

**NOTICE OF MEETING
REGULAR MEETING AGENDA**

- 1. CALL TO ORDER**
- 2. APPROVAL OF AGENDA**
- 3. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA**
- 4. RECONSIDERATION**
- 5. APPROVAL OF SYNOPSIS**
A. March 22, 2012 meeting synopsis **Page 1**
- 6. VISITORS/PRESENTATIONS**
- 7. STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS**
- 8. PUBLIC HEARING**
A. Port and Harbor Revenue Bond Project Plan **Page 5**
- 9. PENDING BUSINESS**
- 10. NEW BUSINESS**
A. Memorandum from Port and Harbor Director Re: Erosion Control Project Funding
Update and Consideration of Amendments to the Project Plan **Page 9**
- 11. INFORMATIONAL MATERIALS**
- 12. COMMENTS OF THE AUDIENCE**
- 13. COMMENTS OF THE STAFF**
- 14. COMMENTS OF THE COMMITTEE MEMBERS**
- 15. ADJOURNMENT/NEXT REGULAR MEETING IS THURSDAY, MAY 3, 2012 at 5:30 in the
City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.**

Session 12-04, a Regular Meeting of the Port and Harbor Improvement Committee was called to order by Vice Chair Wythe at 5:30 on March 22, 2012 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Present: Mrs. Wythe, Mr. Hartley, Mr. Howard, Mr. Hawkins

Absent: Mrs. Howard, Mr. Lewis

Staff: City Manager Wrede
Deputy City Clerk Jacobsen

APPROVAL OF AGENDA

The agenda was approved as presented by consensus of the Committee.

PUBLIC COMMENTS

None

RECONSIDERATION

None

SYNOPSIS APPROVAL

A. March 8, 2012 Meeting Synopsis

The synopsis was approved by consensus of the Committee

VISITORS

REPORTS

PUBLIC HEARING

PENDING BUSINESS

NEW BUSINESS

A. Review Tariff Recommendation

Mr. Hawkins reviewed the information provided in his memorandum to the Tariff Sub-Committee and they discussed revised numbers from last night's sub-committee meeting. They addressed fuel wharfage rates, ice and crane fees, moorage, and the head tax that is in the tariff but not enforced at this time.

HOWARD/HARTLEY MOVED TO INCREASE THE FUEL WHARFAGE TO TAKE IT FROM 1.03 CENT PER GALLON TO TWO 2 CENTS PER GALLON.

It was noted that it is approximately an 89% increase. There was brief discussion supporting the motion and it was noted that it will be implemented over two years.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

HOWARD/HARTLEY MOVED TO INCREASE MOORAGE RATE BY 15% TO BE APPLIED OVER TWO YEARS.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

HOWARD/HARTLEY MOVED FOR ALL RATES BEING CONSIDERED BE INCREASED OVER AT TWO YEAR PERIOD IN EQUAL INCREMENTS, 50% EACH YEAR.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

HOWARD/HARTLEY MOVED TO INCREASE ICE FEES BY 10% OVER A TWO YEAR PERIOD.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

HOWARD/HARTLEY MOVED TO INCREASE THE CRANE RATE BY 10% OVER A PERIOD OF TWO YEARS.

Mr. Hawkins commented in opposition to increasing crane fees. The fees are already high and it is hard to see them go over \$100 when compared to other facilities in the state.

VOTE: NO: HAWKINS, HARTLEY, WYTHE, HOWARD

Motion failed.

HOWARD/HARTLEY MOVED TO START ENFORCING THE HEAD TAX AND MODIFY TO INCLUDE ALL PASSENGER CARRYING VESSELS FOR HIRE AND IMPLEMENT OVER A TWO YEAR PERIOD.

There was discussion clarifying that it be enforced at the tariff rate so for two year implementation it is \$1 this year and \$1 next year.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mr. Hartley asked to have Seward's head tax rate at the Port and Harbor Commission meeting.
HOWARD/HARTLEY MOVED TO INCREASE DOCKAGE TO 100% OF THE ANCHORAGE GRADUATED RATE OF 2011 AND INCREASE THE RATES OVER A TWO YEAR PERIOD.

Mr. Hawkins suggested instead of specifying the 2011 rates changing it to the current advertised rates to stay consistent, then if Anchorage increases their rates within the next two years, the City would increase theirs as well.

WYTHE/HAWKINS MOVED TO AMEND TO 100% OF THE ANCHORAGE GRADUATED RATE OVER TWO YEARS.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no discussion.

