

Session 21-16 a Regular Meeting of the Homer City Council was called to order on June 28, 2021 by Mayor Ken Castner at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ADERHOLD, VENUTI, EVENSEN, LORD, SMITH, HANSEN-CAVASOS

STAFF: CITY MANAGER DUMOUCHEL
CITY CLERK JACOBSEN
FINANCE DIRECTOR WALTON
PUBLIC WORKS DIRECTOR KEISER
PERSONNEL DIRECTOR BROWNING
PORT DIRECTOR HAWKINS
CITY PLANNER ABBOUD
FIRE CHIEF KIRKO
SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
CITY ATTORNEY GATTI

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

Mayor Castner announced the supplemental items – Public Hearings: Ordinance 21-36 and 21-36(S), An Ordinance of the City Council of Homer, Alaska Adopting the Fiscal Years 2022 and 2023 Capital Budget. City Manager. Memorandum 21-117 from City Manager as backup. Ordinances: Ordinance 21-41, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 21.18.020, Central Business District, 21.24.020 General Commercial 1, 21.26.020 General Commercial 2, 21.27.020 East End Mixed Use, 21.62.020 Marijuana Cultivation, Manufacturing, Testing, and Retail Facilities to Include a Consumption Endorsement as Defined by State Law. Planning Commission. June 2, 2021 Planning Commission minutes excerpt as backup; Ordinance 21-43, An Ordinance of the City Council of Homer, Alaska Submitting a Ballot Question of Limitation of Terms for the Mayor and City Council Members at the October 5, 2021 Regular Municipal Election. Evensen/Mayor. Term limit article provided by Councilmember Evensen as backup. Pending Business: Ordinance 21-26, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 10.08.210 Vessel Speed Limits, Renaming the Section, Extending the No Wake Zone throughout City Tidelands, and Closing Louie’s Lagoon and the Entrance to Beluga Slough to Motorized Vessels and Amending the FY21 Operating Budget to Authorize Expenditure of up to \$2,000 for Motorized Vessel Regulation Changes. Lord. Written public comments.

LORD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

Mayor Castner announced the 4th of July parade is happening this year and the Chamber of Commerce is sponsoring the Homer Peony Celebration which will include garden tours. He encouraged everyone to go watch the activities at the fish cleaning stations, kite surfers on the beach, and visit a peony garden while in Homer.

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Chris Logan, City resident and marijuana business owner, voiced her support for Ordinance 21-41 regarding onsite marijuana consumption. She explained how there are no legal places in Homer for tourists to smoke and the restrictive state requirements to allow onsite consumption. She spoke to her prior conversations with the Planning Commission and how at their last meeting they brought up concerns regarding onsite consumption, all of which are addressed by state regulations. If Council were to pass the ordinance, it would then move forward for public hearing and a six months or more process through the Alcohol Marijuana Control Office (AMCO), with no guarantee that an applicant would be approved at that level. Ms. Logan thanked the Mayor and Council and said she'd be available for any questions.

Mark Turner, voiced his support for Ordinance 21-41 and considered its approval to be a safety issue. He reiterated Ms. Logan's comments on there being no place in Homer for tourists to smoke legally and opined the proximity of the business to Bishop's Beach is no different than the proximity of bars and restaurants that allow drinking. Mr. Turner encouraged Council to approve the ordinance primarily for safety, and if not, then for some economic boom to the tourist industry.

Pat Irwin, City resident, voiced his support for Ordinance 21-26 extending the no-wake zone. He shared how he is a partially disabled kayaker and is all for extending the no-wake zone closer to shore where he paddles his special kayak.

Chris Long, co-owner of Cosmic Cannabis Company, voiced his support for Ordinance 21-41 for onsite consumption. He explained how it would provide a safe place to consume as well as help the City financially through added revenue and taxes. He reiterated his support for the ordinance and hopes the City can move forward with it.

Jay Marley, City resident, wanted to speak to Ordinance 21-34 and was instructed by Mayor Castner to wait until Public Hearings.

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 Special and Regular Meeting Minutes for June 14, 2021. City Clerk. Recommend Adoption.
- b. Memorandum 21-104 from Mayor Castner re: Reappointment of Roberta Highland and Scott Smith to the Planning Commission. Recommend approval.
- c. Memorandum 21-105 from City Clerk re: Liquor License Renewal for American Legion Post #16 and Boardwalk Fish and Chips. Recommend approval.
- d. Ordinance 21-37, An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating a State of Alaska Department of Public Safety Coronavirus Emergency Supplemental Funding Program Grant in the Amount of \$28,584.31 for Reimbursement for the Purchase of Respirators, and Cleaning and Sanitizing Equipment. City Manager/Police Chief. Recommended dates Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-106 from Police Chief as backup.

