

Session 21-17 a Regular Meeting of the Homer City Council was called to order on July 26, 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, 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
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 read the following supplemental information and agenda change: **AGENDA** Memorandum 21-119 from Deputy City Clerk Re: Councilmember Evensen Letter of Resignation and Declaration of Candidacy, Memorandum 21-130 from City Clerk as backup; Memorandum 21-120 from City Clerk Re: Letter from Mayor Castner in Response to Proposed changes to the Alaska Regional Contingency Plan Memorandum 21-117 from City Manager as backup, Draft letter from Mayor, Ordinance 21-44, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 21.91 Planning Commission and Board of Adjustment to Remove the Board of Adjustment and 21.93 Administrative Appeals Establishing that Administrative Appeals from certain final City Planning Decisions shall be filed before a Hearing Officer and Supplementing Notice Requirements. City Clerk, Memorandum 21-131 from City Clerk as backup **PENDING BUSINESS** 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. Memorandum 21-132 from City Clerk as backup, and amend the order of business on tonight's agenda to take up Ordinance 21-47 after new business.

LORD/ADERHOLD MOVED TO ADOPT THE AGENDA AS AMENDED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

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 Regular Meeting Minutes for June 28, 2021. City Clerk. Recommend adoption.
- b. Memorandum 21-119 from Deputy City Clerk Re: Councilmember Evensen Letter of Resignation and Declaration of Candidacy. Recommend approval.
- c. Memorandum 21-120 from City Clerk Re: Letter from Mayor Castner in Response to Proposed changes to the Alaska Regional Contingency Plan. Recommend approval.
- d. Ordinance 21-44, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 21.91 Planning Commission and Board of Adjustment to Remove the Board of Adjustment and 21.93 Administrative Appeals Establishing that Administrative Appeals from certain final City Planning Decisions shall be filed before a Hearing Officer and Supplementing Notice Requirements. City Clerk. Recommended dates Introduction July 26, 2021, Public Hearing and Second Reading August 9, 2021.
- e. Ordinance 21-45, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Public Library Assistance Grant for FY 2022 in the Amount of \$7,000 for Books and Library Materials and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Library Director. Recommended dates Introduction July 26, 2021, Public Hearing and Second Reading August 9, 2021.

Memorandum 21-123 from Library Director as backup.
- f. Ordinance 21-46, An Emergency Ordinance of the City Council of Homer, Alaska Temporarily Suspending the Restrictions on Teleconference Participation for City Council and Advisory Bodies. City Clerk. Recommend adoption.
- g. Resolution 21-051, A Resolution of the City Council of Homer, Alaska Awarding the Small Works Road Repair Indefinite Duration, Indefinite Quantity Contract to East Road Services, Inc. of Homer, Alaska in the Amount of \$125,000 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum 21-126 from Public Works Director as backup.

- h. Resolution 21-052, A Resolution of the City Council of Homer, Alaska Formally Authorizing the City Manager to Submit a Harbor Facility Grant Application to the State of Alaska

Department of Transportation and Public Facilities in an Amount up to \$732,000 for the Homer Cathodic Protection Project. City Manager/Port Director. Recommend adoption.

Memorandum 21-127 from Port Director as backup.

- i. Resolution 21-053, A Resolution of the City Council of Homer, Alaska Amending and Updating the City of Homer Beach Policy and Renaming it the City of Homer Beach Policy and Management Plan. City Clerk/Parks Art Recreation and Culture Advisory Commission. Recommend adoption.

Memorandum 21-128 from Deputy City Clerk as backup.

Moved to Resolutions item a. Smith

Item i. moved to Resolutions item a. Smith

City Clerk Jacobsen read the consent agenda and recommendations.