VOTE: (Main motion as amended) NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

HOWARD/HARTLEY MOVED THAT WE DO NOT MODIFY THE SEAFOOD WHARFAGE RATE.

There was discussion that the increase is not a lot of money and it is beneficial to have incentive for more fish processing. There are other ways to promote that.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Consideration was given to the notion of dedicating the funds to show the money will be segregated and to be used for the purpose of paying off the bond. Question was raised whether it will imply that when the bond is paid off the money will no longer be collected. They agreed that discussion of a statement of intent in a resolution might be enough. They talked about rough numbers and think the proposed increases should be enough to cover the bond repayment.

B. Public Outreach Schedule

The Committee reviewed the list of user groups that they should do outreach with. The groups include the Homer Yacht Club, Homer Charter Association, North Pacific Fisheries Association, Homer Marine Trades Association, and Alaska Charter Association.

They assigned the following tasks:

- Harbormaster Hawkins will work on the fact sheet and power point for the Committee's presentation.
- Clerk's office will schedule Committee of the Whole, Economic Development Advisory Commission and Port and Harbor Advisory Commission Meetings, schedule the Coffee Table with KBBI, and any other public notice that would be required.
- Staff will work on getting information on the City website.
- Move the feature articles up one week. City Manager Wrede will work with Mr. Hawkins and prepare the articles.

Suggestions for the fact sheet include:

- The reason for establishing the Committee
- What revenue bonding means
- What the money will be used for
- Why they are selecting targeted projects
- How matching funds tie in
- Play on the fact that we won't stop looking for other money, but quit waiting for other money while our facility continues to deteriorate
- Taking a proactive stance and hope the result is that government sees it and wants to work with us
- Include photos showing the need for these improvements and timelines
- Asset value compared to depreciation funds
- How long the projects have been on the CIP list

INFORMATIONAL MATERIALS

None

AUDIENCE COMMENTS

None

STAFF COMMENTS

None

COMMITTEE COMMENTS

None

ADJOURN

There being no further business to come before the Committee the meeting adjourned at 6:07 p.m. The next meeting is scheduled on April 5, 2012 at 5:30 pm at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____

**CITY OF HOMER
PUBLIC HEARING NOTICE
PORT AND HARBOR IMPROVEMENT COMMITTEE MEETING**

A public hearing is scheduled for Thursday April 19, 2012 during a Regular Port and Harbor Improvement Committee Meeting. The meeting begins at 5:30 p.m. in the Homer City Hall Conference Room located at 491 E. Pioneer Avenue, Homer, Alaska.

Port and Harbor Revenue Bond Project Plan

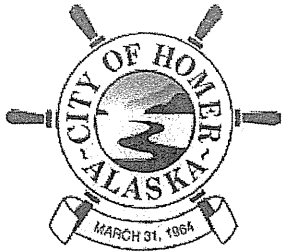
(The purpose of the Revenue Bond is for Improvements to the Port and Harbor Facility that Include Upgrade to System 5-Vessel Shore Power and Water, Harbor Float Replacement, Ramp 3 Gangway and Approach, Port & Harbor Building, Harbor Entrance Erosion Control, and the Load and Launch Ramp)

All interested persons are welcomed to attend and give testimony. Written testimony received by the Clerk's Office prior to the meeting will be provided to the Committee.

** Copies of proposed project information are available for review at Homer City Clerk's Office. Copies of the proposed project information are available for review at City Hall, the Homer Public Library, the City of Homer Kiosks at City Clerk's Office, Captain's Coffee, Harbormaster's Office, Redden Marine and the City's homepage- <http://clerk.ci.homer.ak.us>. Contact the Clerk's Office at City Hall if you have any questions. 235-3130, Email: clerk@ci.homer.ak.us or fax 235-3143.

Melissa Jacobsen, CMC, Deputy City Clerk

Publish: Homer Tribune April 11, 2012



Harbor Improvement Revenue Bond Projects

PROJECT DESCRIPTION & BENEFIT: This project will utilize municipal revenue bonds along with state and federal grant funds to accomplish six significant harbor improvement projects:

- Port & Harbor Building—will replace the existing Port & Harbor building (Harbormaster’s Office) constructed in 1983. The building is substandard with electrical, lighting, and heating deficiencies, and does not meet codes and standards for occupancy as an office building. The new building is being planned as overslope development. Cost: \$2,875,000.
- Harbor Entrance Erosion Control—will construct a rock revetment to replace the badly damaged and disintegrating log cribbing that was installed as a temporary erosion control measure in 1995. Rip-rap reventment would extend 935 feet from the jetty entrance of the harbor to the existing reventment near the Ferry Terminal, providing critical shore/infrastructure protection. Cost: \$600,000.
- Ramp 3 Gangway and Approach—will replace the existing Ramp 3 which dates back to the mid-1960s. This ramp is the steepest ramp in the harbor and difficult to use during very low tides. At 100 feet long, the new ramp will be less steep and therefore ADA compliant. It will be constructed of aluminum and covered by an awning to keep it snow and ice-free for year-round access. The existing Ramp 3 approach, a long narrow wooden structure in poor condition, will also be replaced. Cost: \$1,700,000.
- Harbor Float Replacement—will replace some of the oldest and most badly damaged floats in the harbor. These floats are plagued by worn and irregular walking surfaces, bull rails in need of replacement, ice damage to pilings, and broken sidewalks with exposed flotation. A total of 1,706 linear feet will be replaced: A Float, connecting E-J; J Float, R Float, and S Float. Cost: \$3,500,000.
- Upgrade System 5 – Vessel Shore Power and Water—will provide System 5, the large vessel float system in the Homer Harbor, with additional power pedestals and a year-round fresh water supply to meet the needs of the large vessel fleet and attract new vessels to be home-ported in Homer. Cost: \$530,000.
- Load and Launch Ramp—will reconstruct the entire Load and Launch Ramp facility, replacing all five lanes along with the floats and piles. The existing ramp is suffering from age-related wear and tear and has been judged by the Alaska Dept. of Fish and Game to be in need of replacement. The facility serves small boaters from all over south-central Alaska. Cost: \$3,500,000.

PLANS & PROGRESS: 80% of design and engineering funds have been procured through a Denali Commission Waterfront Development grant for three of the projects: Ramp 3 Gangway and Approach, Harbor Float Replacement, and System 5 Upgrade. The same three projects are also eligible for an Alaska Municipal Harbor Facility grant, which would cover 50% of construction costs. Local revenue bonds can be used to meet the 50% match requirement for this grant program. Load and Launch Ramp reconstruction may be accomplished with a Federal Aid in Sport Fish Restoration Act grant together with state matching funds (provided through the Dept. of Fish and Game).

Total Project Cost: \$12,705,000

Amount covered by existing or projected grant funds = \$6,530,000 as follows:

\$440,000 (Denali Commission grant – already secured)

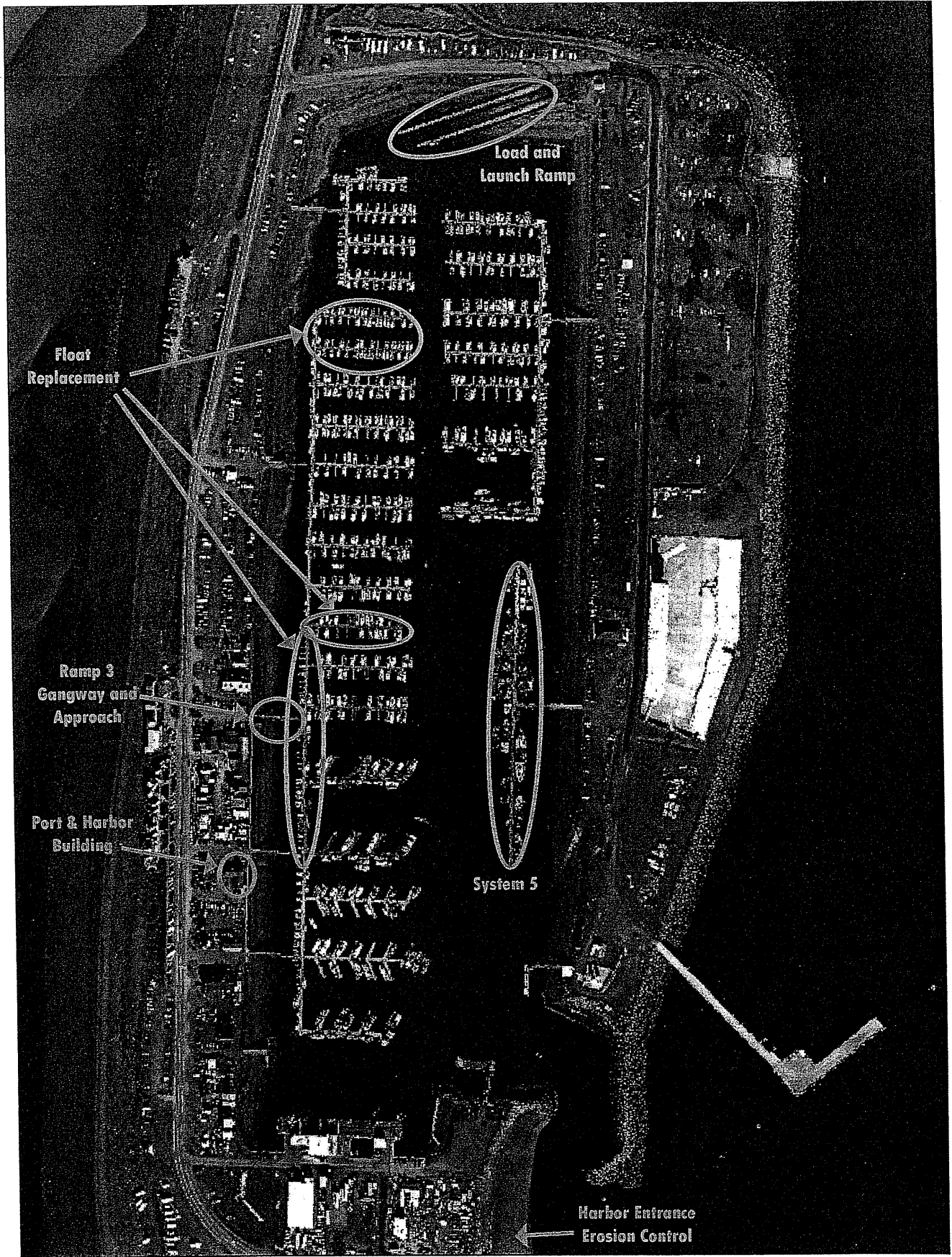
\$3,377,500 (Municipal Harbor Facility grant – to be requested after revenue bond sale is approved)