- e. Ordinance 21-38, An Ordinance of the City Council of Homer, Alaska Amending the FY2021 Capital Budget by Appropriating \$150,000 from the Homer Accelerated Roads and Trails (HART) Fund for the Implementation of the Iris Court Drainage Improvement Project. City Manager/Public Works Director. Recommended dates Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-107 from Public Works Director as backup.

- f. Ordinance 21-39, An Ordinance of the City Council of Homer, Alaska Amending the FY 2021 Capital Budget by Appropriating an Additional \$180,657 from the Homer Accelerated Roads and Trails (HART) Fund for the Design of Phase 1 of the Mt. Augustine Road Drainage Improvement Project. City Manager/Public Works Director. Recommended dates Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-108 from as Public Works Director as backup.

- g. Ordinance 21-40, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 2.08.120 Teleconference-Limitations. City Clerk. Recommended dates Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-109 from City Clerk as backup.

- h. Ordinance 21-42, An Ordinance of the City Council of Homer, Alaska Authorizing the City Manager to Expand a Non-Exclusive Public Utility Easement on the Homer Spit and Authorizing the City Manager to Negotiate and Enter into an Agreement with Alaska Communications Internet, LLC (ACS) for Payment to the City in the amount of Seventy Five Thousand Dollars (\$75,000) as Compensation for the City's Efforts in Expanding the Easement and for Past use of the Property without Authorization by ACS. City Manager/Port Director. Recommended dates Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-111 from Port Director as backup.

- i. Resolution 21-046, A Resolution of the City Council of Homer, Alaska (hereinafter Municipality) Accepting Coronavirus State and Local Recovery Funds Award to Non-Entitlement Units of Local Government (NEUs) from the Alaska Department of Commerce, Community and Economic Development (hereinafter Department). City Manager. Recommend adoption.

Memorandum 21-118 from City Manager as backup.

- j. Resolution 21-047, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Homer Harbor Commercial Barge Ramp Repair Project and Spit ADA Parking Pads Project to Dutch Boy Landscaping and Paving of Homer, Alaska in the Amount of \$49,100 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend Adoption.

Memorandum 21-115 from Public Works Director as backup.

- k. Resolution 21-048, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Woodard Creek Culvert Project to Qayaq Construction LLC of Wasilla, Alaska in the amount of \$324,997 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/ Public Works Director. Recommend adoption.

Memorandum 21-116 from Public Works Director as backup.

- l. Resolution 21-049, A Resolution of the City Council of Homer, Alaska Adopting Joint Resolution 2101-001 of the Assembly of the Kenai Peninsula Borough and Councils of the Cities of Homer, Kenai, Seldovia, Seward, and Soldotna for the Purpose of Intergovernmental Administration of Borough and City Elections. City Clerk. Recommend adoption.
- m. Resolution 21-050, A Resolution of the City Council of Homer, Alaska Amending the Port and Harbor Advisory Commission Bylaws Article V-Meetings to amend Section 1 Meeting Schedule and Removing Sections 2 and 3 Related to Task Scheduling. City Clerk. Recommend adoption.

City Clerk Jacobsen read the consent agenda its recommendations.

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

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

- a. Unified Command Report (20 minutes)

Fire Chief Mark Kirko provided an introduction to Unified Command's report and recapped the City's response to COVID-19, given the emergency declaration expires June 29th.

In a joint presentation, Chief Kirko, Special Projects and Communications Coordinator Jenny Carroll, Public Health Nurse (PHN) Lorne Carroll, and Derotha Ferraro with South Peninsula Hospital (SPH) spoke to each aspect of our community's response.

- Chief Kirko and Ms. Carroll defined what a unified command is, how the community partners play a role, and the specific duties of the unified command center members.
- PHN Carroll spoke to their coordinated resource distribution, and the importance of team communications and emergency pre-planning between these partners.
- Chief Kirko spoke to the team's success, but also the lessons learned; there is a need for more practice in responding to emergencies before another incident happens.
- PHN Carroll spoke to messaging efforts, combating misinformation, the communication channels used, taking community feedback and redirecting that up the chain of command.