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

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

- a. 2021 Homer Steps Up Walking Challenge Results and Awards - Derotha Ferraro, South Peninsula Hospital Director of Public Relations & Marketing (5 minutes)

Derotha Ferraro, South Peninsula Hospital Director of Public Relations & Marketing, shared the results of the 2021 Homer Steps Up Walking Challenge. The Community Goal was 150 million steps and we surpassed that with 164 million. Over 700 people were enrolled and 46 teams. She thanked the co-sponsors, City of Homer, SVT Health and Wellness, South Peninsula Behavioral Health, SPARC, and South Peninsula Hospital. She thanked the South Peninsula Hospital Foundation for their grant to underwrite the prizes for the event. The winners of the 41 small teams third place Gate Crashers, second place Fitness Monkeys, and first place Harbor School of Music and Dance. Of the five large teams third was SVT Health and Wellness, second was Ninilchik Traditional Council and first place was the City of Homer.

- b. COVID-19 Agency Update - Derotha Ferraro, South Peninsula Hospital Director of Public Relations & Marketing and Lorne Carroll, State of Alaska Public Health Nurse III (10 minutes)

Lorne Carroll, Public Health Nurse III, shared a power point and reviewed the states COVID-19 dashboard that highlights the increase in case counts that happening statewide and locally. He addressed the delta variant of the virus, how it compares with earlier variants, and how it spreads more rapidly. He shared regarding hospital status for Southcentral and Interior where some ICU's are full and several near capacity. He emphasized that vaccination remains the best strategy against COVID-19. A copy of the presentation is available on the city website.

Derotha Ferraro, South Peninsula Hospital (SPH) Director of Public Relations & Marketing shared in the last week SPH did 841 tests with 87 positive, over 14 days 1280 and 151 resulted positive. Back in June they were doing around 30 tests per day and now over 100 per day. Just under 90% positives were non-vaccinated. They're seeing the highest hospital rates for COVID, and they're building capacity for treatment. Given the surge they're setting up outpatient treatment services with the goal to have same day access to treatment. They need continued community support, in the past people have donated masks and supplies, helped at vaccine clinics, now we're in a true COVID surge and we need help to mitigate the spread. Wear a mask, keep your distance, wash your hands, and get vaccinated if you haven't.

- c. Prince William Sound Regional Citizen Advisory Council (PWSRCAC) Report - Robert Archibald (10 minutes)

Robert Archibald, Homer's representative on the PWSRCAC, reported on the makeup of the council who meet to make oil transfer safe in Alaska. They've been meeting virtually and will until the end of the year, if not longer. He reviewed completed projects including review of Cathodic Protection System for Crude Oil Piping at the Valdez Marine Terminal, updates to Council's award winning guide for dealing with an oil spill first developed after the 1989 Exxon Valdez oil spill, emergency towing vessel technology worldwide review, and they produced resources to support regional stakeholder committees. He thanked Council for taking up the issue on the National Response Plan and Alaska Regional Response Plan changing in regulations dealing with the regional stakeholders committee and adding a MAC team.

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

- a. Worksession Report

City Manager Dumouchel reported HDR presented on financial policies related to water and sewer utilities.

- b. Committee of the Whole Report

Councilmember Lord reported Council discussed pulling the resolution regarding the beach policy from the consent agenda and postponing for a presentation from PARCAC, and the order of operation for addressing the Mayor's veto and related ordinance. They discussed the capital budget including specific items and strategizing longer term conversations of what they'd like to see moving forward regarding reserves and replacement policies.

c. Mayor's Report

Mayor Castner reported regarding the Borough Land Disposal related to a property near the Northern Enterprises Boatyard and our representation on the Borough Planning Commission. He'll be attending the Alaska Conference of Mayors in Fairbanks in person on August 4th and 5th.

d. Borough Report

KPB Assembly Member Lane Chesley provided history regarding Assembly action in 2016 related to reducing the number of Planning Commissioners from 13 to 11 and the impact to cities who were represented. There has been interest in going back to a 13 member commission and legislation is being drafted for Assembly consideration. He reported on the Borough's land disposal process, the intent is that it will be an outcry auction on August 14th and more information is available at the Borough's website. He and Assembly Member Dunn moved to allow two of the Homer properties adjacent to Northern Enterprises Boat Yard proceed to sale and remove eight from the list for further work and eligible in 2022, it failed, and Assembly Member Dunn moved for reconsideration on the resolution to classify the land. It will come back at their first meeting in August.

e. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported the Committee is in the midst of collecting data for a Parks, Campgrounds and Trails Transition Plan. They've spent time at Karen Hornaday Park, Bishops Beach, Mariner Park and Campground, the Fishing Hole Campground, and Seafarers Memorial looking at accessibility, taking measurement, and strategizing ways to improve accessibility at those locations. They'll be going to Jack Gist Park next week. She noted two seats are open and encouraged that interested people apply.

f. Public Works Campus Task Force

Councilmember Venuti reported the Task Force has continued discussion on finalizing the report to Council regarding tsunami risk for the Public Works campus. They reviewed a memo from the Public Works Director regarding the incremental approach of moving, and information materials for the report to Council, and are working on final presentation items.

PUBLIC HEARING(S)

- 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

Ordinance 21-26(S), 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~~ **Specific City Tidelands** to Motorized Vessels and Amending the FY21 Operating Budget to Authorize Expenditure of up to \$2,000 for Motorized Vessel Regulation Changes.
Lord.

Memorandums from Commissions as backup
Memorandum 21-070 from Councilmember Lord as backup

Mayor Castner opened the public hearing.

Scott Adams, city resident, commented in opposition to more regulations, he's never seen vessels in those areas aside from kayaks and paddle boarders. He thinks it's a waste of resources and time.

Robert Archibald, city resident, commented in support of the ordinance and thinks it's an acceptable solution to protect the beaches. If we don't educate the users, they won't know where they can and can't go.

Rika Mouw, city resident, commented in support of the ordinance. She believes it provides opportunity for citizen assistance in enforcement, and that it's important to establish the rules early on.

There were no further comments and the hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-26 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

LORD/VENUTI MOVED TO SUBSTITUTE ORDINANCE 21-26(S) FOR 21-26.

Councilmember Lord explained the substitute incorporates comments from Commission on area closure, clarifies official business access, and provides exception of the area at the end of the spit in relation to closed areas.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmember Smith commented about the reference to undue distress in the code, that it's relative and open to interpretation. Outside of that he thinks there needs to be organization and order and with that comes some level of restriction. There needs to be framework of what's allowed and disallowed.

Lord clarified undue distress language is in code currently, not new language.

Councilmember Aderhold shared concern about people who don't play by the rules and make things dangerous for others.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- b. Ordinance 21-36(S), 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, Postponed to July 26, 2021.

Ordinance 21-36(S-2), An Ordinance of the City Council of Homer, Alaska Adopting the Fiscal Years 2022 and 2023 Capital Budget. City Manager.

Memorandum 21-122 from City Manager as backup
Memorandum 21-101 from City Manager as backup

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

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 21-36(S) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

LORD/ADERHOLD MOVED TO SUBSTITUTE ORDINANCE 21-36(S-2) FOR 21-36(S).

Councilmember Lord explained the substitute incorporates reductions subsequent to conversation with the City Manager, and one addition for exterior painting of the airport terminal.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

SMITH/LORD MOVED TO STRIKE THE DEPUTY CHIEF COMMAND UNIT FROM ACCOUNT 152-0375 FOR \$87,000.

Councilmember Smith expressed the fleet demands of that department exceed the benefit that vehicle will bring. We need to think about future equipment needed there, there is a 24/7 vehicle in the fleet and when the Chief is not on call or on vacation, the Deputy Chief can use that vehicle. He noted the former Chief's vehicle could be improved for the on call person, he'd be willing to support something along that line.

Councilmember Lord recognized the Fire Department has a fleet plan update in the works and she prefers to wait on this purchase until the update is completed.

City Manager Dumouchel shared that in talking to Chief Kirko this is an important way in which they respond to emergencies. A command officer is on call at all times, they may be responding from

home, and may be the first on-site. Regarding fleet expansion there are some vehicles slated for removal, and others being considered for other uses. He agrees fire is expensive and complicated so he understands why Council is having this discussion.

Councilmember Aderhold commented the Fire Chief has been busy with COVID response for the last year and hasn't had a chance to defend his fleet needs to Council. She asked if this is removed, is there a plan for a more comprehensive look to help them with a more calculated decision.

