

ACTION AGENDA
Monday, November 21, 2016
Worksession
Committee of the Whole
Regular Meeting

WORKSESSION AGENDA

1. CALL TO ORDER, 4:00 P.M.

Mayor Zak called the meeting to order at 4:00 p.m.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

The agenda was approved by consensus of the Council.

3. 2017 BUDGET

4. COMMENTS OF THE AUDIENCE

There were two who commented.

5. ADJOURNMENT NO LATER THAN 4:50 P.M.

Mayor Zak adjourned the meeting at 4:50 p.m.

COMMITTEE OF THE WHOLE AGENDA

1. CALL TO ORDER, 5:00 P.M.

Mayor Zak called the meeting to order at 5:00 p.m.

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

The agenda was approved by consensus of the Council.

3. WELLS FARGO, EMPLOYEE HEALTHCARE

4. 2017 BUDGET

5. CONSENT AGENDA

6. REGULAR MEETING AGENDA

7. COMMENTS OF THE AUDIENCE

There was one who commented.

8. ADJOURNMENT NO LATER THAN 5:50 P.M.

Mayor Zak adjourned the meeting at 5:48 p.m.

REGULAR MEETING AGENDA

Session 16-23 a Regular Meeting of the Homer City Council was called to order on November 21, 2016 at 6:00 p.m. by Mayor Bryan Zak at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: ADERHOLD, ERICKSON, LEWIS, REYNOLDS, SMITH, STROOZAS

STAFF:

CITY MANAGER KOESTER
CITY CLERK JOHNSON
CITY ATTORNEY WELLS
DEPUTY CITY CLERK JACOBSEN
DEPUTY HARBORMASTER CLARKE
FINANCE DIRECTOR LI
FIRE CHIEF PAINTER
IT MANAGER POOLOS
LIBRARY DIRECTOR DIXON
PERSONNEL DIRECTOR BROWNING
POLICE CHIEF ROBL
POLICE LIEUTENANT HUTT
PUBLIC WORKS SUPERINTENDENT GARDNER
WATER/WASTEWATER TREATMENT
SUPERINTENDENT COOK

Department Heads may be called upon from time to time to participate via teleconference.

Mayor Zak recognized Todd Cook, Water/Wastewater Treatment Superintendent, Alaska Rural Water Association, Best Tasting Water.

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The following changes were made: **CONSENT AGENDA - Resolutions 16-116, 16-117, 16-118, and 16-119**, Leases on the Homer Spit. Written public comments. **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS** - Mayor's Proclamation, Light Up Homer for the Holidays. **PUBLIC HEARINGS - Ordinance 16-54**, An Ordinance of the Homer City Council Appropriating Funds for the Calendar Year 2017 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, Capital Projects, and Internal Service Funds. City Manager. Proposed budget amendments. **CITY MANAGER'S REPORT - Kenai Peninsula Borough Resolution 2016-070**, A Resolution Approving an Automatic Aid Agreement and Operational Plan Between Kachemak Emergency Service Area and the City of Homer Volunteer Fire Department for Fire Apparatus and Personnel. Mayor.

The agenda as amended was approved by consensus of the Council.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were three who commented.

4. RECONSIDERATION

- A. **Resolution 16-111(A)**, A Resolution of the Homer City Council Giving Direction to the City Manager to Reject the Proposal to Consolidate 911 Dispatch Services With the Kenai Peninsula Borough. Mayor. *(Reconsideration issued by Councilmember Aderhold October 25, 2016.)*

Memorandum 16-184 from Police Chief as backup.

RECONSIDERED.

5. 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.)

- A. Homer City Council unapproved Regular meeting minutes of October 24, 2016. City Clerk. Recommend adoption.
- B. **Ordinance 16-56**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.08.100 to Clarify That the Mayor Retains the Right to Cast a Tie-Breaking Vote Even When Attending a Council Meeting Telephonically and Amending HCC 2.08.120 to Permit Council Members to Participate in More Than Three Meetings Telephonically Where Otherwise Permitted by the Homer City Code. Mayor. Recommended dates: Introduction November 21, 2016, Public Hearing and Second Reading December 5, 2016.

Moved to Ordinances, Item A. Reynolds.

- C. **Ordinance 16-57**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.95.060 and Homer City Code 21.95.070 to Require the Homer Advisory Planning Commission to Review Amendments to Title 21 or the Official Zoning Map Before Such Amendments are Adopted by City Council But Not Necessarily Before Such Amendments are Submitted to City Council for Review. City Manager. Recommended dates: Introduction November 21, 2016, Public Hearing and Second Reading December 5, 2016.
- D. **Resolution 16-114**, A Resolution of the City Council of Homer, Alaska, in Support of Full Funding for the State of Alaska Harbor Facility Grant Program in the FY 2018 State Capital Budget. City Manager/Port and Harbor Director.
- E. **Resolution 16-115**, A Resolution of the Homer City Council Approving and Accepting the Donation of a Ceramic Tile Painting Titled 'Husky Star' by Homer Middle School Art Students to be Placed at City Hall. City Clerk/Parks Art Recreation and Culture Advisory Commission.