- Ms. Carroll commented on other components of the response, such as the massive effort to create, collect, and distribute masks. Lessons learned is that even national/global distribution disruptions affected us locally.
- Ms. Ferraro spoke to the medical response aspect, including expanding medical capacity, providing COVID healthcare without disrupting other healthcare needs, testing efforts, vaccination roll-outs and logistics as large Point of Dispensing (POD) events and then later as smaller pop-up events. She said the biggest lessons learned surrounded around the ever-changing information that came from the state and federal government. She spoke to SPH's internal unified command and their anticipated final meeting, and later moving towards the after-action meetings.
- Ms. Carroll spoke to the key of our local success was our community. Having the outpouring of mask making, answering phones, bringing food in, putting up posters, delivering goods. Everyone stepped up.
- PHN Carroll spoke to the assessment process for health, and moving forward we have a lot to learn. He thanked our partners.

Chief Kirko commented, in closing, that he is thankful for the team he worked with. He thanked Council for being supportive and making good decisions that helped us get through it. He thanked our extended partners and our immediate partners in Homer's Unified Command.

In response to Mayor Castner's question about the 75% vaccination rate reported in the newspaper, PHN Carroll explained what that data meant and how it may need updating by the State.

Mayor Castner thanked Unified Command for an excellent wrap-up. He requested that he and councilmembers be included in the final "lessons learned" meetings so they could provide information from the elected officials' standpoint.

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

a. Committee of the Whole Report

Councilmember Lord reported that at Committee of the Whole they discussed Ordinance 21-39 regarding the Mt. Augustine Road Drainage Improvement Project amount, Memorandum 21-104 about commission appointments, Resolution 21-048 for the Woodard Creek Culvert Project contract and how projects are managed and contingency amounts are handled, Ordinance 21-42 disposition of City property in regards to a utility easement and where funds go for that, scope of City permitting, and on the capital budget which is included in the supplemental packet and will be discussed further at this meeting.

b. Mayor's Report

Mayor Castner reported on the finances of the City and how it will be the primary focus of this meeting. He spoke to the change to a 2-year budget cycle, the 2021 truncated budget and how that audit will be unlike any other we've had given it's just half a year, and the large amount of work that went into writing a budget that talks to the Council on a regular basis to provide a better management of cash flow.

c. Borough Report

Assembly Member Lane Chesley reported on a previous question made by Mayor Castner regarding reducing the borough's planning commission seats. He explained how there will be an upcoming July 7th meeting concerning governmental powers that will include area City Managers and other elected officials. Mayor Castner voiced his concerns regarding the reduction and it not reflecting the needs of our city; if we were to go without a seat for any period of time it would be crippling for planning and zoning needs.

d. Planning Commission

i. Planning Commission Report

Planning Commissioner Roberta Highland commented on her reappointment and the discussion held at Committee of the Whole regarding pros/cons of serving on a commission long-term. She reported on the recent activity by the commission. They will soon be entering into mitigation planning, which would make the City eligible for hazard mitigation grand funds. The commission approved a CUP to add multiple structures for office space dwellings and guestrooms at 1308 Lakeshore Drive, and reviewed an ordinance amending the administrative appeals process for City Planning decisions under City Code.

e. Parks Art Recreation and Culture Advisory Commission

Parks Art Recreation and Culture Advisory Commissioner Ingrid Harrald reported that Community Rec is now able to use the high school for programs, in addition to the HERC building, and are implementing the new Kenai Peninsula Borough School District's mitigation plan. She noted the Spit Run was a success, parks' camping numbers are comparable to last year, increase of bike rentals on the Spit, progress on the Duffy memorial benches, upcoming tournaments and events, installation of new skate park equipment, a mural project proposal at the airport, the work done on the beach policy, and the commission's selections for the City Capital Improvement Plan.

f. Port and Harbor Advisory Commission

g. Public Works Campus Task Force

Councilmember Venuti reported the task force has been discussing the criteria for evaluating their strategies and the criteria scoresheet, and reviewed the draft report that the task force will be presenting to City Council.

PUBLIC HEARING(S)

- a. Ordinance 21-32, An Ordinance of the Homer City Council Appropriating Funds for the Fiscal Years 2022 and 2023 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, and Internal Service Funds. City Manager. Introduction May 24, 2021, Public Hearing June 14 and 28, Second Reading June 28, 2021.

Ordinance 21-32(S), An Ordinance of the Homer City Council Appropriating Funds for the Fiscal Years 2022 and 2023 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, and Internal Service Funds. City Manager.

Memorandum 21-087 from City Manager as backup.

Mayor Castner opened the public hearing. There were no requests for public comment and the public hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-32 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

LORD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 21-32(S) FOR 21-32.

Councilmember Aderhold requested clarification on the various professional services line items that are in the different department budgets. City Manager Dumouchel described the various uses of that line item, which are largely for smaller purchases that are within the City's Procurement Policy allowances. He noted there is typically a note below the line item that defines its use.

