

Session 24-08 a Regular Meeting of the City Council of Homer, Alaska was called to order on April 8, 2024 by Mayor 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 HANSEN, ERICKSON, DAVIS, ADERHOLD, VENUTI, LORD

**STAFF:** INTERIM CITY MANAGER JACOBSEN  
ACTING CITY CLERK KRAUSE  
SPECIAL PROJECTS & COMMUNICATIONS DIRECTOR CARROLL  
COMMUNITY DEVELOPMENT DIRECTOR ENGBRETSSEN  
PORT DIRECTOR HAWKINS  
CHIEF TECHNOLOGY OFFICER JIRSA  
HUMAN RESOURCES DIRECTOR BROWNING  
PUBLIC WORKS DIRECTOR KORT  
FINANCE DIRECTOR FISCHER  
CITY ATTORNEY GATTI

**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** item h. Resolution 24-039 A Resolution of the City Council of Homer Alaska Providing Direction to the Economic Development Advisory Commission Regarding the Creation of a Business Licensing Program. Public Comment Received. **PUBLIC HEARINGS** item b. Ordinance 24-19 An Ordinance of the City Council of Homer, Alaska, Amending HCC 2.04 City Manager, Section 2.04.020 Duties and Powers. and Ordinance 24-19(S) with the same title. Memorandum CC-24-087 from Acting City Manager as backup. **CITY MANAGER'S REPORT** Memorandum CC-24-086 from Community Development Director re: Kachemak Sponge Project Status Update and City Council 2024 Worksession Schedule **AUDIENCE COMMENTS** Public Comment received Ban on Personal Watercraft in Kachemak Bay.

LORD/VENUTI MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**MAYORAL PROCLAMATIONS AND RECOGNITIONS**

**PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA**

Karin Marks, commented as the Economic Development Advisory Commission (EDC) Chair, provided apologies for lack of a report at the last Council meeting and stated that she is looking forward to hearing more information and comments from Council on Resolution 24-039, supporting the direction having the EDC investigate the concept of a local business licensing program, going into more depth before Council makes a final decision. Ms. Marks stated that the resolution allows the opportunity to find out and verify assumptions and clarify aspects of this on businesses in town as well as the city government and community at large. She reported being contacted by a large number of people regarding data that can be obtained, but noted that no one has the specifics on the questions regarding: What is the data? What is needed and how is it needed? Is it that important? She believed the EDC could assist in providing those answers.

Brad Anderson, Executive Director, Homer Chamber of Commerce, commented on Resolution 24-039 reporting on concerns expressed by member businesses regarding the lack of specifics outlined in the resolution and that it is important to identify the goals and objectives within the Resolution. He further stated that it should state what issues the program will solve and what benefits the program will provide as well as how enforcement of the program is to be conducted.

Charles Anderson, city resident, business owner, reported the benefits of searching business licenses with the State of Alaska website, noting it was easily accessible and commenting that the City does not need to duplicate efforts. He reported having spent about 15 minutes and was able to use the search function on the State's website, easily finding information regarding the number of business licenses a person held, types of licenses, expirations and if the businesses were compliant. He stated finding a number of persons in the rooms before him held business licenses and some were expired admitting that he was delinquent in his own license renewal. Mr. Anderson was not supportive of Resolution 24-039.

## **RECONSIDERATION**

**CONSENT AGENDA** (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- a. Homer City Council Unapproved Meeting Minutes for the Regular Meeting on March 26, 2024. Acting City Clerk. Recommend adoption.
- b. Memorandum CC-24-075 from Mayor re: Appointment of Jared Bradshaw to the Port and Harbor Advisory Commission. Recommend approval.
- c. Memorandum CC-24-076 from Acting City Clerk re: Liquor License Premises Change for La Baleine Café. Recommend approval.
- d. Ordinance 24-20, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Section 18.08.040 Council approval of leases. Erickson/Hansen. Introduction April 8, 2024 Public Hearing and Second Reading April 22, 2024.

Memorandum CC-24-084 from Acting City Clerk as backup.

- e. Resolution 24-036, A Resolution of the City Council of Homer, Alaska, Accepting the Fiscal Year 2022 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.

Moved to Resolutions item a.

