOPT RESOLUTION 23-049 BY READING OF TITLE ONLY.

Council Member Erickson shared a recent experience of attending a commission meeting and only staff and the chair were in the room and the rest of the members were remote. It was awkward and challenging for the people in the room to communicate with members on Zoom. She understands there are times when people need to use remote participation, but it's time for board and commission members to be in person.

There was discussion that there are still circumstances where board members or commissioners may need extended opportunity for remote participation. That need is recognized but there seem to be some who use remote participation out of convenience rather than need.

LORD/ADERHOLD MOVED TO EXTEND THE MEETING TIME TO 10:45 P.M.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

DAVIS/ MOVED TO AMEND THE RESOLUTION TO STRIKE LINE 25 AND AMEND LINE 31 TO INSERT FOR GOOD CAUSE, INCLUDING ILLNESS.

There was no discussion.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

There was no further discussion on the main motion as amended.

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VOTE (main motion): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

15. COMMENTS OF THE AUDIENCE (The public may comment for three minutes on any topic.)

Ronny McPherson with HDR commented he was here to be available to answer question on the resolution. He noted the Mayor's concern is very well understood by HDR and are committed to involving Mayor, Council, staff and Port and Harbor Commission as we advance the Harbor Expansion Study.

Scott Adams, city resident, doesn't think the fire department talks will be a bad thing, if it increases taxes though, that will be another thing. The charrette for the harbor is next week and that could be interesting, unfortunately its mid-day, so a lot of people won't be able to make it. Regarding the West Fairview for widening the shoulder, he wish they would have encouraged that on Shelly Avenue or lower on the hill so the kids could walk to school safely on a sidewalk. HERC match funds from the free main allowance, he'd like to see it put in recreation for restrooms for Jack Gist or Hornaday Park to be used now. He doesn't agree with funding the Comp Plan and the City spending money we don't have.

16. COMMENTS OF THE CITY ATTORNEY

Attorney Gatti had no comment.

17. COMMENTS OF THE CITY CLERK

City Clerk Jacobsen noted language in code references illness as related to good cause for absences by board and commission members.

18. COMMENTS OF THE CITY MANAGER

City Manager Dumouchel wished everyone good night.

19. COMMENTS OF THE MAYOR

Mayor Castner commented regarding his rec center amendments, he thought there was more money available, and he really thinks we need demonstrate to the people who have been asking, that were making a down payment on this. We need to find ways to make a meaningful contribution and be prepared when the police station is paid off to ask the voters to allocate that portion of the sales tax to the rec center project.

20. COMMENTS OF THE CITY COUNCIL

Council Member Lord agrees with the Mayor's comments. In response to the audience comment, we just passed amendments totaling \$650,000 for capital work to get water and sewer, and a bathroom at Karen Hornaday and Jack Gist parks. At the beginning of the meeting they were told in public testimony that we're the ones who run the City, not staff, and she countered that it's a partnership. To be functional we have to be working in partnership. Next week is the end of school, she thanked teachers, staff and kids.

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Council Member Venuti announced college graduation is May 10th.

Council Member Aderhold wished everyone good night.

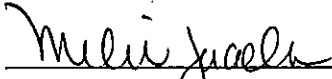
Council Member Davis commented about the Taste of Homer events starting this weekend through next weekend.

Council Member Erickson announced sporting events coming up this week through the weekend and high school graduation is on May 15th.

Council Member Hansen thanked Mr. Adams for his comments.

21. ADJOURNMENT

There being no further business to come before Council Mayor Castner adjourned the meeting at 10:40 p.m. The next Regular Meeting is Monday, May 22, 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.



Melissa Jacobson, MMC, City Clerk

Approved: 5.22.23