Mayor Castner commented that it's not the \$1,000 to \$2,000 purchases, but the larger six figure amounts that may be swept into the budget without Council discussion. One purchase in particular that bothered him was not being able to discuss the audit parameters and contract with VBO.

Councilmember Lord voiced her appreciation for City staff's work on putting this budget together. It is a budget that she can support, but her biggest caveats and concerns are with the lack of transfers to reserves, which dovetails into her concerns regarding the capital budget and reserve policy in general.

Councilmember Smith voiced his surprise the little amount of public comments they've been receiving on what is a very large budget. He thanked the administration and City staff for the large amount of effort that went into creating this budget. He shared the same concerns as Councilmember Lord for the low returns and small reserve transfers. He too hopes for healthier returns later in the year from post-COVID improvements and federal relief funds.

Mayor Castner voiced his optimism for income improvements and revenue coming in over the next budget cycle. He noted that they have some serious budget and accounting items they will need to straighten out before they cry poverty.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VOTE (main motion): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmember Smith's inquired on when would be the appropriate time to call for reconsideration. Mayor Castner welcomed a motion for reconsideration. He explained how the request is procedural to ensure the budget passes and is not reconsidered in the next 48 hours, preventing its implementation at the beginning of the next fiscal year in two days.

SMITH/LORD MOVED TO RECONSIDER ORDINANCE 21-32.

In response to questions from Councilmember Smith and Aderhold, Mayor Castner explained how the request is procedural to ensure the budget passes and a "no" vote means the ordinance cannot be reconsidered in the next 48 hours, preventing its implementation at the beginning of the next fiscal year in two days.

Councilmember Smith clarified that this is not for the capital budget.

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

Motion failed.

- b. Ordinance 21-36, An Ordinance of the City Council of Homer, Alaska Adopting the Fiscal Years 2022 and 2023 Capital Budget. City Manager. Introduction June 14, 2021 Public Hearing and Second Reading June 28, 2021.

Ordinance 21-36(S), An Ordinance of the City Council of Homer, Alaska Adopting the Fiscal Years 2022 and 2023 Capital Budget. City Manager.

Memorandum 21-101 from City Manager as backup.

Mayor Castner opened the public hearing. There were no requests for public comment and the public hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-36 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

LORD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 21-36(S) FOR 21-36.

Councilmember Lord requested a briefing of what changed. City Manager Dumouchel noted the City funded grant funds, which was removed from the list, and some projects were broken out into a separate ordinance, such as the Mt. Augustine project.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmember Lord reiterated the discussion held at Committee of the Whole about postponing the capital budget specifically for one more meeting to be able to have more time for discussion, more public input, and to make amendments.

Councilmember Smith requested clarification on if that was a motion to postpone until the next meeting. Mayor Castner and Councilmember Lord clarified they were currently holding discussion to see if there were any amendments to make at this time, and they would then take final action at a second meeting.

Mayor Castner voiced his concerns with the capital budget and the direction of the Capital Asset Repair and Maintenance Allowance (CARMA) fund. He would like to see the amortization plan for equipment replacement expanded out a little further so that they're not just looking at things the City is going to spend \$2 million on in two years, when some of the items span out over a five or seven year period. He commented on the failures they have seen with job cost accounting, and how some kind of methodology or software program should be implemented and used by Public Works or the Port and Harbor to determine project costs.

Councilmember Aderhold responded to Mayor Castner's comments about the CARMA fund. Council has discussed vehicle replacement schedules, how the City went a long period of time where we weren't replacing equipment, and now we are having to do a lot of replacement all at once. She put that into context with previous documents Council has seen in the past, and how it would be helpful to have some information in the current budget that shows how that expenditure complies with the replacement schedule we have. She noted that the document

doesn't show what those expenses do to our reserve accounts at the end so they can see what monies are left over and be able to determine if we're spending our money wisely.

Councilmember Smith voiced his capital budget concerns, whether lightly seasoned vehicles really need to be replaced, and the City's commitment to overpriced engineering costs for projects. He appreciates the opportunity to have more time on this matter. He recognized the other points made by Mayor Castner and Councilmember Aderhold on how something else could come from this two year budget window that is more important to spend the money on at year three or four.

Mayor Castner requested that each councilmember schedule some time with City Manager Dumouchel to meet individually with him and learn more about the capital budget so they could come to the next meeting with a plan. There was brief discussion on what the Mayor was asking of the Council. City Manager Dumouchel noted that the main concern with meeting separately would be causing a serial meeting and violating the Open Meetings Act. He said he'd be happy to meet with councilmembers, but suggested a worksession may be more appropriate.

