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Port and Harbor Advisory Commission

RESOLUTION 15-072

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE PORT OF HOMER TERMINAL TARIFF NO. 600 AND
THE CITY OF HOMER FEE SCHEDULE ANNUAL MOORAGE RATES.

WHEREAS, City Council Resolution 06-100 resolves to establish a goal of gradually, over ten years, attaining a cash balance in depreciation reserve accounts equal to 40% of depreciable capital assets (excluding land); and

WHEREAS, In November 2012, the Homer City Council allocated \$20,000 for the purpose of a port and harbor fee and tariff rate study; and

WHEREAS, In May 2013 an RFP was issued requesting proposals from qualified firms to enter into a contract to conduct the study; and

WHEREAS, The contract was awarded to Northern Economics who completed the work in November 2013; and

WHEREAS, Northern Economics presented the report to the City Council in December, 2013 and forward the report to the Port and Harbor Commission with the direction to review and implement; and

WHEREAS, The Commission determined to focus on the harbor rates as its first priority of recommendations of the report; and

WHEREAS, Northern Economics recommended either a square foot method or a graduated linear foot method (the per foot moorage rate increases as vessels become longer) to achieve a fair and equitable distribution of moorage fees; and

WHEREAS, The Commission considered and rejected a square foot method to achieve the rate increase over a ten year period; and

WHEREAS, The Commission has selected the graduated linear foot method as its preferred alternative to achieve a fair and equitable rate distribution; and

WHEREAS, The Commission has determined it necessary to increase rates at 3.2% per year for the next ten years, plus the annual consumer price index (CPI) to achieve the financial goal; and

WHEREAS, The Commission held an open house on April 22 and a public hearing on June 24 to receive testimony.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby amends the Port of Homer Terminal Tariff No. 600 and the City of Homer Fee Schedule for annual moorage fees to include a 3.2% moorage fee increase per year in addition to the annual CPI increase effective January 1, 2016 and;

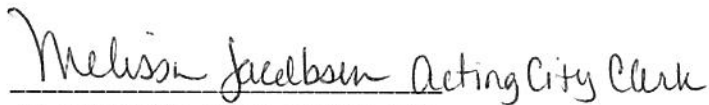
BE IT FURTHER RESOLVED that a graduated linear foot rate structure be developed, along with its implementation schedule in time for its use in assessing moorage rates effective January 1, 2017.

PASSED AND ADOPTED by the Homer City Council on this ^{24th}~~10th~~ day of August, 2015.

CITY OF HOMER


MARY E. WYTHE, MAYOR

ATTEST:


JO JOHNSON, MMC, CITY CLERK

Fiscal Note: N/A