Memorandum 16-181 from Parks Art Recreation and Culture Advisory Commission as backup.

- F. **Resolution 16-116**, A Resolution of the Homer City Council Approving an Assignment of Lease for Bob's Trophy Charters on Tract 1-B and Awarding Todd Strand, DBA Bob's Trophy Charters, a Twenty-Year Lease With Two, Five-Year Options for Tract 1-B, Fishing Hole Subdivision No. 2, With an Annual Base Rent of \$6,256.80, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-177 from Lease Advisors as backup.

Memorandum 16-180 from Port and Harbor Advisory Commission as backup.

Moved to Resolutions, Item C. Aderhold.

- G. **Resolution 16-117**, A Resolution of the Homer City Council Approving an Assignment of Lease for the Fish Factory on Lot 12-A1 and Awarding Seven Seas Fish Company, DBA Alaskan Fish Factory, a New Lease With Options to Renew for Lot 12-A1, Port Industrial No. 3, and a Portion of Lot 12B, Port Industrial No. 4, With an Annual Base Rent of \$26,119.80, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-178 from Lease Advisors as backup.

Memorandum 16-180 from Port and Harbor Advisory Commission as backup.

Moved to Resolutions, Item D. Aderhold.

- H. **Resolution 16-118**, A Resolution of the Homer City Council Awarding Pier One Theatre a Five-Year Lease With No Options for Renewal, a Portion of Tract 1-A, Fishing Hole Subdivision No. 2, With an Annual Base Rent of \$1.00, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-179 from Lease Advisors as backup.

Memorandum 16-180 from Port and Harbor Advisory Commission as backup.

Moved to Resolutions, Item E. Aderhold.

- I. **Resolution 16-119**, A Resolution of the Homer City Council Awarding United States Coast Guard (USCG) a New One-Year Lease With Nine, One-Year Options to Renew for Lot 2, Homer Spit Four Sub, With an Annual Base Rent of \$17,058.60, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-180 from Port and Harbor Advisory Commission as backup.

Memorandum 16-182 from City Manager as backup.

Moved to Resolutions, Item F. Aderhold.

- J. **Resolution 16-120**, A Resolution of the City Council of Homer, Alaska, Approving a New One-Year Contract for Employee Health and Life Insurance for 2017 With Premera Blue Cross, Assurant Health, and Prudential. City Manager/Personnel Director.

Memorandum 16-183 from Personnel Director as backup.

- K. **Resolution 16-121**, A Resolution of the City Council of Homer, Alaska, Supporting the Standing Rock Lakota Tribe and Opposing the Dakota Access Pipeline. Lewis.

Moved to Resolutions, Item G. Stroozas.

- L. **Resolution 16-122**, A Resolution of the Homer City Council Amending the City Council Operating Manual Under City Council Agenda and Meeting Conduct Guidelines to Add Mayoral Proclamations and Mayoral Recognitions Following Agenda Approval. Lewis.

Item B, Ordinance 16-56 was moved to Ordinances, Item A. Reynolds.

Items F, G, H, and I, Resolutions 16-116, 16-117, 16-118 and 16-119 were moved to Resolutions, Items C, D, E and F. Aderhold.

Item K, Resolution 16-121 was moved to Resolutions, Item G. Stroozas.

The consent agenda as amended was approved by consensus of the Council.

6. VISITORS

- A. Lia Patton, BDO, Auditor's Report, 15 minutes.

Lia Patton, Auditor at BDO, reported on the City's 2015 audit.

- B. Karen Zak, Executive Director, Homer Chamber of Commerce, 10 minutes.

Karen Zak, Homer Chamber of Commerce Executive Director, provided an update on the Chamber's activities.

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. Mayor's Proclamation, Small Business Saturday

Councilmember Stroozas read the proclamation.

B. Mayor's Proclamation, Light Up Homer for the Holidays

Councilmember Smith read and presented the proclamation to Jan Knutsen, Chamber of Commerce.

C. Mayor's Presentation, Todd Cook, Water/Wastewater Treatment Superintendent, Alaska Rural Water Association, Best Tasting Water

Presented prior to Agenda Approval.

D. Borough Report

Kenai Peninsula Borough Assembly President Kelly Cooper provided an update on the Assembly's business.

E. Commissions/Board Reports:

1. Library Advisory Board

Library Advisory Board Members Jackie Peterson and Marcia Kuszmaul provided a report on the Library.