Councilmember Lord echoed similar comments made regarding fleet replacement and responsible management of reserves. She pointed out the supplemental packet items in reference to Councilmember Smith's comments regarding multi-year plan for roads, and voiced her support for the larger fund expenditures.

Councilmember Evensen concurred with Councilmember Lord's comments. He commented on the Main Street sidewalk project and that he does feel from a public safety risk perspective that it would be worth the large expense.

Councilmember Smith noted that we do have a fleet replacement schedule, he just doesn't want the City to automatically replace those vehicles as they come up if they don't need to be replaced. He opined there needs to be an assessment of each of those vehicles to determine replacement.

LORD/ADERHOLD MOVED TO POSTPONE ORDINANCE 21-36(S) TO THE JULY 26TH MEETING AND TO HOLD IT AS A PUBLIC HEARING.

Councilmember Lord suggested that it be held as another public hearing. City Clerk Jacobsen clarified the next City Council meeting date is July 26th, not July 27th.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Castner called for a 10 minute recess at 7:40 p.m. He reconvened the meeting at 7:50 p.m.

- c. Resolution 21-038(S), A Resolution of the City Council of Homer, Alaska Amending the Homer Fee Schedule Under **Administration Fees**, City Clerk Fees and Planning and Zoning Fees. City Clerk. Follows Ordinance 21-32.

Memorandum 21-095 from City Clerk as backup.

Memorandum 21-083 from City Clerk as backup.

Mayor Castner opened the public hearing. There were no requests for public comment and the public hearing was closed.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 21-38(S) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- d. Resolution 21-039(S), A Resolution of the City Council of Homer, Alaska Amending the Homer Tariff No. 1 under **Rule 12- Parking** Rule 26-Fish Dock Rates, Rule 35-Upland Storage, and Rule 35-Fish Disposal/Grinding and Fees. Follows Ordinance 21-32.

Memorandum 21-096 from City Clerk as backup.

Memorandum 21-084 from City Clerk as backup.

Mayor Castner opened the public hearing. There were no requests for public comment and the public hearing was closed.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 21-39(S) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- e. Ordinance 21-33, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Chapter 7.20 Snowmachines to include All-Purpose Vehicles. Aderhold. Recommended dates Introduction June 14, 2021 Public Hearing and Second Reading June 28, 2021.

Memorandum 21-091 from City Manager as backup.

Mayor Castner opened the public hearing. There were no requests for public comment and the public hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 21-33 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Evensen requested that Councilmember Aderhold give a brief explanation of the ordinance as its sponsor.

Councilmember Aderhold explained that this ordinance is in response to Governor Dunleavy's state law that allows snowmachines and utility vehicles (ATVs) to operate on roads less than 45 mph. The rule is targeted towards small, rural communities that use these types of vehicles as a mode of transportation, and is proposing that municipalities may opt out of the rule. She felt that Homer would not want ATV's or snowmachines operating at 45 mph along our roadsides and has consulted with Chief Robl on this matter.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- f. Ordinance 21-34, An Ordinance of the City Council of Homer, Alaska Amending the 2021 Capital Budget and Authorizing the Expenditure of \$287,692 from the Homer Accelerated Water and Sewer Program to Complete the Tasmania Court Sewer Improvement Project. City Manager/Public Works Director. Introduction June 14, 2021 Public Hearing and Second Reading June 28, 2021.

Memorandum 21-092 from Public Works Director as backup.

Mayor Castner opened the public hearing.

Jay Marley, City resident, thanked the Council for working on this project. He noted that with the change in the Special Assessment District (SAD) rules requiring sewer if you request water, there was some objection from the property owners who felt the sewer improvements were being forced on them. He opined that the City seems set on moving forward with the water

improvement, which is fine, but strongly requested that the water and sewer improvements be kept separate.

Mayor Castner closed the public hearing.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 21-34 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Lord thanked Mr. Marley for commenting. She clarified that at the last City Council meeting they did approve the creation of the Tasmania Court Sewer Improvement SAD, and that this ordinance is appropriating the funds to move forward with that project.

Public Works Director Keiser provided a status update on the water and sewer improvement project for Tasmania Court and responded to questions from Mayor Castner.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

g. Ordinance 21-35, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 4.10.030 Review of Candidate Qualifications, 4.35.040 Certification of Election, 4.45 Election Recount, and 4.50 Election Contest. Aderhold/Smith/Hansen-Cavasos. Introduction June 14, 2021 Public Hearing and Second Reading June 28, 2021.

Memorandum 21-113 from City Clerk as backup.

Memorandum 21-093 from Councilmembers as backup.