- f. Resolution 24-037, A Resolution of the Homer City Council Confirming the Assessment Roll, Establishing Dates for Payment of Special Assessments and Establishing Delinquency, Penalty, and Interest Provisions for the Alder Lane Water Improvement Special Assessment District. City Clerk. Recommend adoption.
- g. Resolution 24-038, A Resolution of the City Council of Homer, Alaska, Confirming Melissa Jacobsen, as Interim City Manager. Mayor. Recommend adoption.
- h. Resolution 24-039, A Resolution of the City Council of Homer, Alaska, Providing Direction to the Economic Development Advisory Commission Regarding the Creation of a Business Licensing Program. Venuti/Mayor. Recommend adoption.

Memorandum CC-24-078 from Community Development Director and Councilmember Venuti as backup.

Moved to Resolutions item b.

- i. Resolution 24-040, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Crane 8 Control System Replacement to Great Northern Hydraulics, LLC of Kenai, Alaska, in an Amount Not to Exceed \$15,000 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Recommend adoption.

Memorandum CC-24-079 from Port Director as backup.

Moved to Resolutions item c.

- j. Resolution 24-041, A Resolution of the City Council of Homer, Alaska, Amending the Library Advisory Board Bylaws Under Article IV - Officers, Article VI - Meetings, and Regular Meeting Agenda Format. City Clerk. Recommend adoption.

Memorandum CC-24-080 from Deputy City Clerk II as backup.

- k. Resolution 24-042, A Resolution of the City Council of Homer, Alaska, Reallocating Funds Appropriated for Homer Education and Recreation Complex (HERC) Roof Inspection to HERC Roof Repair Materials Purchase. City Manager/Public Works Director. Recommend adoption.

Memorandum CC-24-081 from Public Works Director as backup.

Acting City Clerk Krause read the Consent Agenda as amended.

Mayor Castner noted that Resolutions 24-036 will be moved to Item a under Resolutions; Resolution 24-039 will be moved to item b, and Resolution 24-040 will be moved to item c, and requested a motion to adopt the consent agenda as amended.

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

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

### **VISITORS**

#### a. Legislative Update – Representative Vance

Representative Vance reported the recent actions of the House of Representatives:

- Adopted 268 Operating Budget, amendments will be taken up starting on April 9, 2024
- Plan to Exchange Budgets with the Senate on Friday, April 12, 2024
  - Many deliberations will take place with the Senate before the end of session.
- \$4 Billion in unrestricted General Fund agency operations to maintain services
- Increase to the Base Student Allocation \$280 one time increase
- \$28 million to Community
  - \$20 Million to Community Assistance
  - \$15 Million to Disaster Relief Fund
- \$20 million Marine Highway System
- Specific Funding for Senior and Disability Services
- \$2273 PFD includes energy relief
- Balance of \$100 million as surplus but does not consider the items going through committees currently
  - House Bill 392 has more fiscal impact with increases to transportation, correspondence schools and Charter School coordinator position
- Senate working on the Capital Budget
  - She has advocated for Kachemak Drive
    - Federal dollars have been found since it is a Tsunami Evacuation Route
    - Waiting on needed information for sub-surface work that is required.
- Port Director and Councilmember Lord are invited to make a presentation to the House Transportation Committee
- Extending the Senior Benefits Program
- Energy

Mayor Castner facilitated discussion between Council members and Representative Vance regarding the following:

- Issues surrounding the improvement project at the Homer Airport and closures limiting the use of the runway over the coming months;
- BSA increase veto and why Representative Vance supported the veto
  - o The School District is required to submit its budget this month to the Borough Assembly, and their budget will not support the pools being open, theaters, athletic directors, etc.
  - o Increase in student/teacher ratios
  - o Impacts to working families and community partnerships

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

a. Worksession Report

Interim City Manager Jacobsen reported that City Council discussed Longevity Pay with Personnel Director Browning providing information when employees have reached the last step in their pay range they receive no further increases to their base rate of pay unless a COLA is approved. It would be paid out every year or every other year in a lump sum at 2% or 3% of the base pay. This will require a change to the Personnel Regulations by resolution. Council requested budget impacts for 1.5% which Ms. Browning explained would be half of the 3% proposed dollar amounts. Ms. Jacobsen reported that Council also discussed the City Manager position and advertising time periods plus noted some minor changes to the scoring rubric.

b. Committee of the Whole Report

Council Member Lord reported Council discussed the application for the advisory body and recommendation to make corrections to that document so the full information can be printed; discussed Ordinance 24-20 and the benefits to having the Port and Harbor Advisory Commission provide comment on lease applications before submittal to Council; Audit approval resolution and waiting for the Final Audit and that was received right before the start of this meeting; Resolution 24-039 regarding the business licensing program to be discussed further; Resolution awarding the crane 8 replacement project was moved to Resolutions since Ordinance 24-18 appropriating the funds the needs to be approved before the awarding of the contract; HERC Roof repair reallocating the funds and Interim City Manager Jacobsen provided a presentation on planned activities over the next few months.

