

**NOTICE OF MEETING
REGULAR MEETING AGENDA**

- 1. CALL TO ORDER**
- 2. APPROVAL OF AGENDA**
- 3. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA**
- 4. RECONSIDERATION**
- 5. APPROVAL OF SYNOPSIS**
 - A. February 9, 2012 meeting synopsis Page 1
- 6. VISITORS/PRESENTATIONS**
- 7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**
- 8. PUBLIC HEARING**
- 9. PENDING BUSINESS**
 - A. Review of comments from Port and Harbor Commissioners
 - B. Bond Application Process
 - C. Appoint Sub Committee to Evaluate Tariff Schedule, Rate Increase & Time Schedule
- 10. NEW BUSINESS**
- 11. INFORMATIONAL MATERIALS**
- 12. COMMENTS OF THE AUDIENCE**
- 13. COMMENTS OF THE STAFF**
- 14. COMMENTS OF THE COMMITTEE MEMBERS**
- 15. ADJOURNMENT/NEXT REGULAR MEETING IS THURSDAY, MARCH 8, 2012 at 5:30 in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.**

Session 12-02, a Regular Meeting of the Port and Harbor Improvement Committee was called to order by Chair Howard at 5:35 on February 9, 2012 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: Hartley (telephonic), Hawkins, Howard, Howard, Lewis, Wythe

STAFF: City Manager Wrede
Deputy City Clerk Jacobsen
Public Works Director Meyer

AGENDA APPROVAL

The agenda was approved by consensus of the Commission.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

RECONSIDERATION

There were no items for reconsideration.

APPROVAL OF SYNOPSIS

A. January 26, 2012 Regular Meeting Synopsis

The synopsis was approved as presented by consensus of the Commission.

VISITOR/PRESENTATIONS

No visitors were scheduled.

STAFF & COUNCIL REPORTS

PUBLIC HEARING

No public hearings were scheduled.

PENDING BUSINESS

A. Review of Engineer Estimates and Building Cost Schedules

Public Works Director Meyer reviewed the Cost Estimate Summary and commented that he felt the estimate was low. He reviewed the Happy Face building with the Steiner's and though the building would be more bang for the buck at \$1.7 million to rehabilitate and turn into the Harbormaster's building. They discussed a new building versus a remodel in relation to parking, eligibility of bonding, lot size, energy efficiency, and usable space.

Public Works Director Meyer commented that the float replacement costs are realistic as they are based on actual float replacement costs from projects the engineers were involved in last

year. The estimate is for total replacement and there will likely be some pilings that don't need to be replaced.

The group expressed surprised on the erosion control costs. Harbormaster Hawkins and Public Works Director Meyer felt there may be ways for to do it more cost effectively. An option they will research is a rock source across the bay rather than bringing it in from BC. It would help reduce cost for this and future projects. They felt the other estimates were close to what was expected.

There was discussion that although the cost is more than they started with, they have the reality in front of them. The work needs to be done and they need to move forward in considering what it will take to put this package together. Public Works Director Meyer clarified that the total engineer's estimate of \$12.4 million includes the \$1 million for design costs and the City may have \$.5 million of the design costs covered with a separate grant. Point was raised that there are some avenues to consider that might result in cost savings, and none of this will become less expensive by waiting. They can still look at moving forward with the \$5 million bonding.

B. Proposed Construction Schedule

C. Review Bonding Timeline and Amortization Schedule

Question was raised as to what percentage of rate increase will start to drive users away. Harbormaster Hawkins responded that he does not know the answer but did express that there should be annual rate increases to fund port and harbor reserves and taking on a bond would be in addition to an annual increase. There was discussion that funds from increasing the load launch ramp can only be used for the ramp, but it can replace funds used to staff and maintain it. Mr. Hawkins said they haven't really tracked those costs over the years but can.

The City has been talking to Representative Seaton about getting money for public buildings through the State budget or through a potential statewide GO bond for port and harbor projects.

Chair Howard requested to meet with the Port and Harbor Advisory Commission at their next meeting to look at the numbers and get their thoughts about moving ahead.

D. Harbor Rates Review and Consideration of a Sub Committee to Address Rate Increases

NEW BUSINESS

INFORMATIONAL ITEMS

COMMENTS OF THE AUDIENCE

There were no audience comments.

COMMENTS OF STAFF

City Manager Wrede noted that an amendment to the construction schedule is instead of complete engineering and design in December 2012, call it preliminary engineering and then move final design to March 2013. He also said staff will take a good look at the erosion control possibilities.

Public Works Director Meyer commented that there are some revenue aspects to making some of the improvements, system 5 for example. He encouraged them to take that into consideration as we look at our cash flow.

COMMENTS OF THE COMMITTEE MEMBERS

Mr. Hartley expressed that when meeting with the Port and Harbor Advisory Commission, the Commission will want a ball park on rate increases or they won't likely get a decision from them.

Mr. Howard commented that it would be beneficial to know how many years of life these facilities have left before it is absolutely necessary to spend the money.

Mr. Hawkins commented that staff could go deeper into the work to establish some priorities. He noted A float needs replacement, at R and S floats the pilings are forcing the issue, and ramp 3 is a safety issue. He agrees that staff will look at the harbor erosion project to find a different angle to address it. He doesn't think they should bond to do it.

Chair Howard complemented staff for the well laid out information so they could make good headway tonight.

ADJOURN

There being no further business to come before the Committee the meeting adjourned at . The next meeting is scheduled for Thursday, February 23, 2012 at 5:30 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____