Mayor Castner opened the public hearing. There were no requests for public comment and the public hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 21-35 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- a. Ordinance 21-41, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 21.18.020, Central Business District, 21.24.020 General Commercial 1, 21.26.020 General Commercial 2, 21.27.020 East End Mixed Use, 21.62.020 Marijuana Cultivation, Manufacturing, Testing, and Retail Facilities to Include a Consumption Endorsement as Defined by State Law. Planning Commission. Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-110 from City Planner as backup.

LORD/ADERHOLD MOVED TO INTRODUCE ORDINANCE 21-41 BY READING OF TITLE ONLY.

Councilmember Smith voiced his support for the introduction of Ordinance 21-41 but would likely not support the final passing of it. He shared his concerns regarding personal use in public, both for alcohol and marijuana.

Councilmember Evensen also voiced his support for the introduction of Ordinance 21-41 and commented on the points brought up at the Planning Commission. He opined that the commission's comments regarding smells traveling on the wind did not seem to take into account the higher winds near the beach, and how a facility located a ways off from the beach would be away from anything that's happening on the beach. He asked that when members look at this specific issue in the future that they consider the greater effect that the atmosphere is a large tank of air.

Councilmember Lord voiced her support for the introduction of Ordinance 21-41 and inquired with City Clerk Jacobsen if it should be sponsored by an interested councilmember since the Planning Commission, who is currently sponsoring the ordinance, did not recommend adopting it. She also noted in the public testimony earlier that the Planning Commission may not have had adequate time to assess the State regulations. She commented that the regulations set a high bar, with neighboring properties' concerns being significant, and it primarily lands on the local area on whether the use should be permitted.

City Clerk Jacobsen noted that staff is in the process of confirming if another sponsor is needed and will provide more information before the next meeting.

Councilmember Smith echoed Councilmember Lord's comments that it is troubling to support an ordinance sponsored by a commission that did not recommend to Council. He requested that they have someone from the Planning Commission attend the next meeting so that they can give some context to the notes and that we can have a better understanding of their discussion and findings.

Councilmember Lord considered whether it needed to be sent back to the Planning Commission. She referenced the public testimony received from community members very

interested in the passing of this topic and the impression that the commission did not have enough time to thoroughly review it.

City Clerk Jacobsen suggested, as an option, postponing introduction until the July 26th meeting to allow time to get questions answered and determine the next step for Council. Mayor Castner confirmed with City Clerk Jacobsen that the Planning Commission meets July 21st.

Councilmember Smith agreed that it should be referred back to the Planning Commission in the interim to clarify whether it was intended to be introduced at all, and would give more time to determine if a new sponsor is needed.

LORD/VENUTI MOVED TO POSTPONE THE INTRODUCTION OF ORDINANCE 21-41 TO JULY 26TH MEETING AND REFER IT BACK TO THE PLANNING COMMISSION.

Councilmember Aderhold requested that the State regulations for onsite consumption be provided to the commission as it seems it would answer many of their questions and concerns.

Mayor Castner hoped for them to have a full commission seated at their next meeting; there was only a two-to-three vote due to not having a full panel present.

Councilmember Venuti requested that a report from Chief Robl on the topic also be included.

Councilmember Evensen commented on the added layer of bureaucracy by running it by the Planning Commission again after they already reviewed it.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- b. Ordinance 21-43, An Ordinance of the City Council of Homer, Alaska Submitting a Ballot Question of Limitation of Terms for the Mayor and City Council Members at the October 5, 2021 Regular Municipal Election. Evensen/Mayor. Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-112 from City Clerk as backup.

LORD/EVENSEN MOVED TO INTRODUCE ORDINANCE 21-43 BY READING OF TITLE ONLY

Councilmember Evensen inquired with City Clerk Jacobsen as to why this was an ordinance and not a resolution.

City Clerk Jacobsen explained the process and different options available for establishing term limits, which has to go to the citizens for a vote. One option includes introducing a resolution for an advisory vote, which, if adopted, would come back to Council to draft and ordinance related to term limits. Once that is complete, it would go back to the voters a second time to adopt or to vote on the question as they are the ones who would ratify the ordinance for term limits. The reason this is not a resolution is because the ordinance drafted can take the question to the voters at this coming election for one vote, where everything is lined out in the ordinance before it goes to the voters.

Councilmember Evensen spoke to the supplemental packet item that speaks to the positive and negative effects of term limits. One of the leading issues relates to not being able to increase minimum wages. He noted a comment made by Councilmember Aderhold when she was running for re-election is that she did not have a big project she's pushing for, and that there may be citizens out there with burning issues that would want to come in. He also commented on diversity and how our Council is not very geographically diverse. He noted that with the last election there were more candidates than seats, which to him showed an interest.