c. Mayor's Report

i. Consultation Initiation for the Dixon Diversion Tunnel Geotechnical Investigation

Mayor Castner reported on the Dixon Diversion Tunnel; Energy production; provided an update on the airport improvement project stating he was in contact with the FAA and was informed that design decisions were made during COVID; Pressure was put on the Alaska Department of Transportation (AKDOT) but more funding was needed. He commented that the City of Homer and Aleutian Airways was being harmed by the decisions made. He clarified that the reduction of the runway during construction prohibited Aleutian from operating during the time period.

- d. Borough Report
- e. Planning Commission

Commissioner Stark reported on the actions of the Commission at the last meeting approving a Conditional Use Permit for a more than one building on a lot and building area in excess of 8000 square feet, reviewed and commented on the Draft Transportation Plan and provided information on considering bringing in an alternate Truck Route to the east with the increase in traffic during development of the Comprehensive Plan.

- f. Port and Harbor Advisory Commission
- g. Comp Plan Steering Committee

Councilmember Erickson reported on the great community outreach event at Islands and Ocean Visitor Center regarding the Comp Plan, noting that it was very well attended. By the end of the week a survey is to be available on the website for public comments and that she will be attending a Senior Government class to speak and present the Survey to the students.

Councilmember Lord suggested including Flex and Home School Students in those discussions.

- h. Champions Report – Finance, Harbor and Recreation
  - i. Memorandum CC-24-083 Finance Champions Report

Councilmember Lord reported on a proposed ordinance for the first meeting in May on the procurement policy. She provided some insights on why City Council and the Mayor requested the Financial Quarterly and Monthly Reports and that the Finance Champions have been working diligently with Staff to improve reporting.

Harbor Champions Report – Councilmember Lord

Councilmember Lord reported meeting with Senator Stevens on the capital budget and including staff to make sure the city lobbyist is keeping in front of the budgeting process in Juneau, resolution of support from the Aleutian East Borough for the matching funds and Senator Stevens reported that the funding was in the Capital Budget as well as funding for the Pratt.

Mayor Castner questioned format on the agenda for the Champions report and Councilmembers Venuti and Aderhold recommendation for a name for the City Manager Hiring.

Recreation Champions – Councilmember Aderhold

Councilmember Aderhold reported on the progress made regarding possible location of a new recreation center and creation of a matrix and scoring rubric to narrow down the parcels, working with Parks, Art, Recreation and Culture Advisory Commission on ranking the parcels with the Commission preferences and had a meeting with interested individuals regarding formation of a Friends of Homer Recreation. Councilmember Erickson reported that the attendees requested the City buy-in to assure seriousness and delegating some funding.

**PUBLIC HEARING(S)**

- a. Ordinance 24-18, An Ordinance of the City Council of Homer, Alaska, Amending the FY24 Capital budget by Appropriating \$15,000 from the Port Reserves Fund for the Purpose of Replacing the Control System for Crane 8 on the Homer Fish Dock. City Manager/Port Director. Introduction March 26, 2024. Public Hearing and Second Reading April 8, 2024.

Memorandum CC-24-064 from Port Director as backup.

Mayor Castner opened the public hearing. There was no Public testimony and the public hearing was closed.

LORD VENUTI I MOVE TO ADOPT ORDINANCE 24-18 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- b. Ordinance 24-19, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.04 City Manager, Section 2.04.020 Duties and Powers. Davis/Erickson. Introduction March 26, 2024 Public Hearing and Second Reading April 8, 2024.

Memorandum CC-24-065 from Councilmembers Davis and Erickson

Ordinance 24-19(S), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.04 City Manager Section 2.04.020 Duties and Powers.

Mayor Castner introduced the ordinance and opened the Public Hearing. There was no Public Testimony and the public hearing was closed.

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

ERICKSON/DAVIS MOVED TO SUBSTITUTE ORDINANCE 24-19 (S) FOR ORDINANCE 24-19.