City Manager Dumouchel commented Chief Kirko has a multi-year plan drafted that could come to Council for discussion. The biggest thing to consider is how to fund it going forward.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion.

VOTE (main motion as amended): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- c. 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. Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-106 from Police Chief as backup

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

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-37 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- d. 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.

Ordinance 21-38(S), 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.

Memorandum 21-129 from Public Works Director as backup.
Memorandum 21-107 from Public Works Director as backup.

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

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 21-38 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

LORD/ADERHOLD MOVED TO SUBSTITUTE ORDINANCE 21-38(S) FOR 21-38.

Councilmember Smith thanked staff for exploring other options and working with property owners.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was brief comment noting the ordinance should be corrected to read FY 2022.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- e. 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. Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

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

Mayor Castner opened the public hearing.

Scott Adams, city resident, commented in support of this ordinance. He's been advocating for this subdivision for a long time. He appreciates the effort and hopes the project happens.

There were no further comments and the hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-39 BY READING OF TITLE ONLY BY READING OF TITLE ONLY.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Castner called for a recess at 7:40 p.m. and called the meeting back to order at 7:50 p.m.

- f. Ordinance 21-40, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 2.08.120 Teleconference-Limitations. City Clerk. Introduction June 28, 2021 Public Hearing July 26, 2021.

Memorandum 21-109 from City Clerk as backup

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

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-40 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- g. 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 (\$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. Introduction June 28, 2021 Public Hearing and Second Reading July 26, 2021.

Memorandum 21-111 from Port Director as backup.

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

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 21-42 BY READING OF TITLE FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- h. 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.

Memorandum 21-112 from City Clerk as backup

Mayor Castner opened the public hearing.

Robert Archibald, city resident, commented in opposition to the ordinance. He's a believer in institutional knowledge and there's nothing that addresses what they're considering for the length of time for the term limits.

Wayne Aderhold, city resident, commented in opposition to term limits. He shared information from the Borough on the 2007 election that brought term limits to the Assembly and perceived confusion at the borough election where a member was elected in the same election he termed out. He feels it disenfranchises voters.

There were no further comments and the hearing was closed.

LORD/SMITH MOVED TO ADOPT ORDINANCE 21-43 BY READING OF TITLE OF ONLY FOR SECOND AND FINAL READING.

Councilmember Aderhold commented at the last meeting she encouraged people to reach out with comments about this and she received comments, but none in support.

Councilmember Smith commented regarding the issue of the sales tax cap that was on three consecutive Borough ballots, but the Assembly won't put on the question of implementing bed tax. He doesn't agree with choosing as a body, not to put something on a ballot because we don't agree with it or afraid we won't agree with the outcome. He's not afraid to let the electorate make the decision. He appreciates institutional knowledge but also providing opportunity that's not obstructed by someone that might be too well rooted to never beat.

Mayor Castner shared a comment he heard at an event that former Mayor Cushing served for 17 years between the Planning Commission, Council, and then Mayor. He served at a time when could and progressed with his accumulated knowledge.

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

Motion failed.

ORDINANCE(S)

- a. Ordinance 21-47, An Ordinance of the City Council of Homer, Alaska Amending the FY 2022 and FY 2023 Operating Budgets to Maintain A Balanced Budget in Response to Mayoral Line Item Reductions. City Manager. Introduction July 26, 2021 Public Hearing and Second Reading August 9, 2021.

Memorandum 21-124 from Mayor as backup.

Memorandum 21-125 from City Manager as backup.

Ordinance 21-47 was moved to follow New Business item (c) at agenda approval.

CITY MANAGER'S REPORT

- a. City Manager's Report

City Manager Dumouchel reported on new information he received regarding American Rescues Plan Act Funds, the confirmation of \$1,429,524 allocation to the City split across two years, and the contracts are being reviewed. Porter and Allison confirmed that we'd be able to the full amount of revenue replacement if that was the will of the Council. Staff will continue review and bring back recommendations moving forward.