Councilmember Smith shared his conversations with his father and Kelly Cooper regarding their time served on the Kenai Peninsula Borough assembly. He outlined Homer's history of voting on term limits, and what he learned from previous elected officials. He voiced his support for putting it on the ballot for the people to decide.

Councilmember Lord noted that it's a savvy requirement to have in State statutes. She commented on how councilmembers do not get compensated for the amount of work and hours they dedicate to the job. In her research into the subject, she has learned that not many citizens run for more than two or three terms, and that in smaller communities, such as Homer, you may run into issues of not allowing active members to run again. Once the ordinance is introduced she looks forward to more discussion.

Councilmember Aderhold commented that she is still in a position of thinking about setting term limits and is open to hearing more from people of the community on whether they want this topic on the ballot. She opined that if it was a pressing issue for the citizens that they would bring it forward as they did at the borough level. In response to Councilmember Evensen's comments, she clarified that at the last meeting she had said that Council hadn't been able to work on the things they had discussed at their last Council Retreat due to COVID and changes to the budget cycle.

Councilmember Venuti noted that she doesn't intend to vote for this but not because she doesn't want the voice to go to the people, but that if it was a concern of the people they would bring it up. She does not feel they should police one another, and that the people say it with their vote on who they want to serve on Council. She is concerned that if this is on the ballot

that it will cloud up the election, where we should be focusing more on other issues. She emphasized that if the people want it to be on the ballot that they would ask for it.

Councilmember Smith responded that setting term limits should not be taken personally, that they as a body can decide to do things, and to not wrap it up around other feelings. This ordinance is just to decide to put the question before the voters.

Councilmember Evensen referenced back to the supplemental packet item he provided and wished councilmembers would have read it. He brought up how term limits can stop conflicts and the value of them for the sake of democracy. He is unimpressed with how few conflict of interest disclosures have been stated in his time on Council.

Councilmember Lord noted that she did read the article, but did not agree with the argument provided.

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

Motion carried.

CITY MANAGER'S REPORT

a. City Manager's Report

City Manager Dumouchel thanked City Council, Finance Directory Walton, and City staff for all their efforts in getting the budget to where it's at. He spoke to his written report, highlighting harbor bond refunding efforts and provided a link to the Sleeves Up for Summer commercial showcasing Homer. He reported on Staff's recent activity and what is currently being working on that will be coming to Council. The final camera components for the Cowles Council Chamber renovations came in this week; IT is working on getting the final calibrations done so in-person meeting can happen soon.

Councilmember Venuti voiced her appreciation for the library grounds updates.

Councilmember Smith inquired on the status of including water/sewer rates on monthly bills to provide rate transparency to customers, and if there was anything they needed to do at the Council level. City Manager Dumouchel said he will check in with Finance on that.

Councilmember Evensen inquired on air traffic patterns and float planes violating basic FAA rules on Beluga Lake. Councilmember Smith responded, noting the City could file a complaint, but all of it is handled by FAA. He said he'd be interested in following up with that too. Councilmember Aderhold commented that past City Manager Katie Koester had spent a

considerable amount of time trying to find a point of contact with the FAA to respond to this issue. She suggested that perhaps they could get a hold of that same person to do another site evaluation.

PENDING BUSINESS

- a. Ordinance 21-26, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 10.08.210 Vessel Speed Limits, Renaming the Section, Extending the No Wake Zone throughout City Tidelands, and Closing Louie’s Lagoon and the Entrance to Beluga Slough to Motorized Vessels and Amending the FY21 Operating Budget to Authorize Expenditure of up to \$2,000 for Motorized Vessel Regulation Changes. Lord. Introduction April 26, 2021 Public Hearing and Second Reading ~~May 10~~ **June 28**, 2021

Memorandums from Commissions as backup.

Memorandum 21-070 from Councilmember Lord as backup.

Councilmember Smith commented that he does not have a strong objection to the ordinance, but does have concerns with motorized vessels being treated differently than non-motorized hazards, such as kite surfers. He opined that they are reacting to something right now, and whatever goes on the books is enforceable.

Councilmember Lord voiced her appreciation for Councilmember Smith’s comments. She pointed out that majority of the code already exists, and that the only portion being added to code is what is bold/underlined. All the ordinance is doing is including the edged of the Spit and in front of Bishop’s Beach to the defined boundaries. In regards to the concerns of kite surfers being out there, that did not occur to her since usually the conditions that are good for kite surfers would not be conducive for skiff-riding, kayaking, or paddle-boarding.