Councilmember Aderhold noted a small correction that was required changing “he” to “they” on Line 83 and if Council agreed the Clerk could make that minor correction. There was no objection.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

**ORDINANCE(S)**

**CITY MANAGER'S REPORT**

a. City Manager's Report

Interim City Manager Jacobsen noted her report was provided in the packet and would be happy to answer any questions and highlighted the following:

- Successful How to Run for Public Office event and was looking forward to the next event, The Life of a Ballot
- Electronics Recycling Event at Spenards on April 27<sup>th</sup> – 10 am -2pm
- Industry Outlook Forum on April 25<sup>th</sup> in Soldotna at the Sports Complex

Ms. Jacobsen facilitated questions on the following:

- Beluga Slough Dredging and permitting
- Baycrest Overlook restroom conditions and options to working with the Alaska Department of Transportation (AKDOT)
  - o a worksession with Council would be beneficial with input from AKDOT
- Funding for the Homer Foundation and process
  - o This was provided through the budget process but additional information will be provided at the next meeting

Discussion provided a brief outline of the process and start of the Endowment Fund and grant process.

**PENDING BUSINESS**

**NEW BUSINESS**

- a. Memorandum CC-24-077 re Travel Authorization for Councilmember Lord to Attend a Lobbying Trip to Washington, D.C., April 29-May 2, 2024

Mayor Castner introduced the Memorandum by reading of the title.

ADERHOLD/VENUTI MOVED TO ADOPT MEMORANDUM CC-24-077 BY READING OF TITLE ONLY.

Councilmember Lord provided details on the reason for the travel.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

**RESOLUTIONS**

- a. Resolution 24-036, A Resolution of the City Council of Homer, Alaska, Accepting the Fiscal Year 2022 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.

Mayor introduced the resolution by reading the title.

LORD/ERICKSON MOVED TO ADOPT RESOLUTION 24-036 BY READING OF TITLE ONLY.



Councilmember Aderhold requested a brief recess to review the document due to receiving it right before the meeting started.

Mayor called recess at 7:21 p.m. The meeting was called the meeting back to order at 7:27 p.m. and opened the floor for discussion.

There was brief discussion with Councilmember expressing appreciation of the time allowance to review the document and the document provided by Acting City Clerk Krause will get posted on the website for the public.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- b. Resolution 24-039, A Resolution of the City Council of Homer, Alaska, Providing Direction to the Economic Development Advisory Commission Regarding the Creation of a Business Licensing Program. Venuti/Mayor. Recommend adoption.

Memorandum CC-24-078 from Community Development Director and Councilmember Venuti as backup.

LORD/VENUTI MOVED TO APPROVE RESOLUTION 24-039 BY READING OF TITLE ONLY.

Discussion ensued with comments from Council regarding the accessibility of information readily available on the state website, negative thinking from the public that it is just more money and this is another layer of a business's profit; City Council is not advocating for the Business License Program but asking the Commission to look into the feasibility and investigation; acknowledged the interest of the Mayor for implementing a city business licensing program; benefits of knowing who is doing business within city limits; not part of the city infrastructure; There were 1023 businesses that received aide from the city because they collected Sales Tax in the city benefitted from COVID payments; Structure of community; Enforcement of those who are operating a business and sell or conduct their business within Homer; Other opportunities than penalizing local businesses; Review the number of businesses that are coming into town and expressions of non-support for a city business license.

LORD/ADERHOLD MOVED TO AMEND LINE 39 ADDING THE FOLLOWING: HOW THE CITY COULD ENGAGE WITH THE STATE OF ALASKA, NO COST PROGRAM PLAUSIBLE, CHALLENGES AND BENEFITS AROUND THE STATE, FOOD TRUCKS AND OTHER BUSINESSES.

Brief discussion on the pros and cons of the amendment, encouraging discussion at the Commission level.

VOTE. (Amendment) NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

There was no further discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- c. Resolution 24-040, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Crane 8 Control System Replacement to Great Northern Hydraulics, LLC of Kenai, Alaska, in an Amount Not to Exceed \$15,000 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Recommend adoption.

Memorandum CC-24-079 from Port Director as backup.

Mayor introduced the resolution by reading of title.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 24-040 BY READING OF TITLE ONLY.

There was a brief discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

#### **COMMENTS OF THE AUDIENCE**

Karin Marks expressed her appreciation for Council discussion and the amendment and reiterated her belief that allowing the Commission to have the opportunity to really look into this will provide information that will be useful in the future and commented on the reaction received on the short term rentals.

Robert Archibald, Chair of Kachemak Bay State Park, commented on personal watercraft use in Kachemak Bay. He provided information on the status of the ban on jet skis in the Bay and Fox River Flats until a decision is made by the courts. He commented on traveling to Washington DC and the audit discussion expressing his appreciation and noting the many hats worn by the few.