He also commented regarding complaints about aircraft noise, flight paths and other issues regarding operations, consideration of COVID protocols, and a proposed joint resolution with the Borough regarding their Spruce Bark Beetle mitigation request.

Councilmember Lord asked about the speed monitoring signs on Kachemak Drive. City Manager Dumouchel said he'll ask Chief Robl to provide an update to Council regarding the speed sign data on Kachemak Drive after they've been there for a while.

She also asked about making time for Council to talk about strategies and priorities for the rest of the year, and lastly the staff matrix for making decisions for COVID mitigation measures.

City Manager Dumouchel responding regarding COVID that we still lean back on a lot of what was in the original framework provided to Council in October. A lot of what they consider are hospital beds and availability of a place in Homer or Anchorage if they get sick. Hearing about increases here in Homer and Anchorage. While some people are vaccinated, given what's happening he can see bringing back masking or something of that nature.

Mayor Castner commented regarding reporting guidelines to Council so they have a good idea of what's happening with the budget and to ensure we don't run into deficits. City Manager Dumouchel agreed and thinks they can take some of the work from the capital budget to use as a framework.

Councilmember Venuti commented regarding rules for leash laws particularly for dogs on the beach. City Manager Dumouchel said he'll talk to Public Works about posting rules, and suggested

running leash rules through a Commission for recommendations. Councilmember Smith followed up with his frustration with the policy that if your dog responds to voice command they don't have to be on a leash, when everyone believes their dog will, and then is surprised when they don't.

PENDING BUSINESS

- 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, Postponed to Introduction July 26, 2021 Public Hearing and Second August 9, 2021

Memorandum 21-110 from City Planner as backup.

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

It was pointed out this ordinance didn't get an endorsement by the Planning Commission, and questioned as to why it's before Council. There were comments that it's not in the best interest of the City, and it would be helpful to have input from the Police Chief.

City Manager Dumouchel responded there has been discussion among staff and both Chiefs are hesitant on the issue. He shared about his experience working through this at a different City where the Planning Commission didn't support it but the City Council did. The Planning Commission is advisory in this capacity and he agrees it's a tricky discussion. He thinks it's worth introducing and having a public hearing to see where the community is on the issue. The regulations are very strict, it's illegal to drink alcohol and smoke in such a facility and if it happened they would lose their license. It's something that can be well controlled and in his experience these businesses tend to be good neighbors because of heavy regulations. With our strong tourist economy there are people who go to these businesses, make purchases and have nowhere to go. It's not okay in hotels and we don't want them using it on the beach or a park. That was the hinge in his previous community that it's legal so we should provide a legal place for them to do it and not cause a problem for others.

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

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 June 28, 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

LORD/ADERHOLD MOVED TO POSTPONE RESOLUTION 20-077 TO AUGUST 9TH.

Councilmember Smith asked if Council will be prepared at the next meeting since their worksession presentation and discussion was cut short.

There was brief discussion confirming that more time is needed and scheduling an off-cycle worksession would be better.

Councilmember Aderhold noted the work that's being done on water and sewer policy overall and this resolution was focused on the CARMA fund. It feels like we've outgrown this resolution and maybe it's time to vote this down and come back with a new one in the future.

VOTE (postponement): NO: LORD, ADERHOLD, HANSEN-CAVASOS, SMITH, VENUTI

Motion failed.

The motion to adopt 20-077(S) by reading of title only was postponed from June 28, 2021 was on the floor.

Public Works Director Keiser commented briefly about steps that will be taken to come back with a resolution to adopt a new policy document.

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

Motion failed.

NEW BUSINESS

- a. Memorandum 21-121 from City Clerk Re: Letter from Mayor Castner regarding Kenai Peninsula Borough Planning Commission Appointments.

LORD/VENUTI MOVED TO APPROVE THE RECOMMENDATION OF MEMO 21-121 AND SEND THE MAYOR'S LETTER TO THE BOROUGH ASSEMBLY.

Mayor Castner explained his intent in drafting a letter to the Borough Assembly objecting to the proposed ordinance that would change the composition and representational elements of the Kenai Peninsula Planning Commission. State law says first class cities shall be represented.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- b. Memorandum 21-124 from Mayor Castner Re: Ordinance 21-32(S)-Line Item Reductions.