2. Homer Advisory Planning Commission

3. Economic Development Advisory Commission

4. Parks Art Recreation and Culture Advisory Commission

Matt Steffy, Parks Art Recreation and Culture Advisory Commission Chair, provided an update on the commission's business.

5. Port and Harbor Advisory Commission

6. Cannabis Advisory Commission

Councilmember Lewis provided an update on the commission's business.

Mayor Zak called for a recess at 7:28 p.m. and reconvened the meeting at 7:35 p.m.

8. PUBLIC HEARING(S)

- A. **Ordinance 16-54**, An Ordinance of the Homer City Council Appropriating Funds for the Calendar Year 2017 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, Capital Projects, and Internal Service Funds. City Manager. Introduction October 24, 2016, Public Hearings November 21, 2016 and December 5, 2016, Second Reading December 5, 2016.

There was no public testimony.

AMENDED:

- Pratt Museum allotted \$2,500 (subtracted from Lobbyist \$22,000 general fund).
 - ADA Transition Study allotted \$25,000 from City Hall reserves.
 - Budget request to provide additional \$6,000 in funding to The Homer Foundation was withdrawn.
 - Defeated proposed \$3,000 allocation to Council travel (\$1,500 transportation/\$1,500 subsistence).
 - Eliminated \$44,000 allotted to Lobbyist.
- B. **Resolution 16-109**, A Resolution of the City Council Amending the City of Homer Fee Schedule Under Administrative, Camping, Library, Planning and Zoning, Fire, and Public Works Department Fees. City Clerk. (To follow Budget Ordinance 16-54 - Public Hearings November 21 and December 5, 2016.)
Memorandum 16-175 from City Clerk as backup.

There was no public testimony.

- C. **Ordinance 16-55**, An Ordinance of the City Council of Homer, Alaska, Amending the 2016 Operating Budget by Appropriating \$494,000.00 From the Homer Accelerated Roads and Trails Program (HART) Fund to Provide for Rehabilitation of the Bunnell Street Storm Drain. City Manager/Public Works Director. Introduction October 24, 2016, Public Hearing and Second Reading November 21, 2016.

Memorandum 16-174 from Public Works Superintendent as backup.

There was no public testimony.

ADOPTED with discussion.

- D. **Resolution 16-112**, A Resolution of the City Council of Homer, Alaska, Amending the Port of Homer Terminal Tariff No. 600 to Implement a New Graduated Harbor Moorage Rate Structure. Port and Harbor Director/Port and Harbor Advisory Commission.

ADOTPED without discussion.

9. ORDINANCE(S)

- A. **Ordinance 16-56**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.08.100 to Clarify That the Mayor Retains the Right to Cast a Tie-Breaking Vote Even When Attending a Council Meeting Telephonically and Amending HCC 2.08.120 to Permit Council Members to Participate in More Than Three Meetings Telephonically Where Otherwise Permitted by the Homer City Code. Mayor. Recommended dates: Introduction November 21, 2016, Public Hearing and Second Reading December 5, 2016.

FAILED.

10. CITY MANAGER'S REPORT

- A. City Manager's Report

City Manager Koester referenced Kenai Peninsula Borough Resolution 2016-070 approving an automatic aid agreement and operation plan between Kachemak Emergency Service Area (KESA) and the City of Homer Volunteer Fire Department for fire apparatus and personnel. The City has been working with the Borough on the aid agreement and is happy to have increased participation and volunteer training with KESA. A recent day long fire training on the Homer Spit included KESA, Anchor Point, and Homer. She will submit a letter to the Borough showing Council's support.

Council discussed the prospect of remote participation by the city attorney. The current contract allows for the attorney to travel to Homer for one meeting per month. Telephonic participation may not save much money and Council appreciates the in-person meetings. Birch Horton Bittner and Cherot is willing to match the City on equipment expenditures to make remote participation available if Council should request it.

The HVFD renovation and expansion project is over budget. The design work of the living quarters' expansion is a few \$100,000 dollars over budget. It is a \$700,000 chunk of the budget. Council should pause and take time to analyze the improvements. There is \$127,000 left over that was allocated to the public safety building. City Manager Koester would like to review the budget with the Fire Chief and the see if Council is willing to make an additional investment in the Fire Station improvements.

11. CITY ATTORNEY REPORT

City Attorney Wells reported they are in the process of submitting briefing in the Griswold case. She will have more to report at the next meeting, including a litigation report.

12. COMMITTEE REPORT

A. Employee Committee Report

Melissa Jacobsen and Matt Clarke, Co-Chairs of the Employee Committee provided a report on employee's COLA and health and life insurance.

B. Public Safety Building Review Committee

C. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold provided an update on the committee's business.

13. PENDING BUSINESS

- A. ***If reconsidered: Resolution 16-111(A)***, A Resolution of the Homer City Council Giving Direction to the City Manager to Reject the Proposal to Consolidate 911 Dispatch Services With the Kenai Peninsula Borough. Mayor.

