

Memorandum 10-08 Lease Committee Recommendations for RFP Lot 8D1, Homer Spit #6

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Memorandum Status: Backup

MEMORANDUM 10-08

TO: HOMER CITY COUNCIL & CITY MANAGER, WALT WREDE
FROM: LEASE COMMITTEE
DATE: DECEMBER 17, 2009
SUBJECT: RFP LOT 8D1, HOMER SPIT #6

Background

Home Run Oil submitted a proposal to the Lease Committee to construct a tank farm, fuel distribution hub and pipeline terminus on the Homer Spit on a portion of Lot 13, Homer Spit #5. The Lease Committee discussed the proposal at their October 8, 2009 meeting and asked for a recommendation from the Port and Harbor Advisory Commission. The Port & Harbor Advisory Commission reviewed the proposal at their October 28, 2009 meeting (memo attached) and recommended that Lot 8D1 would be their preferred location for the proposal since Lot 13 is designated as a Deep Water Dock staging area. If Lot 8D1 was not possible than they recommended the western portion of Lot 13 be considered. Map depicting the location of both lots is attached.

The Lease Committee discussed the issue at a Special Meeting on November 16, 2009. The unapproved minutes are attached. The Committee did not recommend the use of Lot 13 with the following motion:

HAWKINS/ALDERFER – MOVED THAT IN RESPONSE TO THE REQUEST FROM HOMER RUN OIL TO THE LEASE COMMITTEE FOR A LONG TERM LEASE OF A PORTION OF LOT 13 (HOMER SPIT #5) ON THE HOMER SPIT IN ORDER TO CONSTRUCT A TANK FARM, FUEL DISTRIBUTION HUB AND PIPELINE TERMINUS, THE LEASE COMMITTEE DENIES THIS REQUEST DUE TO THE CRITICAL NEED OF THIS PROPERTY AS SUPPORT FOR THE DEEP WATER DOCK PRESENT AND FUTURE CORE OPERATIONS, AS STATED IN THE CITY OF HOMER'S LAND USE PLAN.

VOTE. YES. HARVILLE, ALDERFER, HAWKINS, ABBOUD.
VOTE. NO. VELSKO

After further discussion, the following motions were made:

HAWKINS/VELSKO-THE LEASE COMMITTEE RECOMMENDS THAT THE HOMER CITY COUNCIL OFFER A REQUEST FOR PROPOSAL FOR LOT 8D1, HOMER SPIT #6, AS A PREFERRED LOCATION IN RESPONSE TO THE REQUEST FROM HOME RUN OIL FOR A LONG TERM LEASE ON THE SPIT FOR A TANK FARM, FUEL DISTRIBUTION HUB AND PIPELINE TERMINUS FROM THE CITY OF HOMER'S DEEP WATER DOCK.
VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

ALDERFER/HARVILLE – MOVED TO RECOMMEND PORT & HARBOR DIRECTOR AND CITY MANAGER TO INCLUDE ATYPICAL LEASE LENGTHS AS APPROPRIATE FOR THIS PROPOSAL PACKAGE.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Recommendation

Please review and recommend an RFP be offered for Lot 8D1, Homer Spit #6.

Related Resolutions **Memorandum - Related Resolutions:** [Resolution 10-07 Issue RFP to Lease Lot 8-D-1](#)

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