LORD/VENUTI MOVED TO OVERTURN THE LINE ITEM REDUCTIONS CONTAINED WITHIN MEMORANDUM 21-124.

Councilmember Lord expressed she doesn't support the vetoes primarily based on the process that the Mayor came to them. Council spent hours in budget worksessions this spring, staff took their feedback regarding administrative transfers, how they're calculated, and in making them better. The assumptions are imperfect but they're stated and they can be replicated. Future Councils can change them and staff can make different recommendations. She doesn't agree with the cost shifting, Council put time into the preparation of this budget. She understands the Mayor had conversations for the vetoes and came up with what he felt were appropriate numbers that take \$670,000 from the general fund fund balance to fill the gap. She doesn't understand how it's replicable, the underlying assumptions aren't stated or written down, and can't be met again. She encouraged the other members to vote down this veto.

Councilmember Smith commented he's still unhappy where they're at with administrative fees, but the budget passed unanimously. To have a unanimous decision by Council on a presented budget come back with vetoes seems to say the case wasn't made sufficiently to Council to change the minds of those who made the decision. He encouraged the Mayor to bring forward policy that Council can consider in changing those things that didn't satisfy him. He wants to support the Mayor and appreciates the frustration that comes from trying to get to certain points, but he thinks the method they use to get there is as important as getting there, because we have to come along for the ride.

Councilmember Aderhold appreciates the comments and added her frustrations align with theirs. Council had a lot of discussion on where administration wanted to go with the administrative fees and that was the time to have discussion about these other things. It still feels there are some outlying concern and her concern is equitability between the general fund, special utility fund, and enterprise fund. Evidently we haven't found that sweet spot yet, but she's up for more discussion in the future. She doesn't feel using line item vetoes is the way to get there.

Mayor Castner commented in the case of taking 16% of the Planning Department to the Port and Harbor, he thinks there's a lot of things to be discussed about that. He reviewed all the services with the Harbormaster, they run the entire port and harbor with their own staff. It's robbing funds from the port and harbor that they generate themselves. The City gets 100% of property tax, 64% of all the sales tax to spend, but that's not enough? You need to go in and find other revenue, tax the overtaxed, or tax the water and sewer. He's talked about this with Council already, he told them he was going to fix it. By overturning his vetoes, they don't end up with a balanced budget. The still have to appropriate money or raise water and sewer rates because there's about a \$150,000 deficit in the budget.

Councilmember's acknowledged his concern but explained if the needle needs to be moved in a specific direction, then specific policy should be brought to the table to help facilitate that. Council is working through the water and sewer policy to determine what the ceilings and floors should be and how to navigate not having to do increases when we're short a little bit of money. There are unresolved matters when it comes to those, it's expected Council will flush them out, and it may take another cycle. The line item vetoes don't provide a structure by which the decision are made, Council worked with staff on a methodology that reduced administrative transfers, and increased what the general fund is paying for administrative overhead fees. The conversation needs to be with the body, at the table, working toward a solution they can support.

VOTE: YES: HANSEN-CAVASOS, SMITH, LORD, VENUTI, ADERHOLD

Motion carried.

ORDINANCE(S)

- a. Ordinance 21-47, An Ordinance of the City Council of Homer, Alaska Amending the FY 2022 and FY 2023 Operating Budgets to Maintain A Balanced Budget in Response to Mayoral Line Item Reductions. City Manager. Introduction July 26, 2021 Public Hearing and Second Reading August 9, 2021.

Memorandum 21-124 from Mayor as backup.

Memorandum 21-125 from City Manager as backup.

LORD/VENUTI MOVED TO INTRODUCE ORDINANCE BY READING OF TITLE ONLY.

There was brief discussion that this was drafted in response to the line item reductions.

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

Motion carried.

RESOLUTIONS

- a. Resolution 21-053, A Resolution of the City Council of Homer, Alaska Amending and Updating the City of Homer Beach Policy and Renaming it the City of Homer Beach Policy and Management Plan. City Clerk/Parks Art Recreation and Culture Advisory Commission. Recommend adoption.