Councilmember Smith reiterated that there are bad actors in all walks of life, and wanted to make sure that they’re not passing laws that affect one user group.

Councilmember Evensen asked if there were any reasons as to why property owners in that area would be affected by limiting access. Councilmember Lord commented that could be an amendment he can provide. She noted that majority of the land in that area is zoned critical habitat tidelands and are either privately-owned or owned by Fish and Wildlife. In response to Councilmember Evensen’s question, City Manager Dumouchel provided some background on other restrictions and enforcements made in the past.

Councilmember Lord agreed to draft an amendment to the ordinance that reflected those changes.

Councilmember Aderhold acknowledged the many good points brought up. She commented that these type of laws are for enforcement for those who are behaving badly. She also noted that adding the bay by Mariner Park per the Planning Commission's recommendation would be beneficial, but it would be difficult to add Mud Bay. She asked if Councilmember Lord could consider that when drafting an amendment. Councilmember Lord agreed to include that in her amendments. She concurred that delineating the boundaries of Mud Bay is a challenge.

Councilmember Evensen commented that, while not knowing the private property situation that area, maybe using the Alaska Department of Fish and Game (ADF&G) markers for commercial fishing could help delineate the Airport Beach and Mud Bay areas. He thanked Councilmember Lord for taking the lead on this matter and working on this ordinance.

Councilmember Hansen-Cavasos left the meeting at 9:04 p.m.

LORD/VENUTI MOVED TO POSTPONE ORDINANCE 21-26 TO JULY 26TH FOR PUBLIC HEARING AND SECOND READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- b. Resolution 20-077(S), A Resolution of the City Council of Homer, Alaska Adopting a Reserve Fund Policy for the Collection and Use of Water and Sewer Depreciation Reserve Funds **Capital Asset Repair And Maintenance Allowance Fund**. Lord/Aderhold. (Postponed from April 26, 2021)

Memorandum 21-114 from Public Works Director as backup.
Memorandum 21-074 from Public Works Director as backup.
Memorandum 21-042 from Public Works Director as backup.
Memorandum 20-205 from Public Works Director as backup.
Memorandum 20-165 from Finance Director as backup.

Councilmember Hansen-Cavasos returned to the meeting at 9:08 p.m.

LORD/ADERHOLD MOVED TO POSTPONE RESOLUTION 20-077(S) TO JULY 26TH.

Councilmember Aderhold commented that while she hates to see the resolution postponed again, she feels the end result will be worth it based on conversations she has had with Public Works Director Keiser. They are going to come up with a better, more comprehensive outcome than originally envisioned when the project was started last year.

Mayor Castner commented on how the CARMA funds are in deficit, and they can't remain that way so he will have to make a reduction in order to remove the deficit. He doesn't want to see the water and sewer rates increase and explained how he sees this as an area of concern and deserves a lot more discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti had no comments.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen announced openings on the Library Advisory Board and the ADA Compliance Committee.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel announced City positions that are currently open, and where on the City website more information can be found.

COMMENTS OF THE MAYOR

Mayor Castner commented that in many parts of the world COVID is very far from being over, and he voiced his appreciation on how well Homer is doing. He spoke to how we've adopted a sense of normalcy and encouraged everyone to get vaccinated who are not already. He commented on the upcoming 4th of July parade and his involvement in it.

COMMENTS OF THE CITY COUNCIL

Councilmember Lord thanked all the constituents who reach out to her directly, through email, and over the phone. She confided that she hates the new budget cycle given it's in the middle of summer, and greatly appreciates staff and those who call in to the Council meetings.

Councilmember Smith wished everyone a happy 4th of July. He commented on Ordinance 21-29 being tied into a national trend of voter suppression, and how that surprised him given the ordinance is asking it to go to the voters to consider. He asked that the media would kindly reach out to the sponsors to learn more about the ordinance, and not let bias write the news.

Councilmember Hansen-Cavasos commented on the media's portrayal of Ordinance 21-29 and her positive discussion with the media during her march in the Pride Parade.

Councilmember Evensen voiced his disappointment in the radio station and newspaper for what he considered a breach in ethics.

Councilmember Venuti wished everyone a happy 4th of July. She appreciated the Sleeves Up for Summer commercial, and encouraged those who haven't already to get vaccinated. She shared her experiences being out on the Spit and how busy it was. She thanked everyone for a great meeting.

Councilmember Aderhold had no comments.

ADJOURN

There being no further business to come before the Council Mayor Castner adjourned the meeting at 9:22 p.m. The next Regular Meeting is Monday, July 26, 2021 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.



Rachel Tussey, CMC, Deputy City Clerk II

Approved: July 26, 2021