

Session 16-10, a Regular Meeting of the Port and Harbor Advisory Commission was called to order by Chair Ulmer at 6:00 p.m. on December 7, 2016 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER CARROLL, HARTLEY, STOCKBURGER, ULMER, ZEISET, ZIMMERMAN

ABSENT: DONICH (excused)

STAFF: HARBORMASTER HAWKINS  
DEPUTY CITY CLERK JACOBSEN

### **APPROVAL OF THE AGENDA**

The agenda was amended to move Item C. Icicle Seafoods New Lease up to Item A under pending business.

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

### **PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA**

There were no public comments. Written comments from Kevin Hogan were provided as a laydown.

### **RECONSIDERATION**

### **APPROVAL OF MINUTES**

A. October 26, 2016 Regular Meeting Minutes and November 9, 2016 Special Meeting Minutes

Chair Ulmer called for a motion to approve the minutes.

CARROLL/HARTLEY SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

### **VISITORS/PRESENTATIONS**

### **STAFF & COUNCIL REPORT/COMMITTEE REPORTS/ BOROUGH REPORTS**

A. Port and Harbor Director's Report for November/December, 2016

Harbormaster Hawkins reviewed his staff report.

There was brief discussion about the Seattle Pacific Marine Expo, the vessel fire on November 3<sup>rd</sup>, the RFP for harbor lighting, and work with Derry and Associates addressing land platting issues.

## **PUBLIC HEARING**

## **PENDING BUSINESS**

- A. Memo to Port & Harbor Advisory Commission from Port Director Re: Icicle Seafoods New Lease dated December 1, 2016
  - i. City of Homer Ground Lease and Security Agreement
  - ii. Memo to Port & Harbor Advisory Commission from City Manager Re: Icicle Seafoods Lease Recommendations dated November 2, 2016
  - iii. Resolution 16-xxx Awarding New Lease to Cooke Aquaculture, dba Icicle Seafoods

Duff Hoyt, Icicle Seafoods Manager, was in attendance to answer questions.

Harbormaster Hawkins reviewed the information provided to the Commission. The actual lease is still being negotiated and isn't complete, so the attorney's weren't comfortable providing it yet. A copy of a blank ground lease document is included to show the Commission they are working on with Icicle. Fish Dock usage won't be included in the ground lease but addressed through a memorandum of agreement with the city.

There was brief discussion about lot 42 and confusion with lot lines and ownership. Once the title is cleaned up the city would like to own the property and Icicle is interested in leasing it as well.

The commission reviewed the "Next Steps" outlined in the memo and provided in italics below and provided the following feedback:

### ***The Fish Pump and Covered Awning***

*The City Manager and staff have discussed the fish pump and have come to the opinion that this opportunity should be opened up to other businesses in a competitive bid. We propose that a Request for Proposals (RFP) be advertised for the purpose of seeking bids from qualified firms to provide fish pump offloading services on the Fish Dock. We feel that this MOA should be a three to five year contract and that we would be seeking proposals that detailed how they would service not only their own fleet but other buyers' needs as well.*

*I think we should also discuss the possibility of allowing a second fish pump operation to be installed on the facility. Could another pumping operation help to alleviate congestion while at the same time bring more business across the dock?*

The commission agreed that another fish pump operation on the Fish Dock would be beneficial for the users. They spoke about what a request for proposal might entail and discussed scheduling a special meeting further consideration.

HARTLEY/CARROLL MOVED TO SCHEDULE A SPECIAL MEETING ON JANUARY 4, 2017 TO DISCUSS THE RFP FOR A FISH PUMP ON THE FISH DOCK.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

### **Ice Delivery System**

*Icicle currently has a pneumatic ice delivery system plumbed out onto the City's Fish Dock from their ice plant on Lot 41. Other buyers that bring their own ice onto the dock do so by tote and pay wharfage on the ice by the ton.*

*I would like to hear the commission's views on if Icicle should be allowed to continue have a distribution system on the dock, or not. Some talking points to consider:*

- *Does Icicle's delivery system compete with the City's ice sales?*
- *During peak use times, is there a fleet benefit to having another system that can deliver ice to the boats?*
- *Is this second system an effective backup system to our own ice plant in case our system breaks down?*
- *In the past there was no revenue (ice wharfage) paid to the City for ice delivered to the dock by Icicle. If the delivery system were allowed to remain on the dock what would the potential new revenue be?*
- *If allowed to continue, could there be parameters detailed in a MOA that would limit the impact on the City's ice sales? Examples: active during peak use times only, specify customers that they may deliver to (their fleet), tote delivery off season?*

*FYI – Even with this delivery system and ice plant at peak times, Icicle buys ice from the City. In the 2016 season they purchased 300 tons.*

The commission concurred that Icicle's delivery system competes with City's ice sales. Mr. Hoyt noted that Icicle does not sell their ice to anyone else, and buys ice from the city when needed. There have also been times the city's ice plant has been down and Icicle has stepped in. Icicles ice production is about half of the city's ice house.

The commission also see value in having two icing stations and for them to work together to ensure adequate and efficient ice delivery to vessels. There was discussion of the current set up with Icicle's pneumatic delivery system and the city's system, also trestle delivery and tote delivery.

There was no recommendation for ice wharfage and they will discuss it further at another meeting.

### **Fish Buying Shack**

*Currently Icicle is the only buyer allowed to leave a buying shed on the dock. All other buyers bring a shed onto the dock for the offload and then remove the shed once the transaction is completed. What are the commission's thoughts on this issue?*

There was discussion that there have been other requests for permanent shacks out there. Harbormaster Hawkins explained how temporary buying shacks have been dealt with in the past and that it isn't practical to have permanent shacks. He doesn't think it should be allowed for one but not

for all. Mr. Hoyt noted that currently they are the only processor that may be doing 24 hour days during the salmon runs.