Memorandum 21-128 from Deputy City Clerk as backup.

LORD/VENUTI MOVED TO POSTPONE RESOLUTION 21-053 TO AUGUST 9TH.

Councilmember Smith requested the Parks Art Recreation and Culture Advisory Commission to present to Council regarding the changes to the Beach Policy.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Robert Archibald, city resident, commented the Parks, Art, Recreation, and Culture Advisory Commission has taken up the issue with dogs on Bishop's Beach. As one of the best dog trainers in town has said, voice command is one thing, but training them to do it is something else that takes a lot of time to achieve. He's heard there have been a lot of dogs attacked by other dogs this year, and he feels they need to talk about that and find some consensus. He announced former City Manager Walt Wrede is retiring as the Prince William Sound Regional Advisory Council Executive Assistant.

Wayne Aderhold, city resident, commented regarding previous Council comments of concern about lack of public input regarding the budget. He asked that they don't take it negatively, as someone who understands budgets, we appreciate your work and consider it a sign of trust, not a lack of interest. He shared about work he had done at a local/statewide business that gave a 5% discount for wearing a mask in the store and a thank you note on the invoice.

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti had no comment.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen announced the application period for the vacant Council seat and the Candidate filing period for City Council.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel thanked everyone for their patience working through the first hybrid meeting. He noted job openings on the City's website and encouraged interested persons to apply.

COMMENTS OF THE MAYOR

Mayor Castner apologized for the technology issues during the meeting. He commented regarding harbor etiquette and that vessels need to slow down and not make wakes inside the harbor. It creates a dangerous situation, and we need better enforcement. He hopes the Port and Harbor Advisory Commission can address this issue.

COMMENTS OF THE CITY COUNCIL

Councilmember Venuti thanked the Mayor and Councilmember Aderhold for representing them at the AML Summer Conference in Fairbanks. She shared concern about spit parking, it's a major

problem. The peony festival went well and she's amazed at how far we've come in keeping up their gardens and nice yards.

Councilmember Lord shared that it's cool to be back in the chambers, and it's a surreal feeling, knowing we still need to be mindful. She encourage those who can vaccinate and haven't to get vaccinated for those who can't. Her kids can't and she wants the school to be a safe and positive place for the kids, staff and teachers. She thanked staff for their work in getting the hybrid meeting going and encouraged having volume in the room louder.

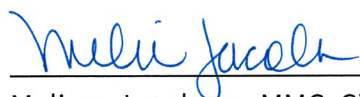
Councilmember Smith commented that meeting by Zoom for all this time had taken a toll on him, but feels more invigorate being back in person. He's considering running for the one year term seat, there's a lot to do and he thinks that's a step help get things get accomplished. He addressed the need for the Planning Commission to be forward thinking with respect to former owners of boardwalk that couldn't expand due to parking and the new owner was allowed to. He also commented regarding articles he's read recently about people getting hit by cars when bicycling and encourage people to be mindful of them when driving in town.

Councilmember Aderhold thanked Councilmember Smith for his comments. She's happy to be back but it's strange with the case counts going up. The chambers looks great and thanked staff for their work on the upgrades. She reminded that pedestrians have the right of way in the crosswalks. She's been getting feedback on e-bikes and encouraged bicyclists on the walking trails to be polite to pedestrians on the trails, and groups of pedestrians to make room on the trail for others. She saw former City Manager Koester who was in town recently and said to tell everyone hello.

Councilmember Hansen-Cavasos said it's good to see everyone, she thanked all the healthcare workers for their hard work. Also, Safeway, the restaurants, and other businesses are short staffed and doing the best they can.

ADJOURN

There being no further business to come before Council Mayor Castner adjourned the meeting at 9:34 p.m. The next Regular Meeting is Monday, August 9, 2021 at 6:00 p.m., Worksession at 4:00 p.m. Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.



Melissa Jacobsen, MMC, City Clerk

Approved: August 9, 2021