



MEMORANDUM

Ordinance 24-53 Adopting the revised Port of Homer Alaska Terminal Tariff No. 1

Item Type: Backup Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: October 2 2024
From: Bryan Hawkins, Port Director
Through: Melissa Jacobsen, City Manager

Staff conduct an annual review of our Port of Homer Tariff No. 1 to make sure it reflects our current policies and rates, submitting any prospective changes to the City for review and approval. The following information listed below pertains to this year's proposed edits/changes.

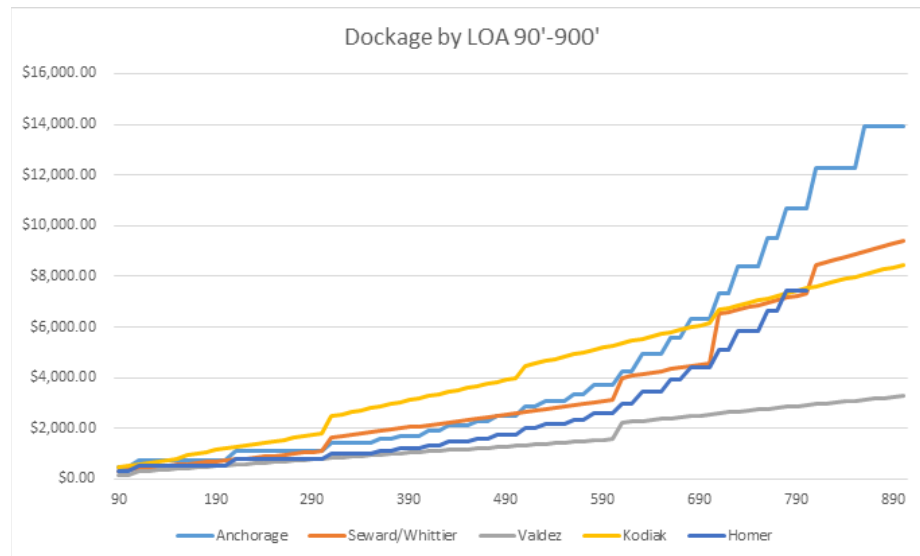
Policies

- Liability, indemnity, Insurance [RULE 5]- The City Lawyers and staff have revised the insurance language sections to clarify and better represent the requirements to protect both users and the City as they utilize harbor facilities.
- Special Terminal Use Permits [Rule 21.01]- For administrative reasons, all Terminal Use Permits have been changed from annual renewal requirements to every 3 years. The proposed language change is to reflect current policy

Fees

- Cold Storage Inspection fee \$50- removing fee- In practice, we don't use this fee.
- Stall Swap Request \$25- increase of fee to \$100- Stall Swap Requests represent individual preferences of a stall permittee who wishes to relocate to another location within their stall size class within the harbor. Unlike stall wait lists, these individual requests take significant staff time and attention in both the initial request period and the later tracking until a match is found. Also, unlike stall waitlists that require an annual fee to remain on the list, the stall swap request is a one-time fee and remains on file until a new location fitting the requested perimeters is found. Operations has requested an increase in this fee to \$100 to represent the associated staff time.
- Gangway and Camel Rental Fee -addition- We already rent these items. The addition of these fees in the tariff is intended to match the tariff to current operational administrative policy.

- Dockage, Deep Water Dock & Pioneer Dock- increase fee - We have not adjusted these fees in about a decade and a recent informal rate study conducted with similar nearby harbors has shown that we have been outpaced and our fees are too low to maintain the infrastructure effectively. (see attached graph). Staff recommend a 16% increase this year, with an annual 5% increase (mirroring our moorage rate structure) applied to following years moving forward. This planned increase would get us back to competitive rates by 2027. We also plan to conduct another informal comparison study again in 3-5 years to reassess.



- Dry moorage- Large Vessel Haul Out Facility- add- Due to overcrowding within the harbor basin, during the winter months on System 5, available space at the Large vessel haul out facility has been utilized for dry moorage with preference of use/space always given to those vessels that are conducting work.
- Parking, Monthly pass for vehicles over 20ft, decrease- The decrease from \$85 to \$70 for the monthly parking pass for vehicles over 20ft is necessary with the new online ability to purchase parking passes. A “monthly pass” will now simply be \$70 for ease of both software and human navigation.
- Moorage- increase fee- Adjustments for next year’s commodity rate have been added in preparation for January 1 2025 per the Homer Harbor’s current moorage rate and CPI increase policies.

Port and Harbor Advisory Commission made a motion in support of tariff changes and recommended council approval of Ordinance 24-53

RECOMMENDATION:

Move to recommend Council approval of Ordinance 24-53 adopting the proposed changes to Tariff No. 1.