Memorandum 16-184 from Police Chief as backup.

ADOPTED without discussion.

14. NEW BUSINESS

15. RESOLUTIONS

- A. **Resolution 16-113**, A Resolution of the Homer City Council Accepting the 2015 Comprehensive Annual Financial Report with Audit and 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.

ADOPTED without discussion.

- B. **Resolution 16-123**, A Resolution of the Homer City Council Giving Direction to the City Manager to Fully Explore the Proposal to Consolidate 911 Dispatch Services With the Kenai Peninsula Borough. Smith.

FAILED with discussion.

- D. **Resolution 16-116**, A Resolution of the Homer City Council Approving an Assignment of Lease for Bob's Trophy Charters on Tract 1-B and Awarding Todd Strand, DBA Bob's Trophy Charters, a Twenty-Year Lease With Two, Five-Year Options for Tract 1-B, Fishing Hole Subdivision No. 2, With an Annual Base Rent of \$6,256.80, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-177 from Lease Advisors as backup.

Memorandum 16-180 from Port and Harbor Advisory Commission as backup.

ADOPTED with discussion.

- E. **Resolution 16-117**, A Resolution of the Homer City Council Approving an Assignment of Lease for the Fish Factory on Lot 12-A1 and Awarding Seven Seas Fish Company, DBA Alaskan Fish Factory, a New Lease With Options to Renew for Lot 12-A1, Port Industrial No. 3, and a Portion of Lot 12B, Port Industrial No. 4, With an Annual Base Rent of \$26,119.80, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-178 from Lease Advisors as backup.

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ADOPTED without discussion.

- F. **Resolution 16-118**, A Resolution of the Homer City Council Awarding Pier One Theatre a Five-Year Lease With No Options for Renewal, a Portion of Tract 1-A, Fishing Hole Subdivision No. 2, With an Annual Base Rent of \$1.00, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-179 from Lease Advisors as backup.

Memorandum 16-180 from Port and Harbor Advisory Commission as backup.

ADOPTED without discussion.

- G. **Resolution 16-119**, A Resolution of the Homer City Council Awarding United States Coast Guard (USCG) a New One-Year Lease With Nine, One-Year Options to Renew for Lot 2, Homer Spit Four Sub, With an Annual Base Rent of \$17,058.60, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

Memorandum 16-180 from Port and Harbor Advisory Commission as backup.
Memorandum 16-182 from City Manager as backup.

ADOPTED without discussion.

- C. **Resolution 16-121**, A Resolution of the City Council of Homer, Alaska, Supporting the Standing Rock Lakota Tribe and Opposing the Dakota Access Pipeline. Lewis.

ADOPTED with discussion.

16. COMMENTS OF THE AUDIENCE

There was one who commented.

17. COMMENTS OF THE CITY ATTORNEY

City Attorney Wells thanked Council for their participation in the training session earlier this month.

18. COMMENTS OF THE CITY CLERK

City Clerk Johnson wished all a Happy Thanksgiving.

19. COMMENTS OF THE CITY MANAGER

City Manager Koester had no comments.

20. COMMENTS OF THE MAYOR

Mayor Zak announced the Thanksgiving dinners at both the Homer Elks Lodge and the Methodist Church.

21. COMMENTS OF THE CITY COUNCIL

Councilmember Stroozas announced the Elks Thanksgiving dinner that is free for all retired and active duty military, those discharged honorably and their families. All other donations will go to the wounded warriors.

Councilmember Lewis wished everyone a Happy Thanksgiving and congratulated the Homer High Hockey Team that won the End of the Road Shootout this weekend.

Councilmember Reynolds thanked the city manager and city attorney for the training session. Everyone was well served with the topics that included Open Meetings Act and conflicts of interest.

Councilmember Smith wished everyone a Happy Thanksgiving. He thanked the Lions Club, Fran VanSandt, and volunteers in participating in the annual event to put together food baskets for needy families. This year they prepared 229 boxes of food to be distributed to Homer, Anchor Point, and Ninilchik families. It is impressive to see that our community looks out for each other.

Councilmember Erickson thanked Jo and Holly for the training. She appreciated attending the AML conference for the training that focused on being transparent. The perception of where our hearts and thoughts are towards our world is important and that people see we care about our town.

Councilmember Aderhold acknowledged the passing of Ken Jones. He was a prominent member of our community, a positive member of the fishing community, and quite an athletic. She offered condolences to his family and commended the professionals and volunteers that searched overnight for him. She is thankful this community will do that for their fellow members.

22. ADJOURNMENT

There being no further business to come before the Council, Mayor Zak adjourned the meeting at 9:03 p.m. The next Regular Meeting is Monday, December 5, 2016 at 6:00 p.m. and Committee of the Whole 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.