

Session 12-01, a Regular Meeting of the Port and Harbor Improvement Committee was called to order by Chair Howard at 5:35 p.m. on January 26, 2012 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 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. December 8, 2011 Regular Meeting Synopsis

The December 8, 2011 regular meeting synopsis was approved by consensus of the Commission.

### **VISITOR/PRESENTATIONS**

No visitors were scheduled.

### **STAFF & COUNCIL REPORTS**

### **PUBLIC HEARING**

No public hearings were scheduled.

### **PENDING BUSINESS**

### **NEW BUSINESS**

A. Set Meeting Schedule to Complete Committee Work

The Committee set the next meeting date for February 9<sup>th</sup> at 5:30 and continue on alternating Thursdays.

B. Make Necessary Adjustments to Project List Including Best Alternative for Compliant, Efficient Harbor Office Facility or Determine Defensible Cost for Possible Alternatives for Bonding

City Manager Wrede advised the Committee that he and Port and Harbor Director Hawkins looked at the Happy Face Restaurant building that is for sale on the spit. The building is 7000 square feet and has an excellent view of the harbor area, but would require a lot of work to remodel. They will be getting a copy of the plans to review. If they are interested in the building the next steps would be a building inspection, engineering estimate, and an appraisal. Mr. Wrede commented that he plans to talk to the owners of El Pescador as well. The committee requested an estimate on the cost of upgrades to the Happy Face, the purchase price of El Pescador and also the estimated cost to relocate the building to a suitable location, and the estimates for a new building.

The committee considered the memorandum from the Port and Harbor Advisory Commission regarding their rankings of the project list. Port and Harbor Advisory Commission Chair Ulmer was in attendance and reviewed the Commission's process in ranking. It was pointed out that the Committee ranked the projects based on ability to receive funding to complete the project.

There was discussion regarding removing the load and launch ramp from the project list since the phase one funding doesn't appear to require a local match. The Committee also considered alternative funding for the erosion control project. Mr. Hawkins explained that the erosion control might be able to be tied in with spit trail completion project. The erosion control estimate is at \$600,000 and Mr. Hawkins will continue to pursue how much will be available from the \$2 million grant.

It was pointed out that removing the load and launch ramp and renumbering the remaining projects puts the Committee and Commission ranking the same for projects one and two. Mr. Hawkins reminded the group that the \$440,000 Denali Fund grant is still expected to come through for construction ready plans for ramp 3 gangway replacement approach, harbor float replacement, and the system five electrical upgrade. It was noted that there is a line item in the capital budget for public buildings. There were comments that it could be considered for state funding but the cost could need to come down and having a local match would be beneficial.

WYTHE/LEWIS MOVED THAT THE PRIORITY LIST ORDER BE 1. RAMP 3 GANGWAY; 2. SYSTEM 5 UPGRADE; 3. HARBOR FLOAT REPLACEMENT; 4. PORT AND HARBOR BUILDING; 5. HARBOR EROSION CONTROL

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was discussion regarding the CIP list and that these projects were presented as a group with no specific priority outlined in Councils recommendation. This would be a sub category of priority.

The Committee also considered leaving the load and launch ramp on the list in the event that future phases might require requests for funding.

WYTHE/HOWARD MOVED TO ADD THE LOAD AND LAUNCH RAMP BACK AS PRIORITY ONE.

Councilmember Wythe noted that it is the item we have the most potential funding for already.

**VOTE: NON OBJECTION: UNANIMOUS CONSENT**

Motion carried.

**C. Review and Complete Bond Application**

City Manager Wrede reported that he is waiting for the estimates to come in before preparing the application. At the request of the Committee he will attempt to bring back clarification of the bonding time line and an amortization schedule for to the next meeting.

**D. Develop Timeline for Funding/Construction of Each Project**

The Committee requested a general timeline lay out for project completion. City Manager Wrede said he will work with the Port and Harbor Director and Public Works Director to have that information for February 9<sup>th</sup>.

**E. Consider Establishing a Sub-Committee to Review Tariff Schedule for Possible Rate Adjustments and Prepare Recommendations for Full Committee Review**

The Committee recognized they will need to know debt load in order to know how much will be needed through rate increases. Their timeline will include having a recommendation for rate increases to the Port and Harbor Advisory Commission to consider at their March 28 meeting. The Committee will plan to have their recommendation finalized at the March 15 meeting.

City Manager Wrede commented that in discussion regarding the federal funding for the load and launch ramp, the feds would not agree to raising funds at the load and launch ramp to pay for the 25% match. They will need to come up with that money from the enterprise fund or through the Harbor Matching Grant program. He will pursue clarification on that.

**F. Establish Rate Increase Schedule to Support Cash Flow Schedule**

**G. Prepare Recommendations for Council Consideration and Action**

**INFORMATIONAL ITEMS**

No informational items were included.

**COMMENTS OF THE AUDIENCE**

Mrs. Ulmer thanked the Committee for their work.

**COMMENTS OF STAFF**

There were no further staff comments.

**COMMENTS OF THE CHAIR**

**COMMENTS OF THE COMMITTEE MEMBERS**

PORT AND HARBOR IMPROVEMENT COMMITTEE  
REGULAR MEETING SYNOPSIS  
JANUARY 26, 2012

Chair Howard commented that she reviewed the annual report from the Port and Harbor Advisory Commission packet and it was mind boggling the work that is being performed out there. She asked for a presentation to be given to the City Council. She also noted that the articles about the harbor in the Homer News are coming at a good time and asked that the articles be saved and used for selling points.

There were no other Committee Member comments.

**ADJOURN**

There being no further business to come before the Committee the meeting adjourned at 6:33 p.m. The next meeting is scheduled on Thursday, February 9, 2012 at 5:30 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: \_\_\_\_\_