

Commissioner Zieset echoed his earlier comment. He believes it is wise to keep marijuana retail off of the City leased properties until there is a general idea of how everything will be run.

VOTE: 4 YES 0 NO. UNANIMOUS CONSENT.

Motion Carried

- B. Purchase of Lot 42 on Homer Spit
 - I. Memo from City Manager to Port and Harbor Commission Re: Purchase of Lot 42 on Homer Spit.
 - II. Draft Ordinance from City Manager Koester and Exhibit A map Overlay Sketch from TLO

Commissioner Stockburger asked Bryan how the City got into this mess with the Mental Health Land Trust to begin with.

Harbor Master Hawkins replied with a brief history between the Mental Health Land Trust and the City of Homer on Lot 42. In 1964 there was a different plat in place that was obliterated due to the 1964 Earthquake. The City re-platted that section of the Spit and gave notice to the State that the previous plat was void. Two years later the Borough became the Platting authority and also recognized the City's re-plat of the Spit. Now, the Mental Health Land Trust is stating that some of the previous plat still applies and was never voided. The City was served with a trespass notice, and since then has been in discussion with the Mental Health Land Trust. There was a special meeting held between the City of Homer and the Mental Health Land Trust with attorneys present, and the outcome was the compromise brought forth now. The City of Homer is not admitting that the Mental Health Land Trust owns Lot 42, but has taken the attorney's fees and everything else at risk into consideration. Ultimately, the City feels that buying Lot 42 would be the wisest and cheapest option moving forward.

The Commission clarified the property line of Lot 42 and had a small discussion about Mental Health Land Trust relinquishing their rights to the other Lots, along with the City purchasing Lot 42 for \$550,600.

Harbor Master Hawkins stated he looked at the business opportunity like this; "if I were looking back on this deal 10 years from now, would I see it as a bad deal?" He believes this deal is one that will benefit the City and the Harbor for years to come, so he doesn't think this is a "bad deal".

Commissioner Zimmerman expressed that his only issue with this deal is that the City is taking the money out of the General Fund, which in return the Harbor has to pay back plus interest. The City should pay for Lot 42 and not make the Harbor pay back interest, because it's in the best interest for the entire City, not just the Harbor.

Harbor Master Hawkins explained that this is the agreement that he and the City Manager has come up with, the other option would be for the Harbor to pay for the Lot out of their reserve fund, which they did not see feasible.

Commissioner Zimmerman feels that this issue is important and should be brought up in the future, but for now it may not be the right time to discuss the interest paid to the City.

STOCKBURGER/ZEISET - MOVED TO RECOMMEND AS WRITTEN

The Commission briefly discussed the businesses that are located on Lot 42 and what the process for obtaining the leases after the purchase.

VOTE. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. Meeting Schedule for 2018
 - I. Memo from City Clerk Jacobsen to Port and Harbor Commission Re: Meeting Schedule for 2018
 - II. Draft 2018 Meeting Schedule Ordinance

Commissioner Zimmerman asked the Commission their opinions on the draft 2018 meeting schedule.

Commissioner Stockburger stated that the only meeting that comes into question is the November 2018 meeting because most of the Commissioners leave for Conference that month. He stated that the Commission runs into this every year and in the past has chosen to take care of it when the meeting gets closer.

The Commission discussed the options of cancelling the November meeting or keeping the schedule the same.

STOCKBURGER/HARTLEY- MOVED TO APPROVE THE 2018 MEETING SCHEDULE AS PROPOSED

There was no discussion

VOTE. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL ITEMS

- A. Port & Harbor Monthly Statistical Report for September 2017
- C. Water/Sewer Bills Report September 2017
- E. Crane and Ice Report
- F. Deep Water Dock Report
- G. Pioneer Dock Report
- H. Dock Water Report
- I. Council Meeting Attendance