Mike Stark, city resident, commented on the Comp Plan and Transportation Plan noting that the Planning Commission recommended adding public transportation such as a shuttle to relieve congestion and it may be possible to do a public private partnership with Alaska Bus Company or even the School Bus Company. He then provided comments on the runway improvements regarding aircraft ability to land on 100 foot wide runway. Mr. Stark expressed his appreciation for the time that was expended by the Councilmembers and staff.

Karin Marks, speaking as the KPEDD representative for Homer, encouraged Council to allow the Interim Manager to attend the Industry Outlook Forum and themselves as it was a fun and informative event. Thursday, April 25, 2024 8:30 a.m. to 4:00 p.m. in Soldotna at the Sports Complex on K-Beach Road.

#### **COMMENTS OF THE CITY ATTORNEY**

City Attorney Gatti had no comments.

### **COMMENTS OF THE CITY CLERK**

Vacancies on the Boards and Commissions were noted by members of Council and the Mayor.

ADA Advisory Board, Library Advisory Board, EDC and Parks Commissions.

### **COMMENTS OF THE CITY MANAGER**

Interim City Manager Jacobsen announced the Joint Worksession of Council and the Port and Harbor Advisory Commission and requested topics for the agenda. She noted that Councilmember Erickson wanted to discuss Cruise Ship.

### **COMMENTS OF THE MAYOR**

Mayor Castner expressed his pleasure working with the Interim City Manager and expressed confidence in her ability to her doing a very good job and she is well organized.

### **COMMENTS OF THE CITY COUNCIL**

Councilmember Lord expressed her appreciation of the sunshine, big thanks to Melissa and staff in this interim period. She commented on the Homer Foundations letter and the grant applications with the financial information about organizations that is required and the benefits to the city even though there are so many they do provide so many services that Homer would not have plus they provide employment to 100 people with over \$4 million in payroll noting that was a big deal. She stated her appreciation for the consent to travel to Washington DC and the trust placed in her by Council and the Mayor; attending by Zoom to make the presentation to the Transportation Committee; talking to the Port and Harbor Commission regarding a financial plan and we can pull together some language.

Councilmember Venuti commented that Councilmember Lord was such a top flyer and thanked her for traveling to Washington DC to Lobby for the City. She reported attending a recent training at the College regarding Hearing Impaired and Deaf related to ADA compliance and that they should start having all their city meetings closed captioned to be compliant and when she spoke with Acting City Clerk Krause her response was that if a person was attending by Zoom they could select that option and that currently there are members of the audience that are using the closed caption option. She expressed her appreciation for the Homer Foundation and recalled Council meetings where there would be 20 or so non-profits in the room all requesting funding from Council during the budget meetings. Ms. Venuti agreed with Ms. Lord that the non-profits all provide a valuable service to the community. She reiterated the vacant seat on the ADA Board.

Councilmember Aderhold commented on attending the Running for Public Office event and that it was very well attended with a very diverse and interesting panel of people from a variety of public offices. She stated that the panelists did really well and believed that the League of Women Voters and Kenai Peninsula Votes did a great job putting everything together. Ms. Aderhold commented on attending the Comp Plan Open House event and announced the Reuniting America event by Braver Angels on April 19<sup>th</sup> at 5:30 p.m. at the College.

Councilmember Davis reported that he will be at the Homer Library for Lunch with a Councilmember from Noon to One tomorrow April 9, 2024 and looks forward to meeting with the public. He then commented on the warmer days, sunshine and the bees are starting to emerge.

Councilmember Erickson commented on sitting in the sunshine and warmer breezes and the start of springtime sports, lots of kids running around and everyone getting anxious to be outside again with no ice and snow.

Councilmember Hansen commented on the Popeye Wrestling benefitting from a grant from the Homer Foundation to purchase new singlets and reported that the Anchor Kings will be holding a tournament in two weeks, April 19-20<sup>th</sup>. She cautioned the public when walking their dogs and to be prepared for extended routes reciting her recent experience with a moose blocking her path back home and having to take an alternate route which extended the time to an hour.

### **ADJOURNMENT**

There being no further business to come before the Council Mayor Castner adjourned the meeting at 8:15 p.m. The next Regular Meeting is Monday, April 22, 2024 at 6:00 p.m. and Committee of the Whole at 5:00 p.m. Work Session at 4:00 p.m. and a Special Meeting Thursday, April 25, 2024 at 6:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom webinar.

Renee Krause

Renee Krause, MMC, Acting City Clerk

Approved: April 22, 2024