They agreed to talk about this further at their next meeting.

Chair Ulmer asked if there is approval from the commission to support the following recommendation:

*The City Manager and Port and Harbor Staff recommends approving Resolution 16-xxx, awarding Cooke Aquaculture, Inc., dba Icicle Seafoods a 20-year lease with two, five-year options for Lot 41, HOMER SPIT SUB AMENDED ADL 18009, with an annual base rent of \$35,070.00, and authorizing the City Manager to move forward with lease negotiations and execute the appropriate documents.*

STOCKBURGER/HARTLEY SO MOVED

There was brief discussion clarifying this only addresses what's on lot 41 and that there are no performance clauses at this time.

VOTE: YES: ZIMMERMAN, ULMER, ZEISET, CARROLL, HARTLEY, STOCKBURGER

Motion carried.

- B. Homer Marine Repair Facility
  - i. Haul Out Trailer Info *(if provided by commissioners)*

Commissioner Carroll brought in a concept drawing that had drawn of a trailer being hauled out to help give a mental picture of what we are talking about.

Commissioner Stockburger commented that he spoke with the owner of Hostar at the Fish Expo. He offered some ideas about different things; one point was that 13 degrees is pretty steep to haul a large boat. They talked about trying to haul out at the beach where there is a shallower slope and some design options. There has been discussion with the Marine Trades group about trying to come up with a cooperative venture to purchase a trailer.

Commissioner Carroll added that he has talked to a company called Roodberg out of Holland that has been doing this for a lot of years. He is pursuing the question if a large trailer can haul a small vessel to have on trailer doing both. He is going to send pictures of the beach where the Kona Kai is hauled out and will let the commission know what he hears back. Mr. Carroll said the person he spoke to is interested in dealing with us.

Chair Ulmer asked for a recess at 6:50 p.m. and the meeting resumed at 6:53 p.m.

- C. Port & Harbor Crane Use Policy Draft Review
  - i. Crane Use Policy – Staff Guidelines
  - ii. Packet A: Individual User Agreements/Policies
  - iii. Packet B: Commercial User Agreements/Policies

Harbormaster Hawkins explained that this is a policy change that harbor staff has been working on with the attorney for over a year and that he would like the commission's support. They discussed the online training and testing that Port Maintenance Supervisor Aaron Glidden helped develop, and the process for getting permits and cards to use the cranes, and also the cost involved. Harbormaster Hawkins noted that a practical test will still be done on the dock.

HARTLEY/CARROLL MOVED TO ACCEPT THE STAFF GUIDELINES AND CRANE USAGE AGREEMENTS.

There was no further discussion.

VOTE: YES: ULMER, ZEISET, ZIMMERMAN, CARROLL, HARTLEY, STOCKBURGER

Motion carried.

## **NEW BUSINESS**

### **INFORMATIONAL ITEMS**

- A. Port & Harbor Monthly Statistical Report for October and November 2016
- B. Water/Sewer Bills Report for October 2016 and November 2016
- C. Crane and Ice Report
- D. Deep Water Dock Report
- E. Pioneer Dock Report
- F. Dock Water Report
- G. KSTK News Article Re: AAHPA Pushing for Tighter Derelict Vessel Laws dated November 4, 2016
- H. Anchorage Daily News Article Re: State Sues Company over Abandoned Barge dated November 25, 2016

There were brief comments regarding the stall wait list.

Harbormaster Hawkins commented that the budget passed for 2017 and there is a list of projects they got funding for, including putting zincs on the pilings in the harbor. He explained there are about 500 pile in the harbor and there is a company that specializes in electrolysis to help lay out a plan. They don't put zincs on new pilings because they would cause the galvanized material to go away faster. After about 20 years, the zincs need to be put on to protect and extend the life of the piling.

### **COMMENTS OF THE AUDIENCE**

### **COMMENTS OF CITY STAFF**

Deputy City Clerk Jacobsen advised Chair Ulmer and Commissioners Hartley and Stockburger that their terms expire on February 1, 2017. She will be sending them an email to confirm whether or not they want to request reappointment. She wished everyone Merry Christmas.

Harbormaster Hawkins thanked the Commission for their patience and support; he thinks we are doing good work here. He wished everyone Merry Christmas.

**COMMENTS OF THE COUNCILMEMBER *(If one is assigned)***

**COMMENTS OF THE CHAIR**

Chair Ulmer showed a t-shirt that has two circle hooks in the shape of a heart. She said she will be absent at the January 25<sup>th</sup> meeting.

**COMMENTS OF THE COMMISSION**

Commissioner Carroll said they are making progress. He told someone that being on the Port & Harbor Commission is most of the time death by minutia, stuff that is totally unrewarding, but once in a while something comes along like the large vessel haul out and he can get excited about working on that.

Commissioner Zeiset said he got to do a class at the college last night about marine electronics. Nine students signed up and two were younger folks interested in getting marine industry. They are taking every course available, not only electronics, and he thinks that's encouraging thing to see young people wanting to get involved in marine trades and stay here in Homer.

Commissioner Zimmerman said it was a smooth meeting and wished everyone happy holidays, be safe, and see you next year.

Commissioner Stockburger will be absent at the January 4<sup>th</sup> special meeting.

Commissioner Hartley had no comment.

**ADJOURN**

There being no further business to come before the Commission the meeting adjourned at 7:26 p.m. The next regular meeting is scheduled for Wednesday, January 25, 2017 at 5:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

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MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: \_\_\_\_\_