\$2,712,500 (Federal Aid in Sport Fish Restoration Act funds plus state Fish and Game funds)

Remaining (local responsibility) = \$6,175,000

Schedule: 2012-2014

Priority Level: 1






City of Homer

Port / Harbor

4350 Homer Spit Road
Homer, Alaska 99603-8005

Telephone (907) 235-3160
Fax (907) 235-3152
E-mail port@ci.homer.ak.us
Web Site <http://port.ci.homer.ak.us>

MEMORANDUM

TO: HARBOR IMPROVEMENTS COMMITTEE
CC: WALT WREDE, CITY MANAGER
FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER 
DATE: APRIL 13, 2012
SUBJECT: GRANT MONEY & MATCHING FUNDS

On review of the harbor improvement project funding requirements, I spoke with Mr. Michael Lukshin, P.E. State of Alaska Ports and Harbors Engineer, who is in charge of the Municipal Harbors Grants program. I described our project list to him over the phone and learned that the harbor entrance erosion control project would not be eligible for funding in the state program. For the sake of clarity, we changed the monies worksheet to show the erosion project under the local funds column and changed the totals to reflect the new amount needed for bonding.

I apologize for not catching this sooner but Mr. Lukshin assured me that it is still early in the game and that he would be more than willing to review our proposal and give feed back any time to help keep us on course.

Also found during review and adjusted was the Denali Commission Grant monies to reflect our 25% matching requirement.

Recommendation

Discuss the funding requirements for the revised project list and make recommendations as to whether the erosion project should be kept on the list and funded locally, or if it would be better to keep looking for other funding opportunities for this project. Other options could include substituting the entrance erosion project for an alternative harbor project that would qualify in the states municipal grant program or dropping it from the list and only apply for funding for the remaining three projects.

Attached: Grants & Matching Funds Needed Worksheet

Project Description	Grant Funding	Local Funding
Port and Harbor Building*		\$1,631,000
Harbor Entrance Erosion Control*		\$2,288,000
Ramp 3 Gangway & Approach	\$795,000	
Harbor Float Replacement	\$6,783,000	
Upgrade System 5 – Vessel Shore Power	<u>\$971,000</u>	
	\$8,549,000	
= Denali Grant Monies (25% matching required)	<u>- \$330,000</u>	\$110,000
	\$8,219,000	
50/50 Match (half of total)		<u>\$4,109,500</u>
Total amount needed		\$8,138,500
Annual Bond Payment (\$70,361 per million)		\$633,249

*not eligible for grant program

Grants & Matching Funds Needed

The math behind the numbers & how much should we bond for

