

Session 11-06, a Special Meeting of the Port and Harbor Improvement Committee was called to order by Chair Howard at 4:40 on October 17, 2011 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: Hartley, Hawkins, Howard, Howard, Lewis, Wythe

STAFF: City Manager Wrede
Deputy City Clerk Jacobsen

AGENDA APPROVAL

The agenda was approved the agenda 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. Regular Meeting Synopsis of October 6, 2011.

The synopsis was approved by consensus of the Committee.

VISITOR/PRESENTATIONS

No visitors were scheduled.

STAFF & COUNCIL REPORTS

There were no staff or council reports.

PUBLIC HEARING

No public hearings were scheduled.

PENDING BUSINESS

No pending business items were scheduled.

NEW BUSINESS

A. Memorandum from Port Revenue Bond Committee to City Council Re: Proposed Revenue Bond Sale for Harbor Improvement Projects

City Manager Wrede reviewed the memorandum.

Chair Howard asked for the status on the load & launch ramp funding. City Manager Wrede advised that he has a grant agreement that is being carefully reviewed before it goes to Council. Phase I requires no match as it will be 75% federal funds and 25% state funds, up to \$350,000, and

the City would pay the rest. The construction phase is estimated at \$3.3 million and at this point a state match can't be confirmed since it won't happen until 2013, but they will try to do it. The grant manager's with Fish and Game were unsure that the City could use bond revenue for their portion because of federal regulations. Staff is researching with funding agencies to see if we could apply for the state/federal matching grant program for our 25%. All indications are that we can do that, and if that is the case we don't need to bond for this project.

Mrs. Wythe suggested rewording the middle line of the paragraph regarding the load and launch ramp funding to say that it could be funded, since we aren't sure at this point.

There was discussion to confirm the ranking of projects and it was established that the ranking is as followed:

1. Load Launch Ramp
2. Ramp 3 Gangway
3. System 5 Upgrades
4. Harbor Float Replacement
5. Harbor Office
6. Harbor Entrance Erosion Control

Further comments regarding the memorandum included:

- Softening the goal or intent of the new harbor building having tenants.
- The project costs are still old numbers. If the Council approves the concept of bonding then the numbers will be refined and will go back to Council a few times before it is finalized.
- Change the amortization period from 10 to 20 years. The life of these projects will last longer than 10 years and this will keep the rates lower to users.

B. Draft Resolution Regarding Recommendations to Council

The Committee commented that the resolution needs to be amended to correlate with the changes in the memorandum.

C. Development of Presentation to Council

It was determined that Mrs. Wythe will give the presentation to Council since City Manager Wrede will be absent at the meeting. They reviewed what information City Manager Wrede intended to include.

Specifics about the presentation included:

- It will be done as a laydown packet, not a power point.
- Mr. Hawkins will provide photos.
- Explaining how these improvements will improve things like future efficiency, services to the customer.
- Emphasizing the Economic Development points as this will bring jobs to the community, from the work that will be done and after the work is completed.
- Another aspect is our responsibilities as an enterprise in maintaining the facility. It is the purpose of the rate increase and focused effort on making these improvements.
- We need to take the lead to have a better facility and not focus on rate comparisons.
- These are dedicated revenues they are going back into the harbor.
- Outlining what this will do for the customers here now and customers who we hope will come after knowing have facilities for them.

Mr. Hawkins commented that rate increases will be a hot topic and it is his feeling that the harbor user's support in is important.

There was discussion about involving the Port and Harbor Advisory Commission. They need to be provided the Harbor budget information and a copy of what is being presented to Council. They will have an opportunity to provide feed back during the process and should schedule a public hearing at their November Meeting.

HOWARD/LEWIS MOVED TO CANCEL THE OCTOBER 20th MEETING.

There was discussion that they don't feel the need to meet again to review Mrs. Wythe's work on the presentation.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL ITEMS

There were no informational items.

COMMENTS OF THE AUDIENCE

There were no audience comments.

COMMENTS OF STAFF

City Manager Wrede said he will do the updates and provide a copy to Chair Howard and Mrs. Wythe to review.

COMMENTS OF THE CHAIR

Chair Howard had no comments.

COMMENTS OF THE COMMITTEE MEMBERS

There were no Committee Member comments.

ADJOURN

There being no further business to come before the Committee the meeting adjourned at 5:17 p.m. The next meeting is scheduled at a time to be determined.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____